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Evaluation Study for 12 Projects Financed by the ProAdapt Facility

Final report

Report prepared by:

technopolis group

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Acronyms

ACL	NDC Pipeline Accelerator Multi-Donor Trust Fund
AMP	Panamian Maritime Authority
ARAP	Aquatic Resources Authority of Panama
BRANA	Brasserie Nationale d'Haïti
C2F	Canadian Climate Fund
CRS	Catholic Relief Services
CCS	Climate Change and Sustainability Sector
CSA	Climate-Smart Agriculture
CSC	Salvadoran Coffee Council
CIF	Climate Investment Funds
CRS	Catholic Relief Services
EA	Executing Agency
FI	Financial Institutions
FONTAGRO	Regional Fund for Agriculture Technology
GCAP	Global Climate Adaptation Partnership
GHG	Greenhouse Gas
IDB	Inter-American Development Bank
INE	Infrastructure and Energy Sector
LAC	Latin America and the Caribbean
LTS	Long-term Strategies
MIF	IDB's Multilateral Investment Fund
MSME	Micro, Small & Medium Enterprises
M&E	Monitoring and Evaluation
NDC	Nationally Determined Contribution
NDF	Nordic Development Fund
NGO	Non-governmental organization
OECD	Organization for Economic Development and Cooperation
PMCR	Private Markets for Climate Resilience
PPACC	Pilot Program "Adaptation to Climate Change"
PPCR	Pilot Program for Climate Resilience
SECCI	Sustainable Energy and Climate Change Initiative
SINAPROC	National Civil Protection System of Panama

SMASH	Scaling Up the Smallholder Alliance for Sorghum in Haiti
SME	Small & Medium Enterprises
ToC	Theory of Change
WBC	Water Benefits Calculator

Executive summary

This report is the final deliverable developed by Technopolis Group and Global Factor in the context of the "Evaluation study of 12 projects financed by the ProAdapt Facility".

ProAdapt Facility was launched in 2013 by the IDB's Multilateral Investment Fund (MIF), now IDB Lab, and the Nordic Development Fund (NDF). The main objectives of the Facility were to support climate resilience in MSMEs and the local communities where they operate and to foster business and investment opportunities for private-sector resilience solutions. In addition, the program supported the creation of new capacities and tools and the development of business models to achieve climate resilience.

The IDB Lab approved 12 technical cooperation projects in 13 member countries for a total contribution of US$11.52 million (including MIF and NDF funding). In addition, US$16.56 million was leveraged as counterpart funding from executing agencies and project partners. Overall, the funding for ProAdapt Facility amounted to a total of US$28.08 million. The project portfolio was approved gradually between 2013 and 2019, and its implementation ended in March 2022. The distribution of the operation portfolio by focus areas is as follows: five projects were related to access to basic services and green growth; three to inclusive cities; two to accessing markets and capabilities; and one to smart agriculture. This report provides information on the benefits and the achievement of results for and across the different projects. It also reports on the effectiveness of the ProAdapt Facility in promoting the dissemination of the results achieved.

The results of the evaluation are mainly based on in-depth studies of 10 of the planned projects. For the remaining two projects, in-depth studies were not conducted as one was cancelled before it started, and the other concerned the generation of knowledge products. In addition, the evaluation included a study that benchmarks ProAdapt's intervention against those of external climate funds and highlights relevant lessons learned that might be useful for the design of future climate funds at the IDB.

The overall findings, the portfolio assessment by evaluation criteria and a summary of the main recommendations and lessons learned are presented in order below.

Overall findings at the Facility level

The monitoring and evaluation framework, which aims to establish compliance with the overall objectives of the IDB-NDF Agreement, posed several challenges. Nevertheless, despite constraints, the consultant team produced estimates for some indicators similar to those initially formulated in the Facility's logical framework, based on information gathered from the in-depth studies of the 10 projects supported by ProAdapt and particularly from information obtained from the Project Status Reports (PSRs).

- At least 5,238 MSMEs participating in ProAdapt demonstrated efforts to improve their climate resilience, in contrast to the original target of 2,000 MSMEs (with respect to the initial baseline Indicator)
- At least 5,049 MSMEs in LAC incorporated climate impacts into business decision-making as a result of their participation in ProAdapt, in contrast to the original target of 10,000 MSMEs

Regarding other indicators, the achievements were as follows:

- More than five models, tools and taxonomies developed to help MSMEs in developing countries to assess, manage and prioritise financial, operational and strategic climate risks and related business opportunities

Twelve targeted market assessments to identify business opportunities related to climate adaptation in specific sectors, value chains and geographies

- One gender-sensitive climate adaptation model developed for women-owned MSMEs
- Eleven pilot projects approved
- One pilot project focused on women and adaptation
- More than three knowledge transfer and sharing activities with actors in Africa or Asia conducted
- Knowledge and learning systematized and converted into off-the-shelf developed solutions, including manuals, training methodologies, project design, and market studies.

Targets not met were:

- Development of program impact indicators and M&E system, including baseline
- At least five partner organizations as members in the platform Adapt Americas

Findings by evaluation criteria

- **Relevance**: Decidedly the ProAdapt Facility was deemed to align with country priorities to respond to the local needs and challenges of the beneficiaries. It was considered highly innovative for the LAC region: adaptation to climate change presented an opportunity for MSMEs to increase resilience while improving income. The governance structure of the projects allowed to bring stakeholders that did not frequently partner together: local communities, the private sector, NGOs, and the public sector.
- **Coherence**: To a great extent, the design and implementation of ProAdapt Facility were considered compatible with other related interventions. ProAdapt is consistent with other IDB Climate Funds, such as the Pilot Program for Climate Resilience (PPCR). However, there were no easily identifiable synergies as adaptation had been mainly associated with the public sector, while ProAdapt was focused on the private sector. The ProAdapt Facility has brought added value through its innovative approach by treating adaptation not only as a risk but also as an opportunity and by focusing on SMEs.
- **Effectiveness:** Overall, the ProAdapt Facility accomplished its primary goal of turning climate risks into opportunities. Although unforeseen external and internal challenges led to uneven implementation of projects and mixed rates of achievement of project objectives, projects achieved most of their objectives. Overall, projects seem to have been more successful in disseminating new knowledge, business models and methods and in increasing the resilience of communities to climate change. Meanwhile, they have been less successful in improving climate-related business opportunities for MSMEs and their access to finance.
- **Efficiency:** ProAdapt was, to a great extent, efficient in organising and managing resources for the timely achievement of the objectives. Overall, the design of the Facility's projects allowed for the allocation of more than sufficient resources so that, given the pilot nature of the projects, the business case for the initiatives supported could be demonstrated. The use of the resources allocated to the projects was efficient because the projects achieved most of the planned objectives within budget and without cost overruns. To some extent, project activities were implemented as planned and in a timely manner. The estimate made at the time of ProAdapt's design for counterpart funds (US$2.1 million) was significantly exceeded in planning (US$16,559,123), and the amount disbursed during project implementation (at least US$12,547,698) was significant compared to the US$9,974,798 disbursed by the Facility. That is, the counterpart amount represented 126% of the resources provided by the Facility.

- **Impact**: Overall, the ProAdapt Facility was deemed to generate positive impacts for the beneficiaries of the supported projects. To a great extent, these impacts can be attributed to the programme. The evaluation found that participating MSMEs increased their climate resilience and partially resulted in a snowball effect for other MSMEs. However, the lack of indicators related to the programme targets for all projects complexifies the ability to report on the impacts of ProAdapt fully. Even so, the target linked to the number of MSMEs improving their climate resilience was surpassed, with more than 2,600 improving their resilience. The other target was partially achieved, as at least 5,049 MSMEs reported incorporating climate impact into business decision-making (against a target of 10,000). However, only five projects monitored this impact. The programme also contributed to awareness-raising, generating new knowledge, training and communication material.

  While adaptation and increased resilience are continuous and long-lasting, ProAdapt supported these processes by incubating new business opportunities related to climate adaptation. Overall, ProAdapt generated many positive outcomes, which vary from one project to another, from economic (increased productivity, new markets, job creation, company creation) to social ones (structuring of networks, the evolution of women's roles).

  Lastly, supported projects were deemed highly replicable, and ProAdapt paved the way for new projects.

- **Sustainability:** The net benefits from the ProAdapt projects are likely to continue to some extent. In general, the projects developed a strong communication and visibility strategy to ensure their sustainability. However, it must be taken into account that each project had a different nature and objectives, so the achievements and the way to reach them varied considerably for each.

Strategic recommendations

- **Prioritize adaptation as a key intervention area and develop initiatives (programmes/facilities) that foster a systemic approach to climate resilience.** Evidence shows the importance of promoting a greater and more strategic role for markets in addressing climate resilience. To do so requires public policies that generate public goods, incentives for long-term private investment, and appropriate regulatory frameworks to make markets more efficient in delivering climate resilience solutions. Specifically, recommended actions include:
  - Analyze the need to establish dedicated financial instruments on adaptation (new or integrating into existing instruments)
  - Implement measures to raise awareness about the financial instruments and their support for adaptation
  - Support public stakeholders to develop and implement adaptation-related policies and enabling conditions
- **Continue to support private initiatives on adaptation.** ProAdapt enabled MSMEs to seize income opportunities and increase climate resilience to a small extent. It also showed that climate risk is driving a large and growing demand for climate resilience solutions and that there is a nascent market. Furthermore, it showed that adaptation could be approached as a response to a threat and an area of business opportunity. Therefore, it is desirable to continue to build the resilience of MSMEs and promote the private sector's development of climate adaptation solutions. Accordingly, it is recommended:
  - Continuously assess the needs of the private sector in developing climate adaptation solutions and conduct market studies

- Set up framework conditions, including through technical assistance and financial support, for the private sector to develop new climate-related products and services

- **Mainstream gender equality for effective climate action.** A gender perspective should be taken into account in the strategic design and operationalisation of funds aimed at addressing the effects of climate change. It should be considered that in situations of poverty, women often face more significant risks and burdens from the effects of climate change. Furthermore, gender equality and women's empowerment must play a critical role in identifying and implementing solutions for climate adaptation and sustainable development.
- **Promote synergies by integrating IDB initiatives aimed at mitigation and adaptation.** The IDB has addressed adaptation mainly through the public sector. However, the private sector has had more incentives to invest in mitigation than adaptation, which requires long-term investments and the involvement of many different stakeholders. Therefore, promoting synergies between IDB-managed funds to cover mitigation and adaptation efforts to incentivise private investment is desirable. Furthermore, these incentives should be backed up by further research to identify private financing opportunities for adaptation. In this vein, we propose the following:
  - Continuously assess the needs of the private sector in terms of climate adaptation
  - Undertake market studies to leverage funds for adaptation
  - Set up framework conditions to support interventions combining both adaptation and mitigation components
  - Raise awareness of the benefits of synergies between initiatives
  - Ensure coherence in IDB support on mitigation and adaptation
- **Ensure broader sector coverage.** ProAdapt supported projects that were only focused on four areas: basic services and green growth, inclusive cities, markets and skills, and smart agriculture. However, as climate risks increase, so do the demands for private resilience solutions and thus the business opportunities in many different sectors (e.g., storage and logistics, construction methods, resilient infrastructure, drought-resistant seeds). It is, therefore, necessary to broaden the range of business opportunities associated with private resilience solutions and their impacts, keeping in mind that some sectors will be more affected than others. To do so, we propose the following:
  - Identify sectors and geographies which have higher stakes in terms of climate adaptation
  - Undertake market studies to understand sectoral/geographical needs
  - Establish selection criteria to ensure funding towards priority areas

Operational recommendations

- **Further communicate to the public and private sectors about the potential of climate resilience.** There is a general lack of awareness of the business case for resilience. For example, ProAdapt-funded projects were less successful in improving climate-related business opportunities for MSMEs and their access to finance. Consequently, there is a need to raise awareness on the positive effects of adaptation from resilience and economic point of views and to promote public-private partnerships for generating and financing innovations to address climate-related hazards. In particular, we recommend the following:
  - Elaborate communication and outreach activities on climate risks and potential solutions

- Develop local and regional networks dedicated to exchanging on climate adaptation issues and solutions
- Design a repository of examples and best practices to support climate adaptation mainstreaming

- **Strengthen knowledge management and support dissemination and replication.** Within the framework of ProAdapt, numerous pieces of knowledge were produced that contributed to the identification and generation of adaptation solutions by MSMEs. This valuable material could be capitalised on by enhancing its use, expanding the knowledge generated under the Facility, and replicating and adapting it to other sectors and regions. Specifically, we suggest the following:
  - Collect all deliverables produced as part of the financed projects and design a repository
  - Set up a dedicated webpage to disseminate the knowledge material produced during ProAdapt
- **Ensure the development of appropriate M&E systems.** The lack of clear, adequately defined, and verifiable results at the portfolio level hampered the monitoring of results. In addition, the specific indicators for project monitoring in several projects did not have clear links to the Facility's indicators. It is, therefore, important that programmes of this type encourage the development of an adequate M&E system and the construction of a baseline. Equally critical is ensuring sufficient time and resources are devoted to designing and implementing the M&E framework to facilitate knowledge management. Accordingly, the following is proposed:
  - Define an M&E system to report on program achievements, with clear linkages between programme and project indicators
  - Ensure alignment of the M&E system with the highest standards and latest developments, including gender disaggregation
  - Incorporate gender-sensitive indicators and indicators to measure adaptation and resilience outcomes
  - Establish M&E guidelines and ensure indicators are adequately reported during the lifetime of the project
- **Undertake an inclusive approach to project governance.** The ProAdapt evaluation showed that the governance structure of the projects allowed for the integration of stakeholders that were not usually associated: local communities, the private sector, NGOs and the public sector. This diverse governance structure led to improved stakeholder relevance, ownership and accountability of the projects. To continue this inclusive approach, it is recommended in future project design and implementation to identify relevant project stakeholders (e.g. local communities, private sector, NGOs, small-holders, MSME associations) and set up a governance structure which ensures their inclusion

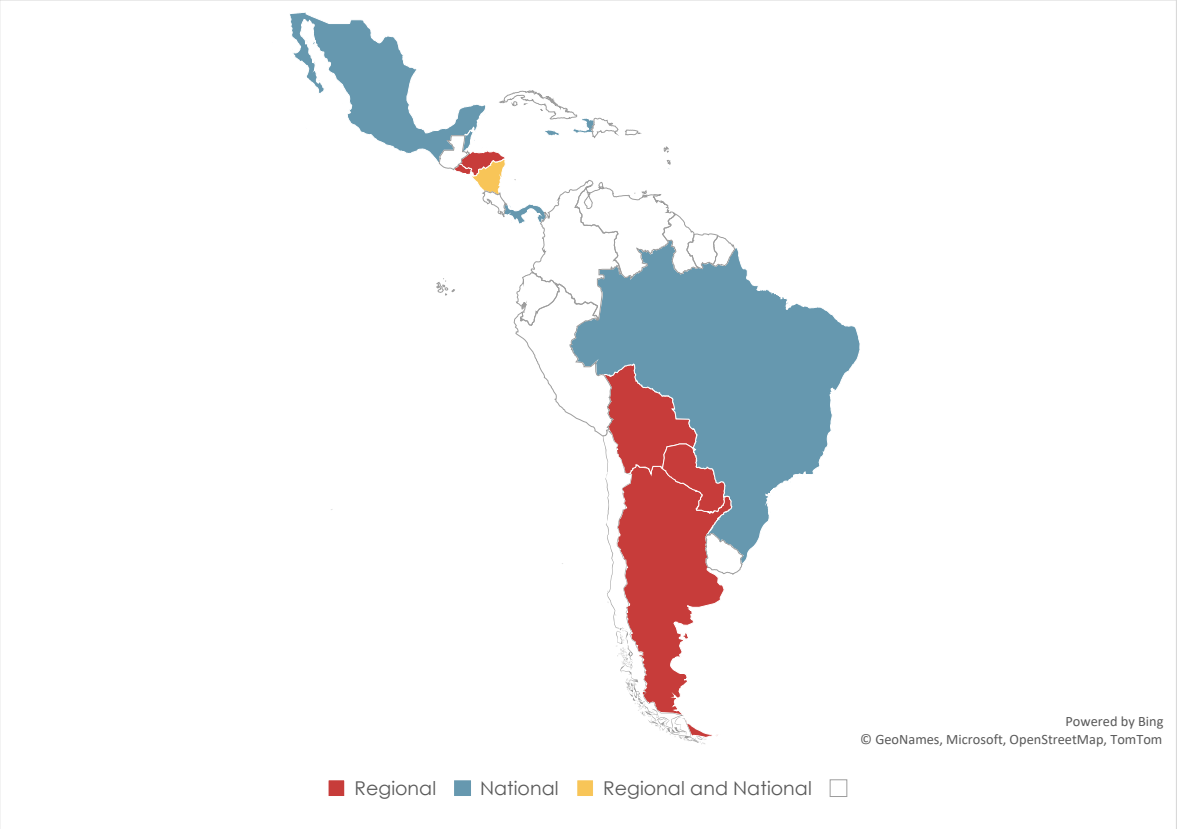
1 Introduction

This is the final report from the project team composed of Technopolis Group and Global Factor in the context of the "Evaluation study of 12 projects funded by the ProAdapt Facility".

1.1 Context and presentation of the ProAdapt Facility

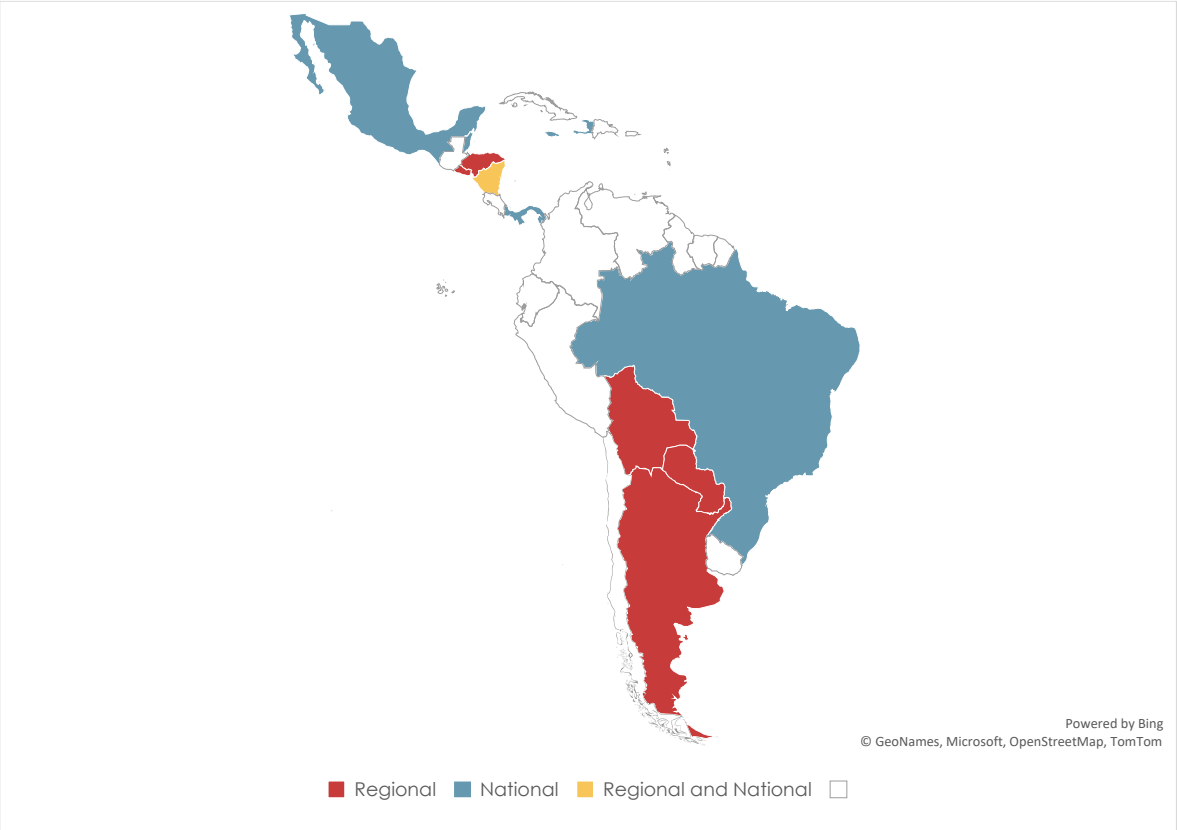
The ProAdapt Facility was launched in 2013 by the IDB's Multilateral Investment Fund (MIF), now IDB Lab, and the Nordic Development Fund (NDF). The main objective of the Facility was to support climate resilience in MSMEs (Micro, Small & Medium Enterprises) and the local communities where they operate, as well as to foster business and investment opportunities with private resilience solutions. In addition, the Facility supported the creation of new capacities and tools and the development of business models to achieve climate resilience.

Figure 1: Countries covered by ProAdapt according to geographic scope



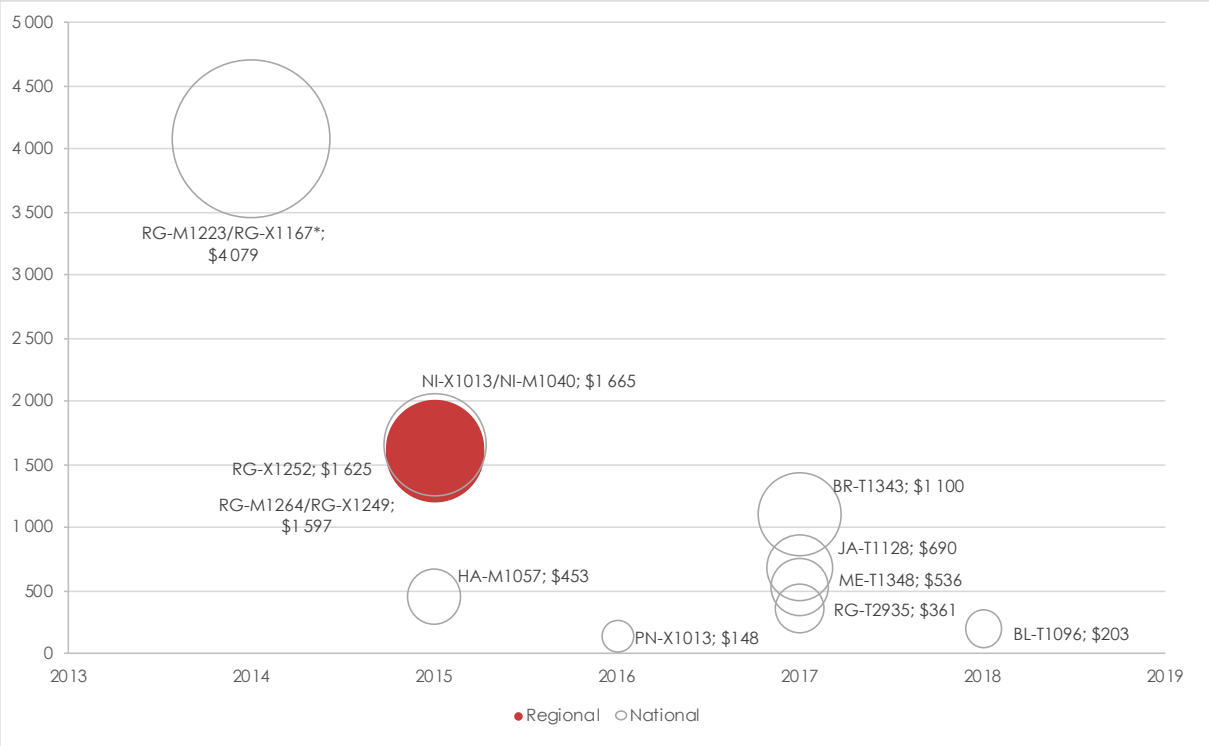
The IDB Lab approved 12 technical cooperation projects in 13 member countries for a total contribution of US$11.52 million (including MIF and NDF funding). The projects leveraged US$16.56 million as counterpart funding from executing agencies and project partners. Overall, ProAdapt Facility amounted to a total of US$28,08 million. Appendix A presents an overview of the supported projects.

Specifically, as shown in Figure 1: Countries covered by ProAdapt according to geographic scope



nine of the projects approved were in the following countries: Belize, Brazil, Haiti, Jamaica, Mexico, Nicaragua, Panama and St. Lucia. The remaining three projects have a regional scope, covering Bolivia, Paraguay, Argentina, Nicaragua, Honduras, and El Salvador. The project portfolio was approved gradually between 2013 and 2019, and its implementation ended in March 2022. The project duration spans three to five years, with only one project lasting one year. Currently, the status of all projects is closed, apart from the "Monterrey: Increasing Water Resilience" project (ME-T1348), which was cancelled in 2019. Figure 2 presents the Facility's timeline, including the year of approval and the total amount financed by IDB Lab per project.

Figure 2: Amount financed by IDB and NDF originally planned, and date of approval per project (in USD, thousands)



Notes: Each project is represented by the corresponding project ID, shown in Table 1, with the corresponding title and country.

*The specific destination of these resources could not be established in detail. Presumably, these items include the activities of programme components 1, 2 and 4 and the projects Brazil BR-M1122 and Regional RG-W1336 (PMCR), which are part of component 3.

Table 1 List of projects

Project ID	Project Title	Country
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	Brazil
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	Regional (Nicaragua, Honduras, El Salvador)
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	Nicaragua
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	Regional (Bolivia, Paraguay, Argentina)
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	Panama
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	Brazil
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	Jamaica
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	Belize

Project ID	Project Title	Country
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	St. Lucia
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	Haiti
ME-T1348	PROADAPT Monterrey: Increasing Water Resilience	Mexico
RG-W1336	Private Markets for Climate Resilience Update Consultant	Regional

The distribution of the operation portfolio by focus areas was as follows: five projects were related to access to basic services and green growth; three focused on inclusive cities; two projects were about access to markets and capabilities; and one project covered smart agriculture topics.

The direct end beneficiaries of the portfolio of projects are very diverse, depending on the nature of each intervention. It ranges from 800 (Brazilian Sertão project) to 18,000 smallholder farmers (SMASH project Haiti). Beneficiaries of the projects were also associations or cooperatives composed of complementary, participating farmers. For instance, the Brazilian Sertão and the Saint Lucia projects targeted 6 and 3 agricultural cooperatives, respectively. Also, cooperatives were beneficiaries in the projects covering Central America: Blue Harvest involved 10 cooperatives (four in El Salvador, four in Honduras and two in Nicaragua). In addition, it involved fisher community members (85) and tourism microentrepreneurs (35) in the Panama project, for example. It also includes collectors of recycled materials (1,750 in Brazil) and a network of 76 cooperatives for the project related to the circular economy. Moreover, MSMEs and housing development companies also were end beneficiaries of different projects, ranging from 30 SMEs in Belize to 750 SMEs in Mexico.

In addition, the program funded several regional publications providing market assessments to promote knowledge generation in relation to the financed projects in sectors such as agriculture, fisheries, housing, water and sanitation, financial services, and transportation. Some of the publications are presented below:

- *Private Markets for Climate Resilience: Global Report*[1] examined best practices and opportunities related to climate resilience by identifying leaders shaping the national markets, and highlighting products, services, tools and processes in the transport and agriculture sectors.
- *Gender and climate resilience: analysis and toolkit. Case study of women in the Gulf of Montijo, Panama.* The report analyses the intersection between gender, climate change, and adaptation by summarizing five critical dimensions of climate resilience (i.e., social, ecological, economic, physical, and institutional).
- *ProAdapt: movilizando el sector privado para la resiliencia al cambio climático*.[2] The report presents the ProAdapt project through examples of the different projects funded.

[1] http://dx.doi.org/10.18235/0002425

[2] http://dx.doi.org/10.18235/0002213

1.2 Objectives and scope of the evaluation

The scope of evaluation was set out in the terms of reference published by the IDB and discussed with the IDB team. The evaluation aims to inform about the benefits of the funded interventions and the achievement of results from the different projects. Moreover, this assignment also assesses the effectiveness of the ProAdapt Facility in fostering the dissemination of achieved results. The evaluation evaluates all ProAdapt-financed projects, which started in 2013 and ended in 2022.

The primary purpose of the evaluation is to assess whether the projects achieved or are likely to achieve their objectives; to present lessons to be learned; and to propose recommendations to be drawn from the project design and implementation process in order to inform a hypothetical second phase of ProAdapt, other funds supporting MSME climate adaptation in which the IDB Group participates, as well as the NDF, assuming it is interested in setting up similar funds in other parts of the world[3].

In particular, the objectives of the evaluation are to:

- Review all 12 projects to discern whether the expected results were achieved from the perspective of the intended end beneficiaries
- Describe and analyse lessons learned and present recommendations to be drawn from both the project design and implementation process
- Examine the role of ProAdapt in the broader spectrum of Climate Funds used by the IDB Group and its value-added

Appendix B presents the evaluation questions matrix. The table indicates the methodological tools and data sources used to address each question.

In terms of the scope of the evaluation, the projects analysed in this report include all but two of those listed in Table 1: Monterrey: Increasing Water Resilience (ME-T1348) and Private Markets for Climate Resilience (PMCR) (RG-W1336). The former was cancelled before it started and is the subject of analysis in an in-depth study, separate from this report, which is part of this consultancy project. A brief explanation of the reasons for the cancellation of this project is included in section 3.4, which discusses the efficiency of implementing the Facility's projects. The PMCR project is very different from the projects analysed in this report. It is essentially a project aimed at generating and disseminating information and knowledge. A description and analysis of this project are given in section 2.3 of this report.

