

ANNEX 9

Terms of reference for a Climate Risk Assessment

These model ToR need to be adapted according to the specific project and its context. To respond to a variety of circumstances, this model includes a range of suggestions and options. **Actual ToRs derived from this model are likely to be shorter (max. 10 pages).**

Explanations or sections to be completed according to individual circumstances are given in *italics*. Complementary and explanatory information is placed in text boxes).

When a CRA is required, it is important to define how the CRA and other studies will be incorporated in the formulation phase. There are four issues to consider:

- A clear **definition of the scope** of studies to be carried out at formulation is necessary to ensure complementarity and avoid overlap between the CRA and other studies (e.g. 'general' formulation study; financial and economic analysis; other climate, environmental or vulnerability studies). Close coordination is therefore required in the

preparation of the different ToR for these studies. Where possible the different studies should be integrated in a single process;

- In order **to ensure consistency** during the formulation phase, the same alternatives should be considered when engaging in different assessments (e.g. technical, environmental and economic);
- It should be ensured that the studies are based on sufficient technical information and assess **realistic options**, and that they can have an influence on the selection of project alternatives and on final project design through **appropriate measures**;
- Ideally **the CRA should precede the economic analysis**, which has to incorporate the costs of impact reduction and adaptation measures and possibly also value some residual environmental externalities and costs associated with potential climate change risks.

ToR for the Climate Risk Assessment of *(name of the project)*

1. BACKGROUND

The *(name of the institution in the partner country)* and the European Commission require a Climate Risk Assessment (CRA) to be carried out for the formulation of *(state the name/title of the proposed project)*. The CRA must examine:

- Climate-related risks to the successful realisation of the project's intended outputs and outcomes;
- Risks that the project will increase the vulnerability of human populations and/or natural systems to climate change and variability;
- Risks that the project will contribute to maladaptation;
- Measures to reduce climate-related risks and to adapt to climate change, to be described in a Climate Risk Management Plan (CRMP);
- Opportunities for promoting wider resilience and adaptation to climate change, and encouraging low-carbon development;
- *(Other points to be examined e.g. the need for improved environmental and climate related information).*

The project is described as follows: *(insert a short description, referring to the current logical framework, (to be attached); provide key information, such as objective, rationale for the project, location, duration, key beneficiaries, technologies and practices to be employed, life-cycle of the project, etc.)*

(If relevant) The following alternatives have been identified: *(provide a description of any alternatives already identified).*

Existing information on the project, the environment and climate (including current climate conditions and trends, as well as future climate projections) can be found in *(mention any available studies and information including the results of the identification phase, and indicate where/how these documents may be obtained/consulted)*. In addition to this CRA, the following studies are also envisaged *(mention any other studies planned in the formulation phase, including feasibility, economic and financial analyses or social and/or environmental impact assessments)*.

(Mention other pertinent background information, such as potential or known projects envisaged in the same area, key stakeholders, legal requirements and existing SEA in the sector).

2. OBJECTIVE

The CRA will provide decision makers in the *(partner country and European Commission,)* with sufficient information to justify, on the grounds of project sustainability and viability under climate change, the acceptance, modification or rejection of the project for financing and implementation. It will also provide the basis for guiding subsequent actions, which will ensure that the project is carried out taking into account any climate-related risks and adaptation needs and options.

3. PROCESS

The CRA is undertaken in two stages: firstly a **scoping study** which defines the scope of the CRA, and secondly the **CRA study** itself.

The **CRA scoping study** will summarise the project, identify key stakeholders, and describe the hazards, vulnerabilities and resulting risks to be assessed in the CRA study, based on information on current and future hazards and risks already available in key sources of climate information such as IPCC reports, NAPAs/NAPs, National Communications to the UN-FCCC and other sources (see Appendix I, Annex 3). The scoping study will also specify what approaches, tools and methods are to be employed to assess key aspects of risk and vulnerability and key knowledge gaps. The types of risk reduction or adaptation measures to be assessed may be broadly identified during the scoping study, and monitoring and evaluation (M&E) mechanisms proposed. The scoping study may further define the limitations of the CRA based on a further investigation of data availability and the availability of other key resources (e.g. access to climate data and projections or impact models).

