



Commercial Agriculture for Smallholders and Agribusinesses (CASA)

Component A - Climate Strategy

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1. Introduction

1.1. Background

The Commercial Agriculture for Smallholders and Agribusinesses (CASA) programme is a seven-year initiative funded by the Foreign, Commonwealth and Development Office (FCDO). It aims to increase incomes and opportunities for smallholder farmers and rural communities by stimulating private investment in inclusive agribusiness models. The programme is running from 2019 to 2026 in multiple countries as well as globally.

CASA Component A, implemented by NIRAS and Swisscontact, focuses on catalytic interventions in the agriculture sectors of Malawi and Nepal since 2018, Uganda between 2018-2020, and Ethiopia and Rwanda since 2022, to support agribusiness small and medium enterprises (SMEs) to prepare for and secure investment and to bring more poor smallholders into commercial markets. The aim of the programme is to improve market access and quality produce and, at the same time, crowd in more farmers into formal supply chains.

The CASA programme also includes a global Technical Assistance Facility (which makes up Component B, implemented by TechnoServe), providing inclusive technical assistance to agri-SMEs in the portfolios of DFIs and impact investors, to expand and deepen their impact on smallholder farmers' incomes and resilience. Finally, there is a research, learning and communication unit (Component C, also implemented by NIRAS), which complements the programme by generating evidence and learning on what interventions work, to course-correct within the programme and influence the investment debate in smallholder-related agriculture among specific investors and donors.

Overall, the programme endeavours to achieve its objectives and generate impact by:

- a) Demonstrating the commercial viability of small and medium-sized (SME) agribusinesses with significant smallholder supply chains and attracting more investment into these businesses.
- b) Deepening the smallholder impact of existing investments made by Development Finance Institutions and impact investors.
- c) Enabling poor smallholder farmers to engage with and trade in commercial markets.
- d) Researching and communicating the case for successful engagement with smallholder-linked agribusiness; and
- e) Improving food production and security while increasing climate resilience of smallholder farmers and providing solutions to mitigate and adapt to climate change.

Since its Inception phase, CASA has faced several challenges, which have required a shock-responsive adaptive management approach in response to externalities. First, the COVID-19 pandemic, which impacted trade both in formal and informal markets, with direct consequences for the food security and health of the smallholders in the project regions. Secondly, the global impact of the Russian invasion of Ukraine, which has created a steep rise in commodity prices and interest rates. During a period of budget cuts in FCDO, CASA Component A had to scale back and end its work in Uganda, although the overall programme budget remains unchanged. In 2022 budget pressures eased, and FCDO requested CASA to expand its work with agribusinesses on the ground into two new countries, Rwanda, and Ethiopia.

Since 2022, CASA has been fully funded by UK International Climate Finance¹ (ICF). CASA's approach and methods consequently adapted to contribute more clearly to ICF objectives and align the improvement of agrifood systems with more impactful climate actions. Recognising the high vulnerability of the agriculture sector to climate change, but also its contributions in terms of global climate emissions and environmental degradation, CASA supports an increased integration of climate change adaptation, mitigation and resilience solutions in its interventions.

CASA Component A's project activities are required to specifically support the delivery of three KPIs in the ICF framework, in particular:

- KPI 1: people supported to better adapt to the effects of climate change.
- KPI 4: people whose resilience has been improved as a result of the programme; and
- KPI 12: private finance mobilised for climate change purposes.

To achieve these objectives, smallholder farmer climate change adaptation and resilience, and mitigation where possible, should be embedded in the design of each intervention supported by the programme. The development of climate solutions, tailored to the specific contexts that the programme works in, should include a systematic and thorough assessment of climate change risks at both the intervention design stage and at all key decision points, to monitor and address potential impacts, trade-offs and opportunities and ultimately ensure compliance with the principle of do no harm.

