



CLIMATE

### **The Multiple Resilience Dividends Framework:** Rethinking Adaptation Decision-Making as a Transformative Approach for Sustainable Development

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# Context



A PROGRAMME SUPPORTING THE EU MISSION ON ADAPTATION TO CLIMATE CHANGE EU Adaptation Mission "[...] aims to create resilient regions [...] through smarter, swifter, and more systemic adaptation" (European Commission, 2021)

P2R will empower the most vulnerable European regions and communities to design locally-led pathways towards a climate-resilient future.







# **Current Issues on Climate Adaptation**

There is a need to reshape adaptation planning and decision-making (Helgeson and O'Fallon, 2021; Rözer et al., 2023).

- <u>SIZE & SCOPE</u>: Climate Change Adaptation is "fragmented, small in scale, incremental, sectorspecific, designed to respond to current impacts or near-term risks, and focused more on planning rather than implementation" (IPCC, 2022, p. 50).
- FINANCE GAP: The overall funding allocated for building climate resilience, particularly the financing flow towards adaptation, has been slowing down lately (United Nations Environment Programme, 2023).
- <u>PERCEPTION</u>: Misconception that investing in climate resilience is unnecessary unless there is an imminent disaster event (Keefe, 2018; Helgeson and O'Fallon, 2021). Therefore, adaptation fails to find a place in community priorities (Keefe, 2018).

#### **Emerging Questions**



How can we help regions build climate resilience through smarter, swifter, and more systemic adaptation?

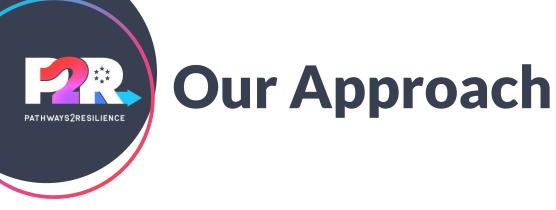


How can we make adaptation more compelling for decisionmakers and appealing for investment?



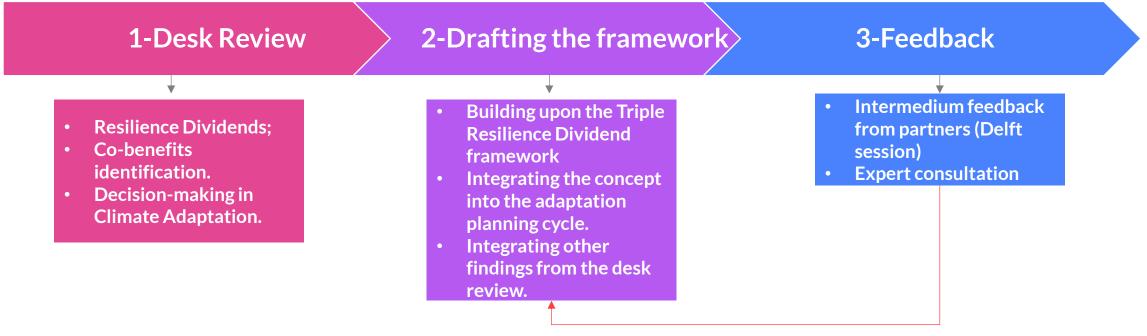
How do we design for such an adaptation while supporting multiple societal objectives in practice?







**Objective**: To provide a decision-making framework that helps European regions identify, evaluate, and select adaptation options capable of delivering multiple resilience dividends across sectors.



# **Resilience benefits as a continuum**



- Building resilience can have broad and far-reaching positive impacts across various sectors and domains
- An **opportunity** to inform decision-making and **adaptation planning** better.
- Build the case for investing in climate adaptation, going beyond risk reduction outcomes.

Environment				Society				Economy				
:	Benefit 1	Benefit 2	Benefit 3	Benefit 4	Benefit 5	Benefit 6	Benefit 7	Benefit 8	Benefit 9	Benefit n	:	

