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Supporting adaptation in African agriculture

A POLICY SHIFT SINCE THE EU GREEN DEAL?

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Communities in sub-Saharan Africa are experiencing the most severe droughts in decades, impacting livestock and crop production. In 2019, the EU presented plans to increase adaptation finance in Africa under the EU Green Deal. This paper questions whether the Green Deal and Global Europe, the EU's instrument for neighbourhood, development and international cooperation, have led to increased political support for climate change adaptation for agriculture to the benefit of smallholder farmers in sub-Saharan Africa. Or is the EU repackaging what already existed?

Answering this complex question means looking at potential shifts in four areas related to EU development, cooperation and finance: (1) **narrative** as expressed in recent policies and strategies towards Africa and the new programming documents; (2) **financing** modalities and instruments; (3) **partnerships** with EU members states, the private sector and development finance institutes; and, (4) **implementation** of projects in the period 2021-2022.

One key finding is that the wider EU strategies towards Africa reveal a strong interest in large-scale mitigation and clean energy investments, whereas the EU's programming documents for Africa focus on adaptation to the benefit of smallholder farmers. However, new financing instruments and partnership modalities with a strong focus on involving the private sector may eventually throw a spanner in the works. This paper ends with ten recommendations on how to increase the much-needed support for adaptation in Africa's agricultural sector and facilitate a change of direction from finance, policy and practical perspective, ahead of the mid-term review of EU projects in 2024.

Introduction

This April, the main seasonal long rains in Kenya were less than 60% compared to the average of the last four decades. Widespread livestock deaths and extremely low crop yields, together with high inflation are causing acute malnutrition levels in large parts of Kenya (FEWS NET 2022). At the same time, communities in Ethiopia and Somalia are experiencing the most severe droughts in decades, impacting livestock and crop production. This could potentially lead to an unprecedented climate emergency in the wider Horn and East of Africa. With more than 15 million people acutely food insecure in this wider region, thousands are already leaving their homes in search of food, water and pasture. The risks faced by women and girls – including gender-based violence – have increased sharply since the drought began (OCHA 2022).

At the end of February, Russia shocked the world by invading neighbouring Ukraine. This shock has far-reaching ripple effects on Africa. 23 African countries – many of which are already experiencing climate impacts and rising food prices – are dependent on Russia and Ukraine for more than half the imports of at least one of their staple goods, mainly wheat imports (Balineau et al. 2021). The Horn of Africa will be the hardest hit by the disruptions to the global wheat trade.[1] But other regions, such as West Africa, will also be affected as they import large quantities of agricultural fertiliser from Russia.[2] Additionally, climate change increases the probability of multiple breadbasket failures, resulting in inflated food prices in vulnerable, import-dependent African countries that are yet to fully recover from the socio-economic repercussions of the COVID-19 pandemic.

According to Josefa Sacko, the African Union Commissioner for Agriculture, Rural Development, Blue Economy and Sustainable Environment and Ibrahim Mayaki, Chief Executive Officer of AUDA-NEPAD, "Africa must see the current geopolitical crisis as an opportunity to reduce its reliance on food imports from outside the continent. African countries need to take advantage of their 60% of the global share of arable land" (Sacko and Mayaki 2022). By 2050, African agriculture needs to produce 50% more to meet the needs of the continent's growing population. But how realistic is this in a continent where more than 38 million people are at risk of hunger and poverty, and where agricultural growth has been so slow and limited due to the high dependency on rain-fed agriculture[3], low levels of irrigation, limited adoption of yield-increasing technology, lack of access to seeds and land, to name a few, all compounded by rapid population growth?

The latest Intergovernmental Panel on Climate Change (IPCC) report paints a bleak picture for Africa's short- and long-term future: climate impacts on agriculture and crop production in Africa are "high to very high", and they will only increase in the future. Even at a 1.5°C temperature increase, the options for adaptation will be considerably reduced in Africa (Pörtner et al. (eds.) 2022). The World Meteorological Organisation (WMO) predicts that this global temperature could already reach the 1.5°C threshold in the next five years, leading to unforeseen numbers of undernourished African people (WMO 2021; Kray et al. 2022). Furthermore, the decreases in agricultural productivity will have knock-on effects on food security as well as incomes, prosperity, health and political stability in Africa. Adaptation is therefore of particular concern in the agricultural sector (Ijjasz-Vasquez et al. 2021).

In response to the multiple climate-related challenges to African agriculture, recently released African policies, such as the African Union's (AU) Climate Change and Resilient Development Strategy and Action Plan's (2022-2032) put "resilience-building and adaptation support" forward as a key objective. However, the agricultural financing gap in many African countries surpasses government budgets and available donor funding. Even if the emissions gap is closed and we get onto a pathway to hold warming below 2°C by 2050, adaptation costs could hover around $35 billion per year (UNEP et al. 2021).

In 2019, the European Union (EU) launched the European Green Deal (EGD) which aims to make

Europe climate neutral by 2050 and establishes Europe's role as a global climate leader. As part of the EGD, the EU Adaptation Strategy underlines the EU's plans to increase adaptation finance in Africa (EC 2021a). The year 2021 also marked the launch of the EC's new financial instrument for Neighbourhood, Development and International Cooperation – the so-called NDICI-Global Europe (NDICI-GE) instrument – which requires climate to be mainstreamed throughout all programmes and actions with a new 30% climate spending target. With the NDICI-GE, the EU has the opportunity to raise the bar on adaptation finance.

But, despite increased ambitions in the realm of climate action and climate adaptation support, the key question is whether **the EU can effectively support climate change adaptation in agriculture for the benefit of the poorest and most vulnerable in sub-Saharan African countries**, including through policies, development assistance and financing instruments? The goal of this briefing note is to respond to this question by unpacking it based on four dimensions that also largely form the respective sections of the paper:

(1) an analysis of a change in **narrative** towards more adaptation support, especially as reflected in the multi-annual indicative programmes (MIPs; 2021-2027) for Africa;
(2) an analysis of **financing** instruments, including the NDICI-GE and the new European Fund for Sustainable Development Plus (EFSD+);
(3) an understanding of whether there has been a change in **partnerships**, with a special focus on the Team Europe Initiatives (TEIs) and cooperation with the private sector, European development finance institutions (DFIs), including public development banks (PDBs) and multilateral development banks (MDBs);
(4) an early assessment of **implementation**, based on lessons learned from the past and the newly released annual action plans for 2021-2022.