1.2. Purpose of the climate strategy

The purpose of this CASA Component A climate strategy is to guide the development and alignment of the country-specific strategies in the programme's areas of operation. It aims to help market managers assess specific climate risks and integrate thinking on climate adaptation and resilience (and mitigation where possible) into the design of all new interventions, and provide a baseline for assessing and monitoring the relevance of programme activities to the ICF KPIs mentioned above .

This document will explain the concept and practice of climate mainstreaming and how it can be integrated into the MSD cycle, with examples and references from other studies and projects. It will then outline the components and plan for implementing the strategy, focusing on four main aspects: design, participatory approaches, implementation, and knowledge sharing. It will also present the monitoring approach and how it relates to the ICF KPIs. Finally, it will provide a summary of the main points and conclusions.

2. Climate Mainstreaming in Agricultural Value Chains

Any human activity is inherently connected to the environment in which it operates. This seemingly obvious statement is particularly true for the agriculture sector, where the nexus with the environment is evident and climate change has far-reaching implications. Embedding climate change mainstreaming and environmental considerations in agricultural development programmes, applying adaptation practices and equipping farmers with the knowledge and resources they need, becomes crucial for ensuring long-term sustainability of programmes and resilience in the face of rapidly changing conditions.

Climate change mainstreaming is usually defined as a tool for policymakers with the process of integrating climate change considerations into the policies, plans, and programs of institutions that drive

¹ a UK Government commitment to support developing countries to respond to the challenges and opportunities of climate change, aiming at building the resilience of the poorest people and communities by supporting countries to prepare for and adapt to climate change, improving how disasters are managed and reducing the harm they cause and the costs of responding.

national, local, and sectoral development. It involves the informed inclusion of relevant environmental concerns into the decision-making processes to facilitate integrated approaches to policy and programmatic responses. Applied to value chain development programmes, climate mainstreaming approaches support the planning and implementation of interventions and data-driven adaptive management, to increase resilience and benefit smallholders and agribusinesses that are part of the system in analysis. However, mainstreaming climate change into development programs can be challenging due to various factors.

Primarily, lack of awareness and understanding of climate change issues among communities and agribusinesses who we partner with, staff, institutions and other stakeholders can make it difficult to integrate climate change considerations into planning, design, and monitoring. Building capacity is essential, and necessary time and funding is required to provide adequate training and support. A second issue is represented by the difficulty to access data and information to identify and assess the potential impacts of climate change on development programs. Despite Earth Observation, GIS services and climate impact projections are more and more accessible to many practitioners and the public, climate risk is measured through data pertaining to vulnerability and exposure, which consider also infrastructural, geological and socio-economic factors. The latter data are not always available, especially in remote rural areas, limiting the evaluation and understanding of potential risks and impacts. As data collection increases progressively through the life of a programme, adaptive approaches to management should allow for a flexible structure which can respond to changing circumstances. Finally, mainstreaming climate change requires coordination across different actors and stakeholders, which can be challenging, especially in situations of complex institutional and social structures. Acknowledging these issues can help address preliminary factors when designing a climate mainstreaming strategy, which will be adapted and designed to respond to the specific needs of the programme.

2.1. Climate mainstreaming for MSD programmes and CASA

In the case of programmes (like CASA Component A) which apply a Market Systems Development (MSD) approach, strategies for mainstreaming climate change must organically integrate within the MSD cycle and methodologies. The MSD approach seeks to target underlying causes of market failures, where markets are seen as complex systems comprising many stakeholders and influenced by several factors. MSD approaches must ensure that desired behaviour changes reflect the genuine incentives and capabilities of permanent players to succeed in the long-term, recognising that catalysing lasting change is neither straightforward nor predictable. MSD programmes work at micro, meso and macro levels, addressing structural causes of poverty but also addressing business extension services and the broader environment to enable economic growth.

