SURVEY REPORT

CLIMATE ADAPTATION ACTIVITY:

Motivation, Support, and Assessment

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The Higher Ground Foundation
- stand up to climate change

A Note to Readers

It is with great pleasure that The Higher Ground Foundation (HGF) shares its latest report, Climate Adaptation Activity: Motivation, Support and Assessment. HGF prepared this report to contribute to the collective understanding of current state of climate adaptation activity and assessment.

You may send any comments to Marie Schön, project coordinator, at marie@climateadaptationworks.com

About Higher Ground Foundation

The Higher Ground Foundation (HGF) represents a new strategy in climate change adaptation, striving to develop a more objective, results-based approach to addressing the vulnerabilities of communities exposed to climate change

HGF is a non-profit organization with the purpose of helping vulnerable communities prepare for adverse impacts of climate change worldwide following the principles of good citizenship and sustainability.

We accomplish our purpose by developing an instrument, the vulnerability reduction credit (VRC^{TM}), to quantitatively evaluate climate adaptation projects.

We see the VRC as fulfilling our purpose in part by helping to mobilize resources to identify and finance best adaptation measures. We also aim for HGF to serve as a data repository of best practices and benchmarks of climate change adaptation outcomes. As a focus on practices and attitudes toward supporting and measuring adaptation results, this report aims to contribute toward our understanding of how HGF may best fulfill its purpose.

For More Information

Please direct all queries and comments to info@thehighergroundfoundation.org and find further information visit our website at www.thehighergroundfoundation.org.

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Disclaimer

Any previously unpublished quotation used in this work represent the opinions of the study respondents and not the HGF.

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Summary

While there have been a number of surveys regarding climate adaptation activity and attitudes, and considerable research on financial flows for climate finance, many questions remain regarding support and assessment of adaptation. To fill this gap, The Higher Ground Foundation prepared this report based on a survey of climate adaptation stakeholders.

Research looking at how different sectors (e.g., "business", "local government", "development agencies") view climate adaptation gives evidence that:

- "business" (with some notable exceptions) is not demonstrating leadership in climate adaptation activity;
- local governments likewise are not generally proactive;
- national governments in the EU are slow to act, for the most part, but developing countries are motivated and the most vulnerable spend a considerable share of GDP on adaptation;
- development agencies are very active, at what they call adaptation, but some studies are critical of what agencies call climate adaptation;
- while these adaptation activities are increasing (to $25 billion in 2013), they fall short of investment needs;
- approaches for monitoring and evaluation of adaptation are not fully formulated, but there is considerable work developing frameworks and applying these to public sector adaptation activities; and,
- while there are a couple of carbon standards that consider if projects look at adaptation, there is no "certification" of adaptation activity.

This leads us to believe that specific gaps in our understanding include:

- How is adaptation done, and why;
- What budgets support adaptation;
- If adaptation is assessed and, if so, how;
- Why assessment is done, and;
- What do supporters of adaptation think of certifying the results of adaptation?

The results of the survey offer some insights that are helpful to understand not just what the state of adaptation activity and assessment is but more interestingly what motivates these.

The HGF is very interested in learning these motivations, as it is developing an instrument that will quantifiably certify the results of climate adaptation projects. The certification framework uses the tools of cost/benefit analysis and requires adherence to a comprehensive set of social safeguards. It is HGF's hope that this tool will be of use to a broad array of different participants in climate adaptation, to meet a variety of different needs including prioritizing, evaluating, and incentivizing adaptation.
The results of the survey revealed that private sector involvement (besides service providers) was poorly represented, with only three in either consumer goods and services or materials/mining. This seems to indicate that corporates are not as actively engaged in the adaptation discourse compared to the public sector. This conclusion is supported by the funding responses: a majority, when asked to

elaborate on their funding, explicitly noted government funds, and only one respondent indicating corporate/foundation support.

The responses on if and how adaptation project results were measured were very interesting. Those who funded projects for the benefit of others had the highest level of measuring and monitoring activity, while those funding for their own benefit had the lowest level of assessment activity.

Not surprisingly, perhaps, 100% of respondents who fund or embed adaptation into investments indicated that that they do this to decrease vulnerability, with "other social benefits" being a close second most popular reason. Most respondents didn't respond that external or internal pressures were motivating their assessments, but a large minority (35%) believed financial return was important to understand, even though the projects were overwhelmingly publicly funded.

There is a fairly even split in the responses between third party, internal, and no assessment, with internal assessment the most popular reply and with international aid agencies the most likely to assess their activities. None of the respondents indicated that they had their adaptation activities "certified."

Yet the responses show a very positive perceived need for certification, with about 85%, or 38 respondents falling on the spectrum from "somewhat" to "highly" beneficial. The responses also suggest that as parties are more active in assessments, they seem to recognize more value in certification.

Introduction

While there have been good surveys of different groups regarding their activities in climate adaptation[1] and considerable research on financial flows for climate finance, the reasons for supporting and assessing adaptation results remain to be better understood.

The Higher Ground Foundation (HGF) prepared this report based on a survey of climate adaptation stakeholders in order to understand better how climate adaptation is funded and project results measured. Specifically, HGF believes that there are significant gaps in the collective understanding of such issues, in particular:

- How is adaptation done, and why?
- What budgets support adaptation?
- If and how is adaptation assessed?
- Why assess?
- What do supporters of adaptation think of certifying the results of adaptation?

