LDC BRIEFING

NAPAs and NAPs in Least Developed Countries

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In 2010, the 16th Conference of Parties (COP 16) to the United Nations Framework Convention on Climate Change (UNFCCC) established a process to enable Least Developed Countries (LDCs) to formulate and implement national adaptation plans (NAPs) as a way to plan and implement "medium- and long-term adaptation needs", building on their experience in addressing short-term "urgent and immediate adaptation needs" through the National Adaptation Programmes of Action (NAPAs). Other developing country Parties were also invited to use the modalities to formulate their NAPs.

The following year, COP 17 in Durban defined the objectives of the NAP process, to:

- reduce vulnerability to the impacts of climate change, by building adaptive capacity and resilience; and
- facilitate integration of climate change adaptation, in a coherent manner, into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies, within all relevant sectors and at different levels, as appropriate.

The LDC Expert Group (LEG) prepared Technical Guidelines for the NAP process in 2012, based on the COP's initial guidelines. The review of the guidelines will now take place at COP 20 in Peru, in 2014, based on comments submitted by Parties to the Subsidiary Body for Implementation, on their experience with the application of the guidelines.

This brief considers the **differences and similarities between NAPAs and NAPs**; activities that can be funded under the NAP process based on the existing priorities and circumstances of LDCs, including **"no-regret" measures** and the **integration of NAPs into national development plans and strategies**; NAP **financial and technical support**; and NAP **monitoring and evaluation**.

NAPAs and NAPs

COP 17 noted that adaptation planning should be "continuous, progressive and iterative". The "NAP process" is seen as a larger process for enabling planning and implementation of adaptation at the country level, within the broader development context. It will produce many outputs ranging from actions to assess and fill capacity gaps, to national adaptation plans or a series of plans that contain adaptation priorities and strategies for implementation. The outputs of the NAP process may, depending on a country's priorities, include more urgent and short-term NAPAs or NAPA-like activities, longer-term national, sub-regional and local climate adaptation plans and activities, and other relevant plans and/or processes, such as sector-based and development plans.

The NAP process builds on the NAPA process in several ways, maintaining a country-driven, participatory, multidisciplinary and gender sensitive approach. However, the medium- and long-term perspective of the NAPs process means that countries require more sustainable and permanent institutional arrangements for continuous and iterative adaptation planning, to be integrated into national development planning processes. Gaps and needs for technical capacity, data and information required at various levels of adaptation planning will also need to be addressed.

The COP's initial guidelines as well as the LEG Technical Guidelines place emphasis on building on work already undertaken, and strengthening the enabling environment for a sustainable process for adaptation

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planning and mainstreaming at the country level.

Potential activities under NAPs

"No regret options"

Many countries use probability or likelihood assessments to guide adaptation planning, categorise how likely modeled changes and impacts are, and assess the level of confidence in climate change estimations. However, the quantity and quality of data in LDCs (and many developing countries) is often limited. Although this will improve as opportunities, resources and capacity become available, LDCs are already faced with the challenge of developing adaptation measures. In order to provide robust policy responses in the face of this uncertainty, LDCs can explore low-cost and "no regret" adaptation strategies as they seek to improve upon their medium- to long-term adaptation risk assessments.[1]

A number of LDCs have already initiated this process. For instance, the **Solomon Islands** and **Rwanda** prioritise "no-regret" response measures that support enabling conditions and institutional environments, thus solidifying a base to support both climate adaptation and economic development. **Bangladesh** and **Nepal** prioritise response measures based on the most vulnerable regions or populations. **Haiti** has prioritised two geographic regions that experience different levels of climate risks, while also forecasting the consequences and impacts of climate change on key sectors of the national economy, and seeking to strengthen the resilience of both rural and urban communities.

The NAP processes can therefore be useful to prioritise and pursue "no- regret" options on the short term, while reviewing critical current and future climate risks and refining assessments of economic impacts of climate risks, in order to target adaptation investments better, and evaluate trade-offs between inter-related sectors.

Integrating NAPs into national development plans and priorities

For many LDCs, potential economic impacts of climate change on key sectors dictate that increased attention be paid to addressing these issues directly within the sector and national development plans. Many countries have prepared initial vulnerability and risk assessments and proposed initial adaptation measures as part of national communications to the UNFCCC or national planning processes, but need to iteratively refine these plans and define pathways for integration with sector and development plans.