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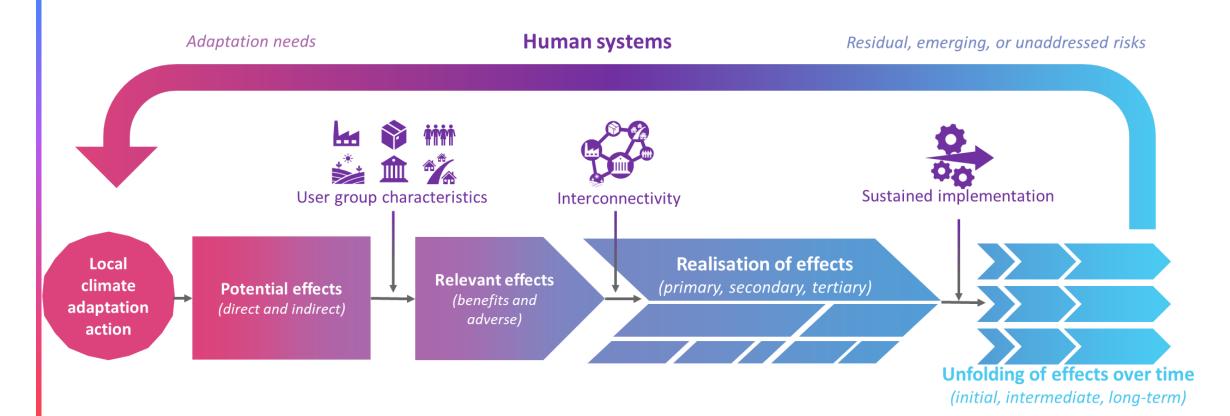
Receptivity