The results of the survey offer some insights that are helpful to the understanding of not only what the state of adaptation activity and assessment is, but more importantly what motivates these.

The HGF is developing an instrument that will quantifiably certify the results of climate adaptation projects. Our certification framework is largely based on cost/benefit analyses and requires adherence to a comprehensive set of social safeguards. It is our hope that this tool will be of use to a broad array of different participants in the climate adaptation arena.

Uses of such a certification instrument could include providing impact investors with confidence that they are getting more than purely a financial return on investment. It may as well offer national and local governments, development financing institutions, and other donors a comparable tool for project design and prioritization, monitoring and evaluation. It could serve as a tool for international target setting on adaptation finance; however, knowledge of what these participants are already doing, and why, is a key foundation for understanding how our instrument can be of maximum social value.

This report begins by considering the existing literature on adaptation finance and assessment. It then looks at the survey results and offers up insights that may further improve our collective knowledge in these areas and concludes with a few key points and areas requiring further investigation that were inspired by the survey.

[1] Most recently, the ND-GAIN survey of private sector parties regarding their activities and how they prioritize climate risk management and adaptation (Seville, A., Gannon, C., 2015).

Motivations and support for adaptation

Why different organizations undertake or support adaptation is a question that, on one hand, seems obvious. On the other hand the available literature doesn't address this comprehensively, in particular at the project level, where specific interventions may directly change vulnerability to climate change. A fuller picture can only be seen with an understanding regarding what support (financial or otherwise) groups provide, why they provide this support, and how and why they measure the results of their actions. These answers also inform a final query regarding interest in an independent certification instrument.

Motivations

Several studies and surveys have been undertaken to try and understand what motivates (and prevents) adaptation. Such studies often look at organizations in a typical manner, i.e., by dividing them into key sectors including development institutions, national and local governments, local communities, and businesses. Studies tend to focus on either identifying risks for each sector, projects undertaken, or investment type and financial levels allocated. There is a considerable literature covering these main sectors, especially development finance and business risk and opportunity.

While there are many studies analyzing business motivation (e.g., The Government Office for Science London, 2011; Seville, A., Gannon, C., 2015; Schultz, 2012) the findings show that while business "ought" to consider adaptation a priority considering the climate related risks, business overall (with some notable exceptions) is not yet demonstrating strong and deep engagement in climate adaptation.

A survey exploring corporate-level adaptation found that respondents felt it was a big challenge to get climate risks prioritized in their companies, with a lack of leadership on climate change. Less than 20% of respondents indicated that "(…)climate change is fully integrated into our enterprise risk management" (Seville, A., Gannon, C., 2015). In a separate study, a series of interviews of different companies exploring climate change risks and supply chain responsibilities revealed that, while companies are generally aware of the physical impacts of climate change, few undertake formal assessments of the specific risks they face and follow up with action on adaptation to reduce those risks. It found that concrete actions by companies have been limited, owing to short term pressures to deliver quarter results, and uncertainties in the climate impacts to be expected limiting companies abilities to predict and respond to climate risks (Agrawala et al., 2011).

A study looking at national level activity in the EU concluded that "in industry and business, very little or no adaptation activity has been reported by the member countries" **(**European Environment Agency Report, 2014). However, this reported lack of activity may be owing in part to semantics: one sustainability expert for a multinational foods group interviewed during preparations for this report noted that her company did climate adaptation, but didn't call it that.

What motivates business? A Higher Ground poll undertaken in 2012 (Schultz, 2012) found that corporate social responsibility, followed by supply chain risk reduction were the two main motives for private companies to pay for climate adaptation interventions in developing countries.

And while there may be limited buy-in at the top levels for corporate adaptation, the 427/ND-GAIN (Seville, A., Gannon, C., 2015) study indicates that respondents felt that all segments of the value chain were vulnerable, with supply chains viewed as the most at risk by 75% of respondents. There was considerable divergence in what was viewed as being at risk based on the type of industry a respondent came from, with consumer goods and services concerned more by supply chains, whereas utilities, financials, and professional services more focused on potential impacts on customers and markets.

Local governments might be more active in climate adaptation owing to their remits and vulnerabilities, but they likewise face severe constraints when attempting to integrate climate change in their activities and investments. Two large-scale surveys of local governments in the UK (where there is an active adaptation community and national support for adaptation) found relatively little evidence of proactive adaptation by local authorities and significant gaps in their awareness and capacity to use climate information to inform adaptation. Local authorities indicated that financial cuts are the leading barrier to adaptation, with climate information a less important barrier. Interestingly, adaptation had greatest traction when it was "rebranded" as "resiliency to extreme weather." (Porter, J. J. et al., 2014).

At the national level, a survey of European Union national level authorities found that implementing adaptation is still at an early stage across Europe. It found that "lack of financial/human resources, followed by uncertainties and unclear responsibilities and the lack of political commitment/will" were the main barriers to adaptation (EEA, 2014). In developing countries, often most vulnerable to climate change, there is strong evidence that governments are strongly motivated to support climate adaptation, (Alertnet, 2012), and while it may seem obvious to some, it is unclear in the literature exactly what motivations developing country governments have.

