

# **Foreword**

CDKN's vision and approach received strong endorsement this year, with the award of further funding from the UK's Department for International Development (DFID). This additional funding, along with continued support by the Government of the Netherlands, will enable us to maintain our current programme for two more years and transition to an independent organisation. In forging this longer-term future for CDKN, we hope and intend to involve multiple donors and diverse partners around the world.

As global leaders seek agreement on the post-2015 Sustainable Development Goals, CDKN's work in 74 countries is demonstrating that approaches to combatting climate change can be in genuine synergy with efforts to reduce poverty and contribute to human development. CDKN's goal is to support 'climate compatible development': development that minimises the harm caused by climate impacts, while maximising the many human development opportunities presented by low-emissions, climateresilient approaches.

Climate compatible development means transforming development to respond to the changing patterns of innovation, trade, production and population distribution that climate change may create. However, we have learned in our work that policy-making in this field presents many dilemmas. There may be losers as well as winners. Good evidence, consensus building and leadership are critical.

CDKN's approach is unique. We are an alliance of private sector, applied research and non-governmental organisations. Crucially, we are able to offer government leaders and other decision-makers a combination of technical assistance, research and knowledge-sharing services that responds to their domestic needs for planning, financing and delivering climate compatible development. We also assist them to become more vocal and influential actors in the international climate negotiations.

In evaluating our impact, we focus on 'stories of change': the Annual Report highlights cases where CDKN has helped to make a difference.

Sam Bickersteth leads a committed and growing team, firmly rooted in our global hub and three regional offices and in our Alliance organisations. Our thanks to him, and to all his colleagues.

Time is short to make climate compatible development a reality. We very much look forward to building stronger alliances and partnerships in the months ahead.

#### Simon Maxwell

**Executive Chair** 



Simon Maxwell **Executive Chair** 

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# Chief Executive's overview



Sam Bickersteth Chief Executive

"We will not overcome world poverty unless we manage climate change successfully. **CDKN** is showing what climate change action looks like in practice."

Nicholas Stern, Lord Stern of Brentford, President of the British Academy

Rich evidence and learning is emerging from CDKN's programme as many of the multi-year projects we have funded yield results (www.cdkn.org/resources). In 2013–14, CDKN continued to translate the evidence on climate-development links into plain language that decisionmakers can understand. We disseminated results through our knowledge networks. We connected people – to spark dialogue for change.

We believe that transformation to a climate compatible society and economy will require good science and analysis, new thinking and new ways of working together. That vision is at the heart of CDKN's approach. In the past year, we consolidated our programmes in priority partner countries and we started to catalyse national policy debates on climate compatible development.

In this report, we offer examples from our project work. Flower businesses in Kenya, state-level development planners in India, disaster management authorities in Pakistan, civil society across Africa, and Pacific Island governments are all working in partnership with CDKN to plan and resource development that can deal with current and future climate change. Our partners, in countries as diverse as Peru and Nepal, are seeking to integrate climate compatible development into their national development policies, plans and programmes. CDKN is also working with these and other countries to bring their voices into the international climate change negotiations. We are heading into 2015, a significant year in which we hope to see an effective and progressive global framing of international development, disaster management and climate change.

We find that the mission of CDKN has never been more important. The results from the 164 CDKN projects in 2013–2014 show that climate compatible development is achievable, whether at community, local government, national or international levels, and that transformation of livelihoods and economies towards a more resilient and low-carbon future is underway.

We will continue to share our learning and experiences with partners around the world and look forward to working with you and your organisation on the challenges ahead.

#### Sam Bickersteth

Chief Executive

# About us

#### CDKN's mission

CDKN works to change the quality of life for people most challenged by the effects of climate change. We aim to bridge climate change and development policy: enabling developing countries to achieve a lowcarbon and climate-resilient future along with poverty reduction and human development.

CDKN supports decision-makers in government, the private and nongovernmental sectors at subnational, national, regional and global levels, in designing and delivering climate compatible development. We do this by combining research, advisory services and knowledge-sharing in support of locally-owned and managed policy processes.

#### Who we are

CDKN is a North South alliance that brings together a wide range of expertise and experience: PricewaterhouseCoopers (PwC), the Overseas Development Institute (ODI), LEAD International, LEAD Pakistan, Fundación Futuro Latinoamericano and SouthSouthNorth. Our team includes climate scientists, researchers, economists and project managers, along with specialists in communication, knowledge management and partnership building.

#### Our approach

CDKN offers a distinctive, demand-led approach: decision-makers determine the kind of support we provide and we help align it with the broader context of development policies and planning. Within the scope of climate compatible development, we work across four strategic themes. We describe these, with examples of our work, in the following pages:

- Climate compatible development policies and practice
- Improving developing countries' access to climate finance
- Strengthening resilience through climate-related disaster risk management
- Supporting climate negotiators from the least developed and most climate vulnerable countries.

CDKN is committed to supporting social inclusion and gender equality in its programme. We recognise that the causes, effects and solutions for climate change are not gender-neutral, and that social inequalities impede effective and sustainable climate compatible development. We recognise that there should be equal access between men and women to the opportunities presented by low-carbon, climate-resilient development.





Transforming development to make it climate compatible depends on robust, reliable and accessible information – but it requires more than knowledge. It requires leadership and a reshaping of the prevailing policy narrative. Societies need to move beyond thinking of climate as an 'environmental' agenda to one that is 'development first,' and stop thinking of adaptation and mitigation as silos. Adaptation and mitigation are completely interconnected: the more we mitigate, the less we have to adapt. CDKN, therefore, supports decision-makers in their policies and practice to move towards low-carbon, climate-resilient development pathways.

The latest report from the Intergovernmental Panel on Climate Change (IPCC) highlights the significant synergies and trade-offs among climate mitigation, adaptation and sustainable development approaches, particularly where water, energy, land use and biodiversity are concerned. CDKN is working with decision-makers to identify and maximise the cobenefits of these approaches. We have supported research that shows how water security underpins national food, energy and health security in countries of the Amazon Basin. We are supporting Kenya's efforts to develop and raise finance for geothermal energy as a low-carbon electricity source that also reduces the country's heavy dependence on climate-vulnerable hydropower. In coastal Colombia and in Andean cities, CDKN projects are reducing energy and water consumption and increasing climate resilience through the design of greener, adaptive neighbourhoods.

