



Accelerating Climate-Resilient and Low-Carbon Development

Second progress Report on the Implementation of the Africa Climate Business Plan Overview

November 2017



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AFRICA REGION

Accelerating Climate-Resilient and Low-Carbon Development

*Second Progress Report on the Implementation
of the Africa Climate Business Plan*

Overview
November 2017

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Abstract

This report provides an overview of the progress made in 2017 in implementing the Africa Climate Business Plan (ACBP), a blueprint for climate action in Sub-Saharan Africa that the World Bank launched during the 21st meeting of the Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC) in Paris in November 2015.

Since the launch of the ACBP at COP21 in November 2015, significant progress has been made:

- The World Bank has worked with client countries, development partners, and the private sector to flesh out the ACBP's program of work.
- As of June 30, 2017, the number of projects contributing to the ACBP reached 204, a net increase of 57 over 2016.
- The World Bank's Board had approved \$8.8 billion for 107 projects by June 30, 2017.
- The implementation of projects started generating concrete results and outcomes.

This report provides an update on resource mobilization, describes the climate co-benefits provided by the ACBP portfolio, and details implementation progress by ACBP cluster and component. In addition, to better measure and monitor results and inform future project design, it reports on two new pieces of analysis undertaken this year: a review of the ACBP contribution to implementation of the Nationally Determined Contributions (NDCs) of Sub-Saharan Africa's countries; and a review of the ACBP portfolio from the perspective of its contribution to resilience building (following the resilience pathways approach).

Context and Scope of This Update

The Paris Agreement entered into force on November 4, 2016. As of October 31, 2017, 169 parties had ratified it, marking the first time governments agreed to an overarching framework to combat climate change. Countries and observers around the world hailed the passage of the accord—the fruit of more than two decades of often tortuous international negotiations on combating climate change.

Forty-eight countries in Sub-Saharan Africa communicated their post-2020 climate commitments and priority areas through their (I)NDCs, demonstrating their resolve to address climate change. Their commitment is critical, because resilience to climate variability and change is vital to the region's ability to reduce poverty and protect the hard-earned development progress made in recent decades.

Indeed, climate drivers are involved in most of the shocks that keep or push African households into poverty. The funding needed to address climate change, particularly adaptation, in the region is massive, and it will increase as climate change unfolds in the coming years. According to the World Bank Group Climate Change Action Plan (CCAP), more than 60 percent of countries in Africa have estimated and reported adaptation financing—more than twice the share in other regions—suggesting national policy makers’ recognition of the urgency of adaptation action.

The ACBP aims to build a pipeline of innovative and transformational projects to tackle climate change across sectors and establish a platform to mobilize investments, thereby contributing to filling the climate financing gap in the region. Including the transport component, which was added after the Paris launch, the plan’s goal is to raise \$19.3 billion by 2020, for investments that will strengthen, power, and enable resilience in the region.

The plan focuses on more than a dozen priority areas, clustered in three groups (Table 1). The first cluster (strengthening resilience) includes selected initiatives aimed at boosting the resilience of the region’s assets, including its natural capital (agricultural land, landscapes, forests, inland bodies of water, and oceans); physical capital (cities, physical assets in coastal areas, and roads); and human and social capital. The second cluster (powering resilience) relates to opportunities for scaling up low-carbon energy sources in Sub-Saharan Africa, thereby contributing to increasing access to energy (a key ingredient for resilience) and mitigating climate change. The third cluster (enabling resilience) provides data, information, and decision-making tools for promoting climate-resilient development across sectors, by strengthening the region’s hydro-meteorological systems at the regional and country levels and building the capacity to plan and design climate-resilient investments.

Progress in Mobilizing Resources

Significant progress was made in implementing the ACBP in 2017 (Table 2):

- In the first semester of 2017, the World Bank’s Board approved 54 new investment operations contributing to ACBP implementation, with total commitments of \$4.46 billion. This raised the cumulative number of approved operations under the ACBP to 107, totaling \$8.8 billion in commitments.
- Considering projects currently in the pipeline, the total number of projects contributing to ACBP implementation is now estimated to be 204 (Figure 1) a net increase of 57 (39 percent) over the figure estimated in the 2016 progress report
- Cumulative commitments of projects contributing to ACBP (including projects already approved and pipeline) are now estimated to be \$22 billion, a 69 percent increase compared to the previous estimate of \$13 billion contained in the 2016 progress report

TABLE 1 Fundraising Targets of ACPBP, by Activity and Source (millions of Dollars)

Cluster/type of capital/activity	IDA	Climate finance (GCF, GEF, CIF, and other sources)	Other development finance (bilateral, multilaterals)	Private sector	Domestic sources	To be determined	Total
Strengthening resilience	7,040	1,792	1,497	665	616	1,930	13,540
<i>Natural capital</i>							
Climate-smart agriculture	1,300	100	320	240	240	800	3,000
Climate-resilient landscapes	355	830	0	0	0	420	1,605
Integrated watershed management (Niger, Chad, Zambesi, Lake Victoria)	890	692	670	425	150	140	2,967
Climate-smart ocean economies	30	35	20	0	20	115	220
<i>Physical capital</i>							
Climate-smart cities	550	0	0	0	20	455	1,025
Coastal resilience (West Africa)	150	90	150	0	60	0	450
Climate-resilient transport	2,800	0	251	0	126	0	3,177
<i>Human and social capital</i>							
Social protection	365	45	70	0	0	0	480
Migration drivers	600	0	16	0	0	0	616
Powering resilience	1,335	300	700	2,850	213	0	5,398
Solar	750	300	100	2,020	70	0	3,240
Hydropower	85	0	450	605	68	0	1,208
Geothermal	500	0	150	225	75	0	950
Enabling resilience	108	135	33	0	0	44	320
Africa Hydromet Program	108	135	27	0	0	0	270
Africa Climate Resilient Investment Facility	0	0	6	0	0	44	50
Total	8,483	2,227	2,230	3,515	829	1,974	19,258

Note: IDA = International Development Association; GCF = Global Climate Fund; GEF = Global Environmental Facility; CIF = Climate Investment Fund.