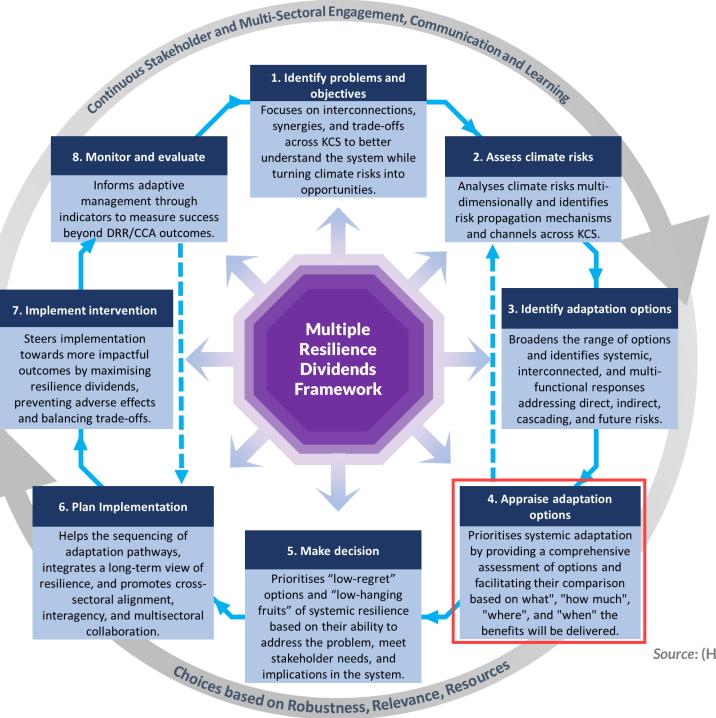


Temporality

# **Dividends' realisation**



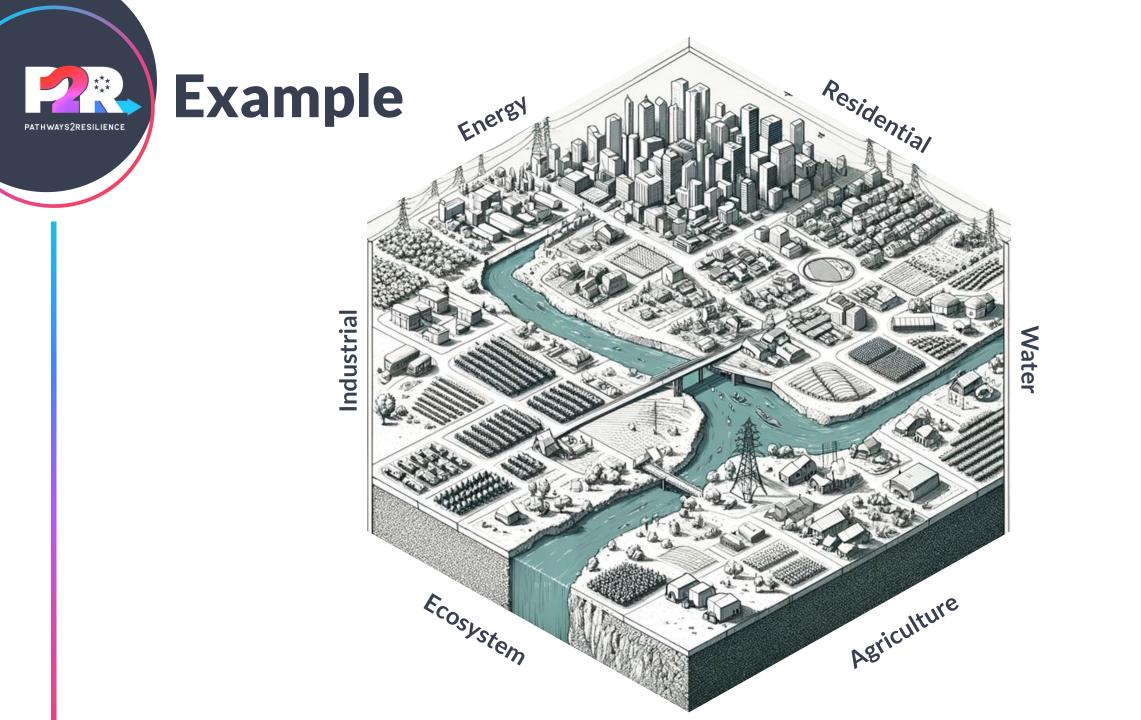


