



27/11/2024

UNEP Finance Initiative

## PRB Adaptation building programme

Africa and the Middle East

Workshop 2#:  
Practice targets and action plans



# Overview of the programme



# Agenda of today's workshop

Recap Workshop 1#

PRB Bank peer sharing

- Access Bank
- Mauritius Commercial Bank

Deep dive on client engagement

Business opportunities

Step 3: Setting SMART practice targets

- What practice targets are
- Briefly on impact targets

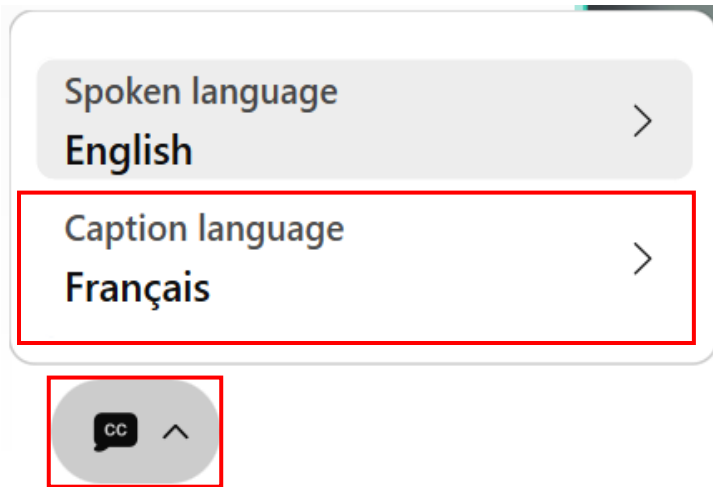
Step 4: Developing adaptation action plans

Implementation - Summary

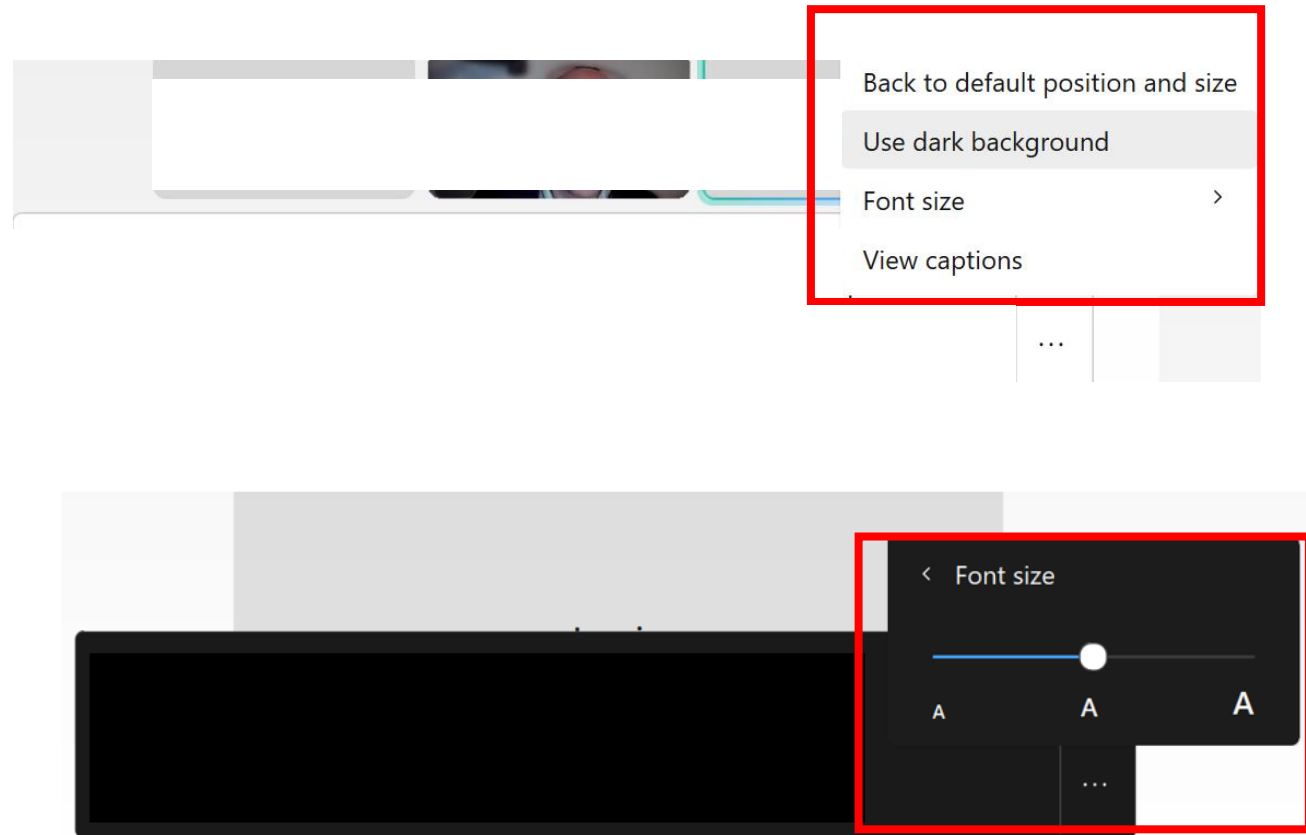
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- Please mute yourself during the workshop to avoid background noise
- Question and comments highly welcome during the session! You can
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  - Post questions in Webex chat (anytime)
  - Post questions on Slido.com (voting code: **963 963**) (anytime) – Slido is anonymous, so you don't even need to mention your name

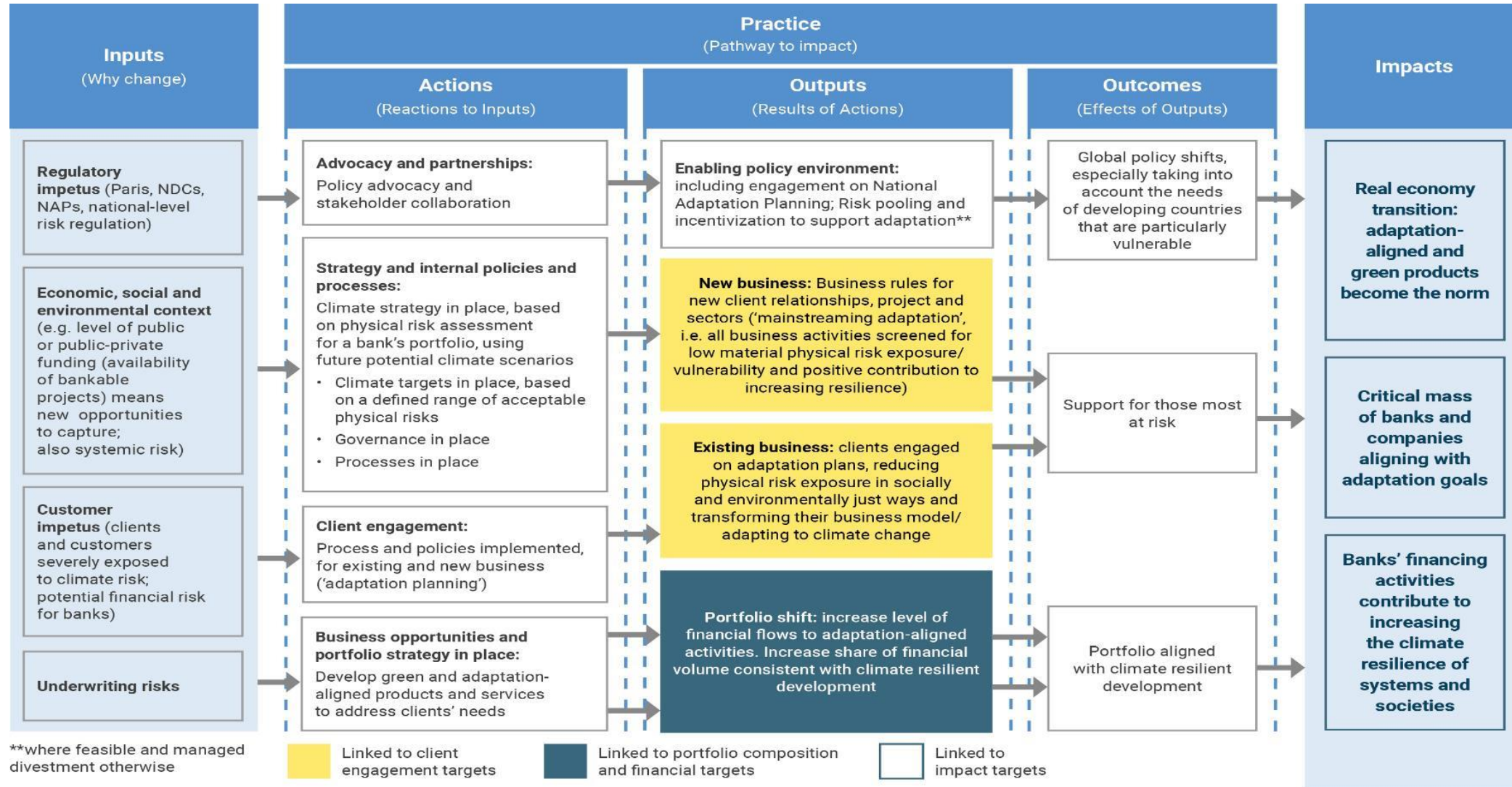
# WebEx Translation



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# Recap the PRB theory of change



# Recap steps to set targets

## 1 Understand the context

Understand the **climate adaptation policy context**, through national and regional adaptation planning and assessment frameworks and identify the most relevant goals and frameworks to align with.

→ This step helps **banks identify priorities for climate-resilient development in their operating contexts.**

## 2 Set a baseline

Use **climate risk assessments and scenario planning to understand climate impacts** relevant to clients and own portfolios, utilising regulatory and/or supervisory approaches where these already exist.

→ The results of the assessment are used to **identify priority regions and sectors for developing adaptation measures.**

## 3 Set targets

Set targets that aim to align finance and investment with global goals and support national adaptation plans.

→ The example targets contained in the guidance focus on **internal strategies, policies and processes including climate risk management, client engagement and financing.**

## 4 Develop action plans

Develop **adaptation action plans, embed in internal processes, and set performance indicators** for tracking progress. Consider **interlinkages with climate mitigation, nature, and socio-economic development.**

→ The output of this step is a **roadmap and internal strategy towards achieving the targets.**

\* Targets and actions are suggestions. Banks may individually take these forward based on their own business and regional context.