As the international climate policy debate focuses considerable attention to having wealthier nations provide support to poorer, climatically vulnerable countries, it is no surprise that many foreign development agencies undertaken (what they at least call) climate adaptation (UNFCCC, 2014). As will be discussed below, semantics may be at play here too, but clearly aid agencies are interested in showcasing support for at least climate diplomacy.

Support

A large part of the question of motivations for adaptation relates to how it is supported - financially, through technical assistance, or through policy advice and advocacy measures. The vast majority of research on adaptation finance focuses on public sector disbursements, in particular those between "developed" countries and "developing" countries as positioned in the UNFCCC negotiations. As mentioned above, this is perhaps because much of the international policy debate on climate adaptation has to do with the latter insisting that the former pay for some of the required adaptation. This has led to agreed-upon "targets" for climate finance, such as an agreed $100 billion to go to developing countries by 2020, with a "balance" of funding for climate mitigation and climate adaptation.

What this finance means, in practice, is still up for debate. The Overseas Development Institute finds that, "(….) local projects labeled adaptation and funded by donors and national governments, do not always directly address climate change risks. This presents difficulties for tracking adaptation finance" (Wilkinson et al., 2014). This uncertainty is reflected in the research findings. The first, and perhaps most

important uncertainty, relates to the definition of adaptation. As such, the UNFCCC finds that "this ambiguity affects not only the completeness and comprehensiveness of the current climate finance picture, but also institutions' ability to track progress (…)" (Grüning, C., Kaloga, A., 2014).

Germanwatch analyzed the way national governments classified their assistance under the OECD "adaptation marker." They found that of adaptation activities listed in the OECD project dataset, roughly 65% "are unrelated to adaptation or at least do not state adaptation as principal" (Junghans, L., Harmeling, S., 2012). This is supported by ODI: "local projects labeled adaptation and funded by donors and national governments, do not always directly address climate change risks" (Wilkinson et al., 2014).

Climate Policy Initiative research shows that while what is called "adaptation" is increasing (to $25 billion in 2013), it "falls short of investment needs," and in 2013 was only 7% of total climate finance. 52% of this funding was through low-cost loans, followed by grants at 16%. Water supply was the largest project type, counting at 66% of the total, followed by 33% for agriculture and forestry. Developing financial institutions were the dominant source of funding, with half of global funding coming from domestic agency (Buchner et al., 2014).

Some sources (e.g., Bird, N., 2014) claim this underestimates the amount of funding by developing country governments – or the vulnerable - who with their own resources pay by one estimate $100 billion/year to adapt (AlertNet, 2012).

Very little literature exists on private sector finance of adaptation. The UNFCCC's latest Biennial Assessment of Climate Finance notes that "Adaptation investment in developed and developing countries by private and domestic public sources would increase the total substantially, but by how much is not known" (Grüning, C., Kaloga, A., 2014). The Climate Policy Initiative did not report any private adaptation funding, but notes that multi-lateral development banks invested USD 0.06 billion in private projects, and assumes these activities "mobilized some private investments" (Buchner et al., 2014).

For the EU, the EEA study indicates that "project-based public support" is mentioned to be the most important financing mechanism currently in place for adaptation. The second most frequently used financing mechanism is an explicit budgetary allocation for adaptation, with public-private partnerships less often used, except for in the water sector (EEA, 2014).

Yet the private sector is clearly vulnerable, and, as one sustainability expert for a large multi-national stated, they support adaptation (while not calling it adaptation) through a variety of initiatives including capacity building for agricultural suppliers on climate resilient crop production. The 427-ND GAIN survey of 37 companies reported that, while less than 20% of respondents have a climate adaptation plan/strategy in place, a majority thought that climate change already is or is likely to affect the company through increased operational costs, or capital costs (Seville, A., Gannon, C., 2015). For these companies, presumably funding measures to become early adopters (and adaptors), is a reasonable next step.

Monitoring and Evaluation of Adaptation

Although the need to monitor and evaluate climate adaptation is becoming increasingly apparent, efforts to implement M&E in a consistent and programmatic manner have been stymied by both the lack of a universal definition of "adaptation" and characteristic uncertainties in how to measure across "space and time" (i.e., how long should the results of an intervention be monitored and what should be the proper scope of a project). Not surprisingly, no universal approach to M&E in adaptation has been adopted to date.

In "How to Track Adaptation to Climate Change: A Typology of Approaches for National-Level Application," Ford et. al. (2013) address issues of consistency by developing descriptive typologies of methodologies for tracking and evaluation; these include, on the one hand, traditional outcome-based evaluation and, on the other, the use of proxies or indicators. Nevertheless, the study conceded that there remain significant barriers to "operationalizing" such measures.

In its "Handbook on Climate Markers," the OECD (2011) develops a criteria-based definition of climate adaptation, albeit one that is largely based on self-identification; i.e., the primary criteria for adaptation activity is that it explicitly addresses the issue of adaptation in its programming.

