

Assessing Urban Adaptation Funding and Financing Practices: Empirical Insights from 148 Local Governments in Europe

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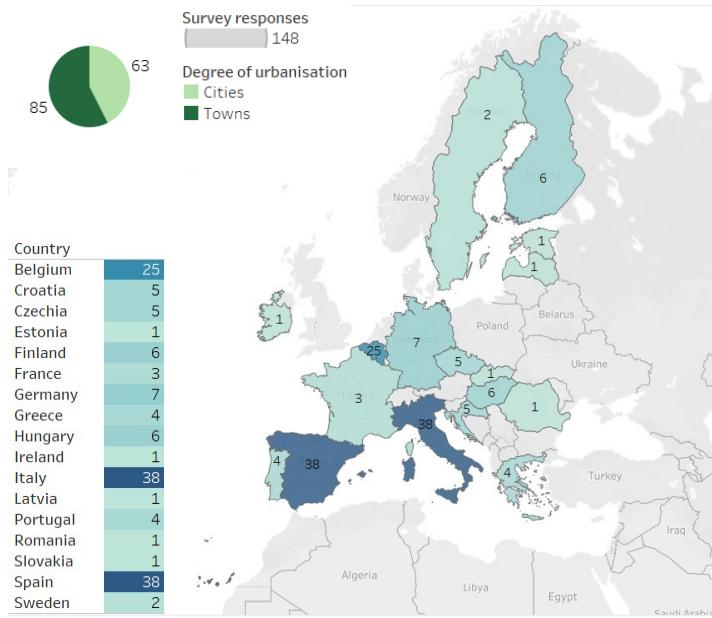
1 INTRODUCTION & OBJECTIVE

Drawing on results of a unique survey of **148 EU local governments**, our poster provides some key findings of the funding and financing practices behind urban climate adaptation plans.

The **objective** of this study is to understand how local governments in Europe fund and finance their climate adaptation plans, identify potential adaptation barriers and equity concerns, as well as (uneven) patterns in the use of funding mechanisms and finance instruments.

We address **three research gaps**, namely:

- 1) The absence of empirical data on the use of finance and funding arrangements for urban climate adaptation
- 2) The underexplored connections between adaptation barriers, finance and equity.
- 3) The limited research on EU small and medium-sized municipalities in the area of climate adaptation

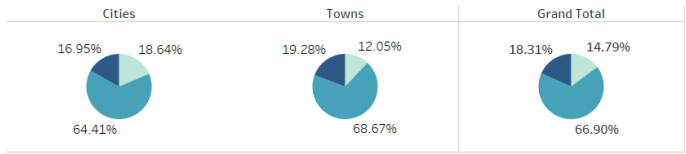


The survey had a **25% participation rate**. 148 local governments from **17 EU countries** responded.

4 PRELIMINARY RESULTS

1. BARRIERS

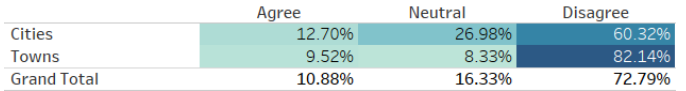
Results indicate that >85% of local administrations lack the resources necessary to undertake the adaptation measures outlined in their climate plan:



Availability of funds to implement the adaptation measures of the climate plan

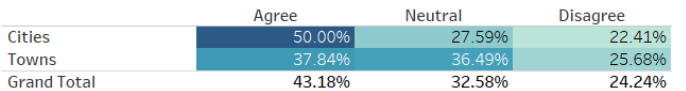
While staff capacity is a concern for most governments, towns perceive it as a greater barrier than cities:

Our local authority has enough staff capacity to look for funding opportunities and write competitive grant applications



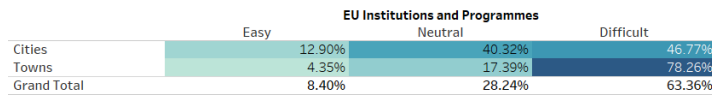
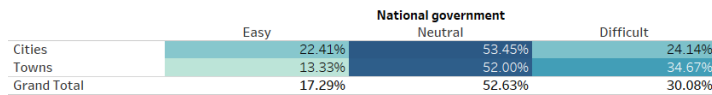
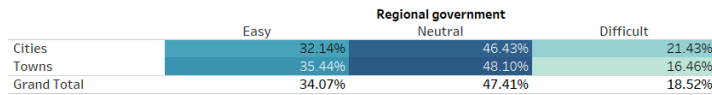
Compared to cities, public officers in towns experience less political backing for implementing climate adaptation measures:

There is sufficient political support to implement the adaptation measures of our climate plan



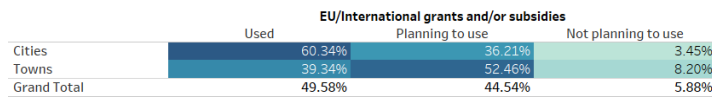
2. FINANCE

There is a cascading difficulty of access to different sources of funding/finance, from regional to national to international sources:



Towns indicate that they experience particular trouble meeting the conditions and requirements of EU Institutions and Programme.