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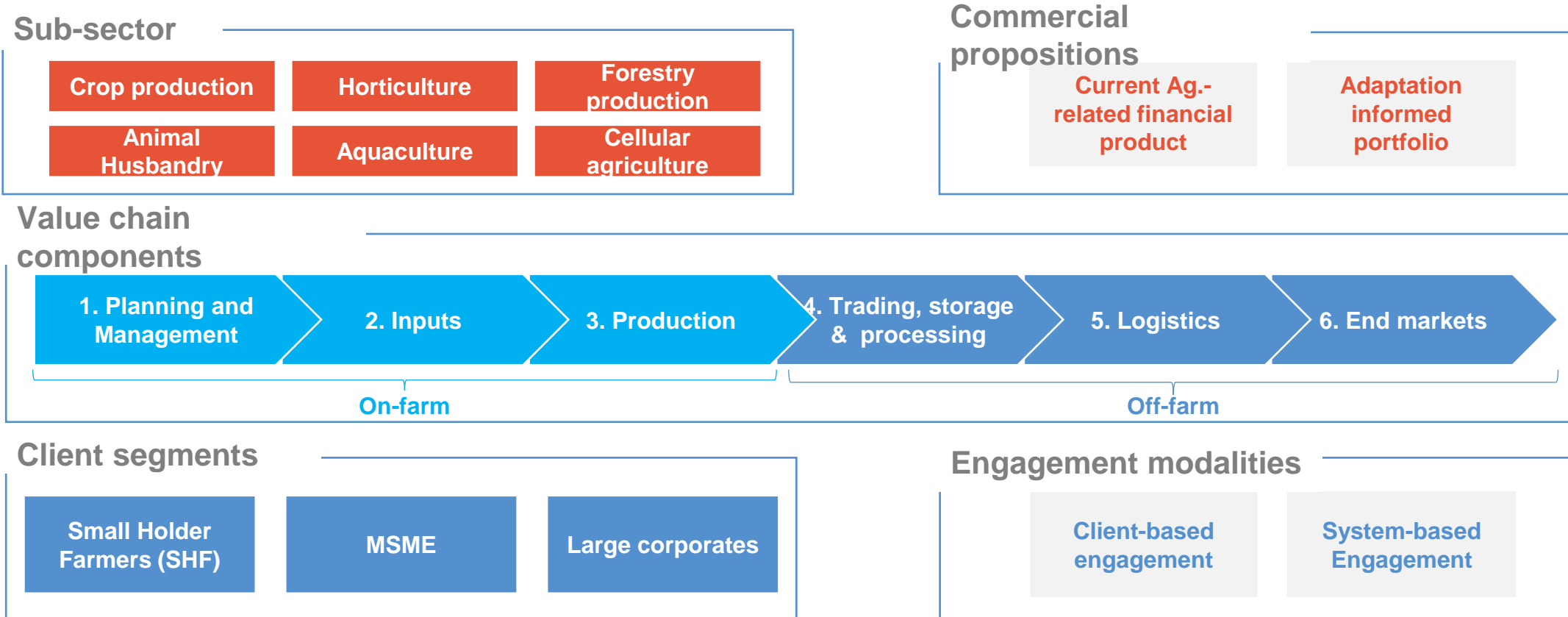
**If you had any learnings or takeaways, could you share them briefly?**

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# — PRB Peer Sharing presentations

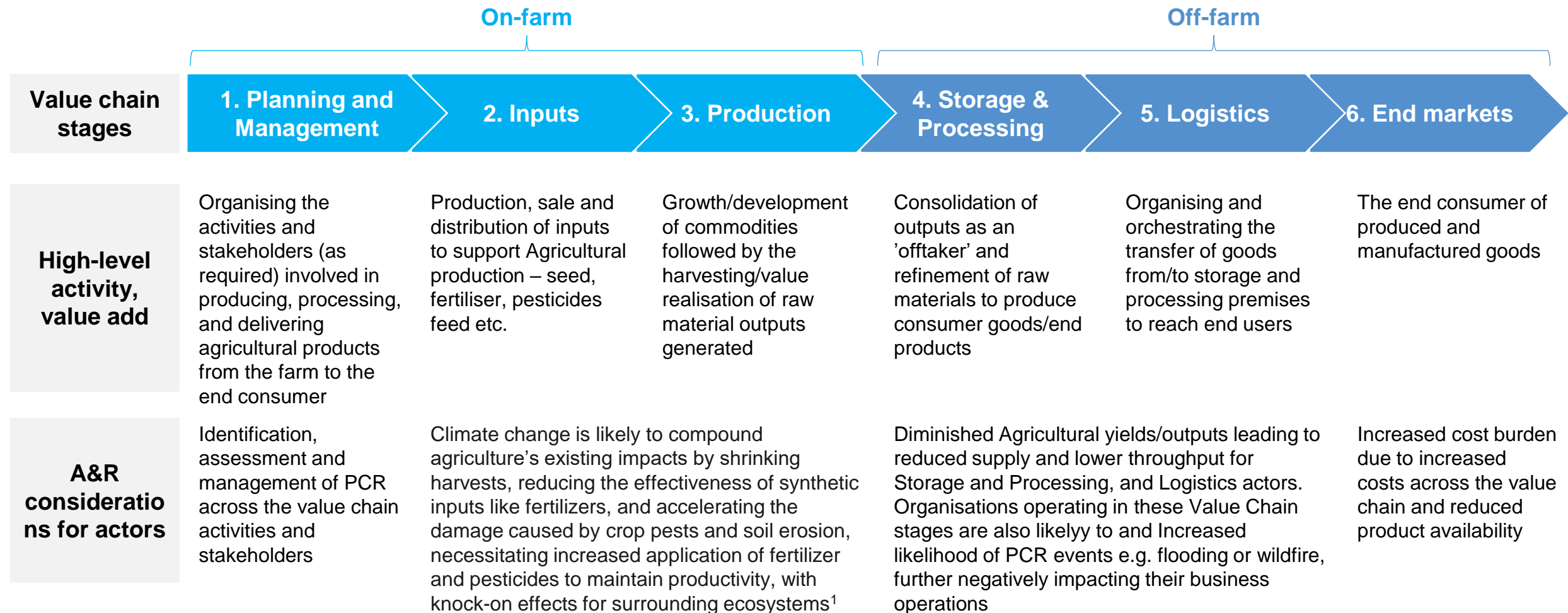
# — Deep dive on client engagement

# Client engagement – mapping client context in the agriculture sector



Banks must keep each of these dimensions in consideration when designing a fit-for-purpose Agriculture Adaptation strategy and implementation plan

# Client engagement – value chain as a frame of reference



1. [Nature.org](https://www.nature.org)

# Client engagement – engagement pathways and actors

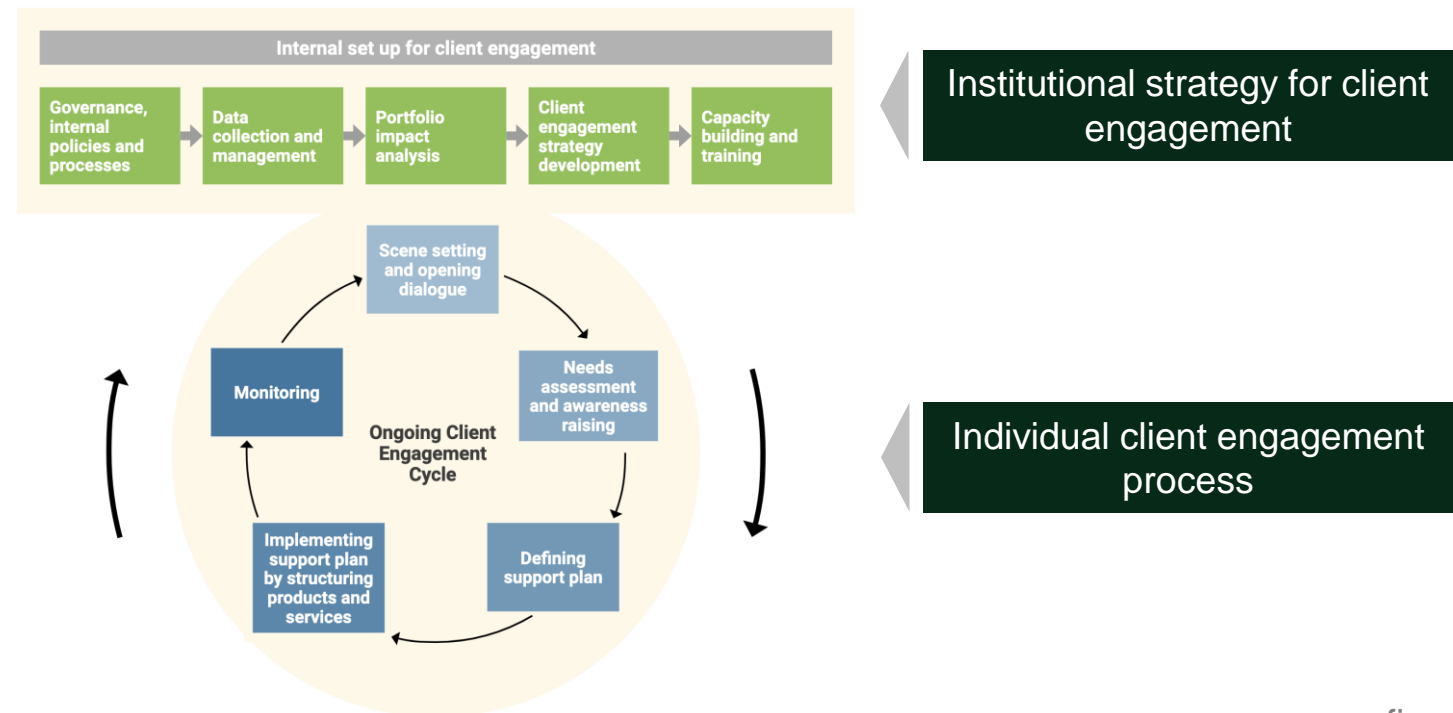
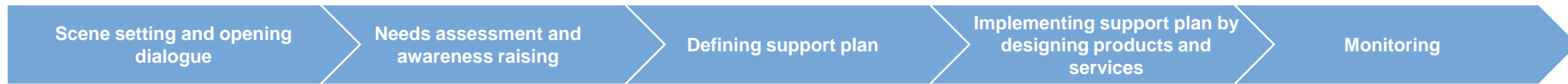
## Engagement pathways and actors

## Characteristics and considerations for banks engagement

Client- based engagement	SHF	Typically high-volume, diverse stakeholder group, requiring significant outreach and engagement capabilities to successfully engage. Partnership with specialist organisations may be beneficial to banks with SHF client engagement
	MSME	May carry significant upstream and downstream value-chain dependencies, increasing the imperative behind effective Exposure, Sensitivity and Vulnerability assessment in In-depth Due Diligence
	Large corporates	May operate vertically integrated value chains, owning the operating entities across the value chain, providing resiliency in some contexts but also potentially increasing concentration risk in others
System-based Engagement	Banking Industry Bodies and Expert Groups	Banking Industry Bodies and Expert Groups that engage with Government and Local Authorities, providing bank Agriculture A&R finance experiences and perspective to inform government/authority policy
	Farming Organisation and Associations	Substantial advocacy body across markets, campaigning for farms and farming welfare, and improved economic outcomes for farmers. Can be an effective working group partner for banks to understand industry challenges and needs – may intersect with Banking Industry Bodies and Expert Groups depending on market context
	Regulators or Monetary Authorities	Existing financial and operational oversight function which can be leveraged to highlight observed Agriculture sector A&R financing challenges and needs at a national governance level
	Government	National Adaptation Plans may act as a reference point to inform Agriculture A&R portfolio and product strategy, and align with national targets
	Local Authorities	Engaging with Local Authorities to validate and ensure appropriate service provision for Agriculture stakeholders across the value chain

# Client engagement – implementing the PRB approach

## PRB client engagement cycle



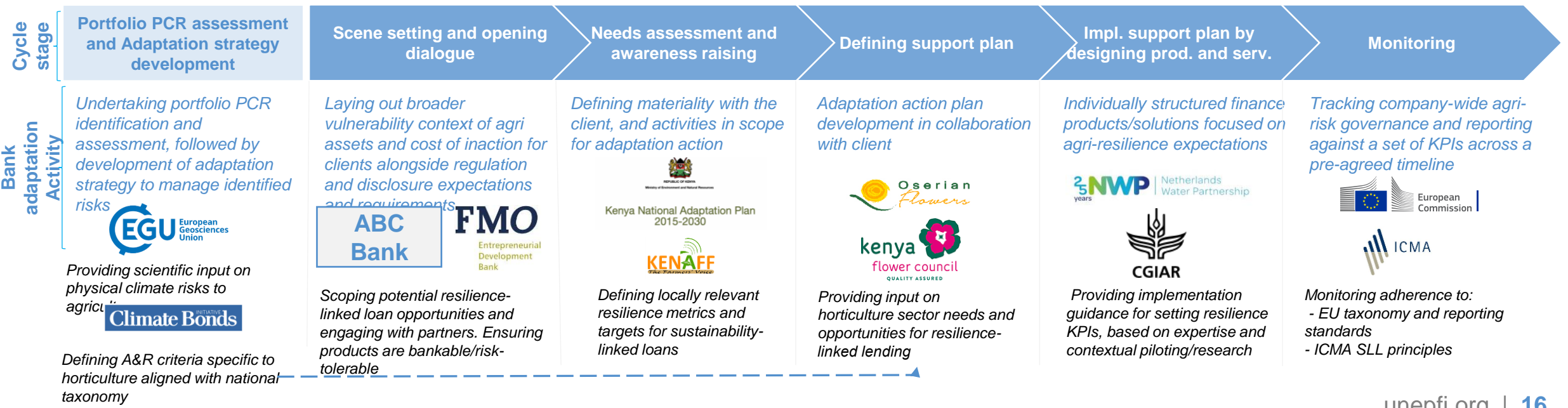
# Client engagement – implementing the PRB approach

*EXAMPLE: Resilience-linked loan development in horticulture – actors and activities across the engagement cycle (hypothetical) and risk assessment*

## PRB client engagement cycle







## Worked example approach





# — Business opportunities

# Managing identified risks

 <p><b>Accept</b></p> <p>Absorb climate-related losses from credit defaults or delinquencies in own balance sheet</p>	 <p><b>Avoid</b></p> <p>Withdraw from certain communities or entire regions which are highly exposed to physical climate risk, either temporarily or permanently</p>
 <p><b>Adapt</b></p> <p>Increase resilience against specific natural perils, either through community infrastructure or site-specific modifications</p>	 <p><b>Transfer</b></p> <p>Hedge potential losses from loan defaults or delinquencies to protect the own balance sheet as well as providing financial relief services to borrowers</p>

- Avoid divestment; instead, support resilience measures, such as business planning for relocation in vulnerable regions.
- Promote financial innovation to mobilize additional capital for adaptation.
- Prioritize “no regret” activities that benefit adaptation and do not harm other sustainability objectives.
- Ensure transparency and accountability in monitoring progress against targets.