At the national level, several countries have implemented institutional M&E of their adaptation funding and activities (e.g., Kenya, at least seven EU countries), while many more are in the process of developing capacity to do so, including Australia, Mongolia, and Mozambique (GIZ, 2013). At the recipient end of the international spectrum, however, progress remains inconsistent, with one study noting that "..[o]verall, project M&E does not appear to be playing a critical role in improving the accountability of adaptation spending in AFAI (*OXFAM Financial Accountability Initiative*) countries. It is possible that, when these projects are complete, final evaluations will provide more detailed and objective evidence on how resources have been allocated. In the meantime, little information is being produced through these formal reporting mechanisms" (Wilkinson et al., 2014).

A further major barrier to effective adaptation project evaluation is that, in many cases, the evaluations do not consider very carefully future climate state projections, although this is to be expected to some extent as the science of projecting future climate states is nascent, changing rapidly, and its outputs are subject to inherent dynamic noise and chaos introduced by issues of scaling and system evolution. Nevertheless, low quality of information in future scenarios will pose problems in terms of maintaining effective oversight and ensuring quality, particularly as project time horizons expand.

Finally, the practice of certification of climate adaptation efforts is in its infancy, with few certification tools having been introduced to date. Recently, the Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity Alliance (CCBA) combined efforts to introduce the CCBA/VCS adaptation optional standard.[2]

[2] The text of the CCBA/VCS standard can be found online at: https://s3.amazonaws.com/CCBA/Third_Edition/CCB_Standards_Third_Edition_December_2013.pdf (Climate, Community & Biodiversity Alliance Standard, 2013, Third Edition.)

Methodology and Respondents

Survey Development

The survey was first conceived in 2014 as a larger and more general market study to help develop the Vulnerability Reduction Credit, an instrument intended for quantifying climate vulnerability reduction in terms of a single "currency" that would be fungible among adaptation projects and, as such, of potential interest to companies, governments, and other organizations seeking to optimize their climate adaptation budgets. The goal of the initial survey was to determine interest in the instrument among companies and organizations in the climate adaptation space.

In late 2014, the Higher Ground Foundation convened a group of London School of Economics Master of Public Administration students affiliated with the Social Impact Consulting group, who, working with several HGF volunteers, produced a set of survey questions. We decided, based on feedback from the student group and internal consultation within HGF, that the survey was broader than necessary and required too considerable resources to administer the resulting full survey as had been intended - i.e., via telephone contact, with extensive follow-up questioning to elicit extensive narrative clarifying responses – and subsequently the HGF team pared down the survey to its final six question format and decided to use social media as the primary tool for survey implementation.

Survey Questions

The final survey was limited to addressing certain questions where there was a gap in the literature. Broadly speaking, these included the questions regarding how adaptation actions are supported, what is important when considering results, and how these results are measured. The survey also asks if a certification instrument would be beneficial, and for information on the type of organization. The specific questions and response options are found in Annex A.

Administration Process

In June 2015, the final survey was published online using SurveyMonkey. To direct attention to potential participants, a set of 56 individuals - members of an affiliate group of the Higher Ground Foundation (Friends of Higher Ground) - were contacted via email. In addition, a short solicitation message with a link to the online survey was posted to several social media outlets and list serves as well as to 26 LinkedIn groups (a complete listing of these outlets is given as an Annex to this report.. As of August 2015 the survey had returned forty-three full sets of responses (n=43), (the online survey was "administered" through a combination of direct request emails and announcements on various list-servers, Twitter handles, and LinkedIn groups, as will be discussed in further detail later in this section).

Respondents and Potential Bias

As can be ascertained from the above, there is an acknowledged susceptibility of the survey to small-sample and self-selection biases; in addition, as the survey was publicized to members of the investigator's extended network, the presence of numerous selection biases in the development and administration of the survey must

also be acknowledged; such biases have also been noted by other parties who have administered similar surveys in the adaptation field.[3] Thus, while these biases must be acknowledged and accounted for, they should not be considered to be invalidating of the results of this survey or of any conclusions that can be reached from these. While we were unable to generate a general opinion poll, this was never the intent – rather, this, like similar surveys of climate adaptation professionals, should be seen as a broadly administered focus group.

However given the obvious self-selection of respondents, it is interesting to examine who self-selected. A quick look at the responses to Question 6 (see Table 1), in which respondents self-identified the industry in which they work, seems to show a lack of participation on the part of respondents who might be said to represent the more "commercial" end of the occupational spectrum. Further breaking the categories into what might be loosely be called "not-for-profit," "government," "academic," and "commercial" workers reinforces this judgment:

TABLE 1 ORGANIZATIONAL BREAKDOWN OF PARTICIPANTS

Occupational Category	Percentage
International Aid Agency/Development Organization or Foundation	16.67%
Government	16.67%
Academia	16.67%
Consumer goods & services	16.67%
Materials/mining	2.4%
Other	23.8%

As can be seen, most of the respondents were either with governments, aid agencies, or NGOs. The private for-profit sector, with the exception of consultants, was limited to two in consumer goods and services and one in materials/mining. "Other" was the largest group, and included a number of consultants and researchers, among other titles. Most of the respondents had either consultant/advisory roles, or were involved in policy or academia.

[3] See, for example, 2015 Corporate Adaptation Survey, Four-Twenty-Seven and Notre Dame Adaptation Index p. 6. (Seville, A., Gannon, C., 2015).

