Terms of Reference

Secretariat of
the Adaptation Fund Technical Evaluation Reference Group
(AF- TERG)

UNEP Copenhagen Climate Center (UNEP CCC)

Knowledge Product Development on learnings from the work of the Adaptation Fund and their relevance to the M&E systems development for loss and damage (STC position)

1. Background

The Adaptation Fund (the 'Fund') was established in 2001 through decisions by the Parties to the United Nations Framework Convention for Climate Change and its Kyoto Protocol to finance concrete adaptation projects and programs in developing countries that are particularly vulnerable to the adverse effects of climate change. At COP 24 in December 2018, the Parties to the Paris Agreement decided that the Adaptation Fund shall also serve the Paris Agreement.

The Fund has been fully operational since 2010 which makes it the oldest dedicated public fund focusing on climate change adaptation. The Fund's activities are designed to build national and local adaptive capacities while reaching and engaging the most vulnerable groups, and to integrate gender consideration to provide equal opportunity to access and benefit from the Fund's resources. They are also aimed at enhancing synergies with other sources of climate finance, while creating models that can be replicated or scaled up. For details, please see: www.adaptation-fund.org.

UNEP-CCC draws on experience from more than 30 years of working with developing countries, as part of the long-lasting partnership between UNEP, Danish research institutions (notably the Risø National Laboratory and Danish Technical University (DTU)) and the Ministry of Foreign Affairs (MFA), Denmark. UNEP-CCC was established in early 2022 to continue providing scientific and technical support to UNEP and assist in the delivery of UNEP's Programme of Work with a focus on climate change and the needs of developing countries.

The mandate of the UNEP Copenhagen Climate Centre (UNEP-CCC) is to provide scientific analysis, knowledge, and capacity building for developing countries that allows them to pursue low-emission, climate-resilient pathways for sustainable development and global climate action. To achieve this objective, UNEP-CCC has set out three areas in its strategy for 2022-2025: i) policy, ii) implementation, and iii) transparency. The current assignment supports the implementation area.

The Conference of the Parties (COP) and the Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement (CMA), through decisions 2/CP.27 and 2/CMA.4, established new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change, in responding to loss and damage. In this context, the COP and the CMA also decided to establish a fund for responding to loss and damage whose mandate includes a focus on addressing loss and damage to assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to economic and non-economic loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events.

The operationalization of the L&D Fund pointed out to the need to better design appropriate M&E systems for loss and damage, including the selection of indicators, in order to be able to adequately capture the results of L&D funding mechanisms and contribute to accountability, transparency and continuous improvement. Given the experience of the Adaptation Fund to date, it is important to capture the learnings from its M&E journey and analyze how they can be applied in the context of loss and damage.

2. Context

The term 'loss and damage' was formally recognised in 2013 with the establishment of the Warsaw International Mechanism for Loss and Damage at the 19th Conference of the Parties (COP19) in Warsaw. Since then, an increasing number of countries have been discussing loss and damage within their Nationally Determined Contributions (NDC).

Loss and damage in the context of climate change refers to the impacts of climate change that go beyond what people can adapt to, or in the case of lack of availability of mitigation and adaptation options. It includes both economic losses (such as damage to property, infrastructure, and livelihoods) and non-economic losses (such as loss of life, cultural heritage, and biodiversity). A 2023 study found that, between 2000 and 2019, the world suffered at least USD2.8 trillion in loss and damage from climate change – costing around USD16 million per hour.

At the same time, various challenges with loss and damage and its measurement exist. For example, quantification of Loss and Damages is not always straightforward, especially in the cases of non-economic losses. Additionally, linking losses and damages directly to specific climate change-driven events can be scientifically challenging, especially in context of applying counter measures. Furthermore, fair and even distribution of technical and financial support to the most vulnerable populations can be challenging.

The above challenges stem from various gaps within project planning and implementations and lacking country capacities. Some of the major gaps include:

- Data gaps, scalar inconsistencies, data currency, lack of meta-data.
- Lack of reporting, especially on localized extreme events vs declared disasters.
- Lack of consistent classification of disaster and extreme events.
- Poor coordination between government departments and other role players, reluctance to share data among custodians.
- Lack of awareness, skills, and capacities at local government levels.
- Lack of funding to collect, transfer, and organize existing databases into centralized database.
- Poor understanding of insured damages.