# As per our previous sector examinations, banks must develop A&R informed Agriculture portfolio strategy and assess financial products to address true client needs

## Current Ag.-related financial product

- 

**Term Loans**  
Short to long-term loans for agriculture investments
- 

**Working Capital Loans**  
Short-term loans for operational expenses
- 

**Warehouse Receipt Financing**  
Loans secured by stored agricultural commodities
- 

**Agriculture Insurance**  
Crop, livestock, and weather index insurance
- 

**Derivatives**  
Hedging instruments for managing price and weather risks
- 

**Green Loans**  
Financing for environmentally sustainable practices
- 

**Sustainability-Linked Loans**  
Interest rates tied to sustainability performance

## Portfolio strategy development

- Integrate climate risk assessments and scenario analysis to identify crops and regions most vulnerable to physical climate risks
- Develop adaptation finance strategies to support farmers in adopting agricultural resilience opportunities
- Align lending portfolios with national/regional adaptation plans and NDCs (Nationally Determined Contributions) that include agriculture as a key sector
- Review and incorporate the resilience components of transition plans, including those of bank counterparties, to ensure alignment and support for their adaptation efforts across the portfolio
- Set targets for climate-smart agriculture and livestock financing, balancing transition and physical risk realities
- Partner with research institutions to identify and pilot innovative adaptation solutions across contexts

## Illustrative Output – Crop Production

Development of credit scoring models that incorporate physical climate risk factors, such as drought frequency and water stress, to assess the creditworthiness of borrowers in water-intensive crops like sugarcane.

# Taxonomies are key to identify opportunities and assess transactions

## National taxonomies

### Top-down

Duplicated from existing taxonomies and adjusted for local needs.

### Bottom-up

Developed in partnership with local industry associations, public administrations, NGOs, community groups to incorporate national priorities.



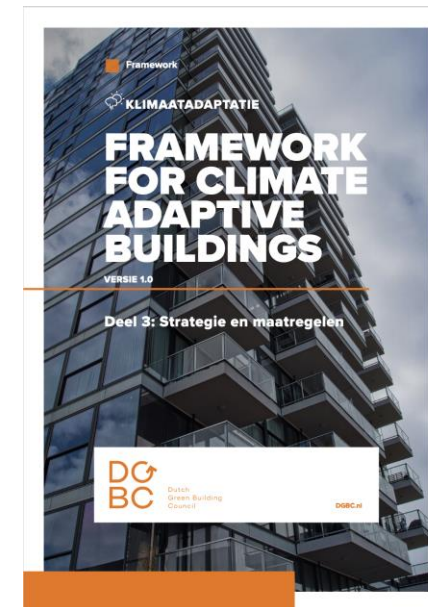
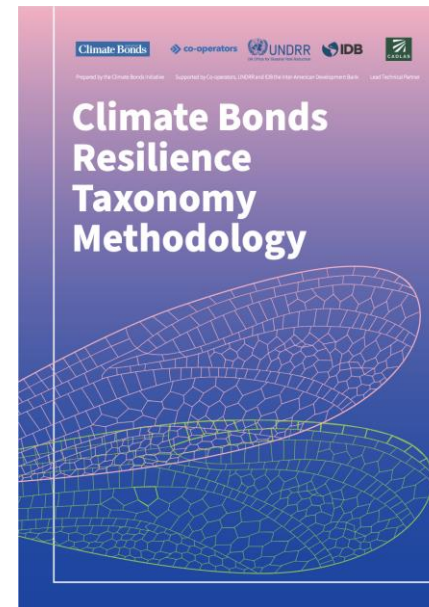
## International taxonomies

### Financial product-specific

Developed to meet needs of specific financial products, such as fixed income products, credit lines

### Sector specific

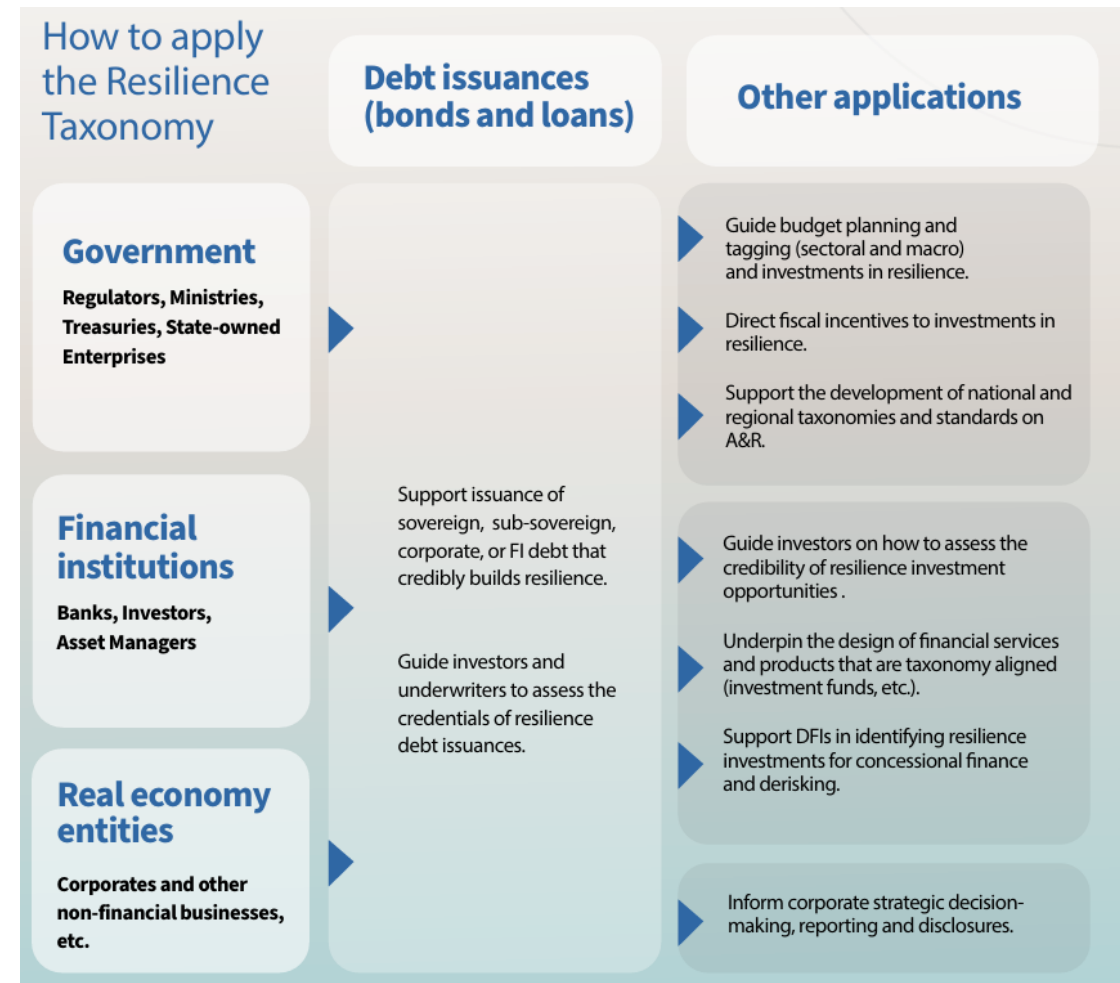
Often developed by industry bodies to deliver specific sectoral needs









# Taxonomies are key to identify opportunities and assess transactions - CBRT



- The CBRT aims to accelerate global capital flow into resilience investments by offering clear definitions, science-based criteria, and a common framework, facilitating the identification and development of impactful adaptation and resilience (A&R) projects.



# Taxonomies are key to identify opportunities and assess transactions - CBRT

<p><b>Resilient infrastructure</b></p> <p>Infrastructure that provides essential services on which populations and wider economic activity depend</p> <p><i>Building the climate resilience of essential infrastructure services so that the reliability, safety, access and affordability of these services are not adversely affected.</i></p> 	<p><b>Resilient food systems</b></p> <p>Systems for the production and provision of food and other related products.</p> <p><i>Building the climate resilience of agrifood systems and supply chains so that the provision, availability and affordability of nutritious food and related products, as well as food security, are not adversely affected.</i></p> 	<p><b>Resilient cities</b></p> <p>Human settlements whether large (e.g. cities) or small (e.g. villages), urban or rural.</p> <p><i>Building the climate resilience of cities and settlements so that the well-being, safety, security, livelihoods and economic potential of inhabitants is not adversely affected.</i></p> 	<p><b>Resilient social systems</b></p> <p>Systems and services for ensuring social well-being, safety and the creation/protection of social capital across populations</p> <p><i>Building the climate awareness and climate resilience of social systems and services so that populations, communities, households and individuals are better prepared for and able to cope with climate change impacts.</i></p> 	<p><b>Resilient health systems</b></p> <p>Systems, facilities, services and capacities for protecting and improving human health and respond to new health challenges and emergencies.</p> <p><i>Building the climate resilience of healthcare services and facilities so that they can respond to climate-driven health priorities and minimise adverse effects of climate on human health.</i></p> 	<p><b>Resilient natural systems</b></p> <p>Terrestrial, freshwater, coastal and marine ecosystems, the biodiversity they support and the natural capital and ecosystem services that they provide.</p> <p><i>Building the climate resilience of natural ecosystems (e.g. forests, grasslands, aquatic, etc.) so that their intrinsic biodiversity, natural capital, ecosystems services and cultural significance are maintained and/or enhanced.</i></p> 	<p><b>Resilient industry and commerce</b></p> <p>Industrial and commercial operations encompassing extractive industries, manufacturing and service-based industries.</p> <p><i>Building the climate resilience of industrial and commercial operations and supply chains so that their economic output, operational safety, affordability of products and services and the provision of employment are not adversely affected.</i></p> 
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See [Climate Bonds Resilience Programme](#) | [Climate Bonds Initiative](#)

# Climate Bonds Resilience Taxonomy: Agrifood Insight

PRIMARY Climate Resilience Theme	PRIMARY Sector	PRIMARY Sub-sector	SECONDARY Sector	Investment	Investment type	Suggested screening criteria [all TBC by TWG]	Climate Hazard Consequence
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Conducting R&D for new cultivars	Adapting Measure	Total expected yield performance under [x]oC increase in temperatures against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Creation of cool farm workforce shelters and housing	Adapting Measure	Temperature reduction potential of [x]oC/m2 against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Field testing new crop cultivars	Adapting Measure	Total expected yield under [x]oC increase in temperatures against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Implementation of controlled environment agriculture with cooling/ventilation	Adapting Measure	Temperature reduction potential of [x]oC/l against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Installation of upgraded seed storage capacity	Adapting Measure	Amount of seeds stored in stable temperatures [x]kg against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Installation of HVAC and cooling systems in storage spaces	Adapting Measure	Temperature reduction efficiency of [x]oC/m2 against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Scaling up production for new cultivars	Adapting Measure	Total expected yield under [x]oC increase in temperatures against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Upgrading harvested crop storage	Adapting Measure	Heat resistance of crop storage unit materials in [x]oC/t against business as usual	Heat Stress
Resilient Agri-food Systems	Agricultural production	Crop production	Agri-food logistics, processing & retail	Constructing / expanding / operating / upgrading agricultural production assets	Adapted Activity	Integration of investment-appropriate measures for hazard resilience	Heat Stress