Private sector investment in climate compatible development can harness development opportunities, drive technological innovation and create jobs – and also promote action on climate adaptation, to secure the sustainability of value chains. Consumer demand for low-carbon products as well as the search for global competitiveness can also be key drivers for the adoption of voluntary standards, as evidenced by CDKN's work with the Kenya flower sector (page 8). Public policy is needed to provide the enabling conditions for investment and may be needed to ensure that women and men, old and young, share equally in the opportunities for climate compatible development (page 9).

The global challenge of tackling climate change is huge, but we are pleased to be working with far-sighted governments, companies, researchers and civil society groups who are rising to that challenge and to join them in sharing their important lessons with others. For more information see www.cdkn.org/themes/theme-policy-planning

Opposite: Amazon forest, a vast carbon store and source of food and livelihood security

Above: Ghana's coastal fisheries - at risk from climate impacts



#### >> KENYA'S FLOWER SECTOR GAINS THE COMPETITIVE EDGE

Flowers are a major export product for Kenya, generating US\$1 billion per year in export revenues. Kenya trades many of its cut flowers with the European Union, making up more than 35% of the EU's cut flower market. European consumers are increasingly looking for sustainable products. In response, Kenya's Horticultural Crops Development Authority and the Kenya Flower Council have developed accounting and management standards for greenhouse gas emissions, energy efficiency and water use. They hope these measures will make Kenyan flowers more competitive in global markets.

In 2013, CDKN supported these organisations to develop the Carbon Reduction, Resources and Opportunities Toolkit (CaRROT) for Kenya's flower sector. The toolkit integrates energy and water trackers with a carbon calculator. The methods were tested with an initial 20 farms, now the Kenya Flower Council is promoting the toolkit widely to its members.

"The level of demand [for such a tool] was quite high," said Rachel Wanyoike, project manager. The greatest uptake of the CaRROT tool so far has been by medium- and small-scale farms; many of the larger flower farms were already tracking their carbon footprint.

Not only does CaRROT help individual farms to track resource use, it is also helping the Kenya Flower Council to collect and analyse data for the sector as a whole. This information will feed into the National Compliance Mechanism – a project to establish a general standard for all Kenyan exports, including cut flowers.

For more information about CDKN's country programme in Kenya, please visit www.cdkn.org/regions/kenya

### >> INDIAN STATE ACTION PLANS TO ACCOUNT FOR **GENDER ISSUES**

Men and women can experience the impacts of climate change differently; indeed, many sociocultural, political, economic and physical attributes can make some demographic groups more climatevulnerable than others, including the elderly, young, disabled, women and men, depending on the circumstances.

In India, states have been mandated by the federal government to prepare State Climate Change Action Plans (SCCAPs). These are intended to be "inclusive and sustainable development strategies that protect the poor and vulnerable sections of society from the adverse effects of climate change." However, CDKN-sponsored research showed that the concerns of women, lower castes and ethnic minorities are not being factored in to the plans.

The research team assessed three SCCAPs through a gender and rights-based lens. They looked at how agricultural practices are withstanding climate impacts in three particularly vulnerable agroclimatic zones – flood, drought and cyclone-prone - and how women play a role in creating climate resilience in those places. They found that the government pays inadequate attention to climate adaptation needs in its development programmes;

and that agriculture programmes overlook women's roles as owners, knowledge managers or service providers, even in sectors such as livestock-rearing where women dominate. As a result, most farming practices impose a heavier work burden on women than men and prevent women from garnering the productive resources that would help them to adapt to climate change.

In response to these findings, the state governments of Uttarakhand and Madhya Pradesh have committed to integrating more gendersensitive approaches in implementation of the SCCAPs. The federal government has signalled that all SCCAPs must incorporate gender concerns when they come for approval. This is a first step. Now, the research team has been asked to support the inclusion of gender concerns when the SCCAPs are implemented.

Watch a CDKN film about the gender dimension with an Earthcare film for CDKN on women's role in climate resilience in India. on www.youtube.com/cdknetwork







The IPCC's Fifth Assessment Report on the Mitigation of Climate Change (2014) states that resources to address climate change must be scaled up considerably over the next few decades. Developed countries have committed to a goal of jointly mobilising US\$100 billion per year by 2020. This will come from a variety of sources, public and private, bilateral and multilateral, and will include alternative sources of finance.

Climate finance is not a solution in itself, but a catalyst to shift all resource flows towards low-emission, climate-resilient options. When climate finance flows across borders, it must be designed to enable equitable access, national ownership and effective management and monitoring. Transformational change is more likely when public finance leverages significant private finance.

CDKN has a diverse portfolio of projects that aim to increase and enhance developing countries' access to finance for climate compatible development. At the global level, we support the establishment of an international climate finance architecture that enables harmonised, effective and scaledup financing to implement national strategies. Developing countries - and particularly the most vulnerable - must have a voice in the rules for governing and allocating climate finance, including in the newlyoperationalised Green Climate Fund (GCF). That is why we have continued the Climate Finance Advisory Service (CFAS, page 12) to provide ongoing demand-led research and technical advice to Least Developed Country Board members of the GCF and the Adaptation Fund.

At the country level, we support national and subnational systems for channelling investments towards climate compatible options, including access to climate finance. This includes assisting some countries to establish the institutions and standards to allocate national and receive international resources. In Rwanda, we supported the establishment of a national climate and environment fund (FONERWA) and are building the capacity to operationalise it. In Peru and Colombia, we have supported the development of national climate finance strategies. We have also explored various innovative ways to raise revenue and respond to climate risks through payments for ecosystem services (page 13) and micro-insurance.

