CLIMATEFIT

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2nd EUNLRT Webinar

Bridging Investment Strategies and Local Action: Lessons from CLIMATEFIT and Beyond

December 15, 2025. 14:00-15:30 CET

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Agenda:

14:00-14:05	**Welcome & Introduction** **Moderated by Laura Pirazán-Palomar – ICLEI ES**
14:05 - 14:10	**Who Is in the Room? Slido Marcel** **Moderated by Marcer Gutenberger – ICLEI ES**
14:10 – 14:20	**Setting the Scene: Investment Strategies for Local Climate Action** **Keynote: Kit England - Paul Watkiss Associates**
14:20 – 14:40	**CLIMATEFIT Experience: Investment Strategies in Practice** **Moderated by Chiara Trozzo & Lilia Magdoud- CMCC**
14:40 –15:25	**Panel Discussion – From Strategy to Implementation** **Moderated by Alexandra Jaunet - Actierra** **Panellists:** • West Brianza (Italy) - Simone Paleari • Selnica (Slovenia) - Vlasta krmelj • Strasbourg (France) - Mélanie Trommenschlager
15:25 - 15:30	**Wrap-Up & Next Steps** **Moderated by Laura Pirazán-Palomar – ICLEI ES**

• Extending place-based adaptation governance to mobilise funding and finance – the ClimateFIT opportunity

Kit England LLB Hons MA FISEP CEnv

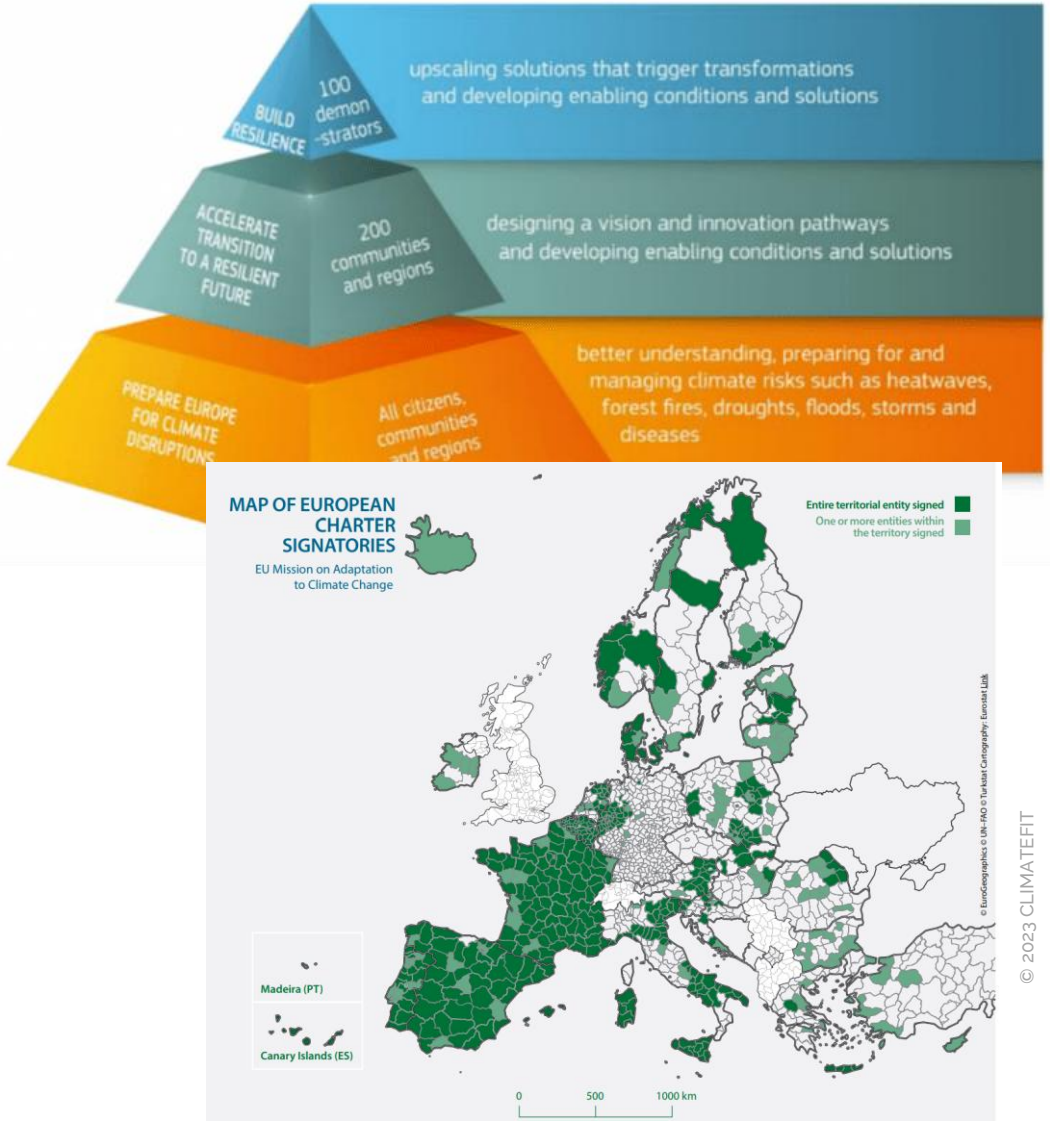
15 December 2025

Paul Watkiss Associates

CLIMATEFIT

Context

- Significant adaptation finance gap in Europe - World Bank and EC estimates a need of €15-64bn a year of through to 2030. (World Bank, 2025)
- But adaptation finance flows of €8.3bn to EU27 cities 2022 (England et al., 2024).
- Place based, collaborative approaches at the heart of the EU Mission on Adaptation – aiming for 150 resilient regions by 2030.
- Significant mobilisation underway (but risks are still outpacing adaptation).
- Survey of mission signatories highlights that adaptation finance is a challenge.