# Addressing Negative Impacts: Maladaptation and DNSH

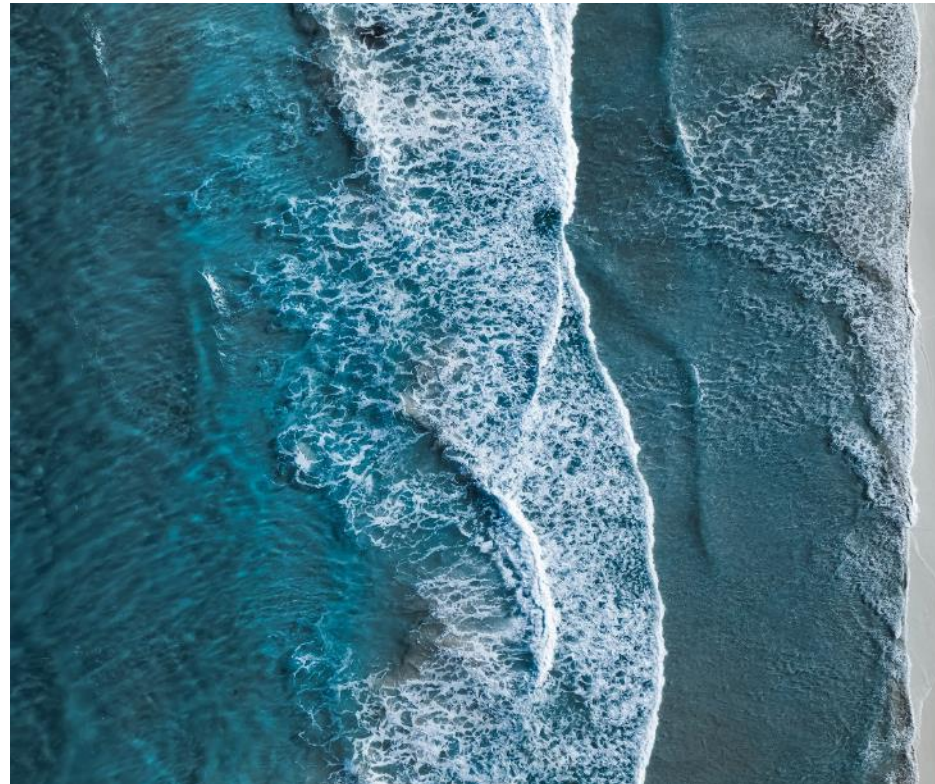


- Screen adaptation projects for potential social and environmental harm, considering "leave no one behind" and DNSH principles.
- Maladaptation can result in adverse impacts like increased vulnerability, enforced migration, and loss of biodiversity.
- Use scenario analysis and maladaptation checklists to assess risks and avoid negative outcomes.
- Consider impacts on vulnerable communities and ecosystems, and ensure consistency with long-term adaptation goals.
- Screen for high-regret themes like land and water misuse in adaptation measures.



## Building Capacity and Embedding Safeguards

- Raise awareness of maladaptation, DNSH, and "leave no one behind" concepts in decision-making.
- Embed these concepts into transaction screening and due diligence processes.
- Conduct comprehensive environmental and social assessments to identify risks of maladaptation.
- Engage local communities in designing adaptation measures and ensure inclusion of vulnerable groups.
- Evaluate long-term sustainability and alignment with adaptation goals under different climate scenarios.



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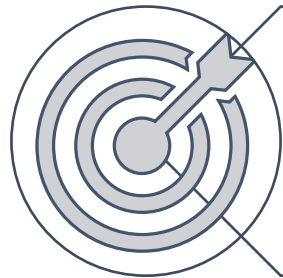
# Step 3: Set SMART practice targets

## Practice target setting

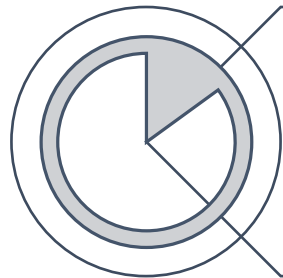


- Climate change will impact all sectors and geographies to differing extents.
- So even if climate adaptation is not your PRB key impact area, we still recommend you set practice targets to identify the risks and develop a plan to address those risks
- This should help you to work more strategically on the area.

## Practice target setting - considerations



Set targets at portfolio level or prioritize segments with high physical risk impacts.



Prioritized segments should align with the bank's business model and portfolio concentrations.



Define target segments by regions, sectors, or client types.

# Practice target setting - considerations

- Three key types of practice targets:



client engagement



business opportunities/financial flow.

- **Headline targets** should reflect outcome goals in business opportunities, financial flows, and client engagement.
- Physical risk assessment and management are crucial for banks in the early stages of adaptation.

## Practice target setting – risk assessment and management

Practice target	Purpose	Guiding examples
<b>Strategy/ Internal policies and processes— Risk assessment and management</b>	<p>Process for assessment and disclosure of climate impacts and resilience plans.</p> <p>Adaptation strategy/plans included in the banks’ climate transition or sustainability policies.</p>	<p><b>Early stage:</b></p> <p>Physical risk assessments completed for X% of (the relevant) portfolio.</p> <p>Physical risk assessment integrated in risk management policies and processes.</p> <p><b>More mature:</b></p> <p>Proportion of portfolio (%) highly exposed to key indicators of physical risks, by geography/sector.</p> <p>Adaptation/resilience incorporated in climate transition plans or sustainability strategy and approved by Senior Management.</p> <p>Strategy for business opportunities and product development in high-risk sectors and regions.</p>

The examples above are illustrative; banks will individually set appropriate targets to reflect scope, portfolio context and maturity level, for against their business and regional context.

## Practice target setting - considerations

- Three key types of practice targets:



internal policies/processes



client engagement



business opportunities/financial flow.

- **Headline targets** should reflect outcome goals in business opportunities, financial flows, and client engagement.
- Physical risk assessment and management are crucial for banks in the early stages of adaptation.

## Practice target setting – client engagement

Practice target	Purpose	Guiding examples
<b>Client engagement</b>	Gather information on risks and opportunities, and make clients aware of risk mitigation and resilience options.	<p><b>Early stage:</b> X engagements with clients with highly exposed assets, to incentivise climate resilience measures.</p> <p><b>More mature:</b> % increase of clients with adaptation and resilience strategies in place.</p>

The examples above are illustrative; banks will individually set appropriate targets to reflect scope, portfolio context and maturity level, for against their business and regional context.



## Practice target setting - considerations

- Three key types of practice targets:



internal policies/processes



client engagement



business opportunities/financial flow.

- **Headline targets** should reflect outcome goals in business opportunities, financial flows, and client engagement.
- Physical risk assessment and management are crucial for banks in the early stages of adaptation.

# Practice target setting – business opportunities / financial flows

Practice target	Purpose	Guiding examples
<p><b>Business opportunities and financial flows</b></p>	<p>Shift financial flows towards adaptation aligned activities, by mobilising finance towards climate-resilient development and mitigating high exposures to physical risk.</p>	<p><b>Early stage:</b> Integration of adaptation in product development processes for high impact regions or sectors.</p> <p><b>More mature:</b> USD X million/billion adaptation finance mobilised towards adaptation as identified by state-of-the-art taxonomies.</p> <p>Increase in % of property, infrastructure or other alternative asset portfolios with adaptation measures or insurance in areas subject to high physical climate risk.</p>

The examples above are illustrative; banks will individually set appropriate targets to reflect scope, portfolio context and maturity level, for against their business and regional context.

# Looking at our examples from another angle – “evolution” of targets

## 1 Risk assessment

### Early stage

Physical risk assessments completed for X% of (the relevant) portfolio



### More advanced

Proportion of portfolio (%) highly exposed to key indicators of physical risks, by geography/sector.

## 2 Client Engagement

### Early stage

X engagements with clients with highly exposed assets to incentivise climate resilience measures



### More advanced

% increase of clients with adaptation and resilience strategies in place

## 3 Business opportunities and financial flows

### Early stage

Integration of adaptation in product development processes for high impact regions or sectors



### More advanced

USD X million/billion adaptation finance mobilised towards adaptation as identified by state-of-the-art taxonomies

## Practice target setting – what makes a target good?



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**What are the main challenges for your bank in designing internal policies for climate adaptation?**

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**What is the biggest challenge for your bank in engaging clients on climate adaptation?**

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## How could your bank support clients in building climate resilience?

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**What are the key barriers for your bank in offering adaptation-related financial products?**

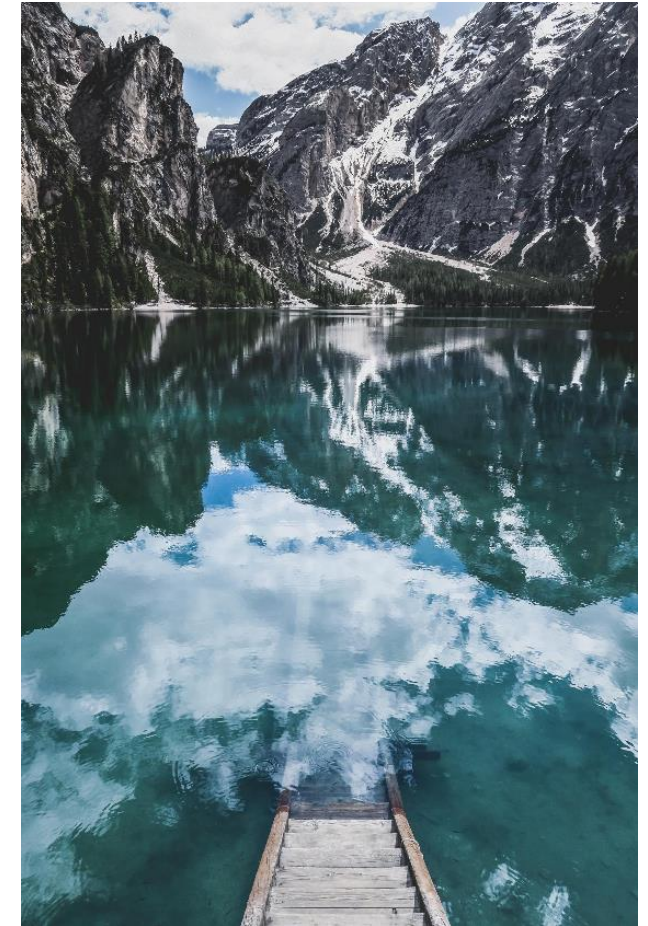
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# — Briefly on impact targets

# Impact targets

- The Guidance provides a framing for the use of **impact targets**, i.e. targets to increase positive impact and decrease negative impact, in alignment with the relevant science-based policy frameworks and international agreements.
- Such approaches have been outlined in guidance for development agencies, development banks and impact investors, which have dual impact-profit objectives.
- Banks could take this approach in a second stage in the *progressive approach* to target setting.
- Impact targets should be set using the **impact indicators** which measure the impact of the bank's portfolio (impact on climate adaptation and resilience of the bank's clients and assets).
- Impact targets should be **SMART targets** against baseline: **S**pecific, **M**easurable (qualitative or quantitative), **A**chievable, **R**elevant and **T**ime-bound
- Banks setting targets for adaptation and resilience are encouraged to take a holistic approach, considering nature and social impacts.



## Portfolio level impact targets are challenging

*Potential impact targets might include:*

Measures of reduction in vulnerability and impacts to climate hazards for people, societies and ecosystems (e.g. cubic tons of water stored and treated in a drought prone area, number of people benefiting from resilience measures infrastructure, etc.)