Compared to cities, towns have less experience in the use of EU/international funds:



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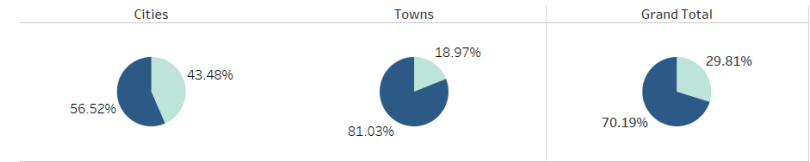
2 CONCEPTUAL FRAMEWORK

Despite the increasing attention to finance in climate change governance, little is known about how local governments fund and finance climate adaptation actions. Scholars have argued that the multitude of financial instruments available to local governments has created confusion (Keenan et al., 2019). However, most large-n studies on the use of financial instruments by local governments in the context of climate adaptation have been limited to the United States (see for instance Cousins & Hill, 2021; Moser et al., 2019).

This raises the question as to how local governments in other world regions are navigating climate finance instruments and funding programs to implement climate adaptation plans. Small and medium-sized municipalities are of particular interest, as climate adaptation barriers, particularly those related to accessing finance and funding, appear to be more challenging among this group (Füngeld et al., 2023). However, empirical data and case studies on these concerns covering small and medium-sized municipalities are scarce in the EU (Füngeld et al., 2023). The EU thus stands out as an intriguing case.

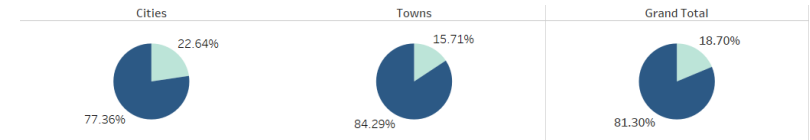
3. EQUITY

Cities involve vulnerable communities more in the development of their climate adaptation plan than do towns:



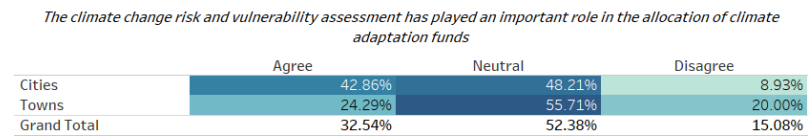
Have vulnerable groups (or their representatives) participated in drafting the climate (adaptation) plan?

The majority of local governments lack a participatory budgeting process in the climate (adaptation) plan, although cities report slightly more experience:



Did the climate adaptation plan include a participatory budgeting process?

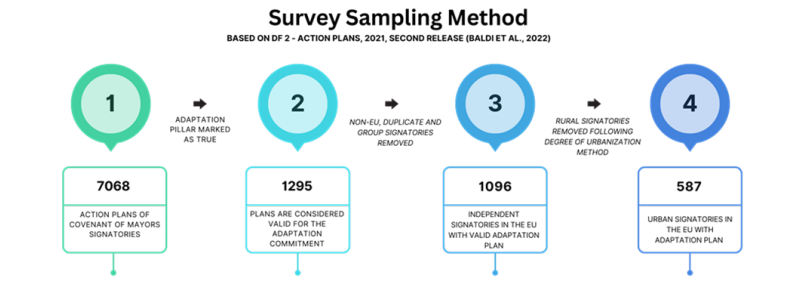
A minority of local governments — 42.86% of cities & 24.29% of towns — agree that climate change risk and vulnerability assessments play an important role in the allocation of climate adaptation funds:



3 METHODOLOGY

In collaboration with the **Covenant of Mayors - Europe**, a survey was drafted with 18 open-ended, interval scale, and ordinal questions and piloted both internally and externally. The survey sample was selected through a **self-selection sampling method** (non-probability), drawing from the Covenant of Mayors - Europe reporting platform, using a Joint Research Centre (JRC) published dataset of climate action plans and monitoring reports (see survey sampling procedure below).

A total of **587 urban local governments** were preselected for participation in the survey after applying predetermined inclusion and exclusion criteria. Survey invitations to preselected governments were sent on a rolling basis from **December 2022 to January 2023**. As a proxy for municipal size and population density, we follow Eurostat's degree of urbanization method, and distinguish between cities (level 1) and towns (level 2) (Eurostat, 2021).



5 DISCUSSION, CONCLUSIONS & NEXT STEPS

Our preliminary results reveal various obstacles to equitable climate adaptation. These include financial constraints, limited participation of vulnerable groups, lack of political support, inadequate consideration of climate change risk and vulnerability assessments in the allocation of climate adaptation funds, and insufficient staff capacity to identify funding opportunities. Notably, our findings suggest that these challenges are more pronounced in towns compared to cities.

Given that the survey pool is made up of towns and cities who are actively working on climate adaptation, our results may paint an overly positive picture that is not representative of the average local government. Political support, for example, may be lower in cities and towns that lack climate adaptation commitments and plans.

Our project's next steps involve analyzing certain segments of local governments (for example, cities with sufficient funds) as well as comparing survey data to other variables such as GDP and reported vulnerability data from the Covenant of Mayors - Europe reporting platform.

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