The analysis draws on documents available in the public domain, including EU regulations, European Commission (EC) communications and external commentary related to the EU's financial architecture and policy priorities, as well as input from interviews with stakeholders. Interviewed stakeholders included representatives from the EC in Brussels and EU Delegations. Ultimately, the paper provides ten practical recommendations on opportunities for course correction, from a financial, policy and practical perspective, before concluding with an outlook on COP27.

1. A shift in narrative?

1.1. African adaptation priorities

When it comes to adaptation, the cost of inaction is much higher than the cost of action: for sub-Saharan Africa (SSA), the Global Centre on Adaptation (GCA) estimates that the annual agricultural adaptation cost is up to $15 billion (0.93% of regional GDP), while the cost of inaction could be more than $201 billion (12% of GDP) (Ijjasz-Vasquez et al. 2021; Sulser et al. 2021). Concretely, adaptation options for African food systems include investments in research, development and deployment (RDD)[4] of innovations (e.g. new seeds, new methods), water management, sustainable land management (for instance, based on agroecology and implementing nature-based solutions), or climate information services (Ijjasz-Vasquez et al. 2021; IMF Africa Dept. 2020; Sulser et al. 2021; Ijjasz-Vasquez and Ordu 2022; Unique-Kulima 2017). The latest advancements in technology, research and digital innovation could allow for leapfrogging towards a climate-smart and green transformation in the agricultural sector.

African policies and strategies widely call for immediate support for adaptation. "Action on adaptation", including through climate financing, is the main priority for Africa, as emphasised in the African Union's (AU) **Agenda 2063** (AU 2013). The recently released **AU Climate Change and Resilient Development Strategy and Action Plan**'s (2022-2032) overall objective is "building the resilience of African communities, ecosystems and economies, and supporting regional adaptation" (AU 2022). Also,

the **AU's Green Recovery Action Plan** (2021-2027) puts adaptation and resilience at its centre, especially as part of its climate-resilient agricultural priorities (AU 2021). In late 2021, the AU endorsed the **Africa Adaptation Acceleration Programme** (AAAP), which calls for investments in climate-adaptive agriculture, among others, based on the core idea that preventive measures are up to 12 times more cost-effective than disaster relief (GCA 2021).

Analysis by the African Development Bank (AfDB) showed that 42 African countries, out of the 48 African submitted **Nationally Determined Contributions** (NDCs), mentioned agriculture as a priority adaptation sector (AfDB 2019). The climate commitments in African countries' newly submitted NDCs (2020, 2021) show an increased ambition in agricultural sub-sectors.[5] Furthermore, the National Adaptation Plans (NAPs) and the Adaptation Communications by African countries also strongly focus on agriculture (Dixit et al. 2022). All these African policies with a strong adaptation focus, provide the EU with direction on priority strategies and interventions in SSA. But to what extent does this feature in European policies and strategies?

1.2. European strategies related to Africa

The **EU Adaptation Strategy** (2021) explicitly refers to Africa, small island developing states (SIDS) and least-developed countries (LDCs). It states that the EU will make use of its external financing to support adaptation in partner countries, including in agriculture (EC 2021a). The European Climate Law now requires EU institutions and EU member states to work towards adaptation (Eur-Lex 2021). However, the Adaptation Strategy does not provide a measurable action plan on how to support locally-led community-based adaptation. It is also unclear how the EC would trigger stronger adaptation action by DFIs.

Despite the EU Adaptation Strategy's ambition for adaptation support to African LDCs and SIDS, other key policies reveal a European preference for investments in the renewable energy sector and more broadly mitigation measures. In March 2020, the EC announced its new **Comprehensive EU Strategy for Africa**, with "Green Transition & Energy" being one of the three partnerships. Cooperation on climate change as a topic is well developed throughout the entire Strategy, corresponding to the high political priority given to climate change by the EC. However, the document shows a prioritisation of the formal, productive and technology sectors as well as climate mitigation. This could come at the expense of agriculture, the informal sector, human development and climate adaptation. This focus reveals a preference to partner with middle-income countries, rather than with the poorest, LDCs in Africa (Knaepen 2020). The recently launched EU's **Global Gateway**, emblematic of the EU's geopolitical ambitions, aims to mobilise up to €300 billion in investments between 2021 and 2027 to boost sustainable investments across the world, including a €150 billion investment package for Africa (Teevan et al. 2022; EC 2021c). The Global Gateway was presented by the EU as "the external projection of the EU Green Deal", with one out of five pillars focusing explicitly on climate and energy. Here the focus is mainly on the mobilisation of investments for climate protection and clean energies which makes its ambitions much narrower than those of the Green Deal, and assumably, no investments will be foreseen to support adaptation projects in African agriculture (EC 2022a).

1.3. The EU programming process

The EU's 7-year budget, set out under the MFF for the period 2021-2027 has a €79.5 billion framework for external action, with an allocation of €29.2 billion of the total for SSA. It includes a 30% spending target for climate action, including adaptation.[6] This is a shift compared to the previous MFF (2014-2020) in which the climate target was set at 20%. The Multiannual Indicative Programmes (MIPs) for the period 2021-2027 shed light on how the EU plans to spend such funds in the coming years in partner countries and regions, and on how the EU is moving towards the implementation of NDICI-GE (EC 2021d). The new political drive to promote green growth in partner countries is strongly reflected in the EU's

MIPs and the NDICI-GE instrument.[7] Analysis of 14 sub-Saharan African country MIPs,[8] the regional sub-Saharan African MIP and 2 thematic MIPs led to the following key findings:

- **On paper, alignment with African countries' key policies is mentioned as a target**. All the 14 country MIPs state to be aligned with partner countries' policies, including NDCs and NAPs, strategies and development visions.
- **"Green growth and climate" features in all the MIPs**. Entitled "green and climate transition", "Green Deals", "Green and Resilient Economy", "Sustainable economic growth", or "Green (and Blue) Pact, the "planet" dimension always features as 1 of the 3 priority areas of all MIPs. Only the thematic MIP "Peace, Stability and Conflict Prevention" has eight priorities in total, with priority 8 focusing on "addressing the global and trans-regional effects of climate change and environmental factors having a potentially destabilising impact on peace and security".
- **"Green growth and climate" will receive the bulk of the budget**. In all national MIPs, the priority areas "Green growth and climate" receives between 25 and 45% of the planned budget. In Zambia's MIP, the foreseen allocation even reaches 64%. The thematic MIP "Global Challenges" dedicates 21,7% of its total amount to the priority area "Planet", which is the second biggest after "People" (50,3%), followed by "Prosperity" (19,1%).
- **"Agriculture" is high on the agenda**. Support for climate-resilient agriculture and food systems, usually mentioned as a sub-goal under the "green growth" priority area in the MIPs, features strongly in all examined MIPs. It is being referred to as "the support to climate-resilient agriculture", "resilient transformation of agricultural production", or "adaptation to agricultural value chains" in national MIPs. The Ugandan MIP is an exception: "adaptation" gets little attention with only 2 references in the context of "supporting Uganda to improve disaster risk management approaches" and "urban development". The recent discovery of oil resources due to come into fruition in the next 5 to 7 years may explain a stronger interest from both the Ugandan and European stakeholders to focus on green energy transition questions. The MIP for Malawi, by contrast, is entirely based on the country's growth policy, the Malawi 2063 Vision, which itself has "agricultural growth" as one of its three pillars. In line with Malawi's priorities, the EU will spend 44% of its budget on "green and resilient economic transformation" with a strong focus on agricultural transformation. Furthermore, the regional MIP for SSA includes support for "sustainable agri-food systems" and the thematic MIP on Global Challenges aims to achieve "resilient agri-food systems".
- **The "Green Deal" is the common thread in the Team Europe Initiatives (TEIs)**. The TEIs, jointly prepared since 2020 by the EU, member states and European development banks include a strong focus on the green transition (see section 3). The EU's 'Joint Programming and Team Europe tracker' assesses that more than 70% of the more than 90 country-level TEIs worldwide includes a focus on the Green Deal, the largest share for all thematic priorities. The large majority of the 14 national MIPs assessed for this study have one out of two TEIs that focus explicitly on "climate and green transition". Depending on the context of the partner country and the priorities set, some TEIs focus explicitly on "building resilience to multi-hazard vulnerability in rural areas" (TEI Burundi), "agro-food transformation" (TEI Burkina Faso), "sustainable agro-sylvo-pastoral sectors" (TEI Niger), "sustainable agriculture, integrated rural development and biodiversity" (TEI Zambia), "green agro-ecological value chain development" (TEI Malawi) or "climate-smart agricultural value chains" (TEI Kenya).

Looking back at the previous programming cycle (2014-2020), an assessment of development cooperation with SSA for the period 2013-2018 concluded that agriculture and rural development policies were not given sufficient priority despite their role in growth and poverty reduction (Jones et al. 2020). Long-term impacts of adaptation (and mitigation) interventions were rather "mixed" as the transformative change would require more time and more support. For all interventions, political commitment to climate action by national authorities was said to be crucial to ensure the necessary broad buy-in and implementation of the reform measures (Jones et al. 2020). Furthermore, an evaluation of the 11th EDF during the period 2010-2015 shows that in less than 10% of EDF commitments "adaptation" is a "significant objective", meaning that is one of the principal reasons for undertaking the activity. In less than 5% of EDF commitments, activities were marked as "significant", meaning that it is explicitly stated but is not the fundamental driver for undertaking an activity. In the rest of the cases, "adaptation" was "not targeted" (Giordano et al. 2017). Box 1 presents a case study of Kenya, comparing the new programming period with the previous one from an adaptation perspective.

Box 1: The MIP for Kenya (2021-2027) and the focus on agricultural adaptation

Kenya has the largest economy in East Africa, but it is still considered a lower-middle-income country. It is highly vulnerable to natural hazards, mainly floods and droughts. Droughts have a particularly large economic impact, accounting for 8% of GDP every five years. This is due to the economy being highly dependent on agriculture, a sector extremely vulnerable to climate risks. The agriculture sector contributes approximately 28% of Kenya's GDP and accounts for more than 65% of exports. As of 2015, it provides about 80% of employment for the rural population. Key adaptation strategies for Kenyan agriculture include the improvement of climate knowledge, and better water and land management via more efficient technologies (WB 2021).

The EU's MIP for Kenya states that the EU will "holistically support Kenya's attainment of the SDGs and commitment under the Paris Agreement" (EC 2021b). The MIP is in line with the country's guiding policies: Kenya's Vision 2030 policy that aims to transform it into an industrialised, middle-income country by 2030 and the Big Four Agenda (2018-2022) in which "food security" is one of the four pillars. "Green Transition: Environmental Sustainability and Resilience" is one of the three priority areas in the MIP. This priority area has three sub-goals, including "natural capital and resilience" with a focus on climate-smart agriculture approaches, and "green economy and sustainable business" to strengthen agri-businesses, smallholders and MSMEs. The third sub-goal is on "sustainable energy". This entire priority area will receive €147 million (45% of the total of €324 million) for the initial period of 2021-2024.

One of the two Team Europe Initiatives (TEI) is centred on the Green Deal. In this TEI, one of the five impact areas includes a focus on "climate-smart and sustainable agricultural value chains and adaptation in agri-food systems". The other four priorities are "circular economy, renewable energy, biodiversity, and sustainable infrastructure and transportation in cities". The contribution to the TEI Green Deal during the period 2021-24 is estimated to be €188 million. The TEI aims to also crowd in the private sector and civil society for more effective implementation. Altogether, the MIP only refers twice to "adaptation", each time in the context of "climate-smart and sustainable agricultural value chains", while "[climate] resilience" is mentioned about 35 times. "Energy" is referred to 37 times.

The staff from the EU Delegation in Nairobi got clear guidance from the DG INTPA headquarters that "green" should be mainstreamed throughout the MIP. They were given environmental markers, which, however, did

not specifically include one for climate change adaptation. Therefore, it is too early to assess how much funding would go to adaptation. Furthermore, they seem to struggle with the dilemma of how to leverage the private sector in Kenya, and what the implications will be for the environment and smallholders. In the past, they provided large-scale support to smallholder farmers through the Ministry of Agriculture. However, a large reduction in government staffing for extension made this programme ineffective. Hence, another option is to work with larger corporations that have their own financing structures and can employ large groups of people. On the downside, these corporations are more likely to support monoculture systems and may be less inclined to protect biodiversity (Interview EU Delegation Nairobi, Kenya, via webex, May 2022).