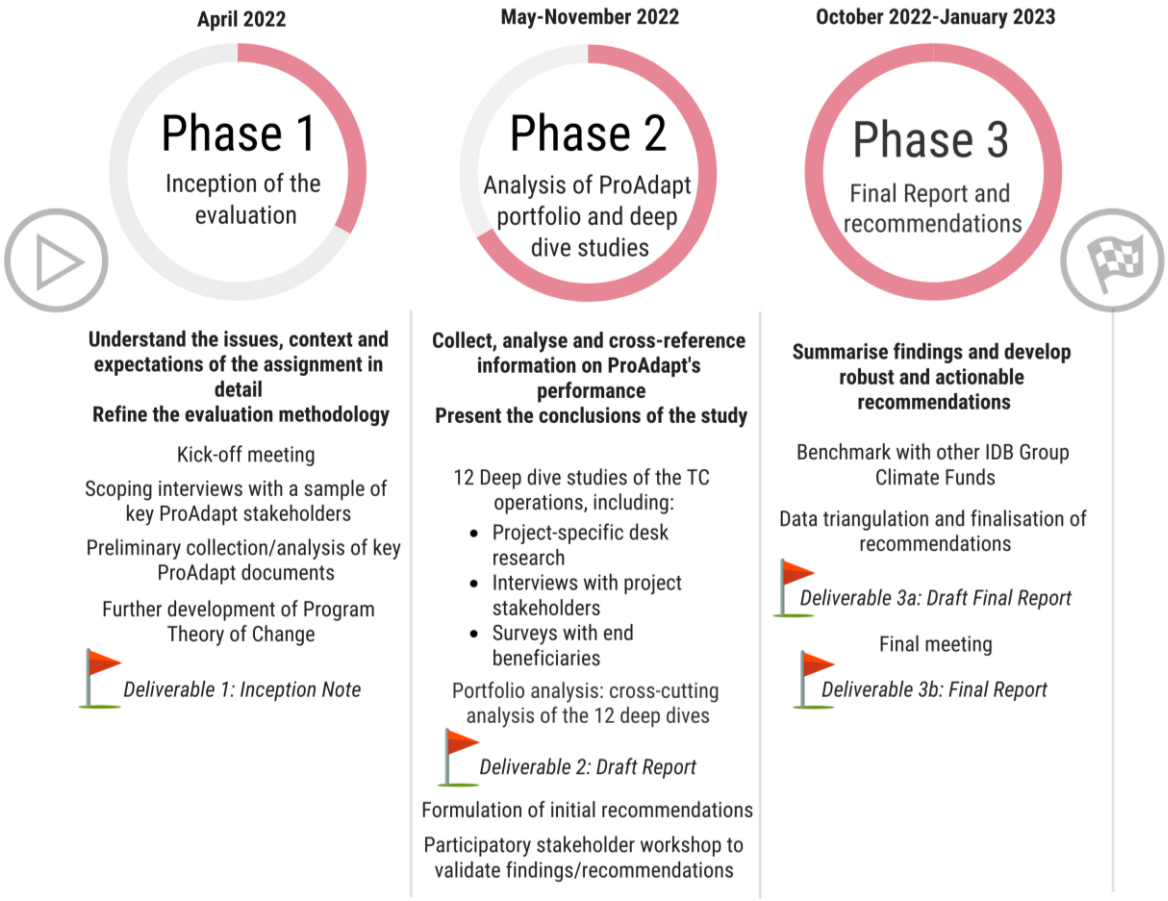
1.3 Methodology

This evaluation used a non-experimental approach. Therefore, the selected methodology is based mainly on a **theory-based evaluation approach**, guided by the definition of a clear Theory of Change (ToC), which was tested and assessed throughout the evaluation.

The evaluation was carried through 3 phases, as depicted in the figure below. Work packages 2 and 3 were initially intended to be carried out in parallel, but partially sequenced. Appendix B indicates that several data collection and analysis tools were used in each phase.

[3] These possible uses of the lessons learned and recommendations from this evaluation were suggested at the kick-off meeting.

Figure 3 Overview of the project work plan



The evaluation started in April 2022, with data collection occurring mainly in June and July 2022, and was completed in December 2022.

1.4 Key limitations and challenges encountered

The evaluation faced some challenges during its execution. In this section, we explore the key challenges encountered in this exercise and their implications on the results obtained through this consultancy. It also presents the mitigation measures the evaluation team has implemented in response.

Given some of the time and resource constraints faced by the evaluation team, including the inability to conduct field visits relating to border restrictions, the evaluation methodology did not include as many significant interactions with the final beneficiaries of the projects as initially planned. This represents a blind spot in the evaluation methodology and a potential source of bias in the findings. There are several reasons why the evaluation team did not conduct data collection activities among the final beneficiaries:

- The logistical and resource implications of contacting final beneficiaries, especially a representative sample, were too important. In addition, the methodology initially proposed by the consulting firm did not fully consider the challenges of conducting interviews online or in remote areas. Given the (short) time and resources available to perform the consultancy, the evaluation team decided to instead prioritise interactions among a

narrower group of IDB stakeholders (i.e. supervision team leaders, executing agency representatives, and project partners).

- The evaluation team had initially foreseen conducting data-gathering activities among final beneficiaries through a selection of surveys to be sent out to the beneficiaries of roughly five projects. However, these surveys were not carried out as initially programmed due to the difficulties in gaining access to the contact details of final beneficiaries from executing agencies and the inherent difficulty of contacting rural beneficiaries through an online survey. The evaluation team did, however, conduct individual/group interviews with a sample of final beneficiaries for most projects.

In addition, to reduce potential biases in answers provided by any stakeholder group, the evaluation team systematically triangulated information from different sources before reaching a final conclusion on the issues being addressed.

This consultancy has shed light on a number of weaknesses relating to the evaluability of the project portfolio. According to the Organization for Economic Development and Cooperation's (OECD) Glossary of Key Terms in Evaluation and Results-Based Management, **evaluability represents the 'extent to which an activity or a program can be evaluated in a reliable and credible fashion'**. Evaluability thus strongly hinges on the extent to which the programme's objectives are adequately defined, and its results are verifiable. In addition, evaluability relates to more practical aspects of programme implementation and evaluation. This includes the availability of data and information necessary to conduct the assessment and the overall 'preparedness' of the programme (or the evaluand) to undergo an evaluation process. In the case of the ProAdapt portfolio, the evaluation team has identified the following evaluability weaknesses and limitations:

- The lack of precise, adequately defined and verifiable results at the portfolio level is illustrated by the lack of a clearly defined intervention logic linking projects to the overall portfolio level[4].
- The lack of consolidated, coherent and homogeneous reporting and monitoring data and indicators for individual projects and at the portfolio level. These are detailed in section 2.1

The findings presented in the following sections report must all be interpreted in light of the challenges and limitations presented above.

1.5 Theory of change

Theory-based evaluation approaches use an explicit theory of change to draw conclusions about whether and how an intervention contributed to observed results. One specificity of theory-based approaches is that they are **designed to describe what happened and how and why** this happened. In order to effectively do so, this approach requires that an adequate ToC is developed for the particular intervention being assessed.

A ToC explains how an intervention is expected to produce its results. A ToC intends to comprehensively describe how and why the desired change is expected to happen in a

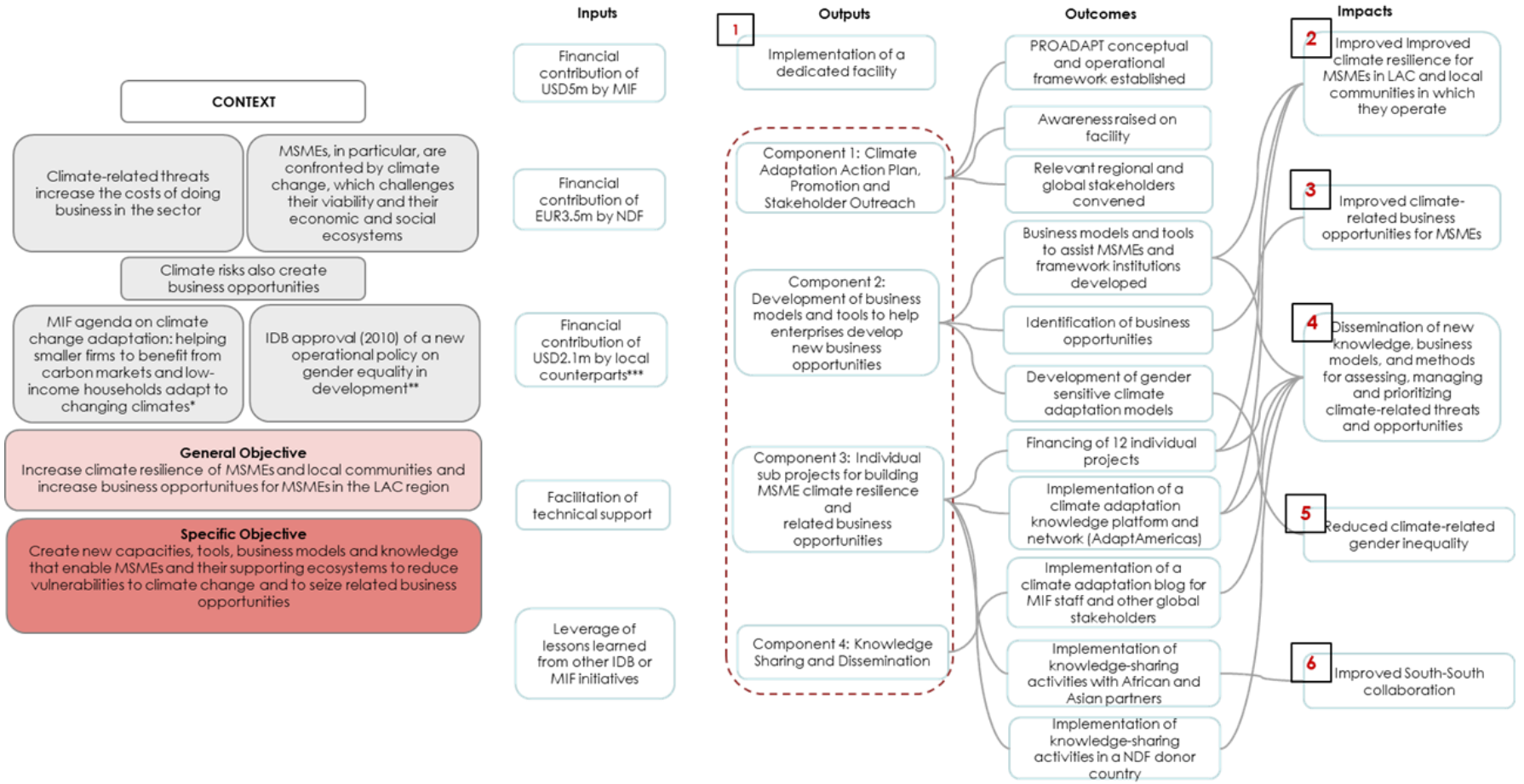
[4] In this sense, the intervention logic can be referred to as the set of assumptions (or hypotheses) about why the programme is supposed to work. The theory of change, on the other hand, specifies what actions are necessary to achieve the desired change, i.e. it explains the causal processes that underlie the programme.

particular context. It first identifies the expected short- and long-term effects (i.e. outputs, outcomes and impacts) and then works to identify all the conditions, assumptions and supporting factors that must be in place for these effects to be generated. Contrary to "logical model" approaches to policy development, which identify the sequence of events and results (outputs, outcomes and impacts) that are expected to occur as a result of the intervention, the Theory of Change approach goes further by outlining the **mechanisms of change, as well as the assumptions or pre-conditions, risks, and other supporting factors** that drive or hinder the theory from taking place or materialising as expected. As such, ToC is more layered and complex than a logic model.

The figures below present the ToC established and discussed with the Climate Change Division (CCS) team during the inception phase.

One ToC was reconstructed at the Program level. It was then tested and applied to each operation under study, where it was tailored as needed (13 ToCs in total). For some projects, there was not a complete alignment with the ToC at the Program level, and this is normal: the program has a broader scope than individual projects.

Figure 4 Intervention logic of ProAdapt



* According to MIF, "a response to climate change offers many market opportunities in the region, but to date, these have been available only for the largest, best-connected players. MIF can be a major force in helping smaller firms and investors to benefit from carbon markets to profit from new, low-cost renewable energy technologies, and to help low-income households better adapt to changing climates". See https://bit.ly/3qGUdlU

** This policy (2010) (https://bit.ly/3BD5KJ3) emphasises gender mainstreaming and direct investment in strategic areas for gender equality and women's empowerment. To implement this policy, the MIF mainstreamed gender throughout the project cycle in its projects (https://bit.ly/3S13wZq). See also: https://bit.ly/3BH08xt or https://bit.ly/3ddoVzJ

*** The counterpart amount shown was initially estimated in the Administration Agreement between the IDB and NDF. However, the total counterpart for the projects formulated in component 3 amounted to $14,805,750 (see section 3.3.3 below).

Table 2 Hypotheses and results associated with ProAdapt's ToC

	Hypotheses	Results
1	Climate adaptation-related costs represent only a small fraction of the region's projected negative impacts of climate change.	Cost of implementing a dedicated Facility limited compared to the potential gains
2	Most of the efforts focus on climate change mitigation, but the negative impacts of climate change are increasing in Latin America and the Caribbean. By increasing the cost of doing business, climate change challenges the viability of businesses of all sizes and in all sectors. MSMEs have mainly adopted a reactive approach to imminent threats from global climate change, and are ill-equipped to improve their resilience	Improved climate resilience for MSMEs in LAC and local communities in which they operate
3	The drive for greater climate adaptation and resilience generates a growing demand for a wide range of goods and services and can contribute to green growth in LAC.	Improved climate-related business opportunities for MSMEs
4	Most enterprises lack the information and the capacity to identify climate threats or to understand their costs, thereby hampering informed decisions.	Dissemination of new knowledge, business models, and methods for assessing, managing and prioritizing climate-related threats and opportunities Improved climate resilience for MSMEs in LAC and local communities in which they operate
5	Women, low-income communities, the indigenous, and the youth are among the most vulnerable groups to climate change and require specific support.	Reduced climate-related gender inequality
6	Opportunities to collaborate and exchange in the South exist regarding climate change adaptation.	Improved South-South collaboration
7	Rural communities, farmers, and cooperatives face the challenge of access to finance (e.g. longer-term financing options) to plan and adapt to climate change.	Improved access to finance for stakeholders directly affected by climate change adaptation

Of all these assumptions outlined in the table above, the fifth assumption on reducing climate-related gender inequalities stands out. This is in line with the operational policy on gender equality approved by the IDB in 2010, which emphasises gender mainstreaming and direct investment in strategic areas for gender equality and women's empowerment. While the policy did not explicitly mention the relationship of gender inequalities associated with climate, it did provide an approach that, in the design of ProAdapt, was pioneering in giving prominence to and addressing the challenges posed by such inequalities in the context of climate action.

Most of these assumptions have been tested as part of this evaluation. The results of this analysis are included in the subsequent sections of the report. The findings of this report focus on the extent to which the ToC has succeeded in generating the intended results, and recommendations will focus on how the ToC can be further improved to enhance results based on a contribution analysis approach.

2 Overall analysis of the ProAdapt portfolio performance

2.1 Monitoring and evaluation frameworks of the programme and its projects

2.1.1 Challenges in estimating overall ProAdapt indicators

The development of the evaluation required using information from ProAdapt's monitoring and evaluation framework, both at the overall project level and at the Facility level. Indeed, the evaluation extensively used monitoring and evaluation information from each of the projects analysed, particularly from the Donors Memoranda (DMs) and Project Status Reports (PSRs). This enabled obtaining essential information for evaluating each project supported by ProAdapt.

For the overall Facility, however, the possibility of using this monitoring and evaluation framework to establish compliance with the overall objectives set out in the IDB-NDF Agreement posed several challenges: first, no mechanism was identified that systematically and centrally records the general ProAdapt indicators, i.e. those that were set out in the logical framework of the IDB-NDF administrative agreement; second, not all of the means of verification initially established for the Facility's indicators were developed; and third, the estimate of some general indicators had to be made on the basis of project results, but in some cases the project indicators, although they referred to the same indicators and targets of the Facility, were not standardised and therefore their aggregation was not possible. In particular, it is necessary to elaborate on the third of these challenges, as is done below.

2.1.2 Alignment of Facility and project indicators

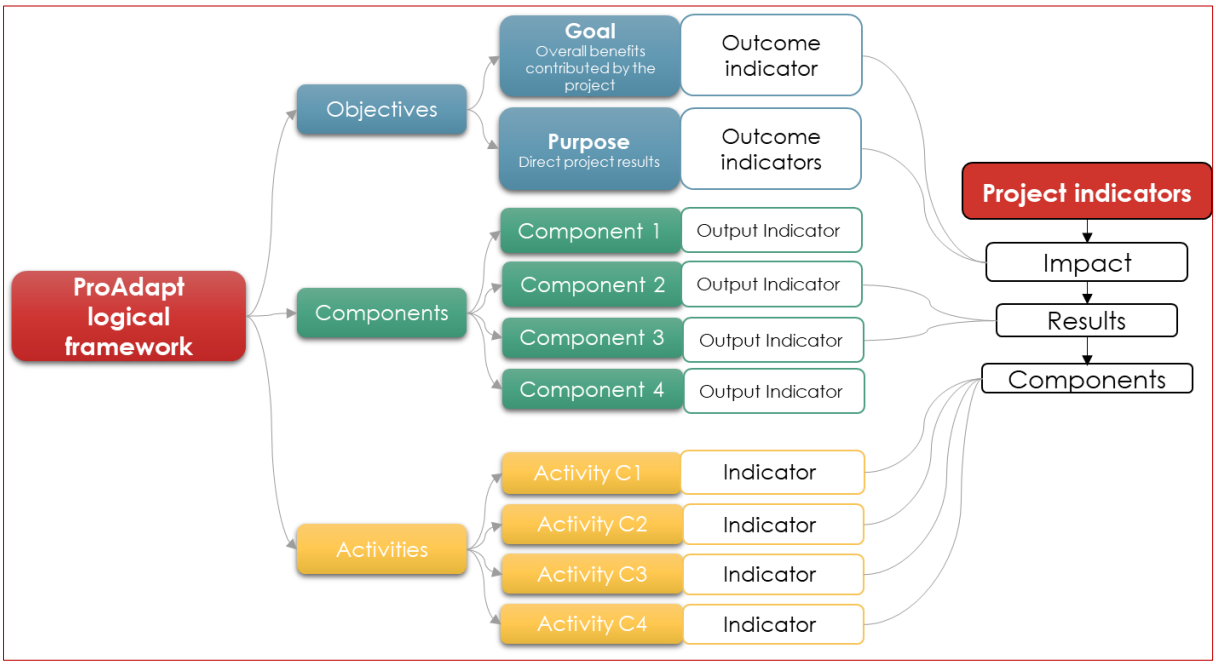
At the ProAdapt programme level and the level of the implemented projects, the indicators were defined according to three (3) categories. However, the categories at the ProAdapt level are labelled differently from those at the project level. Indeed, the ProAdapt Administration Agreement between the IDB and the NDF establishes a set of indicators to assess the overall objectives (goal and purpose) and the components and activities of the Facility. At the project level, the indicators are designed to monitor and evaluate project outcomes, impacts and components.

As expected, indicators are adapted to the conditions, context and specificities of the design of each project. The outcome indicators are clearly defined in terms of the direct beneficiaries of the project and the main objectives to be achieved. Therefore, the number and type of performance indicators developed are different for each project and, thus, not necessarily related to the other projects supported by the Facility.

From a conceptual perspective, the components, activities, impacts and outcomes of both the programme and the projects are aligned. Indeed, the projects have been designed in line with the programme's objectives. The evaluation results of each project lead to the conclusion that they primarily meet the expectations of the original ProAdapt design. Most projects have defined their impact indicators, outputs and components, and two (2) projects (RG-M1264 / RG-X1249 and BR-M1122) have also included systemic impact indicators related to increasing enabling conditions for the implementation of climate-resilient solutions. However, some projects (BR-T1343, RG-T2935) did not include indicators to measure the impact of implemented activities.

Figure 5 shows the structures of the ProAdapt indicators and the projects schematically according to their respective logical frameworks. It also shows how and which project indicators relate in some way to the overall ProAdapt indicators.

Figure 5. Alignment of project and programme indicators



Source: Own elaboration

However, not all project log frames (or results frameworks, as they are called in a few cases) include indicators that correspond to those set out in each component of the ProAdapt log frame. In other words, the design of project indicators does not, in all cases, show a precise alignment with the general indicators of the facility, which would allow establishing in a standardised way the extent to which they contribute to ProAdapt's objectives (outcomes and impacts).

Thus, the M&E framework could have been designed in light of an explicit and more detailed intervention logic at the programme level. This overall intervention logic would have guided the design of the intervention logic of the individual projects so that their respective M&E frameworks would facilitate the identification and assessment of contributions to the overall programme objectives. In addition, such an approach would have allowed for a more robust analysis to draw lessons learned from the implementation of ProAdapt.

2.1.3 ProAdapt Logical Framework

This section provides an analysis of the ProAdapt Logical Framework. Table 3 presents the logical framework set out in the Agreement regarding the objectives and components of the Facility, but not the activities. The table includes those indicators that, in the view of the evaluation team, are relevant for the final evaluation of the Facility. The logical framework has included no intermediate indicators —only those that account for final results— nor the activities mentioned in the previous section. There are 17 indicators in total. Two correspond to the project goal, four to the Facility's purpose, and the remaining 11 are distributed among the four components. For each of them, the evaluation findings are presented.

Table 3. ProAdapt Logical Framework indicators

Objectives		Indicator number, description and target	Means of verification	Achievement	Comments
Goal Improve the resilience of MSMEs and communities in LAC to the impacts of global climate change	1	<u>For improved climate resilience</u> Number of MSMEs demonstrating improved climate resilience against initial baseline (methodology and target to be determined in year 1 of project implementation)	• Consultation with ProAdapt officials • Evaluation of projects	No methodology was developed Associated indicator (N° 5) estimated	A baseline against which to compare the Facility's impact was not constructed, as the monitoring and evaluation system in indicator seven below under Component 1 was not finalised.
	2	<u>For new business opportunities:</u> Total sales (US$) of climate-related products and services from MSMEs in LAC	• Evaluation of projects	No information available	None of the ProAdapt projects included this indicator, but some included related indicators.
Purpose Create new capacities, tools, business models and knowledge that enable MSMEs and their supporting ecosystems to reduce vulnerabilities to climate change and to seize related business opportunities	3	Approximately ten projects on adaptation for MSMEs	• Evaluation of projects	10 projects implemented (100%)	Refers to projects supported by the facility
	4	50 MSMEs offering climate-related products and services	• Evaluation of projects	No information available	Three projects were identified that incorporated indicators in this regard. However, these indicators were not measured.
	5	An estimated 2,000 MSMEs demonstrating improved climate resilience against initial baseline (methodology and target to be defined in year 1 of project implementation)	• Evaluation of projects	Associated indicator used: at least 5,238 MSMEs demonstrating efforts to improve climate resilience	See comments in indicator 1
	6	At least 10,000 MSMEs in LAC incorporating climate impacts into business decision-making (methodology and target to be defined and adjusted in year 1 of project implementation)	• Evaluation of projects	Proxy used for estimation: More than 5,049 (50%)	No methodology was developed to make this measurement. Instead, the evaluation team made an approximate measurement based on information from the projects.
Component 1 Program Preparation and Awareness Raising	7	Development of program impact indicators and M&E system completed, including baseline methodological tools and impact indicators for measuring reduction in climate vulnerability)	• Interviews with former and current IDB officials	Not achieved	No methodology was developed to make this measurement.
	8	At least three awareness and consultative workshops held	• Interviews with former and current IDB officials	More than 3 (> 100%)	While not indicating the exact number of workshops, facility officials interviewed stated that more than three were held.
	9	Promotional and marketing materials	• Consultation with ProAdapt officials • Desk research • Evaluation of projects	Yes	

Objectives	Indicator number, description and target		Means of verification	Achievement	Comments
Component 2 Practical Tools and Business Models	10	At least 5 models, tools and taxonomies developed to help MSMEs in developing countries to assess, manage and prioritize financial, operational and strategic climate risks and related business opportunities	• Consultation with ProAdapt officials • Desk research • Evaluation of projects	More than 5 (>100%)	The assessment of this indicator considered that models, tools and taxonomies associated with climate risks and business opportunities were developed at the central level of ProAdapt coordination and in most of the projects. Most projects developed capacities and tools; some undertook training and awareness-raising activities.
	11	At least 8 targeted market assessments to identify business opportunities related to climate adaptation in specific sectors, value chains and geographies	• Consultation with • ProAdapt officials • Desk research • Interviews	12 150%	This indicator refers to the Private Markets for Climate Resilience project presented in section 2.3 and to other market assessments in, among other countries, Honduras, Nicaragua and Jamaica.
	12	At least two gender-sensitive climate adaptation models developed for women-owned MSMEs	• Consultation with ProAdapt officials • Desk Research • Evaluation of projects	1 50%	This model was also reported in indicator 10.
Component 3 Pilot Projects on Climate Adaptation	13	At least 10 pilot projects approved or USD 6 million in MIF and NDF resources approved for sub-projects	• Evaluation of projects	11 projects approved (110%)	The project PROADAPT Monterrey: Increasing Water Resilience (Mexico ME-T1348) was included but was cancelled after its approval.
	14	At least one pilot project focused on women and adaptation	• Evaluation of projects	1 100%	This project is "Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo" (Panama PN-X1013).
Component 4 Knowledge Sharing	15	At least 5 partner organizations are members in the platform	• AdaptAmericas website	Not achieved	Instead of the AdaptAmericas platform, the ProAdapt website was active for the first years of the facility but was later taken down. Therefore, it was not possible to verify compliance with this indicator.
	16	At least 3 knowledge transfer and sharing activities with actors in Africa or Asia	• Consultation with ProAdapt officials Interviews	More than 3 >100%	These activities were carried out as part of the implementation of the PMCR project (indicator 11).
	17	Knowledge and learning systematized and converted into off-the-shelf developed solutions, including manuals, training methodologies, project design, market studies, etc.	• Consultation with ProAdapt officials	Yes	This indicator refers to the activities associated with indicators 10 and 11.

Source: Own elaboration

At the beginning of this chapter, we note the challenges the analysis of the Facility's general indicators posed for the evaluation team. First, since there was no systematic and centralised mechanism to record ProAdapt's general indicators, the verification means indicated in Table 3 were used, particularly for indicators 1, 8, 10, 11, 15 and 16. Second, not all of the means of verification established initially for the Facility's indicators were developed. For example, indicator 1 ("Number of MSMEs demonstrating increased climate resilience compared to the initial baseline") could not be estimated because the monitoring and evaluation system referred to in indicator 7 was not developed. As for the third challenge, the analysis above should consider the possibility of aggregating project indicators to estimate global indicators. This aggregation exercise was used to calculate indicators 2, 3, 4, 5, 6 and 13, and to some extent for indicator 10. In some cases, relevant indicators for the aggregate calculation of the facility indicator were included in the project log frame but were not calculated. They are included in the tables below for each indicator.

Despite these constraints, and based on information gathered in developing the in-depth studies of the 10 projects supported by ProAdapt and especially from the information obtained from the PSRs, the consultant team made estimates of two indicators similar to those formulated initially in the Facility's logical framework.

- **It was found that at least 5238 MSMEs participating in ProAdapt demonstrated efforts to improve their climate resilience, in contrast to the original target of 2000 MSMEs demonstrating increased climate resilience with respect to the initial baseline Indicator (indicators 1 and 5).**
- **According to the data obtained by the evaluation team, at least 5049 MSMEs in LAC that, as a result of their participation in ProAdapt, incorporated climate impacts into business decision-making, against a target of 10,000 (indicator 6)**

Regarding other indicators, the achievements were as follows:

Table 4. Achievement of selected overall Facility indicators

Indicator	Achievement
At least five models, tools and taxonomies developed to help MSMEs in developing countries to assess, manage and prioritise financial, operational and strategic climate risks and related business opportunities	Over 100%
At least eight targeted market assessments to identify business opportunities related to climate adaptation in specific sectors, value chains and geographies	75%
At least two gender-sensitive climate adaptation models developed for women-owned MSMEs	50%
At least 10 pilot projects approved or USD 6 million in MIF and NDF resources approved for sub-projects	110%
At least one pilot project focused on women and adaptation	1
At least three knowledge transfer and sharing activities with actors in Africa or Asia	More than 3
Knowledge and learning systematized and converted into off-the-shelf developed solutions, including manuals, training methodologies, project design, market studies	Achieved

Source: Own elaboration

Targets not met were:

- Development of program impact indicators and completion of the M&E system, including baseline
- At least five partner organizations as members in the platform Adapt Americas

Further information is provided below on some indicators that merit detailed explanations.

2.1.3.1 The M&E System (Indicators 1, 5 and 7)

The monitoring and evaluation system was initiated but not fully completed (indicator 7). Therefore, no baseline was constructed. Instead, a document developing a conceptual framework for the M&E system was produced (see section 2.4 for a brief description of this product). The interruption of the process coincided with ProAdapt's move from the MIF to the CCS and the change in its coordination.

The interviewees' perceptions indicate that the process was truncated because there was significant interest from the region's countries (through their representatives on the IDB Lab board) for the formulation and implementation of projects to begin within the Facility's framework. Moreover, developing the M&E system, particularly the baseline survey, implied a cost. This would have been an exceptionally long and complex exercise (in methodological and operational terms) which would have meant postponing the start of many of the projects by several months.

Based on the information gathered in the evaluation of the projects, a similar indicator for indicators 1 and 5 (which are the same) is proposed: the number of MSMEs demonstrating efforts to improve their climate resilience. The results of this alternative measurement are shown in the table below.