Adaptation Approaches

The question on how organizations approached adaptation is a good starting point to understand and categorize their functions, and as such was useful for understanding what groups' responded to subsequent questions. It also was interesting in it shows (based on the survey invitations) what type of groups are interested enough in the survey to respond.

The respondents were primarily not in a position to fund projects, as most of them were service providers (57%) or only advocated or provided other support for projects (50%). Of the 21 respondents who were actively involved in either funding projects or embedding adaptation, one was an academic, the remainder were either in development organizations (9), regional (3) or national (4) governments, NGOs (4), or "other" (7). The "other" consisted of researchers (3), an NGO (1), and groups who funded or raised funds for adaptation (3). Clearly, the respondents who were funding/supporting direct action were or represented public sector or public interest groups, not private companies.

TABLE 2. ORGANIZATIONAL APPROACH TO ADAPTATION

Answer Choices	Percentage
Fund such projects directly/indirectly for your own benefit	9.3%
Fund such projects directly/indirectly for the benefit of other stakeholders	27.9%
Embed climate adaptation/climate resilience features within existing business operations and investments	27.9%
Do not fund such projects, but provide other support in kind/advocate for support	34.9%
Provide services to others interested in climate adaptation	58.1%
Do not fund any adaptation efforts, provide support or advocate for support	13.9%
Other (please specify)	16.3%

Adaptation Budgets

Budgets for adaptation could be ascertained based on the response to Question 1, which related to adaptation approaches. Question 2 focused on understanding better the subset of respondents who actively fund adaptation activities. For these respondents, this question was asked:

"If you answered yes to a - c please let us know how you support these activities, from what budgets that are used (for instance, does funding come out of OPEX, CAPEX, or CSR budgets)."

The responses were not tabulated quantitatively, but rather open-ended so that the survey could learn more about the nature of support. However, it is clear from the 20 responses that a majority of funding is from governments or other donors (a total of 12 explicitly noted government funds e.g., UNDP, USAID, DFID, DANIDA, etc. and several others did not note which donor funded). Only one respondent indicated corporate/foundation support, several indicated their own funds, while a large minority of respondents (five) noted that they fund from operational budgets to embed in operations.

Looking at how the respondents who fund projects answered other questions, those who funded projects for the benefit of other stakeholders had the highest level of measuring and monitoring activity, while those funding projects who funded for their own benefit displaying the lowest scores in their assessment activity.

For parties who fund or embed adaptation in investments or operations, the overwhelmingly most significant reason is to decrease vulnerability (100%) followed closely by "other social benefits". The only other response with more than 50% was "outputs specific to the project". Most respondents didn't feel that there were external or internal pressures that were motivating what the groups would like to understand about their adaptation projects, but a large minority (35%) thought financial return was important to understand.

If and How Adaptation is Assessed

The survey sought to find out, in a very general sense, how respondents assessed adaptation activities. No distinction was made between measurement, monitoring, or certification, although the comments provided a clear idea that for those who did or commissioned an assessment, conventional "monitoring and evaluation" approaches, with an emphasis on project evaluation was the norm. There is a fairly even split in the responses between third party, internal, and no assessment, with internal assessment the most popular reply.

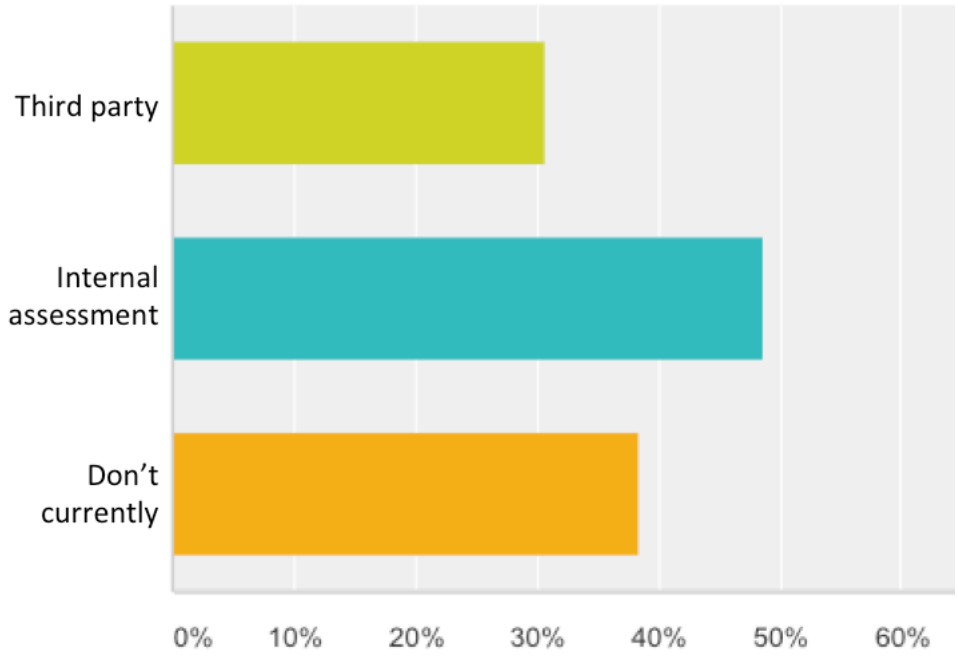

FIGURE 1. RESPONSES ON MEASUREMENT, MONITORING, AND CERTIFICATION

Measure, Monitor, or Certify?