Looking back at Kenya's National Indicative Programme (NIP) for the period 2014-2020, "food security and resilience to climate shocks" featured strongly, being the main sector of focus under the initial NIP (EC 2014). It was renamed "job creation and resilience" after the mid-term review. The initial €190 million dedicated to this priority area increased to €228.5 million after the mid-term review. Furthermore, "productive climate-resilient agriculture and community investments" was one of the three sub-goals. However, the current portfolio under the 11th European Development Fund (EDF), used to implement the Kenya NIP, reflects a gradual shift in strategic focus over the period 2014-2020: from a focus on rural development and resilience interventions in arid and semi-arid regions (including agricultural research) to interventions on leveraging the private sector and energy investments. This imbalance is also reflected in the general climate finance flows going to Kenya that fall short of what is needed to achieve Kenya's NDC: in 2018, 11,7% of climate expenditures went to adaptation, versus almost 80% to support mitigation, predominantly for large-scale renewable energy generation projects. Only 19% of international public finance was delivered through grants, still being the main mechanism for adaptation finance. To implement Kenya's NDC, international partners should provide at least 87% of the $62 billion needed by 2030 (Republic of Kenya 2021). During the period 2010-2018, the EU institutions (excl. EIB) provided €213 million in development finance to Kenya that targeted climate change objectives. A total of €34 million (15.9%) targeted mitigation activities, €144 million (67.5%) was targeted at adaptation activities, and 35.3 million € (16.6%) targeted both mitigation and adaptation simultaneously. The disbursement ratio over this period stood at 34.9%. Lastly, the European Court of Auditors (ECA) assessed the effectiveness of the 11th EDF in Kenya: while more than 40% of the total allocation went to the "food security and climate resilience", the ECA found that the EU was spreading the funding over too many areas which increased the risk of it not reaching the necessary critical mass in any single sector (ECA 2020).

Overall, green transition and climate action feature prominently among EU cooperation priorities in the programming documents. Based on this initial assessment of the majority of SSA MIPs, the EU is likely to meet its 30% climate target spending under the NDICI-GE. Nearly all examined MIPs focus on adaptation in the agricultural sector as one of the sub-goals under the "green growth", "green economy" or "green development" priority area, which is, as mentioned, typically one of the three priority areas in the MIPs. Yet, the operationalisation and mainstreaming of the support for climate, and specifically adaptation will be a challenging task in the implementation phase, as the following sections explain.

2. Innovative financing for adaptation

2.1. Africa's adaptation finance gap

The GCA estimates that Africa will require at least $331 billion by 2030 for adaptation, of which African countries expect to contribute $66 billion from national budgets.[9] The remaining gap of $265 billion is expected to be met by international public finance providers and domestic and international financiers (Ijjasz-Vasquez et al. 2021). However, the costs of adapting to climate change in developing countries are at least five times higher than current public

finance for adaptation (UNEP 2021). Most investments for adaptation are sourced almost entirely from public sources, through grants and, to a lesser extent, loans or de-risking facilities (OECD 2020; OECD 2021). IFAD and CPI estimate that in the period 2017-2018, only around 1.7% ($10 billion) of total climate financing went to small-scale agricultural producers in developing countries (Chiriac et al. 2020; Buchner et al. 2019).

One way to explain the adaptation finance gap is that Africa's real economy is primarily informal and is consists mainly of small and medium-sized enterprises (SMEs). These groups of key actors constitute the economic tissue of African societies. They account for more than 90% of businesses and almost 80% of employment on the continent. However, they cannot typically access climate finance, preventing them from playing any role in climate action (Dalberg and CDKN 2015). Relatedly, there is a high-risk perception linked to adaptation finance solutions, as well as less appealing returns and longer time horizons. This is producing high premiums and increasing the cost of capital for climate finance. This lived reality disincentivises the private sector from taking up solutions, particularly given the extra financial and technical costs of complying with due diligence and reporting requirements linked to climate finance (Were 2021).

2.2. Blended finance for adaptation

The EU provides climate finance collectively through the EU budget, EU member states' public budgets and DFIs[10], including through bilateral and multilateral contributions. EU member states like Germany top the international rankings in the quantity of their climate finance contributions, but others contribute far below their expected share (Donotracker 2022). In 2020, €23.39 billion in climate finance was committed by the EU and its 27 member states to support developing countries (European Council 2021). This was an increase, compared to 2019 when the total climate finance amounted to €21.9 billion, of which each year more than 50% was spent on helping EU partners adapt to climate change (EU 2021).

However, the role of the European DFIs such as the European Investment Bank (EIB) in contributing to adaptation support has always been minimal: in 2018, the EIB allocated 7.6% of its climate finance to adaptation in developing countries, far lower than other multilateral development banks, such as the African Development Bank (Ahairwe & Bilal 2019). In 2020, the share of the EIB's climate finance rose to 37% ($27.858 million) of its total finance package of $75.371 million in all countries, including low- and high-income countries. Out of the total climate finance, 10% ($2.748 million) went to adaptation, and out of the total adaptation finance, 27% ($743 million) was invested in low-income and middle-income countries, while the rest went to high-income countries. In 2020, the entire group of MDBs, including the EIB, spent $960 million of total adaptation finance on "crop and food production" and $587 million on "other agricultural and ecological resources" in low-income and middle-income countries, amounting to approximately 11% of total adaptation finance by MDBs (MDBs 2020).

The Paris Agreement and subsequent climate negotiations have pushed DFIs to dedicate much more resources to the battle to curb climate change, particularly adaptation (MDBs 2020).[11] The EIB aims to gradually increase the share of its financing dedicated to climate action and environmental sustainability to exceed 50% of its operations in 2025, with 15% dedicated to adaptation, as outlined in its Climate Adaptation Plan for the period 2021-2025 (EIB 2021a). There will also be a special focus on adaptation in Africa, SIDS and LDCs. Last year, the EIB signed a memorandum of understanding with the GCA to collaborate on adaptation. This way, the EIB will support the AAAP, mentioned previously. One of the AAAP's pillars of work is "agriculture and food security" (EIB 2021). The EIB clearly aims to play a crucial role in delivering on the external objectives of the EU Adaptation Strategy. It is too early to assess the effectiveness and positive impacts of these types of DFI investments in adaptation. Also, the targets set by the EIB remain vague and unspecific, and how much funding would go into which area to do what is unclear (Ahairwe 2021).

Despite good intentions, assessing the EU's spending on adaptation requires vigilance: an evaluation by the European Court of Auditors (2022) reports that the EU's climate spending in the previous programming period 2014-2020 was overreported. One of the reasons for this is the methodology for tracking climate spending that considers only the potential positive impacts on climate, while it does not track the potential negative impacts on climate of measures that serve other EU objectives. Furthermore, the EU's climate finance has not been fully additional, but it has been replacing finance for other objectives, including development objectives (ECA 2022; Were 2021; Usman et al. 2022).