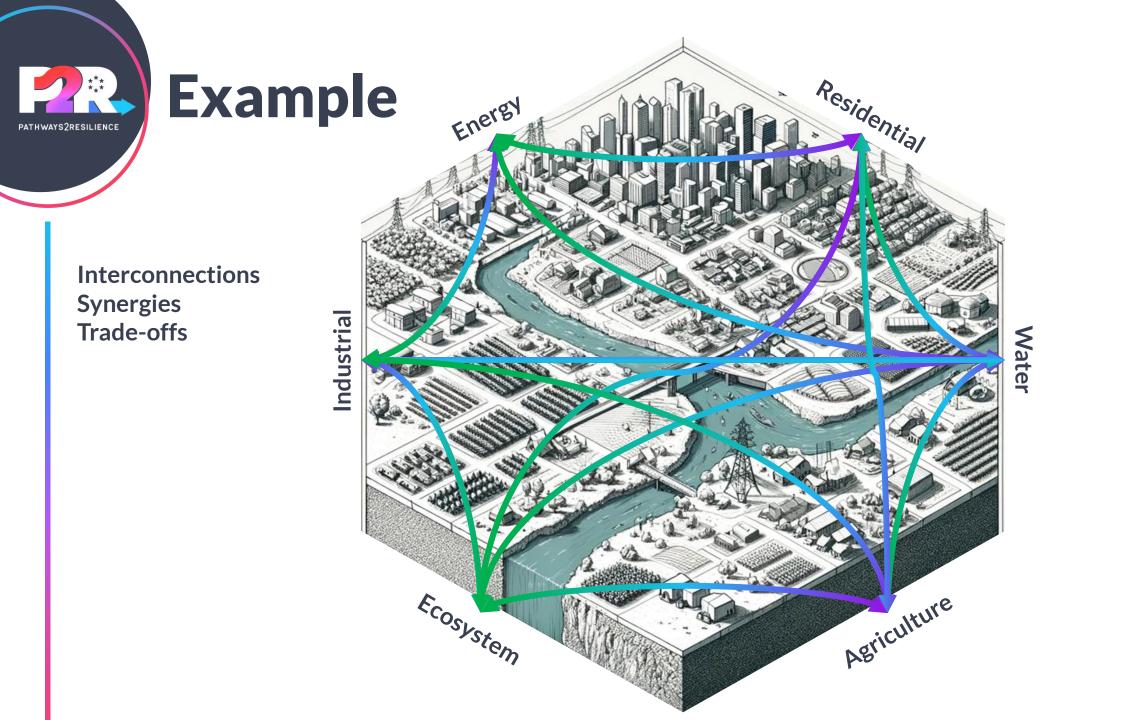


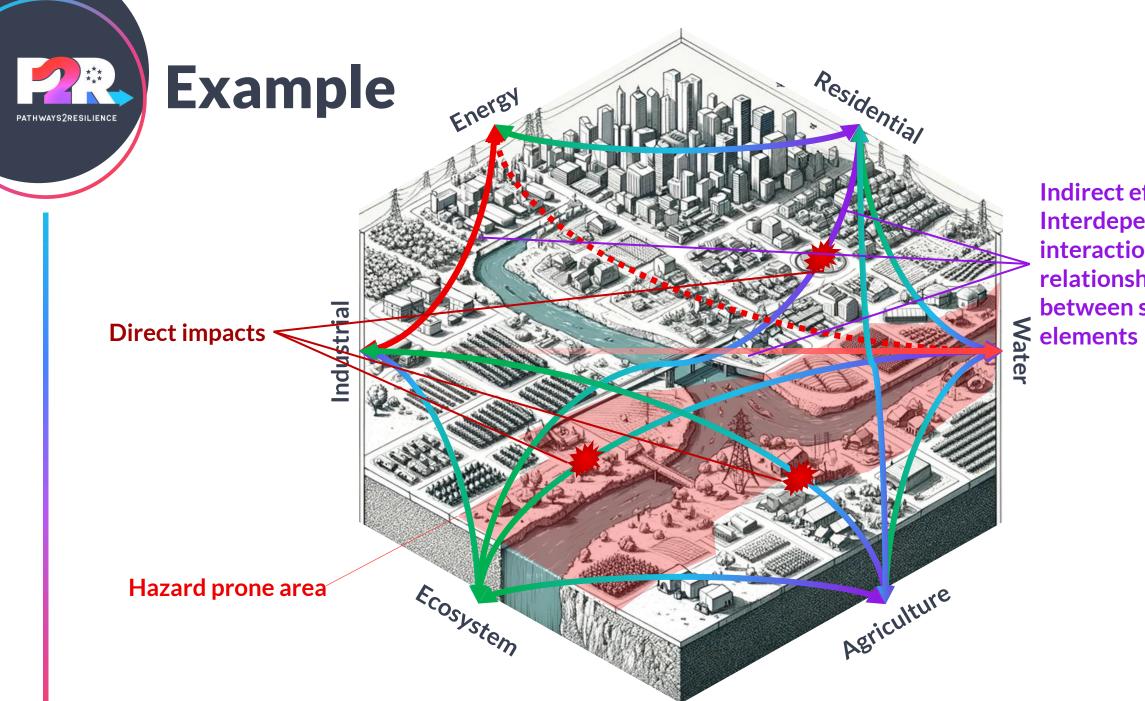


