

# Policy Advice for Climate-Resilient Economic Development (CRED)

## Methods of assessing and planning climate-resilient economic development

### Well-planned adaptation for climate-resilient economic development

Climate change is one of the greatest threats facing humanity, with far-reaching and devastating impacts on people, the environment, and the economy. Accelerating climate change adaptation is a human, environmental, and economic imperative. Planning and investing in systematic adaptation measures, and in the innovations that come with it, can unlock new opportunities and provide a triple dividend: they avoid economic losses, bring positive gains, and deliver additional social and environmental benefits.

Therefore, the CRED programme develops methods and tools for modelling the economic impacts of climate change. As a result, evidence based adaptation measures can unlock climate-resilient economic development in the three pilot countries.

### Assessing climate risks and improving adaptation measures

Systematic and effective adaptation measures need an improvement in assessing the climate related risks that economies are facing as well as an improvement in making policy and adaptation strategies.

A better assessment and planning of adaptation measures enables policy actors to make the necessary investments for directing the economy towards climate resilience.

<b>Beneficiary:</b>	Economics/planning ministries in the three pilot countries: Kazakhstan, Vietnam, Georgia
<b>Funder:</b>	Federal Ministry of the Environment, Nature Conservation and Nuclear Safety
<b>Duration:</b>	01.01.2019 – 31.12.2022
<b>Budget:</b>	4 000 000 EURO
<b>Result:</b>	Methods for assessing and planning climate-resilient economic development are available and are being applied for implementing the adaptation components of NDCs.

### Risks without systematic adaptation measures:

- National development strategies will be ineffective
- National budgets will come under additional strains, potentially putting downward pressure on sovereign ratings as debts and deficits mount
- Climate change will push more than 100 million people within developing countries below the poverty line by 2030
- Climate change will limit future economic and human development



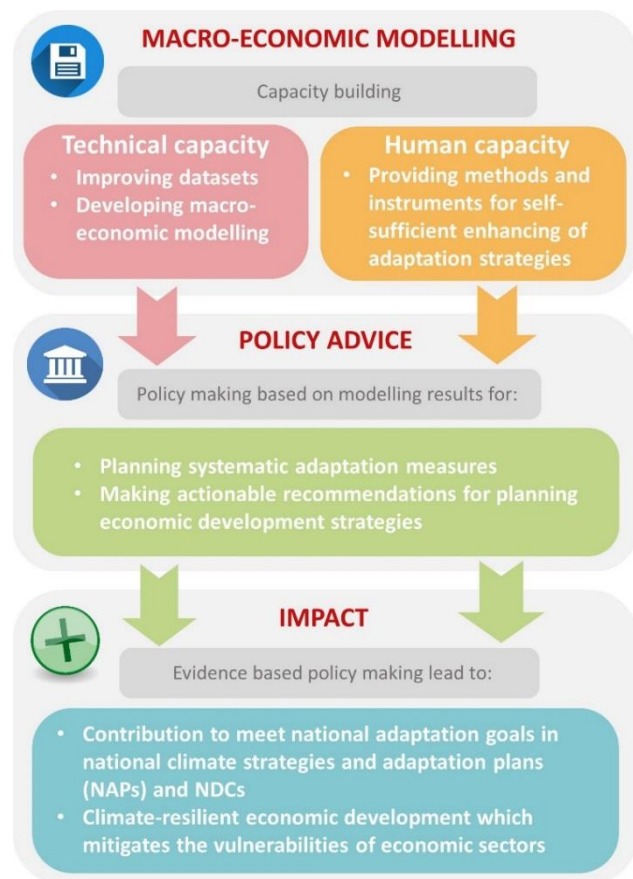
## Our approach

On behalf of the German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety, under the umbrella of the International Climate Initiative, the CRED programme supports the three pilot countries, Kazakhstan, Vietnam and Georgia in the development of human and technical capacities in the economic and planning ministries, subordinate sectoral authorities as well as in the institutes in charge of economic modelling.

Sectoral impact models of climate risks will be improved and integrated into a macro-economic modelling approach. Finally, the modelling results will be used to advise the relevant ministries in making actionable recommendations for systematic adaptation measures. This aims at central macro-economic strategies and policies, such as development, poverty-reduction or green economy strategies as well as strategies for major economic sectors, supporting the implementation of NDC goals and national adaptation plans (NAPs).

### The benefits for the CRED pilot countries are:

- Improved data sets
- Human capacity development for personnel of economics/planning ministries in methods and tools for analysing and planning climate-resilient economic development
- Macro-economic model based recommendations for action for economic policy and adaptation processes (NAP, NDC)
- A boost for the creation of a climate-resilient economy



## Our goal: Support climate resilience economic development

The CRED programme provides the support to enhance assessing and planning adaptation measures, leading to climate-resilient economic development.

A climate-resilient economic development mitigates the vulnerabilities of economic sectors and maintains the performance of the economic development, which secures income and employment in the pilot countries.

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