ICAT Initiative for Climate Action Transparency


Photo: UNEP

# Fostering successful adaptation projects:

## Guidance for using the ICAT Assessment Tool for Adaptation Project Proposals (ATAPP)

UN environment programme | copenhagen climate centre

## Lead authors

Susanne Konrad (UNEP Copenhagen Climate Centre)
Thomas W. Dale (UNEP Copenhagen Climate Centre)
Per H. Wretlind (European Environment Agency)

## Editorial supervision and coordination

Henry Neufeldt (UNEP Copenhagen Climate Centre)

## Reviewers

Golam Rabbani (Climate Bridge Fund Secretariat)
Leona Harting (UNEP Copenhagen Climate Centre)
Machtelt Oudenes (SQ Consult B.V.)





## Recommended citation

Konrad, S., Dale, T.W., Wretlind, P.H. (2023). Fostering successful adaptation projects: Guidance for using the ICAT Assessment Tool for Adaptation Project Proposals (ATAPP). Copenhagen, Denmark: UNEP Copenhagen Climate Centre and Initiative for Climate Action Transparency (ICAT).

## Donors

Federal Ministry
Republic of Austria
Climate Action, Environment,
Energy, Mobility,
Innovation and Technology

Environment and Climate Change Canada
Environnement et Changement climatique Canada

Federal Foreign Office

climateworks FOUNDATION

MINISTERO DELLA TRANSIZIONE ECOLOGICA

CIFF CHILDREN'S INVESTMENT FUND FOUNDATION

*The ICAT project is hosted by the United Nations Office for Project Services (UNOPS)*

UNOPS

# Executive summary

According to the IPCC Sixth Assessment Report (2022), for planned adaptation interventions to be successful in leading to societally desirable outcomes, they need to be feasible, have the potential to be effective in reducing climate risks and impacts, and be able to do so in a manner that is aligned with the principles of justice. Planned interventions that do not have these attributes are unlikely to be effective in achieving their adaptation aims or lead to outcomes that are societally acceptable; regardless of how well implemented they are.

The tool described by this document has been developed to support organisations that finance climate change adaptation projects to assess project proposals to identify whether they are "well-placed" to realise societally desirable adaptation outcomes.

The tool facilitates this assessment by providing users with a structured questionnaire that assesses the extent to which proposals address 19 key elements of potentially successful adaptation projects. The key elements assessed by the tool are derived from widely acknowledged principles and best practices in adaptation planning that are strongly associated with contributing to the development of adaptation projects that: (i) are viable and desirable in the context within which they are being implemented (i.e., feasible); (ii) have the potential to achieve the desired reduction in climate risks and impacts (i.e., effective), and (iii) are developed considering the needs of different stakeholders – including marginalised and vulnerable groups (i.e., just). Through this structured approach, the tool will help users to:

- identify and select proposals that have the greatest propensity to lead to societally desirable adaptation outcomes, and
- highlight areas where proposals fail to adhere to principles and best practices in adaptation planning.

Overall, it is anticipated that applying the tool will support users to (i) make better decisions regarding the allocation of funding earmarked for adaptation projects, and (ii) better enable them to provide project developers with constructive feedback concerning how they can revise their proposals to address any identified deficiencies.

## Target audience

The tool has been developed to support any organisation that finances climate change adaptation projects. As such, the tool could be relevant for: line ministries, national climate funds, subnational and city governments, Non-Government Organisations (NGOs), and philanthropic funds, amongst others.

## How to use this document

This document provides guidance on how to use an **Excel-based assessment tool** (here on referred to as 'the tool'). The guidance is structured as so:

**Section 1** provides readers with a general introduction to the tool and why it is needed. The section starts by describing why it is important that organisations financing adaptation projects are able to assess the extent to which proposed projects are "well-placed" to realise societally desirable adaptation outcomes when determining whether they should receive funding. Following this, it describes how the tool could fit into an organisation's existing proposal assessment processes and the limitations to the tool's functionality.

**Section 2** providers readers with an in-depth description of the tool and how it is to be applied by the user. It introduces the conceptual framework that provides the basis for the tool, describes how the tool works, and provides instructions on how to apply the tool and interpret its results.

**Section 3** provides readers with a description of each key element assessed by the tool. The description of each key element includes an explanation of what the element is, why it is assessed by the tool and how it should be manifested in project proposals.

To get the most from the tool, users need to have a good understanding of each of the key elements assessed by the tool and how they contribute to the development of adaptation projects that are capable of leading to societally desirable outcomes. Thus, while the tool is designed to be intuitive, users are encouraged to read through this document in full before applying the tool for the first time. Furthermore, regular users are encouraged to revisit section 3 as and when appropriate to refamiliarize themselves with specific key elements assessed by the tool.

# Table of Contents

Photo: UNEP

# Part I

## Introduction

## 1.1 Background

The latest Assessment Report of the Intergovernmental Panel on Climate Change clearly finds that the impacts from climate change are escalating, and the need for adaptation is ever increasing (Intergovernmental Panel on Climate Change [IPCC] 2022). National governments and other actors around the globe are already taking steps to adapt to the risks posed by climate change, but a step change in the scale of action is required (United Nations Environment Programme [UNEP] 2022).

At present, the majority of developing countries are engaged in some form of national adaptation planning, notably through the National Adaptation Plan (NAP) process (UNEP 2021a, 2021b, 2022). The development of NAPs and other national and subnational adaptation planning instruments should allow countries to move towards the coherent implementation of adaptation across vulnerable sectors that addresses the national adaptation goals articulated in their Nationally Determined Contributions (NDCs).

While international finance for adaptation is increasing (Organisation for Economic Co-operation and Development [OECD] 2022), the resources available for adaptation are still below those available for mitigation and remain overall insufficient to adequately address the risks faced (UNEP 2021a, 2021b, 2022). However, a number of developing countries are already dedicating substantial domestic resources to adaptation interventions, in some cases through targeted national climate finance vehicles or funds, such as in Bangladesh, Rwanda and Brazil (Bhandary 2022). Indeed, in many countries domestic budgets represent the largest source of finance for adaptation (Allan et al. 2019, UNEP 2021b).

## 1.2 Rationale for the tool

Given the scarcity of financial resources for adaptation, it is of the utmost importance that finance allocated to adaptation is effective in leading to the desirable adaptation outcomes. The importance of effectiveness in adaptation finance stresses the need for adaptation projects to be well-planned.

Well-planned adaptation projects do not come with an absolute guarantee of leading to successful adaptation. However, being developed through a thorough and robust planning process that adheres to widely recognised principles and best practices will significantly increase a project's potential to achieve desirable adaptation outcomes by ensuring that, amongst other things: its approach and activities reflect realities on the ground, they consider the implications of the project on all stakeholders, and they possess all of the necessary components that will enable its successful implementation. In turn, poorly planned adaptation projects are unlikely to lead to positive adaptation results, while an absence of due diligence in the project development process will significantly increase the risk of the project being maladaptive; i.e., leading to unintended consequences that actively undermine resilience to climate change and other development goals.

Thus, organisations providing funding for adaptation projects should take active steps to ensure that adaptation projects receiving funding adhere to, and have been planned according to, widely acknowledged principles and best practices (UNEP 2022).

Those tasked with assessing adaptation project proposals on behalf of funding organisations act as gatekeepers of adaptation finance. They have a key role to play in ensuring that funding is used as effectively as possible, and not misallocated to projects that are either unlikely to be successful in delivering their objectives or are irrelevant to strategic goals of the funding organisation. Additionally, by providing project developers with feedback following an assessment, these actors can also play an important role in improving the quality of proposals that are promising, but too underdeveloped to finance in their current form.

Planning adaptation projects that are capable of leading to desirable adaptation outcomes requires project developers to possess a thorough understanding of adaptation and its specific characteristics. Without this, project developers will be unable to ensure that critical considerations are integrated into the design of a project proposal that – for example – ensures that

the project is able to continue to be effective in the face of new or increasing climate risks and minimises the risk that the project ends-up being maladaptive.

Assessing adaptation project proposals requires an equally strong understanding of adaptation. Without this, those assessing adaptation project proposals will be unable to adequately determine whether a proposal has all the necessary key elements to achieve its objectives or provide constructive feedback on how to address shortcomings in the project design.

However, individuals and committees assessing adaptation proposals on behalf of funding organisations often lack the required understanding of adaptation. This increases the risk that proposals for adaptation projects get approved for funding, even though their potential for achieving desired adaptation outcomes is limited and – in the worst case – risk being maladaptive. Additionally, it could also lead to the financing of projects which do not have a clear adaptation component and thus, can hardly qualify as adaptation projects. This represents a significant problem for existing organisations that fund adaptation projects (see Box 1).

BOX 1

Challenges in ensuring supported projects possess a clear adaptation component

While supporting adaptation projects should be a key criterion for funding earmarked for climate change adaptation, evidence suggests such funding is commonly used to support business-as-usual development projects that have little to do with addressing the risks posed by climate change.

For example, in their analysis of bilaterally funded adaptation projects between 2010–2020, UNEP (2022) found that less than 30 per cent of 22,000 projects classified by donors as 'primarily adaptation' appear to explicitly address climate risk reduction. Similarly, a review of projects by the Bangladesh Climate Change Trust (BCCT) found that several of the funded adaptation projects lacked any relevance to adaptation (Ahmed et al. 2019).

With climate risks projected to increase over the coming years and decades, there is a need for more adaptation and for this adaptation to be more effective (IPCC 2022). While current and future increases in adaptation finance should lead to an increase in the number of adaptation projects being implemented going forwards, there are no inherent guarantees that this finance will be used well (Eriksen et al. 2021). Thus, to make sure that this finance is effective, organisations that finance adaptation projects need to take appropriate steps to ensure that the project proposals they are supporting are well-placed to realise desirable adaptation outcomes.

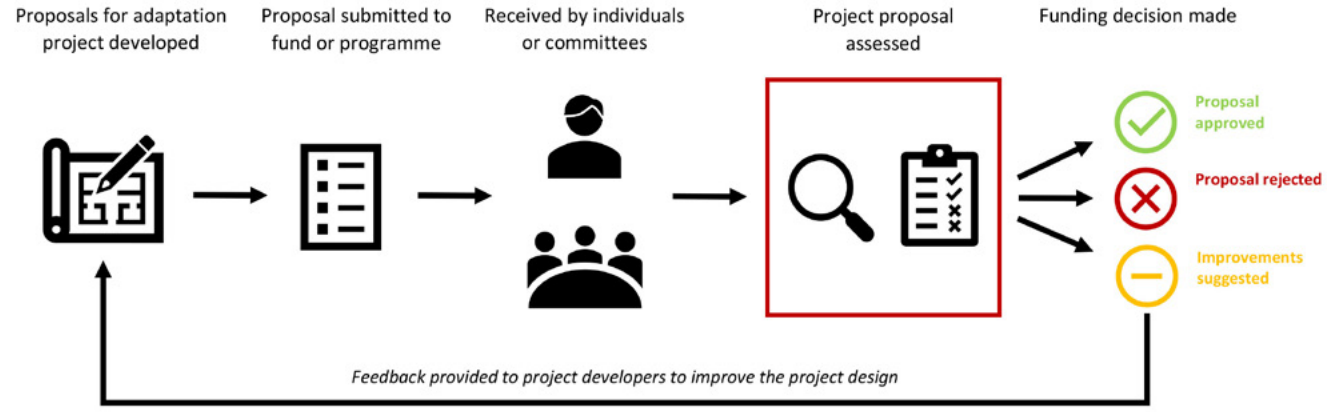
The assessment tool described by this document has been developed to support organisations do this by enabling them to assess the extent to which proposals demonstrably address a series of key elements that are widely-recognised as playing an important role in projects being able to realise desirable adaptation outcomes. It is envisioned that this assessment can form an important part of the due diligence these organisations apply prior to making decisions about funding proposed adaptation projects.