Under the 2021-2027 financial framework, the European Fund for Sustainable Development Plus (EFSD+) and External Action Guarantee provide the investment framework for NDICI-GE. The EFSD+ consolidates the governance of blended finance and guarantees and also aims to mobilise large-scale private finance to close the adaptation financing gap, most of which will be ODA eligible (OECD 2021). The new framework foresees a stronger role for EU institutions and member states to steer policies vis-a-vis DFIs, including the EIB. It also requires the European Commission to provide a more rigid system for climate risk management and a better-harmonised reporting framework.

The new EFSD+ builds on the previous EFSD, which was established in 2017 as part of the EU's response to the migrantion crisis as the financial arm of the External Investment Plan (Große-Puppendahl and Bilal 2018). The budget for the EFSD included €1.55 billion for EFSD guarantees, being an innovative approach whereby guarantees are provided to publicly owned financial institutions to reduce the risks that these intermediaries face in providing capital to the private sector. It also contained €3.5 billion for blended finance, aiming to leverage €50 billion. One of the six investment windows of the EFSD was "sustainable agriculture", including references to the need for adaptation (EC 2022). The EFSD implementation was scrutinised through an independent assessment in 2020. While the assessment found that EFSD was relevant, policy-driven and offered financial additionality, it identified gaps in efficiency (e.g. impact measurement) and coherence. For instance, there was a lack of consistency and comparability of impact indicators across projects between the finance institutions and the delegations. Furthermore, "sustainability-driven policy reforms", important for adaptation as further discussed in section 4, were rarely mentioned as tangible project objectives. The evaluation could not specify whether the EFSD has met the adaptation requirements of the Paris Agreement (Poldermans and Pereira 2020).

The EFSD+ has two Guarantee Investment Windows, one on "Sustainable Finance" and one on "Sustainable Agriculture, Biodiversity, Forests and Water - Natural Capital", which both refer extensively to adaptation.[12] However, leveraging private finance for adaptation in African agriculture through the EFSD+ will also come with its challenges. The extent to which adaptation is built into programming using EFSD+ resources is driven by the practices of implementing partners. The Investment Windows do not provide an explicit indication of the share between adaptation and mitigation, and they remain vague on what can be done precisely on adaptation. The way forward would be to establish an integrated physical climate risk management system across all supported instruments to better understand the adaptation requirements (Di Pietrantonio 2021).

Overall, the EU intends to move towards a much stronger involvement of the private sector in supporting adaptation. Also, African governments are increasingly mobilising the private sector. For example, the Government of Kenya has introduced several policies to incentive the private sector. The Ministry of Environment and Forestry, for instance, has developed a private sector engagement framework that facilitates access to private sector investments (Republic of Kenya 2021). However, whether these endeavours will support adaptation in small-scale agriculture remains to be seen, because small-holders and agricultural SMEs largely operate in informal settings, as explained in section 2.1. Furthermore, grants have always been the predominant financial instrument to support these actors in Africa (Chiriac et al. 2020). Another area of

concern is the diverging working modalities of the public and private sectors. An interview with the EU Delegation in Nairobi (May 2022) revealed this concern when engaging in a joint programming cycle and in working with EFSD+. More specifically, the Delegation staff is concerned about a potential loss of control when DFIs are contracted, as the working modalities are different from implementing grants. DFIs also apply stricter disclosure rules with slower reporting systems. Another concern is that working through the EFSD+ may indeed be a way to scale up financing, but it may not necessarily be the more inclusive (Interview with staff from the EU Delegation Nairobi, Kenya, via webex, May 2022)

Besides support through international finance, African governments also have a role to play in leveraging climate finance. The Kenya Government, for example, spent approximately 3% of its budget on climate-related activities in 2018 (Republic of Kenya 2021). Kenya's updated NDC estimates that 10% of domestic resources will be needed for adaptation, while the remaining 90% should come from international finance (Republic of Kenya 2020). Using domestic resources for adaptation will not be easy in Africa's poorest nations, especially in the short run. Indebtedness across the continent is alarmingly high: in Liberia, debt was almost 55% of GDP in 2019 (AfDB 2022) – and a staggering 104% in Zambia in 2020 (AfDB 2022a). As long as countries have limited fiscal space, successfully adapting to climate change is hard to envision. Interestingly, since 2020, debt-for-climate (DFC) swaps have become a movement within development finance (Karaki and Medinilla 2022). DFC swaps allow the debtor nation, instead of continuing to make external debt payments in foreign currency, to swap them against payments in local currency to finance climate projects domestically. In other words, they are a way to help with debt restructuring and relief, while promoting a green recovery (Singh and Widge 2021). However, using swaps as a climate-specific instrument comes with challenges: for instance, DFC swaps risk becoming a substitute for new and additional climate finance as the use of DFC swaps can be counted as part of the developed countries' commitment to invest annually $100 billion in climate mitigation and adaptation in developing countries. Another challenge to the approach includes ensuring that the host country can deliver the planned outcomes given its economic condition and governance. It is also important to ensure that DFC swaps do not substitute other initiatives and commitments with socio-economic transformation objectives (Karaki and Medinilla 2022; Singh and Widge 2021).

Lastly, the Russian invasion and related geopolitical threats may force the EU to reallocate funds towards food relief and other immediate needs. Recently, the European Commission announced that it wants to target macroeconomic support, food production, and humanitarian relief under a €600 million ($640 million) response to the global food crisis (Council of the European Union 2022). On the one hand, this decision may divert resources from other pertinent development needs. On the other hand, this large financial envelope will be partly dedicated to helping to build resilient food systems in African countries, a welcome endeavour in the face of climate impacts. According to preliminary indications, this should contribute to efforts to overcome the continent's high food import dependency, by supporting more diversified production and trade flows for more nutritional diets and the strengthening of the continent's own fertiliser industry.

3. New partnerships

The start of the new MFF in 2021 ran parallel with the renaming of DG DEVCO - the DG formerly known under the term "development cooperation" - to INTPA or, "international partnerships". With this new label, the EU aims to strengthen partnerships based on mutual interest in a world in which "development" and "aid" have become increasingly contested concepts. "Partnerships", be it with EU member states, the private sector or civil society, have become the new mantra for international and development cooperation and feature high in the EU's discourse. This section looks at opportunities and challenges.