Table 5. Number of MSMEs demonstrating efforts to improve climate resilience[5]

Project number	Indicators of the projects contributing to the expected impact at ProAdapt level	Original target	Achievement	Level of achievement threshold
BR-M1122	Number of farmers who have adopted new technologies or practices in their economic activities, i.e. that is, who have applied practices with greater resilience to climate change	600	569	95%
RG-X152, RG-M1285	Number of coffee processing plants (mills) where efficiency improvements have been made in water use and treatment	300	919	306%
NI-X1012, NI-M1040	Number of production units that are more resilient to climate change	1000	1102	110%
RG-M1264, RG-X1249	Number of producers, technicians and public officials involved in planning and climate-smart management	3000	2634	88%
PN-X1013, PN-M1030	Number of rural enterprises that have adopted new technologies and practices (two tourism associations and three fishing associations)	5	14	280%
BL-T1096	Number of companies that adopt new practices or technologies	30	NA	NA

[5] Not against a baseline

Project number	Indicators of the projects contributing to the expected impact at ProAdapt level	Original target	Achievement	Level of achievement threshold
HA-M1057	Number of farms that have new technologies or practices	10000	NA	NA
Number of MSMEs demonstrating efforts to improve climate resilience		2000	5238	262%

Source: Own elaboration

2.1.3.2 Total sales (US$) of climate-related products and services (indicator 2)

None of the ProAdapt projects included this indicator in their project-level monitoring. However, other related indicators were identified and are presented in the table below.

Table 6. Projects' indicators associated with ProAdapt Indicator N° 2 (Total sales (USD) of climate-related products and services from MSMEs in LAC)

Project	Indicators of the projects contributing to the expected impact at ProAdapt level	Target	Achievement	Level of achievement threshold
RG-X152, RG-M1285	Percentage increase in net income margins from production per kilogram in the intervention zones	30%	477.22%	1591%
NI-X1013, NI-M1040	Percentage growth in the annual incomes of small organic honey and fine cocoa producers	12%	18%	150%
BR-T1343	Increase in the networks' income from the sale of used household cooking oil	R$ 24,886,546	R$ 25,199,413	101%
JA-T1128, JA-L1070	Percentage of suppliers and installers of water adaptation goods and services reporting sales growth	50%	NA	NA
HA-M1057	Average cumulative revenue growth of SMASH farms implementing improved techniques	75%	NA	NA

Source: Own elaboration

2.1.3.3 MSMEs offering climate-related products and services (Indicator 4)

Three projects included indicators associated with this general indicator (Table 7). However, no information was found.

Table 7. Projects' indicators associated with ProAdapt Indicator N° 4 MSMEs offering climate-related products and services

Project	Indicators of the projects contributing to the expected impact at ProAdapt level	Target	Achievement	Level of achievement threshold
JA-T1128, JA-L1070	Number of housing development/construction firms reporting being able to sell new build homes (including water adaptation measures) at a premium price and/or with an enhanced marketing capability that differentiates their property from others, disaggregated by gender	77	NA	NA
RG-T2935, RG-L1119	Number of people who gain access to microinsurance products	154	0	0
HA-M1057	Number of farms selling to new domestic or export markets	10,000	NA	NA

Source: Own elaboration

2.1.3.4 MSMEs in LAC incorporating climate impacts into business decision-making (Indicator 6)

No information was found on the methodology for calculating this indicator. Nevertheless, based on the information from the project evaluations, the consultant team made an estimate, which is presented below.

Table 8. MSMEs in LAC incorporating climate impacts into business decision-making

Project	Indicators of the projects contributing to the expected impact at ProAdapt level	Target	Achievement	Level of achievement threshold
RG-X152, RG-M1285	Number of farmers who have adopted new farming practices or technologies for soil and water conservation	2,300	2,510	109%
RG-M1264, RG-X1249	Number of producers applying the resilient business models designed	2,000	2,252	113%
PN-X1013, PN-M1030	Number of enterprises that adopted sustainable production practices (3 artisanal fishing associations, two tourism associations, two responsible fishing buyers and two responsible tourism buyers)	9	16	178%
BR-T1343	Number of units that have implemented the management system	6	19	317%
HA-M1057	Cumulative number of farms trained in business and financial management	600	252	42%
Overall ProAdapt Indicator		**10,000**	**5,049**	**50%**

Source: Own elaboration

2.1.3.5 Models, tools and taxonomies developed to help MSMEs in developing countries to assess, manage and prioritise financial, operational and strategic climate risks and related business opportunities (Indicator 10)

At the ProAdapt coordination level, several knowledge products were developed. The most relevant of these are presented in detail in section 2.4 below. Other knowledge products resulting from implementing the ProAdapt-funded projects are presented in section 3.5.2, Table 15. Finally, Appendix C presents an aggregated list of knowledge products of ProAdapt.

2.1.3.6 Targeted market assessments to identify business opportunities related to climate adaptation in specific sectors, value chains and geographies (Indicator 11)

This indicator corresponds to the Private Markets for Climate Resilience project presented in section 2.3. In this project, markets assessments were made for six countries (Colombia, Nicaragua, South Africa, Kenya, Philippines and Vietnam) for the agriculture and transport sectors. In addition, a similar study was carried out in the Jamaica water sector.

2.1.3.7 Partner organisations as members in the Adapt Americas platform (Indicator 15)

The facility's platform, which according to the Agreement, was to be called Adapt Americas, was the ProAdapt website (https://www.proadapt.org/). Therefore, the products referred to in indicators 9, 10 and 12 were published on this site.

According to the Facility's objectives, these products were part of a work to be continued, refined and made available in a publicly accessible format. Consequently, this material was published on the ProAdapt website as part of the Facility's interest in fulfilling its knowledge management function. However, the platform was eventually taken down. The evaluation team could not establish when it was removed. According to one IDB official interviewed, the website was taken down since the allocated programme resources were finished, and an IDB policy does not allow the existence of websites other than the official one on which information is published on its behalf. Nevertheless, as detailed in Annexe C, several knowledge products from the ProAdapt website are currently on the IDB website.

2.2 Findings from the deep-dive studies

As part of the evaluation, deep-dive studies were conducted on the projects financed by the ProAdapt Facility, based on a Contribution Analysis approach and through the development of Theories of Change (ToC) for each project. The deep dive studies used a mixture of documentary review and stakeholder consultation to inform their findings. The studies were notably based on the review of the IDB Donors Memoranda and the Project Status Reports, where these were available. In addition, interviews were also conducted with key project stakeholders to gain a broad view of the project implementation and the results[6]. For this, the evaluating team consulted, where possible, the IDB Team Lead in charge of supervising the project, the local Executing Agency, the project partners and the final beneficiaries. The list of reviewed documentation and the interviewed stakeholders are detailed in the appendices of the deep dive studies.

Overall, the deep dive studies reveal that, for the most part, the projects financed by ProAdapt reached their intended objectives: on average, 74% of projects' key performance indicators were achieved. This was a remarkable achievement given the adverse external challenges many projects faced. Some of these challenges were external in nature (e.g. the impacts of the Covid-19 pandemic), whilst others were internal (e.g. problems linked to staff turnover within executing agencies). The complete reporting on the achievements of the projects' objectives is presented in Section **Error! Reference source not found.Error! Reference source not found.**.

2.3 The Private Markets for Climate Resilience project

2.3.1 Background and objectives

The PMCR project was conceived as part of component 2 of the Facility. It aimed to develop practical business models and tools to help MSMEs and their framework institutions anticipate and prepare for climate-related threats to their assets, value chains and local communities. It was also intended to help MSMEs become more climate resilient, and exploit business opportunities in specific areas, sectors, value chains and geographies.

As part of the Facility, this project sought to strengthen the relationship between the MIF and the NDF, moving beyond supporting individual projects to a programmatic approach. The Facility, it was assumed, should also be a source of knowledge and learning to facilitate

[6] The consultancy had initially foreseen organise beneficiary surveys for roughly five projects. However, as stated in section 1.4, this turned out not to be possible due to the lack of contact details available and the geographic remoteness of some of the beneficiaries.

replication and scale up successful pilot projects in Latin America, Africa, and Asia. This will provide opportunities for practical South-South collaboration and knowledge sharing on climate resilience (component 4 of the Facility). In particular, the project was an opportunity for NDF to generate knowledge products which could help plan and develop for Africa and Asia as well as globally, a strategy to replicate an experience that had already been tested in ProAdapt in Latin America.

Conceptually, the project was based on recognising the increasing risks and impacts of climate change in all sectors of the global economy, especially in developing countries with lower adaptive capacities. It also recognised that public action alone is insufficient to address this threat's magnitude and that the private sector would largely bear this cost. However, while private markets face this challenge, there are also opportunities for companies to increase their resilience or to create new climate-resilient products, services and business models. Therefore, the PMCR aimed to examine an overlooked component of the response to climate change: the private sector's contributions to climate adaptation and resilience.

2.3.2 *Project implementation*

This purpose led the project to conduct a market assessment of private resilience in Latin America, Africa and Asia. In doing so, it sought to provide an overview of the private market and innovation in climate resilience, identify opportunities, highlight weaknesses that inhibit a market response, and examine the role of enabling policies and frameworks, among other variables. Accordingly, the agriculture and transport sectors in Colombia, South Africa and the Philippines were chosen, with desk studies in Nicaragua, Kenya and Vietnam.

The MIF designed the project under the leadership of Steve Wilson and the support of the NDF. The MIF was also in charge of the procurement process. The study was awarded to the Global Climate Adaptation Partnership (GCAP), which, together with the Laera Group in Colombia, led the implementation. In addition, contributions from the Oscar M. Lopez Centre in the Philippines, Econologic in South Africa, and Claudia Múnera in Nicaragua assisted the team.

The project was launched on the occasion of the conference The Challenge and the Opportunity of Private Sector Climate Resilience, which took place in Cartagena, Colombia, in May 2016. ProAdapt was presented at this event, hosted by the MIF, and was the opportunity for the IDB and the consultant team to define the project guidelines.

The implementation of the project started under the leadership of GCAP. However, shortly after the start of the project, a personal calamity affecting the project manager had direct implications for the project's development. The final report was due at the end of 2017. The first versions of the project report were available in February 2018. It was then evident that the progress to date did not meet expectations. As a result, the IDB and the NDF were not satisfied with the first versions of the reports.

An assessment of the information collected and the products developed concluded that the project produced considerable material. In addition, some valuable pieces of information have been produced. For example, according to Carmen Lacambra, in Colombia, the Philippines and South Africa, interactions were held with unions, federations, associations, anchor companies, financial institutions, ministries and other government and territorial planning bodies, certifiers, producers, distributors, actors in value chains, insurers, shipping companies, ports and construction companies. Moreover, 124 "resilience dialogues" were held in South Africa, Colombia and the Philippines alone. Although not with the same scope, similar meetings were held in Kenya and Nicaragua. One of the outcomes of these interactions, and part of the final deliverables, were the factsheets, which present valuable information from the sectors and countries analysed (see list of factsheets in Annex C).

At the end of the stocktaking, it was decided to elaborate, based on the information collected, a global report under the leadership of Carmen Lacambra of the Larea Group and the direct support of Isabel Leroux of the NDF. The NDF allocated additional resources for designing the report and factsheets. Resources were also allocated to a professional who contributed to the editing of the report. As a result, the final product (NDF & IDB. 2020. *Private Markets for Climate Resilience: Global report*. Nordic Development Bank, Helsinki, Finland) was published two years later than planned.

2.3.3 *Project results*

This study was the first initiative by a development institution to understand better climate resilience solutions provided by the private sector in six developing countries in the agriculture and transport sectors. It examines current best practices and opportunities related to climate resilience, identifies leaders shaping national markets, and highlights products, services, tools and processes. The study found an active market for private climate resilience solutions and concluded that private action on resilience is vast and remains terra incognita. In addition to identifying a wide range of promising examples and business solutions in climate resilience, the study also presented findings and recommendations on how private sector stakeholders could become more active and gain a better understanding of the business case for doing so.

The effects of this study are challenging to establish. However, the material resulting from the project was widely disseminated. Results, references and reviews of the project were published on various sites. A sample of these is presented below:

- Extensive project material, fact sheets, a summary of methods and the final report are available on the NDF website: "Private Markets for Climate Resilience (PMCR)".
- The IDB published the factsheets and the Global Report
- The Oscar M. Lopez Center, an influential think tank in the Philippines, published material, produced several blogs related to the project and held a dissemination event on the study's results.
- GCAP
- Policy Commons
- The Korea Institute for International Economic Policy
- Market Screener
- The Energy and Environment Partnership Trust Fund (EEP Africa)
- Centre for Climate Change Economics and Policy and the Grantham Research Institute on Climate Change and the Environment
- Columbia University
- SNV Kenya
- Fedearroz (Colombia)

The publication of the project results entailed an enormous effort to overcome various difficulties. It cost much more to complete than anticipated, but in the end, for the NDF, the result was satisfactory. As the study's authors reported, authorities and business sector representatives widely welcomed the findings and conclusions in Colombia and the Philippines. The study made progress in generating knowledge about the dynamics of markets and the private sector in developing countries to generate solutions to climate change. However, this area still poses enormous challenges in understanding and promoting them.

2.4 Other key knowledge products developed under ProAdapt

Some of the most important knowledge products generated under ProAdapt's central coordination are described below.

- **A Prototype Monitoring, Learning and Evaluation Platform[7]:** This knowledge product developed a methodology for designing a monitoring, learning and evaluation platform for ProAdapt; reviewed existing approaches; and proposed elements for developing an initial scorecard. The development of this product was based on the premise that monitoring project investments and progress towards climate resilience in the private sector requires scaling up the usual project-level performance indicators. Building on a conceptual framework of continuous adaptation for resilience, a prototype monitoring, learning and evaluation (MLE) platform requires joint learning with crucial stakeholders, benchmarking the toolkit in real projects and building a robust toolkit. Specifically, the report provides an overview of the approach proposed by the consultant (Global Climate Adaptation Partnership-Laera Group) and the work plan for delivering a prototype monitoring and evaluation framework for ProAdapt. However, this work was not followed up.
- **A climate risk assessment tool for financial institutions**: This tool was presented in a document entitled "Consolidated Report," delivered in August 2018. It presents all the reports delivered to the IDB as part of the consultancy developed by PricewaterhouseCoopers Contadores Públicos Ltda. A team from the University of California San Diego, which specialised in Climate Adaptation, also participated in its execution. The results of this study were disseminated through webinars and an IDB blog[8].

Box 1 A climate risk assessment tool for financial institutions

This project aimed to develop a tool that allows financial institutions to i) identify and quantify the exposure of their business to climate risks in relation to agricultural credit, and implement measures to reduce this exposure. To this end, we: i) analysed the correlation between climate indicators and agricultural productive and financial indicators, and ii) developed an investment valuation model with the capacity to mitigate such exposure in productive and financial terms.

The study region was the semi-arid area of Bahia State in Brazil, where the PROADAPTA Project was located. This project aimed at helping small farmers fight severe weather conditions by using resilience tools, such as artesian wells and dams.

The ultimate objective of this tool was to promote climate-resilient investments in the Brazilian agricultural sector. Despite its initial regional focus, this work aimed to produce a methodology and

[7] Downing, Thomas E.; Colvin, John; Abdelrahim, Sarah; Lacambra, Carmen; Munera, Claudia; Lacambra, Juan; Castro, Mirza. (2016). *A Prototype Monitoring, Learning and Evaluation Platform: Benchmarking Climate Resilience in the Private Sector for PROADAPT*. Retrieved from https://publications.iadb.org/en/prototype-monitoring-learning-and-evaluation-platform-benchmarking-climate-resilience-private

[8] Persson, S. (2018, September 27), Financial Institutions need tools to address climate risks in their portfolios. "Hablemos de sostenibilidad y cambio climático". IDB. https://blogs.iadb.org/sostenibilidad/en/financial-institutions-tools-climate-risks-portfolios/

tools that will be replicable in other regions, sectors and countries. However, we could not verify how far this tool has been disseminated and used.

The new financial tool was developed by correlating climatic factors and the behaviour of smallholder farmers in a specific area. The study has shown indications that climate has a statistically relevant correlation with default. This correlation is significant enough to justify that commercial banks should evaluate their credit rating methods to include climate as a variable, especially in relation to agricultural producers in climate-sensitive regions, such as the region selected for the study.

- **Gender and Climate Resilience: Analysis and Toolkit. Case Study of Women in the Gulf of Montijo, Panama:** This study was carried out by Volt Studios under the leadership of Luis Márquez and was sponsored by IDB and the NDF through ProAdapt.[9] The report analyses how gender intersects with climate change and adaptation, and summarises the five key dimensions of climate resilience —social, ecological, economic, physical and institutional— that ProAdapt climate change adaptation projects are addressing in Latin America and the Caribbean. Many existing climate resilience tools focus on specific sectors (e.g. agriculture, energy, agro-forestry), but few explicitly focus on gender equality. Given the vulnerabilities and gender disparities that negatively impact women and women-led MSMEs, this study identifies key gender issues that affect climate resilience. Further, it provides recommendations for developing new ProAdapt and climate change resilience projects that engage women as agents of climate resilience. Finally, it provides a toolkit to guide ProAdapt projects on integrating gender considerations into climate resilience projects.
- **Adaptation Solutions Taxonomy:** This study was conducted by ASAP (Adaptation SME Accelerator Project), an initiative led by Lightsmith Group. The study's authors were Chiara Trabacchi, Jay Koh, Serena Shi and Tara Guelig. The development of this taxonomy is part of ASAP, an initiative that seeks to build the ecosystem of SMEs providing climate adaptation solutions in developing countries. In particular, ASAP aims to improve the availability and uptake of climate adaptation solutions by identifying, engaging and empowering SMEs providing such solutions in developing countries. The IDB-funded Taxonomy of Adaptation Solutions is thus a tool for:
  - Establishing a structured approach for transparently determining whether an SME qualifies as "Adaptation SME" based on the type(s) of technologies, products and services offered;
  - Identifying areas in which SMEs may require targeted support during the engagement, incubation/acceleration phases of ASAP to avoid maladaptation and adopt best environmental and social risk management practices; and
  - Creating a flexible and inclusive framework that can be applied beyond the ASAP initiative to any company, regardless of size, scale, or geography.

  Four main elements compose the proposed Adaptation Solutions Taxonomy, namely: (i) a definition of "Adaptation SME", (ii) eligibility criteria, (iii) a classification of "Adaptation SMEs", and (iv) a results framework to measure, monitor and report on climate adaptation-related outcomes.

[9] Márquez, L. (2017) "Gender and Climate Resilience: Analysis and Toolkit. Case Study of Women in Gulfo of Montijo, Panama".

3 Conclusions by evaluative criteria

This section presents the conclusions by evaluative criterion. They are based on the information collected during the study and triangulated with literature reviews, database analyses and the deep-dive studies.

3.1 ProAdapt included challenges and risks to respond to local needs and priorities

This first section answers the evaluative questions related to the relevance of the ProAdapt Facility.

Decidedly, the ProAdapt Facility was deemed to align with country priorities to respond to the local needs and challenges of the beneficiaries. It was considered highly innovative for the LAC region: adaptation to climate change presented an opportunity for MSMEs to increase resilience while improving income. The governance structure of the projects allowed to bring stakeholders that did not frequently partner together: local communities, the private sector, NGOs, and the public sector.

3.1.1 ProAdapt successfully addressed the needs of IDB and NDF

ProAdapt was launched in 2013 by the IDB (MIF/IDB Lab) in partnership with the Nordic Development Fund (NDF). Both contributors participated in the programme design and its priorities. It allowed them to ensure the adequacy of the analysed projects, in line with the Facility's guidelines. Through the creation of the Facility, an innovative solution to the threats that climate change posed to MSMEs in the Latin American and Caribbean region was proposed. Indeed, at its inception, ProAdapt innovated by considering adaptation to climate change as an opportunity in the region and not only as a risk (which was how it was widely understood then). Also, the approach focused on MSMEs and their resilience to climatic variations that had not been considered in the region's countries. Thus, the approach allowed experimentation between the private sector, local communities and climate resiliency.

The needs and challenges of IDB and NDF were as identified as follows:

- Prominence of individual projects, rather than a programmatic approach, when dealing with developmental issues
- Lack of South-South collaboration and knowledge sharing on climate resilience
- Lack of adaptation measures compared to mitigation in the region
- Private sector was not included in the agenda of adaptation as a source of research activities and technical support
- Lack of knowledge and skills needed in MSME framework institutions to help enterprises become more climate-resilient
- Lack of comprehensive solutions encompassing all sectors, including agriculture, food, tourism, manufacturing, construction, real estate, and other services
- Increased costs of doing business by threatening energy and water security, productive structures and systems, business assets, supply chains, distribution networks, employee health, and business planning strategies
- Gender inequality that exacerbated the costs for poor women due to climate change impacts on their livelihoods

Consequently, ProAdapt Facility was set up to respond to these needs through the following objectives:

- Increase climate resilience of MSMEs and the local communities in which they operate, as well as business opportunities in the region; and
- Create new capacities, tools, business models and knowledge enabling MSMEs and their supporting ecosystems to reduce vulnerability to climate change and seize related business opportunities.

Overall, ProAdapt was able to successfully respond to the challenges and needs identified by the donors during the inception period of the Facility.

3.1.2 The governance structure of the Facility allowed the integration of different scales and actors

On the one hand, ProAdapt interventions underwent a thorough analysis (e.g. due diligence) conducted by IDB Lab and the host countries to ensure alignment with the priorities and needs of each participant country. Thus, the selection of projects was conducted by the MIF online application, country offices and stakeholder networks through a specific call for proposals. The selection process of proposals was based on the potential contribution to the Facility's objectives. Specifically, the following criteria were used: (i) the potential impact on climate adaptation and climate resilience, (ii) scalability, (iii) demonstration effect, (iv) the potential for replication in Africa or Asia, and (v) impact on the specific needs of poor and low-income populations, and on traditionally excluded groups such as indigenous populations and women. These criteria were considered to be aligned to address the needs established by the partners. In addition, a non-objection from the corresponding beneficiary countries was required for individual projects to be approved. The latter ensures that interventions respond to the needs specified at the local level.

In parallel, a bottom-up approach enabled projects to be sourced locally. For instance, beneficiaries and executing agencies played an important role, allowing the design to consider needs at local scales. Some projects were the continuation of previous projects implemented by executing agencies. This is the case, for example, of the "Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers" (RG-X1252/RG-M1285) project, which builds on the activities previously developed by the Executing Agency (Catholic Relief Services – CRS) and one of the project partners (Keurig). Similarly, the "Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão" (BR-M1122) project scaled up and expanded a pilot led by the EA and members of the Adapta Sertão initiative, focused on implementing a climate-smart agricultural production system to improve productivity and climate resilience.

On the other hand, local executing agencies were in charge of implementing the projects to ensure alignment with priorities and create ownership and accountability for the projects. Such organizations included industry associations, technical organizations, NGOs, universities, private companies and local municipalities.

3.1.3 ProAdapt was highly successful in addressing local challenges and needs identified

The projects supported by ProAdapt aligned with national contexts regarding environmental and social characteristics. In fact, this was achieved by focusing on environmental challenges inherent to each country or region where the projects were located that hindered local development (social and economic). Subsequently, through ProAdapt interventions, it was possible to portray challenges and risks as opportunities for development. Overall, ProAdapt interventions successfully grasped local contexts and responded to the needs of the beneficiaries.

The table below summarises local needs aimed to be tackled by the ProAdapt project portfolio.

Table 9 Local needs addressed by ProAdapt projects

Project ID	Project Title	Objectives	Local Challenges/Needs	Level at Which Local Challenges Have Been Addressed
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	Build climate resilience among small farmers and their agricultural cooperatives by providing farmers, farmer's cooperatives, policymakers and local and regional financial institutions with technical assistance and an adaptive, climate-smart agricultural production system	• Droughts affecting farmer's productivity	
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	Increase the income of beneficiary farmers and raise water levels in recharge zones in seven areas of the Dry Corridor through: • Promoting sustainable coffee production • Building local capacities for effective and sustainable water resource management • Improving access to high-value markets	• Deterioration of watersheds • Farmers as the weakest link in value chains	
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	Support small and medium-sized producers in developing greater resilience to climate change through: • Suitable formats of information about climate change • Technological solutions to climate change • Credit to purchase such solutions	• Climate change affecting crops (drought and heavy rainfall) • Low production yields • Market inclusion	
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	Develop a solution to strengthen climate resilience by identifying and analysing resilient solutions and technologies and developing technological solutions that facilitate smallholders' access to improved climate data	• High unemployment and poverty rates • Vulnerability to climate change	

Project ID	Project Title	Objectives	Local Challenges/Needs	Level at Which Local Challenges Have Been Addressed
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	• Strengthen the economic, social, and environmental sustainability of coastal communities • Create and implement an economic model to improve resilience to climate change among artisanal fishers and tourism MSMEs in coastal areas at high risk of flooding	• Rising sea levels, coastal erosion and increased disasters	
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	• Reduce contamination from the improper handling and disposal of used cooking oil • Create resilience to water scarcity and the threat of climate-change-induced drought by alleviating pressure on the available water resources	• Water scarcity and drought • Waste management	
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	• Demonstrate the business and the financial cases for water efficiency • Build capacity to design and install water adaptation measures • Support climate resilience-related entrepreneurship • Raise awareness of the threats of climate change and the related business opportunities • Increase access to finance targeted towards installing water adaptation measures for housing developers and construction companies	• Intensification of water-related stresses due to climate change	
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	• Encourage climate resilience within the private sector through technical assistance • Help local SMEs seize the business opportunities the growing demand for climate resilience services and products represents	• Vulnerability of infrastructure to climate change	

Project ID	Project Title	Objectives	Local Challenges/Needs	Level at Which Local Challenges Have Been Addressed
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	Strengthen the viability of agri-business operations within the context of climate change through: • Support capacity building and training activities for small producers • Increase access to finance for producers • Develop new, more sustainable, and profitable market channels for producers • Strengthen the region's cooperative structures	• Vulnerability of the agricultural sector to climate change	
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	• Provide access to markets and skills for up to 18,000 smallholder farmers • Increase farmers' yields and their income by testing and introducing new varieties, providing training on climate-resilient good production and processing techniques, and improving access to finance • Have a systemic impact on the Haitian economy by creating a new market, generating new jobs, and bringing together organization and efficiency to the supply chain • Enhance domestic food security by increasing the volume and quality of sorghum available for local consumption	• Risk of floods • High poverty rate	

Legend: Dark green: addressed, yellow: partially addressed, red: not addressed / not identified

3.2 The design and implementation of ProAdapt were compatible with other related interventions

This second section provides answers to the evaluative questions related to the coherence of the ProAdapt Facility.

To a great extent, the design and implementation of ProAdapt Facility were considered compatible with other related interventions. ProAdapt is consistent with other IDB Climate Funds, such as the Pilot Program for Climate Resilience (PPCR). However, it is challenging to find synergies as adaptation had been mainly associated with the public sector, while ProAdapt was focused on the private sector. The ProAdapt Facility has brought an added value, the innovative approach, by treating adaptation not only as a risk but also as an opportunity and by focusing on the SMEs.

3.2.1 The governance structure promoted the selection of projects that were appropriate to the guidelines and priorities of the Facility

The collaboration between the IDB and the NDF in creating ProAdapt made it possible to define the Facility's guidelines in a way compatible with both partners' interests and priorities. The NDF was not directly involved in selecting projects or their administration. However, the analysis of the relevance of the projects suggests that the IDB followed the Facility's guidelines. Moreover, the IDB Lab team was also involved in the implementation of the project, ensuring a fruitful, responsive and open relationship with the various managers of the projects.

3.2.2 The ProAdapt Facility is coherent with other IDB climate funds

ProAdapt is consistent with other IDB Climate Funds, especially the Pilot Program for Climate Resilience (PPCR), one of two funds under the Climate Investment Funds (CIF) framework. The CIF is a global fund for which the IDB can apply for eligible financing, but the IDB does not manage it. However, synergies with other programmes were not easily identifiable because adaptation had been mainly associated with the public sector, while ProAdapt was focused on the private sector.

The added value contributed by the ProAdapt Facility was the innovative approach, as the objective was to carry out experimental interventions to improve approaches, targeting the private sector and viewing adaptation not only as a risk but also as an opportunity. In addition, the Facility sought to create an opportunistic framework for SMEs to develop their services and products. This dedicated approach to adaptation and focus on small businesses is new in the LAC region, where no country has done so, and no other fund at that time focused on MSMEs.

3.2.3 *The activities generally were coherent with the established goals in all the projects*

A detailed analysis per activity is done in the following table:

Table 6. Coherence of ProAdapt projects with project goals / local needs

Project ID	Project Title	Coherence between Project Activities and Project Goals / Local needs	Comments
BR-M1122	ProAdapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão		The project struggled with engaging the public sector and developing or establishing relevant partnerships with local agricultural credit cooperatives and other financial institutions needed to support funding for the climate-smart production system at a municipality level. Despite the challenges, the activities responded to the established goals and local needs showing that climate change can represent an opportunity to increase agricultural efficiency and create business opportunities.
RG-X1252/ RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers		Activities were suited to the region by responding to local needs (protecting watersheds, increasing incomes, coping with climate change, etc.).
NI-X1013/ NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors		Activities were suited to the context, and their execution helped to tackle the main issues local communities face regarding the production of cocoa and honey: access to climatic information, capacity building, crop management, access to markets through a commercial partner, etc.
RG-M1264/ RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano		The activities in the field were well suited to project goals. Some to a greater extent than others, those that most closely matched the needs were: • Expanding access to climate data, climate scenarios and risk analysis. • Training workshops on preparedness and response to climate change • Strengthening strategic partnerships and networks • Development of sectoral adaptation plans • Implementation of demonstration pilots
PN-X1013/ PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama		The activities in the field suited well. The field activities were adequate, despite the challenges related to achieving changes in attitudes and consumption in local communities and the practices of fishermen and tourism operators.