Benefits of place-based approaches

Multiple reasons for collective adaptation approaches:

- Many risks can only be addressed together, and at the local level (e.g. infrastructure interdependencies, changes to public realm of cities, health)
- Possible to leverage the desire of local people and organsations to create better places that retain their culture, identity and importance in the face of climate change
- Leverages existing opportunities to mainstream adaptation by integrating into ongoing activities, needs and local priorities
- Minimises the burden of diverse economic, social and environmental pressures which may be exacerbated under a changing climate
- Value for money - many common training, skills and capacity building needs

About Glasgow City Region

- 1.8 million people live in Glasgow City Region.
- 8 municipalities – diverse urban, rural and coastal location
- Significant climate hazards – namely river and surface water flooding, but heat also emerging
- £1.1bn city deal – Infrastructure Investment – very economics driven
- Keen to explore adaptation partnership in 2015

The set up of Climate Ready Clyde

- Established multi-stakeholder partnership to deliver risk assessment, strategy and action plan
- Seed funded by £100k from Scottish Government – turned into 15 organisations pooling funds for secretariat
- Combined adaptation planning with policy advocacy and capacity building
- Funded by EIT Climate-KIC to develop transformational approach – with deep focus on economics and finance and social justice.

Activity	Start Date	End Date	Outputs/Indicators
Vision Refresh – A light touch review and update of the vision to guide adaptation in Glasgow City Region - **(3 days - 1%)**			
Conduct a light-touch refresh of the vision document, with the help of an embedded artist funded through Creative Carbon Scotland's 'Cultural Adaptations' project	Mar 2019	Dec 2019	Updated CRC vision document
Adaptation Strategy and Action Plan - Development of a strategy which outlines the strategic approach to adaptation, and includes a set of SMART actions (costed, with timescales and owners) , as well as supporting documents to inform this and satisfy statutory duties - **(107 days - 40%)**			
Evidence Development – 10 days			
Participate as a case study in the EU Horizon 2020 project, COACCH	Jan 2019	Apr 2020	New evidence of impacts
Complete case studies on the costs and benefits of adaptation in relation to Glasgow City Region City Deal, and coastal risks	Oct 2018	April 2019	3 x economic assessments of adaptation approaches/ measures
Strategy Development – 60 days			
Identify key lessons and best from world-leading cities on Adaptation	Mar 2019	Apr 2019	Recommendations for strategy
Develop outline scope, including objectives, key features and approach	Apr 2019	May 2019	Scoping document
Workshop with CRC Board and city region senior officers and politicians to develop objectives, strategic narrative and outcomes framework	June 2019	June 2019	Outcomes framework and strategic narrative
Hold Thematic workshops to scope adaptation actions	May 2019	Aug 2019	Actions long-list for action plan
Hold workshops in flood-disadvantaged areas to identify priorities	May 2019	Sept 2019	2 x workshop summaries
Invite organisations to pledge/tell us about their own ideas for actions	Jul 2019	Sep 2019	Long list of potential actions
Screen / appraise initial actions for co-benefits and select final ones	Sep 2019	Sep 2019	Co-benefits appraisal
Write first draft of adaptation strategy and action plan	Apr 2019	Oct 2019	Draft Strategy and Action Plan
Consultation and revision – 12 days			
Issue consultation and evaluate responses	Oct 2019	Nov 2019	Consultation summary
Revise the strategy to account for comments from organisations	Dec 2019	Jan 2020	Revised draft

ClimateReadyClyde

Use of finance and economics in early stages

- Costed historic weather events to make the case for action
- Assessment of economic impacts of climate risks to inform prioritisation
- Appraised economic value of regional adaptation goods and services companies.
- Economic appraisal of early adaptation options, including partnership with EIB through Urban Agenda.

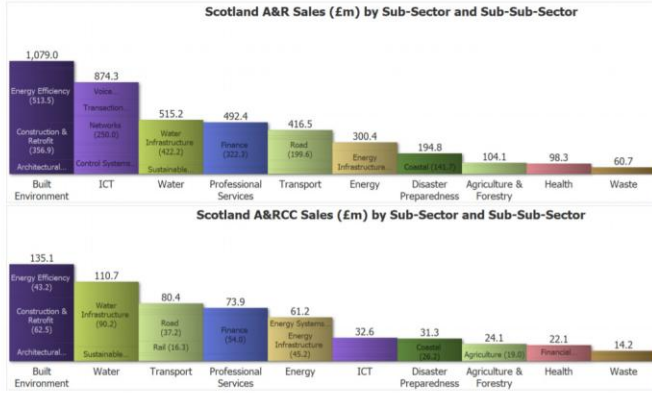


Figure 6 Total Economic Costs of Current Climate Extremes and Future Climate Change for the Glasgow City Region.

IMPACT			BENEFIT		
N	Negligible				
-L	Low	<£0.5 million/yr	+L	Low	<£0.5 million/yr
-M	Medium	£0.5 - 5 million/yr	+M	Medium	£0.5 - 5 million/yr
-H	High	£5 - 25 million/yr	+H	High	£5 - 25 million/yr
-VH	Very high	>£25 million/yr	+VH	Very high	>£25 million/yr

min Ext risk = Extreme event with minor impacts
Maj Ext risk = Extreme event with major ($/HH) impacts

	CURRENT		2020s	2050s	2080s
THEME 1 - INFRASTRUCTURE					
In1: Risks of cascading failures from interdependent infrastructure networks	Uncertain	*Maj Ext risk	Uncertain		
In2: Risks to infrastructure services from river, surface water and groundwater flooding	-M	*Maj Ext risk	-M	-M	-H
In3: Risks to infrastructure services from coastal flooding and erosion	-M	*Maj Ext risk	-M	-M	-M
In4: Risks of sewer flooding due to heavy rainfall	Uncertain	*Maj Ext risk	Uncertain but potenitally high		
In5: Risks to bridges and pipelines from high river flows and bank erosion	-L	*min Ext risk	-L	-L	-L
In6: Risks to transport networks from slope and embankment failure	-L	*Maj Ext risk	-L	-L	-L
In7: Risks to subterranean and surface infrastructure from subsidence	Uncertain		-L	-L	-L
In8: Risks to energy, transport and ICT infrastructure from storms and high waves	-M	*Maj Ext risk	-M	-M	-M
In9: Risks to transport, digital and energy infrastructure from extreme heat		*min Ext risk		-L	-L
In10: Risks to infrastructure from increase in vegetation growth rates/changes in growing season	-M		-M	-M	-M
In11: Risks to infrastructure from wildfires				-L	-L
In12: Risks to water-based transport and trade etc.) from SLR	Uncertain				
nsport, digital, extreme cold	Uncertain				
	-VH	*Maj Ext risk	-VH	-VH	-VH
isture, wind,	-L	*Maj Ext risk	-L	-L	-L
perties erosion	Uncertain				
buildings from	Uncertain				
in space due to her	Uncertain				
uildings as a	-L		-L	-L	-H
ie	captured in flooding above				
from increased					
and mental nd green space			+L	+L	+L
owing from growing season			+L	+L	+L
uildings from	+VH		+VH	+VH	+VH
le electricity and ons			-L	-L	-L