Loss and Damage at COP28

At COP28 (Dec 2023), significant progress was made regarding L&D due to climate change. A landmark decision was reached on the first day of the summit to operationalize the Loss and Damage Fund which has been designed to assist highly vulnerable countries in dealing with severe climate impacts that exceed their adaptive capacities. Initial commitments to the fund totaled around USD700 million, marking a

crucial step towards addressing climate justice and providing much-needed support to those most affected by climate change.

Importance of Monitoring and Evaluation (M&E) for loss and damage

Strong monitoring and evaluation (M&E) systems are crucial for assessing the effectiveness of climate adaptation and mitigation projects, ensuring that interventions reduce vulnerability and build resilience against loss and damage. Effective M&E helps identify successful strategies and areas for improvement, enabling data-driven decisions for mitigation and adaptation. In additions, a good M&E strategy can help fill several of the gaps related to the challenges discussed above.

Adaptation Fund and UNEP CCC Side Event on M&E and L&D at COP28

A side event was held at the COP28 with a focus on capacity-building needs and gaps from the countries' view to increase the effectiveness of adaptation measures and addressing loss and damage. Led by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) and UNEP CCC, this event aimed to explore the lessons learned from Global South countries in building capacity for M&E in the context of adaptation and loss and damage. Broader aspects such as institutional strengthening, policy development, and knowledge sharing, within the envelope of capacity building for monitoring and evaluation (M&E) emerged as crucial areas of focus for Global South countries. Summarized below are the lessons that emerged from this event that may guide the efforts in reducing loss and damage, especially due to weak or lacking M&E.

a. A holistic and integrated approach to capacity building is imperative. For example, capacity building for addressing non-economic loss and damage, specifically psychological impacts particularly on youth and vulnerable groups in general, involves developing the knowledge, skills, and resources needed to effectively understand, assess, and respond to the psychological consequences of climate change. Administering trainings, promoting awareness, and understanding, and building technical capacities of healthcare professionals and some of the immediate ways.
b. Adopting local/indigenous knowledge and fostering participation among local stakeholders in M&E processes is key. Harnessing the strong sense of intergenerational equity and social justice along with a sense of urgency and a long-term perspective among the youth and indigenous is essential for addressing loss and damage. A participatory approach enhances the accuracy and relevance of M&E efforts and fosters ownership and empowerment among the communities affected by climate change.
c. Emphasis must also be placed on building partnerships and networks for M&E capacity building. Collaboration among governments, civil society organizations, research institutions, and international agencies can facilitate the exchange of knowledge, resources, and best practices. Countries can gain access to technical expertise, funding opportunities, and innovative tools and methodologies for M&E. Additionally, regional and global collaboration can help share lessons learned and promote South-South cooperation, thereby strengthening M&E capacity across borders.

3. Objectives

With the intensification of the discussions on M&E for loss and damage, it is essential to extract learnings from the work of climate funds, specifically the Adaptation Fund. The AF-TERG's pioneering work in developing ex-post evaluations of projects, as well as other work, is critical to enhancing the effectiveness and sustainability of such projects. Key expectations from these evaluations include identifying best practices, fostering innovation, enhancing accountability, improving project design and implementation, and promoting learning and knowledge sharing which can be further applied in the context of loss and damage.

UNEP Copenhagen Climate Centre (UNEP CCC) has made significant contributions relevant to developing a Knowledge Product (KP) for the Monitoring and Evaluation (M&E) systems for loss and damage. First, UNEP CCC are responsible for the production of and contribute significantly to the annual Adaptation Gap Reports, providing comprehensive assessments of global adaptation progress, and the AGR 2023 provided important support on L&D to the COP28 negotiations, including the L&D Fund's M&E approach. Second, in collaboration with ICAT, UNEP CCC has launched transparency guides for climate adaptation and assessing climate-induced losses and damages, as well as the ICAT Assessment Tool for evaluating adaptation project proposals, aiding in resource allocation. Third, the UNEP CCC loss and damage transparency work provides relevant outcomes for monitoring and evaluation in L&D , namely Development of Indicators and Reporting Tools: (i)Collecting existing indicators, developing detailed indicator sheets and digital reporting templates, creating calculation methods and guidelines, and organizing expert workshops to establish good practice indicators; (ii) mapping of existing institutional arrangements addressing L&D associated with climate change impacts, including recommendations for enhancing action through improved governance and stakeholder involvement; and (iii) Coordinating Loss and Damage Transparency with International Processes by identifying potential synergies and overlaps with existing international processes, such as the Sendai Framework and the Sustainable Development Goals (SDGs). Fourth, UNEP CCC also conducts capacity-building workshops to identify M&E needs in vulnerable countries. By leveraging these resources and expertise, the Knowledge Product can incorporate best practices for M&E in climate adaptation and loss assessments, promoting accountability and continuous improvement.