Project ID	Project Title	Coherence between Project Activities and Project Goals / Local needs	Comments
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil		Activities were relatively appropriate for the intervention area. All the efforts were efficient and produced relevant and substantive deliverables that created new trends and were an eye-opener for the issue of solid waste, mainly used cooking oil.
JA-T1128/ JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector		The activities regarding the technical components suited the national contexts. However, the financial component was premature. Another limit is that the price of water was not taken into account in the design phase, and this led to issues regarding incentivizing the population to adopt water adaptation measures
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities		The activities were well suited to the context thanks to an initial diagnosis and a board composed of diverse organizations representatives (architects, teaching institutions, central building authority, etc.).
RG-T2935/ RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia		Overall, the activities were quite well-suited. The project design was relevant as it consisted of a comprehensive approach that included training activities to strengthen the institutional capacity of cooperatives operating in the area. It also supported financing activities to target better the financial solutions available to farmers to finance the technology and equipment needed to adopt resilient climate practices. It also included outreach activities targeting major hotels and restaurants on the island to secure business opportunities. This design was intended to incentivise farmers to adopt new climate-resilient practices and increase investment in the sector. However, some aspects of the project design proved to be ill-timed (e.g. the provision of the agro-insurance service) or inappropriate for the context (e.g. the loan's interest rate provided under component 2).
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)		In general, the activities were well-suited to the context. However, the economic situation of the beneficiaries was not mature enough to carry out the activities related to access to financing.

Legend: Dark green: coherent/rather coherent; yellow: partially coherent; red: not coherent / not identified

3.3 • ProAdapt achieved, to a fair extent, its main objective of turning climate risks into opportunities

This third section answers the evaluative questions related to the effectiveness of the ProAdapt Facility.

Overall, the ProAdapt Facility accomplished, to a fair extent, its primary goal of turning climate risks into opportunities. Although unforeseen external and internal challenges led to uneven project implementation and mixed rates of achievement of project objectives, ProAdapt-supported projects achieved most of their objectives. Overall, the projects successfully improved climate-related business opportunities for MSMEs and their access to finance. However, they were even more successful in disseminating new knowledge, business models and methods and increasing communities' resilience to climate change.

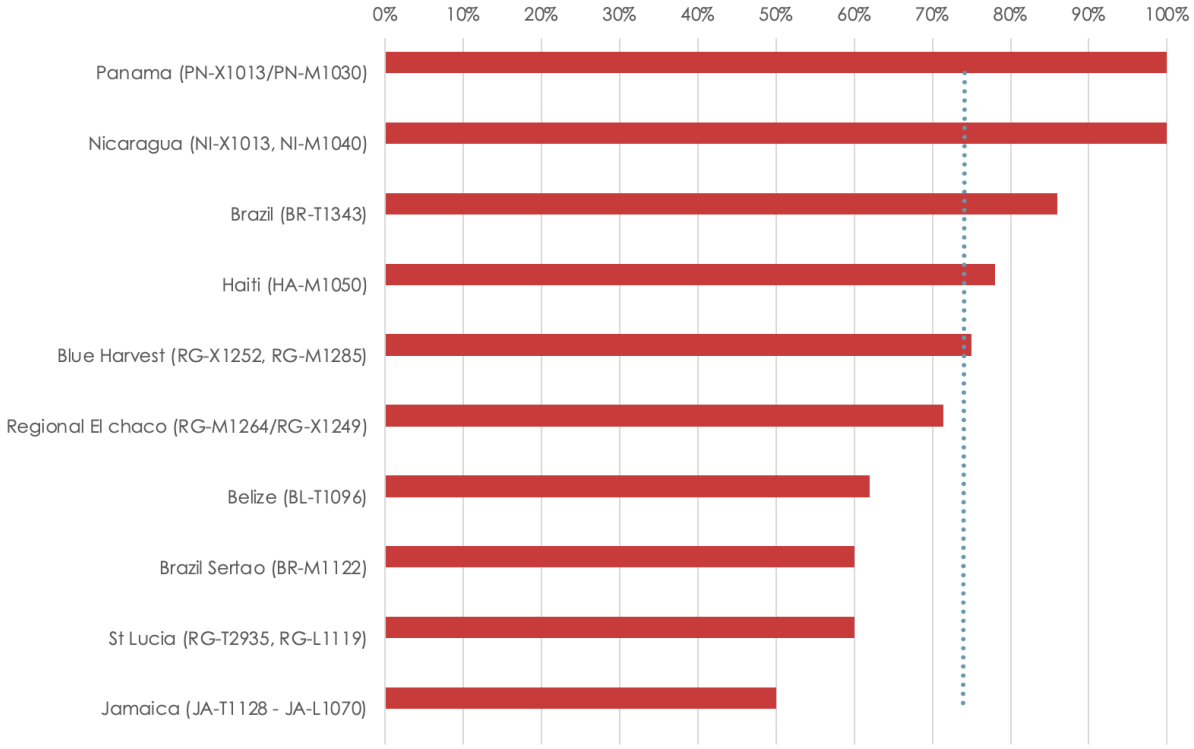
3.3.1 Projects achieved most of their objectives, although only two projects fully reached their targets

Overall, the deep dive studies reveal that, for the most part, the projects financed by ProAdapt reached their intended objectives as set out in their donor memorandum. The deep dive analysis of the eleven terminated ProAdapt projects[10] revealed that 74% of the total key performance indicators were achieved. There is nevertheless a large gap between the projects: whilst two projects reached 100% of their objectives, another only achieved 50% of its set indicators[11] (outcome and impact indicators taken together). Whilst this shows relative discrepancy across the projects regarding implementation and achievement of objectives, it is important to note that no project performed so poorly as to achieve less than half of its objectives. Given the adverse internal and external challenges many projects face, this is considered an achievement. Indeed, as shown in the graph below, more than half of the supported projects achieved more than 70% of their targets, showing a relatively good performance compared to targets.

[10] The project in Mexico being prematurely cancelled, it is not taken into consideration in the following lines on projects' achievements.

[11] Financing Water Adaptation in Jamaica' s New Housing Sector (JA-T1128) (JA-L1070)

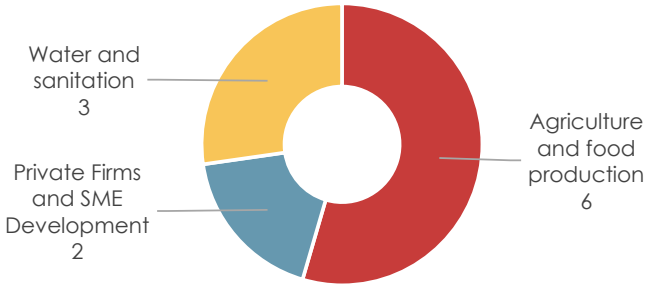
Figure 6 Achievement of objectives by project, compared to the average rate of achievement



Source: Final project status reports, IDB.

The projects can be divided into three broad thematic areas: six dealt with agriculture and food production, three related to water and sanitation, and two addressed private firms and SMEs development (see Figure below).

Figure 7 ProAdapt projects by theme[12]

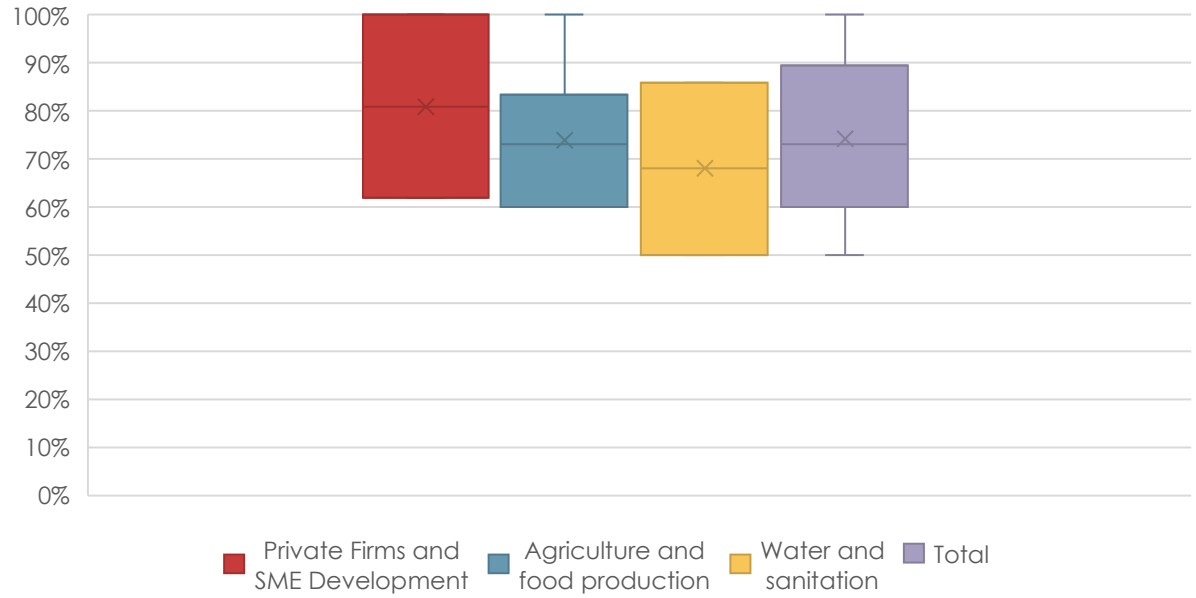


Source: Own elaboration, based on IDB data

[12] In the case of Proadapt, agriculture and food production is approached with a focus on the private sector, focusing on cooperatives and associations as SMEs or micro SMES.

Discrepancies can be observed between the thematic areas. The projects relating to water and sanitation appear to be the least performing, with a mean level of indicators achievement of 68%, including a project with a level of achievement of 50%. The agriculture and food production projects (with a focus on the private sector in the case of ProAdapt, that is focusing on cooperatives and associations as SMEs or micro-SMEs) have an average level of achievement of 74%, and the Private firms and SME Development projects stand at 81% (see Figure 6). Nevertheless, the conclusions drawn from this quantitative analysis must be considered cautiously. First, the number of evaluated projects is low, limiting the robustness of the results. Second, the deep dives of almost half of the projects highlighted a lack of data monitoring. This weakens the assessment of the projects' achievements and is likely to lead to measurement discrepancies.

Figure 8 Percentage of indicators achieved by project theme



Source: Own elaboration, based on IDB data

The projects faced several external and internal challenges that hindered their implementation. For two projects,[13] the main challenge was the impact of the COVID-19 pandemic, an external challenge which had not been foreseen. Other internal challenges were also apparent in the implementation of the projects, including human resources issues, especially relating to staff turnover in the project coordinator role, as well as challenges related to local authorities and to commodity prices, which were less frequently mentioned but have emerged more than once as an obstacle. These factors undermined the implementation of some projects and therefore contributed to explaining low achievements for some projects.

Despite numerous setbacks, some drivers were also identified across the projects. They enabled the effective implementation and success of the projects in the face of these challenges. Of

[13] St. Lucia (RG-T2935, RG-L1119) and Brazil São Paulo (BR-T1343)

these drivers, the three following elements have played a catalytic role in at least three of the eleven projects:

- A network of diverse partners: Although associated with challenges, notably in aligning the expectations from the project, partnerships appeared to be an asset in the Nicaragua project (NI-X1013, NI-M1040) and the Belize project (BL-T1096). More specifically, in Nicaragua, the collaboration between a private company, two NGOs and farmers (considered highly innovative) helped enhance the project's impact and generate knowledge about climate resiliency.
- An EA with experience in the thematic and geographic field of the project: For example, in the case of the project in Haiti (HA-M1050), the fact that the Executing Agency was well established and had experience in the agricultural sector is considered as one of the determinants of the project success, despite the challenges faced including the substantial decay in the socio-economic context. The fact that the partner was acquainted with the local habits and customs effectively managed to maintain the implication of the beneficiaries. In addition, the projects Blue Harvest (RG-X1252, RG-M1285) and Nicaragua (NI-X1013, NI-M1040) are clear examples of the importance of the EA for the successful development of the activities. In the former, CRS capitalized on its experience in implementing water conservation and protection activities with local communities in coffee regions. For the latter, Ingemann contributed with its expertise in the crop and production management of fine cocoa and honey in Nicaragua.
- A participatory approach that strengthens grassroots and community-based processes: It has also been a key aspect in guaranteeing the sustainability of the results. The Panama project (PN-X1013/PN-M1030) demonstrated the value of a participatory methodology implemented by MarViva that allowed the involvement of different actors, including villagers, community associations of fishermen, boatmen, and tourism workers, students, governmental organisations, and businesses (including hotels and restaurants). It contributed to raising awareness, developing synergy opportunities and encouraging the adoption of well-fitting adaptation measures.

3.3.2 *Overall, the projects are considered to have contributed to the primary ProAdapt goal of turning climate risks into opportunities*

The ProAdapt Facility's overall goal of increasing resilience to climate change is considered to have been achieved by most projects, although to varying degrees. Indeed, Figure 9 below shows that most projects either entirely or mostly achieved their objectives in improving climate resilience for MSMEs and local communities. For example, the Nicaragua project (NI-X1013, NI-M1040) fully achieved its targets regarding the number of production units in the fine cocoa and honey sectors that are more resilient to climate change. In addition, the Blue Harvest project (RG-X1252, RG-M1285) fully achieved its targets in terms of efficiency improvements in water use and treatment in coffee processing plants.

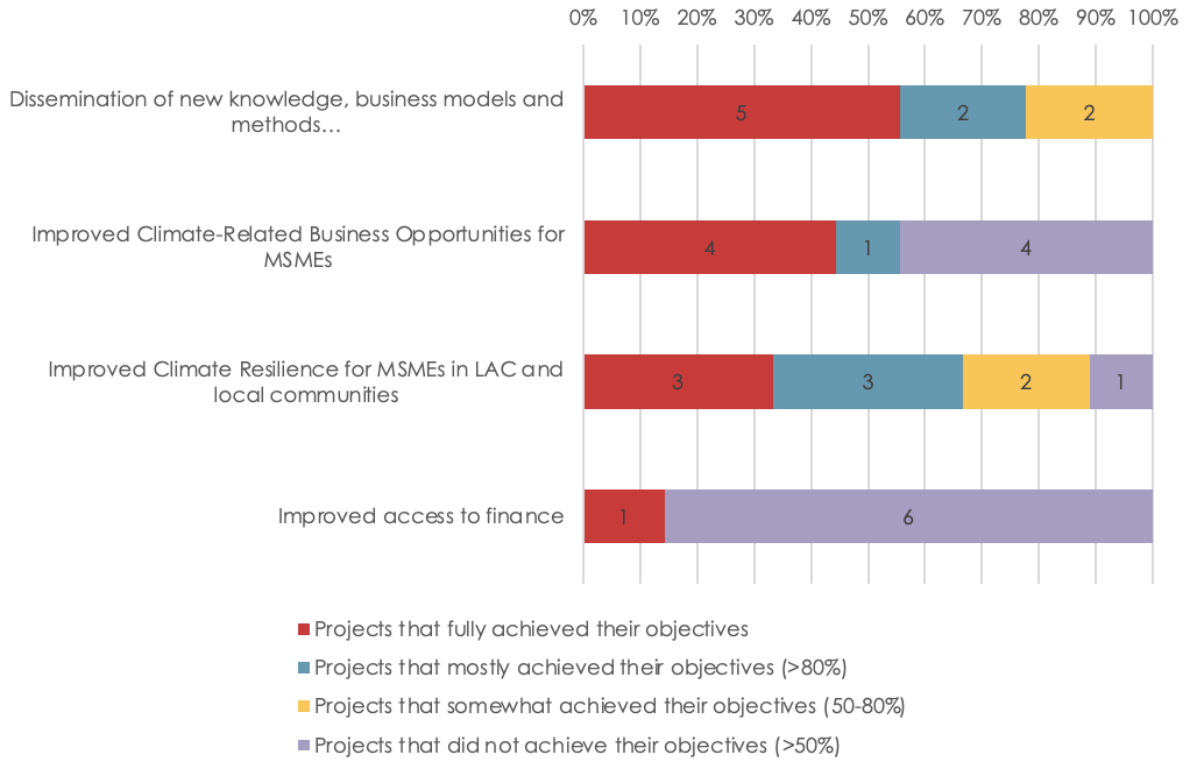
Out of the targeted goals, by far the highest rate of achievement was seen in objectives falling under the category "Dissemination of new knowledge, business models and methods". Seven projects with indicators under this category fully or mostly achieved their objectives in knowledge dissemination, including indicators such as the number of farmers adopting new technologies for water conservation and the number of producers applying resilient business models. Two projects also led to unexpected cases of knowledge dissemination, which had not been foreseen at project inception. For example, the Belize project (BL-T1096) had a broader dissemination impact, thanks to the digitalization of the trainings, which enabled it to reach participants from the Caribbean region and not only Belize. As for the Nicaragua project (NI-X1013, NI-M1040), the knowledge and new practices produced have been applied and

proven useful to other crop varieties' production. Besides, the family members of the beneficiaries have unexpectedly been included in the climate change discussions, further spreading awareness and knowledge.

Indeed, this aligns with the feedback from most of the consulted stakeholders. They considered that the real added value of the projects supported by ProAdapt resided in their capacity to act as "demonstrators" as they showcased new and innovative ways of addressing the region's climate resilience and business opportunities.

Nevertheless, the Facility shows more mitigated results when turning climate change into an opportunity. Many projects were far from achieving their objectives in improving business opportunities for MSMEs: indicators under this goal mostly related to increased sales of the sectors receiving support, with almost half of the projects under this category achieving less than half of their objectives. More significant still was the difficulty experienced by projects in achieving their objectives in terms of improved access to finance (e.g. the development of microinsurance products), with six projects achieving less than half of their targeted results regarding this objective. The relative failure in this objective was a lack of demand by consumers and resistance to new forms of financing among the local stakeholders involved in the projects.

Figure 9 Fulfilment of project objectives by indicator category



Source: Own elaboration, based on IDB data

3.4 The implementation of ProAdapt projects was, to a reasonable extent, efficient

This fourth section provides answers to the evaluative questions related to the efficiency of the ProAdapt Facility.

ProAdapt was, to a great extent, efficient in terms of organisation and resource management for the timely achievement of the objectives. Overall, the design of the Facility's projects allowed for the allocation of more than sufficient resources so that, given the pilot nature of the projects, the business case for the initiatives supported could be demonstrated. The use of the resources allocated to the projects was efficient because the projects achieved most of the planned objectives within budget and without cost overruns, and generally with a good level of implementation. To some extent, project activities were carried out as planned and in a timely manner. The estimate made at the time of ProAdapt's design for counterpart funds (USD 2.1 million) was significantly exceeded in planning (USD 16,559,123) and, to a lesser extent, in project implementation (at least USD 12,547,698). This counterpart funding represented 126% of the resources provided by the Facility (USD 9,974,798).

3.4.1 The resources allocated to ProAdapt projects were, to a good extent, used efficiently and were on budget

Overall, the use of resources allocated to the projects was efficient in that the projects achieved most of the planned objectives (as presented in the effectiveness section) within budget and without cost overruns, and generally with a good level of implementation. Of the ten projects for which specific financial information was obtained, eight disbursed more than 90% (2 of them 100%); one was cancelled before the first disbursement (ME-T1348); and another project (RG-T2935) faced external challenges that made its implementation difficult. However, according to some interviewees, there were no significant deviations from what was initially planned. This was confirmed by the financial audits carried out at the end of the projects. According to interviewees, this may be because there was detailed planning of the project budgets from the beneficiaries and partners.

Table 10 shows the allocation and disbursements of the Facility by source and project. The estimate made at the time of ProAdapt's design for counterpart funds (USD 2.1 million) was significantly exceeded in the planning (USD 16,559,123) and, to a lesser extent, in project implementation (at least USD 12,547,698), as shown in Table 10. [14] This counterpart funding represented 126% of the resources provided by the Facility (USD 9,974,798).

It should also be noted that of this amount disbursed by the Facility, USD 4,617,926 comes from NFD resources and USD 5,356,872 from the IFM/IDB Lab. Therefore, this MIF/IDB Lab contribution is USD 356,872 above the USD 5,000,000 commitment made in the Agreement.

[14] This information was not collected systematically and centrally at the IDB during the implementation of the Facility. According to IDB officials consulted on this matter, this situation is due to the fact that the WLMS (Web-enabled Loan Management System), which was the operations management system used until 2019, did not have the capacity to record counterpart values and execution. Country offices were responsible for overseeing the funding and implementation of counterpart activities undertaken by executing agencies. The new Convergence platform was introduced in 2019.

For this evaluation, information on the execution of counterpart activities has been obtained from different sources: the final RSPs of the projects (not all RSPs record this information), certain Team Leaders, country specialists or implementing agencies. However, this information has not been obtained for all projects.

Table 10. Allocation and disbursement of resources by funding source and by project

Project Number	Facility Planned Funding			Facility Disbursed Funding	% Disbursed	Counterpart Planned Funding	Counterpart Disbursed Funding***	Total Planned	Total Disbursed
	MIF	NDF	Total						
Regional RG-M1223/RG-X1167 *	$ 2,000,000	$ 2,079,459	$ 4,079,459	$ 3,794,545	93%	$ 1,753,373	$ 1,257,724	$ 5,832,832	$ 5,052,269
Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers Regional (RG-X1252)**		$ 384,500	$ 384,500	$ 384,500	100%	$ 4,318,618	$ 4,318,617	$ 4,703,118	$ 4,703,117
Building Climate Resilience in the fine Cocoa and Honey Sectors (Nicaragua NI-M1040/NI-X1013)	$ 931,246	$ 733,297	$ 1,664,543	$ 1,598,157	96%	$ 914,256	$ 725,642	$ 2,578,799	$ 2,323,799
Building Resilience in the Gran Chaco Americano (Bolivia, Paraguay, Argentina. RG-M1264/RG-X1249)	$ 934,533	$ 662,667	$ 1,597,200	$ 1,552,802	97%	$ 1,137,560	$ 1,171,178	$ 2,734,760	$ 2,723,980
Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo (Panama PN-X1013)		$ 148,242	$ 148,242	$ 148,242	100%	$ 370,579	$ 484,442	$ 518,821	$ 632,684
Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil (Brazil BR-T1343)	$ 900,000	$ 200,000	$ 1,100,000	$ 996,897	91%	$ 991,026	-	$ 2,091,026	$ 996,897
Financing Water Adaptation in Jamaica's New Housing Sector (Jamaica) JA-T1128	$ 590,100	$ 100,000	$ 690,100	$ 629,288	91%	$ 449,300	-	$1,139,400 +	$ 629,288

Increasing Climate Change Resilience and related Business Opportunities (Belize BL-T1096)		$ 203,000	$ 203,000	$ 187,908	93%	$ 138,500	$ 92,825	$ 341,500	$ 280,733
Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia (St. Lucia RG-T2935)	$ 160,940	$ 200,000	$ 360,940	$ 210,520	58%	$ 691,456	-	$ 1,052,396++	210,520
Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH) (Haiti HA-M1057)	$ 452,796		$ 452,796	$ 449,703	99%	$ 5,794,455	$ 4,497,271	$ 6,247,251	$ 4,946,974
PROADAPT Monterrey: Increasing Water Resilience (Mexico ME-T1348)	$ 435,678	$ 100,000	$ 535,678	$ 0	0%			$ 535,678	0
Total (without evaluation)	**$ 6,405,293**	**$ 4,811,165**	**$ 11,216,458**	**$ 9,952,563**	**89%**	**$ 16,559,123**	**$ 12,547,698**	**$ 27,775,581**	**$ 22,500,261**
RG-T3709 (Program evaluation)		$ 303,988	$ 303,988	$ 22,235	7%			$ 303,988	$ 22,235
Total (including evaluation)	**$ 6,405,293**	**$ 5,115,153**	**$ 11,520,446**	**$ 9,974,798**	**87%**	**$ 16,559,123**	**$ 12,547,698**	**$ 28,079,569**	**$ 22,522,496**

Source: Own elaboration, using data from IDB and Executive Agencies. Data as of October 28, 2022

* This project covers several items the MIF and the NDF jointly funded. The breakdown of the items is presented in table 11.

** This project received additional resources from the MIF for technical cooperation for US$1,240,372.

*** As of this report's submission date, no information was obtained on the total counterpart funding actually disbursed for the Brazil BR-T1343, JA-T1128 and RG-T2935 projects. Therefore, the last row shows the counterpart amount that was at least disbursed for all projects.

+ Includes a PPACC Reimbursable Loan (SCX) of US$5,750,000, thus bringing the amount to US$6,889,400.

++ Includes a PPACC Reimbursable Loan of US$ 804.000, thus bringing the total to US$1.856.396

Table 11 Breakdown of Regional Project RG-M1223/RG-X1167 by funding source and by component

Component	Approved Funding		Disbursed Funding		
	IDB	NDF	IDB	NDF	Total
1 - Climate Adaptation Action Plan	216,000.00	202,847.54	216,000.00	199,158.86	415,158.86
2 - Development of business models	950,000.00	1,006,887.94	941,605.66	1,006,887.94	1,948,493.60
4 - Knowledge Sharing	348,500.00	306,352.79	343,979.04	287,969.48	631,948.52
5 - Facility Administration	60,000.00	336,008.23	49,803.48	328,542.47	378,345.95
6 - Final Evaluation	50,000.00	0.00	50,000.00	0.00	50,000.00
7 - Contingencies	118,245.00	0.00	118,245.00	0.00	118,245.00
8. Capitalization charges	0.00	227,362.50		252.353.50	252,353.50
9 - Impact Evaluation Account	237,255.00	0.00	0.00	0.00	0.00
10 - Agenda Account	20,000.00	0.00	0.00	0.00	0.00
Total	2,000,000.00	2,079,459.00	1,719,633.18	2,074,912.25	3,794,545.43

Source: Own elaboration, using data from IDB and Executive Agencies. Data as of October 28, 2022

Table 11 shows the details of the Regional Project RG-M1223/RG-X1167, which combines two independent ProAdapt operations, one financed with MIF resources (RG-M1223) and the other by NDF (RG-X1167)[15]. Of the activities shown in the table, it is worth highlighting item 2, which corresponds to the activity *Development of Business Models and Tools for Building Climate Resilience and New Business Opportunities*. This activity included the development of the knowledge product "The Market for Climate Resilience in Latin America, Africa and Asia". The expected cost of this market assessment was US$800,000. Thus, the NDF agreed with the IDB (March 2016) to make an additional contribution of US$519,821, to be used exclusively for activities in Asia and Africa. The MIF would provide the remaining resources for financing this activity, US$280,179.

This knowledge product sought, among other objectives, to assess the role of the private actors and business models in the climate-smart agriculture and transport sector. Moreover, it aimed at estimating the supply and demand for a range of products and services that help buyers to improve their resilience in the face of climate risks. The assessment also developed a methodology for a private sector monitor for climate resilience for identifying business and

[15] This was the way in which two operations providing resources for common activities were registered before the implementation of the Convergence platform at the IDB

investment opportunities in resilience, to provide market intelligence to support investment and business decisions and to support improved private sector policies.

Finally, this assessment also intended to generate knowledge on private sector activity in climate resilience that can be used in LAC to inform new products, processes, technology, business models, financial services and risk transfer contracts, such as insurance. For its implementation, this project was called Private Markets for Climate Resilience (PMCR), described in more detail in section 2.3.

3.4.2 The management of resources by the implementing agencies was, to a large extent, adequate, and very few projects faced difficulties in this respect

Resource management in all projects was the responsibility of the executing agencies. The MIF screened these through due diligence processes and standards that country office specialists must perform before the approval of each project. The executing agencies reported to the IDB on the execution of resources and the project progress, and also had to coordinate, where appropriate, with other partners or actors involved in the project implementation.

In most projects, no resource management problems were reported. The exception was the PMCR project (RG-W1336), described in section 2.4. The PROADAPT Monterrey: Increasing Water Resilience project (Mexico ME-T1348) should also be mentioned, which was cancelled before it started, as described in the following box.

Box 2 The cancellation of project ME-T1348

Proadapt Monterrey - Increasing Water Resilience (ME-T1348)

This project was the only one planned to be implemented in Mexico. It aimed to improve water resources management through a data-driven model to make consumption more efficient and informed. However, this project was cancelled before it started because the Executing Agency (EA) did not meet the IDB Laboratory requirements for the first disbursement. The Environmental Protection Institute of Nuevo León (IPA) was the executing agency. Other partners were the Femsa Foundation, the Secretariat of Sustainable Development of the Nuevo León State Government, through the Undersecretariat of Environmental Protection and Natural Resources, the Monterrey Metropolitan Water Fund (FAMM), the Water Centre for Latin America and the Caribbean (CAALCA) and the Monterrey Institute of Technology and Higher Education (ITESM).

The project was signed in March 2018. After 180 days, the deadline to meet the requirements for the first disbursement, the EA failed to deliver the technical and financial requirements for disbursement, including submitting the work plan and obtaining the counterpart funding. The IDB laboratory team met with the EA and agreed to a 90-day extension to meet the requirements. On the day of the 90-day deadline, the EA sent a draft work plan, but it was insufficient and too late to extend the deadline again. It is unclear why the EA could not complete all the requirements. The EA did not want to commit to the project without securing the total counterpart funding. Femsa (project partner) could only provide a part, and the other partners could not provide more resources. It is common for the counterpart funding to be increased during implementation, but the EA did not want to take the risk. Moreover, the EA had little operational capacity, as it was implementing other projects at the time.

In summary, it is presumed that it was a problem of institutional capacity and ownership that prevented them from forming a team and securing a counterpart. There was an intention to reformulate and submit another project to the committee, but there was no momentum among the partners.

3.4.3 The planned resources enabled the achievement of the objectives to a substantial extent

The programme was designed to allocate more than enough resources from the outset so that, given the pilot nature of the projects, the business cases could be demonstrated. Indeed, the resources requested made it possible for most projects to achieve their objectives. Of the ten

projects finally implemented, only the project in the Gran Chaco Americano (RG-M1264/RG-X1249) had difficulties associated with an initial allocation of resources that did not cover all the activities necessary for implementation. ProAdapt contributions were targeted to pioneer projects and generated additionality in several cases, as shown in the table above.