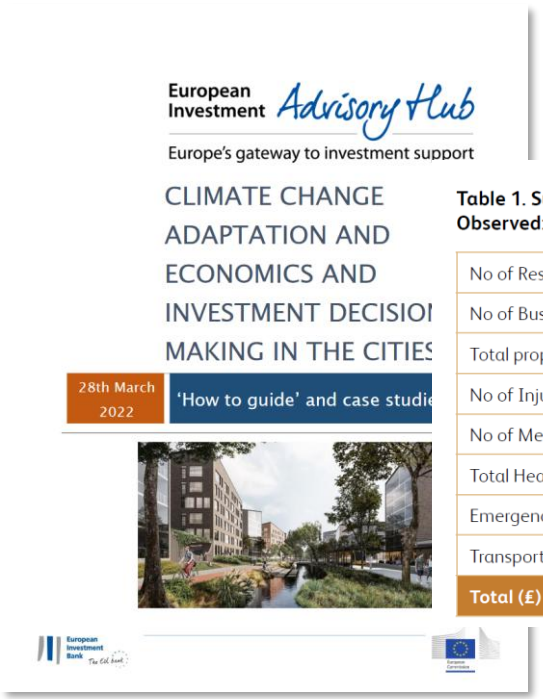
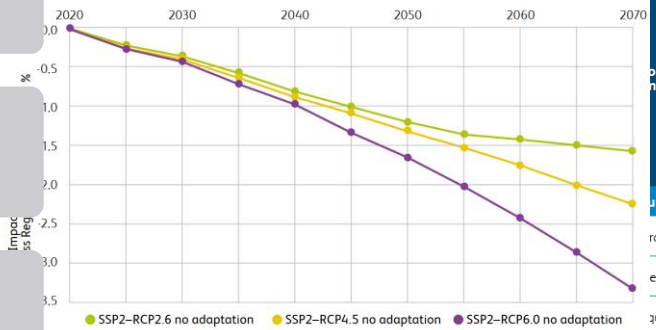


Table 1. Summary Results: 2015 Winter Flooding – Observed: Glasgow City Region (lower bound).

No of Res. Properties	50
No of Business Properties	0
Total property cost	1,830,000
No of Injuries	2
No of Mental stress cases	26
Total Health cost	160,000
Emergency services	140,000
Transport cost	1,680,000
Total (£)	**£3,810,000**

Economics and finance within the strategy

- Framing of plan with economic costs of inaction (from H2020 project, COACCH)
- Economic appraisal of strategy interventions
- Preliminary estimate of adaptation finance gap.
- Mapped Investment Landscape, including current and potential sources and instruments
- Identifed actions to improve enabling conditions



he potential economic costs of climate change in the region for multiple climate futures. Source: COACCH.[5]

Intervention	Economic case	Illustrative cost benefit ratios
1 Reform, reshape and expand governance mechanisms to respond to adaptation needs, nurture new leadership, and create expectations in society	Good (enabling activity)	
2 Develop the ability of organisations, businesses and communities to adapt	Good (enabling activity)	>10:1 in climate sensitive sectors
3 Increase adaptation finance through leverage and innovation	Very Good (enabling activity)	
4 Enable and equip individuals and communities to participate in adaptation, focusing on the most vulnerable	Strong	
5 Embed reflection, monitoring, evaluation and learning into adaptation action	Good (enabling activity)	
6 Adapt the Clyde Corridor for the twenty-second Century	Strong	6:1
7 Enhance early warning and preparedness for floods and heatwaves	Very Strong	10:1
8 Ensure our homes, offices, buildings and infrastructure are climate resilient	Strong	4:1 (infrastructure)
9 Deliver nature-based solutions for resilient, blue-green landscapes and neighbourhoods	Strong	3:1 (indicative)
10 Establish Glasgow City Region as a global research and knowledge hub for adaptation	Good (enabling activity)	
11 Begin the transition to a climate-resilient economy	Good (enabling activity)	
Overall Adaptation Strategy	Strong	Positive BCR

ources of public finance ndicative)	Government Capital Grants	Scottish Enterprise Innovation Grants	Clyde Mission Funding (capital funding – Grants)	Early Stage Growth Challenge Fund (grants, debt, equity)	The Climate Challenge Fund (grants and concessional debt)	Glasgow City Region City Deal (grants, debt and equity)	PWLB (concessional debt loans for capital expenditure)	Scottish Investment Bank (debt and equity)	Scottish National Investment Bank (debt and equity)	User charges (Scottish Water)	Tax Incremental Financing (TIF)	Non-Profit Distributing (NPD)
unding/Finance instrument												
rants	✓	✓	✓	✓	✓	✓						
ebt				✓	✓	✓	✓	✓	✓			
quity								✓	✓			
ax to raise debt (including user harges)										✓	✓	✓
Draft Adaptation Strategy Interventions												
1 Reform, reshape and expand governance mechanisms			✓			✓						
2 Develop the ability of organisations, businesses and communities to adapt		✓		✓	✓	✓						
3 Increase adaptation finance through leverage and innovation		✓	✓	✓	✓	✓		✓				
4 Enable and equip communities to participate in adaptation			✓			✓						
5 Embed reflection, monitoring, evaluation and learning into adaptation action						✓						
6 Adapt the Clyde Corridor for the twenty-second century	✓		✓			✓	✓	✓	✓			
7 Enhance early warning and preparedness for floods and heatwaves	✓	✓	✓									✓
8 Ensure our homes, offices, buildings and infrastructure are climate resilient	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
9 Deliver nature-based solutions for resilient, blue-green landscapes and neighbourhoods		✓	✓			✓	✓	✓	✓			
10 Establish Glasgow City Region as a global research and knowledge hub for adaptation		✓										

Economics and finance within the strategy

Additional activities to support project financing

- Business cases for four early priorities (Early Warning, Building retrofit, forestry and an adaptation finance lab
- Seven high level Adaptation Funding and Financing Solutions (AFFS)
- And detailed delivery arrangements

Collectively created a strong enabling environment and sense of roles and responsibilities for funding and financing.