While these three were put together, a review of the qualitative responses indicates most groups who are involved in any of these activities, will do these as a part of a M and E process, sometimes using tools such as CEDRIG, CRiSTAL, or RBM frameworks to assess. One respondent indicated their motivation by noting that such assessments are through "donors and auditors for financial purposes." One respondent indicated they look not only at vulnerability, but also at "readiness" or "generic adaptive capacity" as in economic, social and governance indicators.

TABLE 3. APPROACH TO ASSESSING RESULTS BASED ON HOW PROJECTS ARE SUPPORTED

What is important when it comes to understanding results of your projects or activities? Please select all that apply.			
Answer Options	A. Fund such projects directly / indirectly for your own benefit	B. Fund such projects directly/indirectly for the benefit of other stakeholders	C. Embed climate adaptation/climate resilience features within existing business operations and investments
Third party	0%	50%	50%
Internal assessment	16%	47%	37%
Don't currently measure, monitor or certify	20%	40%	40%

None of the respondents indicated that they had their adaptation activities "certified" although one indicated that the Gold Standard Foundation (an NGO that issues voluntary carbon credits, with particular emphasis on setting social and environmental standards for projects) fills this role "*in some capacity.*"

Not surprisingly, those who did not fund or embed projects were less likely to measure or monitor projects unless they were service providers.

Looking at how respondents answered this question by their type of adaptation activity, it becomes clear that those groups who fund projects directly or embed into business operations or investments were the most likely to assess the results of their activities, with most of these three groups 19 out of 34 (64%) undertaking internal assessments, and 10/34 (29%) having third parties assess.

There were considerable differences in how different organization-types assessed projects. Not one private sector/industrial party respondent currently measure, monitor or certify. International aid agencies were the most likely to assess, including third party assessments, followed by academics and national governments, with NGOs assessing but only internally.

Why Organizations Assess Results

It's noteworthy, that, overall, the most important motivation across all participants of the survey is 'decreased vulnerability to the impact on climate change' (95.2%), followed by 'other social benefits (e.g. improved community livelihoods, better health etc.) and 'visibility of the project and its results' (45.2%).

Compliance with external regulatory requirements is only important according to 11.9% respondents.

Interestingly, two of the participants from the international aid/developmental organisation sector noted that 'financial return' would be of high priority. It would be good to understand the reasoning behind this.

TABLE 4. REASONS TO ASSESS RESULTS OF ADAPTATION

What is important when it comes to understanding results of your projects or activities? Please select all that apply.	
Answer Options	**Percentage**
A. Financial return	23.8%
B. Decreased vulnerability to the impact of climate change	95.2%
C. Other social benefits (e.g. improved community livelihoods, better health etc.)	78.6%
D. Outputs specific to that project (e.g. outputs versus outcomes	38.1%
E. Visibility of the project and its results	45.2%
F. To comply with external regulatory requirements	11.9%
G. To meet internal organizational standards and procedures	26.2%
H. Other (please specify)	4.8%

Perhaps not surprisingly, motives for why different groups assessed adaptation resulted in very different responses regarding how they assessed. Three motives had the highest assessment rates:

- Financial incentives led to 80% using third parties and 50% internally (and 20% not at all).
- Inversely, meeting internal organizational standards resulted in 80% doing internal assessments and 50% doing third party assessments.
- 81% of respondents interested in outputs specific to the project did internal assessments, and 37% had third party assessments.
- Other motives had high (but lower) assessment rates.

TABLE 5. MOTIVATION BASED ON HOW ORGANIZATIONS ASSESSED PROJECTS

Motivation:	Third party (please specify what and by what body below)	Internal assessment (please specify what and by what department below)	Don't currently measure, monitor or certify
Financial return	80%	50%	20%
Decreased vulnerability to the impact of climate change	31.6%	50%	36.8%
Other social benefits (e.g. improved community livelihoods, better health etc.)	36.7%	53.3%	33.3%
Outputs specific to that project (e.g. outputs versus outcomes	37.5%	81.2%	12.5%
Visibility of the project and its results	31.2%	56.2%	37.5%
To comply with external regulatory requirements	60%	60%	20%
To meet internal organizational standards and procedures	50%	80%	20%
Other (please specify)	0%	50%	50%

Need for a Certification Instrument

The responses show a very positive perceived need for certification, with about 85%, or 38 respondents falling on the spectrum from “somewhat” to “highly” beneficial.