The objective of this exercise is to develop a Knowledge Product (KP) based on these learning that can be used for loss and damage and building capacities for M&E in the highly vulnerable countries, thus enhancing accountability, transparency and continuous improvement.

4. Scope of Work

The knowledge product shall extract, analyze and synthetize learnings from the Adaptation Fund project portfolio, as well as evaluations conducted up to now such as the Synthesis of Final Evaluations, the Rapid Synthesis of the Adaptation Fund, or the ex-post evaluations. Reference to the work of other climate funds may also be taken into consideration. Finally, the consultant shall look into the ongoing discussions and decisions related to M&E for loss and damage.

4.1 Detailed Tasks

1. Literature Review and Document Analysis
    - Conduct a thorough review of existing evaluations and reports from the Adaptation Fund, including:
        - Synthesis of Final Evaluations
        - Rapid Synthesis of the Adaptation Fund
        - Ex-post evaluations
    - Analyze relevant documents from other climate funds to extract applicable lessons and best practices.
2. Stakeholder Consultations
    - Engage with key stakeholders, including AF-TERG and UNEP CCC personnel, to gather insights and feedback.
    - Conduct interviews and discussions with experts in M&E and climate adaptation to inform the development of the KP.
3. Data Collection and Analysis
    - Collect and analyze data related to M&E practices and outcomes from the Adaptation Fund's projects.
    - Identify key indicators, methodologies, and tools used in successful M&E systems.
4. Synthesis and Knowledge Product Development
    - Synthesize the findings from the literature review, document analysis, and stakeholder consultations.
    - Develop a draft Knowledge Product that includes:
        - Best practices and lessons learned from the Adaptation Fund's M&E activities.
        - Recommendations for designing effective M&E systems for loss and damage.
        - Case studies and examples illustrating successful M&E approaches.
5. Review and Refinement
    - Present the draft KP to the review panel (AF-TERG, UNEP CCC) for feedback.
    - Incorporate feedback and make necessary revisions to the KP.
6. Finalization and Submission
    - Finalize the Knowledge Product based on the review panel's comments.
    - Submit the completed KP to the AF-TERG Secretariat by the specified deadline.

5. Timelines and Deliverables

The consultant will be contracted for 15 days within the fiscal year 2025 in the period September – November 2024. The work is expected to be completed within the month of November 2024 with the final draft submitted to the AF-TERG Secretariat by November 15th.

A general timeline with deliverables is mentioned below.

Task	Deliverable	Timeframe
RoEI advertised	RoEI advertised	September 2024
Selection of consultant	Consultant selected	September 2024
Inception Report	Inception report prepared and approved following series of consultations with AF-TERG and UNEP CCC personnel	September 2024

First Draft of the Knowledge Product	First draft of the knowledge product is complete following literature reviews, document analysis, interviews, stakeholder discussions, data collection and analysis	October 2024
Consultations on draft	Comments and feedback from review panel/ team (AF-TERG, UNEP CCC) is sought and addressed	October 2024
Final Draft	Final report submitted as per requirements in the ToR	November 15, 2024

6. Management of the Task (reporting lines)

The knowledge product will be jointly managed by the AF-TERG and the UNEP CCC, with the Adaptation Fund managing the contract for the purpose of efficient administration.

7. Selection Criteria

- At least 15 years of experience in the filed of climate change adaptation and loss and damage
- Advanced degree in environmental science, climate change, or other relevant fields
- Familiarity with the work of the Adaptation Fund and the discussions on the L&D Fund is a strong advantage
- Track record of publications and knowledge product development in the field of climate change
- Excellent communication skills
- Fluency in English, both written and spoken, with exceptional writing skills.

All application should be submitted in PDF to af-terg-sec@adaptation-fund.org by **11:59pm EST on September 11, 2024.** Please submit a CV and a cover letter briefly outlining the approach proposed for executing this study.