The **CRA study** will analyse climate risks to the project resulting from current climate conditions and trends, as well as future, long-term climate projections. It should address:

- climate change-related risks to project outputs, including risks to the successful implementation of a project or its components. For example, the implementation of a project may be disrupted by the occurrence of climate extremes that are more frequent or severe than anticipated, or the integrity of infrastructure may be at risk from increased recurrence or magnitude of extreme weather events expected under climate change;
- climate change-related risks to project outcomes. An example is increased poverty due to climate-related crop losses or higher food prices, offsetting other poverty reduction measures, or increased water stress due to lower rainfall and higher temperatures, that offset gains due to improved water use efficiency;
- the adaptation deficit to current climate variability and change, which lead communities to be vulnerable to climate risk.

The **CRA scoping study** will provide:

- An overview of the project, including the timescales associated with project implementation and intended outcomes. A description of any project alternatives;
- An overview of the relevant policy, legislative and institutional frameworks (if they exist);
- A description of the geographical, environmental and climatic contexts within which the project will be implemented, including a summary of readily available information on potential future climate trends and climate change as far as this is relevant to the timescales associated with the project;
- A description of the key stakeholders likely to be affected by the project, with specific reference to the specific climate-related risks;
- A stakeholder engagement plan (if found relevant);
- A summary of the key current and expected future climate hazards relevant in the context of the project, and of the associated potential climate-related risks/implications for the project, that should be addressed in the CRA, insofar as these can be identified on the basis of the best available information;
- A summary of key issues relating to vulnerability and adaptive capacity as relevant in the project context as far as possible on the basis of existing information;
- A description of key knowledge/information gaps relating to current and future climate hazards, recent and potential future climate change impacts;
- Recommendations on the methodology for identification and assessment of specific climate-related risks, constraints and opportunities (including treatment of uncertainty) and the basis for the choice of methodologies to be used in the CRA to assess risks and vulnerabilities;
- Recommendations regarding any risk reduction or adaptation measures that might be identified and investigated further in the CRA, based on the work of the scoping study;
- An indication of the time frames, costs and resources needed to carry out the CRA study.

The **CRA study** will provide:

- An identification and assessment of the potential climate-related risks to project implementation and the successful realisation of the project's intended benefits;
- An identification and assessment of the potential risks that the project implementation will increase the vulnerability of human populations and natural systems to climate variability and change, and to contribute to maladaptation;
- Recommendations, including a Climate Risk Management Plan (CRMP) for the implementation of proposed measures to reduce climate-related risks and adapt to climate change. The CRMP may identify and prioritise a number of alternative risk reduction/adaptation measures, detailing the pros and cons (e.g. costs, impacts) of each. The CRMP should also include a framework for monitoring and evaluating the performance/success of the proposed measures;
- Recommendations on how to adapt the project design (*if required*) to optimise the exploitation of opportunities arising from climate change (*if any*), to promote wider climate resilience, adaptation and adaptive capacity (e.g. outside the immediate context of necessary measures to reduce risks associated with the project), and to promote low-carbon development.

4.1. CRA SCOPING STUDY

4.1.1 Overview of the project (and its alternatives)

A description of the project and of its components.

(When feasible, describe any major project alternatives, with a focus on alternatives that are significantly different from the perspective of exposure and vulnerability to climate-related risks. If the project is subject to an environmental impact assessment (EIA), consistency must be sought between the alternatives studied under both instruments).