#### PATHWAYS2RESILIENCE

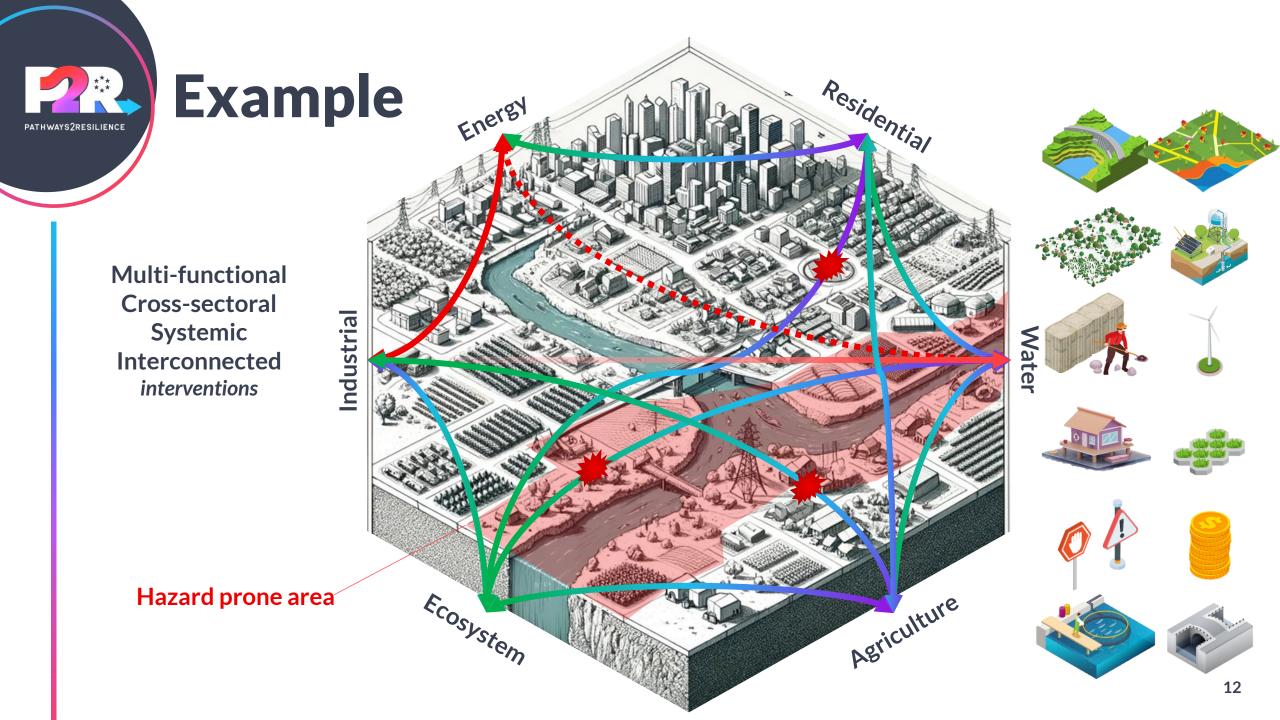
Source: (Higuera, Bachman & Sakic, 2024)