Opportunities to mainstream climate plans into national development and sector plans can range from targeted interventions to create linkages, particularly as development and sector plan revisions occur, to more comprehensive integrated planning and harmonisation between levels (local, sub-regional and national).

Many LDCs have already committed to mainstream climate change into development planning and processes – including, for instance, the **Solomon Islands**, where one of the eight objectives of the National Development Strategy (2011–2021) is to mainstream climate change into national development planning; **Rwanda**, which seeks to mainstream climate change into its Vision 2020, Economic Development and Poverty Reduction Strategy 2013-2017 and sector strategies; **Uganda**, where the National Development Plan (2010/11–2014/15) identifies climate change as an 'enabling sector' to provide a conducive environment and framework for efficient performance of all sectors of the economy; **Bangladesh**, where the Climate Change Strategy and Action Plan offers a blueprint for mainstreaming climate change issues into planning processes; **Bhutan**, where the 11th Five Year Development Plan (2013-2018) has climate resilience and a carbon neutral goal as key result areas at the national and sectoral levels; and **Cambodia**, which aims to mainstream climate change into the National Strategic Development Plan (NSDP) for 2014–2018.

In some LDCs, national development plans indicate future efforts to plan for adaptation and bring that into development planning. For instance, **Burundi's** Vision 2025 notes the importance of addressing climate change impacts on important export crops such as coffee and tea.

NAP processes can provide an important platform to create necessary linkages between existing policies where they do not currently exist. For instance, **Niger's** Poverty Reduction Strategy (2012-2015 version) does not link to the NAPA or Second National Communication, so while there is mention of the need for coordination of sectoral policies, current policies do not enable or promote linkage. Similarly, **Senegal's** Second National Communication (2010) seeks to provide a road map to enhance strategic decisions for better climate change adaptation, and notes the need for this strategy to be later integrated to the national development strategy. However, the revised National Strategy for Economic and Social Development (2013-2017) does not build on this identified need.

Finance

The Least Developed Countries Fund (LDCF) is currently the primary source LDCs can tap into for NAPAs and NAPs, although there are other funds that could support LDC adaptation planning and implementation. COP 18 in Doha, Qatar, requested the Global Environment Facility (GEF) "to provide funding from the LDCF to meet the agreed full cost, as appropriate, of activities to enable the preparation of the national adaptation plan process".[2] (The extent to which support for implementation of adaptation measures will be pursued in this stage of financing NAP processes is not yet clear). The progress made in response to the COP 18 decision will be assessed in 2014 at COP 20.

In June 2013, the GEF Council defined the GEF's approach to operationalising support for the preparation of the NAP process.[3] The key elements of this approach highlight, among other things, that support will be contingent on the availability of resources through contributions; NAPA completion is not a precondition for accessing LDCF financing for the NAP process; support for the NAPs process will be provided through medium- or full-sized projects (MSPs and FSPs); recipient countries will have to determine how they wish to pursue support for NAPA implementation vis-à-vis the NAP process within the resources available equally to each LDC; and given that the NAP process seeks to integrate adaptation into development policy and planning, any request for funding in support of such a process should follow the principle of additional cost (adaptation costs are added to costs of business-as-usual or baseline development).

While the distinction between NAPAs and NAPs is becoming clearer to Parties, it is not yet clear how current and future climate finance will distinguish between these two. LDCs have experienced difficulties related to the timing and quantity of finance accessed to support NAPAs. Estimates of LDC funding needs in order to implement their NAPAs alone stand at roughly US$ 5 billion, and additional contributions estimated at US$ 3 billion will be necessary for the LDCF to meet this need, excluding co-financing.[4] The 2013 progress report on the LDCF notes that the current supply of resources for adaptation continues to fall far short of current and projected demand, and adaptation finance remains highly unpredictable, providing vulnerable countries with few opportunities and incentives to invest in longer-term capacity building, institutional frameworks, planning and investments.[5]