.... but identifying portfolio level impact targets is more challenging

- Hazards have different implications on different regions and sectors
- Cross-sectoral aggregation challenges (e.g. water storage and management vs. resilient crops or technologies for early warning systems for cyclones)
- Several ongoing initiatives are working on developing standards, metrics and frameworks for on climate resilience (ARIC, CBI, GRII, GIIN, etc.)
- Adaptation and resilience impacts at systemic level

**Detailed guidance on impact targets and indicators not in scope of this initial target setting guidance.**

# Key Considerations for Impact Targets

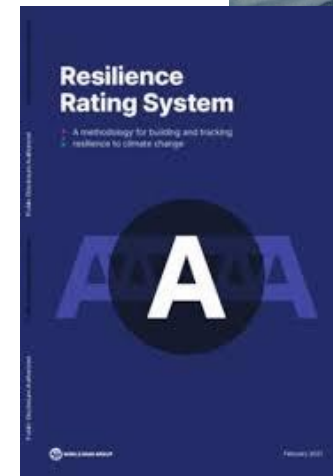
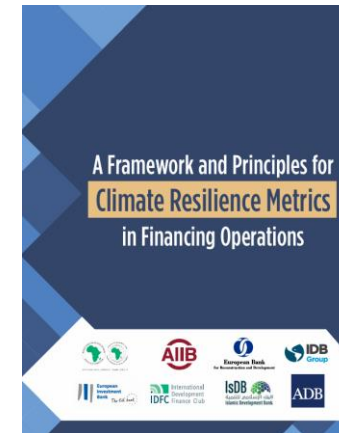
- Impact targets aim to increase positive impacts on climate resilience and reduce negative impacts like maladaptation and Do No Significant Harm (DNSH).
- **Positive contributions** focus on benefits beyond reducing risks for financed activities, such as community or ecosystem resilience.
- Measuring positive impact is challenging due to factors like economic development, technological change, and lack of universal indicators.
- Portfolio-level impacts rely on detailed sectoral and regional assessments.
- Development financial institution and impact investor frameworks can be useful for impact measurement.

[Global Impact Investor Network IRIS+ A&R Metrics](#)

[A Framework and Principles for Climate Resilience Metrics in Financing Operations \(iadb.org\)](#)

[World Bank Resilience Rating System](#)

[Climate Resilience Investments in Solutions Principles \(CRISP\)](#)



## Positive Contribution - Key Metrics

### Reduced climate vulnerability:

- Track percentage of people/assets with lower vulnerability due to adaptive measures.

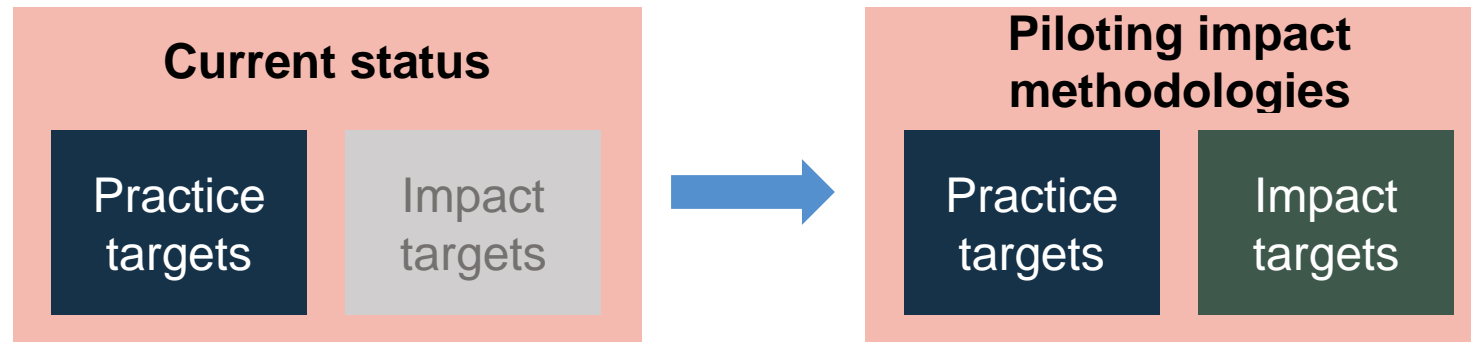
### Increased climate resilience:

- Monitor people/assets able to withstand and recover from climate impacts via resilience measures.

### Improved adaptation outcomes:

- Track progress in specific projects, e.g., flood protection, crop loss reduction, or water savings.
- Asset or sector-level tracking provides a foundation for measuring adaptation benefits.
- Consider secondary tracking of finance mobilized towards adaptation solutions.

## PRB's approach to practice and impact targets



To address challenges due to data and maturity of the impact frameworks on adaptation and resilience, banks may take the progressive approach.

- Set targets by starting with practice targets (client engagement, portfolio composition & financial targets).
- Identify adaptation & resilience actions, measures activities in alignment with taxonomies
- Action plans and KPIs can be based on practice targets.
- Explore and pilot impact measurement for eventual reporting on impact → may be necessary when co-financing with development finance institutions or impact investors.

# — Step 4: Develop action plans

## Action plans – key considerations

- Your bank may develop dedicated adaptation plans or incorporate adaptation into the climate transition or sustainability strategies.
- Action plans provide a clear roadmap for achieving adaptation targets, while KPIs track progress and indicate needed adjustments.
- An effective action plan could include the following elements:





## Climate change Transition plans vs. Adaptation plans

	Mitigation	Adaptation
<b>Focus</b>	Reducing greenhouse gas emissions and limiting global warming.	Managing the risks and impacts of climate change.
<b>Timeline</b>	Typically focused on the long term, with a goal of achieving net zero emissions by 2050.	May have a shorter-term focus, depending on the specific risks and impacts that the organization is facing.
<b>Scope</b>	Typically focuses on the bank's lending to businesses and sectors that are high emitters of greenhouse gases.	May focus on a wider range of businesses and sectors. This is because the impacts of climate change are already being felt around the world, and businesses in all sectors are facing some level of risk. In developing countries, focus on sectors key to the economy, especially under-diversified economies.
<b>Goal</b>	Support clients in the transition and shift its lending to businesses and sectors that are supporting the transition to a low-carbon economy. Could include exclusions of certain activities, or participation in managed phase-out programmes.	Help clients to manage these risks and build resilience. Exclusions are not recommended as they will further increase existing vulnerabilities, at the detriment of developing countries.

# Indicators for action plans

A set of core indicators were developed by UNEP FI which can be used by your bank in setting your own adaptation specific KPIs.

Action	Output	Outcomes	Impacts
Internal policies and processes	AR1 Indicator: Climate Resilience Strategy, incl. client engagement guidelines, policy advocacy, target setting, internal incentives etc.		
Internal policies and processes (continued)	<p><i>Description:</i> This indicator assesses whether the bank has a climate resilience strategy in place that includes client engagement guidelines, policy advocacy, target setting, and internal incentives.</p> <p><b>AR2 Indicator: Target(s) set for A&amp;R (y/n)</b></p> <p><i>Description:</i> This indicator assesses whether the bank has set targets for its adaptation and resilience (A&amp;R) efforts.</p>		
Business opportunities and financial flows	<p><b>AR3 Indicator: Proportion and USD amount of portfolio (%) with high physical climate risks by geography/sector</b></p> <p><i>Description:</i> This indicator measures the percentage of the bank's portfolio that is highly exposed to key indicators of physical risks, such as flooding, drought, and sea level rise.</p>	<p><b>AR6 Indicator: Proportion and USD amount of assets (%) exposed to physical risk aligned with climate adaptation and resilience objectives</b></p> <p><i>Description:</i> This indicator measures the percentage of assets exposed to physical risk that are aligned with the bank's climate adaptation and resilience objectives.</p> <p><b>AR7 Indicator: Investment in climate adaptation (USD)</b></p> <p><i>Description:</i> This indicator measures the bank's investment in climate adaptation, aligned with its climate adaptation and resilience objectives.</p>	<p><b>AR9 Indicator: change in proportion of portfolio (%) and USD amount highly exposed to key indicators of physical risks, by geography/sector</b></p> <p><i>Description:</i> This indicator measures the change in percentage of the bank's portfolio that is highly exposed to key indicators of physical risks, such as flooding, drought, and sea level rise. The indicator should be combined with AR6 and AR7 and focus on reduction via positive adaptation impacts, aligning with a just transition.</p> <p><b>AR10 Indicator: Quantified resilience outcomes</b></p> <p><i>Description:</i> This is a placeholder for a range of indicators measuring the quantified impact of the bank's adaptation investments on resilience outcomes,<sup>24</sup> such as water savings, \$ resilience benefit, or # people with increased resilience.</p>

# Indicators for action plans

A set of core indicators were developed by UNEP FI which can be used by your bank in setting your own adaptation specific KPIs.

Action	Output	Outcomes	Impacts
Client engagement	<p><b>AR4 Indicator: Number of engagements with clients with highly exposed assets that have incentivised climate resilience measures</b></p> <p><i>Description:</i> This indicator measures the number of engagements that the bank has had with clients with highly exposed assets to incentivize climate resilience measures.</p>	<p><b>AR8 Indicator: % of clients with adaptation and resilience strategies in place</b></p> <p><i>Description:</i> This indicator measures the percentage of the bank's clients that have climate adaptation and resilience strategies in place.</p>	
Advocacy	<p><b>AR5 Indicator: Number of policy advocacy engagements conducted including climate adaptation and resilience as a topic</b></p> <p><i>Description:</i> This indicator measures the number of policy advocacy engagements that the bank has conducted on climate adaptation and resilience.</p>		

## Harnessing interlinkages

- Climate resilient development reduces vulnerabilities and is linked to mitigation, nature, and socio-economic development.
- Seek adaptation solutions with co-benefits aligned with net-zero goals, biodiversity frameworks, and the SDGs.
- Consider synergies and trade-offs with mitigation, nature, and socio-economic development at both portfolio and asset levels.
- Ensure strategies avoid maladaptation and support national adaptation goals.
- Long-term, systemic impacts should be acknowledged, balancing co-benefits with trade-offs.
- Understanding and quantifying interlinkages is ongoing, but adaptation often yields positive synergies.



## Interlinkages with climate change mitigation

- Climate change mitigation reduces climate change severity, making adaptation easier and more affordable.
- Adaptation measures, like seawalls, reduce the costs of climate impacts, making mitigation efforts more feasible.
- Climate-resilient development aligns with growth objectives, ensuring vulnerability reduction without altering development strategies.
- Many actions, such as energy efficiency and renewable energy, provide dual benefits for both mitigation and adaptation.
- Sectors like energy, agriculture, and urban planning offer co-benefits, such as emission reduction, climate resilience, and health improvements.
- Careful planning is essential to avoid trade-offs related to land, water, and energy use in these sectors.