4.1.2 Legislative, institutional and planning framework

A description must be made of any institutional and legislative frameworks relevant to the project and its CRA⁽¹⁾, including an indication of the key applicable legislation, planning processes (e.g. land use planning), standards and norms that will have to be addressed in the CRA study. Reference should be made to the relevant documentation such as the Country Environmental Profile, National Adaptation Plans of Action/National Adaptation Plan (NAPAs/NAPs) or other national adaptation plans/strategies, National Communications to the UNFCCC, any relevant Strategic Environmental Assessments.

4.1.3 Description of the key stakeholders and their concerns

In a CRA, the engagement of vulnerable groups, most likely to be exposed to the climate-related risks to be investigated, and those that are particularly vulnerable to climate change, is especially important (e.g. people who depend on climate-sensitive livelihoods such as pastoralists and smallholders, or those living in areas of high exposure). An effort should be made to involve a wide range of possible relevant interest groups (including local authorities, local and regional NGOs, women, and indigenous peoples) in defining issues to be addressed in the CRA.

⁽¹⁾ Whereas legislation relating to environmental impact assessment is generally well developed, legislation relating to CRA is likely to be rare and/or poorly developed. However, in certain contexts there may be some relevant legislation, for example relating to set-back from the shoreline for new construction in certain small island states that have already begun to address risks associated with storm surges, erosion and sea-level rise, in the context of adaptation to climate change.

The engagement of stakeholders in the CRA process is a key success factor. Project stakeholders (key groups and institutions intended as beneficiaries of the project or project partners, and any groups potentially affected by any adverse – e.g. environmental or displacement – impacts of the project) will be identified.

Particular attention should be paid to typically less represented groups such as women, indigenous peoples and minorities.

Stakeholders will be engaged by the consultant in order to identify their concerns with respect to existing and anticipated climate-related risks and vulnerabilities, their perceptions of how these may be affected by the project, and their views about how these risks and vulnerabilities might affect the project results and impacts. This will contribute to the identification of key potential risks, project-climate interactions, and potential risk reduction or adaptation measures that will need to be addressed in the CRA study. The stakeholder engagement strategy to be employed should be explained in the proposal and, if necessary, will be revised by *the EC and the partner government* before being implemented.

4.1.4 Description of the key climate-related risks and project-climate interactions that should be addressed in the CRA

(Particular attention should be paid to the climate-related risks to, or associated with, the project that are likely to be the most significant, considering the sensitivity of the project and any related / supported activities to climate hazards likely to be encountered over the relevant timescale, the vulnerability of key stakeholders to climate change and variability, the project's potential impacts on vulnerability, and the expectations of the stakeholders).

Based on contextual information on current and potential future climate hazards, the consultants should identify climate-related risks to be specially considered under the following categories:

- Risks to the successful or timely implementation of the project;
- Risks to the successful realisation of the intended project benefits over timescales that may be significantly longer than the lifetime of the project itself;
- Risks that the project may increase the vulnerability of certain groups;
- Risks that the project may increase the vulnerability of natural systems or resources;
- Risks that the project will contribute to maladaptation, increasing dependency on resources threatened by climate change.

4.1.5 Summary of existing baseline information and scope of any expansion of baseline information

The scoping study should summarise the information currently available, as relevant to the project, relating to (i) current climatic and environmental conditions, (ii) potential future climatic conditions, (iii) relevant current and future climate hazards, impacts, vulnerabilities and related risks. Key information gaps in these areas should be identified, and the extent to which these information gaps may be filled by further study during the CRA study should be specified, as should the nature of any additional information on these baseline issues that will be generated during the CRA study.

4.1.6 Recommendations on the assessment methodologies to be used in the CRA

An indication of the most appropriate tools and methods for carrying out the CRA study should be provided, for example model-based impacts or sensitivity studies, participatory vulnerability assessments, scenario planning, indicator-based mapping exercises, or other methods such as expert review. The limitations of such tools and methods should be specified, for example with regard to the spatial resolution of climate model output, the degree of confidence in downscaling studies, the extent to which key indicators capture the most important dimensions of vulnerability, and so on. The ways in which uncertainty will be addressed should be specified, for example

by using multiple models or simulations, a range of different scenarios, or a range of different assumptions about the future evolution of vulnerability.