Given the impacts on the economy and on the ability to conduct and secure the continuation of business, climate change vulnerability and resilience should be seen as fundamental factors to be considered when mapping the enabling environment aspects of a value chain, also for tracing the viability of a specific product. Similar considerations have been, for example, applied in the rapid market assessments for the design of the interventions when the CASA programme was extended to Ethiopia and Rwanda, and specific value chains were discarded due to sustainability risks and exposure to climate change effects. Other environmental considerations should be made around business extension services in MSD programmes, whose definition could be stretched to include ecosystem services and other nature-based solutions which have been proven to support and increase productivity in agricultural value chains. For example, agroecological practices, including diversification and intercropping, work at systemic level and serve as an effective climate change adaptation and mitigation strategy, by providing also important ecosystem services such as soil enhancement and carbon sequestration.

The linkages between landscape and ecosystems restoration, resilience to climate change, food security, health, social equity, and economic growth are unquestionable. Consequently, responding to complex challenges calls for more integrated, cross-sectoral, and coherent approaches, including those based on landscapes, territories, agricultural heritage systems, agroecology, ecosystems, and value chains.

Following all the considerations above, a climate mainstreaming strategy is important for a programme such as CASA, operating across different countries and responding to a series of complex challenges. Integrating climate adaptation and resilience into the MSD approach that CASA Component A promotes will facilitate the sustainability in the long term of the programme interventions and allow for monitoring and learning from the results.

2.2. Context of Component A and climate risks across countries

CASA is a complex programme which operates across two continents, four countries, a diverse range of local contexts, and at least six different value chains. Whereas agriculture is more generally one of the economic sectors which is most impacted by climate change, each country in which CASA operates presents a different level of exposure and preparedness to climate impacts, which must be carefully considered when defining specific strategies or interventions.

Nepal is highly vulnerable to climate change and climate induced disasters and faces both extreme and slow-onset climate-related hazards. The fragile mountainous topography and ecosystems, highly variable monsoon-driven hydrology, and lack of resilient infrastructure in the country exacerbates Nepal's climate vulnerabilities. Approximately 80 percent of Nepal's population is at risk from natural and climate-induced hazards, including extreme heat stress, flooding, and air pollution. Nepal ranks as the 10th most affected country in the world according to the Climate Risk Index. Vulnerable communities, particularly those living in poverty, in remote areas, and working in subsistence agriculture, are at highest risk.

Malawi experiences frequent droughts and erratic rainfall patterns, leading to crop failures, food shortages, and water scarcity. These climate variations are often exacerbated by the El Niño and La Niña phenomena. Even future projections for Malawi indicate a trend towards a warmer, wetter climate. The country is particularly prone to intense rainfall events, which can trigger floods, causing displacement, infrastructure damage, and soil erosion. Inadequate water management infrastructure contributes to these flooding-related issues. On the other hand, deforestation, unsustainable farming practices, and poorly managed grazing have led to soil erosion, reduced soil fertility, and land degradation, affecting ecosystems, wildlife populations, and the livelihoods of communities dependent on natural resources and agriculture. This has exacerbated poverty, food and nutrition insecurity, loss of biodiversity, and even aggravated conflict.

Ethiopia is at high risk of hydro-meteorological hazards and natural disasters. The country's vulnerability is exacerbated due to its high level of poverty and its dependence on key sectors most likely affected by climate change: agriculture, water, tourism, and forestry. Over the past three decades, Ethiopia has experienced countless localized drought events and seven major droughts, resulting in famine, conflict, and displacement. Increased temperatures are expected for East Africa and specifically for Ethiopia, with mean monthly temperature changes expected to surge by 1.8°C by the 2050s and by 3.7°C by end of the century, under a high-emission scenario.

Rwanda is heavily dependent upon its natural resources including land, water, and forests. Over two-thirds of the population engage in agriculture, forestry, and tourism for income and food and nutrition security. The Rwandan agricultural sector is highly vulnerable to climate and weather-related risks, including prolonged droughts, erratic rains, floods, hailstorms, and mudslides. The impacts of climate change have increasingly undermined the agricultural sector in recent years.