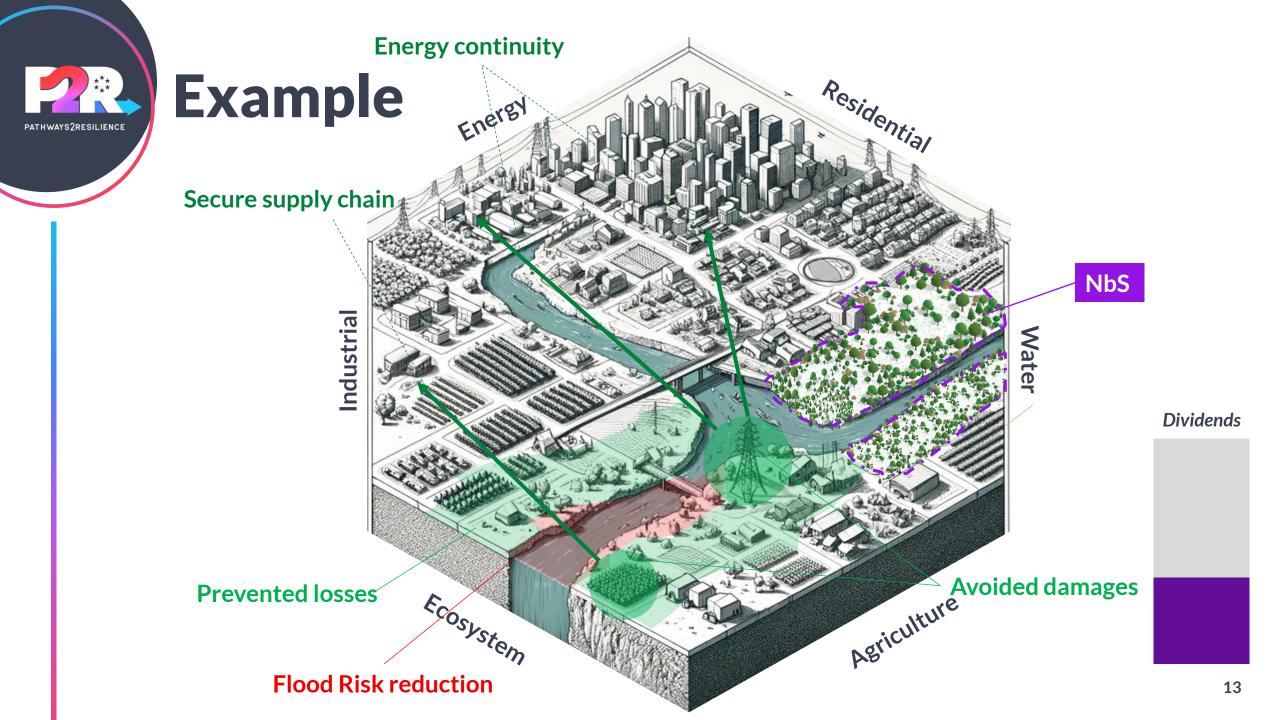


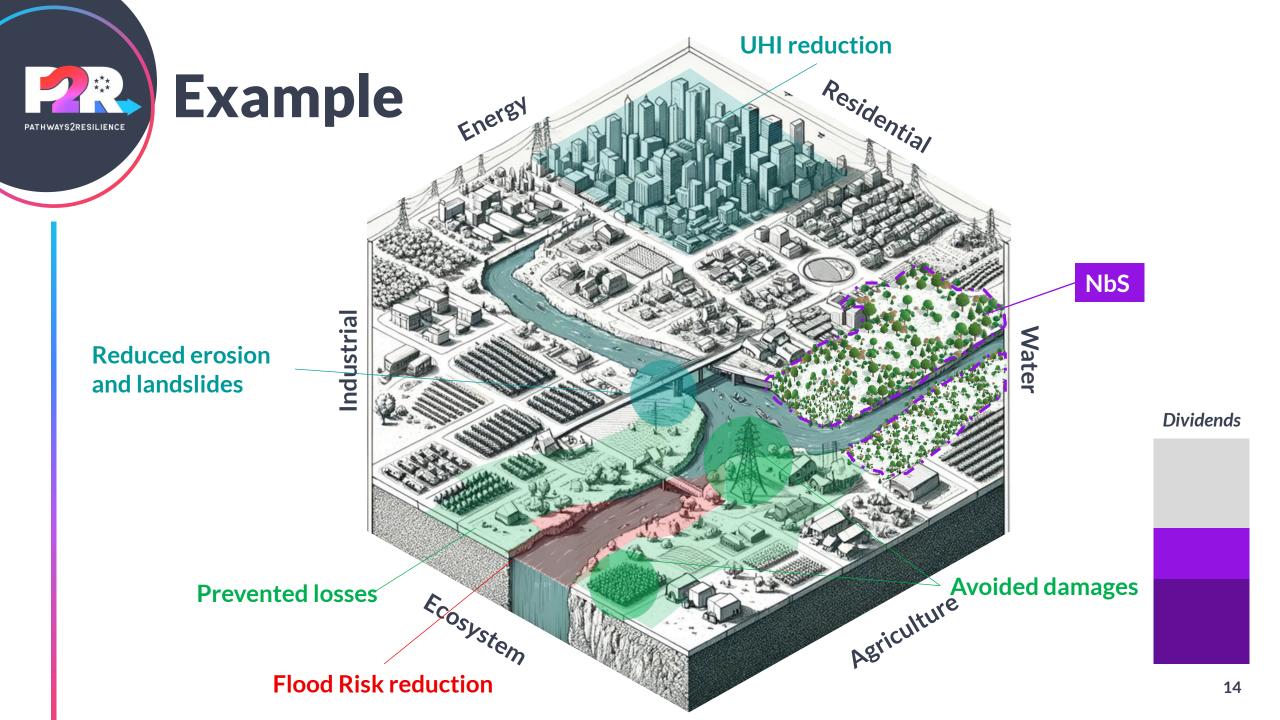


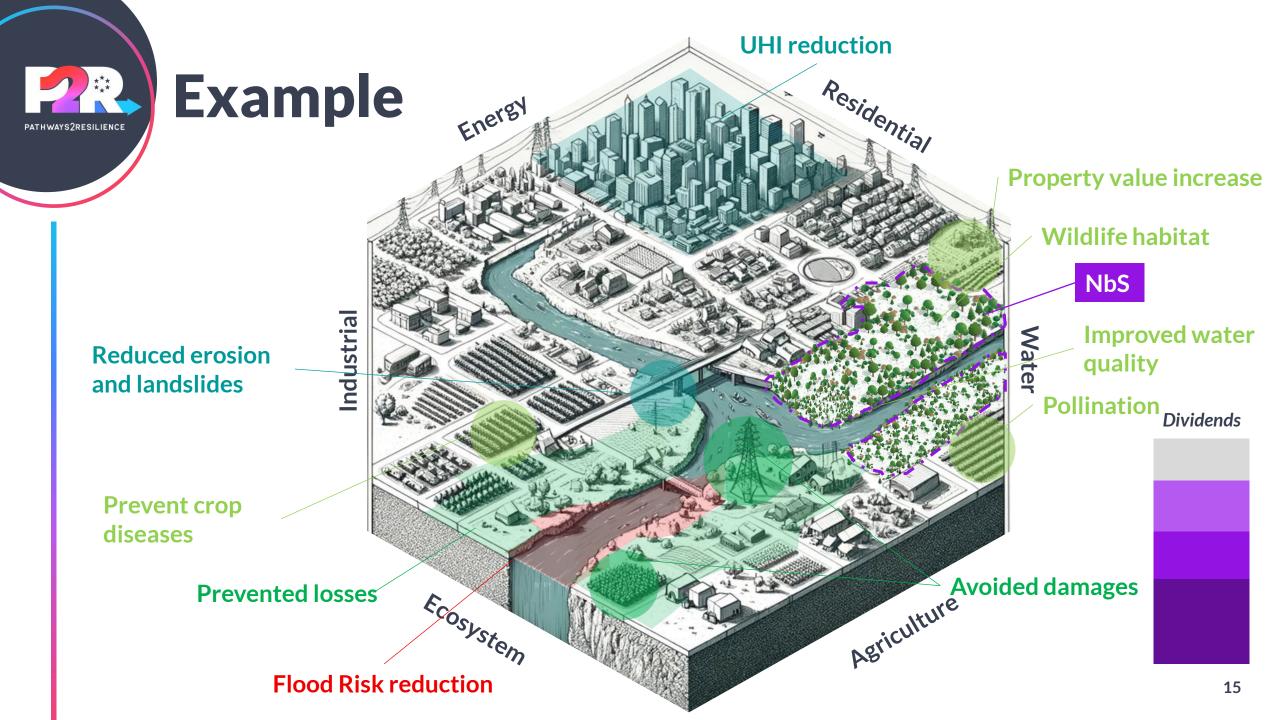