4.1.7 Indication of the timeframe, costs and resources needed to carry out the CRA

The temporal and spatial extent of the CRA study should be specified, including the identification of any geographical areas, communities/populations, institutions, natural systems, sectors or systems/infrastructure to be studied.

(The way in which risks are to be evaluated will be crucial in determining the timescale of the CRA; a CRA based solely on expert review is likely to be relatively short (for example 20-30 days), whereas a CRA involving downscaling and/or the development of computer models to investigate impacts may take many months and perhaps up to 2 or 3 years for large projects. Where modelling is not employed, other practical considerations must be taken into account, such as allowing time for the collection of data (e.g. in the form of household surveys / interviews to assess elements of vulnerability)).

A description and estimation of the resources required (in terms of budget, person-days, technical facilities/resources) must be provided, including a break-down of costs. If at this stage it is considered necessary to integrate other experts with specific skills (e.g. social scientists for vulnerability assessments), this should be proposed in the scoping report for consideration by the EC.

(The EC could give an indication of the maximum budget allocated to the CRA study.)

4.2. CRA STUDY

The scope of the CRA study will be agreed with the Commission in coordination with the partner government and other international partners, on the basis of the results of the scoping study.

4.2.1 Climate risk baseline study

1. Existing climate risk context

This should describe the following existing conditions, *as far as these are relevant in the project context*:

- The geographical and environmental context of the project (e.g. location), and the current climatic conditions pertaining in the area(s) associated with the project. This should include a description of the main climate hazards and their impacts currently experienced in these areas (e.g. heavy rainfall and flooding, drought and food insecurity or interruption to hydro-power, storms or storm surges and mortality/displacement/destruction of property and infrastructure);
- The existing vulnerability context in which hazards are translated into impacts, i.e. which populations, areas, groups, systems or sectors are most affected by climate hazards, and what are the drivers (e.g. social, economic, geographic, policy, etc.) of their vulnerability?;
- The level(s) of adaptive capacity in the relevant groups, populations, systems, sectors, institutions. What options are there for effective responses to manage and reduce existing risks, and what are the constraints that prevent action to reduce risk being taken?

2. Expected future climate risk context

This should seek to examine how conditions might evolve in the future, with respect to:

- The potential future evolution of climate hazards (both sudden-onset and slow-onset). The characterisation of future climate hazards may be based on data from global and regional climate models, down-

scaling studies, and/or impact models (e.g. of water resources, crop yields, coastal systems, ecosystems, etc.) Alternatively this characterisation may employ expert judgment, past analogues (e.g. of extreme events/conditions), statistical techniques (e.g. to examine the impacts of changing means and variability of the occurrence of extremes using historical data as a baseline);

- The potential future evolution of vulnerability, based on plausible assumptions about how the drivers of vulnerability may change in conjunction with changing economic, demographic, environmental and other conditions;
- The potential future evolution of adaptive capacity, based on changes in access to resources and opportunities, and in constraints on adaptation actions.

4.2.2 Climate-related risk identification and evaluation

Identification and description of the potential climate-related risks associated with the project (*and any alternatives*), and evaluation, based on combined considerations of the relevant climate hazards and relevant aspects of vulnerability and adaptive capacity.