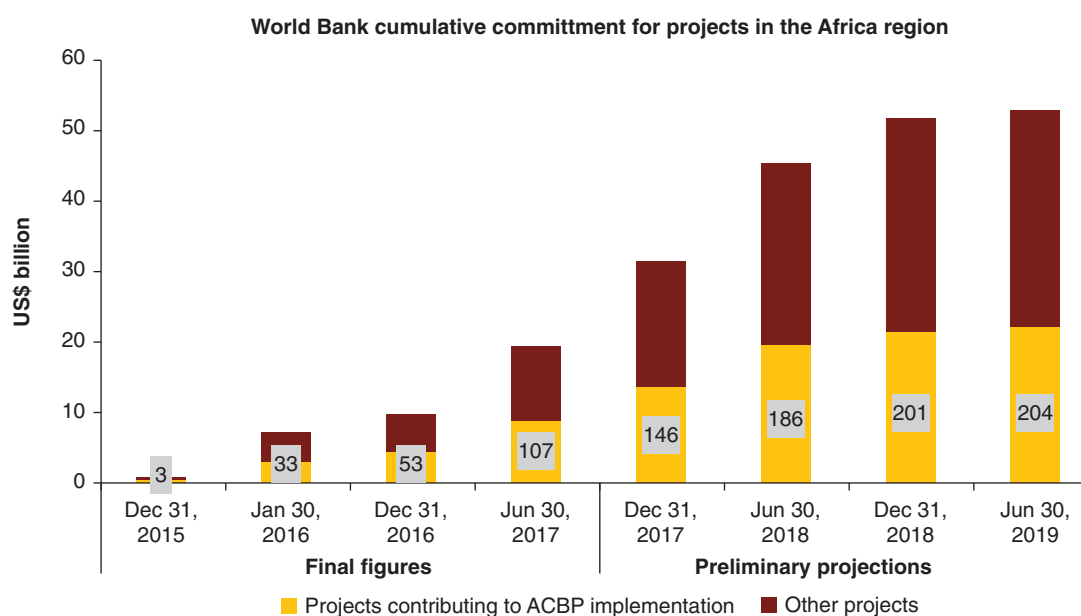
TABLE 2 World Bank Projects Contributing to ACBP Implementation

Projects approved from ACBP launch until	Cumulative number of projects	Cumulative commitments (millions of dollars)	Percent of total World Bank commitments in the Africa Region
<i>Final figures</i>			
December 31, 2015	3	430.0	41
June 30, 2016	33	3,074.6	42
December 31, 2016	53	4,360.7	44
June 30, 2017	107	8,825.8	45
<i>Preliminary projections</i>			
December 31, 2017	146	13,556.6	43
June 30, 2018	186	19,598.8	43
December 31, 2018	201	21,453.8	41
June 30, 2019	204	22,088.8	42

Note: Figures related to projects approved by the World Bank Board of Directors up to June 30, 2017 are final. Figures related to later approval dates are provisional estimates and subject to change. The volume of World Bank financing mobilized for ACBP projects is not directly comparable with the fund-raising targets indicated in Table O.1. See the discussion of financing with climate co-benefits below.

Financing with Climate Co-Benefits

A development activity provides climate co-benefits if it promotes mitigation or adaptation. It fosters mitigation through efforts to reduce or limit greenhouse gas emissions or enhance greenhouse gas sequestration. It promotes

FIGURE 1 Cumulative Number of Projects and Volume of World Bank Commitments for Projects in the Africa Region

Note: Figures related to projects approved by the World Bank Board of Directors up to June 30, 2017 are final. Figures related to later approval dates are provisional estimates and subject to change. Figures in grey boxes show the cumulative number of projects contributing to ACBP implementation.

TABLE 3 ACBP Projects and Funding with Climate co-Benefits

Projects approved ^a between ACBP launch and	Cumulative number of projects	Cumulative commitments (millions of dollars)	Cumulative funding with climate co-benefits (IBRD and IDA, millions of dollars)	ACBP Target ^b
June 30, 2016	33	3,074.6	478.6	
December 31, 2016	53	4,360.7	977.5	
June 30, 2017	107	8,825.8	2,822.9 ^c	2,110
December 31, 2017	139	12,778.6	3,720.8	
June 30, 2018	157	15,908.8	4,528.5	
December 31, 2018	163	16,993.8	5,039.2	4,219

Notes:

^a Figures on the climate co-benefits related to projects approved by the World Bank Board of Executive Directors up to June 30, 2017 are final. Figures related to later approval dates are provisional estimates and subject to change. Data on funding with climate co-benefits for the remaining ACBP 41 projects (worth \$5,095 million) were unavailable.

^b See Box O.1 for details on the ACBP fund-raising targets.

^c Strictly speaking, the ACBP fund-raising targets were for IDA lending only, which makes up 90% of World Bank lending to Sub-Saharan Africa. In this and future ACBP progress reports, the targets will be applied to the total of IDA and IBRD lending.

adaptation if it reduces the vulnerability of people or natural systems to the impacts of climate change and risks related to climate variability, by maintaining or increasing adaptive capacity and resilience.

The World Bank tracks the climate mitigation and adaptation co-benefits of all the projects it finances through the International Development Association (IDA) or International Bank for Reconstruction and Development (IBRD). It is committed to increasing the share of IDA and IBRD financing with climate co-benefits to 28 percent by 2020.

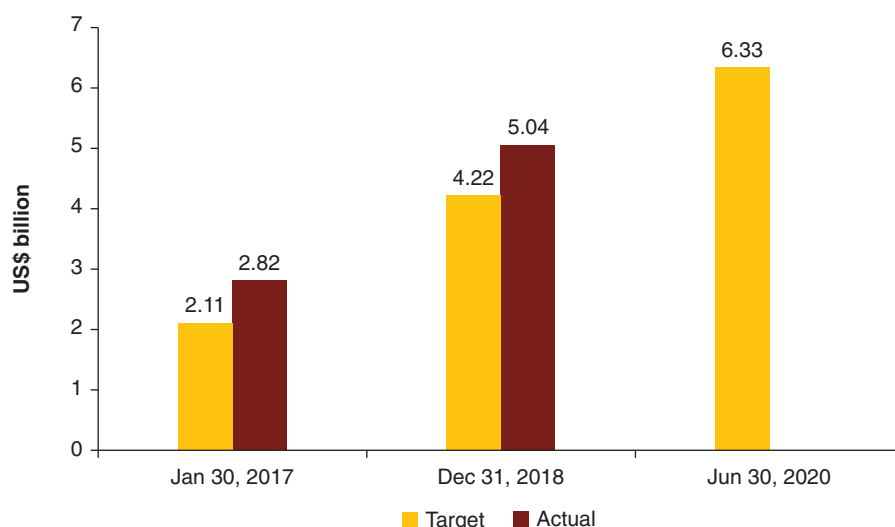
Analysis of the 163 ACBP projects for which data were available shows that financing with climate co-benefits has increased (Table 3). The remaining 41 projects out of the 204 ACBP projects could not be assessed, because the early stage nature of project preparation meant that insufficient detail was available on them.

Funding with climate co-benefits has already exceeded the ACBP target for FY17 and, at the current pace, the target established in the plan for the end of 2018 is also expected to be exceeded (see Box 1 for background information on the ACBP fund raising targets). In particular, the ACBP target for June 30,

BOX 1 Fundraising Targets of the ACBP

The ACBP is expected to mobilize \$19.25 billion by 2020, including \$8.48 billion in World Bank funding. According to the results framework included in the original plan, one indicator of the plan's financial performance is the share of resources mobilized at various stages of implementation. The targets are for 25 percent of funding to be mobilized by June 2017 (end of the IDA17 cycle), 50 percent by December 2018 (mid-term of the IDA18 cycle), and 75 percent by June 2020 (end of IDA18). Applied to the World Bank's share of the financing plan, these shares yield targets of \$2.11, \$4.22, and \$6.33 billion, respectively.

FIGURE 2 World Bank Contribution to ACBP Financing: Targets and Achievements



Note: The climate co-benefits figures related to projects approved by the World Bank Board of Executive Directors up to June 30, 2017 are final. Figures related to later approval dates are provisional estimates and subject to change. Estimates of cumulative climate co-benefits by June 30, 2020 are not yet available.