The "Team Europe approach" emerged in 2021 to "build a united front to beat COVID-19" (EC 2021). It

was put forward as a way to bring together and brand European collective support to partner countries in response to the pandemic (Jones and Teevan 2021). Building on the momentum, this cooperative, partnership-oriented approach, bringing together EU member states, EU institutions, and DFIs, has become an integral part of NDICI-GE. It is now also a constitutive part of the EU's long-term policy ambitions, including the achievement of the 2030 Agenda and its SDGs, and the goals of the Paris Agreement (EC 2021; Keijzer et al. 2021). At the time of writing, a total of 155 TEIs have been designed at the partner country, regional, global and the thematic levels. They are now moving to the next steps of implementation: 137 TEIs will be implemented in INTPA countries and regions, with 45 regional and country TEIs for SSA. Out of the total approved TEIs, 102 have the "Green Deal" as the main area of focus. So far, all EU member states are involved in at least one TEI. The traditionally large development partners are involved in many TEIs: at the time of writing, France is involved in 123 TEIs (about 35 SSA country TEIs and at least 3 regional African TEIs with a "Green Deal" focus), Germany in 111 TEIs (approximately 30 SSA country TEIs and at least 3 regional African TEIs with a "Green Deal" focus) or the Netherlands in 78 TEIs (about 20 SSA country TEIs with a "Green Deal" focus). The EIB is part of 104 TEIs (almost 40 SSA country TEIs and at least 3 regional African TEIs with a "Green Deal" focus), the highest-ranking so far of all European DFIs (EU 2022).

So far, Team Europe is perceived as a welcome approach to further increase the effectiveness of the EU's joint engagement. In several countries, it has renewed or created momentum for more collaboration and information sharing between the EU and member states. For example, within the context of the Team Europe approach, the EU Delegation in Nairobi commissioned a mapping of what the EU and the EU member states are doing in the agricultural sector. Almost 40 different projects were directly focusing on agriculture. This is evidence a certain degree of fragmentation among international partners' activities in Kenya's agricultural sector. The conclusion of the mapping showed opportunities for joint direction and more coherence. The Kenyan EU Delegation is currently in the process of building a joint approach, potentially under a TEI umbrella, especially in the context of climate action and the EGD (Interview EU Delegation Nairobi, Kenya, via Webex, May 2022).

But which new features do TEIs bring to the table? So far, they are essentially about repackaging projects and programmes that development actors had already planned, or are already implementing. The TEIs can be seen as a rebranding exercise to bring all development-related initiatives together under a common EU umbrella to enhance leverage and impact. Less bureaucratic and more flexible than the EU's joint programming modalities, TEIs allow members to join various projects. However, it remains to be seen whether, and how much new and additional funding the member states will bring in the next phase. Therefore, from an adaptation perspective, it is too early to assess whether TEIs will be the best approach to support adaptation for smallholders. Section 1.3 explained that the large majority of the 14 national MIPs assessed for this paper had one TEI focusing on "climate and green transition", with some TEIs making an explicit link with climate action in the agricultural sector, in line with partner countries' priorities. Moving forward, one positive element is that TEIs will ensure aggregate reporting, based on the EU Results Framework Indicator Methodology Note. One of the key indicators of this methodology is, for instance, "the number of smallholders reached with EU supported interventions aimed to increase their sustainable production [...]" (EU 2022a).

However, there is also a risk that TEIs will lose their focus on adaptation, redirecting their attention instead towards mitigation and green energy transition in partner countries. EU Delegations will remain in the driver's seat to coordinate the TEIs, but EU member states or DFIs may want to use TEIs to push their priorities and influence the EU agenda. For instance, the TEIs will form the core of delivery of the Global Gateway implementation that has one investment package on green transition acceleration, putting forward a priority focus on energy investments and not necessarily adaptation, as section 1.2 explained. Furthermore, TEIs as well as

the Global Gateway will also rely heavily on funding from the EFSD+ and DFIs. This creates again more risk of having a mitigation focus, to the detriment of adaptation and agriculture.

Ultimately, delivering the TEIs will require full-scale mobilisation from the EU, the member states and DFIs. But it remains to be seen whether EU members will commit "fresh money" to the TEIs. The main challenge for the European Commission will be to keep the political momentum going to keep all these partners on board the TEIs. The Commission also needs to continue ensuring that the EGD, and particularly the focus on adaptation and agriculture does not get side-lined or watered down.

As mentioned prior, the EU's new policies and instruments, notably the NDICI-GE, TEIs or the Global Gateway, announce a much greater emphasis on partnerships with the private sector and DFIs. However, so far, the scarcity of investment by the private sector in adaptation can be attributed to a lack of attractive and robust pipelines of investable projects in adaptation in small-scale agriculture (Chiriac et al. 2020). The reality is that leveraging the private sector in adaptation initiatives may continue to come at the expense of smallholder farmers. In Kenya, for example, supporting the private sector through blending will require these firms to have a certain size to be eligible for lending through banks. As a consequence, blended finance will require working with larger, formally established farms to the detriment of more "informal" actors such as youth, women, cooperatives and SMEs that are typically less eligible for business incubation (Interview EU Delegation Nairobi, Kenya, May 2022).

4. Early signals from implementation

At the time of writing, a number of the annual (2021 or 2022) or multiannual (2022-2024) action plans and action documents have been made publicly available (EC 2022b). An analysis of a selection of these led to the following findings, regarding the EU's intentions:

- Out of the 14 analysed MIPs, nine countries have their action plans for 2021 or 2021-2022 ready. Together the EU has put forward 23 action documents for these countries, each focusing on a specific project output. The Rio Markers are used to specify whether "climate change adaptation" or "climate change mitigation" is "not targeted", a "significant objective" or a "principal objective". Only in the action document for Mali, entitled "Resilience and sustainable development in Central Mali", "adaptation" a "principal objective", while "mitigation" is not targeted. "Adaptation" is a "significant objective" in 11 of these action documents, while "mitigation" is a "significant objective in eight of the country documents.
- The Regional MIP for SSA does not yet have an action plan publicly available. But, the two thematic MIP on "Global Challenges" has its Action Plan on "Planet" ready. This plan consists of eight action documents: six have "adaptation" as a "significant objective", while "mitigation" is a "significant objective" in four documents, and a "principal objective" in three.
- "Support to agriculture" features in some of the plans and documents. For instance, one of the two action documents of Uganda looks at "Supporting sustainable investments in the agricultural sector in Uganda", but it also states that it does not explicitly target "adaptation". The Malian action document that has "adaptation" as its principal objective, focuses strongly on agriculture. In addition, all of the four action documents of Niger focus on "adaptation" and "mitigation" as "significant objectives" with "agriculture" running as a common thread throughout them. Lastly, four out of the eight action documents of the regional SSA MIP refer to "agriculture", also in the context of "mitigation" measures.