### 1.3. How does the tool support existing proposal assessment processes

To support users to assess whether proposed projects are well-placed to deliver desirable adaptation outcomes, the tool needs to be integrated into their organisation's existing processes for assessing project proposals.

Proposal assessment processes will vary between different organisations, but they will typically possess common fundamental steps. A generic proposal assessment process is illustrated in Figure 1, the red frame highlights the step in which the tool would be applied.

**Figure 1** Simplified illustration of the project proposal assessment process




*Source: Authors*

Proposal assessment processes are developed by funding organisations to guide decision-making related to how funds should be distributed amongst the proposals they have received. Typically, these processes would be designed to determine whether proposals are:

- Eligible for funding – i.e., is the proposed project's focus aligned with the strategic priorities of the funding organisation (usually captured by some form of funding criteria).
- Desirable – i.e., are the expected outcomes of the proposed project *actually* desirable given (i) the associated trade-offs, (ii) how the benefits and trade-offs are distributed amongst different stakeholder groups, and (iii) the financial cost of implementing the project.
- Well-placed to achieve the expected outcomes – i.e., does the design of the proposed project have all the necessary components to be successfully implemented and – once implemented – be effective in realising the outcomes expected.

The tool described by this document supports organisations to assess the extent to which project proposals are well-placed to achieve their expected outcomes. It does this through enabling users to assess the extent to which proposals adhere to, or have been planned according to, widely acknowledged principles and best practices that are strongly associated with contributing to the development of adaptation projects capable of delivering societally desirable outcomes. These principles and best practices are captured in 19 key elements of potentially successful adaptation projects, which are explored through a questionnaire-based assessment facilitated by the tool.

The tool cannot however, support users to make normative judgements concerning whether proposed projects are *actually* eligible for funding by a specific organisation, or how desirable their expected outcomes *actually* are in a given context. This is because these judgements are value-based, and thus cannot be adequately assessed under the questionnaire approach adopted by the tool.[1] While making value-based judgements are beyond the capabilities of the tool, it can support users to identify whether proposals include all the information required for them to make such judgements. For example, through answering the questions relating to the key elements 'adaptation benefits', 'co-benefits' and 'trade-offs', users will become aware of whether the proposals provide them with sufficient information to understand how the project's expected benefits and trade-offs are likely to be experienced across different stakeholder groups. To make an informed judgement on the extent to which a project's expected outcomes are societally desirable, users will need

[1] Normative assessments of eligibility and desirability will need to be made in a parallel process to the assessments of the extent to which proposals are well-placed to achieve their expected outcomes, potentially supported by other tools or methodologies (e.g., tools or methodologies that support decision-makers rank the extent to which proposals meet their funding criteria).

this full overview. Thus, being aware that proposals are potentially missing information is important to consider when making such judgements.

Similarly, using the tool cannot negate the requirement for users to possess appropriate technical expertise. Even with support from the tool, certain aspects of the assessment process will still require someone with relevant technical or sectoral knowledge to make qualified judgements. For example, adequately assessing whether a proposed solution is feasible in a given context will require someone with a decent level of knowledge of the solution in question and how it is likely to perform in the proposed context.

### Using the tool alongside existing assessment guidelines and proposal templates

In most cases, organisations funding adaptation projects will already have project assessment guidelines, in line with their funding criteria. However, these guidelines may not capture all key elements assessed by the tool. In such cases, following these guidelines could lead to the funding of inadequate adaptation project proposals. The tool therefore aims to *complement* existing guidelines and provide a resource that enables users to comprehensively assess whether project proposals address all the key elements associated with achieving desirable adaptation outcomes.

Similarly, most organisations will also have their own proposal templates. These templates however, may not require proposals to include all the information assessed by the tool. When this is the case, following the initial assessment, users are *encouraged* to ask project developers to provide missing information regardless of whether it is required by proposal templates.

### Limitations of the tool

During the process of developing the tool, decisions have been made concerning the tool's scope that will have implications on its applicability or performance in certain scenarios. Thus, before applying the tool, users should be aware of the following key limitations:

- **The tool is generic**
  The tool has been designed to be applicable to all kinds of adaptation project, regardless of size, sectoral focus, or type. As a consequence, the tool is ultimately very generic and not – in its default state – tailored to the specific needs of the organisations applying it.

- **The tool is designed to be user-friendly**
  The tool has been designed to be user-friendly and not overburdening. As a consequence, the questionnaire embedded in the tool does not explore every possible subdimension of each key element it assesses. This decision was made as it was deemed that doing so would compromise the user-friendliness of the tool.

- **The tool is project-focussed**
  The tool has been designed to support the assessment of proposals for adaptation projects. The assessment of proposals for adaptation policies or programmes however, is outside the scope of the tool.

BOX 2

#### Using this guidance document and tool to develop and update project assessment guidelines and proposal templates

While the tool is designed to complement an organisation's existing guidelines and proposal templates, the key elements assessed by the tool – and explained in section 3 of this guidance document – can also be used by organisations as a basis for developing new, or updating existing, project assessment guidelines and proposal templates. Ensuring that these key elements are integrated into official guidelines and proposal templates should enhance the quality of proposed projects received by the organisation which, ultimately, should mean that the projects being approved for funding are of a higher quality. Furthermore, it should negate the need for those assessing project proposals to use multiple sets of tools and guidelines, thereby streamlining the assessment process.

**Overcoming these limitations**

A number of the limitations in the tool described above can be overcome through making adjustments to the tool. For example, users that would like to make the tool more sector-specific could adapt existing or add new questions to the tool's questionnaire to make it more appropriate for assessing proposals for projects in the desired sector. Similarly, users that would like to make the assessment of certain elements more detailed can do so by adding additional questions to the relevant parts of the questionnaire that dig deeper into different dimensions and sub-dimensions of the element in question.

Photo: Ollivier Girard and CIFOR

# Part II

## The Excel-based assessment tool

This section provides readers with a description of the tool and how it is intended to be applied by the user. It describes: the tool's underlying conceptual framework (section 2.1), how the tool works (section 2.2), instructions for how to use the tool (section 2.3), and instructions for how to interpret the results (section 2.4).

### 2.1 The tool's underlying conceptual framework

The tool takes the IPCC (2022) framing of potential adaptation success as its point of departure.

According to IPCC (2022 p.124), for planned adaptation interventions to be capable of being successful in leading to societally desirable adaptation outcomes, they need to be **feasible**, have the potential to be **effective** in reducing climate risks and impacts, and be able to do so in a manner that is **just**. Thus, according to IPCC (2022), potential effectiveness, feasibility, and anticipated justice implications represent the key attributes of potential adaptation success. These attributes are defined below:

- **Potential effectiveness.** The extent to which planned adaptation is able to achieve its intended outcomes (i.e., reduce climate risks or impacts) within a stated timeframe.

- **Feasibility.** The degree to which planned adaptation is both viable and desirable in a particular context, when taking into consideration barriers, enablers, synergies and trade-offs.

- **Anticipated justice implications**. The extent to which planned adaptation is anticipated to result in the acceptable allocation of benefits, trade-offs and risks.

Using the IPCC (2022) framing of potential adaptation success as its underlying conceptual framework, the tool allows users to assess the extent to which proposals are 'well-placed' to successfully lead to societally desirable adaptation outcomes by enabling them to explore the extent to which they address 19 key elements that capture widely acknowledged principles and best practices in adaptation planning. The principles and best practices captured by these key elements have been identified as playing an important role in contributing to the ability of planned adaptation interventions to deliver societally desirable adaptation outcomes through either: enhancing their feasibility, increasing their potential to be effective in reducing climate risks and impacts, or increasing the likelihood that the outcomes of the project will be just.

The rationale for assessing the extent to which these key elements are addressed by proposals is that proposals that can demonstrate that the proposed project – and its activities and outputs – have been planned according to widely acknowledged principles and best practices are more likely to lead to societally desirable adaptation outcomes than those that cannot.

The key elements – and how they broadly relate to potential effectiveness, feasibility and anticipated justice implications – are listed in Figure 2 below. A description of how these key elements were identified is provided in Box 4 located in section 3.

**Figure 2** Key elements of potentially successful adaptation projects organised according to their relevance to the three attributes of potential adaptation success proposed by IPCC (2022)

| Potential effectiveness | Feasibility | | Anticipated justice implications |
|---|---|---|---|
| | Desirability | Viability | |
| ▪ Project justification<br>▪ Adaptation rationale<br>▪ Logical framework/ Theory of change<br>▪ Results framework<br>▪ Monitoring and evaluation<br>▪ Sustainability<br>▪ Potential for scaling up and replication<br>▪ Indigenous, traditional and local knowledge | ▪ Adaptation benefits<br>▪ Co-benefits<br>▪ Trade-offs<br>▪ Cost-effectiveness<br>▪ Policy alignment and government buy-in<br>▪ Linkages with other projects | ▪ Risk analysis<br>▪ Implementation arrangements<br>▪ Financial and operational management | ▪ Stakeholder engagement<br>▪ Gender equity |

*Source: Author*

*Notes: The key elements allocated to feasibility have been further divided into feasibility's two sub-dimensions desirability and viability. Furthermore, it should be noted that some elements are relevant to multiple attributes – e.g., stakeholder engagement contributes strongly to both potential effectiveness and anticipated justice implications. In such cases, these elements have been allocated to the attribute that they are judged to be the most relevant to.*

## 2.2 How the tool works

The tool allows users to explore the extent to which proposals address the identified key elements of potentially successful adaptation projects by posing a series of questions related to each element.[2] Individual questions are designed to explore an important dimension of each key element and together are designed to probe whether each key element is comprehensively addressed by the proposal.

For example, "adaptation rationale" is included as a key element of potentially successful adaptation projects as for a project to be effective in leading to adaptation benefits (e.g., increased climate resilience, decreased vulnerability to climate change, or reduced climate risk), it must directly address both present and future climate risks. To explore whether this element has been adequately addressed by a proposal, the tool asks users to answer two primary questions (2.1 and 2.2), each with a secondary "follow up" question (2.1b and 2.2b):

2.1 Does the proposal describe **current climate risks** to be addressed by the project?

**If yes, answer 2.1b. If no, move to question 2.2.**

2.1b Does the proposal clearly describe how the planned activities directly address **current climate risks**?