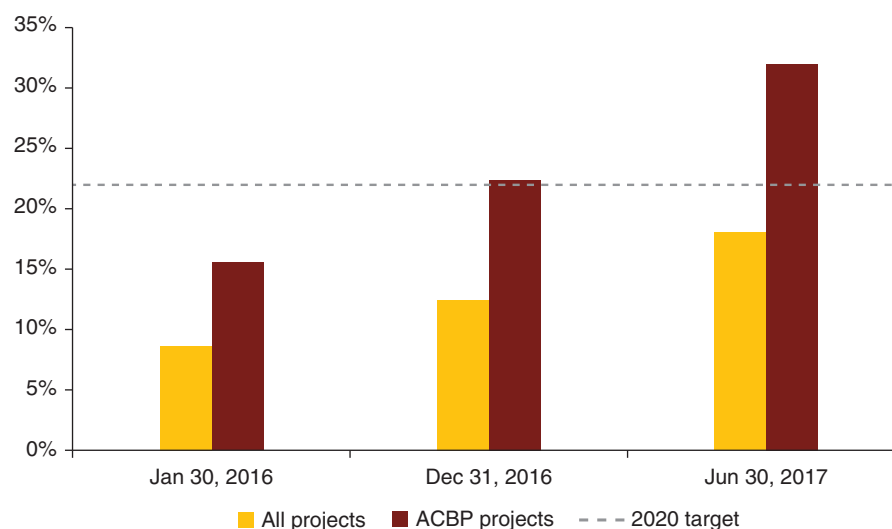
2017 was to mobilize 25% of the total World Bank contribution to the plan (or \$2.11 billion). Funding with climate co-benefits for projects approved by that date actually reached \$2.82 billion. The ACBP target for December 31, 2018 is 50% of the total World Bank contribution (i.e., \$4.22 billion); the amount of actual financing with climate co-benefits for that date is predicted to be \$5.04 billion (Figure 2). The target for the end of ACBP resource mobilization time horizon (June 30, 2020) is 75% of the total Bank's contribution to the plan, or \$6.33 billion. While estimates of funding with climate co-benefits for that date are not yet available, it is likely that so long as the current trend continues, the target will be met or exceeded.

The ACBP is also expected to have catalytic and leveraging effect on climate finance for Africa beyond the activities included in the plan, which do not encompass the universe of development activities with climate co-benefits. In particular, the plan could help promote the uptake of initiatives beyond the sectors or geographical areas included in the plan, through positive spill-over or imitation effects.

Accordingly, the second indicator of resource mobilization included in the original plan is the share of total World Bank financing to Sub-Saharan Africa with climate co-benefits (i.e., including all projects, not just those contributing to ACBP implementation).

The target is to increase this share from a baseline of 17 percent (the average across all sectors for FY11–FY15) to 22 percent over the period FY16–FY20. The share of financing for climate co-benefits for the ACBP projects has been growing steadily since 2016 (Figure 3) and reached 32% as of June 2017. The ACBP projects account for a large share (about 45%) of the Bank's overall

FIGURE 3 Share of Financing with Climate co-Benefits in Cumulative World Bank Financing to Sub-Saharan Africa (starting January 1, 2016)



Note: The climate co-benefits figures related to projects approved by the World Bank Board of Executive Directors up to June 30, 2017 are final. Figures related to later approval dates are provisional estimates and subject to change. Estimates of cumulative climate co-benefits by June 30, 2020 are not yet available.

financing to Sub-Saharan Africa; this is helping to increase the climate co-benefits of the whole World Bank portfolio in Sub-Saharan Africa, including IBRD and IDA, given also a growth in climate co-benefits associated to non-ACBP projects. The share of climate co-benefits in cumulative overall Bank financing to Sub-Saharan Africa over the period January 2016–June 2017 was 18.1%, an improvement over the historical average (FY11–FY15) of 17% and a step forward towards meeting the 22% target envisaged over the period FY16–FY20. For FY17 alone, the share of climate co-benefits in total IDA and IBRD lending for Sub-Saharan Africa was 25%.

Progress by Cluster of the ACBP

Since the launch of the ACBP, in December 2015, progress has been made across all three clusters of the plan (strengthening, powering, and enabling resilience; Table 4). The bulk of the effort is the strengthening resilience cluster, in particular projects that help build the resilience of natural and physical capital. Projects in this cluster contribute more than 70 percent (\$3.6 billion out of \$5 billion) of the total climate co-benefits generated by the ACBP portfolio.

Within the strengthening resilience cluster, the climate-smart agriculture and transport components account for the bulk of the resources (\$1.37 billion and \$1.21 billion, respectively) (Table 5). The shares of projects with climate co-benefits are largest for the components on building coastal resilience (83 percent), the Niger Basin (82 percent), and climate-resilient landscape (73 percent).

TABLE 4 Data on ACBP Implementation by Cluster

ACBP cluster	All projects		Projects for which data on climate co-benefits were available			
	Number of projects	Funding (millions of dollars)	Number of projects	Funding (millions of dollars)	Funding with climate co-benefits (millions of dollars)	Percent of funding with climate co-benefits
Strengthening resilience	169	18,929.1	136	14,355.1	3,615.9	25
Natural capital	98	7,903.3	81	5,417.3	1,678.0	31
Physical capital	45	8,242.1	32	6,350.1	1,630.6	26
Human and social capital	27	2,783.7	24	2,587.7	307.3	12
Powering resilience	32	3,089.7	26	2,630.7	1,423.4	54
Enabling resilience	3	70.0	1	8.0	0	0
Grand total	204	22,088.8	163	16,993.8	5,039.2	30

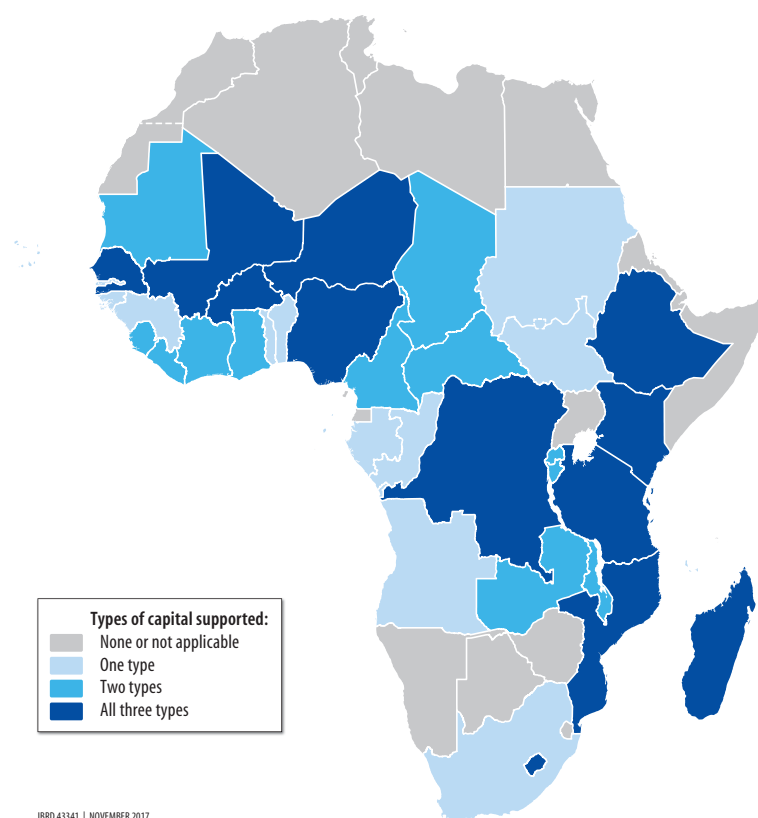
Note: Figures are for projects approved or to be approved January 2016–June 2019. Figures related to the 107 projects approved by the World Bank Board of Directors up to June 30, 2017 are final. Figures related to projects scheduled for later approval date are provisional estimates and subject to change.