Transformational change is not possible without a significant increase in the investment in climate compatible activities by non-state actors, particularly the private sector. CDKN is supporting Colombia, India, Kenya, Peru and Uganda in creating an enabling environment to make this happen and has launched a business-to-business-partnership programme to demonstrate public-private cases in action. For more information, please visit www.cdkn.org/themes/theme-climate-finance

Opposite: Two Masai men counting Kenvan money

Above: Forest conservation and afforestation are cost-effective ways to mitigate climate change and can offer many other benefits

"CDKN's strategic support to the Community-**Based Adaptation** meetings (2012–14) has built strong connections among policy-makers, practitioners and people working at the grassroots with the most vulnerable communities, in over 30 countries in Asia and Africa."

Saleemul Hug, **International Centre** for Climate Change and **Development (ICCCAD) Director and CDKN Strategic Advisor** 



## >> NEGOTIATORS BENEFIT FROM CLIMATE FINANCE **ADVISORY SERVICE (CFAS)**

Delegates from least developed and climatevulnerable countries face a tough negotiating environment. They often lack the resources and technical capacity to play on a 'level playing field' with more affluent nations. Yet, they are among the most in need of climate finance to build resilience to the impacts of climate change.

CDKN launched the CFAS for least developed and climate-vulnerable nations in late 2012. CFAS aims to enable delegates to participate effectively in complex global climate finance negotiations. A consortium of developing and developed country experts provides real-time support and a rapid response service for technical queries in the negotiations.

In 2013–14, CFAS has evolved in response to feedback and demand. Newsletters have been replaced by a daily briefing service at all major climate finance meetings, providing comprehensive summaries which have been widely praised by developing and developed country stakeholders. Building trust with delegates has been a major part of the CFAS journey, with the best outcomes seen when developing country experts from the

CFAS consortium have provided direct support to delegates from the Africa and Least Developed Countries groups. The GCF Board decided in June 2014 to provide half of its funds to climate change adaptation and the other half to mitigation. This decision responds to the concerns of least developed and climate-vulnerable countries and represents a significant milestone.

For more information about the CFAS, please visit www.c-fas.org

"The most recent CFAS briefings I've received are very well presented, and having been to both the GCF meeting and Adaptation Fund meetings, I can tell they are a spot-on description of the key issues that were raised. Perfect amount of detail for someone very interested and involved in climate finance."

**Least Developed Country delegate** 

### >> RECIPROCAL WATERSHED AGREEMENTS: PROMOTING CLIMATE COMPATIBLE DEVELOPMENT

In Bolivia and many other Latin American countries, deforestation in upper river basins has caused a host of environmental problems with local to global impacts - from soil erosion and declining water quality to greenhouse gas emissions.

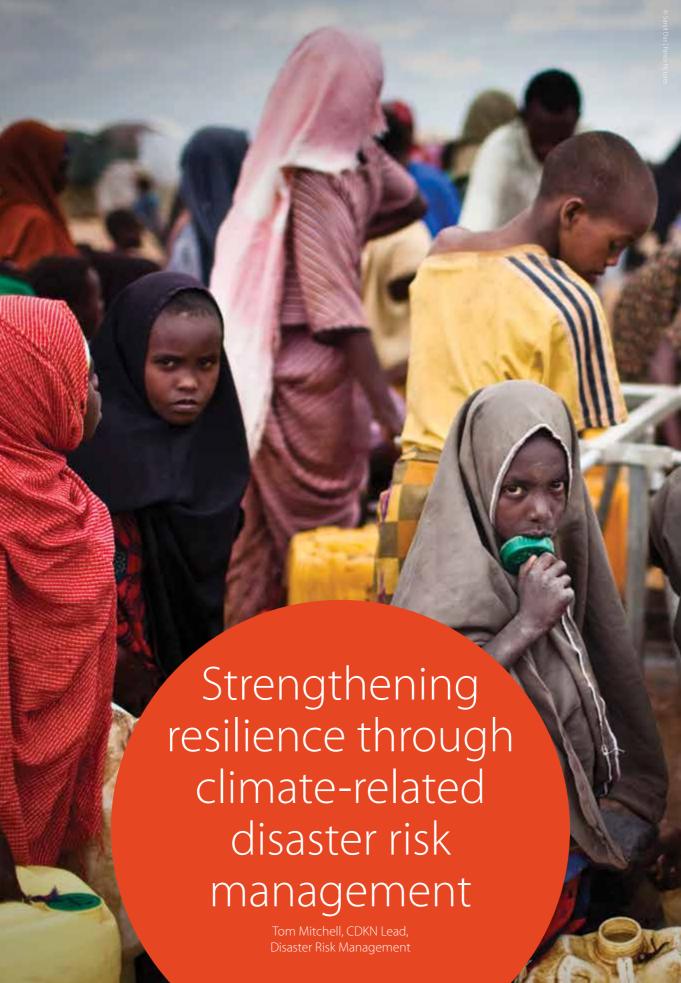
A CDKN-supported project in the Bolivian Department of Santa Cruz is helping to tackle all these problems at once, by enabling land managers in the upper catchments to receive compensation for conserving forest lands. The Reciprocal Water Arrangements (known as 'ARA' for the Spanish acronym: Acuerdos Recíprocos por Agua), commit land managers to a range of eco-friendly practices. These include conserving the forest, stopping polluting livestock practices and enhancing the biodiversity and forest carbon of their land. In exchange, they receive in-kind compensation that boosts their incomes and significantly improves their livelihood prospects.



ARAs are private agreements between water cooperatives and landholders in priority catchment areas, which are designed, managed and monitored locally, are nested within and coordinated with appropriate regional and national government policies and are based on principles of reciprocity and trust. The improved land use practices that have resulted from these agreements are helping to tackle climate change. However, the real reason that the schemes have taken off is that downstream water users are benefitting from better water quality downstream and upstream participants are reaping material rewards.