2.2 Does the proposal describe **future climate risks** to be addressed by the project?

**If yes, answer 2.2b. If no, move to the next element.**

2.2b Does the proposal clearly describe how the planned activities directly address **future climate risks**?

Based on how they judge the proposal addresses their focus, users respond to these questions by selecting one of two or three predetermined answers. In most cases, available answers will be either (a) "Yes" and "No", or (b) "Yes", "Yes, to some extent" and "No". A simple descriptive criteria for deciding which answer to select is provided in Table 1.

[2] For each of the key elements, up to seven primary and secondary questions are provided.

**Table 1** Simple descriptive criteria to guide answer selection

| Answer | Criteria |
|---|---|
| **Yes** | The proposal clearly addresses the focus of the question. |
| **Yes, to some extent** | The proposal partially addresses the focus of the question, or it is unclear whether the proposal addresses the focus of the question. |
| **No** | The proposal clearly does not address the focus of the question, or insufficient information is provided in the proposal to demonstrate that the focus of the question has been considered in the development of the proposal. |

Whether the "Yes, to some extent" option is available will depend on whether the tool deems that it is possible for the focus of a question to be partially or unclearly addressed. For example, this option is not provided for question 3.1 as it is hard to see how a proposal can *partially* include a logical framework or theory of change – these elements are either present or not. This option is available for the secondary follow-up question 3.1b however, as there can be some nuance as to whether the causal pathways of a logical framework or theory of change are clear, realistic and complete.

3.1 Does the proposal include a logical framework/theory of change?

**If yes, answer 3.1b–e. If no, move to the next element.**

3.1b Is the causal pathway of the logical framework/theory of change clear, realistic and complete?

In a handful of cases, certain key elements – or dimensions of a key element – will not be meaningfully relevant to a proposal being assessed. For example, the relevance of "Indigenous, traditional and local knowledge" – the focus of key element 8 – is likely to be low for projects that do not directly interact with local livelihoods and ecosystem management. Likewise, whether a proposal includes a plan to conduct a mid-term evaluation – the focus of question 5.2 – will not be relevant for projects that are either too small to justify a mid-term evaluation (which are relatively expensive to conduct) or have lifespans that are so short that there would be limited opportunity to act on the results of the evaluation.

In such cases, prior to posing questions that assess whether a proposal addresses these elements or dimensions, the questionnaire poses a question specifically to gauge whether the key element or dimension is relevant (this is the case for key elements 7 and 8 and questions 5.2, 11.2, 11.3, and 19.2). For these questions, users can give one of the following predetermined responses: "Yes, it is" and "No, it is not"; "Yes, it does" and "No, it does not"; "Yes, it could" and "No, it could not"; or "Yes, it is relevant" and "No, it is not relevant". When a positive response is given, users should continue to fill out the subsequent questions posed by the questionnaire. When a negative response is given, users should skip ahead to the next key element or question as relevant.[3]

## 2.3 Using the tool

To use the tool, users will need to read the proposal being reviewed in full and then fill out the questionnaire embedded in the tool (this can be found in the "Assessment Tool" tab of the tool).

For the tool to be able to provide a comprehensive assessment, all **relevant** questions need to be filled out. It should be noted that this does not mean filling out all questions as secondary "follow-on" questions are only relevant to answer when the response to the primary "root" question is "Yes". To indicate to users that this is the case, in the tool follow-on questions will be preceded by the text "**If yes, answer [follow-on question]. If no, move to [next question or next key element]**".

[3] As a "No" responses to these questions does not reflect negatively on the quality of the proposal, the answers to these questions are not counted in the tool's "summary of results".

In cases where the answer to primary or secondary questions posed by the questionnaire is "Yes, to some extent" or "No", users can make notes in the column titled "Advice/Request to project developer" about either (a) what project developers need to do to ensure that this key element is satisfactorily addressed or (b) what information they need to provide to demonstrate that this key element has been satisfactorily addressed.

Once the user is finished reviewing the proposal, notes made in these columns will form a useful starting point for engaging project developers over how they can revise the proposal in order to bring it up to an acceptable standard.

### 2.4 Interpreting the results

Once the questionnaire in the "Assessment Tool" tab is filled out, users can view a summary of results in the "Results Summary" tab.

This tab presents a basic overview of the extent to which the proposal addresses each of the 19 key elements assessed by the tool.

To calculate the extent to which a key element is addressed, the tool provides a basic percentage score for each key element. This score is calculated by valuing "Yes" responses as 1, "Yes, to some extent" responses as 0.5, "No" responses as 0, generating a total value and dividing this total by the number of questions answered for that key element. A formula for this calculation is given below:

$$\text{Score (\%)} = \frac{(\text{n° "Yes"} \times 1) + (\text{n° "Yes, to some extent"} \times 0.5) + (\text{n° "No"} \times 0)}{\text{n° "Yes"} + \text{n° "Yes, to some extent"} + \text{n° "No"}}$$

Once a percentage score is calculated, the tool provides each key element with a colour code that indicates the acceptability of the score and provides a recommendation for what the implications *should* be (see Table 2).[4]

[4] These recommendations are intended to function as a "recommendation" only, meaning that assessors should use them as a guide only.

**Table 2** Percentage scores and recommended implications

| Score (%) | Implications |
|---|---|
| **> 80%** | The proposal addresses this element relatively well, no further action required |
| **65%–80%** | The proposal only addresses this element partially, project developers should be encouraged to improve this aspect of the proposed project before funding is granted |
| **< 65%** | The proposal fails to address this element adequately, funding should not be granted unless this element is addressed |

The overview provided by this summary is intended to give users an indication of whether a proposal can demonstrate that it addresses all the key elements recognised as contributing to successful adaptation projects and highlight across which key elements a proposal is demonstrably strong and where it may be weak.

For key elements identified as being weakly addressed or unaddressed, it is recommended that users ask project developers to revise their proposals before considering them for financing. In cases where many key elements are identified as weakly addressed or unaddressed, users may want to consider rejecting the proposal outright (i.e., not provide project developers with an opportunity to revise and re-submit their proposal). Users may want to pursue this option when the quality of the original proposal is simply too low to make revising it to an acceptable standard a realistic prospect.

#### How not to interpret the results

The results of the assessment supported by the tool **should not** be used as the sole basis for approving the funding of an adaptation project.

While the tool can be used to assess whether a proposed project addresses all the necessary key elements to be able to achieve societally desirable outcomes, it cannot support users to make important value-based judgements about whether the expected outcomes of the project are (i) actually desirable and (ii) sufficiently aligned with the

organisation's funding criteria. Thus, the outcomes of assessments conducted through the tool should contribute to the eventual funding decision by being considered alongside the outcomes of parallel assessments that evaluate a project's desirability and the extent to which it aligns with the organisation's funding criteria.

Additionally, positive assessments made using this tool should not be seen as a guarantee that adaptation projects will successfully realise their objectives. While being well-designed is undoubtedly a good starting point for delivering desirable adaptation outcomes, a well-designed project can fail due to many reasons; including because of the quality of the implementation process or factors which are outside the control of the project implementers (IPCC 2022). As such, positive assessments made using this tool should not form the basis of premature claims that a project will be successful. Nor should it be used to make retrospective claims about failed adaptation projects that are intended to reflect negatively on the individuals or committees that have used the tool to support their decision-making.

Photo: UNEP

# Part III

## Key elements of potentially successful adaptation projects

This section unpacks the different key elements assessed by the tool and describes how these elements contribute to adaptation projects successfully delivering societally desirable adaptation outcomes.

Prior to using the tool for the first time, **users should read this section in full** to ensure that they have a sufficient understanding of each of the key elements that enable them to answer the associated questions posed by the tool. Meanwhile, regular users of the tool can use this section to revisit specific key elements, if they feel they need to refamiliarize themselves with the description of a key element and how it contributes to the development of adaptation projects that are capable of leading to societally desirable outcomes

The descriptions of key elements follow the order provided in Figure 3 below. To skip to the description of a specific element, one can click on the name of each key element. An overview of the methodology applied to identify these elements and develop the tool can be found in Box 4.

**Figure 3** Key elements of potentially successful adaptation projects organised according to their relevance to the three attributes of potential adaptation success proposed by IPCC (2022)

| Potential effectiveness | Feasibility | | Anticipated justice implications |
|---|---|---|---|
| | Desirability | Viability | |
| 1. Project justification<br>2. Adaptation rationale<br>3. Logical framework/Theory of change<br>4. Results framework<br>5. Monitoring and evaluation<br>6. Sustainability<br>7. Potential for scaling up and replication<br>8. Indigenous, traditional and local knowledge | 9. Adaptation benefits<br>10. Co-benefits<br>11. Trade-offs<br>12. Cost-effectiveness<br>13. Policy alignment and government buy-in<br>14. Linkages with other projects | 15. Risk analysis<br>16. Implementation arrangements<br>17. Financial and operational management | 18. Stakeholder engagement<br>19. Gender equity |

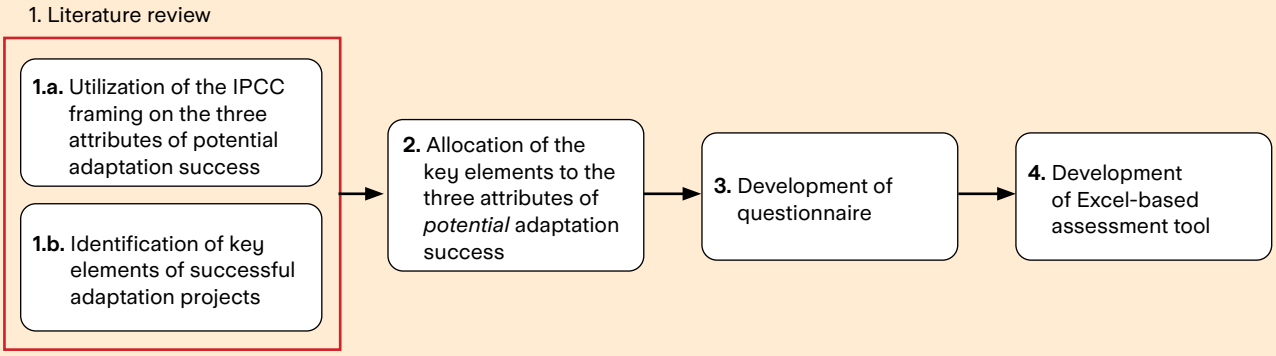
*Source: Authors*

BOX 3

## What are lead agencies?

The process of developing the tool was conducted over four steps, illustrated in Figure 4.