The in-country teams have already observed changes in climate patterns affecting their regions and reported that the smallholders and partnering agribusinesses are being impacted by various climate effects, both directly and indirectly. In terms of direct impacts, changes in temperature and climate hazards affect all value chains and result, for example, in lower poultry and aquaculture production, heat-related stress for cattle and lower yielding crops. Indirect impacts can include the increase of prices for feed due to the effects of climate change on crops, which are also less nutritious, raising general transaction costs throughout the supply chains. Partners and farmers are raising these challenges and are trying to come up with adaptation strategies which, however, are not systematic and in

most cases lack the investment or the infrastructure to be fully functional. The CASA team has observed and mapped these challenges, identifying gaps and needs and proposing a range of solutions, from trainings to forecasting tools and knowledge sharing.

3. Climate Adaptation, Environment and Resilience Strategy

Integrating climate adaptation, resilience and mitigation (where possible) at the core of the interventions supported by CASA Component A is important not only for the purpose of positively contributing to the improvement of a sustainable agriculture sector, but also to monitor the impacts of the programme in increasing the resilience of smallholders and agribusinesses and provide stronger business cases and additional insurances for potential investors by addressing climate and environment related risks and increasing the attractiveness and sustainability of these investments.

3.1. Guiding principles

The different contexts that Component A works in call for an adaptable climate strategy to respond to vulnerabilities, risks and impacts that will vary across each geography, while also building spaces for the respective country teams to exchange and share learnings and solutions. The implementation of the strategy will be guided by the following principles:

- **Value for money and integration:** the strategy will be integrated into core activities of the CASA programme to maximize efficiency and value for money.
- **Gender equality and social inclusion:** the strategy will consider all additional layers of vulnerability in the target groups, in line with the objectives of the CASA programme. It is important to consider gender issues in the design, implementation, and evaluation of interventions as women are particularly disadvantaged in terms of access to land, labour, credit, and infrastructure, and are especially vulnerable to climate shocks.
- **Tailored and localised approaches:** the strategy will aim to implement adaptation and, where possible, mitigation activities where there is evidence of impact and feasibility, on the basis of a thorough climate risk assessment of the context in which each intervention will operate, and in line with broader national strategies and NDC commitments.
- **Results-oriented:** the strategy will focus on adaptation activities that produce sustainable business results for implementing SMEs and smallholders.
- **Use of locally available resources:** the strategy will maximize use of locally available resources to increase sustainable resilience and context-specific solutions.

The planning of activities will necessarily include budget considerations for implementation, which will be discussed on a case-by-case basis between the country teams and the Component A management team.

3.2. Integrating climate mainstreaming in CASA Component A

This CASA Component A climate strategy is intended to be used and applied by market managers and teams who don't necessarily have technical backgrounds related to climate and environment. Thus, it must maintain a simple and accessible language and provide practical instructions to foster the mainstreaming of climate adaptation and mitigation concepts and integrate "climate resilient thinking" throughout the programme implementation. Seeing that CASA will conclude operations in 2026, we

recognise the need to consider feasible actions that can be implemented during the life of the programme and have tried not to introduce new tools but to work on the existing instruments and templates that the teams are already using, revising them as needed and mirroring some of the useful learnings coming from the single country strategies.

The strategy will be further revised in line with learnings from its practical application and will be complemented following the recommendations of the Component C whole-programme Climate Deep Dive study which is underway.

The underlying focus through all the steps of the Component A strategy implementation will be on:

- a. **Understanding the context:** Understand the specific climate risks and vulnerabilities that the specific supply chain and agribusiness faces. This should involve an assessment encompassing historical climate data, future climate projections, and the socio-economic context of the region/area in which the intervention will take place.
- b. **Identifying mitigation and adaptation measures:** Identify potential measures to increase the resilience of the smallholders and agribusinesses, which should be tailored to the specific contexts of operation, while ensuring environmental safeguarding. This could include capacity building and introduction of appropriate sustainable agriculture practices and gathering learnings from other MSD or rural development programmes or from the local agricultural heritage.
- c. **Stakeholder engagement:** As much as possible, both climate risks assessments and solutions should engage all stakeholders involved in the supply chain. This will ensure that the intervention strategy is inclusive and considers the needs and capacities of all actors.
- d. **Capacity building:** Build the capacity of stakeholders to implement the identified adaptation measures and monitoring for mitigating climate impacts. This could involve providing training on new sustainable farming techniques or facilitating access to information for farmers.
- e. **Monitoring and evaluation:** Ensuring robust monitoring practices not only to report against ICF KPIs, but also to test the effectiveness of the strategy. This will allow for ongoing learning and adjustment of the strategy as needed.

The CASA Component A country teams have identified specific gaps and needs to strengthen climate mainstreaming in their projects, which include capacity building, forecasting, reporting, and monitoring tools and platforms for knowledge transfer and learning. The goal of this strategy is to address these needs and provide actionable points in the key stages of the programme activities to maximize effectiveness. These key stages have been identified as intervention design, implementation, and knowledge sharing.

3.3. Design stage

The design stage is the first of the identified entry points to integrate climate change, environment and resilience thinking into CASA programme activities. Assessing climate risks and understanding the contextual vulnerability factors is fundamental to introduce appropriate responses and devise applicable solutions and opportunities for the value chain and agribusiness that the intervention is addressing. This should be integrated into the design stage of the interventions that CASA promotes, and led by the Market Managers, complementing the situational analysis which is already part of the market assessments foreseen in the CASA MSD processes.

To improve their capacity to assess climate impacts, recognise opportunities and suggest climate smart or adaptive approaches, the in-country teams must be equipped with relevant trainings, tools and quick tips.

3.3.1. Trainings

A series of internal trainings, aimed at the market managers or tailored to the specific needs of the in-country teams, should be added in the workplan to help the teams take awareness, improve knowledge, develop skills, and foster attitudes that enable them to identify, assess and implement effective adaptation measures in their respective contexts. By mastering some basic concepts of climate change, they can also facilitate the exchange of information, experiences, and best practices with different stakeholders they engage with, such as farmers, extension workers, agribusinesses and investors.

Trainings could cover the topics of:

- Climate change impacts on agriculture, food security and food systems
- The concept of climate change adaptation and mitigation and the related strategies that could be put in place in agriculture
- Sustainable agriculture practices on-farm
- Ecosystem based approaches
- Environmental safeguarding

The trainings can be held by dedicated consultants around specific topics, but further training resources can be drawn from other NIRAS programmes and online platforms that offer accessible courses for practitioners (e.g. FAO eLearning Academy: <https://elearning.fao.org/>).

3.3.2. Tools

During the consultations that led to the development of this strategy, most of the in-country teams have highlighted the need for support tools enabling them to assess, map and forecast climate impacts in supply chains, which should be done in the design phase of every intervention. A certain level of **forecasting and data-responsive planning**, based on available information, is already part of the strategy design behind the business cases that some of the in-country teams, for example the Rwanda team, are developing. For example, adverse effects of El Nino for later in 2023 have been considered as factors for the increase in prices for certain commodities by the first quarter of 2024 and will inform next steps in the implementation. Similarly, the in-country teams have been proactive in engaging with local communities of farmers and agribusinesses to observe changes in climate patterns beyond hazards and in collecting examples of adaptation measures that the stakeholders in the supply chain are already putting in place. **Mapping of climate impacts** across the areas where CASA operates, paired with data on exposure and vulnerability, could be introduced as part of the project's periodical reporting. This will help monitor changes and identify the potential for adaptive responses early on the interventions.

A practical tool, extracted from an existing annex to the sub-award process, has been introduced to support the team in assessing climate risks, inherence to ICF KPIs, sustainability of the intervention and potential learnings. [Annex 9](#) is a checklist for climate change and environmental assessment which absolves to different functions: at the preliminary stages of intervention design it can help the market managers in identifying the potential for introducing climate-resilient activities or specific approaches early in the development of the business case and further discuss the appropriate interventions with the agribusiness partners to address opportunities for mitigating climate impacts; once an agreement with an agribusiness partner is negotiated, the same tool can help monitor and maintain environmental safeguarding in the implementation of activities.