The identification of risks should address the following (summarised above in 4.1.4):

- Risks to the successful or timely implementation of the project, for example associated with climatic extremes which may be intensifying, and which may damage project infrastructure or otherwise disrupt implementation;
- Risks to the successful and sustained realisation of the intended project benefits over timescales that may be significantly longer than the lifetime of the project itself, for example resulting from climate change effects that undermine or offset the project benefits (e.g. impacts on poverty) or that reduce the available of key resources (water, productive land, etc.) on which the realisation of benefits depends;
- Risks that the project may increase the vulnerability of certain groups, for example by reducing their access to key resources, constraining their options for coping with or responding to climate hazards and their effects, and compromising their capacity to adapt to climate change;
- Risks that the project may increase the vulnerability of natural systems or resources, amplifying the adverse effects of climate change on these systems/resources, and accelerating environmental degradation;
- Risks that the project will contribute to maladaptation, increasing dependency on resources threatened by climate change or contributing to development trajectories that might be unsustainable under future climatic conditions.

Risks should be described for different elements of the project, and for different stakeholders/groups participating in or affected by the project. Where risks are associated with the potential adverse impacts of the project (e.g. on vulnerability or maladaptation), project and no-project cases should be compared, considering the various project alternatives and including considerations of uncertainty for each case.

(The timescales associated with different risks should be specified, as should the degree of confidence in the identification of risks. There may be significant uncertainty regarding some risks, for example those foreseen in the medium to long term, after project completion, which are associated with the uncertain evolution of climate hazards as well as vulnerability. The extent to which risks are associated with particular assumptions about the evolution of future conditions should also be specified, with the CRA study clearly describing how uncertainties about risk are linked with uncertainties about future climate (and socio-economic) scenarios.

Indirect risks should also be addressed. These might arise from climate changes and their impacts outside the areas associated with project activities, which result in changes in the “global” context of the project that affect project outcomes and impacts (e.g. trade relations, commodity prices, etc.)

Some attempt should be made to assess the significance of different types of risk, for example by ranking risks according to criteria such as likelihood and potential to undermine intended project benefits. Quantitative analyses

and descriptions of risks and the impacts associated with them should be presented where feasible (e.g. in terms of timescales, probabilities, potential damages or losses), although it must be recognised that such an approach will not always be possible, and that precision (e.g. in modelled impacts) does not necessarily indicate accuracy (e.g. if just one model or simulation is used, and/or ranges of uncertainty are not considered)).

4.2.3 Identification and evaluation of opportunities and benefits

(While the emphasis of a CRA is on identifying potential risks and measures to reduce these risks, a CRA study also provides a context in which opportunities may be identified for promoting climate resilience and adaptation, and, if appropriate, low-carbon development. These may include opportunities for piloting new climate resilient practices, technologies or crops; for awareness raising, communication and training; for the promotion of risk spreading measures such as livelihood diversification and including the development of weather-related insurance; for gathering data and information on climate-sensitive systems; for linking with other relevant initiatives to promote resilience and adaptation; for improving policy dialogues. Low-carbon development can be promoted through the use of renewable energy sources and micro-generation, and the selection of project alternatives with lower carbon footprints, where such choices do not have significant negative impacts on the project or on development at large).

Consultants should consider where opportunities or “entry points” for new climate resilient practices or low carbon development exist in the context of the project.

4.2.4 Measures and recommendations in relation to climate-related risks and opportunities

Measures must be proposed to reduce the climate-related risks identified above and, if appropriate, to ensure that any opportunities are exploited effectively. These risk reduction or adaptation measures must be technically feasible, economically sound and socially acceptable (i.e. they must take into account the views of the main stakeholders). The consultants must seek ways to optimise such measures, such that one measure does not reduce the effectiveness of another or, worse yet, cause an undesired significant impact itself. Where the timescales associated with the project are long, different measures might be required at different times, and consideration should be given to how shorter term measures interact with longer term measures. In all circumstances, measures to reduce risks and adapt to climate change in the shorter term must be compatible with any longer term adaptation needs, and it should be ensured that measures to deliver adaptation or reduce risks in the shorter term do not increase vulnerability or contribute to maladaptation in the longer term.