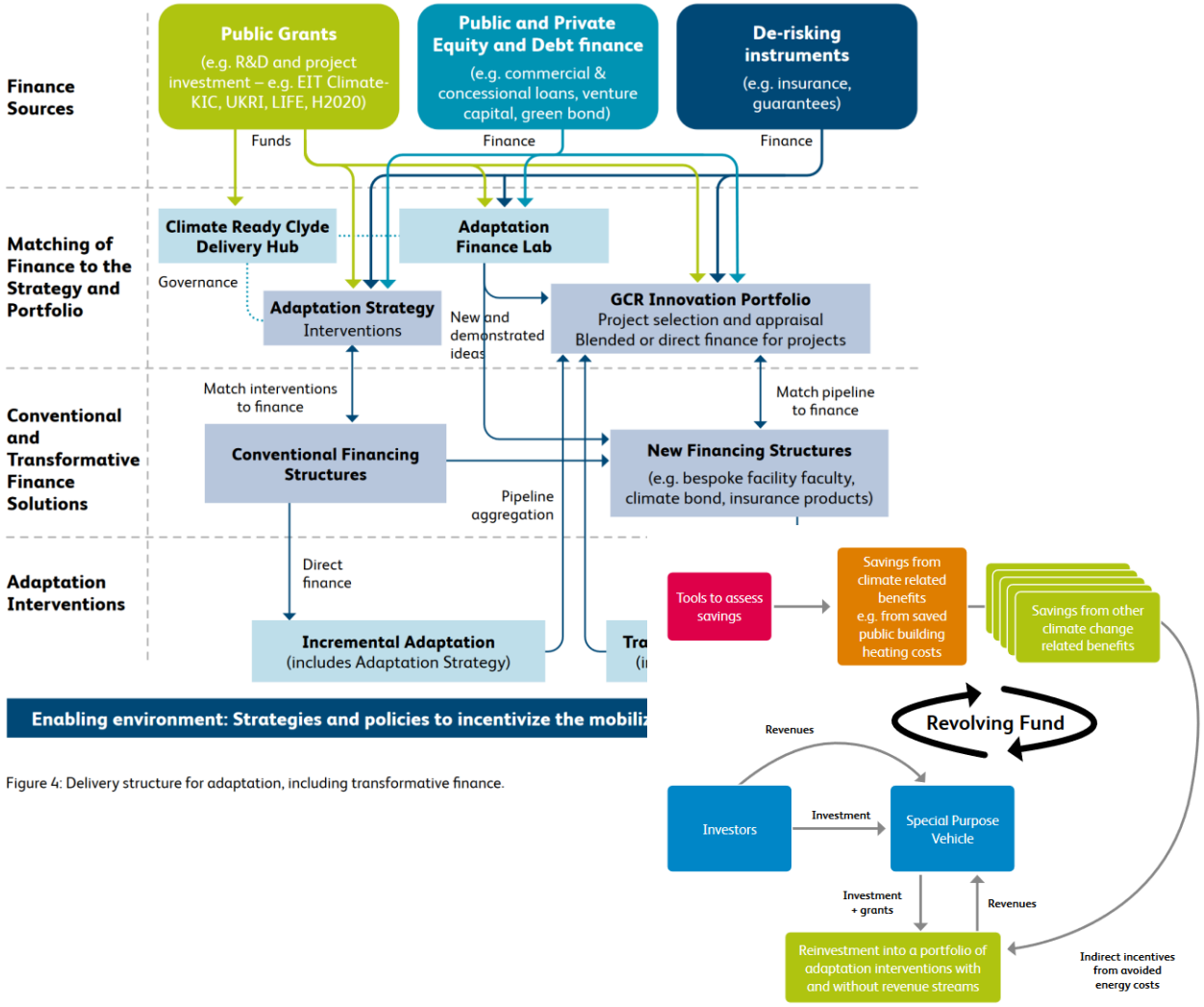


Figure 4: Delivery structure for adaptation, including transformative finance.

Legacy

- Used core financing to leverage additional £1.8m unlocked for further development.
- Mainstreamed adaptation into ERDF replacement post Brexit – unlocked ~£170m/year stream.
- Informed the EU Pathways2Resilience programme – now supporting 100 regions
- Regional adaptation partnerships maturing across Country following commitment in third Scottish National Adaptation Plan.
- Adaptation Investment Planning training now being delivered across all regions in Scotland