**Figure 4** Methodology for the tool's development




*Source: Authors.*

In the first step, a comprehensive review of literature discussing effective adaptation and its preconditions was conducted. The outcomes of this literature review were:

a. it was decided that the tool would use the framing of potential adaptation success proposed by IPCC (2022) as its underlying conceptual framework (see section 2.1), and;

b. the identification of the 19 key elements of potentially successful adaptation projects to be assessed by the tool. In the second step, the key elements identified in the first step were organised according to their relevance to the three attributes of potential adaptation success proposed by IPCC (2022): potential effectiveness, feasibility and anticipated justice implications. The key elements allocated to feasibility were then further divided into its two sub-attributes desirability and viability.

In the third step, a series of questions related to each key element were developed. These questions were designed to explore whether specific dimensions of each key element are addressed by a project proposal. Collectively, these questions are intended to examine the extent to which a proposed project is well placed to achieve societally desirable adaptation outcomes.

In the fourth step, an Excel-based tool was developed. The questions developed in step 3 formed the basis of the questionnaire embedded in the Excel-based tool, while a scoring system was developed to support users interpret the results of the questionnaire.

A more detailed description of the methodology applied in developing the tool is provided in Annex 1 of this document.

## Potential Effectiveness

### *1. Project Justification*

In order to be deemed deserving of funding, every project needs to provide a strong justification of why this particular project with its activities and outputs are needed in the location or sector targeted by the project, and why the amount of funding requested is required to carry out these activities and deliver these outputs.

In light of this, the proposal needs to clearly describe: (a) the problem that the project will address and the root causes of this problem (i.e., the key social, economic, regulatory, technological barriers that presently prevent the problem from solving itself); and (b) the project's overall objective and the activities and outputs the project will carry out and deliver in order to achieve these objectives. This information should be closely aligned to the activities, outputs and outcomes identified in the project's logical framework.

### *2. Adaptation Rationale*

The adaptation rationale provides a clear explanation of how a project contributes to adaptation to climate change. It describes how the project addresses not just current, but also future climate risks, and how the planned activities contribute to increases in resilience to climate change or adaptive capacity. An adaptation rationale must clearly describe how it is different from a normal development project under a business-as-usual scenario. This is to make sure that finance earmarked for adaptation goes to actual adaptation projects and not "business-as-usual" development or environment projects.

In light of this, project proposals must describe how the activities and outputs proposed will directly address current and future climate risks. Being able to address future climate risks is of particular importance for adaptation projects as interventions that are designed without future climate scenarios in mind are at greater risk of losing their ability to deliver adaptation benefits as climatic conditions change over the medium to long-term. For example, if an adaptation project establishes an agroforestry system to increase an area's resilience to climate hazards (e.g., drought, floods and soil erosion) without considering future climate scenarios, the agroforestry system established might – overtime – find itself exposed to climatic conditions that are unfavourable for its survival. If this happens, the agroforestry system will degrade and its ability to reduce the impacts of climate hazards will be decrease, thereby reducing its effectiveness as an adaptation solution (Global Environment Facility [GEF] 2019).

### *3. Logical framework / Theory of change*

A project's logical framework/theory of change describes how an objective is to be achieved through the project's different activities and outputs. It can be considered a roadmap or plan for how to achieve the objective of the project. They are usually developed by defining the overall objective of the project and then working backwards from there to systematically lay out each step along the way (often referred to as causal pathway) and determine which actions and outputs are needed to achieve the objective.

To greater and lesser extents, the causal pathways of logical frameworks/theories of change are based on certain assumptions – e.g., assumptions will be made concerning how certain activities and outputs will lead to desired outcomes. In order for activities and outputs to *actually* lead to the desired objective, these assumptions need to be realistic and grounded in the context within which the project is to be implemented. Likewise, activities and outputs themselves must be also be logical (i.e., make sense given the local context) and realistic (i.e., feasible), and collectively form a series of realisable steps towards the objective (i.e., there are no obvious gaps in the causal pathway). Engaging key stakeholders in the process of developing and revisiting the logical framework/theory of change is a useful exercise for ensuring that the objectives of the proposed project are shared amongst its key stakeholders (i.e., key stakeholders also consider achieving the project's objectives as a priority) and that assumptions made are robust in the context that the project is being implemented in.

As it is impossible to control all aspects of a project and as unanticipated challenges inevitably arise during a project's lifespan, it is crucial that project implementers regularly revisit the logical framework/theory of change to assess whether assumptions made earlier in the project still hold true and make adjustments if necessary.

### *4. Results framework*

A results framework is a planning and management tool that should be included in project proposals to describe the results that the project is expected to achieve. Typically presented in a table format, results frameworks break each expected "outcome" into one or more targets (targets can be quantitative or qualitative). Targets specified in the results framework will provide the basis for monitoring and evaluation (M&E – described in **key element 5**).

Targets specified in the results framework should be accompanied by indicators and baselines. Indicators are the individual pieces of quantitative or qualitative data that are to be measured to track whether an intervention is making progress towards a given target. Baselines accompany indicators and document their status prior to an intervention and are commonly used as a proxy for what would happen with the indicator if the intervention does not occur (sometimes also described as business-as-usual).

Targets, indicators and baselines provided in a results framework need to be appropriate and realistic. Wherever possible, the targets, indicators and baselines should be gender responsive and disaggregated into sex. Furthermore, each target presented in the results framework should also be accompanied by a narrative text, which explains the desired change, and how the planned interventions will bring it about.

### *5. Monitoring and Evaluation*

While typically used together, "monitoring" and "evaluation" are two complimentary but distinct processes:

- **Monitoring** is the systematic and continuous collection of information that enables stakeholders to check whether an intervention is on track (i.e., activities are being implemented on time and in line with the plan) or achieving set objectives (i.e., those specified in the results framework) (Hammill and Dekens 2014; Price-Kelly et al. 2015). It represents an inherent aspect of project management and is thus, conducted by the project implementers.

- **Evaluation** is a systematic assessment of the worth or utility of an intervention at a specific point in time (e.g., at the mid-point or following its closure), for example whether a policy has been effective in achieving set objectives (Hammill and Dekens 2014 ; Price-Kelly et al. 2015). Project evaluations need to be impartial and are therefore usually done external parties (McKay 2007; Görgens and Kusek 2009).

For project implementers, monitoring represents an important management tool as it provides them with the information required for them to identify issues with the project during its implementation (i.e., if the project is not on track to achieving its intended objectives) and therefore enables them to make evidence-based adjustments to overcome these issues. Without continuous monitoring during the project's implementation, project implementers will be much less able to identify – and therefore manage – operational issues experienced during the implementation process. This will inevitably reduce the likelihood that projects will achieve their objectives and increase the likelihood that they will lead to unanticipated negative impacts (i.e., maladaptation).

As such, all project proposals should include a monitoring framework – a component of the proposal that describes what indicators are to be monitored, how and how often these indicators are to be collected, and who is responsible for their collection. In addition to this, proposals could also describe how monitoring will feed into the general management of the project (i.e., what processes will be put in place to ensure that this information is used by project managers).

While monitoring generates descriptive information about where a project is at relative to its targets and objectives, evaluation explores why the project's targets and objectives are – or are not – being met. The exploratory nature of evaluations means that they often take time to generate information that is useable in managing the project. Further, due to the need for evaluations to be free from bias, they generally need to be conducted by independent parties, which can be costly.

As a result, from a project management perspective, conducting a mid-term evaluation of a project is not always desirable as they require significant resources to conduct and by the time the evaluation is complete there is likely to be insufficient time to act on the findings of the evaluation (Hatry 2012). This is particularly likely to be the case in projects that are either low value (i.e., the cost of the evaluation would require a significant share of the project's overall budget) or are relatively short (i.e., the evaluation will likely be ready towards the end of the project's lifespan where the opportunity to apply its findings will be limited).

In higher-value and longer projects however, mid-term evaluations may be more beneficial. Whether this is the case or not will need to be decided by the funding organisation. When mid-term evaluations are required, proposals should specify that a mid-term evaluation will be performed, and sufficient budget should be set aside for this purpose.

### *6. Sustainability*

A central element of successful adaptation projects – and projects in general – is the sustainability of the results achieved through the project. Every adaptation project should – by definition – aim to create long-lasting impact by achieving results and sustaining those results over time, particularly once the project is finalised and its support framework (e.g., funding and technical staff) has been taken away. The sustainability of results are of particular importance for adaptation projects due to the long-term nature of climate change with climate impacts unfolding over time.

Ensuring project sustainability is a significant challenge, particularly in the period after their initial lifecycles, where funding and responsibilities typically end (Dale et al. 2020). As such, project proposals must clearly describe how sustainability considerations have been integrated into the design of the project and explain the specific arrangements to foster the sustainability of results. This is also often called the exit strategy. Standard sustainability approaches include, for example, proper knowledge management and the provision sufficient capacity-building and training activities for the project's key stakeholders (including its beneficiaries), ideally training-of-trainers, so that capacities and knowledge remain with these stakeholders when the project ends. Especially, capacity-building on the maintenance of infrastructure and technologies (e.g., water pumping and drainage systems) is important. Here one can also choose low-maintenance infrastructure which requires limited financial and human capacities (e.g., mangrove restoration vs. sea wall construction). Finally, securing additional funding, for instance from government or other donors and actors for the period after the project closed is a key determinant for sustainability.

BOX 5

#### Types of measures that could be part of a project's exit strategy

The term "exit strategy" refers to the collection of planned measures to be implemented during the project's lifespan to ensure that the results achieved by the project are sustainable once the project closes. The types of measure that could enhance the sustainability of a project will vary on a case-by-case basis, though measures commonly put in place to achieve this include:

- Capacity-building activities to ensure that skills required to maintain the project's results are retained amongst the project's stakeholders once the project closes.
- Knowledge dissemination activities such as developing knowledge products, and hosting workshops and trainings that ensure knowledge and learning generated by the project is disseminated to relevant stakeholders both during and at the end of the project.
- Knowledge management activities such as producing training material or establishing a training-of-trainers scheme that ensure that knowledge is not lost over time.
- Activities to find secure finance to ensure that project activities can continue beyond the lifespan of the initial project.

### *7. Potential for scaling up and replication (innovation and pilot projects only)*

Not all proposed projects will lead to meaningful impact upon their completion. This is the case for innovation and pilot projects where the purpose is to develop or test new solutions with the objective of later scaling up or replicating the solution over a much wider area. The majority of impact achieved by innovation and pilot projects will be realised long after the conclusion of the initial innovation or pilot project.

When assessing the value of a proposal for an innovation or pilot project, it is important to scrutinise the potential that the solution being developed or piloted has potential to be scaled up or replicated (i.e., it addresses a widespread problem) and whether the proposal outlines a clear and realistic plan for supporting this scale up or replication. The latter is of particular importance as successful solution development or successful pilot will not be automatically followed by its widespread adoption. Achieving this will almost always require the creation of an enabling environment that facilitates up scaling or replication. Doing this could – for example – involve: making changes to legislation, regulations and import tariffs; building the capacity of key actors; and developing supply chains. Putting the correct conditions in place for successful scale-up or replication following a successful pilot can often be a long, painstaking and costly process. As such, further finance will need to be secured following the successful closure of the innovation or pilot project in order to fund these efforts.