Risk reduction / adaptation measures can have several distinct aims:

- Measures to reduce physical exposure of any project infrastructure to climate hazards and their related impacts (e.g. sudden-onset climate-related hazards and disasters, slow-onset hazards such as sea-level rise);
- Measures to improve the project’s ability to operate under identified constraints that may change over the course of the project’s lifetime or on timescales over which continued project benefits are anticipated (e.g. choice of most water-efficient or energy-efficient production options, avoiding locating of water-intensive activities in areas where climate change is likely to increase existing water stress);
- Generalised reduction of the vulnerability of key stakeholders in the context of existing and emerging risks associated with climate variability and extremes, in order to ensure project success (e.g. where the focus is on the near term and/or there is high uncertainty about future changes);
- Countering any potential increases in vulnerability resulting from the project among certain groups or of specific systems (e.g. ecosystems, natural resources, landscape systems);
- Targeted measures to address specific impacts of climate change identified during the CRA study (e.g. where there is high confidence in projections of climate change and associated impacts relating to specific aspects of the project such as infrastructure);

- Enhancing of adaptive capacity through measures to increase access to key resources, raise awareness, deliver training on adaptation issues, to ensure that project implementation and the delivery of longer term benefits account for and address climate change issues;
- Development of specific risk reduction / adaptation strategies and frameworks within measures may be identified, implemented and revised over time;
- Significant redesign of the project where it is concluded that the project or elements of the project may contribute to maladaptation.

Residual risks remaining after the application of the proposed risk reduction / adaptation measures must be identified and assessed. Based on this assessment the alternatives must be compared and recommendations made on the best alternative (with attention to uncertainties and the implications of these uncertainties for the identification of the best alternative). The comparison of alternatives must be summarised in tabular form.

If the proposed risk reduction / adaptation measures involve an additional cost (compared to the options currently considered), the CRA should include an estimation of these costs. It should also identify who would be in charge of implementing these measures.

In exceptional circumstances it may be concluded that a project is associated with so many risks, or risks that are so severe, that its prospects for success are extremely small. In such cases it may be recommended that a project does not go ahead, or that it is replaced with one or more alternative projects that can deliver comparable benefits.

4.2.6 Climate Risk Management Plan

The Climate Risk Management Plan (CRMP) is a document that identifies the actions needed to implement the recommendations of the CRA study. The CRMP should clearly translate the recommendations from the CRA into an operational plan.

The CRMP of the project should include:

- A table (logical framework type) showing the objectives, expected results, objectively verifiable indicators, activities (mitigation/optimisation measures), and responsibilities for the implementation of those activities;
- Institutional arrangements for its implementation: responsibilities, role of the key actors, participation of stakeholders;
- Suggestions for contracts (environmental clauses: standards, potential requirement to prepare CRMP of the company) and contracting modalities (such as payments linked to results);
- A monitoring and supervision plan, which outlines how risk reduction and adaptation will be measured/tracked, and which identifies appropriate indicators (e.g. of vulnerability, adaptive capacity, impact of measures in terms of development outcomes) and establishes frequency of monitoring, means to gather and analyse data, reporting systems;
- A response plan in case of unexpected results from the monitoring (e.g. unintended consequences, evidence that measures are not having intended impacts);
- A proposed schedule for activities;
- An indication of means (including personnel, technical resources, other requirements) and costs of implementing the CRMP.

4.2.5 Limitations of the CRA

The major limitations, weaknesses and uncertainties of the CRA should be explicitly underlined. Areas should be highlighted where significant knowledge and information gaps remain, and where uncertainties cannot realistically be quantified. Where projections and assessments are based on limited data, a small number of models, simulations or scenarios, this should be highlighted, and any deficiencies in representing a reasonable range of possible future scenarios should be identified. Any apparent contradictions between model results and observations should be noted. All assumptions made in the prediction and assessment of the potential climate-related risks should be detailed.