TABLE 5 Data on Implementation of the Strengthening Resilience Cluster of the ACBP

Component	All projects		Projects for which data on climate co-benefits data were available			
	Number of projects	Funding (millions of dollars)	Number of projects	Funding (millions of dollars)	Funding with climate co-benefits (millions of dollars)	Percent of funding with climate co-benefits
Natural capital	96	7,893.1	79	5,407.1	1,675.4	31
Climate-smart agriculture	69	6,214.0	58	4,739.0	1,370.3	29
Africa climate-resilient landscapes	6	195.0	5	95.0	69.1	73
Forested landscapes	6	99.4	6	99.4	13.4	14
Niger Basin	2	220.0	2	220.0	180.2	82
Lake Chad	2	590.0				
Climate-smart Africa Ocean Economies	11	574.7	8	253.7	42.4	17
Physical capital	45	8,242.1	32	6,350.1	1,630.6	26
Building coastal resilience	2	169.6	2	169.6	141.0	83
Transport	33	6,329.0	24	4,865.0	1,214.6	25
Climate smart cities	10	1,743.5	6	1,315.5	274.9	21
Human and social capital	27	2,783.7	24	2,587.7	307.3	12
Addressing migration drivers	9	633.1	6	437.1	120.9	28
Social protection	18	2,150.6	18	2,150.6	186.4	9
Total	168	18,918.9	135	14,344.9	3,613.2	25

Note: Figures are for projects approved or to be approved January 2016–June 2019. Figures related to the 107 projects approved by the World Bank Board of Directors up to June 30, 2017 are final. Figures related to projects scheduled for later approvals date are provisional estimates and subject to change.

MAP 1 Implementation of the Strengthening Resilience Cluster of the ACBP, by Country



Note: Figures are for projects approved (or to be approved) January 2016–December 2018. Figures related to the 107 projects approved by the World Bank Board of Directors up to June 30, 2017 are final; figures related to later approval dates are provisional estimates and subject to change. Figures do not include projects with a regional or sub-regional scope.

The ACBP finances projects in the strengthening resilience cluster in 36 countries. In 24 of them, the plan supports interventions in support of more than one form of capital (natural, physical, and human/social) (Map 1).

The powering and enabling resilience clusters are currently being implemented in seventeen countries in the region (Map 2).

The renewable energy components account for about \$3 billion in total commitments (Table 6). The share of financing with climate co-benefit ratios is 81 percent for geothermal, 61 percent for solar, and 49 percent for hydro-power—above the average for the ACBP as a whole.

ACBP Contribution to NDC Implementation

As of October 30, 2017, 169 parties to the United Nations Framework Convention on Climate Change had ratified the Paris Agreement, thereby formalizing their commitment to pursue the goal of the agreement through Nationally Determined Contributions (NDCs). In Sub-Saharan Africa, 48

MAP 2 Implementation of the Powering and Enabling Resilience Clusters of the ACBP, by Country



Note: The map does not include projects with a regional or sub-regional scope.

countries have communicated their post-2020 climate commitments and priority areas through (I)NDCs. As one of the most vulnerable regions to climate change impacts, Sub-Saharan Africa has shown remarkable ambition in setting up its NDC commitments, particularly in adaptation.

To assess the extent to which the ACBP provides support to NDC implementation and to identify opportunities for further assistance, this progress report reviewed the development objective and components of every ACBP project; assessed whether they align with one or more NDC sectoral and sub-sectoral commitment (policies, targets, plans, actions) at the country and regional level; and determined whether the project directly contributes to NDC implementation. The analysis covers all 38 countries in which ACBP projects are being implemented. It does not include Botswana, Eritrea, Equatorial Guinea, Mauritius, Namibia, Somalia, Swaziland, and Zimbabwe, where no ACBP projects have yet been launched.

In any given country, ACBP projects are considered to contribute to NDCs if their development objectives correspond to priority areas identified in that country's NDCs. As of October 2017, 163 of 204 ACBP projects (80 percent) met this criterion. Commitments for these projects totaled \$18.3 billion—83

TABLE 6 Data on implementation of the powering and enabling resilience clusters of the ACPBP

Component	All projects		Projects for which data on climate co-benefits were available			
	Number of projects	Funding (millions of dollars)	Number of projects	Funding (millions of dollars)	Funding with climate co-benefits (millions of dollars)	Percent of funding with climate co-benefits
Powering resilience						
Solar	18	1,640.4	15	1,491.4	907.1	61
Hydropower	13	1,381.3	10	1,071.3	528.9	49
Geothermal	1	68.0	1	68.0	55.1	81
Subtotal	32	3,089.7	26	2,630.7	1,423.4	54
Enabling resilience						
Africa Hydromet program ^a	3	70.0	0	—	—	—
Africa Climate Resilient Investment Facility ^b	1	6.0	0	—	—	—
Subtotal	5	76.0	0	—	—	—

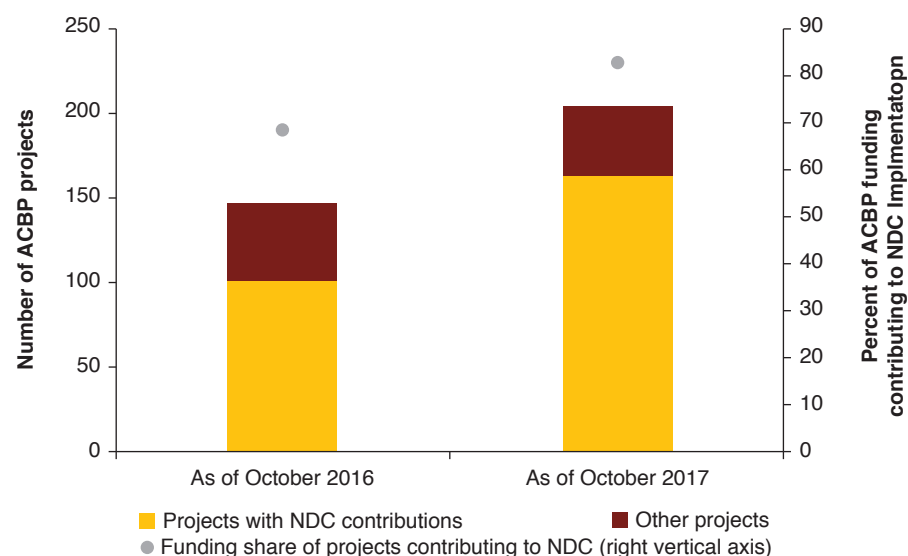
Note: Figures are for projects implemented January 2016–June 2019. Figures related to the 170 projects approved by the World Bank Board of Directors up to June 30, 2017 are final. Figures related to projects scheduled for later approval date are provisional estimates and subject to change

^a Climate co-benefits data for projects included in this component are not yet available

^b This component is not funded by the World Bank. Co-benefits are therefore not counted.