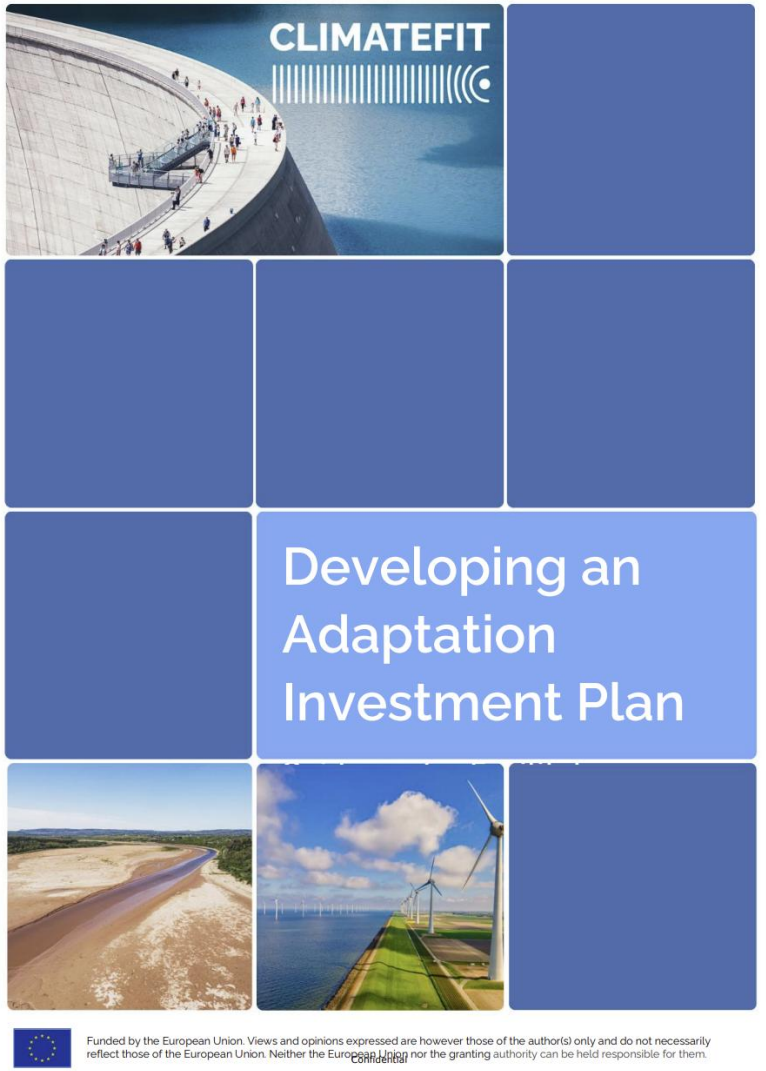
Climate Ready South East Scotland

Highland Adapts

"…the Scottish Government will drive collaboration on adaptation planning and investment with a broader set of partners, covering all of Scotland's regions… by 2029".

The ClimateFIT opportunity

- ClimateFIT aims to involve finance and investment entities in governance of place-based adaptation using LRTs
- Complementary to other EU projects (e.g. P2R) integrating economics and finance into the adaptation cycle – ClimateFIT doing detailed adaptation investment planning
- Glasgow experience shows it is likely to be essential to address barriers and crowd in private funders and financers.
- Needs carefully timed stakeholder engagement – financing entities v. funders, place agnostic v. place-specific.
- Will also need bespoke approaches that work for cities and regions but done well, a significant opportunity to address barriers



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Thank you

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CLIMATEFIT

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How to design an Adaptation Investment Strategy

Chiara Trozzo

CMCC Foundation

www.climatefit-heu.eu

What is an Investment Strategy?

Let's start with your opinion!

What is IS and why it matters?

Investment strategy (IS)

The IS is a set of strategic principles designed to help a public authority increase financing and investment in climate adaptation using a systemic and catalytic approach.

Purpose

Align interests and financial needs of public authorities (PAs) with interests and financial resources of financing and investment entities (FIEs).

IS methodology

The IS Methodology is a document identifying a systemic and catalytic approach to support PAs in translating local adaptation strategies into investment strategies and help FIEs finance pipelines of projects.
It is important thanks to their hands-on approach, which provides guidance to help prioritize investments, identify and articulate funding and financing sources, and consider innovative mechanisms.

Definitions from CLIMATEFIT glossary

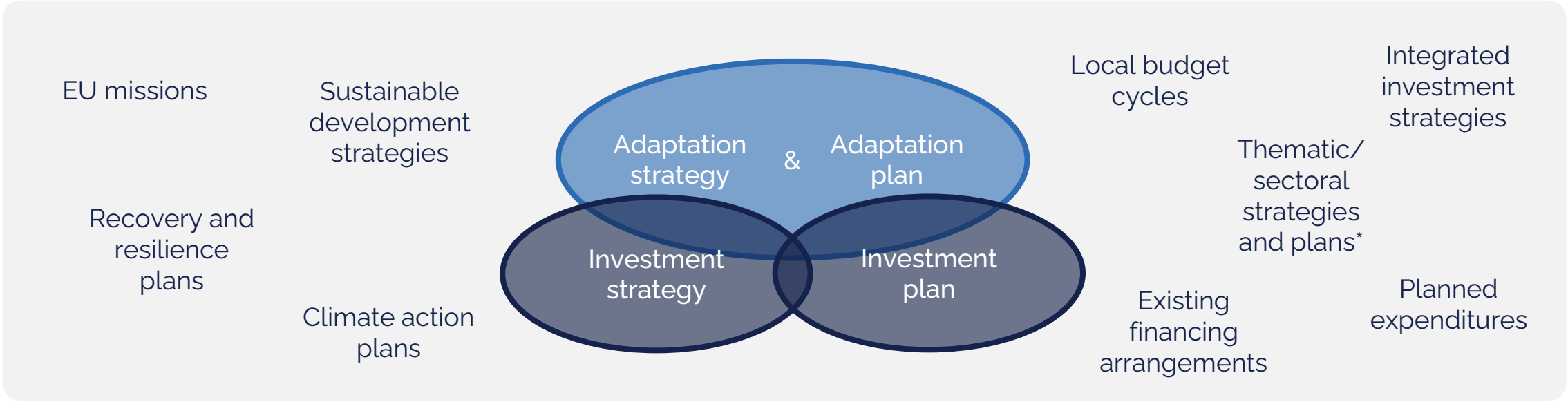
Bigger picture

Regulatory framework

European directives | National context | Regional context | Municipal context

Different mechanisms of transfer of power among and within territories

Universe of different documents, strategies, projects and processes that incorporate elements of climate adaptation