As such, proposals for innovation or pilot projects should provide a realistic assessment of their potential for scaling up and/or replication and a road map that describes how up scaling or replication will be achieved following the closure of the project. Due to its importance in scaling up or replication, road maps should outline how finance will be secured to support efforts to upscale or replicate the project after its completion (Green Climate Fund [GCF] 2016).

### *8. Indigenous, traditional and local knowledge*

Due to prevailing power structures within governance at both national and local levels, indigenous and local groups are often excluded from the planning processes of adaptation projects. The exclusion of these groups will result in the inadequate integration of valuable local, traditional and indigenous knowledge into the project design (Leal Filho et al. 2022).

Indigenous and local groups possess in-depth knowledge about their local environment, including about local livelihood systems, weather patterns and ecosystems. Such information is highly relevant for understanding the nature of climate impacts in the project area and identifying adaptation strategies that are effective in the local context (IPCC 2022). Thus, failure to adequately integrate this knowledge into project planning processes will likely to lead to projects that are not suited to the local context (Zvobgo et al. 2022).

The relevance of integrating local, traditional and indigenous knowledge into a project proposal will depend on the nature of the project. Thus, when assessing this key element, assessors will need to make a judgement call on whether local, traditional and indigenous knowledge is relevant to the project being proposed.

While always relevant to some extent, the potential of local, traditional and indigenous knowledge to enhance the effectiveness of adaptation is heightened when interventions directly interact indigenous, traditional or local livelihoods or the management of local natural assets (e.g., local ecosystems). In such cases, indigenous and local groups are likely to possess a wealth of knowledge about adaptation strategies that have been developed locally and have a proven track record of enabling local and indigenous groups to cope with the impacts of climate change. Likewise, they are likely to possess much greater knowledge of measures that will be ineffective in the local context.

Contrastingly, the relevance of local, traditional and indigenous knowledge is likely to be lower for projects that do not directly interact with livelihoods and ecosystem management. For example, large infrastructure projects (e.g., the construction of sea walls or enhancing the climate-resilience of transport infrastructure) will have limited use for such knowledge.

It is important to note that while the local, traditional and indigenous knowledge they possess may be less relevant to certain projects, the engagement of indigenous and local groups as stakeholders to the project remains important from the justice perspective. This perspective is covered in key element 18.

### Feasibility (Desirability)

***9 –11. Adaptation benefits, co-benefits and trade-offs***

Adaptation benefits, co-benefits and trade-offs are interrelated concepts that describe three different dimensions of the outcomes of an adaptation project. As such, while treated as different key elements in the questionnaire embedded in the tool, these elements and their importance in adaptation project planning are described together here. These three terms can be defined as:

- Adaptation benefits – positive outcomes that directly contribute to adaptation. Such outcomes are often articulated as: increased climate resilience, increased adaptive capacity, decreased vulnerability to climate change or decreased climate risks (Owen 2022).

- Co-benefits – positive outcomes that do not directly contribute to adaptation, but are nonetheless desirable. Co-benefits can feasibly be anything although common co-benefits realised by adaptation projects include: carbon sequestration, increased or better livelihood opportunities, increased biodiversity, increased public health.

Trade-offs – negative outcomes that undermine sustainable development. They can include outcomes that counteract adaptation (e.g., decreased climate resilience, decreased adaptive capacity, increased vulnerability to climate change or increased climate risks).

To varying extents, all adaptation projects will have adaptation benefits, co-benefits and trade-offs; the function of these different dimensions of outcome will determine the project's net-results.

Comprehensively identifying adaptation benefits, co-benefits and trade-offs represents an important exercise for project developers to carry out in during the project planning process as it will provide them with the information they need to make informed decisions about whether the expected outcomes of the project are desirable, and whether the project is cost-effective (project cost-effectiveness is explored in key element 12).

Furthermore, comprehensively identifying a project's potential trade-offs specifically will help project developers minimise the risk of the project being unintentionally maladaptive as it will decrease (but not eliminate) the likelihood that the project activities will result in unexpected trade-offs that make the project counterproductive (maladaptation is defined in Box 6).

BOX 6

What is maladaptation?

Maladaptation refers to adaptation that is counterproductive in its objectives (e.g., to decrease vulnerability to climate change). In other words, maladaptation is not just adaptation that fails to achieve its objectives, but adaptation actively makes the situation worse to some degree.

How maladaptation is manifested can vary. In some situations, maladaptation might (to some degree) achieve its objectives for its intended beneficiaries but have unacceptably large negative implications for other groups. In other situations, maladaptation might make the target population (sometimes irreversibly) more vulnerable to climate change – thereby leaving them in a worse situation than they were in prior to the intervention.

*Source: Schipper (2020), UNEP (2021)*

Comprehensively reviewing a project's expected adaptation benefits, co-benefits and trade-offs is an extremely important exercise for assessors, for the same reasons as it is important for project developers.

As part of their role as gatekeepers of finance for adaptation projects, assessors have a responsibility to determine whether: (a) the expected outcomes of the project are desirable (b) the scale of the benefits the adaptation project is expected to realise justifies the finance requested and (c) the expected trade-offs of the project are acceptable (e.g., they overly impact vulnerable groups). To make these judgement calls, proposals need to provide assessors with information on the projects expected adaptation benefits, any expected co-benefits, and trade-offs. Ideally, this information would be quantified, although this is not always possible (particularly with co-benefits and trade-offs).

In addition to being provided with the information, assessors need to be convinced that information about expected adaptation benefits, co-benefits and trade-offs provided in the proposal is relatively robust and comprehensive.

To be robust, expected adaptation benefits, co-benefits and trade-offs documented in project proposals cannot just be the untested guesses of the project developer. Instead, they need to be identified through a pre-study of some description (e.g., based on best practices such as developing a theory of change or consulting stakeholders).

To be comprehensive meanwhile, project developers need to explore the possibility that the project can lead to trade-offs beyond the immediate project area or in the future. This is particularly important as – without due diligence – adaptation interventions in one area can have severe unanticipated negative implications for areas or sectors outside those targeted by the project (e.g., without due consideration, projects that increase irrigation in areas of low water availability can easily end up increasing water stress for other sectors). Likewise, while being potentially beneficial in the present-day, adaptation projects can prove to be maladaptive in the long-term. This would occur when projects lock the project area into a specific system or reliance on a specific adaptation-solution (see Box 7).

To help assessors decide whether information about adaptation benefits, co-benefits and trade-offs are robust and comprehensive, proposals would ideally be transparent and describe how they have been identified.

BOX 7

What is solution or system lock-in?

A solution or system that is "locked-in" is one that is difficult to change once it is in place, even if this solution or system becomes counterproductive (i.e., maladaptive) in the future (e.g., due to changing circumstances). For example, a project that introduces or expands irrigated agriculture in a water-stressed area can lead to the area transitioning to a new more productive agricultural system that is more resilient to present-day climate conditions. However, if decreases in precipitation due to climate change means the area becomes less suitable for irrigated agriculture in the future, the irrigated agricultural system fostered by the project can end up being maladaptive as yields are liable to decrease and farmers are less able to change crops as local value chains and infrastructure are all geared towards irrigated crops.

### *12. Cost-effectiveness*

In the vast majority of cases, one could feasibly adapt to climate risks through more than one approach (most often there will be numerous potential approaches available). For example, reducing the hazard of coastal inundation caused by sea-level rise can be achieved through the construction of sea walls or dykes (grey infrastructure) or the planting/restoration of mangroves (nature-based solutions). Similarly, the exposure of communities to this hazard can be reduced through "soft" adaptation options such as encouraging behavioural change (e.g., changes in livelihood) and capacity building, or – alternatively – more drastic options, such as relocation. Each of these options will have their own pros and cons, the magnitude of which will vary depending on the context in which they are being applied.

As funding for adaptation is scarce, it is important that investments in adaptation are as cost-effective as possible.

While keeping costs as low as possible is a key element of cost-effectiveness, ensuring that adaptation is cost-effective does not necessarily mean selecting the cheapest option. Instead, it means selecting options that deliver the most overall benefit per unit of expenditure.

It is important to note that the benefits of adaptation interventions are not just limited to their adaptation benefits. Instead, adaptation measures can also lead to co-benefits that also have value and should therefore be considered when assessing cost-effectiveness. For example, nature-based solutions often provide additional "ecosystem services" that further benefit mitigation efforts or human-wellbeing – e.g., healthy mangroves can sequester $CO_2$ and increase coastal fish populations that can in turn support local livelihood opportunities (UNEP 2021, 2022).

Furthermore, the costs of some adaptation options are not only incurred during their initial implementation. Certain types of intervention are associated with high upkeep costs that mean they are extremely expensive in the long-term. Thus, if the long-term costs are not adequately taken into account during the planning stage, seemingly cost-effective solutions can transpire to be extremely poor value for money. Ensuring that the cost-effectiveness of proposed options is comprehensively assessed in the planning phase can therefore result in significant long-term savings. For example, in southern Viet Nam, authorities opted to plant 12,000 ha of mangroves instead of continuing with the most straight-forward (or obvious) option of maintaining their existing dyke system. The result of this was an estimated saving of US$ 7.3 million/year in dyke maintenance – a figure that is more than 6.5 times the costs of planting (Powell et al. 2011).
In light of this, project proposals need to provide an explanation of why the specific adaptation option(s) to be implemented in the proposed project have been selected and why – in the specific context of the project area – they represent the most cost-effective option. This information should be generated through a comprehensive cost-benefit analysis that considers both the potential co-benefits of the project (e.g., development and mitigation benefits) and future costs associated with the to-be-implemented measures (i.e., upkeep costs).

### *13. Policy alignment and government buy-in*

Every adaptation project must be consistent with the national and subnational context in which it takes place. Projects therefore need to be aligned with national and subnational policies, strategies, plans or other instruments to ensure that they contribute to the realisation of national and sub-national objectives, and do not counteract them. To this end, the project developer needs to identify all relevant policies, strategies and plans. This should include important adaptation-related policies, plans and strategies, such as a National Adaptation Plan (NAP), and relevant sectoral policies, plans and strategies, such as a national agriculture or water management policies. Other important plans and strategies include, among others, sustainable development strategies, national development plans and Nationally Determined Contributions (NDCs). The project's alignment of the with the identified policies, strategies and plans needs to be described clearly and in detail.

In addition to being aligned with national policies, strategies and plans, it is important that the project secures the buy-in of government actors relevant to the project's focus and geographic scope – e.g., relevant departments of local, provincial and national government. To ensure that this buy-in is secured early into the project's lifespan, the project proposal should identify measures to secure buy-in from government agencies. This could include, for example, signing Memorandums of Understanding (MoUs) with relevant government actors or including government representatives in the implementation arrangements of the project; e.g., as a project implementation partner or a representative in the project steering committee.