Overall, the focus on adaptation in the reviewed action plans and documents is not overwhelming, but it may be too early to draw stark conclusions about the overall EU support to adaptation in SSA.

Beyond the bilateral programmes, the EU also supports adaptation in other ways, for instance by providing funding to the Adaptation Fund. A first thorough assessment of the implementation and results of adaptation support to agriculture can be done at the time of the mid-term review in 2024.

With regards to the implementation of agricultural adaptation projects in Africa, it is crucial to move beyond the typical EU's technical project-based approach. Adaptation should not only be seen as a local issue, requiring new irrigation or crop rotation techniques, but also as an issue of wide macroeconomic concern for SSA countries. In other words, adaptation and climate resilience issues cannot be solved without broader economic transformation, including a focus on strengthening political rights and socio-economic rights, especially in the most vulnerable communities. For effective and sustainable adaptation, there has to be an economic base that allows for the technology absorption, but also the adaptation finance absorption, customisation and beneficiation. The context of economies and the policy and governance landscapes will determine the degree to which there will be effective uptake (Fakir 2021). Hence, addressing the climate crisis in African agriculture is part of a larger move towards a structural transformation of African agricultural systems and by extension, economies.

To give an example: a study on the adaptation in Tunisia's agri-food systems shows that there are various political-economic factors at play that impede the successful uptake of projects or initiatives. These factors include poor governance, due to fragile and divided government coalitions, the prevalence of a rent-economy and related particular interest groups, the State's financial constraints, a weak institutional set-up for climate action, limited decentralisation and empowerment of local authorities, and so forth. These factors all contribute to the incoherence and weakness of climate policies in Tunisia (Knaepen 2021). Given that this is in many cases the reality in African contexts, the EU should take into account the political economy reality in countries, when undertaking any type of adaptation intervention. Concretely, in the implementation process of projects, the EU can combine technical adaptation initiatives with support for good governance, and institution- and capacity-building to ensure the long-term impact of adaptation interventions. The Africa NDC Hub recognises that although "adaptation and agriculture" are strongly integrated throughout African climate policies, implementation challenges are plenty, including African countries' lack of technical support, a general absence of clear policies and vision on climate change, inadequate policies that offer incentives for the private sector to invest in climate projects, a lack of access to climate information as well as socio-economic factors such as poverty (Africa NDC Hub 2021). All of these elements should be taken into account in a policy dialogue on adaptation, with full buy-in from all actors. One way to do this is by working closely with civil society organisations in partner countries as it can help increase local ownership and better uptake of solutions that are embedded in local realities. In all the examined MIPs for this paper (see section 1.3), the EU states explicitly that it "engage[s] with civil society organisations to ensure their participation". Taking a closer look at the Kenyan MIP, it says that EU's strategic objective is to engage with civil society at all governance levels and that, in doing so, it can benefit from Kenya's vibrant and dynamic civil society with a supportive legal environment. The country TEI on "Green Transition: Environmental Sustainability and Resilience" will crowd in civil society in the implementation of the policies. Furthermore, Kenya's action document for the "Business Environment and Export Enhancement Programme" which aims for stronger and more inclusive, climate-resilient economic growth, puts forward that CSOs will be the main delivery channel of the programme (EC 2021b). However, at the decentralised county level, the participation of civil society is hampered for a variety of reasons. The EU Roadmap for Engagement with Civil Society in Kenya (2019-2022) admits that the dialogue between EU partners and CSOs needs to become more structured and more open to suggestions from the CSOs themselves on items for discussion (EC 2019).

5. Ten recommendations for course correction

This study examined *to what extent* and *how* the EU is supporting climate adaptation in African agriculture, with a special focus on smallholder farmers. The question was tackled within the context of the new MFF for the period 2021-2027 and the EGD. The analysis was conducted by looking at this question from four different perspectives: narrative, financing, partnerships and implementation. First, the narrative analysis shows a relatively strong political engagement in the external dimension of the EGD and the EU Adaptation Strategy: the EGD runs as a common thread throughout the EU's programming documents, or MIPs, for Africa. As prescribed by the Paris Agreement, all Parties are required to focus on adaptation in agriculture. This is also reflected in the EU's policies and programming documents. On paper at least. One of the reasons of concern is that the financing modalities of the EU, with a strong focus on blending, the role of the private sector, DFIs and PDBs, may not be the best way forward to close the adaptation finance gap, especially for smallholder farmers who largely operate in informal settings. At the time of writing, it is too early to assess the quality and quantity of the EU's adaptation projects' implementation under the current MFF. But the large majority of reviewed annual action plans for 2021 and/or 2022 do not feature adaptation support as the main objective. However, 2022 is only still the beginning of the implementation of the MFF's new features, most notably the NDICI-GE instruments and the TEIs. Therefore, there are opportunities for course correction by the time of the mid-term review in 2024. Based on the above assessment, here are ten points for guidance for EU actors:

1. **Ensure that the green growth and green transition narratives** and the global energy crisis, implying a strong "mitigation interest", **do not divert attention away from adaptation** in African agriculture.
2. **Align better areas of the EGD that directly affect Africa with the continent's own stated development priorities** in the agricultural and adaptation sectors (NDCs, NAPs, etc) to avoid the focus on the EU's own foreign policy and geopolitical interests at the expense of Africa's own development aspirations.
3. **Ensure that part of the EU's climate adaptation financing is new and additional**, coming on top of funding through ODA, and provided either as grants or at concessional rates to avoid saddling poor countries with more unsustainable debt and to help mobilise the $100 billion annual support by 2025.
4. **Develop technical and oversight capacities to increase mainstreaming of climate adaptation objectives** into all development and foreign policy efforts, fiscal policy planning and implementation, and climate-proof all principles and tools.
5. **Focus on strengthening African countries' capacities, governance systems and institutional capacity** to overcome key barriers to effective and long-term adaptation (e.g. by working closely with local civil society), and relatedly, support the formalisation of SMEs and smallholder systems in Africa.
6. **Operationalise "nexus-thinking" by investing in resilient socio-economic growth** with adaptation being fully integrated into other sustainable development goals as countries heavily exposed to heat waves, droughts, storms, and sea-level rise are often confronted with other pressing development needs.
7. **Stimulate innovative financing solutions** such as blending, guarantees of DFC swaps, including with the private sector and DFIs (including and beyond EFSD+ and European Guarantees) in alignment with African countries' ability to mobilise funds by providing technical assistance and development skills and by engaging all actors including SMEs and small-scale farmers.
8. **Invest through NDICI-GE and Horizon Europe in the identification and formulation of specific initiatives that support innovation for agriculture adaptation**, and scale up promising pilot projects in this domain, including climate data collection systems and climate services.