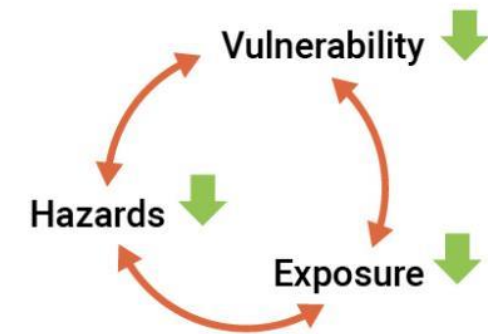
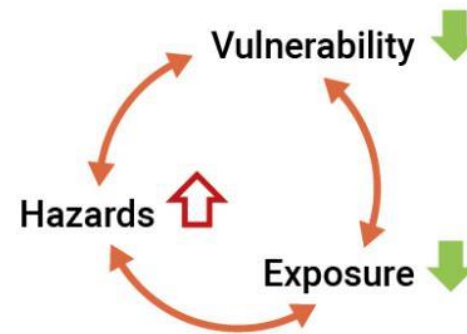
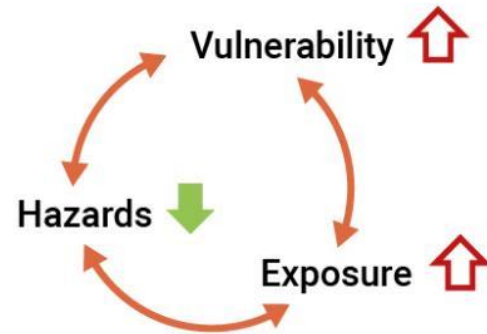
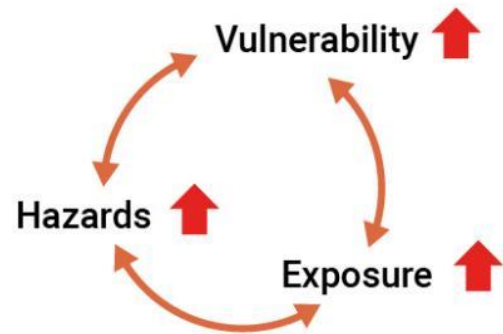
# Interlinkages with Climate change mitigation

**Business as usual**  
i.e. no mitigation or adaptation efforts

**Mitigation only**  
i.e. greenhouse gas emissions reductions

**Adaptation only**  
i.e. adjustment to actual expected climate and its effects

**Adaptation & mitigation**  
i.e. carbon emissions reduction and adjustment to actual or expected climate and its effects



↑ direct negative effect    
 ⬆ indirect effect    
 ↓ direct positive effect

## Interlinkages with nature

- Protecting and restoring nature enhances resilience for both human settlements and ecosystems.
- Adaptation efforts also support biodiversity, land, forest, and water preservation.
- Banks can prioritize projects that intersect nature and adaptation, driving business development and financial innovation.
- Nature-based solutions (NBS) address climate and biodiversity crises synergistically, offering cost-effective ways to mitigate and adapt to climate change.
- NBS, such as sustainable agriculture, water management, and urban planning, can be incentivized through specific financing targets for adaptation projects.
- Long-term trade-offs, like balancing green and gray infrastructure, must be considered to maximize effectiveness and minimize negative impacts.



# — Implementation Summary



# Key recommended adaptation actions

## Governance

Integrating climate adaptation considerations in **internal strategy, policies, and processes**, including risk assessment and management

## Mobilising finance

Identifying **business opportunities and financial flows** to support mobilisation of finance towards climate resilient development

## Client engagement

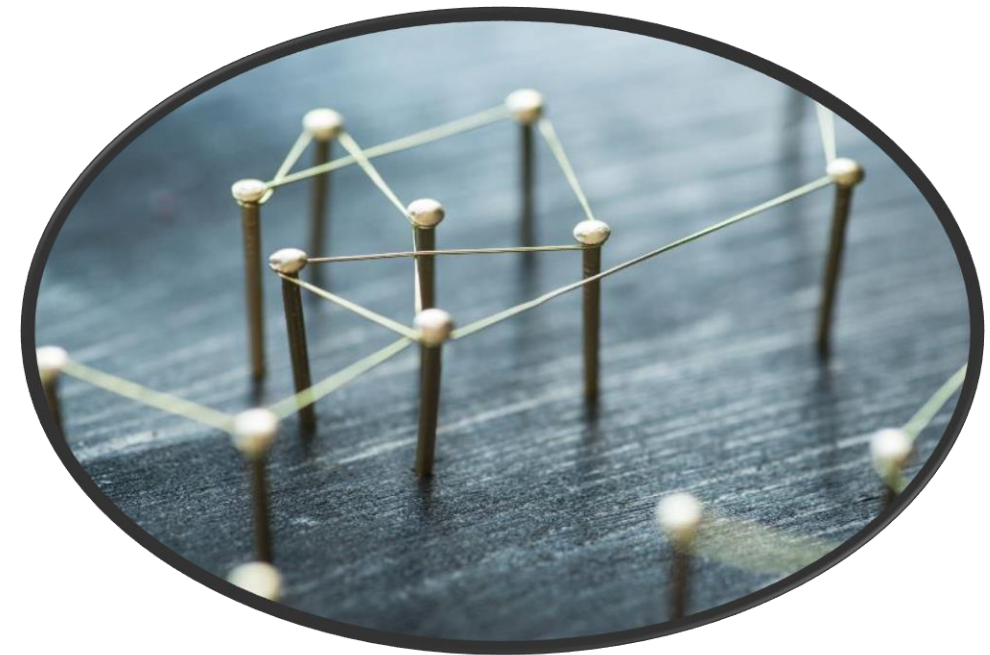
**Client engagement** to improve assessment of physical risk impacts and identify risks and opportunities, such as new product development

## Policy Advocacy

Through **advocacy**, influence policy makers and regulators efforts to create an enabling environment for financing climate resilient development

## Strategy/internal policies and processes

- We recommend developing climate adaptation **strategies**, incorporating **targets**, **action plans**, and **KPIs** for progress monitoring, prioritising the most-at-risk parts of the portfolio.
- **Training** staff across all departments on physical risk and adaptation can help to bridge the gap between risk management and adaptation goals.
- **Risk management policies**, including credit risk, may conflict with adaptation objectives and need alignment.
- Banks should clearly define their **risk appetite** concerning climate change. This includes specifying what level of physical climate risk they are willing to accept and under what conditions.
- **Forward-looking risk assessments** should account for adaptation measures clients are implementing.



## Key recommended adaptation actions

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### Client engagement

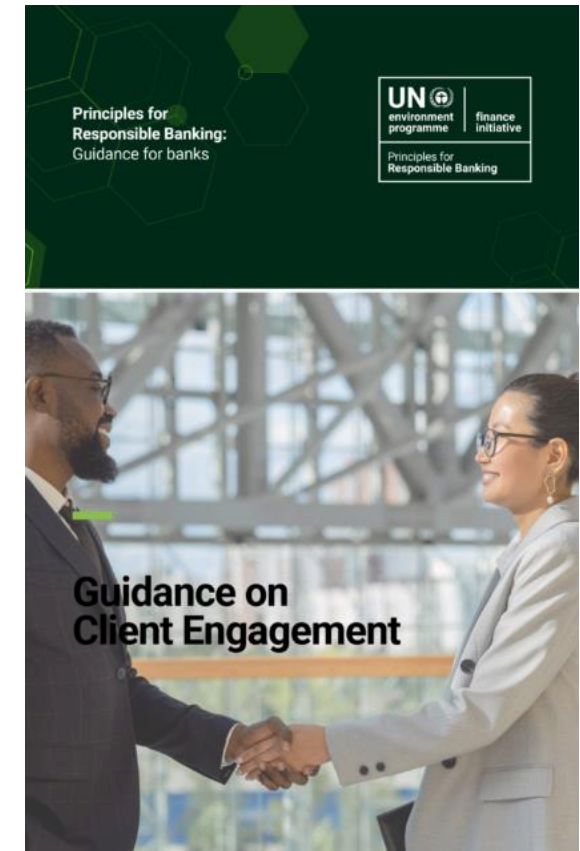
**Client engagement** to improve assessment of physical risk impacts and identify risks and opportunities, such as new product development

### Policy Advocacy

Through **advocacy**, influence policy makers and regulators efforts to create an enabling environment for financing climate resilient development

# Client engagement

- **Educate clients** on climate risks and adaptation strategies by providing data, tools, and transparent risk assessments across short- and long-term horizons.
- Offer **financial incentives** like lower interest rates, longer repayment terms, or access to green finance products to encourage clients to improve their climate adaptation practices.
- **Assist in developing climate adaptation plans** by helping clients identify specific risks and **structuring financing solutions** for short, medium, and long-term adaptation needs.
- Focus on clients in **developing countries or vulnerable sectors** by providing dedicated training for client-facing teams on climate impacts and business development opportunities.
- Develop a **sector-specific engagement plan** using tools like questionnaires and collaboration with industry associations to tailor adaptation strategies for different client segments.



Recommended additional resource:  
[Guidance on Client Engagement](#)

# Key recommended adaptation actions

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# Mobilizing Capital for Climate Adaptation

- Banks' role in adaptation finance:
  - Financing projects through green and sustainability frameworks.
  - Challenges include tracking and formal identification of adaptation-related finance → taxonomies
- Opportunities for banks:
  - Identify financial solutions to clients for resilience building.
  - Support blended finance structures through collaboration with public and private sectors.
- Facilitating climate resilience financing:
  - Offer tailored solutions to corporate, retail, and SME clients.
  - Partner with investors and public finance to develop adaptation instruments.
  - Advocacy and collaboration: Engage with regulators, policymakers, and knowledge-sharing initiatives.
- Tracking and disclosure:
  - Develop harmonized systems for identifying and labeling adaptation finance.
  - Align with frameworks such as TCFD and ISSB to boost transparency and confidence.

## Product design – incentivising adaptation action

- Incentivizing resilience through loan terms:
  - Temporary interest rate reductions for activities enhancing climate resilience (e.g., green mortgages, sustainable agriculture loans).
- Credit expansion for resilience investments:
  - Grace periods or bridge loans for transitioning to resilient infrastructure (e.g., regenerative agriculture).
  - Letters of credit to fund adaptation projects and manage short-term profitability impacts.
- Sustainability-linked loans:
  - Interest rates tied to performance against environmental and social KPIs (e.g., water leakage reduction, access to clean energy).
- Pooling small clients for scale:
  - Investment funds targeting climate resilience technologies.
  - Securitization of pooled adaptation loans for risk management.

Category of instruments	Financial products already used by banks	Emerging products potentially relevant for adaptation
Debt financing	<ul style="list-style-type: none"> <li>▪ Bonds: (Green, sustainability, blue, social)</li> <li>▪ Sustainability and sustainability linked loans</li> <li>▪ Green loans (Corporate and retail)</li> <li>▪ Credit lines/facilities</li> <li>▪ Project finance</li> <li>▪ Transaction finance</li> <li>▪ Structured products</li> </ul>	<ul style="list-style-type: none"> <li>▪ Resilience bonds (e.g., EBRD,<sup>31</sup> California bond issuance<sup>32</sup> programme)</li> <li>▪ Green securitisations</li> <li>▪ Debt for nature swaps</li> </ul>
Equity financing	<ul style="list-style-type: none"> <li>▪ Venture capital (e.g., Lightsmith Group adaptation fund<sup>33</sup>)</li> </ul>	<ul style="list-style-type: none"> <li>▪ ETFs and indices aligned with climate resilient development</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>▪ Letters of credit</li> <li>▪ Credit guarantees</li> <li>▪ Bridge loans</li> <li>▪ Insurance (incl. embedded insurance)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Hedging instruments (e.g., derivatives)</li> <li>▪ Catastrophe bonds</li> </ul>
Wealth management/impact investment		<ul style="list-style-type: none"> <li>▪ Green or ESG funds</li> </ul>

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## Policy advocacy – ideas & opportunities

- **Reduce adaptation costs** through tax incentives, reduced capital requirements, grants, guarantees, low-interest loans, or subsidies for climate resilience projects.
- **Increase availability of adaptation-related projects** and financial products by prioritizing investments in green infrastructure, green bonds, and ecosystem-based adaptation strategies.
- **Establish public-private partnerships** and engage the private sector in adaptation planning. Improve access to data, support knowledge sharing, and encourage industry collaboration.
- **Promote physical risk disclosures** for businesses, harmonized indicators, and resilience taxonomies.
- **Research on the potential impact of specific policies** on the banking sector or selected customer segments.
- **Partner with industry associations or interest groups** to strengthen advocacy efforts.
- **Public relations and media campaigns** to raise awareness and advocate for preferred policy solutions.
- **Policy briefs and white papers** presenting capital provider perspectives on adaptation-related policies.
- **Actively participate in public initiatives, workshops, and consultations** to contribute to policy development on adaptation.

# — Case studies

# Example: CIB

## Water supply and management

Financing the construction of seawater desalination facilities via green bonds in Egypt

- The Commercial International Bank (CIB) issued the first corporate green bond in Egypt in 2021, which funded a variety of projects, including a seawater desalination plant that provides clean, high quality drinkable water to surrounding communities in the Red Sea, Egypt.
- The desalination plant produces 7.3 million m<sup>3</sup> of desalinated water per year, noting the bank’s green bond framework includes volumes of water managed and reused.
- The bank includes volumes of water treated, and wastewater reused or avoided in its green bond framework KPIs.