### *14. Linkages with other projects*

Projects rarely take place in isolation. During the lifecycle of any project, there is a high likelihood that other actors are also conducting related activities within the same geographical and sectoral space. When this is the case, there is a risk that projects will cover the same ground (i.e., unnecessarily duplicate effort for little to no benefit) or – at worst – actively undermine each other. On the flipside, multiple projects in the same space can provide opportunities for synergies, which – if fostered through coordination and collaboration between projects – can amplify their collective impact.

In light of these risks and opportunities, it is crucial that project designers have taken steps to: (a) identify (i.e., map) all ongoing activities that are relevant to their project, and (b) plan for how they are to mitigate potential risks and foster potential synergies posed by these activities.

In order for assessors to be able to see that these exercises have been done by the project developers, project proposals should list related projects and describe their strategy for minimising risks posed, and maximising synergies offered, by related activities.

## Feasibility (Viability)

### *15. Risk analysis*

All interventions – adaptation or otherwise – face material risks that threaten to undermine their implementation and ultimately their ability to achieve their objectives. Risks that are material to an intervention come in variety of forms, typically organised into broad categories such as operational risk, institutional risk and political risk.

To manage such risk, project developers need to conduct a risk assessment – a standard procedure in which different risks are identified and assessed in terms of the potential impact and the likelihood that they will occur. Both of which would be rated using a simple scale (e.g., low, medium or high). Once conducted, risk assessments would form the basis for designing measures to avoid, minimise or manage risks that are considered as material (i.e., they could have a tangible affect on the project's ability to achieve its objectives). To be comprehensive, risk assessments need to assess all types of risk relevant to the project.

In light of this, project proposals need to include the results of a risk assessment; typically presented in a table format. Risk assessments presented in project proposals document all risks that are deemed as material to the project and provide information about their potential impact on the project, the likelihood of them occurring and the measures the project implementers intend to put in place to avoid, minimise or manage these risks.

### *16. Implementation arrangements*

For any project – not just adaptation projects – it is important to know who will be implementing the project and that they are qualified to do so. If implementing partners are unqualified – i.e., they lack required skills or adequate experience working in the region – the risk of the project being implemented poorly will increase significantly.

In light of this, project proposals should provide a description of the project's consortium. This should include a description of the roles and responsibilities allocated to each partner and an explanation of why this partner is suitable for performing their roles and responsibilities (i.e., their relevant capacities and any prior experience they have working on similar projects or projects in the same region). In addition to providing information about the individual members of the project consortium, the proposal should also provide information about how the project will be coordinated – namely, what mechanisms are to be put in place (e.g., steering committee, regular meetings) to ensure that the different actors are able to successfully collaborate.

### *17. Financial and operational management*

Strong management of the project's activities and finances is a key enabler of project success. In the absence of this, projects are more likely to be uncoordinated or run into budgetary problems, both of which will ultimately impact its ability to achieve its overall objectives. Financial and operational management of the project come under the purview of the project management team, who are ultimately responsible for managing the project's finances – i.e., ensuring budgets are kept to – and coordinating the project's activities – i.e., ensuring deliverables are delivered on time and to the required standard. The basis for these tasks is the project's budget and workplan respectively, both of which are established during the development of the project proposal. Thus, while clear, coherent and well-structured budgets and workplans do not guarantee good management of the project during its implementation, it represents an important pre-requisite for this to happen.

The budget is an essential management tool that allows project managers to control where project resources are directed. As such, the budget represents a central part of any proposal. The budget included in the proposal should be clear, coherent and sufficiently detailed so that assessors – and other project partners – are able to clearly see how much money is being allocated to which activities. Further, to make sense in the context of the proposal, it should be aligned with the project structure and its different activities and outputs.

During their assessment of the project proposal, assessors should review the budget carefully to make sure that the amounts of finance allocated to each activity look reasonable (i.e., activities are not clearly over or under budgeted). What is reasonable in a given circumstance will vary, therefore assessors will need to apply their own judgement. One thing to look out for however, is the proportion of the budget that is allocated to project management activities. Ideally, these costs should be kept to a minimum, so that the majority of the project funding is directed towards activities on the ground. The adequate level of project management costs will vary depending on the type and size of the project, but generally it should not be greater than 10%.

The project proposal also needs to include a detailed workplan specifying the timing, and sequence of different activities. The activities in the work plan are typically described in a logical order and complemented by a Gantt chart that visualises when each activity will be implemented over the project lifespan. It should be noted that workplans are not set in stone, it is good practice for project implementers to re-visit and amend the workplan during project implementation to adapt it to any changes in circumstances surrounding the project.

Like the budget, assessors should review the workplan to make sure the time allocated to each activity is sufficient (i.e., project developers are not overly optimistic regarding how long activities will take to develop). Similarly, the workplan should also be aligned with the activities and outputs specified in the project's logical framework or theory of change, its results framework and the budget.

## Anticipated justice implications

### *18. Stakeholder engagement*

To be effective, just and inclusive, adaptation projects need to address genuine adaptation needs in a manner that is appropriate to the social, economic and environmental context within which they are being applied. The principal resource for designing adaptation that meets these criteria are the people, groups and organisations (i.e., the project's stakeholders) who will be targeted – or impacted – by the project, and the knowledge and expertise they possess. Through an ongoing engagement process, stakeholders can support the design of adaptation projects through providing project developers with a thorough understanding of the issues they are facing and assessing the viability of the measures proposed for overcoming these issues (Conde and Lonsdale 2004). In turn, this will increase the likelihood that the project developed will be effective, inclusive and just, and reduce the likelihood that it

will lead to unintended trade-offs that negatively impact these stakeholders. Equally importantly, it will also help foster a sense of ownership amongst the project's stakeholders, which is often beneficial for the project's long-term sustainability.

To ensure that the perspectives, knowledge and expertise of stakeholders is adequately integrated into the project design, stakeholder engagement should start early on in the development process (i.e., when fundamental components of the project proposal are being developed – e.g., the project's logical framework, theory of change and results framework). Stakeholder engagement in the early stages of the development process will help ensure that the project objectives are aligned with the *actual* adaptation needs of the project's intended beneficiaries, and that local, traditional and indigenous knowledge is – where relevant – integrated into the activities adopted by the project. To ensure that stakeholder perspectives, knowledge and expertise are considered at all stages of the project's lifespan however, stakeholder engagement should not stop following the development of the project proposal. In fact, it should be continuous process, continuing throughout the project's implementation and beyond (if there is M&E of the project after its conclusion).

Stakeholder engagement should be guided by a stakeholder engagement plan that serves as a reference point for guiding all stakeholder engagement processes throughout the project lifespan. Prior to the development of this plan, project developers should identify all relevant stakeholders through a structured stakeholder mapping exercise. Once all stakeholders have been identified, project developers should develop the stakeholder engagement plan, which will outline how different stakeholders will be engaged during different phases of the project (i.e., planning, implementation and M&E) and what level of influence over decision-making they will be afforded. Stakeholder engagement plans should be updated periodically to take into account changes in the project, changes in external factors surrounding the project, or new information coming to light.

While all stakeholders are relevant to a project's stakeholder engagement process, special effort should be made to engage groups who are particularly vulnerable to climate change or marginalised (e.g., indigenous groups and women). These groups will likely have the greatest adaptation need and as such, should be prioritised during stakeholder engagement to ensure that the adaptation project adequately meets these needs. Moreover, they are likely to possess less agency than other groups and thus are more at risk of being excluded from stakeholder engagement processes (hence, extra effort should be made to engage these groups).

In light of this, project proposals need to identify all relevant stakeholders to the project and provide descriptions of (a) how stakeholders have been engaged thus far in the development of the project proposal and (b) how they will continue to be involved during the project's implementation and M&E (i.e., project proposals should provide a description of their plan for continued stakeholder engagement). Descriptions of past and future stakeholder engagement should place specific focus on how vulnerable and marginalised groups have been engaged thus far, and how they will continue to be engaged going forwards.

### *19. Gender equity*

Gender equity is a key element of successful adaptation projects. According to the IPCC (2022), adaptation is most successful when it enhances gender equity. Prevailing social norms and pre-existing social inequalities mean that women are often impacted differently by climate change than men, and typically possess lower capacities to cope with, and adapt to, climate impacts. As a result, women are – as a group – more vulnerable to the impacts of climate change. Therefore, ensuring that the results of adaptation are gender-responsive should be an explicit goal in all adaptation projects.[5]

[5] Gender-responsive is a state of recognition and reaction to gender inequality in implementing projects. A project that is gender responsive addresses gender-based barriers, respects gender differences, enables structures, systems, and methodologies to be sensitive to gender, ensures gender parity is a wider strategy to advance gender equality and evolves to close gaps and eradicate gender-based discrimination (Inter-Agency Network for Education in Emergencies 2022).

Adaptation measures do not automatically create positive results for gender equity. In fact, they can often end up reinforcing or exacerbating existing inequalities; particularly when gender considerations are not actively integrated into the project's design. Adaptation projects therefore, must be highly attentive towards gender inequalities and need to include gender-responsive measures to address specific inequalities when they are identified. Ideally, such actions would form part of a gender action plan for the project.

To ensure that gender inequalities are actively identified, project developers should conduct a gender analysis early in the process of developing the project (i.e., prior to developing the project's logical framework, theory of change, and results framework). This will enable them to determine differences in the need, capability and role between women and men in the project are; thereby providing project developers with a robust basis for designing gender-responsive measures. Further, the results of a gender analysis will be a useful for establishing baselines against which gender responsive actions can be measured.

To ensure that gender inequalities continue to be considered throughout the project (i.e., into the implementation and M&E phases), project developers need to make sure that women are adequately represented in stakeholder engagement. Further, to ensure that women have an active voice in the project's decision-making, it is also good practice to include women representatives in the project's implementation arrangements. For example, a women's group could be part of the project consortium or a representative from a women's group could be on the project's steering committee (if applicable).

Similarly, workshops, trainings and other project activities that engage beneficiaries should aim for (at least) equal participation of women and men.[6] Achieving equal participation in project activities can be encouraged by making targets specified in the results framework gender-disaggregated, where possible.

In light of this, project proposals should include the results of a gender analysis and describe how the project will respond to the gender inequalities it has identified (i.e., it should describe any gender responsive measures that will be implemented during the wider-implementation process).

[6] Activities that primarily target women should have a much higher ratio.