Table 12. Attainment of objectives with planned resources

Project ID	Project Title	Did the planned resources requested enable the attainment of the objectives?
BR-M1122	ProAdapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	Yes
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	Yes
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	Yes
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	To some extent. Additional resources had to be raised for additional activities. For example, for the implementation of some pilots, the small producers assumed the cost of travel and maintenance to training to use those funds to purchase and install pipes to ensure the water supply for productive activities
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	Yes
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	Yes
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	Yes
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	Yes
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	To some extent. Whilst the objectives were only partly achieved, this was not due to a lack of resources but more due to external challenges.
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	Yes

3.4.4 *To some extent, project activities were implemented as planned and in a timely manner.*

Three projects (RG-M1264/RG-X1249, BR-T1343 and BL-T1096) experienced delays in some activities (Figure 10). The remaining seven implemented their activities on time, despite their difficulties, as described in section 3.3, and the internal problems related to staff turnover in the project coordinator function, local authorities and commodity prices. In particular, the COVID-19 pandemic impacted the projects JA-T1128/ JA-L1070 and RG-T2935/ RG-L1119. The latter, which occurred in St. Lucia, is presented in the box below.

Box 3 Adaptive responses to project management due to unforeseen challenges

St. Lucia (RG-T2935, RG-L1119)

The 'Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia' project ran into several internal and external challenges, which adversely impacted the project's implementation. This included the external and unforeseen challenges arising from the COVID-19 pandemic, which represented a significant setback for the project, as it largely nullified the project's original theory of change. In addition, the closure of the island's major hotels and restaurants, which represented the main markets for farmers' produce, made incentivising farmers to keep their fields operational challenging. As a result, some began to sell to individual households to generate revenue. In contrast, others chose to abandon their fields and produce, and resort to other means of income generation.

The severity of the impacts brought on by the pandemic meant that the project itself was eventually reformulated during implementation to reflect the realities of the challenges faced by beneficiaries. The remaining funds in the project budget were instead channelled to Black Bay to support the re-entry of farmers to the market, which is considered a good example of a relevant and adaptive project management approach.

The reasons for the delays were various: factors outside the projects' development, the MSMEs' low implementation capacities, or the institutional capacities and arrangements for implementation on the ground. Some interviewees alluded to the structural changes at the IDB amid project implementation, particularly in country offices, which led to delays. However, some interviewees highlighted national offices' role in improving project implementation efficiency. Additionally, the closeness of the country specialists to the projects made it possible to adjust the projects to the changing conditions of the context. These aspects are presented in more detail in Table 13.

Table 13. Timeliness and implementation of activities as planned

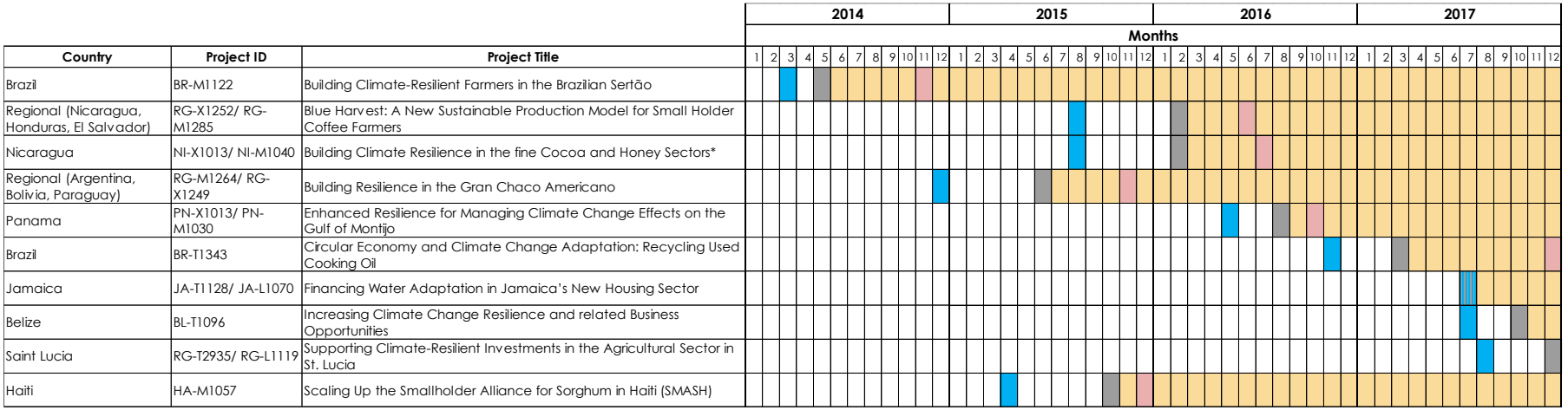
Project ID	Project Title	To what extent were activities implemented as planned and in a timely manner?	
BR-M1122	ProAdapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão		The following activities were achieved within the timeline: • Consultation and stakeholder outreach events to refine the intervention model • Monitoring of farms in the development of climate-smart technologies • Rural extension technicians trained on the benefits and usage of climate-smart technologies • The number of financial institutions trained on the benefits and use of climate-smart technologies and in portfolio vulnerability assessment • Dissemination events undertaken in LAC, Africa, and Asia However, the indicators associated with the accomplishment of the activities were not achieved: • The number of farmers that have adopted climate-smart technologies in their economic activities and have accessed credit to obtain financial products • The number of farmers, rural extension technicians and financial institutions trained in the benefits of using climate-smart agriculture techniques • The number of branches of financial institutions trained in portfolio vulnerability assessment
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers		The following activities were achieved as planned within the defined timeline, with no unforeseen activities being included: • Sustainable coffee-based agroforestry in watersheds, visits to facilitate knowledge about agroforestry and water resource management, training in climate change adaptation and resilience, and reproduction and distribution of seedlings. • Strengthening local governance for water resource management, including increasing protected areas and improved water systems and revising or creating policies • Improved access to high-value markets, including marketing strategies, financing to implement new practices, and production certifications • Knowledge management and strategic communication, including knowledge transfer events, guides on risk management mechanisms, among others
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the		The following activities were achieved according to the timeline. The project encountered a minor delay of 2 months related to the contract signature. No unforeseen activities were included. • Climate research and vulnerability analysis of cocoa and honey value chains through agroecological climatic characterizations, data transmission from meteorological stations, and training in climatic observation

Project ID	Project Title	To what extent were activities implemented as planned and in a timely manner?	
	fine Cocoa and Honey Sectors		• Strengthening fine cocoa and honey producers against climate change, including training in climate change adaptation and crop management, technical visits, and climate change impact assessments • Improvement of conditions to access credit lines, including mapping of financial agencies and training selected financial institutions • Knowledge management and strategic communication, including national and international events to share project results and an online portal development
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano		The planned activities were carried out to a great extent. Some activities suffered delays, mainly due to the challenges of coordinating multiple actors, achieving effective participation in Bolivia, and addressing the rains that delayed some activities in the field. The most relevant activities accomplished were: • Creation of risk maps of the region and their dissemination and publication • Exchange of experiences and training for producers and decision-makers in the three countries. The role of women in the family economy was visualised, and connections were created between producers to exchange experiences. • Development of municipal adaptation plans • Production of several documents and other dissemination tools with lessons learned
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama		The implementation of all project activities went according to plan and on schedule. The most relevant activities accomplished were: • Edition of four maps of the Gulf of Montijo (scenario, hazard, vulnerability and risk) • Raising communities' awareness about the risk of being impacted by sea level rise and other climatic factors • Adoption by 16 companies of sustainable production practices and eight companies' business collaboration with fishermen and tourism operators associations • Creation of local emergency committees with the support of SINAPROC • Advice to fishermen's associations on investments and complementary businesses • Dissemination of the material produced by the project, including to local schools, who watched the videos and/or read the educational booklets, posters and articles published in magazines
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil		All project activities were realised as planned, with 99 % of the project objectives fulfilled during the first 22 months of project implementation.

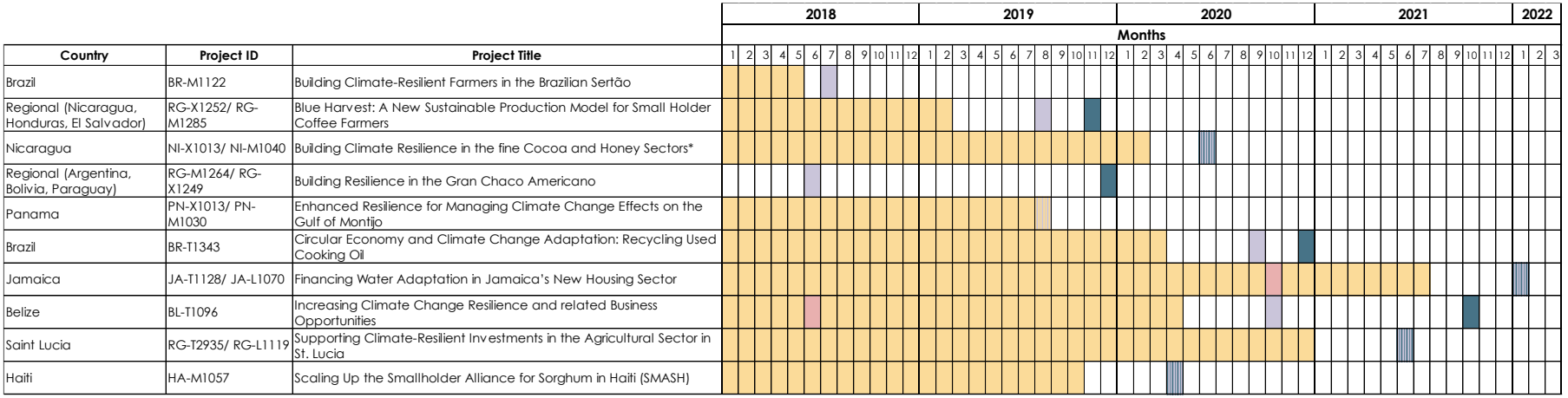
Project ID	Project Title	To what extent were activities implemented as planned and in a timely manner?	
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector		Activities were realised as planned except for the following: • Cancelled financial component • Awareness-raising and consultation activities (did not reach the initial target set - lack of resources and anticipation)
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities		The activities have been implemented as planned. However, the end date had to be postponed due to many factors, notably human resources issues and the COVID-19 pandemic, which led to significant delays.
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia		Whilst the quantitative results of the project are not all in line with original expectations, the project nevertheless managed to produce good results considering the numerous challenges it faced. Furthermore, the changes made to the project's strategy to reflect external challenges (by rerouting remaining funds to support the re-entry of farmers to their markets) are also considered a good example of a relevant and adaptive project management approach.
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)		Given the diversity and the harshness of the challenges the project met, the achievement of the objectives initially set is remarkable. • Indeed, the project's components have been fully implemented, except "improving post-harvest quality and consolidating the supply chain" and "Improving access to finance for MSMEs in the value chain", which was only partially implemented. While the incomplete achievement of the first component is attributed to external factors, the second objective is credited to the farmers' overestimated level of financial maturity and stability. • To conclude, despite the difficulties encountered throughout the project, it has been executed in a timely manner, as it ended in October 2020, as initially planned. • Knowledge management was fully implemented.

Legend: Dark green: All activities realised as planned, light green: most activities realised as planned, yellow: important activities significantly delayed, red: activities not achieved

Figure 10 Projects timeline and milestones



Country	Project ID	Project Title
Brazil	BR-M1122	Building Climate-Resilient Farmers in the Brazilian Sertão
Regional (Nicaragua, Honduras, El Salvador)	RG-X1252/ RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers
Nicaragua	NI-X1013/ NI-M1040	Building Climate Resilience in the fine Cocoa and Honey Sectors*
Regional (Argentina, Bolivia, Paraguay)	RG-M1264/ RG-X1249	Building Resilience in the Gran Chaco Americano
Panama	PN-X1013/ PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo
Brazil	BR-T1343	Circular Economy and Climate Change Adaptation: Recycling Used Cooking Oil
Jamaica	JA-T1128/ JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector
Belize	BL-T1096	Increasing Climate Change Resilience and related Business Opportunities
Saint Lucia	RG-T2935/ RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia
Haiti	HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)



Country	Project ID	Project Title
Brazil	BR-M1122	Building Climate-Resilient Farmers in the Brazilian Sertão
Regional (Nicaragua, Honduras, El Salvador)	RG-X1252/ RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers
Nicaragua	NI-X1013/ NI-M1040	Building Climate Resilience in the fine Cocoa and Honey Sectors*
Regional (Argentina, Bolivia, Paraguay)	RG-M1264/ RG-X1249	Building Resilience in the Gran Chaco Americano
Panama	PN-X1013/ PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo
Brazil	BR-T1343	Circular Economy and Climate Change Adaptation: Recycling Used Cooking Oil
Jamaica	JA-T1128/ JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector
Belize	BL-T1096	Increasing Climate Change Resilience and related Business Opportunities
Saint Lucia	RG-T2935/ RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia
Haiti	HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)

Approval date
Signature date
Planned project duration
First disbursement
Actual last disbursement
Planned last disbursement

*Actual end date of project NI-X1013/ NI-M1040 corresponds to August 2020, according to the final PSR.

3.5 ProAdapt generated positive impacts on the supported projects

This fifth section answers the evaluative questions related to the impact of the ProAdapt Facility. The main evaluation question regarding this criterion is: to what extent has ProAdapt generated, or is expected to generate, significant impacts, whether positive/negative or intended/unintended?

Overall, the ProAdapt Facility was deemed to generate positive impacts for the beneficiaries of the supported projects. To a great extent, these impacts can be attributed to the programme.

The evaluation found that participating MSMEs increased their climate resilience and partially resulted in a snowball effect for other MSMEs. However, the lack of indicators related to programme targets across all projects complexifies the ability to report on the impacts of ProAdapt fully. Even so, the target linked to the number of MSMEs improving their climate resilience is surpassed, with more than 5,200 MSMEs improving their climate resilience. The other target is only partially achieved, with 5,000 MSMEs reported incorporating climate impacts into business decision-making (against a target of 10,000 MSMEs), but only five projects monitoring this impact.

The programme also contributed to awareness-raising, generating new knowledge, training and communication material. While adaptation and increased resilience are continuous and long-lasting, ProAdapt supported these processes by seizing new business opportunities related to climate change adaptation. Overall, ProAdapt generated many positive outcomes, which vary from one project to another, from economic (increased productivity, new markets, job creation, company creation) to social ones (structuring of networks, the evolution of women's roles).

Lastly, supported projects were deemed highly replicable, and ProAdapt paved the way for new projects.

3.5.1 ProAdapt support yielded in increasing climate resilience for participating MSMEs, and to a lesser extent, for other MSMEs

Overall, the evaluation showed that the general objectives for the various projects to support the climate resilience of MSMEs and local communities involved as direct partners or beneficiaries were mainly achieved. For instance, the 'Building Resilience in the Gran Chaco Americano' project (RG-M1264/RG-X1249) yielded the availability of climate information, thus allowing small farmers to understand the challenges and opportunities of climate change and increase their resiliency.

Besides the Increasing Water Resilience project (ME-T1348), cancelled before the first disbursement, the results are less favourable for one project. For the 'Financing Water Adaptation in Jamaica's New Housing Sector' project (JA-T1128 - JA-L1070), the results on the resilience of MSMEs and local communities are deemed only partially achieved. Although the project laid the foundations, efforts remain necessary to create further demand and support for water professionals.

For most of the projects, however, it is uncertain to what extent other MSMEs in the region up-took the benefits of the projects. For instance, a snowball effect was found for Blue Harvest and Nicaragua projects: non-participating farmers were attracted by the project results and expressed their interest. In some cases, specific farms became models of sustainable practices. However, it was impossible to quantify the number of non-participating farmers or the benefits produced.

Box 4 Innovative approaches to improving market access for small-holder farmers

Blue Harvest (RG-X1252, RG-M1285)

The project was considered innovative since it included three components: i) adopting sustainable and resilient agricultural practices, ii) strengthening local water governance, and iii) improving access to markets through economic recognition of environmentally friendly practices. The project showed that involving different types of actors in a single initiative can have a positive impact. Overall, Blue Harvest provided training for producers and improved the collaboration between the region's countries, introduced new agricultural techniques, demonstrated the importance of water governance for improving and providing quality water, and connected small producers to high-value markets. The impacts continued to be found after the completion of the project, which were scaled and replicated to other value chains and geographical zones. Blue Harvest evolved from a project to become a model for the sustainable use and protection of natural resources in the region

The table below summarizes the findings.

Table 14: Projects' achievement of the objective "Increase the climate resilience of MSMEs and the local communities in which they operate while also increasing business opportunities for other MSMEs in the region"

Project ID	Project Title	Achievement of the objective 'increase the climate resilience of MSMEs and the local communities in which they operate.'	Achievement of the objective 'increase business opportunities for other MSMEs in the region.'
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão		
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers		
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors		
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano		
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama		
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil		
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector		
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities		
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia		
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)		

Legend: Dark green: achieved or surpassed; light green: mostly achieved; yellow: partially achieved; red: not achieved / not identified

As shown above, all the projects were not equally successful in achieving their intended goals. While all the projects' objectives were synchronised with the programme's objectives, the analysis showed that the monitoring system was not always in place to ensure adequate tracking of the project's contribution to the overall programme. As a result, it isn't easy, at the programme level, to assess quantitatively that all the intended results were achieved, or that the measured results provide the whole picture[16]. For instance, six projects[17] have indicators related to the programme target on the number of SMEs demonstrating improved climate resilience, 2[18] had somehow related indicators, and four had no related indicators[19]. Nevertheless, the information collected qualitatively shows that stakeholders are confident in the role of the programme in supporting the climate resilience of MSMEs and increasing business opportunities. The overall indicators analysis shows that more than 2,604 MSMEs improved their climate resilience, above the initial 2,000 target. Based on five projects[20], the indicator analysis also shows that more than 5,000 farmers or companies incorporated climate impacts into business decision-making.

Adaptation is, however, a continuous process, and results are unlikely to be measured in the short-term. Furthermore, as an innovative programme targeting not only climate risks but also the creation of business opportunities, failures in reaching the target for some projects were to be expected. The programme also helped identify challenges and success factors, with the successful replication of projects by leveraging additional resources. To further support this mainstreaming objective, an extension of the sectorial scope of the programme could have been useful (e.g., industry, coastal infrastructures, transport, built environment), but it proved operationally difficult to diversify further. Consequently, project proposals mainly targeted the primary sector and a few other sectors in which climate adaptation awareness was lower.

3.5.2 ProAdapt supported the creation of new capacities, tools, business models and knowledge

The table below summarises the findings from the deep-dive studies. It shows that the support provided yielded many different results. Indeed, the programme supported the production of new knowledge, the development of training and communication material, awareness-raising activities, the creation of new communications channels, certifications, training of stakeholders, plan and policy development, adoption of new practices, etc. The table provides specific information.

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[16] The administration agreement between the Nordic Development Fund and the Inter-American Development Bank indicates the two following indicators: (i) an estimated 2,000 MSMEs demonstrating improved climate resilience against initial baseline and (ii) at least 10,000 MSMEs in LAC incorporating climate impacts into business decision-making

[17] BR-M1122; RG-X152, RG-M1285; NI-X1013, NI-M1040; PN-X1013, PN-M1030; BL-T1096; HA-M1057

[18] RG-M1264, RG-X1249; RG-T2935, RG-L1119 with a focus on people rather than MSMEs

[19] BR-T1343; JA-T1128, JA-L1070; ME-T1348; RG-W1336

[20] RG-X152, RG-M1285 (919); RG-M1264, RG-X1249 (2,634); PN-X1013, PN-M1030 (14); BR-M1122 (569); NI-X1013, NI-M1040 (1102)

Table 15 Capacities, tools, business models and knowledge developed

Project ID	Project Title	Tools, Business Models and Knowledge Developed
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	• Awareness raising on climate change effects on agricultural production: - Fourteen (14) dissemination events - Two (2) climate change vulnerability assessments on current agricultural systems - One (1) climate risk assessment methodology and study developed to assess portfolio vulnerability • Training on the benefits and use of climate-smart agriculture technologies (MAIS): - Thirty-six (36) rural extension technicians - Five hundred (500) farmers - Three (3) financial institutions • Two (2) branches of financial institutions • Technical assistance to 460 farms to test climate-smart agriculture technologies • Launch of an initiative of oriented credit targeted towards the producers who wanted to test climate-smart agriculture technologies • Improving two (2) cooperative's management capacity • Creation of a company to further disseminate and expand the project results
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	• Learning and training about agroforestry and water resource management: 1,681 farmers, community leaders, and government officials participated in exchange visits within and between countries • Training in climate change adaptation • 4 million seedlings reproduced and distributed among farmers for the renovation or establishment of agroforestry system (included coffee, cocoa, citrus and forest species) • 2,308 local stakeholders involved in the planning of policies and ordinances • Coffee crops certified • Development of knowledge products and awareness raising, e.g.:

Project ID	Project Title	Tools, Business Models and Knowledge Developed
		– Water Benefits Calculator (WBC): an interactive tool designed to model and quantify the water benefits of applying water-smart agricultural practices on farms in source watersheds[21] – Frequent posts on the CRS coffee land blog site on the connection between water and coffee and regularly presented at conferences[22] – Dissemination on Price Risk Management regularly through posts and engaging with stakeholders in the global coffee trade[23]
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	• Climatic information at the local scale for small farmers: 5 studies and agroecological climatic characterizations • 20 weather stations for data transmission • Two information systems for meteorological data collection • Trainings of farmers in climatic observation and phenology (27 producers trained); climate change adaptation (1,456 cocoa producers trained); crop management and farmer management (1,456 cocoa producers trained). 1,202 and 611 technical visits to cocoa and honey producers, respectively, were conducted. • Online platform • Four climate change Impact assessments and risk management for cocoa, honey and coffee value chains • Participation in 4 national and seven international events for results dissemination • Seven trainings to financial institutions conducted

[21] https://www.waterbenefitscalculator.com/Home.vbhtml

[22] https://dailycoffeenews.com/?s=hicks+water+&submit=Search&apbct__email_id__search_form_38231=

[23] https://coffeelands.crs.org/?s=price+risk+management, https://coffeelands.crs.org/2016/02/wrapping-up-the-prm-series/, https://dailycoffeenews.com/2016/02/01/perspectives-on-price-risk-management-how-insurance-works/, https://www.oikocredit.coop/k/en/n171/news/view/331927/462/wake-up-and-smell-the-coffee.html

Project ID	Project Title	Tools, Business Models and Knowledge Developed
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	• Risk maps of the Pilcomayo and Bermejo River basins in Argentina and Paraguay[24] • Early warning system that leverages and connects a network of weather stations in the area and one Map of Gran Chaco Weather Stations[25] • Implementation of six demonstration pilots based on adaptive and resilient practices • Development of nine municipal climate adaptation plans • Development of three public advocacy workshops with the participation of various regional stakeholders
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	• Risk maps of the Gulf of Montijo[26] • Awareness raising on the potential climate impacts through the communities • Transfer of adaptation measures to the communities • Adoption of sustainable production practices • Set-up of local emergency committees • Professionalisation of boatmen • Knowledge acquisition about investments and complementary businesses for fishermen's associations • Use of new applications (OSPESCA's CLIMA PESCA for fishermen, WINDY and METEONEWS for boatmen)

[24] Risk maps of the Pilcomayo and Bermejo rivers and hydrometeorological hazards map: http://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/6-descripcionmapa

[25] Map of Gran Chaco Weather Stations: http://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/5-redmeteorologica

[26] Fundación MarViva. (2021). Atlas Marino-Costero del Humedal Golfo de Montijo, Panamá. (Juan M. Posada y Antonio H. Clemente, Eds), Fundación MarViva, Ciudad de Panamá, Panamá, 162 pp. retrieved from: https://marviva.net/wp-content/uploads/2022/02/12D16-Atlas-G-de-Montijo.pdf

Project ID	Project Title	Tools, Business Models and Knowledge Developed
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	• Increased capacity of cooperatives to add value in the collection, storage, and sale of oil through simple filtering and mixing processes: - One hundred (100) cooperatives trained and system participants - Forty-eight (48) people trained to operate processing units - Nineteen (19) units implementing the management system • Eleven (11) processing units in operation • Two (2) knowledge and dissemination events, four (4) publications and one (1) audio-visual product on the importance of proper disposal of used cooking oil • Development of a project website and an online platform/App that connects all actors involved in the process allows searching for locations collecting points and promoting used oil collection in exchange for prizes, products, services and discounts
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	• Knowledge production regarding the economic / business efficiency of water adaptation measures: – Nine business and financial cases have been prepared and concluded that adaptation devices saved on average 30% of water consumption – Six pilot studies on households with water adaptation measures have been carried out • Centralisation of requirements, guidelines and good practices and enhanced accessibility to them: – One homeowners' guide on water management has been developed – Production of water adaptation guidelines for architects, drainage engineers and planners developed (59 practitioners trained) – Setting up an online platform with water/cost-saving tools and learning material (accessed more than 4,800 times) • Organisation of trainings and awareness-raising events: – One training module on rainwater harvesting and greywater recycling techniques has been developed (fifteen trainers have been trained to teach this module) – Four awareness-raising events have been hosted by the Jamaica National Building Society – Eight awareness-raising events have been organized for a broader audience

Project ID	Project Title	Tools, Business Models and Knowledge Developed
		– Organization of a boot camp (mentored 30 startups and awarded three of them); – Eight workshops have been organized – The project led to a three-year memorandum with a university to enrich the curriculum with the knowledge produced
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	• One climate resilience certification toolkit has been developed and validated by the Central Building Authority. The practical exam to obtain the certification has also been developed and approved. • One curriculum (40 hours) developed to train trainers on climate-resilient construction • One 80-hour training for service providers has been implemented • Workshops have been organized for architects and engineers • Diversified communication materials have been produced: – A knowledge toolkit developed – A video produced on climate-resilient construction techniques – A manual on climate-resilient construction techniques on low-lying coasts developed – A final workshop on results, knowledge and impact aiming at reaching a regional scale was held.
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	• Knowledge has been produced: – One business case on local sourcing from smallholders has been carried out to understand the outcome of such an initiative better – Eight rounds of seed variety testing have been completed to produce adequate input for improved sorghum production • Trainings have been developed: – Overall, five module training curricula have been developed – Producers have been trained in post-harvest processing (5,162 producers) – Farmers have been trained in business and financial management (252 producers) – Thirty-five newly recruited agents have been trained in improved sorghum production techniques • Other learning materials have been developed: – Ten demonstration plots have been established

Project ID	Project Title	Tools, Business Models and Knowledge Developed
		– One technical manual in creole has been written – One mini video documentary describing the SMASH program has been produced – One project factsheet has been published • New tools and processes have been established: – One GPS-enabled monitoring database has been developed and is operational – Due to farmers' low economic viability, the project did not fully yield its objective of access facilitation to financial services. The project, however, developed "preproduction in kind" services, aiming to support the farmers in their activity and inducing a sense of loyalty to the BRANA.

Source: Own elaboration

3.5.3 *ProAdapt contributed to increased awareness regarding the resilience concept, to seize income opportunities, and, to a small extent, increase the overall resilience*

Adaptation and increased resilience are continuous and long-lasting processes. Nonetheless, ProAdapt contributed to helping develop these processes. It contributed to increasing knowledge and identifying and seizing new business opportunities related to climate change adaptation. It, however, did not necessarily contribute to fully increasing the overall resilience, which could not logically be expected.

The table below summarizes the main findings per project:

Table 16 Project results on increased resilience, income opportunities and climate risk and adaptation awareness

Project ID	Project Title	Increased Resilience	Income Opportunities	Climate Risk and Adaptation Awareness
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	• Introduction of the concept of resilience to climate change into agricultural policies	• Increased agricultural efficiency and productivity from adopting climate-smart technologies (with an increase in farmers' net income) • Increased viability of cooperatives (increased production and sale)	• Increased awareness among the different actors of the initiative about the impact of climate change on small farmers
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	• Increased yields from agroforestry practices: 112% in coffee yields per hectare • Crop management to improve production: 5,940 ha under sustainable management	• Access to markets through the improvement of quality production • 60% increase in the average price for coffee compared to market prices	• Training in climate change adaptation and resilience mechanisms: 21,760 farmers trained
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors		• New crop management techniques allowing to improve production and yields • Linkages between farmers to buyers	• Ability to understand climatic information and link it with crop production/planting/ harvesting
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	• Generation of productive alternatives that help to make visible the importance of women's role		• Generation of and access to climate data and a warning system for decision-making in the context of climate change

Project ID	Project Title	Increased Resilience	Income Opportunities	Climate Risk and Adaptation Awareness
		• Enhancement of resilience of value-chains through innovation in adaptative practices • Adaptative planning (Municipal Adaptation Plans)		• Strengthening of early warning systems through risks maps • Promotion of research on practices to strengthen adaptive capacities in the region, linking research institutes in three countries with local producers
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	• Creation of synergies between communities and SINAPROC for emergency reporting and attention • Increased interaction with relevant authorities for the sector, such as ARAP and AMP	• Use of more selective fishing techniques that favour the capture of larger and more valuable fish • Support for the acquisition of businesses that sell fish products to restaurants, hotels and a processing plant • Networking with other national and international tourism service providers and tour operators • New resources from other sources for the tourism association • New tourism opportunities	• Awareness of the fishing communities of the Gulf of Montijo • Training in first aid, safety at sea, whale and bird watching, diving, customer service, and environmental and tourism culture for boatmen and tourism workers
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil		• Increased networks' income from the sale of used cooking oil	• Increased awareness about the importance of collecting and recycling

Project ID	Project Title	Increased Resilience	Income Opportunities	Climate Risk and Adaptation Awareness
				cooking oil within the population
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector		• Willingness of purchasers of houses to be built to adopt water adaptation measures	• Increased awareness and capacity: more elements of climate resilience are found in housing permits application files
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	• Higher number of building permit requests using climate change-specific vocabulary and integrating adaptation measures	• Limited results in income opportunities, building professionals often face resistance from clients to using new building technologies	• Greater climate risks and adaptation awareness
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia			
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)		• Developing a climate-smart production system and improving farmers' productivity • Creation of a high-quality sorghum value chain	• Trainings and 'preproduction in kind' services to support access to finance

3.5.4 *ProAdapt generated positive outcomes on the economic and social situation of the beneficiaries*

As shown in the table below, participation in the projects supported by ProAdapt yielded direct positive outcomes. For agricultural projects mostly, it led to increased productivity (and thus income), the adoption of new techniques, increased awareness and information sharing and new markets. In some cases, it also led to the structuring of new networks and the evolution of women's roles or job creation.