Overall, this checklist will allow for considerations on both the resilience and sustainability of the project, while at the same time mitigating potential adverse climate impacts caused by the project.

Annex 9 is composed of 4 sections:

- a. **Section 1** is a rapid climate change risk assessment that mixes direct observation and climate change data to provide an initial forecast of climate trends for the specific area or country of intervention. Additional considerations on context-specific and partner specific vulnerabilities complete the climate risk profile that can apply to the intervention, and which will guide the development of the following sections of the tool. Where possible, the teams are asked to engage with the stakeholders in the supply chain, particularly with smallholders, to understand and rank their perceived climate risks, intended as the awareness of risks that smallholders feel exposed to. This participatory approach is a method used in strategies for locally led adaptation.

Following the initial climate risk assessment, section one provides a series of questions to support the teams in recognising potential to introduce climate-adaptive or climate resilient activities and sets a framework to identify which of the established ICF KPIs the specific intervention will contribute to. These initial considerations will be useful for the monitoring and evaluation team to understand the rationale behind the design of the intervention and the related activities.

- b. **Section 2** has been maintained from the previous annex to the subaward agreement template that the teams use when finalising a business proposal with the partners. It is a checklist which can help identify risks and mitigation measures while monitoring environmental safeguarding. Section 2 is specific to each partner and contract.

Environmental safeguarding is a term that refers to the process of assessing and managing the environmental impacts and risks associated with a specific intervention. The purpose of environmental safeguarding is to ensure that the project or programme does not cause harm to the environment or the people who depend on it, and that it contributes to environmental sustainability and resilience. Development interventions should be aligned with the objectives of environmental protection and conservation, and should avoid or minimize negative environmental effects, such as pollution, degradation, loss of biodiversity, or maladaptation.

- c. **Section 3** helps the teams consider the intervention in its entirety and note potential learnings and approaches to support its sustainability in the long term. Bringing the team to reflect on the potential learnings from climate-related activities and climate risk mitigation solutions can support knowledge sharing across interventions and countries in which CASA operates.
- d. **Section 4** is an area where the Market Manager can add qualitative conclusions, including a summary of risk analysis, and actions to be taken under the project.

3.4. Implementation

The Component A strategy can offer general guidance and tools that can be applied to all project countries for the design and monitoring stages, but the implementation of interventions needs to be specified in the individual country strategies and action plans, as they will be customized to their specific contexts and value chains. The country strategies have already identified relevant entry points and solutions, and the in-country teams will receive specific trainings and ad hoc technical assistance from the already appointed Climate advisors or other dedicated short-term resources to support their implementation.

Some useful insights, however, can be drawn from the Nepal Country strategy, which proposes courses of action to be geared along 5 main pillars to better integrate and mainstream climate change and environment across its interventions in the different value chains. These provide co-benefits on

increasing incomes, ensuring gender equality and social inclusion, and improving food and nutrition security.

Pillar 1: Strengthen evidence on climate and environment related risk and opportunities.

Climate change poses a serious threat to the livelihoods of smallholder farmers and others who rely on agricultural value chains in developing countries. To understand and address the complex challenges within these systems, value-chain analysis is a useful tool. However, it often neglects the impacts of climate change on the same value chains. Therefore, it is crucial to produce evidence on how climate change affects or will affect the value chains and to conduct a more comprehensive risk analysis to ensure long-term sustainability. CASA can use existing resources on country climate risk analysis to identify risks and opportunities, and to design and implement evidence-based interventions. This is what Annex 9 introduces at the design stage, but further opportunities for the development of learning products, data for risk analysis and methodologies which draw from the practical experiences at implementation stage can be explored in future CASA interventions. .

Pillar 2: Integrate climate-smart practices at the different stages of the value chains.