Since the first Bolivian ARA was developed in Los Negros, more than 50 municipal governments and water cooperatives across the Andes have joined the movement and more than 60,000 downstream users are now compensating 2,500 upstream families for protecting 100,000 hectares of forested 'water factories'. In the last two years, local and donor funds have compensated landowners' conservation efforts with barbed wire, cement, fruit tree seedlings (such as apples and plums), bee boxes, bee-keeping equipment, plastic piping, water tanks and roofing materials. The ARA schemes are thus unlocking vital resources for upland farmers who otherwise risked becoming increasingly marginalised by their lack of capital. For example, the Monteagudo Municipal Government provided Francisca Villalba de Perez (see left, 12 August 2013) with a water-efficient drip irrigation system in exchange for her commitment to conserve forest

In early 2013, state law-makers from Bolivia's Santa Cruz Department (an area 50% larger than the United Kingdom) produced a draft 'Sustainable Santa Cruz' law to promote watershed protection, climate change adaptation, mitigation and economic development, based on the successful ARA experience. At the time of writing, the law is making its way through various committees and is on track to be passed in 2014 or 2015. "With this law, we will reward people and groups who conserve and restore forests," said Speaker of the House Alcides Vargas. "This is critical, not only to maintain environmental functions, but also for the well-being of the entire population of Santa Cruz".



As a result of climate change, the frequency and severity of climatic hazards such as heat waves, droughts, floods and storms is increasing across the globe. Amplified by higher levels of exposure and persistent vulnerability, the increasing intensity and frequency of these hazards is generating higher human and economic losses from disaster events.

Opposite: Refugees wait for water, Kenya

Work is urgently needed to strengthen resilience to climate-related disasters and to scale up short- and longer-term disaster risk management (DRM) strategies. CDKN is supporting developing countries to integrate DRM into all aspects of economic and development decision-making and practice and so reduce loss of lives and livelihoods from climate extremes and disasters.

This year has been one of learning for CDKN, to ensure that our experience brings improvements in practice and is shared widely with our partner organisations. It is also vital that lessons are shared with international audiences, particularly those involved in negotiating the new international agreement for disaster risk reduction which is due for signature in 2015.

Our learning has focused on two themes: 'What does it take to integrate DRM in key sectors at national level?' and 'What can we do to ensure climate and disaster risk assessments are used to inform policy choices rather than sit on the shelf gathering dust?'These questions respond to consistent demands for information across CDKN's global network.

CDKN staff have worked with partner organisations, national governments and international agencies to reflect on our collective experience and answer these questions. For example, CDKN hosted a DRM learning and innovation hub: Asia in June 2013, where delegates from Pakistan, Nepal, India, Bangladesh, Thailand and Vietnam shared experiences of integrating DRM into national economic and development decisions. Their collective analysis inspired a new CDKN guide, What does it take to mainstream DRM in key sectors? which CDKN is now distributing at regional ministerial dialogues organised by the United Nations Office for Disaster Risk Reduction (UNISDR) to influence the new global framework on DRM. The case study on the next page outlines our response to the second of our focus learning questions. CDKN country teams are also using this guide in commissioning new projects and making current projects more effective. Another CDKN guide investigates how the new international disaster risk framework should address gender equality.

Decision-makers can often feel daunted by the potential magnitude of climate risks and uncertainty about when and how climate extremes will strike. CDKN is supporting a host of projects supporting decision-makers to understand and deal with climate risks – for example, an initiative by Partners for Resilience alliance to develop minimum standards for climate-smart disaster risk reduction that could be adopted by communities, at scale. The alliance launched a revised version of these standards in November 2013. The updated version includes lessons learned from the Philippines after the tragic impacts of Typhoon Haiyan.

A project in India, Vietnam and Pakistan has developed and assessed the economic costs and benefits of investing in new housing designs that offer better protection against typhoons, extreme heat and flooding. The designs integrate indigenous techniques with new, climate-resilient features. New houses of this type are already being built in Da Nang, Vietnam, and the city government has adopted a new policy which requires all new buildings to be built with climate-resilient principles. For more information, please visit www.cdkn.org/themes/theme-disaster-risk-management

"Development can be shaped to reduce vulnerabilities to climate change, while realising economic, social, local and global environmental objectives. This is how to interpret CDKN's mission: climate compatible development."

Youba Sokona, Co-Chair, Working **Group III (Climate** Mitigation), **IPCC and CDKN Strategic Advisor** 

#### >> TAKING ACTION ON CLIMATE RISK

More frequent and intense climate extremes are expected as the climate changes. More people are in harm's way as populations grow in areas of climate-related risk such as low-lying coastal areas. Poverty and social exclusion make some groups particularly climate-vulnerable. Public policy needs to respond to these trends.

In 2013, CDKN's research and learning looked at why many national, provincial and local governments produce disaster risk assessments, but do not act on them. CDKN worked with the Latin American Faculty of Social Sciences (FLACSO) and partners from Ghana, India and Pakistan to find out why risk assessments gather dust on the shelf and are not put into practice. The results provide useful insights into the use of risk-related information in public investment decisions to manage risk, adapt to climate change and promote development.

The results suggest that there are technical, operational and institutional obstacles to the uptake of risk assessments. These hurdles need to be recognised and understood when designing and implementing risk assessment projects.

CDKN and its partners present recommendations on how to design and conduct risk assessments that generate clear, actionable messages – and can be easily translated into effective risk management decisions. The recommendations are published in a CDKN guide on Risk-informed decision-making and aim to influence the new global disasters framework, due to be agreed in early 2015. CDKN's findings will be particularly relevant to: national and local government officials who are responsible for risk management decisions; their international development partners who commission and finance the research; and the scientists and consultants hired to conduct the assessments.





### >> AFRICAN DEVELOPMENT POLICIES BECOME MORE **CLIMATE-RESILIENT**

The Africa Climate Change Resilience Alliance (ACCRA) aims to improve humanitarian and development interventions so that they increase the capacity of poor and vulnerable communities to adapt to climate change. ACCRA is run by a consortium comprising Oxfam, Overseas Development Institute (ODI), Save the Children International, World Vision and Care International and co-funded by CDKN. CDKN supported the consortium's deeper engagement with the governments of Ethiopia, Uganda and Mozambique.