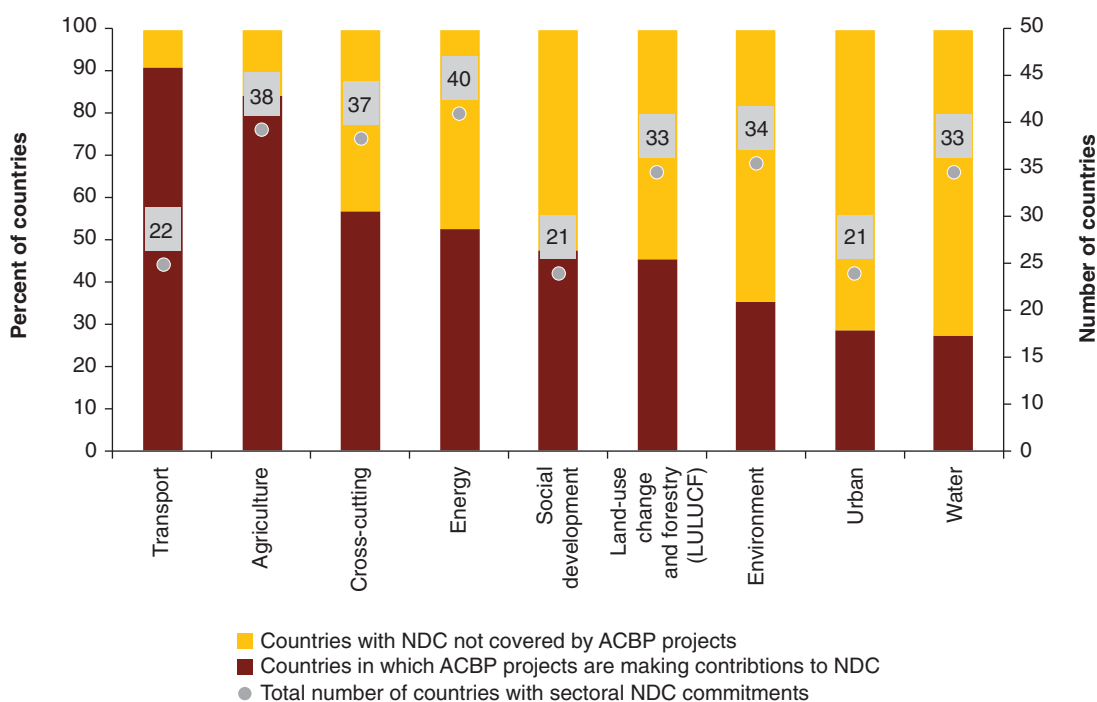
— Not applicable.

FIGURE 4 ACPBP Project Contributions to NDCs, 2016 and 2017



percent of the Bank's total financial commitment under the ACPBP (Figure 4). The number of projects that contributed to NDC implementation rose from 101 in October 2016 to 163 in October 2017, an increase of 63 percent. Financing of these projects more than doubled, from \$9.1 billion to \$18.3 billion.

FIGURE 5 ACBP Project Contributions to NDCs, by Sector, 2017



Note: For each sector, figures in grey boxes indicate number of countries that have defined an NDC priority in that sector.

Figure 5 summaries ACBP project contributions to NDCs in the following sectors: agriculture; cross-cutting areas (capacity building and knowledge transfer, disaster risk management, and climate services); energy; the environment; land use; land-use change and forestry (LULUCF); social development; transport; urban; and water. It shows that the ACBP portfolio contributes to a significant percentage of Sub-Saharan African countries' NDC implementation efforts in the following sectors: transport agriculture, cross-cutting areas, energy, social development, LULUCF, and the environment.

The ACBP portfolio supports NDC commitments in the transport sector in 90 percent of countries. It supports NDC commitments in agriculture in more than 80 percent of countries. It contributes to NDC sectoral commitments in cross-cutting areas and energy in more than half of the countries in which it has projects (57 percent in cross-cutting areas, 53 percent in energy).

At the subsector level, the ACBP portfolio makes important contributions (Figure 6) to NDC implementation and targets related to development of infrastructure and roads (ACBP presence in 20 countries, i.e. 91 percent of all countries identifying the subsector as an NCD priority), climate-smart agriculture practices (22 countries or 85 percent of all countries), establishment of social safety nets (9 countries or 75 percent of the total), enhanced capacity building and knowledge transfer (16 countries or 73 percent), sustainable land management practices (11 countries or 69 percent of the total), and deployment of solar power initiatives (18 countries or 55 percent).