To support climate-smart value chains, different strategies can be applied at different stages. At the input and production stage, strategies include improving access to input markets; supporting diversification and value addition; providing climate-smart production technologies; disseminating climate information services; and making financial and insurance services available. At the harvesting, processing, and marketing stages, some of the interventions are strengthening farmer organization; investing in climate-proofed infrastructure and facilities for storage; processing and improving access to output markets. At the institutional level, some of the actions are strengthening existing institutions; exploring public-private partnerships; and adopting coherent local policies. The most important factor is to ensure that smallholders have access to climate smart technology and practices, so they can cope with the negative impacts of climate change and transition the agriculture and livestock sector towards more green and resilient systems.

Pillar 3: Use a target-based approach to build the adaptive capacity and resilience of the smallholder farmers.

Climate change affects different groups of people differently, depending on their gender, ethnicity, age, income status, and other factors. CASA Component A will use demographically targeted approaches when promoting sustainable agriculture practices. This will allow CASA to identify and work with smallholders who are either a) likely to be early adopters and therefore have capacity/influence over wider groups, or b) are particularly vulnerable to the impacts of climate change and therefore in greater need of support. This means that the programme will include, where possible, smallholder farmers, especially women, poor, and marginalized communities, in the investment design and across the value chains. We acknowledge that the communities who face the most challenges from climate change are also the most knowledgeable about their environments and the most active and innovative in finding solutions.

The CASA programme will aim to present solutions that support the principles for Locally Led Adaptation (LLA)², developed by the Least Developed Countries (LDC) Group for achieving a climate resilient future that is guided by inclusion, participation, justice, and equity.

² IIED, [Principles for Locally Led Adaptation](#), 2022

Pillar 4: Strengthen the capacity of the project implementors and target groups on climate-smart value chains.

The project implementors (staffs), collaborators (government, private sector), and target groups (SMEs, cooperatives, farmers groups, individual households) need to have the capacity to apply climate smart approaches in their value chains. This will help them to consider climate change in the value chain process and achieve two objectives: to increase the resilience of the value chain systems against climate change stress and shocks, and to reduce the GHG emission from the sector by following low-carbon pathways. To strengthen this capacity, they need to have access to climate knowledge and information, awareness raising, and capacity building trainings.

Pillar 5: Mobilizing private financing in promoting climate smart value chains.

CASA Component A will capitalize on existing climate financing opportunities by linking partners and agribusinesses to access and use available financial resources and opportunities to scale the good practices in climate smart value chains.

These strategic pillars will build on the existing inclusive growth strategies and intervention areas of the CASA value chains to help mainstream climate and environment across the interventions.

3.5. Knowledge sharing

One of the key elements of our strategy for Component A is to foster a culture of learning and improvement among the teams by enabling them to share their experiences and insights on climate adaptation and resilience and mitigation. By exchanging their approaches and solutions, they can learn from each other, generate knowledge, and overcome common challenges. They can also avoid repeating mistakes, enhance innovation, foster collaboration, increase efficiency and effectiveness, and scale up successful interventions and approaches. This is especially relevant given the limited time left for the programme. We recognise that each context is unique, but we also believe that there are valuable lessons to be learned across different project interventions that face similar climate challenges.

To facilitate this learning process, we propose to organise regular meetings of Market Managers or appointed Climate champions, for example the Climate Advisors already in charge, from different countries, who can discuss their challenges, approaches and strategies for climate adaptation and resilience and mitigation in their respective value chains. These meetings would be held at fixed intervals, to allow for follow up and monitoring the progress of the interventions beyond the design stages of the business plans. The goal is to create a space for exchange and cross-learning, stimulate creative solutions to shared problems, and promote positive climate-related discussions across teams.

CASA has an ideal structure for this kind of approach, as it covers four different countries and has a centralised management team who can coordinate these meetings. We will aim to extend regular meetings around climate resilient solutions and approaches across the components. We also hope that in the future, we can involve other programmes within the FCDO portfolio that apply climate mainstreaming strategies in their Market Systems Development approaches in a similar platform for learning and knowledge sharing.