While LDCs should follow the principle of additional cost when seeking NAP process support, donor countries should also strive to differentiate their adaptation funding support from official development assistance. Accounting for this distinction at both contributor and recipient ends can address this.[6] Efforts to define measurement, reporting and verification (MRV) systems to achieve this are improving under the purview of the UNFCCC Standing Committee on Finance.[7]

Of great concern to LDCs, based on the NAPA experiences, is whether adequate levels of climate finance will be available to support NAPs (and pre-existing NAPAs), the timing of finance delivery, and the modalities for access. Adaptation finance is about 12% of donor contributions to fast-start finance, despite the Cancún Adaptation Framework affirming that adaptation must be addressed with the same level of priority as mitigation.[8] Further refinement is needed to define the difference between "formulation" and "implementation" of NAPs when reviewing progress in NAPs at COP 20.

LDCs are closely watching the development of the business model of the Green Climate Fund (GCF), which will also report progress to COP 20. Clarity on funding modalities of the GCF, and on the question of whether 'enhanced direct access'[9] will be available, will help LDCs to define NAP processes and goals. Enhanced direct access can increase country ownership of adaptation outcomes and increase the amount of finance that reaches intended purposes (via lower transaction costs). Enhanced direct access can also provide a means to help build fiduciary standards within LDC institutions, particularly with National Funding Entities, operating under international guidance and rules, by emphasising credibility, good governance, transparency, and accountability. Reducing transaction costs, time delays, and increasing the quantum of climate finance that reaches national, sub-regional and local needs is of utmost concern to LDCs. The Governing Instrument of the GCF has provided guidance on access modalities for enhanced access, stating, "[t]he Board will consider additional modalities that further enhance direct access, including through funding entities with a view to enhancing country ownership of projects and programmes".[10]

Monitoring & Evaluation

The COP has indicated countries should monitor and review the efforts undertaken, and provide information in their national communications on the progress made and the effectiveness of the national adaptation plan process and other channels.[11]

The LEG technical guidelines go much further, offering considerable advise on how countries can include monitoring and evaluation (M&E) in NAP processes at the national level.[12] The NAP guidelines encourage countries to define a framework and strategy for M&E, as well as a roadmap, which details sequencing of NAP components, and an M&E plan for the NAP process. The LEG is also developing a Progress, Effectiveness and Gaps Monitoring and Evaluation tool to provide an approach for country NAP teams to monitor progress and effectiveness towards the goals and objectives of their NAP process. An Adaptation Committee workshop in September 2013 identified initial framing around a common understanding of success in achieving climate resilience, across scales and actors.[13] However, further refinement including monitoring progress within the UNFCCC process will be necessary.

The UNFCCC can consider how to support country-driven approaches for M&E, while offering guidance to allow for comparability among different countries. Due to the intention of mainstreaming NAP processes within development approaches, countries may be challenged to identify exactly how adaptation measures have differed from business as usual. Many countries are creating elements of baselines in their vulnerability and risk assessments, in order to project future trajectories and gauge the difference. However, these baselines may shift as more refined assessments occur, and indicators of progress may similarly shift. Assessments of the effect of adaptation response measures require adequate attribution of what caused a change from the baseline, which takes time to determine, but are critical for assessing effectiveness and identifying when and how course-corrections are needed in order to achieve adaptation goals. Countries should also consider how M&E can be monitored at various scales, including community levels.

LDCs will benefit from developing M&E frameworks as part of the NAP process, or which the NAP can fit into, that benefit broader economic development, social and policy-making needs. For instance, **Cambodia's** Strategic Plan of Rural Development for Climate Change Adaptation seeks to design an M&E system for its 10-year strategy (2013-2022) that will be used in management and decision-making and not only as a reporting mechanism. It will be supported with the Ministry of Rural Development's existing resources committed for its operation.[14] Though not an LDC, **Kenya** provides a useful example that is highly relevant to LDCs. Kenya's National Climate Change Action Plan includes a proposed National Benefits and Performance Measurement System that includes indicators to measure and report benefits from adaptation actions, and synergies between adaptation and mitigation.

As mentioned above, MRV systems to track and account for climate finance are being addressed under the purview of the UNFCCC Standing Committee on Finance and will need to be addressed to improve current climate finance MRV practice and reporting.[15]

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