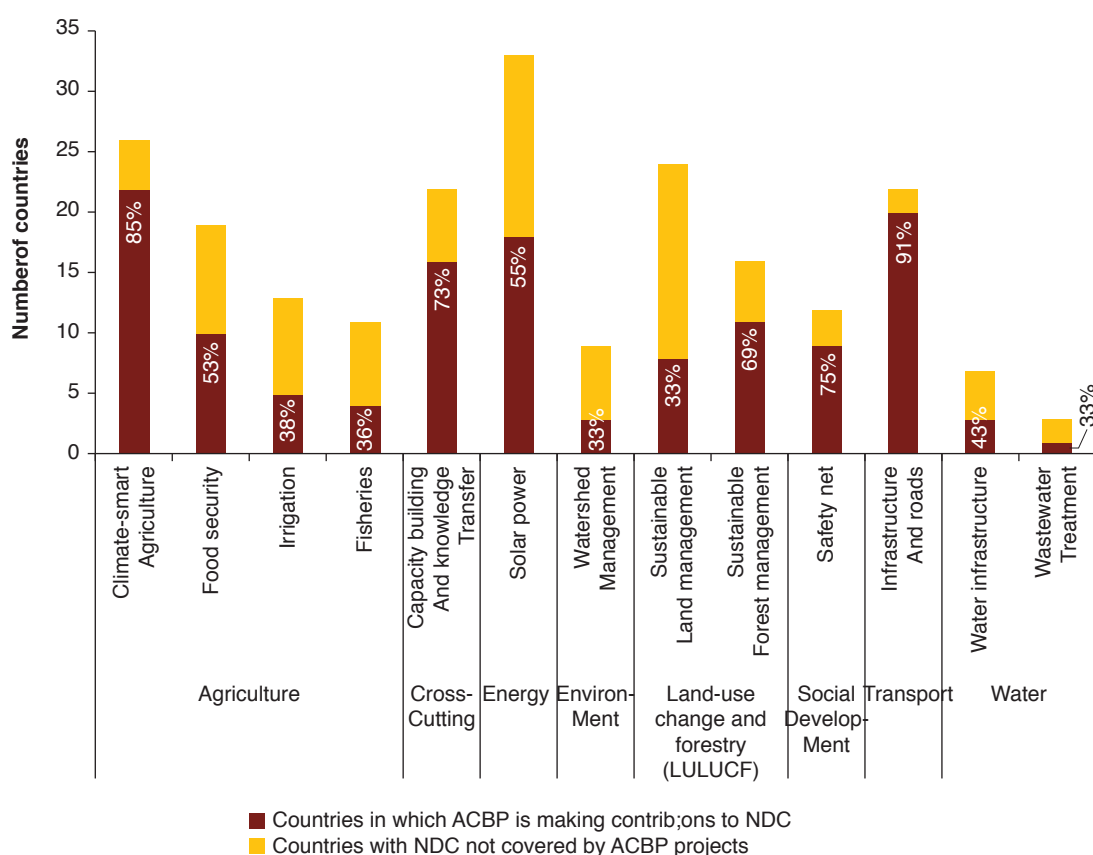
Opportunities for Future Progress

Current ACBP projects already provide significant support to the implementation of NDC commitments in Sub-Saharan Africa, and there is significant potential for enhancing efforts to scale up NDC implementation at both the country and regional level.

Current and upcoming ACBP projects will continue to make explicit linkages to NDC sectoral/subsectoral priorities at critical stages of the project planning and design process. New projects will take into consideration country-specific NDC implementation support needs, including the need to establish an institutional framework and coordination mechanism; develop Measuring, Reporting, and Verification (MRV) systems; craft NDC implementation and investment plans; and mobilize climate finance.

As an implementing partner of the NDC Partnership (<http://ndcpartnership.org>), the World Bank Group continues to help countries access technical knowledge and financial support for climate-related targets set out in their NDCs. Various initiatives have recently been established, including an NDC-Partnership Support Facility (NDCP-SF) Trust Fund, the Climate Action Peer

FIGURE 6 ACBP Project Contributions to NDCs by Subsector, 2017



Note: The percentages in each bar indicate the share of countries in which ACBP projects are contributing to NDC implementation.

BOX 2 The Climate Action Peer Exchange (CAPE)

CAPE is a peer-to-peer knowledge-sharing forum for finance ministries to discuss common challenges and best practices for developing NDC-compliant climate and fiscal policies. Its goal is to serve as a platform for the exchange of knowledge on climate fiscal tools such as green/blue bonds and debt management/expenditure planning instruments to enhance countries' ability to raise finance for climate change.

Exchange (CAPE, Box 2), and the Invest4Climate Platform to support NDC implementation.

The NDCP-SF is financing seven projects (at a total cost of \$2.4 million) in Côte d'Ivoire, Mali, Morocco, Mozambique, and São Tomé and Príncipe. Through the Invest4Climate, the World Bank Group will partner with the UN development system in jointly convening the platform, bringing together key decision makers in countries and various kinds of financial institutions, including other multilateral development banks, the Global Climate Fund, Development Finance Institutions, the private sector, and other relevant stakeholders to identify and implement potential transformational investments.

Resilience Outcomes: Insights After Two Years of Implementation

To determine how well the ACBP is contributing to resilience building, this report examines the integration of resilience considerations in the results frameworks of its projects. The analysis used the framework developed through the World Bank Resilience Monitoring & Evaluation (ReM&E) project to assess how much projects contribute to developing the following three types of capacities (Box 3):

- absorptive capacity: the ability to survive climate shocks;
- adaptive capacity: the ability to adjust in anticipation of climate shocks, without radically changing livelihood systems;
- transformative capacity: the ability to prevent the impact of climate shocks through major transformation of livelihood systems.

For each ACBP component, the analysis identified and reviewed the Board-approved projects that provided the top 70 percent of climate change co-benefits. The resulting sample of 27 projects accounts for 44 percent of the ACBP portfolio's co-benefits and 13 percent of its total financing.

The analysis finds that about two-thirds of the results indicators of these projects are intended to augment resilience to climate and disaster risks. The remaining third are intended to deliver economic, social, and environmental benefits that are not directly linked to climate resilience (although they may contribute to strengthen it indirectly). About half (52 percent) of the

BOX 3 Three Types of Capacity Required for Resilience

Absorptive capacity: The ability of people, assets, and systems to prepare for, mitigate, or prevent negative impacts of hazards so as to preserve and restore essential basic structures and functions, e.g., strengthening the walls of grain storage sheds, to enable them to withstand inclement weather, such as high winds and rain.

Adaptive capacity: The ability of people, assets, and systems to adjust, modify or change characteristics and actions to moderate potential future impacts from hazards so as to continue to function without major qualitative changes e.g., establishing an irrigation system for farmers previously dependent on invariable rainfall to water their crops.

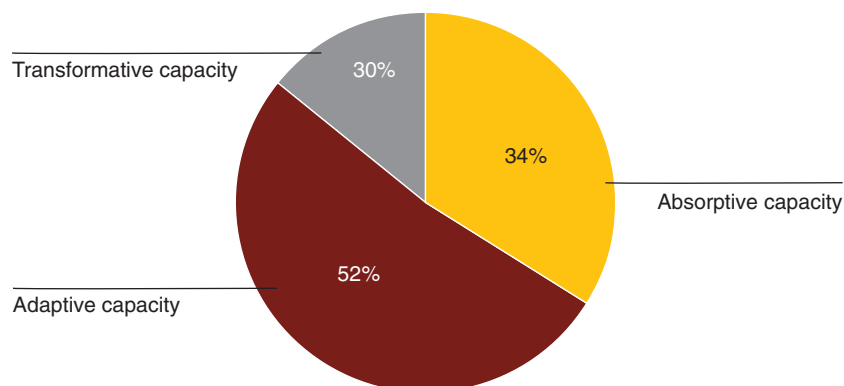
Transformative capacity: The ability to create a fundamentally new system so as to avoid negative impacts from hazards e.g., shifting from agriculture to another means of income such as live-stock herding, given the chronic climate and disaster risk and stress the current system is facing.

resilience-relevant indicators aim to capture results that build adaptive capacity, 34 percent capture the building of absorptive capacity, and 14 percent correspond to building transformative capacity (Figure 7).

The fact that developing adaptive capacity accounts for more than half of resilient development outcomes suggests that projects are incorporating changes in their systems to adjust to, better manage, anticipate, and/or mitigate potential future impacts of climate and disaster risks—through diversification of livelihood opportunities, enhancement of agricultural productivity, and increased access to, and sustainable management of, productive resources, for example. Box 4 describes how three ACBP projects are increasing the stocks of various forms of capital to build resilience to climate change.