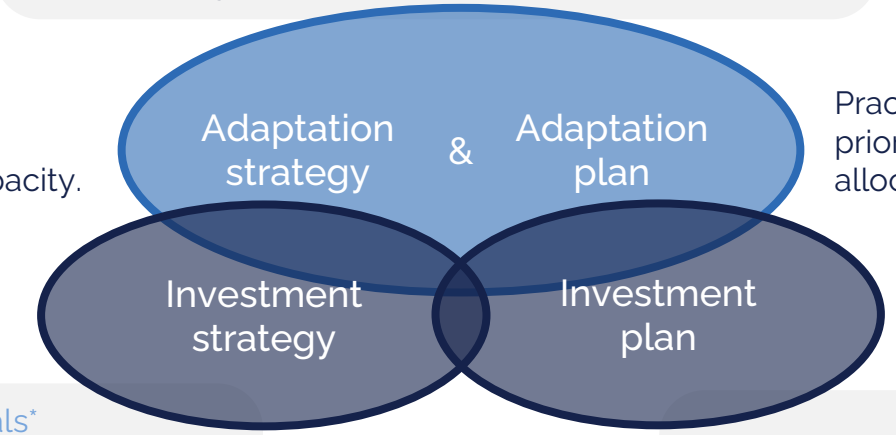


*e.g. flood management plans, disaster risk management plan, strategy for forests, drought and land degradation, rural development plans,...

Context

Also as one single document
- Ground preparation (assuring high support, increase awareness, set up mechanisms, identify roles and responsibilities, assessment of regulatory framework)
- Assessment of climate risks
- Identify climate risk owners and longlist beneficiaries*
- Longlist initial set of adaptation interventions*
- Implementation
- Monitoring and evaluation

Overarching document that outlines vision, adaptation objectives, processes and recommendations for enhancing adaptive capacity.



Practical execution, outlining the adaptation actions prioritised for the short term, the resources allocated and the designated actors.

- Identify sector policy priorities and goals*
- Engage funders/beneficiaries on desired rates of return and conditions*
- Identify time horizon of investments
- Estimate high level costs (scale of finance)
- Estimate the financing gap → investment needs
- High level assessment of suitability of financing options*
- Matchmaking of types of adaptation projects and potential financial sources/instruments

- Light touch economic appraisal (costs and benefits)*
- Benefit quantification (adaptation and beyond)*
- Develop full business case*
- Revenues streams
- Timeline
- Pipeline

Definitions of adaptation strategy and plan from Climate-ADAPT RAST
* From P2R bankable project diagram

Structure

Considering different contexts and levels of advancement, the IS methodology needs to be **comprehensive** and **flexible**

⬇

Modules for all the different elements but that can be independently considered. Elements within the modules:

- Guidance
- Resources
- Examples
- Templates

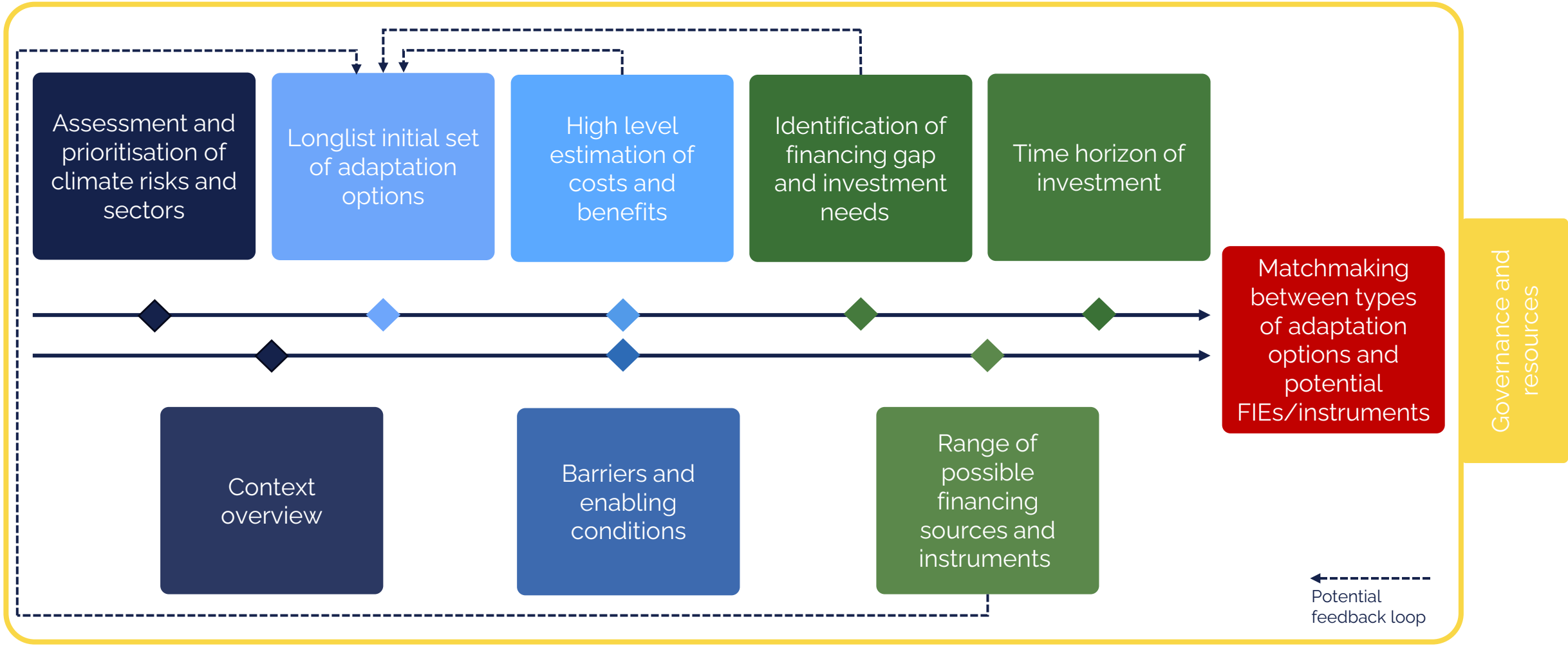
⬇

PAs to directly work on modules they need to **focus** on

1. Assessment and prioritisation of climate risks and sectors
2. Context overview
3. Barriers and enabling conditions
4. Longlist initial set of adaptation options
5. High level estimation of costs and benefits
6. Identification of financing gap and investment needs
7. Time horizon of investment
8. Range of possible financial sources and instruments
9. Matchmaking between types of adaptation options and potential FIEs/instruments
10. Governance and resources

