

Technical Cooperation Abstract

I. Basic Project Data

▪ Country/Region:	REGIONAL
▪ TC Name:	2024 Development in the Americas on Climate and Disasters
▪ TC Number:	RG-T4211
▪ Team Leader/Members:	BLACKMAN, ALLEN (CSD/CSD) Team Leader; VOGT-SCHILB, ADRIEN (CSD/CCS) Alternate Team Leader; CAVALLO, EDUARDO (RES/RES); HOFFMANN, BRIDGET LYNN (RES/RES); MENDOZA BENAVENTE, HORACIO (LEG/SGO); GOMEZ, JUAN CARLOS (CSD/CCS)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	13 Oct 2022
▪ Beneficiary:	Latin American and Caribbean region
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$250,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individual consultants and Firms
▪ Prepared by Unit:	CSD - Climate Change and Sustainable Development Sector
▪ Unit of Disbursement Responsibility:	CSD/CSD - Climate Change and Sustainable Development Sector
▪ TC included in Country Strategy:	Yes
▪ TC included in CPD:	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Environmental sustainability

II. Objective and Justification

- 2.1 This technical cooperation will fund eight studies to advance the region's understanding of climate change impacts and climate change policy at the sector level. These studies will be disseminated as part of the 2024 edition of the Bank's flagship publication, the Development in the Americas (DIA), which in 2024 will be on the topic of "Climate Change and Disasters." The knowledge products funded by this technical cooperation will also inform Bank operations, programming and strategy documents, and our policy dialogue with lines ministries.
- 2.2 Climate change is already having extensive geophysical effects in Latin America and the Caribbean (LAC). It is shifting patterns of precipitation and causing more frequent and intense heatwaves, droughts, floods, landslides, and tropical storms. Ecosystems and biodiversity, along with the critical services they provide, have also being impacted as glaciers retreat, sea level rises, and species move poleward or to higher altitude (IPCC, 2022).
- 2.3 Given the greenhouse gases already in the atmosphere, climate change will persist even if the world makes significant progress on mitigation. The average global temperature is projected to increase by 2.4°C by 2100 if signatories of the Paris agreement fully comply with their current Nationally Determined Contributions (CAT, 2022).

- 2.4 The geophysical changes caused by climate change are having serious adverse socioeconomic effects. Mounting evidence shows that they significantly increase human morbidity and mortality, damage critical infrastructure, sap fiscal reserves, reduce economic productivity, and spur mass migration. Moreover, these impacts have been greatest for poorer households, and therefore contribute to exacerbating already high levels of inequality in LAC. By the end of the present decade, the effects of climate change on GDP and poverty are projected to be commensurate to that of the COVID-19 pandemic (Jafino et al, 2020).
- 2.5 Although climate change creates serious risks for LAC, climate action offers significant opportunities. For example, starting a transition to net-zero emission has the potential to create 15 million net new jobs in the region and add 1 percent of economic growth (Saget et al, 2020, Vogt-Schilb, 2021). In addition, virtually all policies and programs aimed at enhancing resilience will not only help LAC countries meet other Sustainable Development Goals, but they will also be necessary conditions for doing that.
- 2.6 To address these challenges and take advantage of these opportunities, LAC countries must use long-term climate strategies with two goals. On one hand they must rapidly decarbonize, embracing renewable energy, electrifying transportation, conserving, and restoring forests, and adopting climate friendly agricultural practices (Fazekas et al, 2022). And they must find ways of doing so without further widening gaps between rich and poor and aggravating political volatility (Fay et al, 2015). On the other hand, LAC countries must adapt to climate change by for example, building and retrofitting infrastructure to make it more resilient to extreme weather events, adjusting spatial patterns of agricultural production, and strengthening social protection programs (Hallegatte et al, 2015).
- 2.7 Country experience shows that to be effective, efficient, and politically and socially feasible, mitigation and adaptation policies must be constructed in consultation with actors from line ministries and the private sector, based on cutting edge science, and formulated in a manner that makes sense to the actors of each sector of the economy (Calcufoy et al, 2022).
- 2.8 While the evidence base needed to design and implement effective and efficient climate change policies in LAC is growing, critically important gaps remain. Moreover, when evidence is available, it does not always reach its intended audience: studies are often well-known among climate analysts but do not reach decision makers in charge of coordinating, budgeting for, or implementing climate action.

III. Description of Activities and Outputs

- 3.1 **Component 1. Analytical studies on other topics related to climate and natural disasters.** This component will fund eight rigorous research projects on climate policy. The studies will be chosen by the editors of the 2024 DIA on climate change.
- 3.2 **Component 2. Networking and dissemination.** This component will finance networking among the research teams, policy makers, and IADB staff, and dissemination of research results to target audiences including local and international policy and academic stakeholders. Toward those ends, this component will fund: (i) collective dissemination workshops; and (ii) translation, editing, and typesetting. Results and policy prescriptions from each project will be submitted for publication as IDB working papers and policy briefs.

IV. Budget

Indicative Budget (US\$)

Activity/Component	IDB/Fund Funding	Total
Analytical studies on other topics related to climate and natural disasters.	220,000	220,000
Networking and dissemination	30,000	30,000
Total	250,000	250,000

V. Executing Agency and Execution Structure

- 5.1 This operation will be executed by the IDB given the regional coverage of the activities to be performed, possible synergies and complementarities with Bank operations and research. The CSD Front Office and the CCS Division will coordinate with other Departments and Divisions and establish partnerships with academia and governments.
- 5.2 This will be a regional research and dissemination TC, which will support the 2024 Development in the Americas (DIA). Per the usual process of writing a DIA, a small group of IDB editors will coordinate a larger group of IDB chapter authors from IDB divisions (e.g., the Transport division), who will each write a chapter on how their sector is affected by climate change. The process of writing the DIA, including developing an outline and identifying chapter authors began in the summer of 2022. As a result, the exact topics of the knowledge products funded by the DIA have yet to be determined. The chapter authors will submit knowledge products to the editorial board to serve as inputs into their chapters and that will be funded by this technical cooperation. These knowledge products will provide the data and evidence needed to ensure the DIA presents cutting-edge original assessments of the topic most important to LAC.

VI. Project Risks and Issues

- 6.1 The main risk to successful and timely execution of the project is that research teams may not have the capacity, or data needed to complete their individual projects. To minimize that risk, we will carefully select both consultants and research projects: we will engage with consultants with track record of successful execution; and we will select only projects with well-designed research plans. In addition, we will structure contracts and monitor those projects in a way so as to ensure continued incentives for timely performance.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "undefined".