## References


Ahmed, N., Asaduzzaman, M., Bhuyan, M.H.R., Iqbal, Z., Parvin, M., Asaduzzaman, M. (2019). Assess the Monitoring, Evaluation Procedure of BCCT and the Impact Assessment of CCTF Projects. Bangladesh Institute of Development Studies. Available at: https://bids.org.bd/page/researches/?rid=188

Adaptation Fund (2017). Request for Project/Programme Funding from the Adaptation Fund. Available at: https://www.adaptation-fund.org/wp-content/uploads/2021/01/Request-for-ProjectProgramme-Funding-from-Adaptation-Fund_Oct-2017-.docx

Adaptation Fund (2021). Further clarification of vision and definition of innovation under the adaptation fund: analysis of relevant elements and guidance on review criteria. Available at: https://www.adaptation-fund.org/wp-content/uploads/2021/04/AFB.36.8-Further-Clarification-of-the-Vision-and-Definition-of-Innovation.pdf

Allan, S., Bahadur, A. V., Venkatramani, S., Soundarajan, V. (2019). The Role of Domestic Budgets in Financing Climate Change Adaptation. Rotterdam and Washington, DC. Available at: https://gca.org/reports/the-role-of-domestic-budgets-in-financing-climate-change-adaptation/

Bhandary (2022). National climate funds: a new dataset on national financing vehicles for climate change. *Climate Policy*. 22:3, 401-410. https://doi.org/10.1080/14693062.2022.2027223

Christiansen, L., Ray, A. D., Smith, J.B., Haites, E. (2012). Accessing International Funding for Climate Change Adaptation: A Guidebook for Developing Countries. Available at: https://tech-action.unepccc.org/publications/accessing-international-funding-for-climate-change-adaptation/

Christiansen, L., Schaer, C., Larsen, C., Naswa, P. (2016). Monitoring & Evaluation for climate change adaptation. Available at: https://unepccc.org/publications/monitoring-evaluation-for-climate-change-adaptation/

Conde, C., Lonsdale, K. (2004) Engaging stakeholders in the adaptation process. Technical Paper No. 2 In: *Adaptation Planning Framework*. Available at www.undp.org/gef/documents/publications/apf-technical-paper02.pdf

Dale, T.W., Christiansen, L., Neufeldt, H. (2020 ). Reporting adaptation through the biennial transparency report: an explanation of the guidance. Copenhagen, Denmark: UNEP DTU Partnership, and ICAT. Available at: https://backend.orbit.dtu.dk/ws/files/221266016/Reporting_adaptation_through_the_biennial_transparency_report_an_explanation_of_the_guidance_ICAT_UNEP_DTU_PARTNERSHIP.pdf

Eriksen, S., Schipper, E.L.F., Scoville-Simonds, M., Vincent, K., Adam, H.N., Brooks, N. *et al.* (2021). Adaptation interventions and their effect on vulnerability in developing countries: Help, hindrance or irrelevance? *World Development* 141. https://doi.org/10.1016/j.worlddev.2020.105383

Green Climate Fund [GCF] (2016). GCF Concept Note User's Guide. Available at: https://www.greenclimate.fund/sites/default/files/document/gcf-concept-note-user-s-guide.pdf

Global Environment Facility [GEF] (2019). GEF AGENCY RETREAT: guidance on climate risk screening of GEF projects. Available at: https://s3.us-east-2.amazonaws.com/assets.unenvironment.org/2020-09/GEF%20Agency%20Retreat%20guidance%20on%20climate%20risk%20screening%20of%20GEF%20projects%20Mar-Apr%202020.pdf?null=

GEF Independent Evaluation Office (2021). 2021 Program Evaluation of the Special Climate Change Fund. Available at: https://www.thegef.org/sites/default/files/documents/2021-12/EN_GEF_LDCF.SCCF_31_E_01_Rev.01_2021_SCCF_program_evaluation.pdf

GEF Scientific and Technical Advisory Panel [STAP] (2021). Enabling Elements of Good Project Design: A Synthesis of STAP guidance for GEF project investment. http://stapgef.org/sites/default/files/2021-11/Enabling%20Elements_Nov%2026_webposting.pdf

Görgens, M., Kusek, J.Z. (2009). Making Monitoring and Evaluation Systems Work: A Capacity Development Toolkit. Washingtom D.C.: World Bank Group. Available at: https://openknowledge.worldbank.org/handle/10986/2702

Hatry, H. (2012). Key Steps to Design and Implement M&E for Individual Country Service Agencies. In: *Building Better Policies: The Nuts and Bolts of Monitoring and Evaluation Systems*. Lopez-Acevedo, G., Krause, P., Mackay, K. eds. Washington, D.C.: World Bank Group. Available at: https://www.academia.edu/28093134/Building_Better_Policies_The_Nuts_and_Bolts_of_Monitoring_and_Evaluation_Systems

Inter-Agency Network for Education in Emergencies (2022). Education in emergencies Glossary: Gender Responsive. Available at: https://inee.org/eie-glossary/gender-responsive

Intergovernmental Panel on Climate Change [IPCC] (2022). Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press. Cambridge University Press, Cambridge, UK and New York, NY, USA. 3056 pp. doi:10.1017/9781009325844. Available at: https://www.ipcc.ch/report/ar6/wg2/

Leal Filho, W., Wolf, F., Totin, E., Zvobgo, L., Simpson, N.P., Musiyiwa, K. *et al.* (2022). Is indigenous knowledge serving climate adaptation? Evidence from various African regions. *Development Policy Review*, e12664. https://doi.org/10.1111/dpr.12664

Mackay, K. (2007). How to Build M&E Systems to Support Better Government. Washington D.C.: World Bank Independent Evaluation Group. Available at: https://www.measureevaluation.org/resources/training/capacity-building-resources/basic-me-concepts-portuguese/How_to_build_ME_gov.pdf

Powell, N., Osbeck, M., Tan, S.B., and Toan, V.C. (2011). World Resources Report Case Study: Mangrove restoration and rehabilitation for climate change adaptation in Vietnam. Washington, D.C.: World Resources Report. https://www.researchgate.net/publication/235602091_Mangrove_restoration_and_rehabilitation_for_climate_change_adaptation_in_Vietnam

Price-Kelly, H., Hammill, A., Dekens, J., Leiter, T., Olivier, J. (2015). Developing national adaptation monitoring and evaluation systems: A guidebook. Deutsche Gesellschaft für Internationale Zusammenarbeit. Available at: https://www.adaptationcommunity.net/download/uploads/giz2015_Developing_national_adaptation_M&E_systems_-_A_guidebook.pdf

Organisation for Economic Co-operation and Development [OECD] (2022). Aggregate Trends of Climate Finance Provided and Mobilised by Developed Countries in 2013-2020, Climate Finance and the USD 100 Billion Goal. Paris: OECD Publishing. Available at: https://doi.org/10.1787/d28f963c-en

Schipper, E.L.F. (2020) Maladaptation: When Adaptation to Climate Change Goes Very Wrong. *One Earth* 3(4), 409-414. https://doi.org/10.1016/j.oneear.2020.09.014

Singh, C., Iyer, S., New, M.G., Few, R., Kuchimanchi, B., Segnon, A.C. *et al.* (2021). Interrogating 'effectiveness' in climate change adaptation: 11 guiding principles for adaptation research and practice. *Climate and Development*. https://doi.org/10.10 80/17565529.2021.1964937

United Nations Environment Programme [UNEP] (2021a). Adaptation Gap Report 2020. Nairobi. Available at: https://www.unep.org/resources/adaptation-gap-report-2020

UNEP (2021b). Adaptation Gap Report 2021: The gathering storm – Adapting to climate change in a post-pandemic world. Nairobi. Available at: https://www.unep.org/resources/adaptation-gap-report-2021

UNEP (2022). Adaptation Gap Report 2022: Too little too slow – Climate adaptation failure puts the world at risk. Nairobi. Available at: https://www.unep.org/resources/adaptation-gap-report-2022

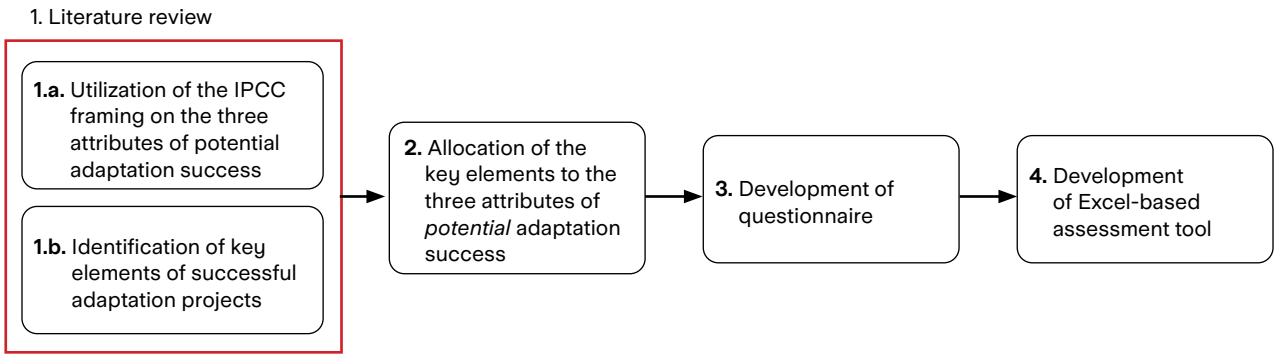
United Nations Framework Convention on Climate Change (2015). Paris Agreement. Available at: https://unfccc.int/sites/default/files/english_paris_agreement.pdf

Zvobgo, L., Johnston, P., Williams, P.A., Trisos, C.H., Simpson, N.P. and Global Adaptation Mapping Initiative Team (2022). The role of indigenous knowledge and local knowledge in water sector adaptation to climate change in Africa: a structured assessment. *Sustainability Science* 17. https://doi.org/10.1007/s11625-022-01118-x.

# **ANNEX I:** In-depth description of the methodology for developing the tool

Annex 1 provides a detailed step-by-step description of how the tool was developed and why key decisions were taken. The development process is visualised in Figure 1.A

**Figure 1.A** Methodology for the tool's development




**Step 1. Literature review**

The purpose of the literature review conducted in step 1 was to identify a suitable framing of potential adaptation success that can function as the tool's conceptual framework (step 1.a) and to identify key elements of potentially successful adaptation projects that can form the basis of an assessment framework for assessing the extent to which proposed adaptation projects are well-placed to lead to societally desirable adaptation outcomes, in line with the conceptual framework identified in step 1.a. (step 1.b).

**Step 1.a Utilization of the IPCC framing of potential adaptation success**

The starting point for the tool is the conceptual framework for potential adaptation success put forward in chapter 1 of the IPCC Working Group II Sixth Assessment Report (IPCC WGII AR6) published in 2022. The IPCC WGII AR6 frames potentially successful adaptation interventions as that (i) have the potential to effectively reduce climate risks and impacts, (ii) are feasible in the context in which they are being applied and (iii) are anticipated to lead to outcomes that conform to the principles of justice (IPCC 2022, p.124). In this framing, potential effectiveness, feasibility and anticipated justice implications represent the three attributes of potentially successful adaptation. These are defined below:

- **Potential effectiveness**. The extent to which planned adaptation is able to achieve its intended outcomes (i.e., reduce climate risks or impacts) within a stated timeframe.
- **Feasibility**. The degree to which planned adaptation is both viable and desirable in a particular context, when taking into consideration barriers, enablers, synergies and trade-offs.
- **Anticipated justice implications**. The extent to which planned adaptation is anticipated to result in the acceptable allocation of benefits, trade-offs and risks.