Table 17 Project outcomes on the economic and social situation of the participants

Project ID	Project Title	Direct Outcomes on the Economic and Social Situation of Beneficiaries
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	• 64% productivity increase and 204% increase in gross income (in 20 months) • Improved access to credit for 100 farmers • Improved management capacity within two (2) cooperatives
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	• New techniques for crop management and harvesting: 5,940 ha under sustainable management • New planting techniques through agroforestry: 2,510 farmers adopted new farming practices for soil and water conservation • Some coffee crops involved in certification processes • New markets for farmers: 52 risk-sharing agreements designed and implemented with firms • Access to financing for farmers: 27% of farmers obtained financing to implement practices in the Blue Harvest model • Producers' livelihoods improved: 60% increase in the average price for coffee compared to market prices • Knowledge about climate change and its effects through training in adaptation and resilience (21,760 farmers trained)
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	• New techniques for crop management and harvesting: 1,102 small farmers adopted resilient practices/techniques • New markets for farmers: i) 18% growth in honey and coca producers' annual sales to Ingemann; ii) 20% growth in farmers' annual income • Knowledge about climate change and its effects
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	• Increased knowledge and awareness of the risks and effects of climate change and climate variability. Two hundred stakeholders attend training sessions on "Intelligent management of climate variability" and "Adaptation to climate change". • Access to information for decision making: (1) Website that publishes project information, news and risk alerts, among others https://www.granchacoproadapt.org/portal/principal/ ;

Project ID	Project Title	Direct Outcomes on the Economic and Social Situation of Beneficiaries
		(2) 1 application developed (Adapp) where people register rainfall data and receive alerts and information. • Knowledge and application of new and improved production practices: 1) implementation of 6 pilots of resilient, productive practices; 2) systematization of 2/6 pilots • Strengthening of community networks: 15 research institutions, organisations and productive programmes articulated to generate cross-border innovation in the context of climate change
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	• Diversification of their portfolios of products and services • 15 groups (artisanal fishing associations and tourism MSMEs) maintain their income level through their participation in value chains • 280 people employed, six months after their participation in the programme • Enhanced role of women in the productive activities • Awareness about risks related to climate change and climate variability: 800 km2 identified as at risk of flooding due to sea level rise
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	• Job creation (300 jobs) • Increase in the cooperative's annual income from the sale of used household cooking oil (R$ 25,199,413)
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	• Developed proof of the business opportunities of water-saving devices for professionals and clients (Average of householders' reduction in annual water costs of 30%) • Enhanced capacity in water adaptation: guidelines for water adaptation for architects, drainage engineers and planners were developed, and 59 professionals were trained based on it (118% of the target). Besides, 15 trainers have been trained (75% of the target). • Boosted local start-ups: the project has mentored 30 start-ups and awarded 3 of them (100% of the target)
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	• Improved techniques based on evidence-based knowledge: a Knowledge-Attitudes-Practices survey has been carried out at the beginning to design the project at best, including the teaching material.
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	• 324 people adopting new climate-resilient technology or practices • 144 hectares of land treated sustainably • 326 people trained at the BBFC cooperative in sustainable agricultural practices and lending practices

Project ID	Project Title	Direct Outcomes on the Economic and Social Situation of Beneficiaries
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	• Improved techniques likely increased yields and revenues. Despite limited data on the project's impacts, the monitoring, however, mentions: – 3 producer organizations strengthened (100% of the target) – 167 farms accessing financial products (56% of the target) – 5 803 people trained on various topics: post-harvest processing, climate-smart sorghum production, business and financial management (54% of the target) – A total of 73 collection points were established with higher quality control (365% of the target)

Source: Own elaboration

3.5.5 *A few additional positive externalities*

In terms of additional positive externalities, the deep-dive studies allowed us to identify only a few. For the 'Proadapt Sertão' project (BR-M1122), one company (Adapta group[27]) was created and still operates to disseminate and implement the MAIS programme in other cooperatives beyond the region. Furthermore, the 'Building Resilience in the Gran Chaco Americano' project paved the way for additional IDB-funded projects and other initiatives through external support. Finally, the 'Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo' project (PN-X1013/PN-M1030) shed national and international light on the tourism association, contributing to new income opportunities.

Box 5 Examples of projects' positive externalities

Panama Gulf of Montijo (PN-X1013, PN-M1030)

The ProAdapt Project in the Gulf of Montijo helped to strengthen and consolidate the eco-tourism project " Route of the turtle " on the beach of Mata Oscura in the Gulf of Montijo in Panama. The Turtle Eco-Route has become a precedent for sustainable ecotourism in Panama and has been the country's flagship project at tourism fairs and international competitions. The idea initially aimed to solve the high cost of conservation, so a complementary activity was created to generate income and continue protecting sea turtles. As Fundación Agua y Tierra realised that many people were interested in visiting the project, they built a small visitor centre. They later realised that the community of Mata Oscura had many tourism-focused activities to offer that could complement the experience with the turtles. They then linked all the initiatives to the conservation project, and the community started to offer accommodation, gastronomy, kayaking, snorkelling, agro-tourism farms and traditional dances. The route began in 2016, and since then, they have won national and international awards for their community-based tourism model.

Gran Chaco Americano (RG-M1264, RG-X1249)

The Gran Chaco ProAdapt Project became a successful project model because it integrated a diversity of actors from three countries around a common problem: the risks associated with climate change in the Pilcomayo and Bermejo River basin. This project has served as an intervention model for other projects, and several original partners have continued to work on related projects in the same

[27] https://www.adaptagroup.com/

region. At least four new projects have been formulated. This success stems from the partners' good working dynamic, deep knowledge about the region, complemented in each area, and commitment to the problems of the Chaco Americano.

The new projects derived from ProAdapt Gran Chaco are:

- RG-T3010: Innovation network for rural development in the Gran Chaco Americano in the context of climate change. Funded by IDB Lab and INIAF Bolivia; IPTA Paraguay; Fundación ArgenINTA and Fundación Avina.
- RG-T3568: EXO Mujer: Leading technological change for climate change adaptation in the Gran Chaco Americano. Funded by IDB Lab and Avina Foundation
- AR-L1305 and AR-T1233 WAYRA: Differentiated honey and technology in the Gran Chaco of Argentina. Financed by IDB Lab, COOPSOL and APONA (farmers' associations). Nanum, Women Connected in the Gran Chaco Americano. Funded by IDB Lab, AVINA Foundation, Fundación Gran Chaco, Fundación Nativa, and Grupo Sunú.

Table 18 Other positive externalities

Project ID	Project Title	Positive externalities
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	• Creation of a company to disseminate and scale up the project results (still operating)
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	• Blue Harvest was registered as a trademark in El Salvador[28], focusing on coffee and cocoa crops, and providing i) knowledge transfer services through farm schools and ii) technical assistance for the restoration and conservation of water recharge areas. It is a joint partnership of diverse actors, including CRS, Keurig Dr Pepper, The Howard G. Buffet Foundation, alongside a coffee management school (RENACER), the national coffee council (CSC), coffee roasters and retailers (Falcon Coffees, Green Mountain, Equal Exchange, Grind Coffee, etc.), chocolate producers, and farm cooperatives. Although registered in El Salvador, it also operates in Guatemala, Nicaragua and Honduras based on the proven previous success for i) water conservation through regenerative farming practices, ii) farm technical support, and iii) linking buyers to farmers. • Model applied in Bolivia in 2017: the objective was to protect water recharge areas through basin restoration and water management, including the promotion of agroecological and agroforestry practices, sustainable pasture management, and reforestation. Also, a component of water governance activities was included in the project with local organizations and institutions. Financial support of the Coca-Cola Foundation, CRS, in alliance with Fundación AGRECOL Andes[29].

[28] https://www.blueharvest.org.

[29] https://asa.crs.org/2017/11/cosecha-azul-en-bolivia/

Project ID	Project Title	Positive externalities
		• The Water Benefits Calculator[30] (WBC) developed during Blue Harvest was upgraded by CRS with funding from USAID to be applied to agroecological systems in Ethiopia. • Based on the experiences and objectives of Blue Harvest, the Azure Initiative aims to mobilize capital and technical knowledge to improve and expand water services and projects for low-income communities in Central America. It includes protecting and conserving hydrological recharge areas to ensure water access. The initiative is currently implemented by CRS in El Salvador and was designed jointly with IDB Lab and the social enterprise Azure[31].
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	• Creation of two platforms based on the model developed by the project: *Bioclimática* and *Agroclimática* (see Table 19 in section 3.5.6 below)
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	• At least four new IDB/IDB Lab-funded projects in the Chaco Americano region • Other initiatives have continued with external support, e.g. women artisans (mainly from indigenous communities) have been supported to tokenise and export their products
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	• International and national recognition for the tourism association • The Golfo de Montijo area has been recognised as a sun and beach destination. Still, some ecotourism initiatives have emerged in recent years, such as the one developed by the Fundación Mar y Tierra de Mata Oscura, which was strengthened with the ProAdapt Golfo de Montijo project. • The Turtle Eco-Route project became a precedent for sustainable ecotourism in the country and has been a model for other initiatives. The idea was born as a solution to the problem of the high cost of conservation; then, a small visitor centre was built. The initiative became a community activity where community members contribute by offering services such as accommodation, food, kayaking, and hiking. All these services are complementary to generate income and continue the important work of protecting sea turtles. The route began in 2016, and since then, they have won national and international awards for their community-based tourism model.

[30] https://www.waterbenefitscalculator.com/Home

[31] https://azure.mwater.co/#/?locale=en

Project ID	Project Title	Positive externalities
		For more information https://destinypty.com/news/locales/la-atp-promueve-la-ecoruta-de-la-tortuga-de-mariato/
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	• None identified
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	• None identified
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	• None identified
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	• None identified
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	• None identified

Source: Own elaboration

3.5.6 *ProAdapt supported highly replicable projects, some of which have already spread out*

The programme is deemed highly successful in terms of replication. As shown in the table below, all projects were highly replicable; most were already replicated or served as a model for new projects. According to some stakeholders interviewed, this replication is partially due to two factors:

- The project design, with simple projects or elements supported by ProAdapt, selected for replication; and
- The increasing awareness about climate change adaptation, with ProAdapt being a precursor in the field, thus attracting the interest of other parties, including donors willing to develop their portfolios.

Table 19 Projects' replicability potential and replication

Project ID	Project Title	Replicability Potential	Replication
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	• High	• Company created still in operation

Project ID	Project Title	Replicability Potential	Replication
RG-X1252/RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	• High	• The activities i) on-farm training and technical support (through agroforestry practices), ii) water resources management, and iii) market opportunities for farmers were rolled out from Blue Harvest to other projects. • Replication was possible to reduce surface runoff by increasing soil organic cover (in different crops), hence protecting watersheds. • Replicated (refer to Table 18 in section 0 for more details): – for other types of crops: cacao, fruit trees, corn, beans, and sugarcane – in other countries in South America and Africa – other organizations (Coca-Cola and USAID) financed projects based on the Blue Harvest model
NI-X1013/NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	• High	• Ingemann (EA) replicated the project by developing two platforms: – *Bioclimatica*: technical assistance to producers in different value chains (e.g., peanut, palm oil, coffee, tomato, celery, cattle, and dairy production,

Project ID	Project Title	Replicability Potential	Replication
			etc.) based on climatic information – *Agroclimatica:* a tool for financial institutions to assess Nicaragua's agricultural and cattle ranching risk profiles, later replicated in other countries in Central America, Ecuador, Chile, Kenya and India
RG-M1264/RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	• High	• Not replicated, but used as a model for other interventions
PN-X1013/PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	• High	
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	• High	
JA-T1128/JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	• High	
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	• High	
RG-T2935/RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	• High	
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	• High	• Similar initiatives are already being considered in other countries where the BRANA is implemented, especially in Africa. A similar project is being implemented in Haiti with another commodity by the same EA.

Source: Own elaboration

3.6 The benefits obtained from ProAdapat are moderately likely to be continued

This sixth section answers the evaluative questions related to the sustainability of the ProAdapt Facility. As a reminder, the table below presents the evaluative questions developed in the evaluation framework and to which the investigations sought to provide answers.

In terms of net benefits obtained by the projects financed by ProAdapt, they are, to some extent likely to continue. In general, the projects developed a strong communication and visibility strategy to ensure their sustainability. However, it must be considered that each project had a different nature and objectives, so the achievements and the way to reach them varied considerably for each.

3.6.1 Regarding the possibility of implementing a second phase for the ProAdapt Facility, some objectives have been identified

All the projects financed by ProAdapt have already been completed. During the evaluation process, possible objectives that could be set for a Facility's second phase were assessed based on the needs or possibilities that the evaluators have considered in the different projects:

- Move forward in an experimental pilot phase towards a larger-scale concrete application of what has been learned.
- Invest directly in start-ups with interesting technologies related to adaptation.
- Find solutions for attracting private capital and scaling through a business model that attracts capital.
- Increase geographic representation.
- Ensure key actors, namely project counterparts, are engaged in the project since its design phase.
- Ensure the Executing Agencies' capabilities to operate IDB projects.
- Replication of the project in other areas or other Latin American regions.

3.6.2 ProAdapt has obtained a series of benefits related to adaptation to climate change, but several actions that would enhance the results have been identified

ProAdapt has achieved several benefits related to climate change adaptation to support climate resilience and the development of MSMEs and local communities after the in-depth analysis of these projects. However, a series of actions were identified that would have contributed to enhancing and improving their results:

- Improve project monitoring and development: ensuring early involvement of key stakeholders (e.g., public sector) and with IDB participation in negotiations/discussions with other relevant partners (e.g., for BR-M1122, many of the discussions and negotiations were led by the Executing Agency, an NGO that does not have the same institutional strength as a development Bank like the IDB). As noted, further monitoring system development would be needed to ensure data disaggregation (e.g., gender).
- Increase the scope and reach (e.g., including more regions and communities, using digitization to expand the perimeter of results).
- Follow-up of actions undertaken by local governments or other stakeholders so that they are sustainable over time.
- Support consolidated project networks (e.g., Redes Chaco in project RG-M1264/RG-X1249).
- Support other interventions that improve the continuity of project actions (e.g., women's participation in resilient productive activities; research activities among regional institutes).

- Better anticipation, awareness raising, and consultation of activities (e.g., to effectively increase the demand for water adaptation measures in project JA-T1128/JA-L1070).
- Adaptation of the language level used to the intended target audience (e.g., technical vocabulary vs Layman's English).
- Give more visibility to the results obtained by the projects.
- Support other initiatives that may result from the project (e.g., business ideas of fishermen's cooperatives with a significant presence of women for project PN-X1013/PN-M1030).
- Better address the demand side and supply side measures to promote the clients' awareness and avoid reluctance to new resilient technologies.
- Better integration of a financial component.

3.6.3 *An excellent communication and visibility strategy was developed to ensure lasting benefits and enhance sustainability.*

Each specific project took its own measures to enhance the durability of the benefits (see Table 20).

Table 20. Project actions for sustainability

Project ID	Project Title	Project Actions/Measures for Sustainability
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	• Support cooperatives to move significantly closer to greater economic sustainability. • Design a scalability model for the climate-smart agriculture program for three types of clients: (1) small, medium and large enterprises; (2) government programs; and (3) NGOs. • Encourage multi-stakeholder participation from the financial and private sectors to develop a longer-term program. • Create a social enterprise in charge of commercial implementation after project completion.
RG-X1252/ RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	• This project is the continuation of a project started by the executive agency before, so the IDB contribution was to include the access to markets component that was missing before. • During the implementation of the project, sustainable stakeholders were brought together to talk to each other about one project. • The project was innovative, and it connected agriculture and water. This caught the attention of the local governments to be involved. • The project allowed the completion of the value chain to improve productivity, water governance and economic income. • Financing was used to improve farms' conditions and to provide technical assistance to produce high-quality coffee. • The project implementation allowed project partners to develop new ideas that promoted innovation. The project was implemented according to national needs. Therefore, it was not a rigid design for the three countries.
NI-X1013/ NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	• Having different actors with different expertise. • Farmer education and training. • Include farmers in the decision-making process.

Project ID	Project Title	Project Actions/Measures for Sustainability
RG-M1264/ RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	The project's vision was that sustainability would be an institutional rather than an economic concern. Thus, the actions taken during the implementation of this project were: • Multiply linkages, partnerships and networks, thereby strengthening the institutional framework in the region and mobilizing public and private sector efforts to scale up adaptive innovations. • In practice, networks were strengthened, and resources from the IDB and other actors were leveraged. In addition, resources from other actors were used to expand the project's scope. The IDB had also financed other projects in the region. • Project sustainability has been achieved through the networks created and strengthened, the generation of new projects resulting from ProAdapt Gran Chaco, and the empowerment of local stakeholders. However, specific support from the private sector through public-private partnerships, as planned, was not achieved.
PN-X1013/ PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	In the Donor's Memo, the sustainability strategy was defined based on several aspects: technical, economic, social, financial, political/legal, institutional, informational, and operational. In practice, most aspects were fulfilled to ensure sustainability: • Mainly, associative processes and practices were strengthened to prioritize selected areas based on climate change criteria and develop adaptation plans for income-generating activities that depend on marine habitats and ecosystems. • Local networks between government institutions were also strengthened. • Strengthening the Executing Agency's capacities has been fundamental, consolidating its local presence and reinforcing its commitment to work in the region. • Finally, the engagement with governmental organizations enabled the project to remain current and relevant.
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	• An environment of trust was created, and new paths were opened through the engagement between the public-private sectors.

Project ID	Project Title	Project Actions/Measures for Sustainability
JA-T1128/ JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	• Sharing knowledge on open-access tools.
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	• N/A
RG-T2935/ RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	• Climate-related business opportunities have been enhanced by creating more significant linkages with the island's major hotels and restaurants. This has resulted in more institutional relationships between Black Bay farmers, cooperatives and tourism stakeholders compared to the previously more personal and individual relationships.
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	• The Brasserie Nationale d'Haïti (BRANA) signed a 4-year extension of the project. • Farmer training and demonstration plots illustrate how new techniques can serve farmers' own interests. • Distribution of equipment.
ME-T1348	PROADAPT Monterrey: Increasing Water Resilience	• The project was cancelled before the first disbursement.
RG-W1336	Private Markets for Climate Resilience Update Consultant	N/A

Source: Own elaboration

However, during the implementation of the projects, a few aspects for improvement were also detected. These led to a series of lessons learned regarding sustainability, including:

- Improve and reinforce the project preparation phase: This could be done by allocating more resources to the initial diagnoses and by improving and anticipating the communication campaign (the private sector, in particular microenterprises, need this approach). During the preparation of some projects, it was not always considered how they could be financed after the pilot period.
- Promote private capital and facilitate investment: A key success factor is scaling up projects with a sustainable and resilient business model (financial and human resources) that attracts capital. In addition, new investment vehicles, such as small grants to retrofitting centres, could be implemented to maintain performance.
- Integrate mitigation and adaptation: Rather than considering adaptation and mitigation as opposites, treating mitigation as a component of adaptation is advisable.
- Enhance governance: Improve synergies among the partners and better integrate them into the decision processes to get their input and buy-in. Leadership from country offices would also be beneficial.
- Define a strategy seeking replicability and expansion of the projects: ProAdapt's investments could have been more closely linked to BID's. In addition, aligning investments with NDC and LTS implementation objectives would have been advisable.
- Focus part of the funding on training and strengthening activities: There are still financial actors/cooperatives that need to be trained. Also, it is necessary to consider the schools' resources and curriculum to ensure that the learning pathway can be sustainably integrated into the educational program.
- Establish a project monitoring and follow-up system: Improving monitoring would help produce a more accurate understanding of achievements and the processes behind them.

3.6.4 *In general, the sustainability of the projects has been achieved, but since the projects have different purposes, achieving this objective has depended on different factors for each one*

To analyze the extent to which the benefits obtained from the implementation of the ProAdapt Facility are likely to continue, a review has been carried out to identify which factors have had a greater or lesser influence on the achievement of sustainability of each project:

Table 21. Factors for project sustainability

Project ID	Project Title	Factors for Project Sustainability
BR-M1122	Proadapt Sertão: Building Climate-Resilient Farmers in the Brazilian Sertão	Positive factors: • The ability of the new company to raise the necessary funding for scaling up results. • Working with the people in the field is particularly difficult, and there is widespread resistance on their part to new approaches and processes. Therefore, how information is communicated to farmers (narrative) is crucial as it helps change their perceptions. • Early engagement with key stakeholders (including them in the project design).
RG-X1252/ RG-M1285	Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers	Positive factor : • Blue Harvest has already proven that it is sustainable over time. Even when the project ended, the model continued to be applied and expanded.
NI-X1013/ NI-M1040	PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors	Positive factors: • Include the private sector as a key actor. • Communities as active players in the project. • The project must generate resources to be self-sustainable without cooperation funds. • The selection of project partners is crucial to ensure positive results. • Partnerships between the private sector and civil society generate results by combining their strengths. • Clear roles must be established from the outset.
RG-M1264/ RG-X1249	PROADAPT: Building Resilience in the Gran Chaco Americano	Positive factors: • Creation and strengthening of local networks. • Ownership of the problem by partners and other local stakeholders. • Careful selection of partners with proven experience in the region and commitment to the problem.

Project ID	Project Title	Factors for Project Sustainability
		• Involvement of partners in the design of the intervention. • Participation of various stakeholders: government, academia, civil society, etc. Negative factors: • Poor coordination. • Lack of clarity in functions. • Non-supportive public policies. • The region's isolation results in inadequate resources, infrastructure, and governmental actions.
PN-X1013/ PN-M1030	Enhanced Resilience for Managing Climate Change Effects on the Gulf of Montijo, Panama	Positive factors: • Creation and strengthening of local networks. • Ownership of the problem by partners and other local stakeholders. • Careful selection of partners with proven experience in the region and commitment to the problem. • Involvement of partners in the design of the intervention. • Participation of various stakeholders: government, academia, third sector, civil society, etc. Negative factors: • Poor coordination. • Lack of clarity in functions. • Non-supportive public policies. • Isolation of the regions results in a lack of resources, infrastructure, and governmental actions.
BR-T1343	Circular Economy and Climate Change Adaptation in São Paulo: Recycling Used Cooking Oil	Negative factors: • Conflicts between the coordination team and potential project partners. • The development of plans with government partners that could be interrupted in an election year.

Project ID	Project Title	Factors for Project Sustainability
JA-T1128/ JA-L1070	Financing Water Adaptation in Jamaica's New Housing Sector	Positive factor : • Access to external funding to finance the advocacy work.
BL-T1096	PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities	Positive factors: • The level of awareness within the population. • The capacity of the teaching institutions to utilize the new learning track despite high turnover rates and limited resources.
RG-T2935/ RG-L1119	Supporting Climate-Resilient Investments in the Agricultural Sector in St. Lucia	Positive factor: • The strength of the institutional linkages between the producers and buyers (hotels/restaurants).
HA-M1057	Scaling Up the Smallholder Alliance for Sorghum in Haiti (SMASH)	Positive factors: • The BRANA's decision to pursue or not the project. • The deterioration of the socio-economic and security context.
ME-T1348	PROADAPT Monterrey: Increasing Water Resilience	The project was cancelled before the first disbursement.
RG-W1336	Private Markets for Climate Resilience Update Consultant	Positive factor: • The design and implementation of a communication strategy from the beginning of the project.

Source: Own elaboration

Box 6 Ensuring the sustainability of impacts beyond projects' completion

Nicaragua (NI-X1013, NI-M1040)

The Executing Agency continued to work with beneficiaries after the project's completion, portraying the impacts' long-term sustainability. Furthermore, based on the experiences of the project, Ingemann developed two platforms: i) *Bioclimatica* to provide technical assistance to producers in different value chains (e.g., peanut, palm oil, coffee, tomato, celery, cattle, and dairy production, etc.) based on climatic information; ii) and, *Agroclimatica*[1], a tool for financial institutions to assess agricultural and cattle ranching risk profiles in Nicaragua (replicated in other countries in Central America, as well as in Ecuador, Chile, Kenya and India).

4 Benchmark study

This chapter presents the findings of the benchmark conducted by the Technopolis Group (TG) and Global Factor evaluation team as part of the Evaluation study of 12 projects financed by the ProAdapt Facility. The comprehensive benchmark report is a separate document that is delivered together with the evaluation's final report.

4.1 Objectives and scope of the benchmark

The benchmark aims to review the intervention of five different climate funds deployed in the Latin America and Caribbean (LAC) region in order to assess the positioning of the ProAdapt fund in comparison. Accordingly, the funds' interventions are not evaluated as such. Instead, their strategic intervention frameworks (rationale), types of intervention (grant, loan/debt, equity), and modes of operation (direct, intermediary) are reviewed, as well as the obstacles and key success factors which have been reported behind these funds.

The overall objective of this exercise is to position ProAdapt's intervention against the external climate funds and to gather relevant lessons learned that may be useful for designing future climate funds at the IDB.

The five climate funds reviewed as part of this benchmarking exercise were chosen based on several selection criteria:

- **Geographical scope:** preference was given to funds active in the Latin America and the Caribbean (LAC) region
- **Thematic scope:** preference was given to funds targeting climate, adaptation to climate change, and private-sector development goals
- **Donor type:** preference was given to multi-donor funds and funds implemented by the IDB
- **Calendar:** preference was given to funds which had been operational long enough to be able to report on results and lessons learned during implementation
- **Budget:** preference was given to funds with larger budgets

As a result of the selection process, the following five funds were selected:

- NDC Pipeline Accelerator (ACL)
- Canadian Climate Fund (C2F)
- EcoMicro
- Sustainable Energy and Climate Change IDB Special Program (SECCI IDB Fund)
- UK Blue Carbon Fund

The following table presents the essential facts of each fund.

Table 22 Benchmarked climate funds

FUND	Sustainable Energy and Climate Change IDB Special Program (SECCI IDB Fund)	Canadian Climate Fund (C2F)	EcoMicro	NDC Pipeline Accelerator (ACL)	UK Blue Carbon Fund
Donors	FINNISH GOVERNMENT; The Federal Government; Governo Italiano; JAPANGOV The Government of Japan; GOBIERNO DE ESPAÑA; Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra; HM Government	Canada	IDB LAB; NDF Nordic Development Fund; Canada	NDF Nordic Development Fund; Federal Chancellery Republic of Austria; FINNISH GOVERNMENT; Government of the Netherlands; Government of Sweden	Department for Environment Food & Rural Affairs
Fiduciary	IDB	IDB	IDB	IDB	IDB
Budget (converted to USD, December 2022)	20m	348.6m	17m	20m	16m
Year established	2007	2012	2012	2017	2018

Source: Own elaboration

4.2 Main findings on the funds

This section reviews the five funds against the evaluation criteria of the study (relevance, coherence, efficiency and effectiveness/impact). The funds' interventions are not evaluated as such. Instead, any areas of insight on the challenges and successes experienced during the design and implementation of the funds are highlighted in order to draw out key lessons learned, which can inform recommendations on the future use of climate funds at the IDB.

4.2.1 Relevance of the funds

The funds under consideration were all created under different circumstances, some as part of a broader climate strategy, while others were established due to internal reviews. For example, ACL was initially established as the NDC Invest Platform's initiative to assess the implementation of climate funds active at the IDB (their logic of intervention, results to date). The review highlighted the need for additional resources to be mobilised to accelerate the implementation of climate-related projects. Elsewhere, SECCI was created in parallel with the inclusion of climate change within IDB's strategy, at which point no large-scale and climate-specific fund existed at the IDB. An evaluation of the Bank's strategy had recommended that the IDB start working more on climate issues.

All stakeholders consulted for the purpose of this benchmarking exercise considered that the funds were relevant and well targeted to the needs of the local beneficiaries they serve. More information on these and other key lessons learned are presented below.

Key lessons learned:

- **Context-specific and adaptive design**: The climate finance architecture in Latin America is complex and constantly evolving. Numerous funds now exist to address climate mitigation and adaptation issues in LAC. However, ProAdapt and the other funds studied in the benchmark were the first of their kind at their creation. They provided innovative financing in fields that had previously lacked attention. For example, SECCI's creation in 2007 marked a turning point for the IDB, constituting its first large-scale and climate-specific fund. At the time of ProAdapt's creation in 2013, there were no specific resources for climate adaptation, particularly for the private sector and MSMEs. As such, the relevance of some of the funds may have also evolved.
- When gaps were identified in the funds' design, they were sometimes reformatted for a second implementation phase. For example, C2F and EcoMicro both underwent changes to their intervention logics as part of second phases.
  - For C2F's second phase starting in 2018 (whereby it benefitted from an additional CAD 223.5m in funding), changes were introduced, including granting greater leniency regarding exposure limits based on lessons learned during the first phase of implementation and the gaps in the fund's design.
  - For the second phase of EcoMicro (EcoMicro 2.0), an additional EUR 4.1m in funding was allocated to the programme in 2016. Changes to the fund's design included introducing reimbursable financing to complement the existing Technical Cooperation Facility and a more significant focus on catalysing deep innovation to stimulate the supply of local climate technology solutions via Contingent Recovery Grants. In this case, changes in the fund's design were also introduced based on lessons learned during the implementation of its first phase.
- **In order to promote green finance and climate resilience, it is also important to consider broader drivers of resilience**: The Covid-19 pandemic has demonstrated the need for climate funds to frame climate resilience within a broader perspective, i.e., one which encompasses the financial and socio-economic impact of broader global events. In order for financial intermediaries (FIs) to play a pivotal role in delivering climate finance to MSMEs, funds should consider building their capacity to assess and manage the financial impact of economic crises via tailored support (e.g. from a moratorium on loan reimbursements to business continuity loans to ensure job retention). Ensuring digital resilience is also important as it allows for seamless delivery of services and operational support even in times of crisis with minimal disruption to business continuity.
- **A whole-of-society approach is fundamental in addressing resilience**: Broader partners beyond traditional FIs, such as anchor companies, cooperatives that offer lines of credit, and other value chain players, can be critical drivers of resilience, as they also represent non-traditional players working with smallholder farmers and local communities along the value chain (e.g. offering advances on harvests). With tailored support, they can develop a green lending portfolio that is able to reach farmers in their network, enabling them to acquire climate technologies and knowledge to improve their climate resilience. It is also fundamental not only to promote environmental conservation and restoration, but also to understand and consider the needs of local communities and their economic activities around ecosystem services.