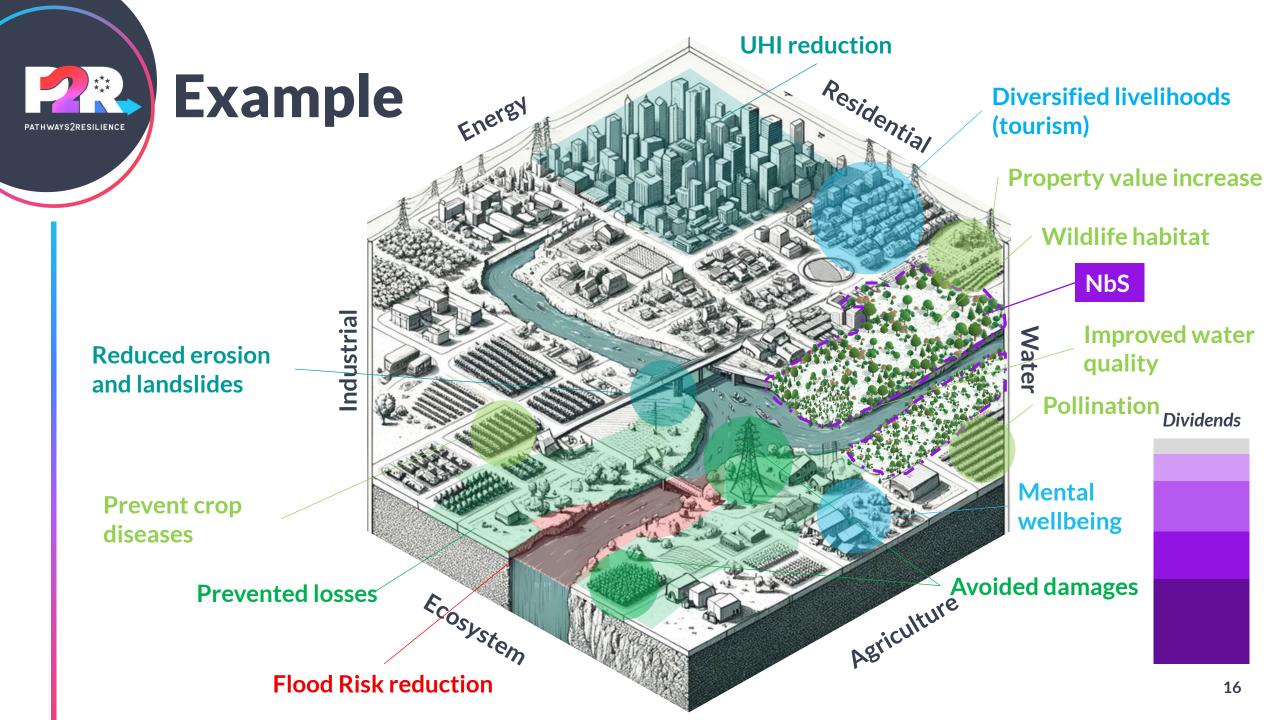
**Indirect effects** Interdependencies, interaction and relationships between system