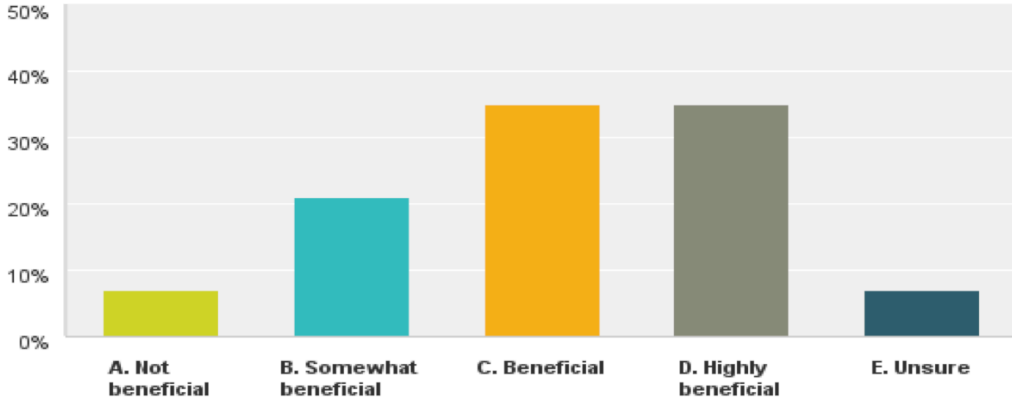

FIGURE 2. NEED FOR A CERTIFICATION INSTRUMENT

Organization-type and Interest in Certification

A quick inspection of the response clustering shows that a majority (68%) of responses indicated that a certification instrument would be either “beneficial” or “highly beneficial.” Respondents from government and those in the “other” category tend to cluster more toward the positive side of the spectrum, whereas the international aid cohort trends heavily toward the less enthusiastic (with “somewhat beneficial” at 67%) and more negative relative to most other cohorts. The “other-commercial/front-end,” academia, and NGO groups are more evenly distributed in terms of response.

Each industry cohort except for international aid responded with at least one “highly beneficial” response; one respondent each in the NGO, international aid, and “other-commercial front end” cohorts gave “not beneficial” as a response.

TABLE 6. INTEREST IN CERTIFICATION BY ORGANIZATION-TYPE

Sector	Unsure	Not Beneficial	Somewhat Beneficial	Beneficial	Highly Beneficial
NGO	11%	11%	0%	33%	44%
Government	0%	0%	14%	29%	57%
Academia	14%	0%	29%	29%	29%
International Aid	0%	17%	67%	17%	0%
Consumer Goods/Services	0%	0%	0%	50%	50%
Other-Research oriented/back office	0%	0%	0%	67%	33%
Other – Commercial front end oriented	17%	17%	17%	17%	33%
Totals	7%	7%	19%	33%	35%

Need for Certification Based on Current Assessment Activity

For respondents expressing a very positive view of the benefits of a certification instrument, there was a fairly even split between what they currently did, with even number internally assessing or not measuring, and one fewer respondent using third parties. For all responses indicating benefits to such an instrument, 10/31 used third parties, 18/31 assessed internally, and 13/31 didn't assess. Of the 4/39 that didn't think certification would be beneficial, half didn't assess. This suggests that as parties are more active in assessments, they seem to recognize more value in certification.

Adaptation Motivations and Perceived Need for a Certification Instrument

Responses to this question revealed that the most favorable responses for a certification instrument came from service providers, and the least from those who "provide support or advocate for support." It is unclear if the small sampling size is the reason for this differentiation, or if service providers see a business opportunity and "advocates" are less interested in such a tool because it is downstream from their activities, or if there is some other reason for these differences.

Conclusions

The Higher Ground Foundation organized this survey to address significant gaps in the collective understanding of how and why adaptation is practiced, in particular:

- How is adaptation done, and why?
- What budgets support adaptation?
- If and how is adaptation assessed?
- Why assess?
- What do supporters of adaptation think of certifying the results of adaptation?

While the relatively small number of respondents and respondent bias mean caution is in order when interpreting the results, these offer useful insights regarding not only what the state of adaptation activity and assessment is, but also, and more interestingly, what motivates these actions.

Who responded to the survey was interesting in itself: a majority were service providers (57%), while 50% only advocated or provided other support for projects. Only 21 out of 43 total respondents funded or embedded adaptation into investments. Of those respondents involved in the direct support of adaptation efforts, development agencies were the most represented, followed by national and regional governments.

Private sector involvement (besides service providers) was poorly represented, with only three in either consumer goods and services or materials/mining. This may indicate that the private sector is not actively engaged in the adaptation discourse as is the public sector. This is supported by the funding responses: when asked to elaborate on their funding 60% explicitly noted government funds, and only one respondent indicated receiving corporate and/or foundation support.

The responses on if and how adaptation project results were measured were also insightful. Those respondents funding projects for the benefit of others showed the highest level of measuring and monitoring activity, while those funding projects for their own benefit displayed the lowest level of assessment activity.

Not surprisingly, perhaps, 100% of respondents who fund or embed adaptation into investments indicated that that they do this to decrease vulnerability, but with “other social benefits” being a close second most popular reason. Most respondents didn’t respond that external or internal pressures were motivating their assessments, but a large minority (35%) believed financial return was important to understand, even though the projects were overwhelmingly publicly funded.

There is a fairly even split in the responses between third party, internal, and no assessment, with internal assessment the most popular reply and with international aid agencies the most likely to assess their activities. None of the respondents indicated that they had their adaptation activities “certified.”

Yet the responses show a very positive perceived need for certification, with about 85%, or 38 respondents falling on the spectrum from “somewhat” to “highly” beneficial. The responses also suggest that as parties are more active in assessments, they seem to recognize more value in certification.