The ACBP portfolio focuses on building natural capital (44 percent of resilience-relevant results indicators) and human and social capital (30

FIGURE 7 Resilience Results Indicators Contributing to Absorptive, Adaptive and Transformative Capacities



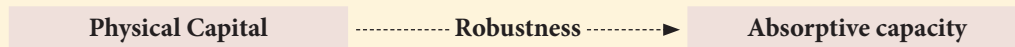
BOX 4 Examples of Projects Contributing to Building Resilience

1. Absorptive Capacity

Tanzania Strategic Cities Project (additional financing): People with access to improved bus stations & terminals

The Tanzania Strategic Cities AF II-SUF project rehabilitated, upgraded, and constructed roads, sidewalks, footbridges, bus/lorry stands/terminals, streetlights, storm water drains, public parks, sanitary landfills and other urban infrastructure facilities. The upgraded transport infrastructure with climate-resilient design features enhances robustness and absorptive capacity to withstand floods and strengthens infrastructure and physical resilience through asset vulnerability reduction.

Resilience pathway:



2. Adaptive Capacity

Niger Climate Smart Agriculture Support Project: Increased adoption of new agricultural practices

The Climate Smart Agriculture Support Project in Niger rolls out technologies in various value chains that include seeds of improved climate-resilient varieties, fertilizer, planting materials, animal husbandry and agronomic practices. The introduction of these technologies augment adaptive capacity of farmers and bring about flexibility in their practices, ultimately attaining

Resilience pathway:



3. Transformative Capacity

Kenya Electricity Expansion Project, additional financing: New slum consumers connected to the grid

The AF Kenya Electricity Expansion Project builds transformative capacity by providing income security through first-time electricity access for slum dwellings. Electricity provision diversifies their sources of income through postharvest value addition activities and accessing alternative livelihood streams in other sectors that contribute to social and financial resilience by developing human and social capital.

Resilience pathway:

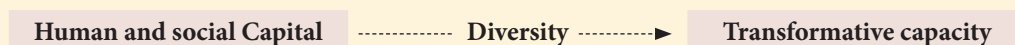
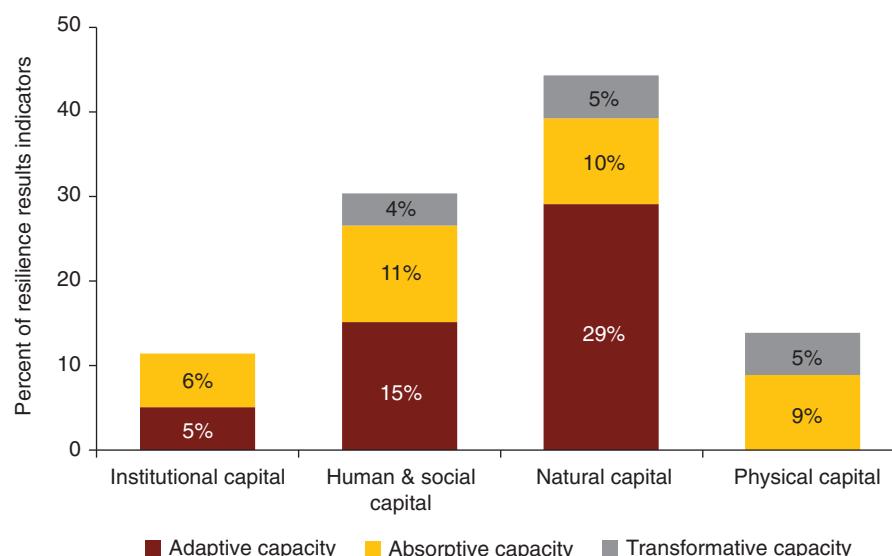


FIGURE 8 Distribution of Resilience Results Indicators Across Types of Capital and of Capacity Strengthened



percent), which together account for three-fourths of the resilience-relevant results indicators in the ACBP portfolio (Figure 8). Activities that build these forms of capital contribute to developing adaptive capacity and absorptive capacity.

A mix of all three capacities is often needed to deliver resilient development outcomes. The weights in the mix depends on the system's needs and the climate change impact that requires increased resilience. Absorptive capacity plays an important role when maintaining current system structures is desirable but those structures need strengthening in order to improve the system's ability to bounce back. Adaptive capacity builds flexibility and enhances the system's ability to change in order to prepare for the future. Transformative capacity is often needed when the current situation is untenable and a significant shift in the system is required to decrease vulnerability in a lasting manner.

Interventions to increase absorptive and adaptive capacity are often the first and quickest way to increase the climate resilience of individuals, communities, and countries. Over the longer term, transformative capacity needs to be built, in order to ensure lasting resilience to the more frequent or severe climate shocks of the future.

This points to a possible area of focus for the final years of ACBP implementation, i.e. a identifying opportunities to build more transformative capacity. Future projects may combine support to adaptive and absorptive capacity-building activities (through, for example, expansion of alternative livelihood opportunities and innovation in climate-resilient tools and technologies) with support that helps build transformative capacity (through, for example, promotion of system shifts that help increase food security). No

single project can transform a system, but many can come together to contribute to transformation.

Highlights of Implementation Progress by ACBP Component

Table 7 highlights selected areas of progress made in implementing the ACBP in 2017. It covers projects approved by the World Bank's Board of Executive Directors, preparation of projects to be approved in the near future, analytical work, advocacy, and other efforts that implement the plan.

TABLE 7 Highlights of ACBP Implementation Progress October 2016–September 2017

Component	Progress
<i>Strengthening resilience</i>	
<i>Natural capital</i>	
Climate-smart agriculture	<ul style="list-style-type: none"> • In 2017 the Board approved \$1.27 billion (including \$8 million from the Global Environment Facility) in commitments for 25 projects supporting climate-smart agriculture. These projects aim to improve the livelihoods of about 1.28 million farmers and increase the climate resilience and productivity of about 3.4 million hectares of land. • The Bank continued to support advocacy of climate-smart agriculture and to disseminate knowledge and best practices in Sub-Saharan Africa. In the past year, it hosted an event on CSA Success Stories at COP22, supported the development of the initiative “Adaptation of African Agriculture to Climate Change” (AAA), built country capacity to implement Nationally Determined Contributions (NDCs), and developed country-led Climate Smart Strategies and Investment Plans (CSIPs). It also made progress in establishing a Climate-Smart Livestock (CSL) Center in Africa, through a joint World Bank Group–German initiative.
Forested landscapes	<ul style="list-style-type: none"> • As of September 2017, and as part of the implementation of its Forest Action Plan, the Bank has allocated through the Forest Trust Funds more than \$128 million to 15 African countries for upstream technical assistance to forest development efforts and REDD+, including support to relevant aspects of their NDCs. • Nine countries in Sub-Saharan Africa are preparing large-scale programs that aim to enhance the contribution of forest landscapes to growth and poverty alleviation. The Forest Trust Funds are providing up to \$450 million in results-based payments while leveraging funds from other sources, such as the Global Environment Facility, IDA, governments, and the private sector. • As of September 2017, the Bank had allocated more than \$200 million from the Central African Forest Initiative (CAFI) to four countries (Cameroon, the Central African Republic, the Democratic Republic of Congo and the Republic of Congo), for the development and implementation of national investment frameworks for REDD+, with the World Bank as an implementing partner.
Climate-resilient landscapes	<ul style="list-style-type: none"> • Most of the projects originally identified under this ACBP component are either under implementation or at the advanced preparation stage. Projects are being, or will be implemented in Burundi, Ghana, Madagascar, and Mozambique. • New operations are at an early preparation stage in eight countries, with support from the TerrAfrica program.
Niger Basin	<ul style="list-style-type: none"> • The Bank, the riparian countries, and the Niger Basin Authority identified a priority set of 123 interventions based on the initial Climate Resilience Investment Plan (CRIP) for the Niger Basin presented at COP21. Of an estimated total cost of the CRIP of \$3.1 billion, \$1.9 billion is being mobilized to support priority interventions. • The World Bank and the African Development Bank are finalizing preparation of investment projects that will support key components of the CRIP.
Lake Victoria Basin	<ul style="list-style-type: none"> • The Nordic Development Fund has provisionally approved a grant for expansion of the Resource Efficient and Cleaner Production program (RECP), a small but very successful component of the Lake Victoria Environment Management Program that has leveraged more than \$80 million in private sector investments in improved environmental practices. • Protection of ecological infrastructure (forests, riparian buffers, wetlands) under the existing program has generated success stories and local appreciation of the benefits of environmental rehabilitation. Nearly 950 of a target of 1,450 hectares had been rehabilitated for protection by mid-2017.
Climate-smart ocean economies	<ul style="list-style-type: none"> • The Board approved four projects with regional or national scope in FY17, allocating funding of more than \$67 million. Nine more projects are expected to be approved in FY18 and FY19, for an additional \$517 million, including additional support at the regional level and to countries such as Côte d’Ivoire, Kenya, and Tanzania. • These projects build on technical assistance provided by the Bank to regional commissions in charge of fisheries, to develop regionally coordinated investment plans for climate-resilient fisheries and coastal livelihoods.