Through an extensive research process and capacity-building carried out between 2009 and 2013, ACCRA managed to influence relevant policies and plans at the national level in Ethiopia, Mozambique and Uganda. The project brought together key government institutions responsible for disaster risk reduction and climate change and significantly increased the capacity of government stakeholders to understand and address climateand disaster-related challenges.

In Mozambique, ACCRA members were part of the government-led committee that drafted the National Climate Change Strategy. The Mozambique Ministry of Planning and Development (MPD) has been working with ACCRA to develop a new capacity-building programme to implement the strategy. Meanwhile, tools developed by ACCRA are helping technical staff at the provincial level to integrate disaster risk reduction and climate

adaptation into development planning. ACCRA was centrally involved in a series of regional capacitybuilding programmes which were rolled out across Mozambique in 2013.

"The most important [impact] is that we became aware of climate change and how it was affecting us. The second one was that ACCRA helped us to integrate climate change issues into our development plan using our own resources."

**Chief Administration Officer for Bundibugyo** District, Uganda

In Uganda, ACCRA played a key role in coordinating civil society participation in the design of the National Climate Change Policy and National Policy for Disaster Preparedness and Management.

In Ethiopia, the ACCRA National Coordinator was seconded into government and invited to sit on the government committee for the Climate Resilience Strategy. The ACCRA team secured the inclusion of gender in the strategy and enhanced the inputs from civil society. In addition, ACCRA's work has informed the new National Disaster Risk Management Strategic Programme and Investment Framework and accompanying capacity-building programme, which are now being implemented by local governments across the country.

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CDKN believes that international climate change processes and agreements should reflect and respond to the positions and challenges articulated by the world's poorest and most climate-vulnerable countries. We are working to help leaders and negotiators from these countries to become informed, active, networked and influential actors in international climate change negotiations. Only when they have a strong voice and can bring their influence to this international stage will more robust, progressive and equitable outcomes be possible for all parties.

Opposite: African delegates greet each other at a United Nations conference

CDKN is supporting the development of strategies by the Least Developed Countries Group, African Group of Negotiators, Alliance of Small Island States, Coalition for Rainforest Nations, the Marshall Islands, Nepal and Peru in the United Nations climate talks. CDKN has provided extensive technical, strategic, legal and administrative support to these developing country negotiators.

Our training courses have reached hundreds of negotiators from the poor and most vulnerable countries to strengthen their familiarity with the United Nations Framework Convention on Climate Change (UNFCCC) negotiating structure, governance and processes and help them to participate effectively in the negotiations. Meanwhile, our logistical support to least developed and most vulnerable country negotiators helps them to reach UNFCCC meetings and operate more efficiently there, relieved of basic, practical hurdles to attendance.

While strengthening capacity to negotiate in the UNFCCC is an important part of breaking the global deadlock on climate action, it is not sufficient on its own. Countries will likely need to use international trade and financial agreements, security and other political affairs to shape discussions on climate change. To this end, CDKN is supporting work to mainstream climate change into foreign policy through 'climate diplomacy'.

We recognise that providing conditions for an ambitious, inclusive global climate deal in 2015 requires effort on many fronts, so we fund thought leadership and convening activities by progressive thinkers in this area. For example, CDKN is supporting a number of initiatives to help build consensus around what high ambition on tackling climate change could look like, both directly within the UNFCCC process and across the developing country negotiation groups it supports.

We are also working with partners to help advance the understanding of the interrelationship between the UNFCCC negotiations and the post-2015 Sustainable Development Goals. We are hosting dialogues on this topic across Asia, Africa and Latin America, to help ensure that the interests and needs of developing countries feature in both debates.

Finally, none of these initiatives will succeed without the vocal support of broader domestic constituencies in developing and developed countries. CDKN and its partners have therefore supported a Climate Justice Dialogue to see whether a narrative for climate justice can help create a just and ambitious deal.

Building negotiator capacity, supporting international relations on climate change and strengthening the voice of civil society can together enhance the likelihood of global agreement on a climate deal which safeguards our future. For more information, please visit www.cdkn.org/themes/theme -climate-negotiations

"The voices of the most climatevulnerable nations are leading the way on steering a wise course for our future – a future where development is sustainable and climate-compatible. These are the voices that CDKN has been working to strengthen."

Yolanda Kakabadse, **World Wildlife Fund President and CDKN Strategic Advisor** 



### >> MARSHALL ISLANDS COORDINATE MAJURO DECLARATION FOR CLIMATE LEADERSHIP

Extreme weather events and king tides highlight the acute vulnerability of the Republic of the Marshall Islands (RMI), a small Pacific nation of low-lying coral atolls. The Government of the RMI, supported by CDKN, has called for other vulnerable countries to turn the crisis into an opportunity for climate leadership.

RMI hosted the 2013 Pacific Islands Forum (PIF) Summit, which convenes leaders from Pacific Rim countries on issues of mutual economic and political concern. The principal outcome of the PIF Summit was the Majuro Declaration for Climate Leadership (www.majurodeclaration.org). Signed by 20 parties, including Australia, New Zealand, the US and the UK and many small Pacific Island nations, the Declaration captures the Pacific's political commitment to generating a "new wave of climate leadership" that can deliver a safe climate future for all.

The Declaration recognises the need for all nations to commit to greater mitigation ambition, and seeks to pursue the PIF's climate leadership through ambitious commitments to mitigation action and to greater international cooperation.

Increasingly regular global and regional media coverage is a clear indication of the growing influence of least developed and climate vulnerable countries on the international climate agenda. Following the Majuro Declaration, the RMI's leadership was cited widely in the international press, including the New York Times, the Washington Post, the Guardian, the BBC, Al Jazeera and many other high-profile newspapers and websites; and the RMI's President presented the Declaration to the General Assembly of the United Nations.