4.2.6 Conclusions on climate-related risks

This section will summarise the key results of the CRA, the recommendations (referring to the CRMP) and an assessment of the residual risks. Any additional information relevant for further economic and financial analyses or for the general formulation study should be provided. The limitations of the CRA and its key assumptions should be articulated.

5. WORK PLAN

The work plan should include but not necessarily be limited to the following activities:

CRA scoping study

- Fact finding/data collection - clarification of ToRs⁽²⁾;
- Identification and engagement of stakeholders;
- Analysis/preparation of scoping report;

CRA study

- Review of documentation (e.g. CEP, NAPAs, NAPs, National Communications, relevant existing SEAs, identification and pre-feasibility reports, climate relevant data);
- Review of relevant literature, policy and legislation framework (if these exist);
- Fieldwork, data gathering and analysis, including engagement of stakeholders;
- Risk identification and evaluation;
- Formulation of climate risk reduction / adaptation measures;
- Preparation of the CRMP;
- Preparation of the final CRA report.

On the basis of the proposed work plan and time schedule outlined, a detailed work plan for the CRA study must be provided in the proposal.

⁽²⁾ As CRA is an emerging area of practice, with which development practitioners are generally unfamiliar, clarification of the ToRs may involve significant revision of the ToRs, particularly with regard to methodologies to be employed and the limitations of the CRA.

6. EXPERTISE REQUIRED

The proposed mission shall be conducted by a team of (*number*) experts, who should have the following profiles:

- Expert level I or level II with at least 10 years' experience in climate change, with specific expertise in one or more of the following areas: impacts, vulnerability, risk assessment, adaptation and climate change integration/mainstreaming. She/he would be the team leader;
- (*Number*) experts level II with (*5*) (*10*) years' experience and with a technical background in (*specify*). (*The number of experts and specialities may be revised or adjusted at a later stage on the basis of the results of the scoping study*).

The team is expected to include experts with local or regional knowledge/expertise. The experts should have excellent skills in (*specify*). (*Specify language*) will be the working language; *the final report must be presented in (specify language)*.

For each specialist proposed, a *curriculum vitae* must be provided of no more than (*four*) pages setting out their relevant qualifications and experience.

7. REPORTING

7.1. CRA scoping study

The scoping study must be presented in the format given in Appendix 1.

The detailed stakeholder engagement strategy must be presented two weeks after project initiation; (*number*) copies are to be presented to (*names and organisations*) for comments.

The draft scoping report in (*number*) copies is to be presented to (*names and organisations*) for comments by (*date*). Comments from the concerned authorities and the Commission should be expected by (*date*). These comments will be taken into account in preparing the final scoping report. (*number*) copies of the final scoping report in (*language*) (double-sided printing) are to be submitted by (*date*).

All hard copies must be printed double-sided on recycled or FSC-certified paper.

7.2. CRA study

Feedback on the scoping study will be provided no later than (*number*) weeks after its submission, setting the scope of the CRA study. The CRA study will begin no later than (*number*) weeks after this date.

The CRA report must be presented in the format given in Appendix 2. The underlying analyses are to be presented in appendices to this report.

The draft CRA report in (*number*) copies (double-sided printing on recycled or FSC-certified paper) is to be presented to (*names and organisations*) for comments by (*date*). Within (*number*) weeks, comments will be received from (*list the authorities*).

These comments will be taken into account in preparing the final report (*maximum...pages excluding appendices*). (*Number*) copies of the final report in (*language*) (*double-sided printing on recycled or FSC-certified paper*) are to be submitted by (*date*).

8. FINANCIAL PROPOSAL

(According to the contracting modality used, the EC should indicate the form in which they wish consultants to make their financial proposal, e.g. break-down by categories of costs, as well as indicate the maximum budget for this contract.)

9. TIME SCHEDULE

(Insert time schedule.)

The consultant should respond to this time schedule and indicate in their proposal how they intend to organise the work for this purpose. The time schedule can be revised according to the results of the scoping study.