4.2.2 *Coherence of the funds*

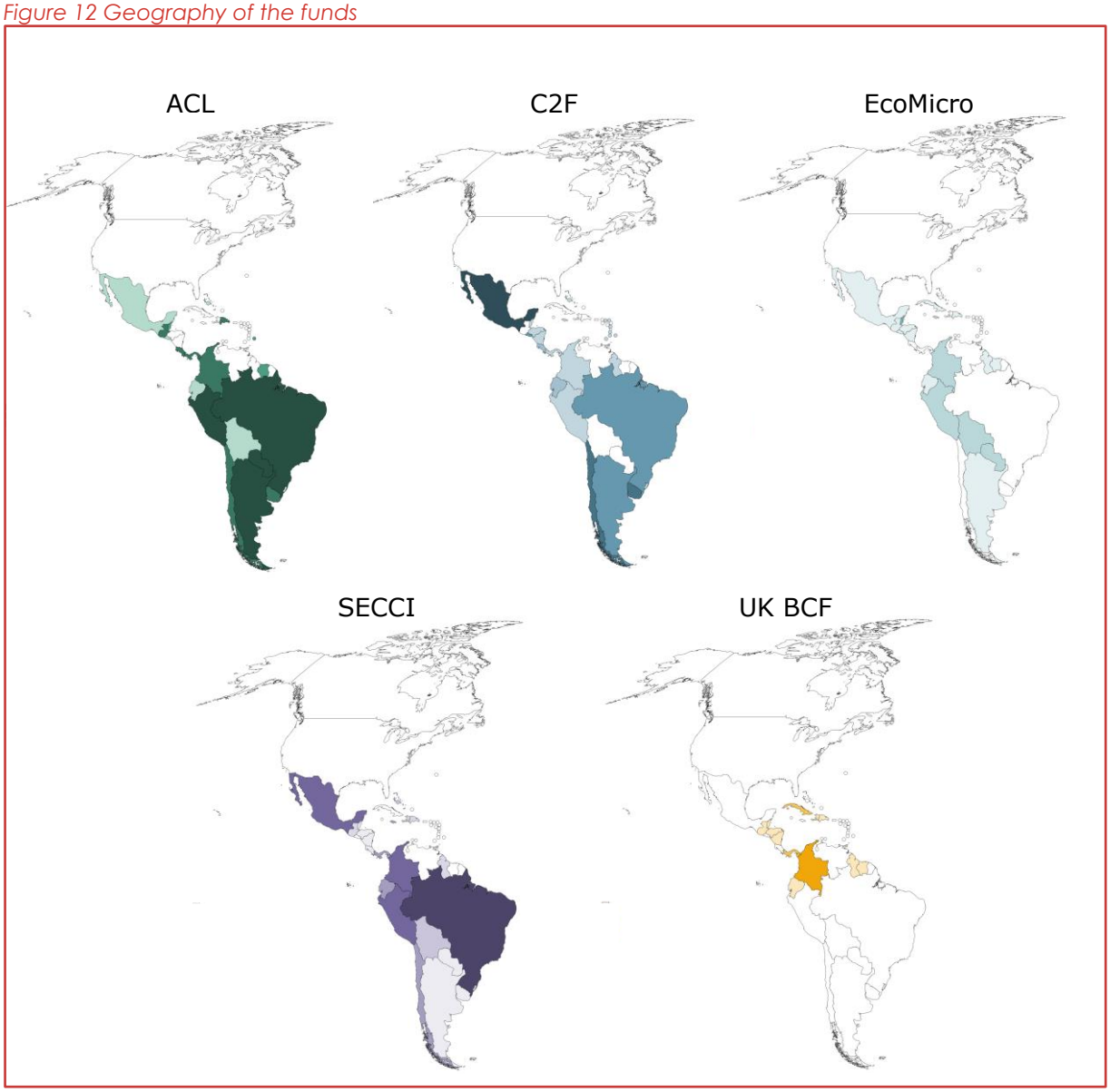
All the funds share a similar positioning regarding their thematic focus, their geographic scope, and the donor and implementing entities involved in their implementation, which is understandable since the funds were selected for the benchmarking exercise based on these shared criteria. Nevertheless, no two funds are identical, and the projects targeted by the funds tend to belong to different sectors and thematic areas, as shown in the table below.

Figure 11 Thematic focus of the funds

Thematic focus:	ACL	C2F	EcoMicro	SECCI	UK BCF
Agriculture	✓				
Climate mitigation	✓	✓		✓	✓
Climate adaptation		✓	✓	✓	
Energy efficiency		✓	✓	✓	
Environmental protection & land-use management	✓				✓
Nature-based solutions				✓	✓
Private-sector development	✓			✓	✓
Renewable energies		✓	✓	✓	
Sustainable transport & infrastructure	✓	✓			

Similarly, whilst all the funds target the LAC region, differences are visible in the beneficiary countries. For example, as shown in the figure below, EcoMicro has tended to finance projects in the Andean countries, whilst UK BCF has mainly financed projects in the greater Caribbean region. Furthermore, while ACL, C2F and SECCI have a broader geographical scope, each concentrates on certain groups of countries. ACL focuses mainly on certain South American beneficiaries (Argentina, Brazil, Paraguay and Peru). C2F mainly targets projects in Mexico, Chile and Uruguay. SECCI generally finances projects in Brazil and, to a lesser extent, in Mexico and Colombia.

Figure 12 Geography of the funds



Source: IDB project website, available at: https://www.iadb.org/en/projects-search?country=&sector=&status=&query=SECCI.
Note: Countries are shaded according to the number of projects in which they are listed as beneficiaries (the darker the shade, the higher the number of projects). Only countries explicitly listed as direct beneficiaries of projects have been shaded in the above maps; projects listing no beneficiary countries or including universal coverage for the entire LAC region have been disregarded.

Key lessons learned:

- **No information found suggests that the funds' interventions are inconsistent with each other**: As listed above, all funds differ slightly (and sometimes substantially) from each other in terms of their thematic and geographic positioning. Each has an added value in its field of operation.
- **In other cases, the interventions are complementary**, particularly when comparing ProAdapt's intervention with the ACL and SECCI funds, with which it is most closely aligned. In this case, the synergies between the three funds are mainly related to the fact that they all focus on climate adaptation activities and make funds available for the private sector.

[32] However, differences still exist. For example, while SECCI was designed more for the public sector, the 10-year evaluation of the fund found that the private sector accessed SECCI funds to a lesser extent than initially expected.

4.2.3 *Efficiency of the funds*

The average budget of the climate funds' projects varies significantly, amounting to around USD 300,000 for projects funded by SECCI, around USD 1.5m for UK BCF-funded projects, and a total of around USD 10m for projects financed by C2F. This partly reflects the nature and the different types of projects financed by each fund. As part of this exercise, the stakeholders consulted stated that the funds were sufficient to achieve the established objectives.

Regarding timeliness, substantial differences in the funds' implementation times were found. This can be attributed to two broad factors: donor relations and partner relations, on the one hand, and the impacts of the Covid-19 pandemic, on the other. These are listed in greater detail below.

Key lessons learned:

- **Donor relations are a fundamental factor influencing funds and projects' timely and resource-efficient implementation**. Indeed, for donor relations to be successful, the governance structure and scope of the partnership between the fiduciary and donor must be defined well from the beginning. It includes the policies and procedures that will apply to the overall management of the fund and a comprehensive risk analysis framework. If this is not clear from the beginning, then it is likely that problems relating to governance will arise down the line.

  Equally underlined as a critical success factor was allowing the fiduciary to have the freedom to make decisions in a relatively unilateral manner regarding projects and investments. The world of blended finance is market-driven and fast-moving and requires swift decision-making from the implementing agency. Some of the delays experienced in implementing the funds were at least partly due to a lack of decision-making power on the end of the implementing agency and a relatively micro-managing donor, which hindered fluid implementation.

- **Relations with executing agencies and beneficiary countries are essential factors for the timely implementation of projects.** Projects developed in close cooperation with national governments will strengthen the relevance of projects for beneficiaries. Still, they will also make the timely implementation of projects highly dependent on the stability and responsiveness of the government in question. Elsewhere, finding an appropriate contractor for project implementation can sometimes prove challenging and time-consuming, resulting in delays in implementation.

- **The impact of the Covid-19 pandemic has placed the deployment of climate finance in the region at risk, at least in the short term**. The implementation of certain funds and projects has been slow due to Covid-19. Additionally, in some cases, the implications of the pandemic are also significant at the operational and loan portfolio level, as well as on the socio-economic impact on Financial Institutions (FIs) and the MSMEs and low-income households these institutions serve. Some affected FI clients have been increasingly unable

32 SECCI's mandate states that 30% of its funding must be made available for use by the private sector.

to service their loans in the short-to-medium term, increasing segments of loan portfolios with delays and liquidity constraints. This led to uncertainty on the FIs' ability to mobilise green funding and a reduced appetite and financial spread of end-clients to take up green loans as an immediate priority post-Covid-19.

4.2.4 Effectiveness and impact of the funds

The funds have experienced varying levels of success in achieving their objectives. Particularly successful funds include the C2F, which has reached around 85% of its objectives and has been effective regarding its objectives in abated CO_2 and gender targets. However, due to the challenges highlighted in the efficiency section, certain other funds have achieved limited success.

For the funds with sufficient experience in terms of implementation, specific impacts are visible to date. For example, for EcoMicro, over USD 37.8m has been leveraged by FIs and private investors for green finance during and after implementation. The facility has successfully demonstrated a strong leverage ratio thus far —every USD 1 provided by EcoMicro has yielded USD 4.97 by participating FIs to pilot and scale new green finance. Overall, these funds, including ProAdapt, have helped mainstream climate change within the IDB, bringing new topics to the fore, and building internal and external capacity on these issues.

Whilst making general assumptions regarding each fund's effectiveness is difficult and not part of the remit of this benchmark, specific key lessons learned from the funds' achievement of objectives and impacts are worth highlighting, presented below.

Key lessons learned:

- **Climate risk tools are critical in the delivery of climate finance.** Climate risk tools can be complementary to the deployment of climate finance products. For example, collecting detailed information about farmers' production practices in a digital format enables financial institutions to analyse their portfolios' vulnerability to climate change and to integrate climate risk assessment into future credit decisions. This assessment allows them to offer their end-clients tailored recommendations for risk management and relevant green finance products that build their climate resilience. In this way, in the medium term, the organizations will strengthen their climate resilience and capacity to develop risk management adaptation strategies and responses.

  Access to green finance[33] can be challenging, and climate risk tools can unlock new funding sources for FIs. International lenders that offer this type of funding to banks or credit unions often establish minimum lines of credit that are well beyond the borrowing capacity of a small or medium-sized institution. However, with climate risk data in hand, FIs have managed to borrow green funds at a slightly subsidized interest rate, which enabled them to provide more loans to qualified farmers and pass along the savings.

- **Institutional commitment of financial intermediaries and other key actors offering lines of credit is paramount.** A commitment to climate resilience and climate action must start in-house. The most sophisticated climate tool will be of little use (and green finance will gain little traction) if a financial institution or cooperative does not internalise knowledge about climate change among its staff, customers, and other stakeholders. Financial institutions

[33] "Green finance" is a broader umbrella that supports environmentally friendly activity that includes "climate finance" but excludes socio-economic aspects.

can build a culture conducive to growing this part of their portfolios by analysing their carbon footprints and developing their green policies. For example, talking to farmers about green loans is easier if the bank or credit union has committed to going green. Close collaboration between financial institutions and their MSME clients is required to co-create a strategy that aligns with the enterprise's priorities and budget.

- **The supply of technology is crucial to climate change resilience**. Without locally relevant and affordable climate technology solutions, MSMEs and low-income households will remain challenged in their quest to build climate resilience. More broadly, opportunities will be missed to enable greener and more sustainable economic recovery post-Covid. Thus, in addition to providing access to green finance, which promotes demand for and uptake of technology solutions, it is equally essential to catalyse innovation in the supply of broad-based ClimateTech solutions. Certainly, clean-tech, blue-tech, ag-tech, water-tech, and Digi-tech can contribute to the fundamental imperatives of climate resilience, decarbonization, waste management/circular economy, nature-based solutions and sustainable green economic recovery post-Covid.
- **Carbon premiums can serve as an innovative finance model to promote resilience**. In addition to the traditional lines of credit for green finance, the combination of an innovative finance model can be a leading strategy for greater climate resilience. Innovative models may, for instance, include a carbon premium line of credit that rewards farmers that implement regenerative, organic farming practices and achieve targeted carbon sequestering "CO_2 scores". While still in early execution, the approach is being piloted in one EcoMicro project, which considers the capacity building of coffee cooperatives in a new Climate Risk Assessment Tool. This approach uses the digital tool to strengthen regenerative practices on-farm, linking low-impact farming practices to financial premiums offered by anchor firms in the coffee supply chain. This comprehensive approach has the ingredients to be sustainable and inclusive, particularly when supported by a high-impact implementation structure.
- **Harnessing the gender-climate finance nexus can lead to improved climate resilience.** By promoting solutions at the nexus of gender, climate, and finance, financial institutions will be more inclusive in financial and non-financial value propositions for women-led MSMEs, leading to improved climate resilience. For FIs and other similar institutions, sex-disaggregated data collection can help to identify gender disparities as well as build the business case of focusing on women-owned businesses (WOB). By way of illustration, offering collateral-free loans may increase the participation of WOB in the portfolio by responding to women's needs. In the case of the C2F Fund, having specific objectives related to gender, rather than including it as a side issue, was highlighted as a key success factor.

5 Overall conclusions

5.1 Conclusions of the project portfolio evaluation

This report presents the results obtained from evaluating the extent to which ProAdapt-funded projects have achieved or are likely to achieve their objectives. A theory-based approach drives the selected methodology. For this approach, we defined a Theory of Change (ToC), which was tested and assessed throughout the evaluation.

We faced difficulties concerning potential biases because the evaluation methodology did not include as many meaningful interactions with the final beneficiaries of the projects as initially planned. Nevertheless, we obtained sufficient information from different sources and triangulated it systematically. In this sense, the consultancy has shed light on several weaknesses and strengths related to the evaluability of the project portfolio. We have also managed to test most of the assumptions identified in constructing the Theory of Change.

In terms of **relevance**, ProAdapt successfully responded to the challenges and needs identified by donors during the Facility's inception period and was aligned with country priorities to address the local needs and challenges of the beneficiaries. Indeed, the projects supported by ProAdapt sought to:

- Increase the climate resilience of MSMEs and local communities in which they operate, as well as business opportunities in the region; and
- Build new capacities, tools, business models and knowledge that enable MSMEs and the ecosystems that support them to reduce vulnerabilities to climate change and take advantage of related business opportunities.

The analysis of ProAdapt's **coherence** shows that its design and implementation have been compatible with other related interventions. Although the evidence indicates that ProAdapt is coherent with other IDB Climate Funds, especially the CIF (PPCR), synergies could not be found because adaptation was mainly associated with the public sector in other funds, while ProAdapt focused on the private sector.

In terms of **effectiveness**, ProAdapt has achieved its primary objective of turning climate risks into opportunities. Overall, this analysis shows that most ProAdapt-funded projects achieved their intended objectives. On average, 74% of the projects' key performance indicators (both outcome and impact) were achieved; and more than half of the projects supported achieved more than 70% of their objectives. These achievements were made despite many unforeseen internal and external challenges. However, these challenges led to uneven project implementation and mixed rates of achievement of project objectives.

For two projects, the main challenge experienced was the impact of the COVID-19 pandemic, an unforeseen external challenge. Other internal challenges were also apparent in the implementation of the projects, including human resources issues (especially relating to staff turnover in the project coordinator role), as well as less frequent challenges related to local authorities and to commodity prices (which have emerged more than once as an obstacle). These factors undermined the implementation of some projects and therefore contributed to low achievements for some projects. Nevertheless, some drivers enabled the effective implementation and success of the projects in the face of these challenges. The most prominent ones are a network of diverse partners, an EA with expertise in the project's thematic and geographic field, and, for one project, a participatory design.

ProAdapt was largely **efficient** in terms of its organisation and management of resources for the timely achievement of objectives. Overall, the use of resources allocated to the projects

was efficient. The programme was designed to allocate more than sufficient resources from the outset so that, given the pilot nature of the projects, the business cases could be demonstrated. As a result, the projects achieved most of the planned objectives (presented in the effectiveness section) within budget, without cost overruns, and generally with a very good level of implementation. To some extent, project activities were carried out as planned and in a timely manner.

To a great extent, the ProAdapt programme generated positive **impacts** through the supported projects. Indeed, ProAdapt allowed for increasing the climate resilience of participating MSMEs and, to a lesser extent, of other MSMEs. Overall, the evaluation showed that the different projects' objectives were achieved related to supporting the climate resilience of MSMEs and local communities participating as partners or direct beneficiaries. ProAdapt also supported the production of new knowledge, development of training and communication materials, awareness-raising activities, creation of new communication channels, certifications, training of stakeholders, development of plans and policies, adoption of new practices, etc. To a lesser extent, ProAdapt's activities contributed to raising awareness of the concept of resilience, seizing income opportunities and increasing overall resilience. ProAdapt also generated positive results in the economic and social situation of the beneficiaries.

Finally, regarding **sustainability,** the sustainability and net benefits of ProAdapt-funded projects will likely continue to some extent. The main factors influencing the sustainability of the projects were identified. Concerning the sustainability of knowledge products and the evaluation findings, efforts must be made to collect and organise them for dissemination and use. Additionally, objectives were identified in the case of a second phase for the ProAdapt Facility.

5.2 Conclusions of the benchmark study

In addition to analysing ProAdapt's project portfolio, this evaluation included a benchmark study that reviewed the intervention of five IDB-managed climate funds deployed in Latin America and the Caribbean (LAC). The selected funds are ACL, C2F, EcoMicro, SECCI and UK BCF. The following are the main findings and lessons learned.

The private sector has had more incentive to invest in mitigation than adaptation, which requires long-term investments and the involvement of many different stakeholders. However, according to the UNEP's Adaptation Gap Report 2022, adaptation finance is too limited. Globally annual adaptation needs are estimated at USD 160-340 billion by 2030 and USD 315-565 billion by 2050. This calls for greater and more direct engagement of public and private actors in climate resilience action.

Over the last decade, climate risk has driven a growing demand for climate resilience solutions. In this context, the market for companies offering climate resilience and adaptation solutions has been growing, as adapting to climate change is a necessity and a promising investment strategy.

ProAdapt was created before the signing of the Paris Agreement at COP21. At that time, adaptation, especially for the private sector, was not as high on the international climate agenda as today. In this context, ProAdapt was a pioneering fund, as it was the first to focus on the impacts of climate change on MSMEs and the opportunities for the private sector to invest in climate-resilient solutions. It provided seed funding to innovative projects that demonstrated that adaptation could be addressed as a response to a threat and a business opportunity through developing and implementing climate resilience solutions.

Since its inception, more IDB funds and mechanisms have focused on supporting private sector engagement in adaptation actions and leveraging private finance and solutions for climate resilience, such as ACL, C2F, EcoMicro, SECCI and UK BCF.

The analysis of the design and implementation of these five climate funds and the in-depth evaluation of ProAdapt has resulted in many key lessons learned at operational, technical and practical levels. These lessons learned can inform the recommendations for future use and design of climate funds at the IDB. They are summarised below (listed by evaluation criteria):

Relevance

- ProAdapt and the funds examined as part of this benchmark were often the first of their kind targeting climate adaptation and private-sector issues, providing innovative and often necessary funding to fields which had thus far lacked attention.
- Enabling adaptive design during project implementation is crucial.
- To promote green finance and climate resilience, it is also important to consider broader drivers of resilience.
- A whole-of-society approach is fundamental in addressing resilience.

Efficiency

- Relations between donors, executing agencies and beneficiaries are fundamental factors influencing the timely and resource-efficient implementation of funds and projects. For these relations to be successful, the governance methodology and scope of the partnership between the executing agency and donor must be well defined from the beginning and allow the executing agency to have the freedom to make decisions in a relatively unilateral manner regarding projects and investments.
- Relations with executing agencies and beneficiary countries are essential factors for the timely implementation of projects.
- At least in the short-term, the impact of the Covid-19 pandemic has placed the deployment of climate finance in the region at risk, particularly from financial institutions to MSMEs and low-income households. In this context, funds such as ProAdapt, ACL, C2F, EcoMicro, SECCI and the UK BF can play an essential role in helping to close this gap and in guaranteeing support to enhance private sector actors' resilience to climate change impacts and the deployment of climate-resilient solutions.

Effectiveness/impact

- Climate risk tools are essential in the delivery of climate finance.
- Institutional commitment from financial intermediaries and other key actors offering lines of credit to private actors is paramount.
- The supply of technology is critical to climate change resilience.
- Carbon premiums can serve as an innovative finance model to promote resilience.
- Harnessing the gender-climate finance nexus can lead to improved climate resilience. However, climate change does not affect men and women equally, and a gender perspective should be considered when designing and executing climate finance instruments and vehicles.

Overall, the analysis suggests that, since the creation of ProAdapt, there has been a growing trend at the IDB to support private sector development and engagement in climate action, especially in adaptation. As climate risks increase, so does the demand for private resilience

solutions and, thus, business opportunities in many different sectors. In this context, and similar to the work of ProAdapt, the benchmarking results highlight the importance for the IDB to continue investing in adaptation and supporting private sector engagement in climate action.

6 Recommendations and lessons learned

6.1 Recommendations

Eight strategic and operational recommendations are listed below.

Table 23 Recommendation 1

Recommendation 1 **Strategic**	**Prioritize adaptation as a key intervention area and develop initiatives (programmes/facilities) that foster a programmatic/systemic approach to climate resilience**
Findings	• The PMCR study found that climate risk is driving a large and growing demand for climate resilience solutions and that there is a nascent market • ProAdapt was one of the only instruments targeting only adaptation • Financing for adaptation is too limited globally. Estimated annual adaptation needs are USD 160-340 billion by 2030 and USD 315-565 billion by 2050[34] • There is an increasing demand from Central American and Caribbean countries for climate adaptation and resilience
Objectives	• To foster a greater and more strategic role of markets in addressing climate resilience • To promote the implementation of public policies that generate public goods, incentivize long-term private investment, and appropriate regulatory frameworks, to make markets more efficient in providing climate-resilience solutions
Targets	• Development banks and financial intermediaries • Public stakeholders
Modalities	• Analyse the need to establish dedicated financial instruments solely focusing on adaptation, embed adaptation in existing instruments, or develop new instruments • Implement measures to raise awareness about financial instruments' support for adaptation • Support public stakeholders to develop and implement adaptation-related policies and enabling conditions
Resources	• Financial ressources • Human ressources
Timeline	• Immediate
Expected benefits	• Improved enabling environment for private adaptation finance
Indicators	• Finance flows (% of total climate finance) to private adaptation funding

[34] UNEP Adaptation Gap Report 2022 https://www.unep.org/resources/adaptation-gap-report-2022

Table 24 Recommendation 2

Recommendation 2 Strategic	**Continue to support private initiatives on adaptation**
Findings	• ProAdapt support led to seized income opportunities and increased, to a small extent, climate resilience • The PMCR study has found that climate risk is driving a large and growing demand for climate resilience solutions and that there is a nascent market • ProAdapt, with its innovative approach, showed that adaptation could be addressed not only as a response to a threat but also as an area of business opportunity
Objectives	• Continue increasing the resilience of MSMEs • Promote the development of climate adaptation solutions by the private sector
Targets	• Private sector
Modalities	• Continuously assess the needs of the private sector in developing climate adaptation solutions and undertake market studies • Set up the framework conditions, including technical assistance and financial support, for the private sector to develop new products and services and adapt current products and services to increase climate resilience
Resources	• Financial resources • Human resources
Timeline	• Immediate
Expected benefits	• Creation of new business opportunities • Increased resilience and reduced vulnerability of private sector operations, assets and supply chains to climate change impacts • Increased private finance supporting climate change adaptation and resilience • Increased support to a variety of actors through the provision of specific climate-resilient products and services
Indicators	• Number of private actors incorporating aspects of climate resilience in their business models • Number of private actors developing climate-resilient solutions • Number of financial institutions providing financial instruments that support climate change adaptation and resilience

Table 25 Recommendation 3

Recommendation 3 Strategic	**Promote synergies by integrating initiatives aimed at mitigation and adaptation**
Findings	• Adaptation has been addressed by the IDB mainly through the public sector • The private sector has had more incentive to invest in mitigation than in adaptation, which requires long-term investments and the involvement of many different stakeholders
Objectives	• Promote synergies (ensure complementarity and avoid duplication) between the efforts being carried out through the funds managed by the IDB to incentivize private investment • Enhance research identifying private adaptation finance opportunities
Targets	• Private sector
Modalities	• Continuously assess the needs of the private sector in terms of climate adaptation and undertake market studies to help leverage funds for adaptation • Set up the framework conditions, including through technical assistance and financial support, to support interventions combining both adaptation and mitigation components • Raise awareness about the benefits of synergies of initiatives aimed at mitigation and adaptation • Ensure complementarity between ID funds, integrating both mitigation and adaptation components
Resources	• Human resources
Timeline	• Immediate
Expected benefits	• Improved participation of the private sector in adaptation activities • Increased private funding for adaptation activities • Improved IDB support in engaging the private sector in climate adaptation action
Indicators	• Number of market studies developed • % increase of IDB financial flow targeted at adaptation activities led by private actors

Table 26. Recommendation 4

Recommendation 4 Strategic	**Ensure broader sector coverage for supporting private-sector climate adaptation solutions**
Findings	• Supported projects were only focused on four areas: basic services and green growth, inclusive cities, markets and skills, smart agriculture • As climate risks increase, so do the demands for private resilience solutions and thus the business opportunities in many different sectors (e.g., storage and logistics, construction methods, resilient infrastructure, drought-resistant seeds)

Recommendation 4 Strategic	**Ensure broader sector coverage for supporting private-sector climate adaptation solutions**
Objectives	• Broadening the range of business opportunities associated with private resilience solutions and their impacts, keeping in mind that some sectors will be more affected than others
Targets	• Private sector
Modalities	• Identify the sector and geographies that are most at stake regarding climate adaptation • Undertake market studies to understand sectoral/geographical needs • Establish selection criteria to ensure funding towards priority areas
Resources	• Financial resources • Human resources
Timeline	• During the revision of implementation procedures for existing funds • During the set-up of new funds
Expected benefits	• Private adaptation solutions and instruments mainstreamed across different sectors
Indicators	• Number of sectors receiving support for private adaptation action

Table 27. Recommendation 5

Recommendation 5 Operational	**Continue and expand awareness-raising activities among the public and private sectors about the potential of the markets to provide solutions that build resilience to manage climate risks**
Findings	• There is a general lack of awareness of the business case for resilience • Projects were less successful in improving climate-related business opportunities for MSMEs and their access to finance
Objectives	• Increase awareness of the positive effects of adaptation, from resilience but also from an economic standpoint • Promote public-private collaboration for the generation and financing of innovations to address climate-related threats
Targets	• Public sector • Private sector • General public
Modalities	• Develop communication activities on climate risks and potential solutions • Create, develop and/or participate in local and regional networks dedicated to exchanging on issues and solutions related to climate adaptation • Design a repository of examples and good practices to support climate adaptation mainstreaming

Recommendation 5 Operational	**Continue and expand awareness-raising activities among the public and private sectors about the potential of the markets to provide solutions that build resilience to manage climate risks**
Resources	• Financial resources • Human resources
Timeline	• Immediate
Expected benefits	• Increased awareness supporting the development of adaption-related markets • Creation of networks • Public and private actors engaged
Indicators	• Dissemination activities on the positive effects of engaging in adaptation activities • Roundtables with public and private actors supporting collaboration for adaptation action • Number of downloads of targeted publications

Table 28. Recommendation 6

Recommendation 6 Operational	**Implement strategies to preserve and disseminate the knowledge, tools and good practices generated through the facility**
Findings	• Pieces of knowledge were produced that contributed to the identification and generation of adaptation solutions by MSMEs and SMEs • The strategy of disseminating and adapting models and tools to other sectors and regions did not continue • The platform was taken down, and the knowledge products are not easily accessible today
Objectives	• Ensure that the knowledge generated in the framework of the project is capitalised on • Enhance the usability of the knowledge generated through the facility by replicating and adapting it to other sectors and regions
Targets	• Public sector • Private sector • General public
Modalities	• Collect all deliverables produced as part of the projects supported by ProAdapt and elaborate a repository • Set up a dedicated webpage to disseminate the knowledge material produced during ProAdapt
Resources	• Human resources
Timeline	• Immediate

Recommendation 6 Operational	Implement strategies to preserve and disseminate the knowledge, tools and good practices generated through the facility
Expected benefits	• Broader dissemination of knowledge and lessons learned to other sectors and regions
Indicators	• Conferences organized • Platforms developed • Start-ups created • Knowledge products developed

Table 29 Recommendation 7

Recommendation 7 Operational	Ensuring adequate development of an M&E System
Findings	• The lack of clear and adequately defined and verifiable results at the portfolio level impeded the monitoring of the results • Specific indicators were selected to monitor the projects' projects, sometimes without clear linkages to the programme indicators • The planned M&E system was not completed
Objectives	• Foster the development of an adequate M&E system and the construction of a baseline • Ensure that sufficient time and resources are dedicated to the design and implementation of the M&E framework to facilitate knowledge management
Targets	• Donors • General public
Modalities	• Define an M&E system to report on the programme achievements, with clear linkages between the programme and the projects' indicators • Ensure an alignment of the M&E with the highest standards and latest development (e.g. UNFCCC COP) • Ensure possibilities of data disaggregation (e.g. gender) • Establish M&E guidelines and ensure that the M&E system, at project and programme levels, is adequately implemented during the lifetime of the programme
Resources	• Human resources
Timeline	• During the design of a new fund • During the review of a monitoring system of an existing fund
Expected benefits	• Improved tracking of projects' activities and results • Improved tracking of the programme implementation and the achievement of its intended results
Indicators	• M&E system developed

Table 30. Recommendation 8

Recommendation 8 **Operational**	**Continue to promote project governance structures that adopt an inclusive stakeholder approach during design and execution (e.g., local communities, the private sector, NGOs, small-holders and MSME associations)**
Findings	• The governance structure of the projects allowed to integrate stakeholders that did not frequently partner together, i.e. local communities, the private sector, NGOs, and the public sector
Objectives	• Enhance project relevance, ownership and accountability
Targets	• Direct and indirect project beneficiaries
Modalities	• Identify the project stakeholders • Set up a governance structure integrating the various stakeholders
Resources	• Human resources • Financial resources
Timeline	• During project design and implementation
Expected benefits	• Improved project governance, accountability and ownership
Indicators	• Type of stakeholders included in the governance structure of projects

6.2 Lessons learned

Drawing on the main findings of this evaluation and the challenges it faced, some associated lessons learned are proposed below. While the benchmarking shows that, since the creation and implementation of ProAdapt, there has been a learning process in terms of the operation of IDB-administered funds to support climate action initiatives, several aspects related to the operation of these funds can still be pointed out.