Project Type	Water Treatment
<b>Project Summary</b>	This project is a seawater desalination plant that provides clean drinkable water to surrounding communities with a production capacity of 20,000 m <sup>3</sup> per day.
<b>Climate Problem</b>	<p>According to the United Nations, Egypt might reach the state of “absolute water crisis” by 2025, with less than 500m<sup>3</sup> per capita. Today, as a result of rapid population growth, water availability stands at 663m<sup>3</sup> per capita, well below the critical point of 1000 m<sup>3</sup> per capita defined as “water scarcity,” in contrast to 2,526 m<sup>3</sup> per capita in 1970. The situation is further aggravated by the tensions surrounding the Grand Ethiopian Renaissance Dam, noting that 98% of Egypt’s fresh water is sourced from the Nile.</p> <p>It is worth noting that 80% of water use goes into agriculture, a strategic economic segment that accounts for more than 11% of its GDP. Water availability is therefore treated as a matter of national security and is placed at the top of the Egyptian Cabinet’s priorities. Heavy investments are underway under the National Water Plan 2017-2037 forecasted at USD 50 billion. USD 1.1 billion of contracts have been awarded in the field of water treatment from 17 January until 18 August (55% greater than awards in 2015 and 2016, totaling USD 640 million).</p>
<b>Mitigation Opportunity</b>	The project provides a water treatment capacity of 20000 m <sup>3</sup> per day by establishing a seawater desalination plant to provide clean drinkable water to surrounding communities.
<b>Key Economic and Environmental Results</b>	<ul style="list-style-type: none"> <li>• <b>Project:</b> Sea Water Desalination Plant</li> <li>• <b>Use of Proceed:</b> Adaptation</li> <li>• <b>Location:</b> Red Sea Egypt, Egypt</li> <li>• <b>Economic and Environmental Impacts Indicators:</b> <ul style="list-style-type: none"> <li>o Loan Amount: 45,000,000 EGP</li> <li>o Desalinated Water: 7,300,00 m<sup>3</sup>/year</li> </ul> </li> </ul>

## Example: CIB

### Water supply and management

Financing the construction of seawater desalination facilities via green bonds in Egypt

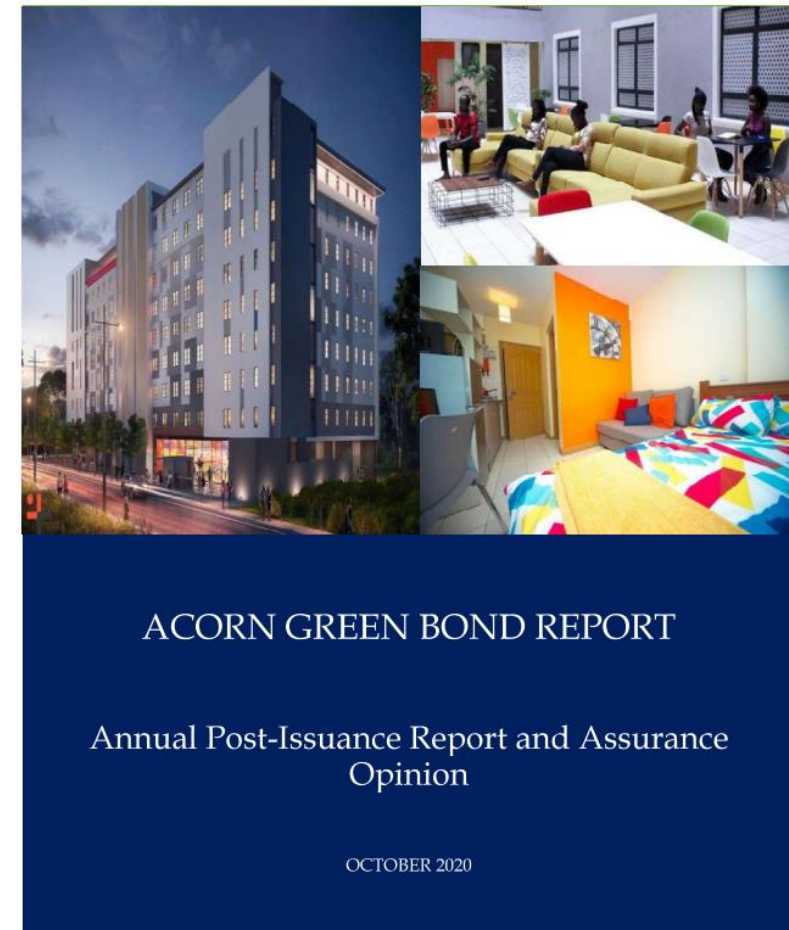
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# Example: Standard Bank

## Green bonds for sustainable student accommodation in Kenya

- Standard Bank Group, via Stanbic Bank Kenya Limited and SBG Securities Limited, acted as lead arranger and placing agent on a green bond for Acorn, a developer, operator and asset manager of rental housing in Sub-Saharan Africa.
- This debut green bond in Kenya has been certified as green by the Climate Bonds Standard as it meets international green building standards, which are designed to achieve savings on energy usage and water consumption through the building materials used.
- Funds will be used to construct six purpose-built student accommodation properties in Nairobi with a capacity of over 5,000 beds to address the shortage of student accommodation in a sustainable manner



[Acorn-Green-Bond-Post-Issuance-Report-2020.pdf](#)

## Example: Standard Bank

As at October 2020, Acorn had one issued and outstanding green bond which is certified in compliance with the Climate Bonds Standards. The drawn down proceeds have been fully allocated to eligible assets which comprise Purpose Built Students Accommodation (PBSA) projects in Nairobi.

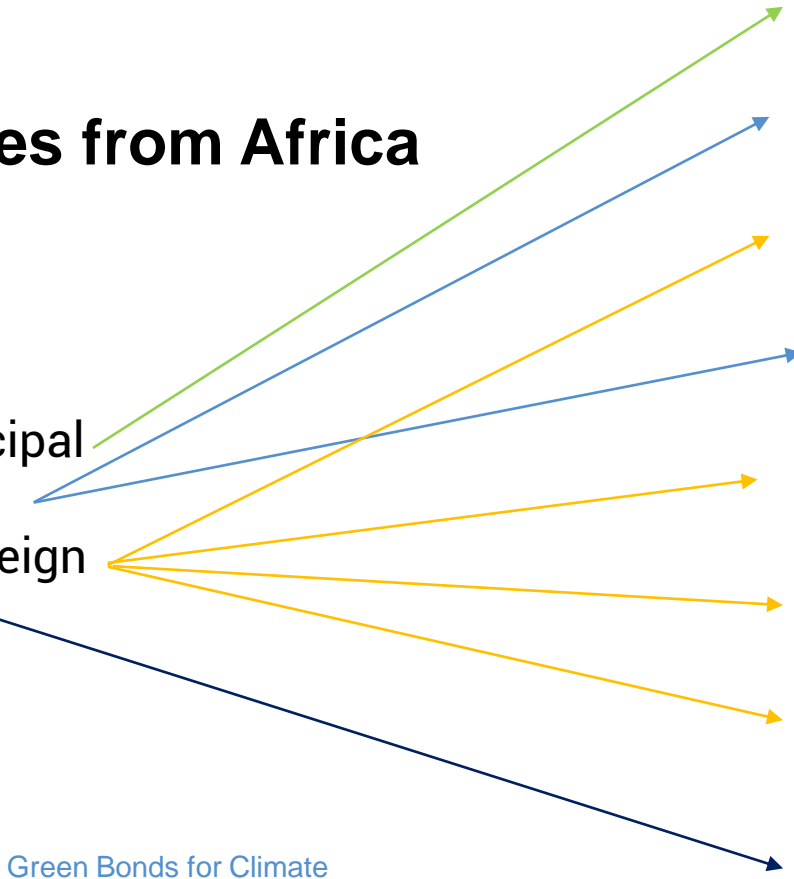
	Acorn Green Bond
Form	Fixed rate Medium Term Notes
Issue Amount	Kes. 5,000,000,000
Amount raised	Kes. 4,261,000,000
Issue date	08 November 2019
Final maturity date	08 November 2024
ISIN	KE6000007093
Listing	Cross-listed at the Nairobi Securities Exchange (NSE) and London Stock Exchange (LSE)
Assurance	Certified in compliance with the Climate Bonds Standard, with assurance provided by DNV - GL
Use of proceeds	To finance the construction of low carbon Purpose Built Students Accommodation (PBSA) projects in Nairobi.

Project Name	Asset Type	Asset Location	Green Bond Amount Drawn Down (Kes. 'million')	EDGE Certification Status	Energy Savings (%)	Water Savings	Embodied Energy
Qwetu Wilson View	Low Carbon Buildings - Residential	Nairobi, Kenya	777	Interim certification received (October 2019)	22.65%	30.52%	31.42%
Qwetu USIU 3	Low Carbon Buildings - Residential	Nairobi, Kenya	589	Interim certification received (June 2019)	23%	31%	31%
Qwetu USIU 4	Low Carbon Buildings - Residential	Nairobi, Kenya	299	Interim certification received (October 2019)	20.38%	30.52%	42.62%
Qwetu Hurlingham	Low Carbon Buildings - Residential	Nairobi, Kenya	364	Interim certification received (August 2019)	21%	31%	43%
*Qwetu Chiromo	Low Carbon Buildings - Residential	Nairobi, Kenya	-	-	-	-	-
*Qejani Bogani East Phase 1	Low Carbon Buildings - Residential	Nairobi, Kenya	-	-	-	-	-

# Climate Resilience Bonds (issued before the new CBI standards of 2024):

## Some examples from Africa

- Municipal
- Bank
- Sovereign
- MDB



Issuer	Motivation for including resilience-related activities
City of Cape Town, South Africa	The City of Cape Town project selection was heavily influenced by the drought event which occurred between 2015 and 2017, leading to a majority of the proceeds to be used for water assets to build resilience to drought impacts.
Access Bank, Nigeria	Proceeds from this bond are allocated to coastal flood defences to protect against sea level rise in Eko Atlantic City, a new coastal urban development near Lagos. The flood defences are constructed in a manner that protects the development against flood hazards of higher magnitudes.
Ghana, Sovereign Bond Issuance	The Government of Ghana's green bond aims to deliver water projects to rural and peri-urban communities to reduce climate vulnerability through improved water security. The funds intend to deliver clean drinking water to rural communities and small towns and will alleviate up to 225,000 people from daily water poverty.
Bank Windhoek, Namibia	Use of proceeds are directed towards climate smart agriculture in response to climate variability. For example, greenhouses are financed due to their lower climate-sensitivity, thereby protecting agriculture yields.
Seychelles, Sovereign Bond Issuance	Seychelles has issued a blue bond to expand marine protected areas, promote sustainable fisheries through ecosystem-based adaptation, and to build the resilience of coastal ecosystems and the communities that depend on them.
Nigeria, Sovereign Bond Issuance	The Nigerian sovereign bond includes investments in sustainable agriculture, fishery, aquaculture, forestry, and climate-smart farming.
Egypt, Sovereign Bond Issuance	Egypt's green financing instruments include six green eligible categories: renewable energy, energy efficiency, clean transportation, pollution prevention and control, climate adaptation, and sustainable water and wastewater management. The climate adaptation category includes adaptation projects across sectors including early warning systems, development of crop species resistant to salinity and temperature increase, coastal zone management, etc.
AfDB (Supranational)	The green bond framework defines eligible projects as those that target the reduction in the vulnerability of human or natural systems to the impacts of climate change related risks by maintaining or increasing adaptive capacity and resilience.