10. APPENDICES

Appendix 1. Standard format for the CRA scoping report

Maximum length of the main report (*without appendices*): 25 pages.

The following text appears on the inside front cover of the report:

This report is financed by the European Commission and is presented by the (*name of consultant*) for (*national institution*) and the European Commission. It does not necessarily reflect the opinion of (*national institution*) or the European Commission.

Structure of the report

1. Executive summary
2. Description of the project under consideration and its alternatives
3. Applicable environmental legislative and institutional framework
4. Key stakeholders and their concerns
5. Key climate-related risks aspects and project-climate interactions to be addressed in the CRA
6. Climate risk baseline and areas of project influence
7. Proposed methodologies for assessing climate related risks
8. Timeframe and resources needed to carry out the CRA
9. Technical appendices
 - a. Stakeholder engagement methodology
 - b. List of stakeholders consulted (including contact details)
 - c. Records of stakeholder engagement
 - d. List of documents consulted

Appendix 2. Standard format for the CRA report

The following text appears on the inside front cover of the report:

This report is financed by the European Commission and is presented by the (*name of consultant*) for (*national institution*) and the European Commission. It does not necessarily reflect the opinion of (*national institution*) or the European Commission.

Structure of the report

1. Executive summary
2. Background
 - a. Project justification and purpose
 - b. Project location
 - c. Project description and associated activities
 - d. Alternatives (if any)
 - e. Relevant policy, legislative and institutional framework
3. Approach and methodology

(This chapter must set out the approach and methodology used in the CRA and how the data and information collected have been incorporated in the findings and recommendations).

- a. General approach
- b. Tools and methods for identifying and assessing risks
- c. Relevant indicators
- d. Assumptions, uncertainties and constraints
4. Climate risk baseline study
 - a. Current climate risk context (hazards, vulnerability, adaptive capacity)
 - b. Expected future climate risk context
5. Risk identification and assessment

(Indirect risks and interactions between (i) different types of risk, and (ii) climate-related and non-climate stresses could form additional subject headings to ensure that these aspects are not overlooked. Table and diagrams should be used to summarise and clarify findings in this chapter).

6. Conclusions and risk statement

(This section must present a clear statement of the conclusions and recommendations on actions to be taken to ensure that the climate-related risks are adequately addressed in subsequent project preparation, implementation, monitoring and evaluation phases. These conclusions and recommendations must be complete, yet concisely and clearly formulated).

This section must include one of the three 'risk statements' set out below:

- *The project (and any alternatives) are not associated with significant climate-related risks, provided that the measures recommended are followed through;*

- *The lower risk alternative(s) identified will be associated with some significant climate-related risks, for which adequate risk reduction / adaptation measures cannot feasibly be realised. Therefore, it is recommended to identify and assess additional alternatives or to check that the residual risks are acceptable given the expected benefits of the project;*
 - *Each alternative identified is associated with significant and unacceptable climate-related risks irrespective of proposed risk reduction / adaptation and monitoring measures. Therefore, it is recommended that the project proposal is comprehensively re-worked and alternatives re-assessed).*
7. Risk reduction / adaptation measures and residual risks. This section should provide the key points of the Climate Risk Management Plan (CRMP) in a Technical Appendix.
 8. Technical appendices
 - a. Input into the logical framework planning matrix of the proposed project design (intervention logic, indicators, assumptions and preconditions);
 - b. Data, data analysis, background material, figures and maps and other illustrative information not incorporated into the main report;
 - c. Other technical information and data, as required;
 - d. Records of stakeholder engagement;
 - e. Climate Risk Management Plan.
 9. Other appendices
 - a. Study methodology/work plan (2–4 pages);
 - b. Consultants' itinerary (1–2 pages);
 - c. List of stakeholders consulted or engaged (1–2 pages);
 - d. List of documentation consulted (1–2 pages);
 - e. *Curriculum vitae* of the consultants (1 page per person);
 - f. ToR.