6.2.1 Continuity of the coordination function

ProAdapt's experience shows that with the transfer of the IDB Lab Facility to IDB, there were difficulties related to the continuity of several of the coordination activities, such as:

- The lack of development of program impact indicators and an M&E system, including the lack of development of a baseline (reduction in climate vulnerability);
- The lack of development of means of verification initially established for the Facility's indicators; and
- The lack of development of tools and taxonomies to assist MSMEs in developing countries to assess, manage and prioritise financial, operational and strategic climate risks and related business opportunities.

Therefore, it is essential to ensure continuity in coordination functions to guarantee the implementation of critical activities, such as monitoring projects, integrating indicators for aggregate reporting of the facility's performance, and generating and disseminating knowledge products.

6.2.2 *Aligned project and programme frameworks for M&E*

ProAdapt did not develop any mechanism to systematically and centrally record the Facility's general indicators, i.e. those set out in the logical framework of the IDB-NDF administrative agreement. For instance:

- Although the project indicators referred to the same Facility indicators and targets, they were not standardised in all cases and could not be aggregated.
- Not all project log frames (or results frameworks, as they are called in a few cases) included indicators aligned with those in the ProAdapt log frame.

The design of the Funds' monitoring and evaluation framework should be conceived in the light of an explicit and more detailed Fund-wide intervention logic. This overall intervention logic would guide the design of the projects' intervention logic. Thus, projects' respective monitoring and evaluation frameworks and indicators would facilitate identifying and assessing projects' contributions to overall programme objectives. This would allow for a more robust analysis of programme implementation from which to draw lessons learned.

6.2.3 *Disaggregated data on gender equity and resource mobilisation*

This evaluation faced the difficulty of not having disaggregated and detailed information on critical aspects of the interventions. For example, no information was obtained from the projects on the characteristics of the beneficiary population (gender, socio-demographic characteristics) or on the mobilization (scale of resources, impact) of further resources invested by donors and the IDB.

The Project Status Reports (PSRs) prepared every six months and at the end of the projects by the executing agencies and approved by the IDB (the PSRs) only included this information in a few cases. However, as of the implementation of the Convergence system in 2019, the reporting systems are more sophisticated and adequate.

Overall, the new reporting system produces relatively complete information to analyse gender issues and the impact of financing from IDB-managed funds. It is, however, still necessary to continue making progress in standardizing this disaggregated and detailed information on projects.

6.2.4 *Methods for stakeholder consultation*

One of the main challenges faced by the evaluation, which may have caused a particular bias in the findings, was that it was impossible to carry out direct interviews or surveys with end beneficiaries in many of the projects evaluated.

Ideally, field visits for face-to-face interviews, focus groups or direct observations should have been conducted to collect primary information, particularly for project beneficiaries in rural areas. However, the ToR indicated that collecting primary information from ProAdapt's key stakeholders (including direct and final beneficiaries) would be done through virtual interviews. This was a particular constraint due to the pandemic, as there were still travel restrictions when the evaluation was planned.

In addition, the consulting firm proposed, for collecting information from beneficiaries, to conduct online surveys for projects with the largest number of beneficiaries. It was assumed that they would be able to answer them. However, this assumption was not valid.

In sum, when planning evaluations, it is necessary to establish the most appropriate method for collecting information in advance. In addition, such planning should consider the characteristics (e.g. gender, geographical location, level of schooling, connectivity) and contact information of the stakeholders, such as implementing agencies, project partners and,

particularly, beneficiaries located in rural areas and/or with connectivity restrictions. In these cases, activities and budgeting should consider other possibilities, such as local support in collecting this information.

Appendix A ProAdapt Technical Cooperation projects

Table 31 ProAdapt financed projects

Project name	Project number	Location	Sector	Status	Amount financed	Project objectives
Support Climate Resilient Investment in Agricultural Sectors in Saint Lucia	RG-T2935	Saint Lucia	Agriculture and Rural Development	Implementation	USD 360,940	Identify, analyze and develop the four elements of the climate-smart agriculture (CSA) package: i) CSA practices; ii) CSA technologies; iii) a parametric insurance scheme; iv) to build institutional capacity for the management and implementation of CSA on a sustainable basis.
Increasing Climate Change Resilience and Related Business Opportunities	BL-T1096	Belize	Private Firms and SME Development	Implementation	USD 203,000	Increase private-sector climate resilience through technical assistance at the enterprise level. Provide assistance to help local providers capitalize on the growing demand for products and services that help buyers to manage better exposure to flooding, sea level rise, cyclonic winds, heat waves etc. Encourage community-based adaptation initiatives to reduce common climate risk vulnerabilities to households and tourism operations.
Reducing Carbon Emissions and Building Resilience through Smart Sustainable Procurement Practices	RG-T3553	Regional	Energy	Implementation	USD 1,000,000	Support the reduction of carbon emissions and build resilience in the natural resources sector in LAC and its associated value chain through: (i) the generation of new knowledge and empirical findings on the types of conditions and factors that are most likely to facilitate emissions reductions through enhanced industry procurement practices; (ii) providing recommendations and guidance to industry (public and private sectors) on the implementation of

Project name	Project number	Location	Sector	Status	Amount financed	Project objectives
						procurement policies and innovative practices that can support reductions in GHG emissions, and (iii) pilot the implementation of a "Carbon Calculator" tool for industry and government that will demonstrate feasibility and impact of improved procurement practices in the natural resources sector.
Circular Economy and Climate Change Adaptation in São Paulo. Recycling Used Cooking Oil	BR-T1343	Brazil	Private Firms and SME Development	Closed	USD 1,100,000	Recycle domestic-used cooking oil to improve the availability of drinking water in the city and generate greater capacity in the water grid.
Proadapta Sertão	BR-M1122	Brazil	Private Firms and SME Development	Closed	USD 1,293,559	Build climate resilience in the main value chains present in Brazilian Sertao by providing smallholder farmers and cooperatives with the technological, financial, and training resources necessary to cope with climate change.
Financing Water Adaptation in Jamaica's New Housing Sector	JA-T1128	Jamaica	Urban Development and Housing	Closed	USD 690,100	Integrate water adaptation measures into new homes. Foster business opportunities in water-efficient products and services for MSMEs. Support entrepreneurship in solutions for climate resilience.
Enhanced Resilience for Managing Climate Change Effects on the Golf of Montijo, Panama	PN-X1013	Panama	Environment and Natural Disasters	Closed	USD 148,242	Create and implement an economic model to improve resilience to climate change among artisanal fishers and tourism MSMEs in coastal areas at high risk of flooding.

Project name	Project number	Location	Sector	Status	Amount financed	Project objectives
Building Resilience in the Gran Chaco Americano	RG-M1264	Regional (Argentina, Bolivia, Paraguay)	Environment and Natural Disasters	Closed	USD 934,533	Promote instruments, capacity building and business models to allow small producers and communities to reduce vulnerabilities to climate change.
	RG-X1249			Closed	USD 662,667	Implement a knowledge platform containing climate information and successful experiences from other areas in the Gran Chaco Americano. Train stakeholders in climate variability responses of existing productive activities. Develop sector-specific adaptation plans. Test a pilot experience on investment in resilience.
	RG-X1263		Agriculture and Rural Development	Closed	USD 20,000	Partnership between FONTAGRO and PROADAPT. Design a proposal of participation in PROADAPT for the national research institutes of Argentina, Bolivia, and Paraguay. Integrate the proposal into the executing plan led by AVINA Foundation. Include into the governance structure of the platform.
Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sector	NI-M1040	Nicaragua		Closed	USD 931,246	Support small and medium-sized fine cocoa and honey producers in developing greater resilience to climate change through active use of climatic information (access to climate change information and technological solutions) and resilient business models (credit to access solutions).
	NI-X1013			Closed	USD 733,297	
Blue Harvest: A New Sustainable Production	RG-X1252	Regional (El	Environment and Natural Disasters	Closed	USD 384,500	Develop and implement agroforestry systems for efficient water use and

Project name	Project number	Location	Sector	Status	Amount financed	Project objectives
Model for Small Holder Coffee Farmers		Salvador, Honduras, Nicaragua)				ecological care of the soil for small coffee farmers. Corresponds to Component I of the project Blue Harvest.
Scaling Up the Smallholder Alliance for Sorghum in Haiti	HA-M1057	Haiti	Environment and Natural Disasters	Closed	USD 452,796	Improve climate resiliency in the sorghum value chain. Contribution to the project's climate resilience component aims to improve income and supply capacity in the sorghum value chain.
Monterrey Increasing Water Resilience	ME-T1348	Mexico	Water and Sanitation	Cancelled	USD 535,678	Narrow the gap between water supply and demand, focusing on shrinking Monterrey's SMEs' water footprint by reducing water consumption and the amount of pollutants discharged.

Source: Based on IDB's project information

Appendix B Evaluation matrix

Criteria	Main evaluation question	Specific evaluation questions	Data collection instrument
Relevance	To what extent have ProAdapt operations responded to beneficiaries', countries' and partner/institution needs, policies and priorities?	Does the governance structure of the Facility ensure that projects approved for funding are well aligned with country priorities? If so, how was this achieved?	Scoping interviews
		How well does the Facility align to local needs?	Deep dive study interviews
		Did the interventions cover the priorities identified in the context described in the project?	Deep dive studies (interviews and desk review)
Coherence	To what extent are ProAdapt operations compatible with other interventions?	How well did the governance structure in place ensure the adequacy of the requests and approved projects in line with the guidelines of the Facility?	Scoping interviews
		Is the Program's intervention coherent with the IDB's other Climate Funds? What is its added value?	Scoping interviews Benchmark of other Climate Funds
		How fit were the activities established on the ground?	Deep dive studies (interviews and desk review)
Effectiveness	To what extent has the ProAdapt Facility achieved, or is expected to achieve, its objectives and results, including any differential results across groups?	To what extent did ProAdapt accomplish its primary goal "to turn climate risks into opportunities"?	Cross-cutting analysis of deep dives (Portfolio analysis)
		How has ProAdapt added value in the overall area of climate adaptation and resilience?	Portfolio analysis Benchmark of other Climate Funds
		Did the interventions achieve their planned objectives? What were the drivers and barriers?	Deep dive studies
		For operations not yet closed, to what extent are they on track to achieving their objectives and delivering their expected results?	
Efficiency	To what extent has the Facility delivered, or is likely to deliver, results in an economic and timely way?	Have resources been used efficiently? Have activities been cost-effective?	Scoping interviews Desk research
		How did the teams organise themselves on resource management? Identify challenges and solutions?	Deep dive studies (interviews)

Criteria	Main evaluation question	Specific evaluation questions	Data collection instrument
		Did the planned resources requested enable the attainment of the objectives? Explain if resources had been under-/over-estimated?	
		To what extent were activities realised as planned? Were they achieved in a timely manner? Did unforeseen activities need to be put in place in order to achieve or enhance the quality of the results?	
Impact	To what extent has ProAdapt generated, or is expected to generate, significant impacts, whether positive/negative or intended/unintended?	To what extent was the general objective, "Increase the climate resilience of MSMEs and the local communities in which they operate, while also increasing business opportunities for other MSMEs in the region", attained?	Scoping interviews Deep dive studies
		Which new capacities, tools, business models and knowledge have been developed and allowed to enable MSMEs and their supporting ecosystems to reduce vulnerability to climate change and seize related business opportunities?	
		What are the main results regarding increased resilience, income opportunities and climate risk and adaptation awareness? (Results and process evaluation)	Scoping interviews Desk research Deep dive studies
		What are the direct outcomes of the trainings, tools, assistance, and other activities developed under the projects (inputs) on the economic and social situation of the participants, such as entrepreneurs, farmers, etc.?	Deep dive studies (interviews and surveys)
		Are any other positive externalities identifiable and quantifiable?	
		To what extent are projects replicable?	
Sustainability	To what extent are the net benefits of ProAdapt operations continuing or likely to continue?	What objectives can the Facility set itself for a second phase?	Scoping interviews Deep dive studies (interviews)
		How could the benefits attained be enhanced?	
		How did the projects ensure lasting benefits? Compare the planned and implemented strategies and identify positive and negative cases to generate lessons learned.	Scoping interviews Deep dive studies (interviews)
		What factors are likely to influence the achievement or non-achievement of sustainability of the projects?	Portfolio analysis

Source: Based on IDB's project information

Appendix C Inventory of knowledge products of ProAdapt

	Name of the resource	Description	Type of product	Source
1	ProAdapt: Movilizando el sector privado para la resiliencia al cambio climático	Description of certain ProAdapt projects https://publications.iadb.org/es/proadapt-movilizando-el-sector-privado-para-la-resiliencia-al-cambio-climatico	Catalog	IDB Publications https://publications.iadb.org/en
2	A Prototype Monitoring, Learning and Evaluation Platform. Benchmarking climate resilience in the private sector for PROADAPT	Report of a methodology for designing a Monitoring, Learning and Evaluation (MEL) platform for Proadapt; a review of existing approaches; and an initial dashboard https://publications.iadb.org/en/prototype-monitoring-learning-and-evaluation-platform-benchmarking-climate-resilience-private	Learning material	IDB Publications https://publications.iadb.org/en
3	Private Markets for Climate Resilience. Global Report	This study seeks to understand climate resilience solutions provided by the private sector. It focuses on transport and agriculture and examines current best practices and opportunities related to climate resilience by identifying leaders shaping the national markets and highlighting products, services, tools and processes. https://publications.iadb.org/en/private-markets-for-climate-resilience-global-report	Co-publication	IDB Publications https://publications.iadb.org/en
4	Adaptation Solutions Taxonomy	Presentation of the Adaptation SME Accelerator Program (ASAP) and the Adaptation Solutions Taxonomy https://publications.iadb.org/en/adaptation-solutions-taxonomy	Learning material	IDB Publications https://publications.iadb.org/en

	Name of the resource	Description	Type of product	Source
5	Factsheet Resilience Solutions for the Rice Sector in Vietnam	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-rice-sector-in-vietnam	Co-publication	IDB Publications https://publications.iadb.org/en
6	Factsheet Resilience Solutions for the Wine Sector in South Africa	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-wine-sector-in-south-africa	Co-publication	IDB Publications https://publications.iadb.org/en
7	Factsheet Resilience Solutions for the Road Sector in South Africa	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-road-sector-in-south-africa	Co-publication	IDB Publications https://publications.iadb.org/en
8	Factsheet Resilience Solutions for the Road Sector in the Philippines	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-road-sector-in-the-philippines	Co-publication	IDB Publications https://publications.iadb.org/en

	Name of the resource	Description	Type of product	Source
9	Factsheet Resilience Solutions for the Rice Sector in the Philippines	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-rice-sector-in-the-philippines	Co-publication	IDB Publications https://publications.iadb.org/en
10	Factsheet Resilience Solutions for the Maize Sector in South Africa	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-maize-sector-in-south-africa	Co-publication	IDB Publications https://publications.iadb.org/en
11	Factsheet Resilience Solutions for the Cocoa Sector in Nicaragua	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-cocoa-sector-in-nicaragua	Co-publication	IDB Publications https://publications.iadb.org/en
12	Factsheet Resilience Solutions for the Potato Sector in Kenya	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-potato-sector-in-kenya	Co-publication	IDB Publications https://publications.iadb.org/en

	Name of the resource	Description	Type of product	Source
13	Factsheet Resilience Solutions for the Rice Sector in Colombia	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-rice-sector-in-colombia	Co-publication	IDB Publications https://publications.iadb.org/en
14	Factsheet Resilience Solutions for the Road Sector in Colombia	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-road-sector-in-colombia	Co-publication	IDB Publications https://publications.iadb.org/en
15	Factsheet Resilience Solutions for the Coffee Sector in Colombia	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-coffee-sector-in-colombia	Co-publication	IDB Publications https://publications.iadb.org/en
16	Factsheet Resilience Solutions for the Port Sector in Colombia	This Factsheet is a part of the Private Markets for Climate Resilience (PMCR) project. It presents the sector, the value chain and the resilience solutions. https://publications.iadb.org/en/factsheet-resilience-solutions-for-the-port-sector-in-colombia	Co-publication	IDB Publications https://publications.iadb.org/en

	Name of the resource	Description	Type of product	Source
17	Supply chain climate change risk assessment	This case study includes an analysis of the risks associated with climate change in the milk production chain of the Margarita project. This project, led by Danone in Mexico, developed a strategy for sustainable milk sourcing while improving the livelihoods of small-scale milk producers. The study is based on a literature review and expert interviews.	Co-publication	Documents handed by NDF
18	Supply Chain Climate Risk Assessment Tool	This toolkit includes the elements to be considered for a supply chain risk analysis, how to address climate change impacts in a supply chain, a selection of adaptation options and a methodological approach for supply chain climate risk assessment and management.	Co-publication	Documents handed by NDF
19	Consultancy to Support the Pilot Programs for Climate Resilience in Jamaica – Private Sector Set Aside for PPCR Financial Market Analysis for Jamaica	This report provides an overview of the financial situation from both supply and demand perspectives in Jamaica's homebuilding and construction sector. It focuses on key economic and financial aspects that may inform the disbursement of concessional loans supported by the Pilot Program for Climate Resilience.	Co-publication	Documents handed by NDF
20	Sector Privado y Resiliencia Climática: una oportunidad disfrazada de riesgo	Summary of the Private Markets for Climate Resilience (PMCR) project: It briefly explains the financing gap, how the private sector can contribute to closing it and some challenges and solutions for this approach.	Co-publication	IDB Publications https://publications.iadb.org/en
21	A través de Proadapt, Centroamérica	Summary of the "Blue Harvest" project in Central America: It explains the solution proposed by the project, including aspects such as	Catalogue	Documents handed by IDB

	Name of the resource	Description	Type of product	Source
	cosecha agua para sembrar café	strengthening community associations and creating certification and partnerships with the private sector.		
22	Jamaica se adapta al cambio climático. Aprovechando hasta la última gota de agua que cae del cielo	Summary of the Project "Financing Water Adaptation in Jamaica's New Housing Sector": It included the project background and the processes of strengthening the collection of financial and water savings statistics.	Catalogue	Documents handed by IDB
23	Resiliencia climática con enfoque de género: el kit de herramientas de ProAdapt.	Brief guide to the tool's components to analyse and intervene within a climate resilience project. Definition of the five dimensions of climate resilience with a gender perspective. The case study of the "Soy Pescadora" project was part of ProAdapt's intervention in the Gulf of Montijo in Panama.	Learning material	Documents handed by IDB
24	ProAdapt en el Gran Chaco: generación y acceso a datos para la toma de decisiones en el contexto del cambio climático	Summary of the ProAdapt Project in the Gran Chaco. Example of how this project addresses resilience through a gender approach.	Catalogue	Documents handed by IDB
25	Economía Circular en Sao Paulo, produciendo biodiesel para evitar la escasez del agua	Summary of the "Circular Economy and Cooking Oil Recycling" project. The achievements of the project and an interview with Cicla are included.	Catalogue	Documents handed by IDB
26	Gender and Climate Resilience: Analysis and Toolkit. Case study of	Extensive report on how gender intersects with climate change and adaptation and how to address it. This document analyses the five	Monograph	Documents handed by IDB

	Name of the resource	Description	Type of product	Source
	women in the Gulf of Montijo, Panama	dimensions of a gendered approach to a climate resilience project.		
27	Inter-American Development Bank. A Climate Risk Assessment Tool for Financial Institutions – Consolidated Report	This is the report of a project to develop a tool to enable financial institutions to i. identify and quantify their business exposure to climate risks; and ii. implement measures to reduce this exposure. The aim was to promote climate-resilient investments in the Brazilian agricultural sector. PwC conducted this project in Brazil to create feasible financial products for climate resilience.	Annual report	Documents handed by IDB
28	Climate Risk Assessment Tool. Understanding Climate Risk in Financial Institutions	Presentation for a webinar mainstreamed in November 2018 on the climate resilience tool for Financial Institutions developed by ProAdapt	Learning material	Documents handed by IDB
29	Climate Resilience for honey and Beekeeping in Honduras	Project Concept Note. Agreement No.C01175-13. Private Models for Agricultural Climate Adaptation in Honduras and Nicaragua. This concept note presents the rationale for private-sector investment and 14 initiatives that have been screened and would promote climate resilience and identifies potential business processes that would increase climate resilience and the priorities for investment.	Technical Note	Documents handed by IDB
30	Climate Resilience for the Tourism Sector in Nicaragua	Project Concept Note. Agreement No.C01175-13. Private Models for Agricultural Climate Adaptation in Honduras and Nicaragua. This concept note presents the rationale for private-	Technical Note	Documents handed by IDB

	Name of the resource	Description	Type of product	Source
		sector investment and 16 initiatives that have been screened and would promote climate resilience and identifies potential business processes that would increase climate resilience and the priorities for investment.		
31	Climate Resilience for Cocoa in Nicaragua	Project Concept Note. Agreement No.C01175-13. Private Models for Agricultural Climate Adaptation in Honduras and Nicaragua. This concept note presents the rationale for private-sector investment and 16 initiatives that have been screened and would promote climate resilience. It identifies potential business processes that would increase climate resilience and the priorities for investment.	Technical Note	Documents handed by IDB
32	Climate Resilience for Cocoa in Nicaragua.	Project Concept Note. Agreement No.C01175-13. Private Models for Agricultural Climate Adaptation in Honduras and Nicaragua. This concept note presents the rationale for private-sector investment and 16 initiatives that have been screened and would promote climate resilience and identifies potential business processes that would increase climate resilience and the priorities for investment.	Technical Note	Documents handed by IDB
33	Climate Resilience for Milk Production in Honduras	Project Concept Note. Agreement No.C01175-13. Private Models for Agricultural Climate Adaptation in Honduras and Nicaragua. This concept note presents the rationale for private-sector investment and 16 initiatives that have been screened and would promote climate	Technical Note	Documents handed by IDB

	Name of the resource	Description	Type of product	Source
		resilience and identifies potential business processes that would increase climate resilience and the priorities for investment.		
34	Financing Water Adaptation in Jamaica's New Urban Housing Sector. Market Demand Study (2018)	Final report of a consultancy project to undertake a market demand study to quantitatively assess the feasibility of the proposed water adaptation loan product in Jamaica https://www.cif.org/sites/cif_enc/files/meeting-documents/financing_water_adaptation_in_jamaica-_final_report-_robert_stephens.pdf	Report	The Water Project Jamaica website https://www.waterprojectja.com/
35	Infographic - Beekeeping models resilient to Climate Change	Four beekeeping models resilient to climate change https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/82-modelos-resilientes	Learning material	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
36	Final report on resilient practices for the beekeeping chain in the Gran Chaco Americano	Report including strategic and operational highlights of the implementation of resilient beekeeping practices in the Gran Chaco Americano http://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/2-juarez	Report	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
37	Dynamic inventory of existing meteorological stations throughout the GRAN CHACO region.	WEB system that allows an inventory of existing weather stations and rain gauges throughout the region. https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/9-inventario-estaciones	Web-based resource	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/

	Name of the resource	Description	Type of product	Source
38	Map of the Gran Chaco Weather Stations	The station INVENTORY database generates an automatic map with the stations registered so far https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/5-redmeteorologica	Web-based resource	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
39	Risk maps of the Pilcomayo and Bermejo rivers and hydrometeorological hazards map.	Risk and hazard maps with descriptions https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/6-descripcionmapa	Technical resource	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
40	Risk maps for four municipalities of the Paraguayan Chaco	Risk maps of the municipalities of Filadelfia, Mariscal Estigarribia, Tte. 1ro. Manuel Irala Fernández and Puerto Pinasco https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/7-riesgomuni	Technical resource	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
41	Climate Change Adaptation Plan. Filadelfia (Paraguay) 2017-2023	https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/22-plan-de-adaptacion-al-c-c-filadelfia-paraguay-2017-2022	Policy document	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
42	Climate Change Adaptation Plan. Mariscal Estigarribia (Paraguay) 2017-2022	https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/41-planmestigarribia	Policy document	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
43	Climate Change Adaptation Plan. Irala Fernández (Paraguay) 2017-2023	https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/38-iralafernandez	Policy document	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/

	Name of the resource	Description	Type of product	Source
44	Climate Change Adaptation Plan. Loma Plata (Paraguay) 2017-2024	https://granchacoproadapt.org/portal/component/spsimpleportfolio/item/39-planlomaplata	Policy document	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
45	Diagnóstico de Género y Cambio Climático	Diagnostic document on gender and climate change in the Gran Chaco Americano https://www.granchacoproadapt.org/portal/component/spsimpleportfolio/item/45-genero-y-cambio-climatico-diagnostico	Learning material	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
46	GÉNERO, TIC Y CAMBIO CLIMÁTICO Acelerando los procesos de Adaptación climática de las mujeres del Gran Chaco a través de la adopción de tecnologías digitales -marzo 2019	GENDER, ICT AND CLIMATE CHANGE. Accelerating women's climate adaptation processes at el Gran Chaco through the adoption of digital technologies https://www.granchacoproadapt.org/portal/documentos/genero/Gran%20Chaco%20FINAL.pdf	Learning material	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
47	Memoria del Proyecto (Año 1) Adaptando la Pesca y el Turismo del Golfo de Montijo al Cambio Climático	Memory report (year 1) of the ProAdapt project in the Gulf of Montijo in Panama. It explains the development of initiatives aimed at promoting, through participatory management processes, resilience for marine-coastal value chains in fisheries and tourism based on good practices. https://marviva.net/adaptando-la-pesca-y-el-turismo-del-golfo-de-montijo-al-cambio-climatico-memoria-de-proyecto-ano-1/	Report	MarViva website
48	Riesgo del cambio climático para la	Risk of climate change for artisanal fishing and community tourism in the Gulf of Montijo.	Discussion paper	MarViva website

	Name of the resource	Description	Type of product	Source
	pesca artesanal y el turismo comunitario en el Golfo de Montijo, Panamá. https://www.redalyc.org/journal/5156/515661223009/html/	Scientific paper on MarViva's work in the Gulf of Montijo. https://www.redalyc.org/journal/5156/515661223009/html/		https://marviva.net/en/home/
49	Atlas Marino-Costero del Humedal Golfo de Montijo, Panamá (2021)	Marine-Coastal Atlas of the Gulf of Montijo Wetland, Panama https://marviva.net/wp-content/uploads/2022/02/12D16-Atlas-G-de-Montijo.pdf	Technical resource	MarViva website https://marviva.net/
50	Website of the Project "Financing Water Adaptation in Jamaica's New Housing Sector "	Website of the Project, where project information and resources are shared. It has a water savings calculator and other resources for learning best practices on water management. https://www.waterprojectja.com/	Web-based resource	The Water Project Jamaica website https://www.waterprojectja.com/
51	Website Gran Chaco ProAdapt	Website of the Gran Chaco ProAdapt project where project information and resources are shared. It has a section dedicated to news and another to share the products obtained. https://granchacoproadapt.org/portal/	- Web-based resource	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
52	Homeowner's guide to Water Efficiency	Guide developed as part of the project "Financing Water Adaptation in Jamaica's New Housing Sector." https://www.waterprojectja.com/water-adaptation-brochure/	Learning material	The Water Project Jamaica website https://www.waterprojectja.com/
53	Water Adaptation Guidelines	Guide developed as part of the project "Financing Water Adaptation in Jamaica's New Housing Sector." https://www.waterprojectja.com/water-adaptation-guidelines/	Learning material	The Water Project Jamaica website https://www.waterprojectja.com/

	Name of the resource	Description	Type of product	Source
VIDEOS				
1	Documentary of the project "Blue Harvest: A New Sustainable Production Model for Small Holder Coffee Farmers."	https://www.youtube.com/watch?v=NqOVUDHUkN8	Learning material	ASA-CRS website https://asa.crs.org/
2	Documentary of the project "PROADAPT Nicaragua: Building Climate Resilience in the fine Cocoa and Honey Sectors."	https://vimeo.com/253847769	Learning material	IDB videos uploaded to Vimeo
3	Documentary of the project "ProAdapt Gran Chaco."	https://www.youtube.com/watch?v=rS5ykz5sqck	Learning material	Gran Chaco Proadapt website https://granchacoproadapt.org/portal/
4	Documentary of the project "PROADAPT BELIZE: Increasing Climate Change Resilience and related Business Opportunities"	https://vimeo.com/253847678	Learning material	IDB videos uploaded to Vimeo
5	Documentary of the project "PROADAPT in Sao Paulo, Brazil: Increasing Climate Change Resilience and related Business Opportunities	https://vimeo.com/253847634	Learning material	IDB videos uploaded to Vimeo

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