9. **Develop better capacities and systems to ensure that all EU's development and foreign policy interventions are aligned** towards the same climate goals to avoid policy incoherence, and use the TEIs, with larger financial envelopes, as a way to continue support adaptation for smallholder farmers.
10. **Ensure that the EU Delegations and EU-supported parties work closely with civil society and grassroots organisations** because they understand best how climate change affects smallholders and how adaptation solutions can look like.

Outlook on COP27

COP26 ended with the Glasgow pact that "notes with concern that the current provision of climate finance for adaptation remains insufficient […]" (UNFCCC 2021). The Egyptian presidency is now putting the critical need for climate adaptation finance high on the agenda at COP27 (Harvey 2022). Innovation, and how to repurpose R&D public budgets towards mitigation and adaptation and away from unsustainable agricultural practices that damage the environment and biodiversity, will undoubtedly get strong attention at the next COP. Special focus will go to the role of the private sector and how to tackle developing countries' debt burden as it is a major barrier to adaptation finance and resilience-building, causing a vicious cycle of vulnerability.

Luckily, Egypt can build progress made at COP26: the bulk of the commitments revolved around adaptation and agriculture in Africa, creating promising avenues to support agricultural adaptation, grounded in an African-led agenda. To name a few: the comprehensive two-year Glasgow-Sharm el-Sheikh work programme on the global goal on adaptation (GGA) was launched to enhance the methodologies, indicators and metrics to measure adaptation progress, and to strengthen the implementation of adaptation actions. Also, the Glasgow Innovation Breakthrough on Agriculture was championed by the UK and Egypt to make sure that farmers widely adopt sustainable agricultural practices with an implementation plan through to 2030 to be presented at COP27 (UNFCCC 2022). Or, there was the US-UAE led Aim for Climate (AIM4C) initiative to promote innovation and best practices, while working with farmers and indigenous communities (AIM4C 2022).

At COP26, the EU pledged €100 million for the Adaptation Fund. However, together with other Parties, it fell short of delivering the long-promised $100 billion per year for developing countries, which is now deferred to 2023. The complex, slow and divided EU failed to meet the high expectations set out in its common position in the run-up to COP26 (Knaepen 2021a). A lot of diplomatic work remains to be done to rebuild trust with African countries, ahead of COP27 (Council of the European Union 2022a). With severe climate impacts on agricultural systems and a looming global food system crisis, the only way forward for the EU is to deliver concrete plans and finance for agricultural adaptation to bolster food security for Africans most exposed to shocks. Through finance, the EU should grasp the opportunity to drive reforms to make its external action fit for purpose. This means providing support for loss and damage, and doubling the global 2019 adaptation finance levels by 2025, while leading the way for other developed countries in achieving this target (Council of the European Union 2022a). Europe is also expected to put strong commitments on the table to limit the long-term temperature to an increase of 1.5 degrees Celsius, by speeding up the adoption of the Fit for 55 package. Amidst today's geopolitical crisis, engagement with European heads of state and government and global fora such as the G7 and G20 will be crucial to ensure a common position with a strong focus on adaptation. After all, failing to support adaptation will eventually backfire on Europe.[13]

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Endnotes

[1] Somalia is highly import-dependent from both Russia and Ukraine, with the sum of its exports from the two countries, covering 92% of its overall wheat imports (WFP 2022). Other countries like Kenya are also preparing for a food crisis: for instance, Russia provides 67% of Kenyan wheat imports, and Ukraine provides 22% (FAO 2022).

[2] West Africa imports 82% of its potassium fertiliser consumption from Russia and Belarus. Some countries like Senegal import wheat from Russia (5% of total imports) (Bouët et al. 2022).

[3] Approximately 90% of agriculture in SSA is rainfed. (Stern and Coopers 2021).

[4] R&D is most cost-effective in offsetting the impacts of climate change as measured by the hunger indicator, with US$1.97 billion in annual incremental investment needed for adaptation by this measure (Sulser et al. 2021).

[5] Globally, of the 148 countries that updated their NDCs by the end of 2021, 106 included adaptation components (Dixit et al. 2021; ClimateWatch 2022).

[6] Apart from the climate spending under NDICI-GE, the EU will increase its financial commitment by adding €4 billion to its support to partner countries' fight against climate change for the period 2021-2027 (EU 2021).

[7] The complete list of all the MIPs can be found at the International Partnership page of the European Commission website (EC 2022b).

[8] For this policy brief, analysis of 14 sub-Saharan African MIPs was conducted representing least developed countries (LDCs) or low-income countries in three regions of sub-Saharan Africa: Eastern Africa (Uganda, South Sudan, Burundi, Kenya, Tanzania), Western Africa (Mali, Burkina Faso, Niger) and Southern Africa (Mozambique, Zambia, Malawi) as well as 3 SIDS (Sao Tome & Principe, Comoros, Guinea Bissau). as well as the regional MIP for the sub-Saharan African region and 2 thematic MIPs (Global Challenges; Peace, Stability & Conflict Prevention).

[9] African governments and financial institutions have increasingly prioritised climate change adaptation. For example, in 2020, the African Development Bank invested about 62% ($1.3 billion) of its climate finance in adaptation and 38% ($785 million) in mitigation (Ijjasz-Vasquez et al. 2021).

[10] In this paper, DFIs include public development banks (PDBs) and multilateral development banks (MDBs).

[11] The EBRD's Green Economy Transition (GET) Approach for the period 2021-2015 sets a green finance target of 50% of all EBRD Annual Bank Investments by 2025. "Climate adaptation and resilience" is one of the thematic areas of focus (EBRD 2020). The EBRD plans to expand its operations towards Africa, but so far it did not invest in African countries (EBRD 2022).

[12] At the time of writing, these documents are not yet publicly available.

[13] See cascades.eu for more details on how transboundary climate impacts, and failed adaptation support, will affect Europe, and how the EU can respond to these impacts.

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