Flow of activities

- A standardised timeline applicable to all PAs cannot be provided
- The modules do not necessarily need to follow a linear timeline



Modules (1/3)

1. Assessment and prioritisation of climate risks and sectors

- Start from already developed documents at local level (adaptation strategies, plans, climate risk assessment)
- Tailoring of adaptation strategies at national level

→ Identify the risks and sectors to be prioritized by the adaptation investment strategy

2. Context overview

Elements to consider:

- Regulatory framework
- Policy priorities
- Local conditions and constraints (e.g. legal and political)
- Mechanisms of transfer of power
- Documents and projects already developed
- PAs experiences from different departments (breaking the silo approach)

3. Barriers and enabling conditions

Elements to consider:

- Barriers identified in the PA
- Possible solutions to address them
- Actors to involve

Modules (2/3)

4. Longlist initial set of adaptation options

- Start from options already identified in local adaptation strategies
- Identify activities already planned in departments
- Get overview of different options from catalogues of adaptation measures

→ Longlist of options based on prioritised risks and identify responsible units

5. High level estimation of costs and benefits

- Gathering of information from PAs internal departments and contacts
- Review of projects, preferably considering the same option and in areas close to the PA
- Continuous consultation with involved departments

→ Light touch approach, estimates also as ranges

6. Identification of financing gap and investment needs

- Tracking of public planned expenditures, budget lines
- Key involvement of financial department

→ Gap as the difference between estimated costs and benefits and resources PAs have available.

7. Time horizon of investment

- Get overview of magnitude of investments in different phases of projects
- Short term: 1-5 year
- Medium term: 5-10 years
- Long term: > 10 years

Modules (3/3)

8. Range of possible financial sources and instruments

- PAs to gain knowledge on financial entities and instruments
- Use and expansion of the Investment Lansdcape to have a view of available sources
- Key elements:
  - types of instruments (e.g. equity vs debt vs grants)
  - Intruments' typical size and expected financial returns
  - types of entities (e.g. public vs private)
  - specific regulatory frameworks

9. Matchmaking between types of adaptation options and potential FIEs/instruments

- Connect together all the information and knowledge obtained in the previous modules
- Creation of investment compass
- Elements to consider:
  - characteristics of financial instruments
  - characteristics of options
  - Possibility of bundling options and combining instruments

10. Governance

- Overarching module which covers the allocation of responsibilities across modules
- Shared responsibility and choral effort among departments

According to your experience, which module might be the most challenging to apply in your territory?

1. Assessment and prioritisation of climate risks and sectors
2. Context overview
3. Barriers and enabling conditions
4. Longlist initial set of adaptation options
5. High level estimation of costs and benefits
6. Identification of financing gap and investment needs
7. Time horizon of investment
8. Range of possible financial sources and instruments
9. Matchmaking between types of adaptation options and potential FIEs/instruments
10. Governance and resources

Early evidence on IS Implementation

Early evidence suggests that the modular IS methodology supports alignment and structured decision-making through a hands-on approach

Bringing stakeholders together

- The initial modules (1–3) helped establish a shared baseline, facilitating alignment among Public Authorities and facilitators;
- The involvement of a stable core team across key steps supported coordination and continuity;
- It also made it possible to begin identifying a governance structure, both from scratch and by bringing together different experts from the territories.

Enabling an end-to-end view

- The structure of the IS methodology enabled a clear understanding of the current territorial context and supported the development of an end-to-end strategy, from risk identification to the assessment of the financing gap;
- The modular sequencing facilitated progressively more focused and context-specific discussions;

Gaps and future development

- While the hands-on approach proved effective, implementation highlighted the need for adjustments;
- Capacity constraints, tight timelines, early matchmaking, and dependencies on LRT progress point to the importance of improved prioritization, sequencing, and flexibility to strengthen future iterations of the methodology.

Definitions from CLIMATEFIT glossary

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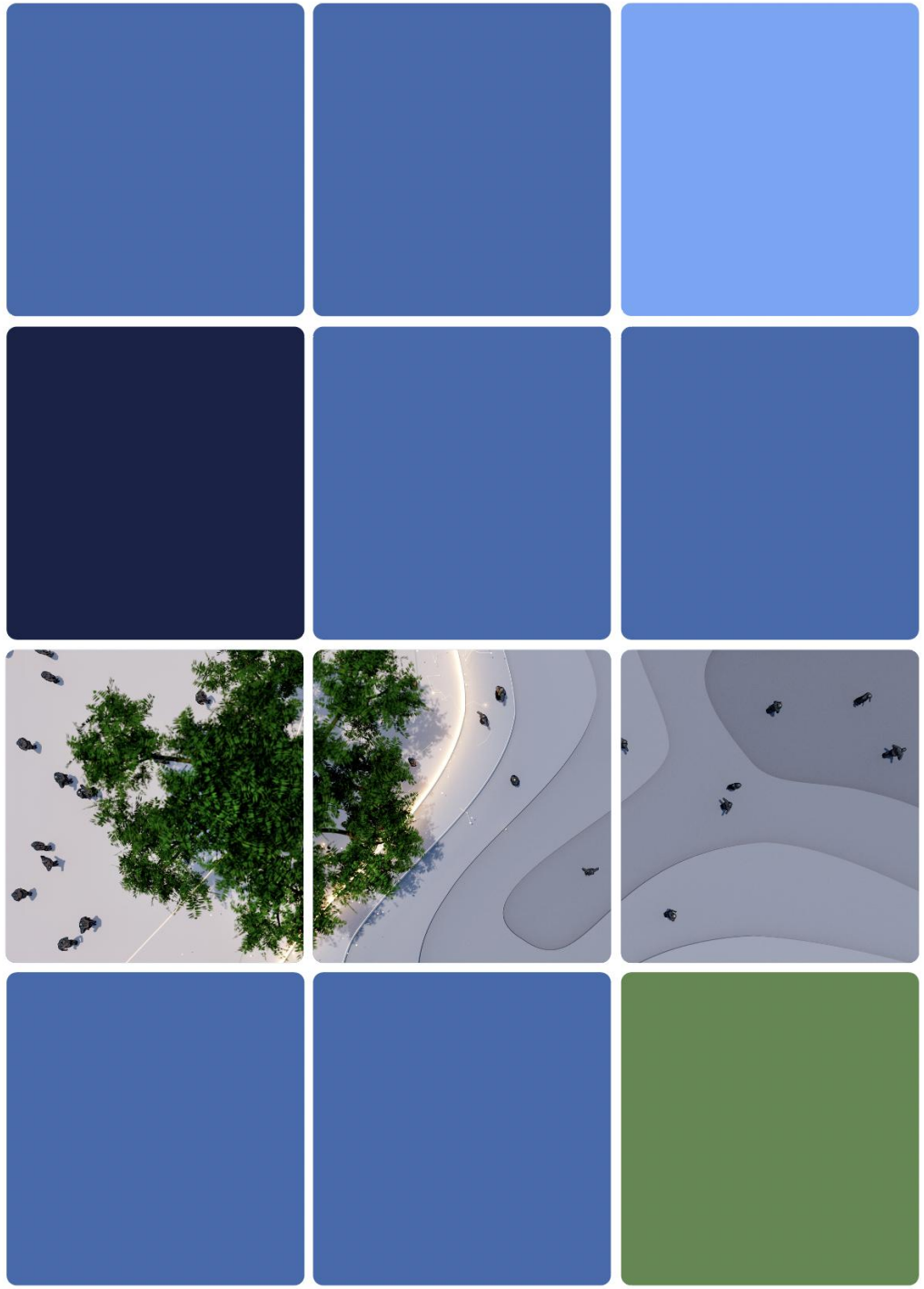
Open Q&A