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TABLE 7 Highlights of ACBP Implementation Progress October 2016–September 2017

Component	Progress
<i>Physical capital</i>	
Climate-smart cities	<ul style="list-style-type: none"> The Bank supported the completion of resilience planning in 20 cities: 11 regional capitals of Ethiopia; Accra, Ghana; Antananarivo, Madagascar; Dakar, Senegal; Dar Es Salaam, Tanzania; Ibadan, Nigeria; Maputo, Mozambique; and cities in the Democratic Republic of Congo, Niger, and Sierra Leone. A total of \$1.4 billion investment is expected to be mobilized during FY18/19. Funding includes \$560 million to support climate- and disaster-resilient development in 5 large Sub-Saharan African cities and \$900 million for 2 large metropolitan areas of the Democratic Republic of Congo Ghana and 117 secondary and tertiary cities in Ethiopia.
Coastal resilience (West Africa)	<ul style="list-style-type: none"> The Bank is finalizing a \$200 million investment project that responds to multisector investment plans prepared over the past year in five countries (Benin, Côte d'Ivoire, Mauritania, São Tomé and Príncipe, and Togo) to combat coastal erosion and flooding. The Bank developed a framework for the voluntary relocation of people whose lives and livelihoods are in danger as a result of climate change.
Climate-resilient transport	<ul style="list-style-type: none"> The Board approved three projects with total financing of \$112 million. Preparation is under way for additional projects in 11 countries and projects with regional scope. The Bank is scaling up efforts to further define and implement methodologies for integrating climate resilience into transport projects. It published a regional report (<i>Enhancing the Climate Resilience of Africa's Infrastructure: The Road and Bridges Sectors</i>) and mobilized grant funding from the Global Facility for Disaster Reduction and Recovery (GFDRR) to operationalize the methodology described in the report as a second phase of the Africa Road Resilience Study, which will begin to roll out climate vulnerability assessments at the country level.
<i>Human and social capital</i>	
Social protection	<ul style="list-style-type: none"> The Board approved or is in the process of approving 16 social protection projects that directly contribute to the ACBP. The value of these projects is about \$1.83 billion. Six countries in Sub-Saharan Africa channeled funding from the World Bank's Crisis Response Window through national safety net programs to respond to the effects of the 2015–16 El Niño drought.
Migration drivers	<ul style="list-style-type: none"> The Bank increased its support to address the impacts of forced displacement and migration. In April 2017, it approved the Development Response to Displacement Impacts Project (DRDIP) for Kenya (\$103 million). In July it approved the Great Lakes Region Displaced Persons and Border Communities Project Additional Financing (\$3 million). The ongoing efforts on planned voluntary relocation being undertaking in São Tomé and Príncipe are providing critical lessons for other communities and countries. These lessons are informing the development of a framework—being developed as part of the West Africa and Coastal Areas (WACA) Resilience Investment Project—to ensure that voluntary relocation is a pro-poor, people-centered process in which communities drive the decision making.

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TABLE 7 Highlights of ACBP Implementation Progress October 2016–September 2017

Component	Progress
<i>Powering resilience</i>	
Solar power	<ul style="list-style-type: none"> As of September 2017, the Bank had approved projects that spur the use of solar power in the region for a total \$620 million of IDA resources. The Bank's engagement includes 10 projects to scale solar energy supply through off-grid and mini-grid solutions in the Democratic Republic of Congo, Gabon, Liberia, Niger, Rwanda, Tanzania, and Zambia; 2 guarantee packages to leverage private investments in solar generation in Mali and Zambia; and investment in utility-scale solar plant and network strengthening in Burkina Faso.
Hydropower	<ul style="list-style-type: none"> The Bank approved nine projects that help increase the use of hydropower in the region in FY16 and FY17, for a total \$776 million of IDA resources. The Bank supported the commissioning of the Lom Pangar dam in Cameroon in mid-2017. It will add 30 MW of power and unlock the hydropower potential of the Sanaga River; the Rusumo Fall hydropower scheme (80 MW), shared by Burundi, Rwanda, and Tanzania; and the Jiji and Mulembwe schemes (48 MW), in Burundi.
Geothermal power	<ul style="list-style-type: none"> The Bank approved \$71 million of additional financing to complete the development of the Olkaria I & IV plants in Kenya, with total capacity of 280 MW. The Bank is providing technical assistance to help develop the geothermal sector in Kenya.
<i>Enabling resilience</i>	
Africa Hydromet Program	<ul style="list-style-type: none"> The Bank mobilized \$17 million in IDA funding in FY17 to support the strengthening of hydromet systems in Burkina Faso, the Democratic Republic of Congo, Mali, and Niger. The IDA funds will complement \$60 million from other sources, including the Green Climate Fund, the Climate Risk Early Warning Systems (CREWS), the Global Environment Facility, and the Global Facility for Disaster Reduction and Recovery (GFDRR). Additional hydromet modernization operations are under preparation in Chad, Ethiopia, and Togo.
Africa Climate Resilient Investment Facility (AFRI-RES)	<ul style="list-style-type: none"> The Bank mobilized €5 million from the Nordic Development Fund as seed funds to kick-start the facility, which will support upstream integration of climate resilience in the planning and design of projects in Sub-Saharan Africa. In cooperation with the UN Economic Commission for Africa and the Africa Union, the facility will promote the dissemination of tools, data, and good practice. Pilot initiatives supported by AFRI-RES in 2017 included training of hydropower practitioners and a workshop on insurance instruments that can mitigate hydrological risks

*The full progress report will be posted
on-line before the end of 2017, and will be
accessible by scanning the code below*