"Great work on Pacific Island Forum Summit! The Majuro **Declaration demonstrates the** urgency of addressing the issue at hand, accelerating climate action before 2020,"

Dr. Achala C. Abeysinghe, International Institute for Environment and Development, advisor to the Least Developed Countries Group

### >> LEAST DEVELOPED COUNTRY NEGOTIATORS RECEIVE **LEGAL TRAINING**

The UNFCCC talks are considered to be among the most complex multilateral processes ever, with meetings characterised by technical jargon and references to legal principles and procedural norms. The delegations of industrialised countries are large and include lawyers and other experts, while developing country negotiators can rarely rely on similar support.

CDKN assists the Legal Response Initiative (LRI) to level the playing field by making pro bono, tailored, rapid and in-situ legal advice on the UNFCCC available to poor and climate-vulnerable countries. LRI aims to strengthen networks of legal experts from the global South, in order to give these countries a strong voice and contribute meaningfully to a new global deal.

LRI works through a network of 150 expert legal advisors from private sector law firms, universities and barrister chambers in different jurisdictions. The network gives free, hands-on assistance during UNFCCC meetings and drafts legal opinions and legal background papers to brief lawyers and negotiators from developing countries. LRI currently works with 48 countries: 33 in Africa, 14 in Asia and the Pacific and one in Latin America. To date, LRI has taken on almost 250 legal queries about the climate negotiations.

Meanwhile, around 130 individuals involved in the climate negotiations have attended LRI's

specialised legal training sessions. For example, in April 2013, LRI organised a programme for lawyers from Bangladesh, Kenya, Nepal, Papua New Guinea, Swaziland, Zambia and Zimbabwe who are involved in the UNFCCC talks. For one week, legal experts on international environmental law, treaty law and the UNFCCC process provided tailor-made, practical, hands-on training. The teaching materials, presentations and exercises were compiled in a manual and distributed for free on the internet. Afterwards, some of the participants held further training workshops for colleagues in their home countries. LRI's training of trainers has created the foundation for an evolving network of climate law experts from different developing country jurisdictions and geographical regions.

As a result of LRI's legal support and training, least developed and climate-vulnerable developing countries have made stronger arguments and achieved progress on difficult issues. They have also drafted provisions for a new global climate agreement in 2015. LRI has also advised developing countries on how to restructure funding for climate adaptation activities within the UN Convention process. This will be critical for developing countries' prospects in dealing with sea level rise, droughts, high temperatures, floods and other climate impacts this century.







CDKN provides support to decision-makers in developing countries through research, technical assistance, knowledge sharing and partnerships. The CDKN Alliance partners (see pages 2–3) manage this programme, provide thought leadership and share learning from experience. We mobilise the best available expertise, locally, nationally and internationally, to: respond to governments' requests for assistance; fill gaps in the evidence base; make knowledge more widely accessible; and facilitate informed, participatory policy design and delivery.

Our **technical assistance** work comprises a significant proportion of CDKN's programme. It helps developing country governments and other decisionmakers to: strengthen the integration of climate-resilient and low-carbon growth in policy-making, planning and implementation; increase capacity to leverage climate finance; and improve coordination among sectors and countries to deliver climate compatible development.

Our **research** stream looks to commission cutting-edge analysis of climate compatible development, to enrich the global evidence base. Many of the research projects commissioned link to the countries where our technical assistance efforts are focused, while other projects contribute to the global evidence base on climate compatible development policy and planning, DRM, climate finance and negotiations support. All CDKN-commissioned research is characterised by its applied, policy-relevant nature. We are now working to ensure that the policy-relevant results are disseminated widely.

Through effective **knowledge sharing**, we seek to make climate compatible development information as accessible and user-friendly as possible. We publish policy briefs, guides and case studies, organise face-to-face events and use film and multimedia formats to engage our target audiences in developing countries. Our website provides a rich source of opinion, analysis and project information on climate compatible development.

**Partnerships** are central to CDKN's way of working. We convene individuals and organisations around issues of climate compatible development to support capacity-building in developing countries and to ensure that we create a strong legacy for our investment.

**Learning** is at the heart of our programme. Now in our fourth year, CDKN has a focus on learning from our experience: drawing out lessons to share with others from different regions and sectors in climate compatible development.

Opposite: Cartagena. Colombia, a port city and World Heritage Site where CDKN is supporting climate adaptation activities

Above: Boy with solar panel, Orissa, India

"The Colombia case illustrates the potential to use the country strategy and **Country Engagement** Leader to combine [technical assistance, research, knowledge and partnership] outputs."

**Independent evaluation** of CDKN



#### >> RESEARCH HIGHLIGHTS CLIMATE CHANGE AND MIGRATION IN BANGLADESH

Research shows that rising sea levels, long spells of drought and erratic rainfall are jeopardising livelihoods in vulnerable parts of the world and leading to different types of migration – temporary, and more permanent. Ten percent of migration is down to climate-related causes.

In Bangladesh, climate change impacts on homes and livelihoods are causing displacement, but the country's development policies and plans are yet to respond. The Government of Bangladesh's adaptation strategies do not yet account for largescale migration.

A CDKN-supported project has investigated what types of climate-related migration are happening in Bangladesh and what it means for government policy. The research by the University of Dhaka (Bangladesh) and University of Sussex (UK) pinpointed policy gaps and options.

The team found that workers who move from inundated coastal lands to inland cities lack many of the core employment rights that established

city-dwellers have and they are at risk of exploitation. Addressing this issue is just one of the policy recommendations in the team's reports and briefings, which are being distributed to government officials through local, district and national workshops.

The team has also cooperated with tve: Television Trust for the Environment on a compelling film: 'Climate Change and Migration in Bangladesh - Living on the Go'. The film crew follows the researchers as they visit communities in the Gabura, Satkhira region that were affected by Cyclone Aila in 2009. Some families, exasperated by the damage to croplands, decide to migrate to inland cities for good, while others try their hand at seasonal work in the cities, returning to their home villages every few weeks or months.

meet. www.youtube.com/cdknetwork

### >> CDKN CONTRIBUTES TO CLIMATE COMPATIBLE DEVELOPMENT ACROSS COLOMBIAN ECONOMY

CDKN is working with the Government of Colombia to target resources where they are most needed for the country's climate compatible development. CDKN's Colombia country programme provides a strong example of the Alliance's cross-government approach. The independent CDKN Mid Term Review acknowledged Colombia as a flagship country programme with the strongest countrylevel approach within the CDKN portfolio "where there has been strategic regional and country engagement supported by a suitable country engagement leader."