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Panel Discussion : From Strategy to implementation

Alexandra JAUNET
ACTIERRA

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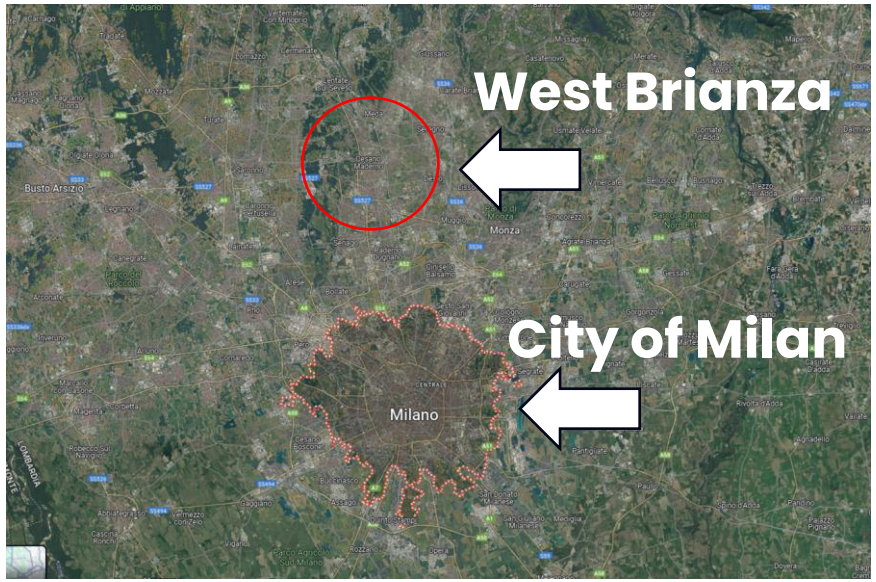
West Brianza area

Simone Paleari – Director of Agenzia InnovA21



Type of PA : Group of Seven Municipalities

Scale of the territory:
54 km^2 - 140,000 Inhabitants

Main geographical characteristics :
The West Brianza area is highly urbanized, resulting in significant land consumption.
The existing rivers have entirely artificial riverbeds and banks.

Main climate risks:
Heat Waves and Temperature increase
Heavy Rains
Hydrogeological risks (Floods)

Municipality of Selnica ob Dravi

Dr. Vlasta Krmelj, Mayor

Type of PA : local authority with 4.600 inhabitants

Scale of the territory : 64 km^2

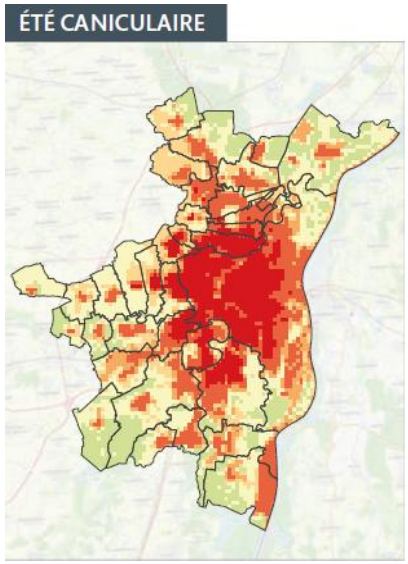
Annual budget : approx. €5 million

Main geographical characteristics: Selnica ob Dravi stretches from the Drava River floodplain into steep hilly terrain, where numerous narrow torrents descend toward the valley floor, shaping a landscape of valley bottom and hillside settlements

Main climate risks:The local topography and hydrology create high exposure to hydrometeorological and gravitational hazards, such as: **Heavy precipitation/heavy rainfall, flash/surface floods, Landslides, Storms**

Eurometropolis of Strasbourg

Mélanie Trommenschlager



Our territory:

- **33** municipalities
- **505k** inhabitants
- Over **340** km²
- **Annual budget : 250 M€**

Main geographical characteristics :

- in the "Alsace plain",between the Vosges Mountains and the Black Forest
- on the banks of the Rhine
- Dense urbanisation

4 climate risks:

- **Increasing temperatures**
- **Floodings & Mudslides**
- Clay shrinkage and swelling
- Invasive species