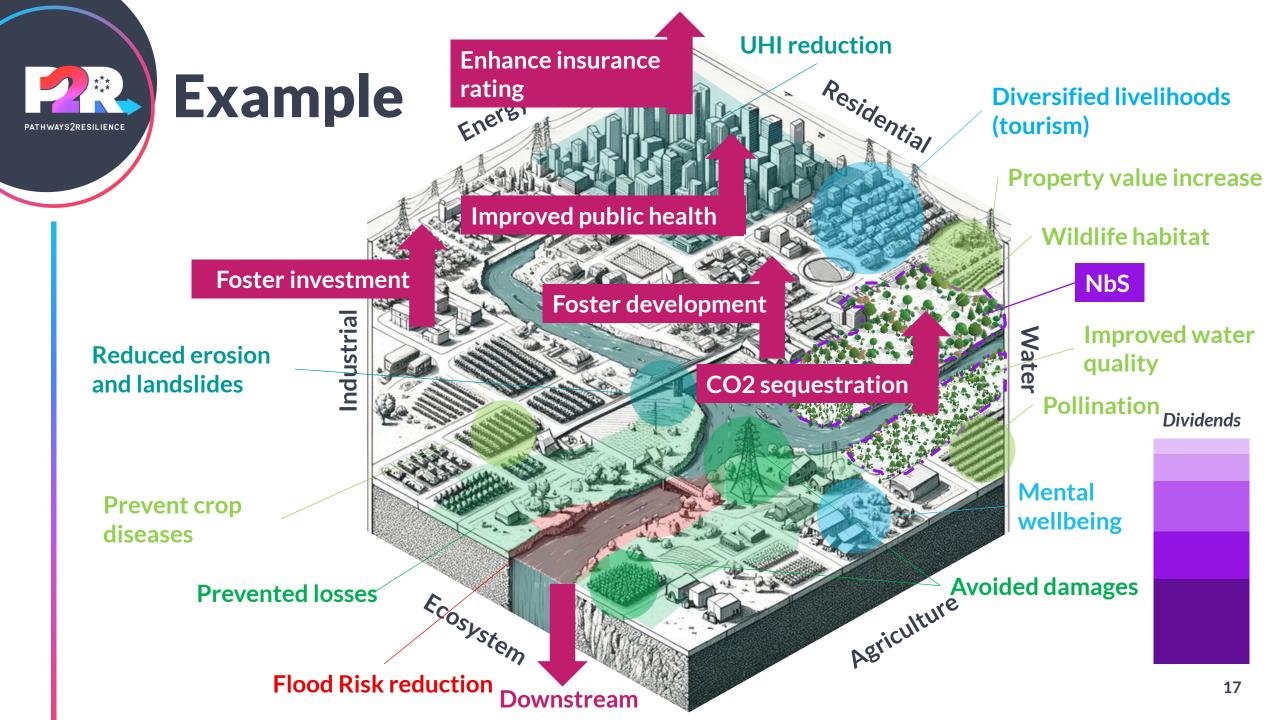












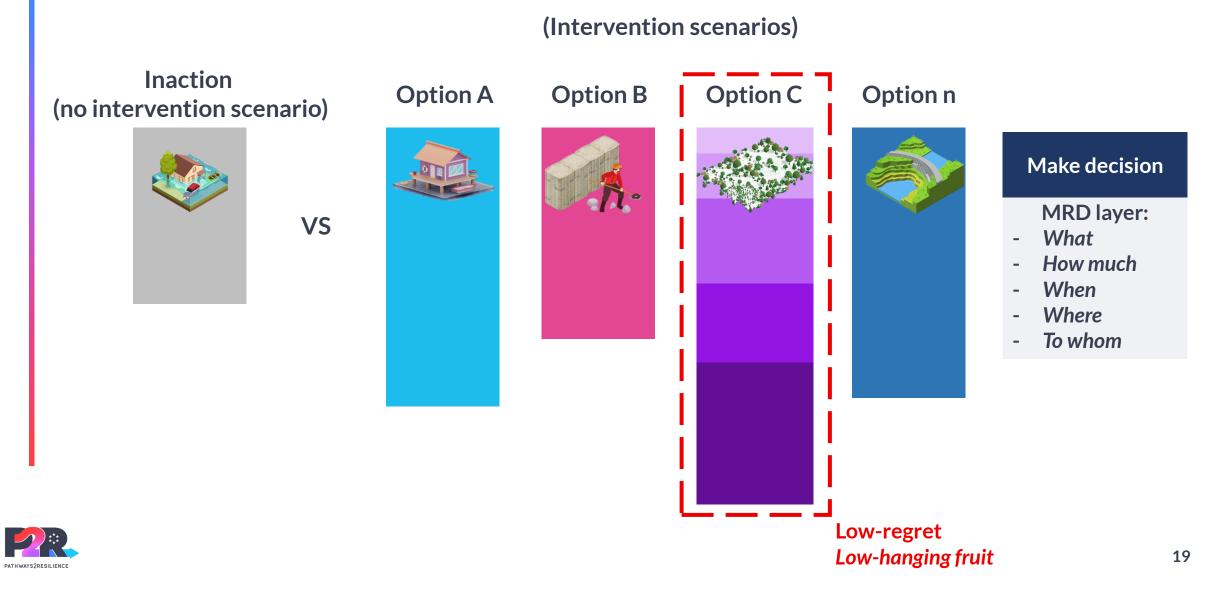


Independent of a disaster event Captured by the MRD framework

Dependent on a disaster event Normally captured by conventional approaches Dividends

System-wide benefits Linked to other societal goals **Creating value for other sectors/domains** Induced resilience to other phenomena Avoided losses & damages (direct and indirect)

# **Multiple Resilience Dividends**





# Outlook: Making it a flexible and actionable approach



Various methods can characterize the MRD:

- Cost-Benefit Analysis
- Cost-Efficient Analysis
- Multi-Criteria Analysis
- Robust Decision Making
- Portfolio Analysis
- Real Option Analysis
- Computable General Equilibrium
- Analytical Economic Modelling (e.g., agentbased, micro- and macroeconomic models).
- Participatory Assessments (e.g., Delphi method, Focus Group Discussions)

Integrate the MRD framework as part of the formulation of Adaptation Pathways

Test, validate and improve it together with the P2R regions.



# Recognising the full potential of building climateresilience re-frames adaptation as a lever for broaderClosing<br/>development objectives, a catalyst for growth and<br/>shared prosperity.

Under this analytical approach, building climate resilience and societal development is only a matter of perspective.





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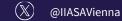
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# Thank you.

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