Colombia is highly vulnerable to climate change. In 2010–11, intense floods had a devastating impact on local livelihoods - and on the national economy. Colombia's national poverty rates are declining but social inequality is shooting up. Women are particularly affected and their poverty makes them more vulnerable to the impacts of climate change.

The country is entering a critical post-conflict and reconstruction period, which provides the opportunity for transformative change to address vulnerability and integrate climate approaches in development. CDKN is contributing to: climate compatible development projects that focus on the most vulnerable; policies that mainstream climate approaches in relevant sectors of the economy; innovative forms of domestic and international climate financing; and stronger institutions for climate compatible development at the national and subnational level.

The CDKN team has succeeded in catalysing a new national policy debate on linkages among development, adaptation and mitigation. This now forms part of Colombia's green growth strategy.

CDKN is contributing to the first-ever Climate Compatible Development Plan at city level for Cartagena, a coastal city with poor and climatevulnerable populations, which is essential to the local and national economy as an industrial and tourist hub. The private sector was involved early in this process. Key measures have been taken up for coastal protection, resilient development of the port and the creation of adaptive neighbourhoods for the poorest urban areas. Many other coastal cities in Colombia are looking to learn from Cartagena's experience.

CDKN and its partners developed a new agriculture vulnerability methodology in the Alto Cauca, one of Colombia's key coffee farming areas. The Ministry of Agriculture and Rural Development is now committing significant public sector funds to advance this work in other regions and with other crops, incorporating the indicators and methodology developed through CDKN's support. CDKN is facilitating the country's first-ever transport sector adaptation plan, which is supported by a multi-institutional coordination committee.

Colombia is increasingly recognised as a progressive force for climate action, globally and a model among emerging economies, especially among Andean and other developing nations.

For more information about CDKN's country programme in Colombia, please visit www.cdkn.org/regions/colombia



#### >> CONSORTIUM LAUNCHES GREEN GROWTH BEST PRACTICE REPORT

Green Growth in Practice: Lessons from Country Experiences is the result of a collaborative partnership among CDKN, the European Climate Foundation (ECF) and the Global Green Growth Institute (GGGI). It is the culmination of over a year of work by more than 75 green growth practitioners from around the world.

The report is the first comprehensive international assessment of best practices and lessons from pursuing green growth policies across all levels of government. It is designed to be used by governments and other stakeholders in helping them transition their economies away from fossil fuels in ways that result in sustainable growth.

By assessing more than 60 programmes around the world and focusing on those elements commonly used by governments in green growth analysis – planning, implementation and monitoring - the report provides guidance and examples to policymakers interested in pursuing such policies in their own country, region and/or municipality.

Some of the key findings of the report are: first, green growth can unlock substantial economic, social and environmental benefits. Green growth strategies enable governments to achieve significant near and long-term benefits in economic growth, environmental protection and poverty reduction. Second, integrated and robust planning, analysis, implementation and monitoring are essential. Third, broad support for transformative change is required. Green growth plans are most effective when driven by ambitious yet achievable visions with high-level and broad government and stakeholder support. They should pursue both near and long-term opportunities for dynamic shifts in resource management, technology use, community development, industrial practices and competitiveness, education and worker training and other factors.

The release of the report will be followed by a series of global and regional webinars to present the report's findings to governments, businesses and development organisations around the world.





### >> SUBNATIONAL CLIMATE COMPATIBLE DEVELOPMENT -LEARNING EMERGES FROM CDKN'S EXPERIENCE

CDKN's projects span from the sub-continental to the city and local level. In 2013-14, CDKN embarked on a major learning initiative to look at the success factors and challenges for climate compatible development at the subnational level.

CDKN, its subnational partners, and ICLEI – Local Governments for Sustainability reflected on what had helped their projects succeed – and what they would have done differently. Together, they held a series of workshops and even exchange visits between cities.

Participants were able to tap into ICLEI's global network of city government officers for knowledgesharing and advice and to present the results of their learning on a world stage at the Resilient Cities 2013-14 conferences.

One of the most interesting examples came from the CDKN-supported project to promote 'green

tourism' in the heart of Chiang Mai, Thailand. The original action research project explored options for non-motorised transport in the city centre, which would lower emissions, create local jobs and enhance the tourist experience. The project has led to a congestion-free zone in the city centre which promises to fulfil these social, economic and environmental goals. The local team used the CDKN-ICLEI learning initiative to assess and document the elements of local participation that have made the initiative succeed.

"Though policy personnel have been a focus for [my research team] in development issues, what came out very clearly from the learning programme was the importance of bringing the political parties also into the picture – directly," said Sivanappan Kumar of the Asian Institute of Technology. For more information, please visit www.cdkn.org/cdkn\_ series/inside-story

### >> HOW TO WIN THE ARGUMENT ON CLIMATE CHANGE: A FIVE-POINT PLAN

CDKN's Executive Chair Simon Maxwell published a five-point plan for public policy-makers on how to tackle climate change successfully, which he introduces here:

"Tackling climate change is tough. It often feels like we take two steps forward and one step back. Every now and then a tragic event like Typhoon Haiyan dominates the news bulletins and people make a link between climate change and the frequency or severity of natural disasters. But then we go back to normal, arguing about who will do what, and the fine detail of taxes, subsidies or regulations. That is not surprising.

Everyone wins in the long term if climate change can be avoided. However, all policies have winners and losers. In the short term, the number and geographical distribution of potential losers from climate change policy makes it extremely tricky to

design policy. This is why it is important to win the public and policy argument: to build and sustain support for action on climate change. And the starting point to winning the argument must be a plan. Mine is based on the following five steps:

- Find a simple way to tell the story
- 2 Create a positive message on the transformational benefits of taking action
- 3 Craft a policy package which aids transition and helps the losers from climate policies
- 4 Build a leadership group that will deliver a longterm consensus
- Focus relentlessly on implementation."