The conceptual framework proposed by IPCC (2022) was deemed to represent a suitable conceptual basis for the tool's design as it frames successful adaptation as adaptation that is both effective and just; going beyond the notion that adaptation that is effective in reducing climate risks and impacts represents successful adaptation. This is important as effective adaptation is not necessarily inclusive adaptation (UNEP 2022). For example, adaptation can be effective in reducing climate risks and impacts while at the same time lead to increases in the vulnerability of vulnerable and marginalised groups.

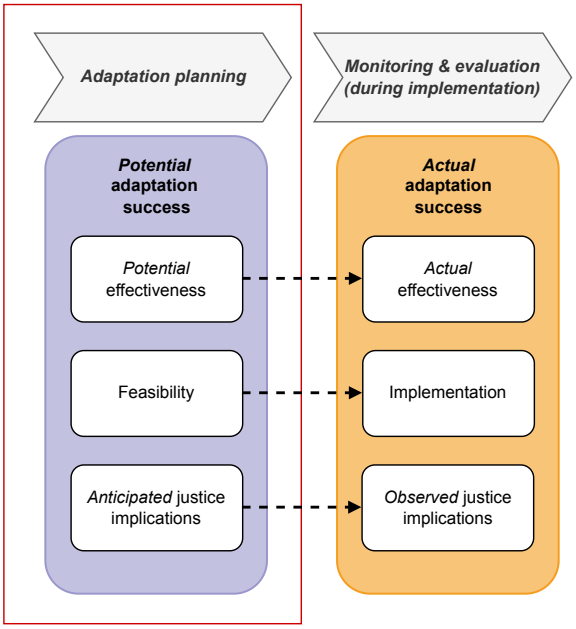
Furthermore, through identifying a series of key variables (i.e., the key elements) that can be reasonably expected to contribute towards planned adaptation interventions possessing each attribute of potential adaptation success, it is possible to develop an assessment framework which can be used to assess ex-ante the extent to which planned adaptation interventions (i.e., project proposals) have the potential to be effective, feasible and just.

In adopting the IPCC (2022) framing of potential adaptation success as its conceptual framework, the tool makes the assumption that proposals for adaptation projects that adhere to all three of the attributes of potential adaptation success have greater *potential* to become successful adaptation projects than those that do not, or do not adhere as strongly. Figure 2.A below provides an overview of how the three attributes of *potential* adaptation success at the adaptation planning phase (red frame) would lead to *actual* adaptation success following the project's implementation.

It is important to consider however, that even when a proposal possesses the attributes of potential adaptation success – i.e., it has the potential to be effective, is feasible and is anticipated to have acceptable implications for justice – it does not mean that it will definitely lead to a successful adaptation project. Instead, the realisation of potential success will depend on the quality of the implementation process (IPCC 2022).[7]

[7] The quality of an implementation process can be judged by "the extent to which they were implemented acceptably and sustainably, balancing diverse perspective, and taking into account trade-offs and synergies" (IPCC 2022, p.159).

**Figure 2.A** Illustration of how the three attributes of potential adaptation success are expected to lead to actual adaptation success




*Source: Adapted from IPCC (2022, p. 159).*

### Step 1.b Identification of the key elements of potentially successful adaptation projects

In parallel to the adoption of the IPCC (2022) framing of potential adaptation success as the tool's conceptual framework, the literature review was also used to identify the key elements of potentially successful adaptation projects that could form the basis of a framework for assessing the extent to which project proposals are well placed to lead to successful adaptation outcomes (in line with the IPCC [2022] framing).

To identify key elements that can be reasonably expected to contribute towards adaptation projects leading to successful adaptation outcomes, the literature review focussed on academic and grey literature that discusses principles and best practices in adaptation planning. This included literature that documents the existing practices of prominent climate funds – who represent frontrunners in operationalising adaptation assessment.

The final list of key elements derived from the literature review draws strongly on the available project proposal templates and related guidelines of the three major climate funds: the Green Climate Fund (GCF), the Global Environment Facility (GEF) and the Adaptation Fund. These elaborate proposal templates and related guidelines have been developed over many years with extensive input from different stakeholders to ensure that their funded interventions lead to positive results. While there are differences in concepts and language across the funds – e.g., the GCF as the only fund uses the concepts of "paradigm shift potential" and "sustainable development potential" – many of the elements in the funds' proposal templates are very similar and therefore represent an important resource for deriving the list of key elements to be assessed by the tool.

Many other actors, including civil society, bilateral donors and national climate funds provide their own project proposal templates and related guidelines. FONERWA, the Rwanda Green Fund for instance provides project proposal templates for public institutions, civil society and the private sector.[8] While most of the key elements in those project proposal templates apply to both mitigation and adaptation interventions, the nature of adaptation requires specific considerations to be made at the project planning stage. The design of an adaptation project, for instance, needs to thoroughly address current and future climate risks to ensure that the project results can withstand future climate impacts.
In addition to the key elements that were drawn from the practices of prominent climate funds, literature on principles and best practices in adaptation planning also provided useful insights for the development of the list of key elements.

For instance, the IPCC identifies "four conditions [that] stand out as particularly key to enabling adaptation success: recognitional equity and justice, including the integration of Indigenous and local communities and knowledge; procedural equity and justice; distributive equity and justice; and flexible and strong institutions that seek integration of climate risk management with other policies and address long-term risk reduction goals" (IPCC 2022, p. 2603). Meanwhile, an evaluation of the Special Climate Change Fund (SCCF) found that, among others, "adaptive management" and "effective stakeholder engagement" are key factors that contributed to the sustainability of project results funded by the SCCF, whereas "weak monitoring and evaluation" and weak project management" hindered the sustainability of results (GEF IEO 2021, p.44).

The 2022 UNEP Adaptation Gap Report (AGR) also includes a summary of key adaptation principles derived from key pieces of academic and grey literature. The overview provided by the 2022 AGR complements other assessed literature by identifying potential key elements such as the need for project developers to integrate local knowledge into adaptation responses (Eriksen et al. 2021) or the need for adaptation to avoid maladaptation by taking "into account unintended negative consequences and explicitly look at the cross-scalar, long-term impacts of adaptation action" (Singh et al. 2021 p.654). Finally, the Paris Agreement itself provides guidance on key principles and best practices in adaptation planning when it states that "adaptation action should follow a *country-driven, gender-responsive, participatory and fully transparent approach*, taking into consideration *vulnerable groups, communities and ecosystems*, and should be based on and guided by the *best available science* and, as appropriate, *traditional knowledge, knowledge of indigenous peoples and local knowledge systems*, with a view to integrating adaptation into relevant socioeconomic and environmental policies and actions, where appropriate" (United Nations Framework Convention on Climate Change [UNFCCC] 2015, p.9).

Based on the review of literature – including those described above – a draft list of key elements was devised. When refining this list, specific focus was placed on trying to strike a balance between (i) including all key elements necessary for comprehensively assessing the extent to which adaptation project proposals are well placed to lead to societally desirable adaptation outcomes and (ii) keeping the list as short as possible to enable the tool to be user-friendly.

[8] FONERWA Project proposal template available here: http://greenfund.rw/who-can-apply

**Step 2. Allocation of the key elements identified to the three attributes of potential adaptation success**

In the second step, the identified key elements from the previous steps were allocated to the three attributes of successful adaptation (see Figure 3, section 3 of the main document). The attribute of feasibility was further subdivided into *desirablity* and *viability*, as per the IPCC description of feasibility,[9] to facilitate the allocation process and make the distinction between these two dimensions of feasibility clearer.

The allocation of key elements to the attributes of successful adaptation was been conducted based on our understanding of both the attributes and the key elements; which in turn was informed by the literature reviewed. This allocation process was an iterative process where the key elements themselves have been revisited and grouped together for simplicity reasons. In some cases, key elements have also been disaggregated to place more importance on an individual element. For example, the key element of "potential for scaling up and replication" was initially grouped together with the key element of "sustainability", which is in line with guidelines from the GEF and Adaptation Fund. However, after consideration they have been disaggregated into two separate key elements to give more weight to each individual element and to avoid overcrowding them, as "sustainability" itself is an important element of adaptation projects and requires thorough consideration on its own. In many cases, the allocation of key elements was not straightforward as several key elements have relevance to more than one attribute and could thus feature under two or even three attributes. The key element of "stakeholder engagement" for example has clear relevance to enabling just adaptation, but is also a key enabler of effective adaptation. In those cases, the attribute where the link to the key element was considered the strongest was chosen for the specific key element. For instance, the key element "indigenous, traditional and local knowledge", while being relevant to the attribute anticipated justice implications, has been allocated to effectiveness as the literature highlights the importance of such knowledge in developing effective adaptation interventions. The link to potential effectiveness was therefore considered stronger.

Overall, the largest number of key elements have been allocated to potential effectiveness, followed by feasibility (both for *desirability* and *viability*) and then anticipated justice implications. It is important to note that the number of key elements allocated to an attribute does not indicate relative importance. In line with the IPCC framing, all attributes of adaptation success are considered to be of equal importance.

**Step 3. Development of questionnaire**

After the allocation of key elements to the respective attributes, questions have been developed to assess the extent to which proposals address each key element. These questions are aimed at capturing the most important aspects of each key element in as simple and straightforward manner as possible. The number of questions has been limited to maximum seven questions per key element to not overburden the user of the tool and compromise user friendliness.

**Step 4. Development of the Excel-based assessment tool**

Once a full questionnaire was developed, work began on developing an Excel-based platform that could host the questionnaire and transform it from a list of questions into an interactive tool.

The first step was to transfer the questionnaire developed in step 3 to the Excel document and format relevant cells so users can only provide pre-determined answers. This was done in the tab titled "Assessment Tool". In addition to the columns titled "Questions" and "Answers", an additional column was added to the "Assessment Tool" tab titled "Advice/Request to project developer". This column is intended to allow users to make notes about why a proposal scored badly to specific questions. It was added to encourage users to use the results of the Excel-based assessment tool as the basis for providing project developers with feedback on how they can improve their proposals.

[9] Please note that in the IPCC (2022, p.159) definition, feasibility is referred to as measure which is considered viable and desirable. In IPCC (2022) viable is referred to as possible.

Finally, once the “Assessment Tool” tab was finalised, a second tab was created to host a summary of the results. To facilitate this, it became necessary to develop a scoring system to allow users to interpret the results of the questionnaire. Various approaches to scoring were tested however, the approach of scoring each element individually described in section 2.4 was selected due to the fact that can provide a degree of nuance (i.e., it allows users to identify when elements are assessed to be either: addressed, partially addressed or not adequately addressed) while at the same time, its relative simplicity means that it can be easily navigated by users if they want to make changes to the tool (e.g., add or adjust the default questions, or adjust the default thresholds of the scoring system).