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Annexes

A. Survey Questions

Q1: Define your organization's approach to climate adaptation / climate resilience activities and projects: (tick each that apply)

Potential responses:

- Fund such projects directly / indirectly for your own benefit
- Fund such projects directly/indirectly for the benefit of other stakeholders
- Embed climate adaptation/climate resilience features within existing business operations and investments
- Do not fund such projects, but provide other support in kind / advocate for support
- Provide services to others interested in climate adaptation
- Do not fund any adaptation efforts, provide support or advocate for support
- Other (please specify)

Q2: If you answered yes to a - c please let us know how you support these activities, from what budgets that are used (for instance, does funding come out of OPEX, CAPEX, or CSR budgets).

(Short descriptive responses solicited)

Q3: How does your organization measure, monitor and certify the results of a climate adaptation project or activity that you undertake? Please select all that apply.

Potential responses:

- Third party (please specify what and by what body below)
- Internal assessment (please specify what and by what department below)
- Don't currently measure, monitor or certify

Q4: What is important when it comes to understanding results of your projects or activities? Please select all that apply.[4]

[4] Note that this question was formatted incorrectly: in addition to listing a series of potential word responses, it asked the respondents to select a number from 1-5 to rank their respective importance, but did not give space for these numerical ratings. Despite this error, we were still able to elicit useful responses in the follow-up comments, where some respondents numerically rated respective elements as requested. Hence, we have retained the results.

Potential responses:

- Financial return
- Decreased vulnerability to the impact of climate change
- Other social benefits (e.g. improved community livelihoods, better health etc.)
- Outputs specific to that project (e.g. outputs versus outcomes
- Visibility of the project and its results
- To comply with external regulatory requirements
- To meet internal organizational standards and procedures
- Other (please specify)

Q5: Do you see a need for a certification instrument that would help validate and assess the economic and social value of undertaking a climate adaptation project, and could be used to compare different projects? Would such an instrument be beneficial to your organization?

Potential responses

- Not beneficial
- Somewhat beneficial
- Beneficial
- Highly beneficial
- Unsure

Q6: In what industry/sector do you work?

Potential responses:

- Academia
- Consumer goods and services
- Energy/utilities
- Financial
- Government – Local
- Government – State/Regional/Provincial
- Government – National
- International Aid Agency/Development Organization, or Foundation
- Healthcare
- Industrial goods
- Materials/mining
- NGO
- Technology/telecommunications
- Other (please specify below):

B. Survey Outreach

TABLE 7. GROUP OR OUTLET FOR SURVEY RESPONSES

Group or Outlet	Type
Climate-L Listserve	Listserver
Twitter	Social Media
Higher Ground Foundation Company Page on LinkedIn	Professional Social Media
Friends of Higher Ground Email Distribution	Associate Group
Climate Adaptation Knowledge Exchange (website)	Professional Website
Climate Change Vulnerabilities and Solutions	LinkedIn Group
Climate Policy Group	LinkedIn Group
AdaptAbility° Climate Adaptation Network	LinkedIn Group
Adaptation Learning	LinkedIn Group
Climate Change Network	LinkedIn Group
Climate Adaptation Scholars™	LinkedIn Group
Climate-Eval: Evaluation of Climate Change and Development	LinkedIn Group
Climate Adaptation Lab	LinkedIn Group
Climate Change & sustainability	LinkedIn Group
Climate Change Professionals	LinkedIn Group
The Voluntary Carbon Market Network	LinkedIn Group
Sustainability Professionals	LinkedIn Group
International Development Professionals	LinkedIn Group
The Carbon Professionals Networking Group	LinkedIn Group
Climate Change and Transportation	LinkedIn Group
Climate Change, Indigenous Peoples & Local Communities	LinkedIn Group
Coastal Adaptation - planning to adapt to coastal climate change	LinkedIn Group
Devex - International Development	LinkedIn Group
Carbon Market Business Network	LinkedIn Group
GCAP News	LinkedIn Group
Knowledge for Climate - Governance of Climate Adaptation	LinkedIn Group
Resilient Cities - Cities, Adaptation to Climate Change and Urban Resilience	LinkedIn Group
Value Chain Thinking	LinkedIn Group
ISO Climate Change Standards	LinkedIn Group
M&E knowledge management (KM) for learning and policy development	LinkedIn Group
Climate-KIC Entrepreneurship	LinkedIn Group

C. Higher Ground Foundation 2012 Poll on Private Company Motivations

TABLE 8. HGF POLL ON PRIVATE SECTOR ADAPTATION FUNDING MOTIVATIONS

Higher Ground Foundation Poll:

Why would private companies in developed countries pay for climate adaptation interventions in developing countries?

Response	Responses	%
Corporate Social Responsibility	32	38%
Supply Chain Risk Reduction	28	33%
Market Risk Reduction	11	12%
First Mover Advantage in Adaptation	11	12%
Other	1	1%
Own (company) Asset Protection*	1	1%

Poll underway in February 2012, from LinkedIn Sites as of 21 February (responses by 21 February = 84):

- AdaptAbility Climate Adaptation Network (59 responses)
- Adaptation Learning (5 responses)
- Climate Adaptation Lab (3 responses)
-Climate Change and Sustainability (3 responses)
-Climate-Eval: Evaluation of Climate Change and Development (13 responses)
-The Voluntary Carbon Market Network (2 responses)

* Added to two surveys based on initial feedback replacing "other" with "Own (company) Asset Protection", N= 7)