To read more about Simon's five-point plan and leave your comments, please visit www.cdkn.org/2014/03/five-point-plan

#### >> RECOGNITION FOR CDKN'S WORK

Over the past year, CDKN's work on climate compatible development was recognised in four prestigious national and international awards.

In March, LRI, a CDKN-funded programme to amplify the voices of the poorest and most climatevulnerable countries in international climate negotiations, was voted the 'best education or campaign initiative' at the UK Climate Week Awards.

Acclimatise (climate change adaptation consultants) won the 'Consultancy of the Year' award at the Continuity Insurance & Risk (CIR) magazine Risk Management Awards for the Caribbean Climate Online Risk and Adaptation tool (CCORAL), which was designed with CDKN support to make investment decisions more climate-resilient.

CDKN-CARIBSAVE's project on "Climate Change and Inland Flooding in Jamaica, Risk and Adaptation Measures for Vulnerable Communities" (CCRIF-RAVC) was nominated for the award of 'Research Project Attracting the most Research Funds' by the University of the West Indies, in Jamaica.

The CDKN-supported Carbon Reduction, Resources and Opportunities Toolkit (CaRROT, page 8) to improve the competitiveness of Kenya's flower sector in the face of climate change was shortlisted for the AfriCAN Climate Award for good practice. It received a citation for its knowledge and capacity building, community participation and monitoring and evaluation aspects.

#### >> CDKN IN PARTNERSHIP

CDKN is an active member of:



CLIMATE TECHNOLOGY CENTRE

AND NETWORK (CTCN)



GREEN GROWTH KNOWLEDGE PLATFORM

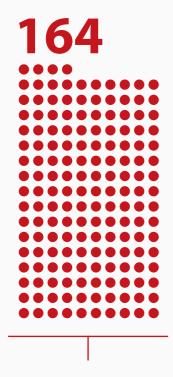


CLIMATE KNOWLEDGE **BROKERS GROUP** 

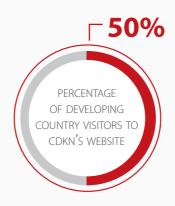


LOW EMISSION DEVELOPMENT STRATEGIES (LEDS) GLOBAL PARTNERSHIP

# CDKN in numbers



TOTAL PROJECTS IN 2013-14 FINANCIAL YEAR







### **CDKN HAS...**

...WORKED WITH

PARTNERS ACROSS ALL REGIONS

TRAINED

**DEVELOPING COUNTRY** CLIMATE NEGOTIATORS AND DELEGATES

SUPPORTED THE PRODUCTION OF

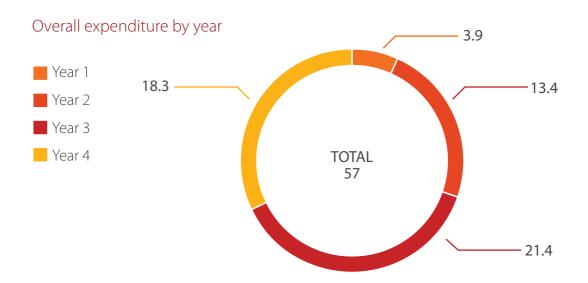
SUBMISSIONS TO THE UNFCCC BY DEVELOPING COUNTRIES AND GROUPS

### **CDKN WORKS IN**

**PRIORITY COUNTRIES** 

**PRIORITY SUB-REGION** 

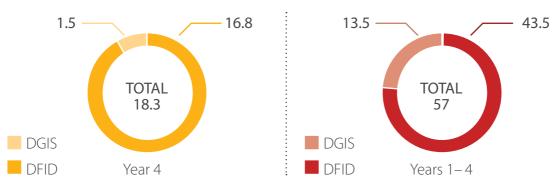
# $Finances \ (all \ figures \ are \ £ \ million)$



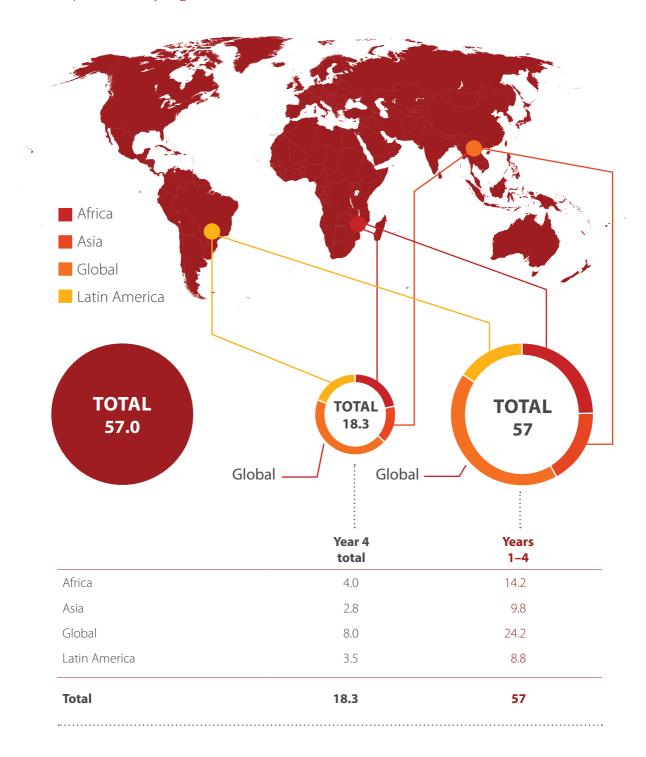
### Expenditure by output

	Year 4 total	Years 1–4
Knowledge management	1.9	7.4
Research	4.3	14.1
Technical assistance	7.6	24.2
Partnerships	0.9	3.5
Advocacy fund	3.4	7.3
Monitoring & evaluation	0.2	0.5
Total	18.3	57

# Expenditure by donor



# Expenditure by region



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