

CLIMATE CHANGE ADAPTATION: IS GERMAN FUNDING REACHING PARTICULARLY AFFECTED COUNTRIES?

DEval-Evaluation „Climate Change Adaptation Measures“

The German Federal Government is increasingly engaged in climate policy. Against this background, DEval is conducting a modular evaluation of German Development Cooperation (DC) portfolio on climate change adaptation over several years. The policy brief at hand is based on the results of the first module of the evaluation, a portfolio and allocation analysis of German DC adaptation finance (Noltze and Rauschenbach, 2019).

Key Findings:

- Climate vulnerability increases a country's probability of receiving German adaptation finance.
- Germany is more likely to make commitments to countries with low adaptive capacity.
- Countries that are more vulnerable to climate change do not consistently receive a higher level of adaptation commitments.
- The Small Island Developing States benefit below average from German adaptation funds.

Development Policy Increasingly Means Climate Policy

Climate policy is playing an increasingly important role in DC. With the target value of four billion EUR for climate protection and adaptation, the German government's international climate policy commitment in 2020 will account for around a quarter of all official German development funds. The aim of adaptation measures is to reduce climate risks and mitigate potential

damage. German DC promotes adaptation measures in numerous partner countries - mainly through bilateral, project-based approaches.

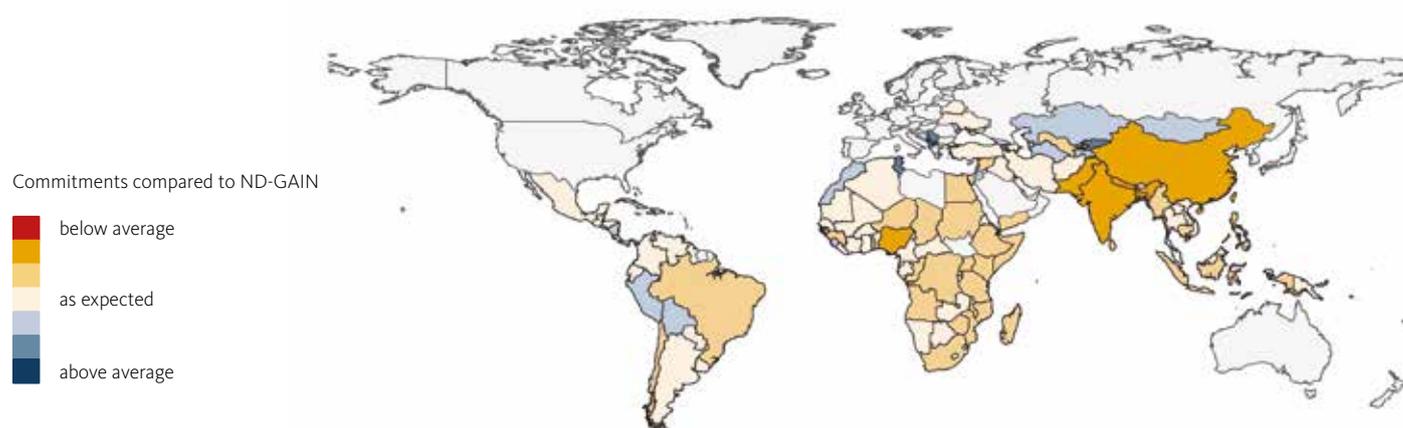
Correlation Between Climate Vulnerability and Adaptation Finance

In accordance with the Paris Climate Convention adopted in December 2015, German DC has set itself the goal of supporting the countries and people most affected by climate change. With the help of a macro-quantitative allocation analysis using statistical methods, DEval has reviewed to what extent this goal is reflected in the allocation patterns.

The evaluation shows that climate vulnerability significantly increases a country's probability of receiving German adaptation finance. The more vulnerable a country is, the more likely it is to receive funding for adaptation measures. In addition, Germany is more likely to make commitments to countries with low adaptive capacity. However, countries that are more vulnerable to climate change do not receive a consistently higher level of commitments. The graphic shows that some countries receive below average (red/orange) while others above average funding (blue), based on their climate vulnerability status. For example, the group of the Small Island Developing States benefits below average from German adaptation commitments.

These results apply unreservedly to the majority of bilateral cooperation. Due to insufficient data availability, it is currently not possible to take the additional funds disbursed through multilateral channels and regional projects fully into account in country-specific analyses.

Adaptation Commitments and Climate Vulnerability



Note: The graphic shows grants and loans for climate change adaptation measures per 100,000 inhabitants (in mio. of USD) in relation to the ND-GAIN vulnerability index (Chen et al., 2015).

Source: Own graphic based on CRS (Creditor Reporting System) data, OECD 2011-2017, and the ND-GAIN vulnerability index, see Noltze and Rauschenbach, 2019, p. 19.

Conclusion

Based on an overall view of the findings on the correlation between climate vulnerability and the allocation of German adaptation commitments, it can be concluded that countries with a higher climate risk are more likely to receive funding than countries with a lower climate risk; however, the level of funding is not necessarily higher. Thus the results only partially meet the German DC requirements to support risk-exposed countries.

Against the background of international agreements that support countries particularly vulnerable to climate change and Small Island Developing States, the partner countries' respective climate vulnerability should play an even greater role when allocating adaptation funds in the future. To promote transparent and efficient allocation decisions, Germany should work to improve the availability of data on multilateral and regional climate contributions.

References

Chen, C. et al. (2015), *University of Notre Dame Global Adaptation Index, Country Index Technical Report*, University of Notre Dame.

Noltze, M., and M. Rauschenbach (2019), *Evaluation of Climate Change Adaptation Measures. Portfolio and Allocation Analysis*, German Institute for Development Evaluation (DEval), Bonn.

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The German Institute for Development Evaluation (DEval) is mandated by the German Federal Ministry for Economic Cooperation and Development (BMZ) to independently analyse and assess German development interventions. Evaluation reports contribute to the transparency of development results and provide policy-makers with evidence and lessons learned, based on which they can shape and improve their development policies.