See further details in source: [Green Bonds for Climate Resilience](#)

# Example: City of Cape Town Green bond

DATE OF ISSUE	TYPE OF INSTRUMENT	SIZE	COUNTRY OF ISSUE	CLIMATE BONDS SECTOR CRITERIA
July 2017	Use of Proceeds Bond	ZAR 1bn (US\$ 76m)	South Africa	Water, Low Carbon Transport

Context: the city experienced an unprecedented water crisis after a period of severe drought between 2015-2017. The bond was designed based on the city’s vulnerability assessment and adaptation plan. Examples of investments:

Green definitions	Description of Nominated Projects & Assets	Water	Public	<p><u>Project 1:</u>  <i>Taxonomy and investment area:</i> Water - Water capture and storage infrastructure  <i>Project alignment:</i> Adaptation  <i>Criteria:</i> The Water Criteria of the Climate Bonds Standard (V2.1), Phase 1  <i>Basic description:</i> Water reservoir integrity maintenance by replacement of reservoir containment infrastructure for: Project 1.1 Neptune reservoir (replacement of ineffective floating roof) and Project 1.2 Brakklouf reservoir (concrete roof replacement and structural repairs)  <i>Project Lifespan:</i> &gt;20yrs  <i>Location:</i> City of Cape Town, South Africa  <i>Budget and period:</i> R 4 630 527, allocated for spend FY2014 - 2017; USD 357 866 equivalent #  <i>Phase:</i>                      Project.1.1 - Construction commencement stage with all service providers procured                      Project 1.2 - Procurement of good and services</p>
			Public	<p><u>Project 2:</u>  <i>Taxonomy and investment area:</i> Water - Water distribution infrastructure  <i>Project alignment:</i> Adaptation  <i>Criteria:</i> The Water Criteria of the Climate Bonds Standard (V1), Phase 1  <i>Basic description:</i> Water Demand Management and Water Conservation program focusing on pressure management, zone metering and valves in order to improve water management and reduce water losses through enhanced leak detection and intervention  <i>Project Lifespan:</i> &lt;20yrs (evidenced)  <i>Location:</i> City of Cape Town, South Africa  <i>Budget and period:</i> R 14 694 307, allocated for spend FY2015 -2018; USD 1 135 634 equivalent #  <i>Phase:</i> In execution</p>



# Example: EBRD Climate Resilience Bond – Adaptation project in Morocco

The screenshot shows the 'Climate Resilience Bonds / Green Bond Programme Information Template' from the European Bank for Reconstruction and Development (EBRD). It includes the following key information:

- Issuer name:** European Bank for Reconstruction and Development ("EBRD")
- Date of completion or of latest update:** September 2019
- GBP component 1: Use of proceeds**
  - Issuer's general approach to environmental sustainability: EBRD's mandate includes promoting "in the full range of its activities environmentally sound and sustainable development" (Agreement Establishing the Bank, Article 2 vii) – see below link). The "2019 Environmental and Social Policy" (ESP) outlines how the Bank addresses the environmental and social impacts of its projects, determines 10 Performance Requirements (PRs) that apply to projects, and emphasises that the Bank may refrain from financing a project on environmental or social grounds (see below link). An independent Environment and Sustainability Department is responsible for the upkeep of the ESP as well as the Bank's interpretation and compliance with the policy. Moreover, at COP-21 in Paris, the Bank launched a Green Economy Transition (GET) approach with a strategic target of increasing the volume of green financing from an average of 24 per cent of EBRD annual business investment in the 10 years up to 2016 to 40 per cent by 2020. The GET targets include the delivery of climate change adaptation finance (adaptation finance) and climate resilience investments.
  - Use of proceeds in EBRD's Climate Resilience ("CR") Bonds: The proceeds of EBRD's Climate Resilience Bonds are earmarked to support a specific portfolio of climate resilient investments that are consistent with the Climate Resilience Principles launched by the Climate Bond Initiative in September 2019 (<https://www.climatebonds.net/adaptation-and-resilience>).
  - Projects in the EBRD's Climate Resilience Portfolio ("CRPP") are intended to maintain or enhance the resilience of the asset to climate change over its expected operational life, and/or to contribute to the climate resilience benefits of the system in which the asset forms part. Projects in the CRPP will typically fall under one of three categories:
    - climate resilient infrastructure (water, energy, transport, urban communications);
    - climate-resilient business and commercial operations; and
    - climate resilient agriculture and ecological systems.
  - The expected benefits will be described more fully in the "Focus on Environment" presentation and the annual "Sustainability Report" (see below links).
  - The CRPP framework allows for refinancing of existing projects, as well as financing new commitments that meet the eligibility criteria. This approach of including refinanced projects has been chosen as the projects in the CRPP have long disbursement periods with a significant time between signing and the first disbursement, especially in relation to infrastructure projects. Thus, as at 30 June 2019, while projects in the CRPP have an average age of approximately 3 years, approximately 50 per cent of the committed amounts have disbursed. Furthermore, the average term of the projects in the CRPP significantly exceeds that of typical bond tenors with a weighted initial average term of investments in the CRPP of over 13 years. Therefore, in directing the proceeds of EBRD's Climate Resilience Bonds to a CRPP that covers both refinancing of existing projects, as well as new commitments, the EBRD seeks to ensure that the monies are only utilised for their intended climate resilience purposes. The CRPP use of proceeds and impact reporting also includes the average age of the projects in the CRPP.
  - The proceeds from all of the EBRD's Climate Resilience Bonds are directed towards the Bank's CRPP, as provided in the relevant bond documentation (see the "Focus on Environment" presentation or "FAQ – EBRD Climate Resilience Bonds" as per below links). The use-of-proceeds language is reviewed and revised together with the eligibility criteria on a regular basis.

Additional links provided at the bottom of the document:

- Agreement establishing EBRD <http://www.ebrd.com/documents/comms-and-bis/pdf-basic-documents-of-the-ebrd.pdf>
- Implementing the EBRD Green Economy Transition <https://www.ebrd.com/cs/Satellite?c=Content&cid=1395274396321&pageName=EBRD%2FContent%2FDownloadDocument>

## Investments in climate-resilient infrastructure

- Climate-resilient water supplies, wastewater treatment, water conveyance systems and irrigation systems, etc.
- Climate-resilient electricity generation, transmission and distribution systems, etc.
- Climate-resilient land transport systems, ports, airports and intermodal transport, etc.
- Urban infrastructure, such as climate-resilient buildings, etc.
- Climate resilient communications infrastructure

## Investments in climate-resilient business and commercial operations

- Improving water use efficiency in industry, manufacturing etc.
- Reducing the vulnerability of businesses and their value chains to extreme weather events such as floods, storms, droughts, heatwaves, etc.

## Investments in climate-resilient agricultural & ecological systems

- Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation, etc.
- Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion, etc

• [EBRD's Climate Resilience Bonds Frameworks](#)

• [Saïss water conservation project \(ebrd.com\)](http://www.ebrd.com)

• [Saïss-water- conservation project – Performance report](#)

# Example: Standard Chartered

Category as per GBP	Sub themes	Eligible activities	Exclusions	SDG goal
Climate Change Adaptation		<ul style="list-style-type: none"> <li>Data driven climate monitoring solutions, such as early warning systems, climate observation, systems for monitoring GHG emissions</li> <li>Development and/or use of information and communications technology (ICT) solutions for the exclusive purpose of collecting, transmitting, storing and using data to facilitate GHG emission reductions</li> <li>Expenditures related to the design, construction, refurbishment of existing infrastructure and maintenance of eligible infrastructure that features intentional integration of climate resilient construction (design, materials) and/or soft infrastructure improvement (asset-focused resilience). Examples include:</li> </ul>	<ul style="list-style-type: none"> <li>Given the potentially significant impact of infrastructure on the environment, the development of Climate Change Adaptation Infrastructure should be supported by vulnerability assessment and adaptation plan<sup>31</sup></li> <li>Livestock management projects for</li> </ul>	



**Standard Chartered Bank (SCB)** has specified eligibility criteria for financing climate change adaptation transactions in its green and sustainability product framework, including criteria and exclusions for both adapted (asset-focused) and enabling (systems-focused) resilient activities. Enabling adaptation criteria cover infrastructure for water stress from floods or storms, resilient buildings, resilient grids, biodiversity and nature restoration and health monitoring systems. Given potential impacts of infrastructure projects on the environment, the framework requires that the development of adaptation infrastructure is supported by vulnerability assessment and adaptation plans (aligning to the Equator Principles CCRA). SCB’s work on adaptation finance will develop further with the launch of a standalone Guide for Adaptation and Resilience Finance in conjunction with KPMG and others at COP28.

Source: [green-sustainable-product-framework.pdf \(sc.com\)](https://www.sc.com/green-sustainable-product-framework.pdf)

# — Next steps & closing

## What's next?

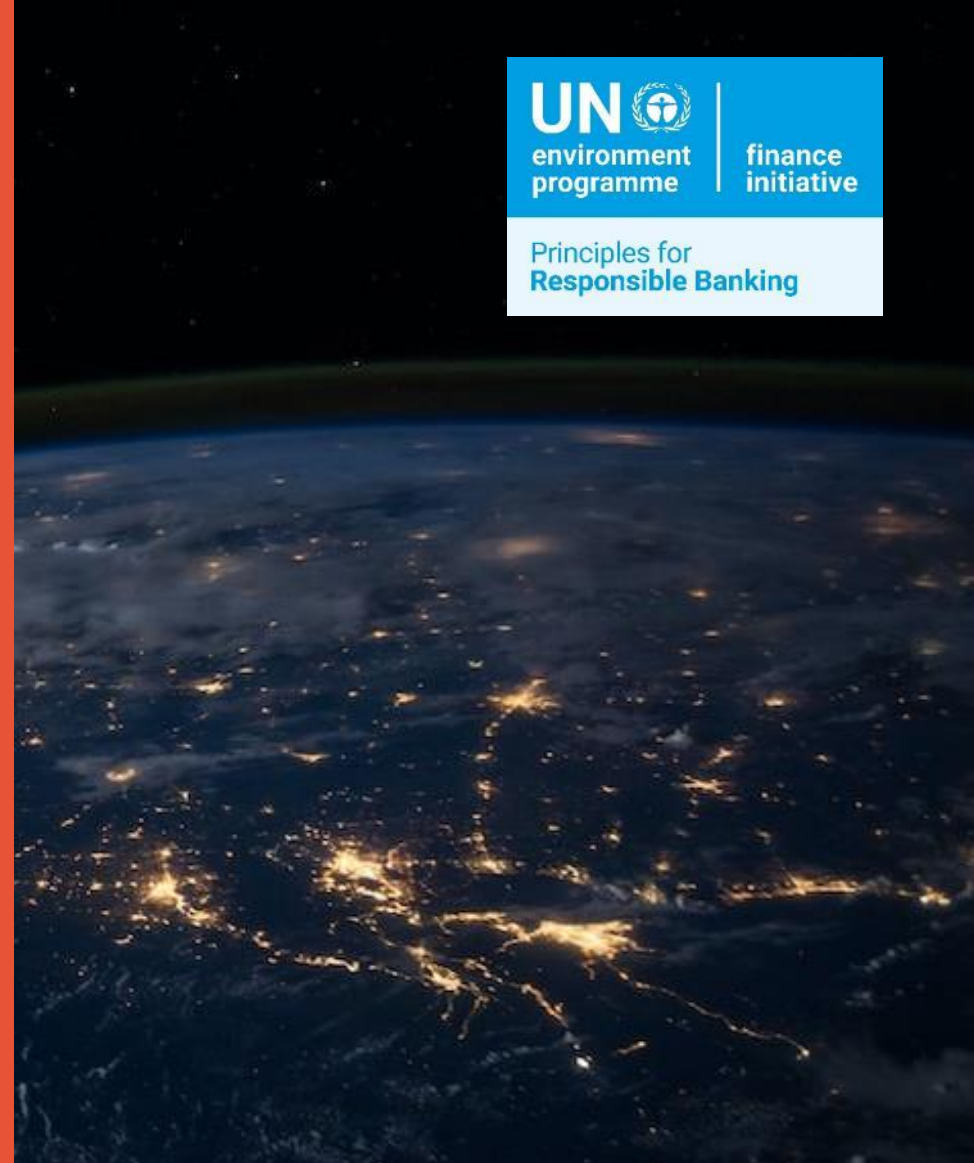
- We hope that this short capacity building program was useful for you!
- If you haven't already, please send your written exercise to us
- We plan to organize a follow-up next year to discuss progress made and your potential new questions.
- In the meantime we recommend you to follow our adaptation related pages: <https://www.unepfi.org/climate-change/adaptation/>

# Thank you for your attention!

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Specifically for the climate capacity building:  
[gabor.gyura@un.org](mailto:gabor.gyura@un.org)  
(Capacity building consultant)

Please evaluate the session Slido (the survey is still open after the workshop)  
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## Evaluation survey

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