4. Measuring change

The logframe and monitoring indicators of Component A are being adapted to respond to the FCDO International Climate Finance (ICF) KPIs. The ICF is a global initiative designed to address the challenges posed by climate change, by supporting communities, enhancing their resilience, and mobilizing financial resources for climate change-related activities. ICF has identified several Key Performance

Indicators (KPIs) to measure its impact and effectiveness. CASA Component A (100% funded by UK ICF) is required to specifically deliver on the following KPIs:

KPI 1: People Supported to Better Adapt to the Effects of Climate Change.

ICF KPI 1 is an output indicator that measures the reach of UK ICF climate change adaptation programmes. It counts the number of people whom ICF programmes have supported to prepare for and deal with the effects of climate change, including long-term changes in weather patterns and the increasing frequency and severity of extreme weather events. This indicator does not measure the success, effectiveness, or impact of ICF support. ICF KPI 1 counts the number of direct and indirect beneficiaries in ICF adaptation programmes.

KPI 4: People Whose Resilience Has Been Improved.

KPI 4 focuses on measuring the increase in the resilience of individuals or communities as a result of the ICF program. Resilience in this context refers to the ability of communities to withstand, recover from, and adapt to the impacts of climate change. This could include factors such as improved livelihoods, reduced vulnerability to climate-related shocks, enhanced social safety nets, and increased capacity to cope with changing environmental conditions. KPI 4 gathers key information about the results of resilience programmes, and as such is an important complement to KPI 1.

KPI 12: Private Finance Mobilised for Climate Change Purposes.

KPI 12 tracks the amount of private financial resources that have been mobilized specifically for climate change-related initiatives. Mobilised finance is funding from another actor that has been directed to an objective, project or programme that would otherwise not have benefitted from these funds and is a direct result of the original mobilising actor's efforts. Mobilising is sometimes referred to as leveraging or catalysing of finance. The success of these KPIs would be measured by the increase in the amount of funding secured for projects that contribute to addressing climate change.

We will monitor our strategies and interventions regularly and make any necessary adjustments. The CASA Monitoring and Evaluation team is collecting baseline data and targets for each KPI, but the original logframe of the programme did not include these specific targets. Now the logframe has been updated to better align to the ICF KPIs, the team is looking for ways to measure the changes in awareness and resilience of smallholders and agribusinesses through qualitative data collection. Annex 9 will also help the team explain the rationale for developing certain activities and identifying the target groups.

5. Conclusion

The climate strategy for CASA Component A aims to integrate climate in the design, implementation, and monitoring of our interventions, to enhance the resilience of smallholders and agribusinesses and contribute to mitigation where possible, to attract more investors by addressing climate and environment related risks and increase the sustainability of investments.

We plan to implement the trainings and tools that we have developed for the design stage across Q4 (January-March 2024) and to monitor and implement them throughout the final years of Component A. The trainings and tools are timely, as we are reflecting on our progress so far through the audits and CASA Component C Climate Deep Dive, and as we launch the latest round of interventions.

Although some of the tools will have to be retrofitted as much as possible for interventions that have already progressed in the design of their business plan, the teams will be supported by ad hoc expertise coming from the already appointed Climate Advisors, the CASA management team and/or other dedicated resources to integrate "climate resilient thinking" in the next stages of implementation, and build capacities to monitor and recognise potentials for impact and systemic change.

This strategy will be revised based on the recommendations of the Component C Climate Deep Dive study and as we test its applicability in our interventions. The knowledge sharing platform will be crucial to inform our further approaches and solutions.

6. Quick tips and Useful Links

FAO [Toolkit for value chain analysis and market development integrating climate resilience and gender responsiveness](#), September 2020

World Bank, [Mainstreaming Adaptation to Climate Change in Agriculture and Natural Resources Management Projects](#), Guidance notes, 2010

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