



Public Financial Management for Climate Action Network (PFM4CA)

Europe and Central Asia (ECA)
First Regional Peer Learning Event

May 27th 9:00AM-12:15PM (CEST)



-  Austrian School of Government
-  Verwaltungsakademie des Bundes





Presentation of Public Financial Management for Climate Action (PFM4CA) Network

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Public Financial Management for Climate Action (PFM4CA) Network

- Objectives and Activities -



Public Infrastructure is strongly exposed to climate risks



Eastern Europe and Central Asia countries are strongly exposed to climate hazards

Economic costs

Impacts on productivity



Damages to assets and capital



Disruptions to the global flow of currency



Social costs

Health and well-being



Loss of biodiversity and nature



Conflict and migration



Global and local inequalities



Investment in climate adaptation in low and middle income countries has a high positive benefit-cost ratio – 4 to 1



Digital tools can help scale solutions and have more impact



Development challenges are diverse across Europe and Central Asia

Eastern Europe and Central Asia countries are at various stages of strengthening their public investment and asset management (PIAM) core functions, and of mainstreaming green and digital considerations.



Improve access, quality, and management of infrastructure

- **Paying attention to new investment flows but also existing asset stocks is key**
- **Public sector governance is critical to delivering on objectives**
- **Central governments, sub-national governments and SOEs all have a major role to play**



Re-evaluate PIAM functions to address climate change

- **Optimized regulatory frameworks, fiscal systems and public investments and assets** serve as a basis for the public sector to manage the green transition
- **Need to both address foundations and to develop frontier capabilities** to incorporate climate change considerations in PIAM functions
- **Both public and private resources need to be mobilized**

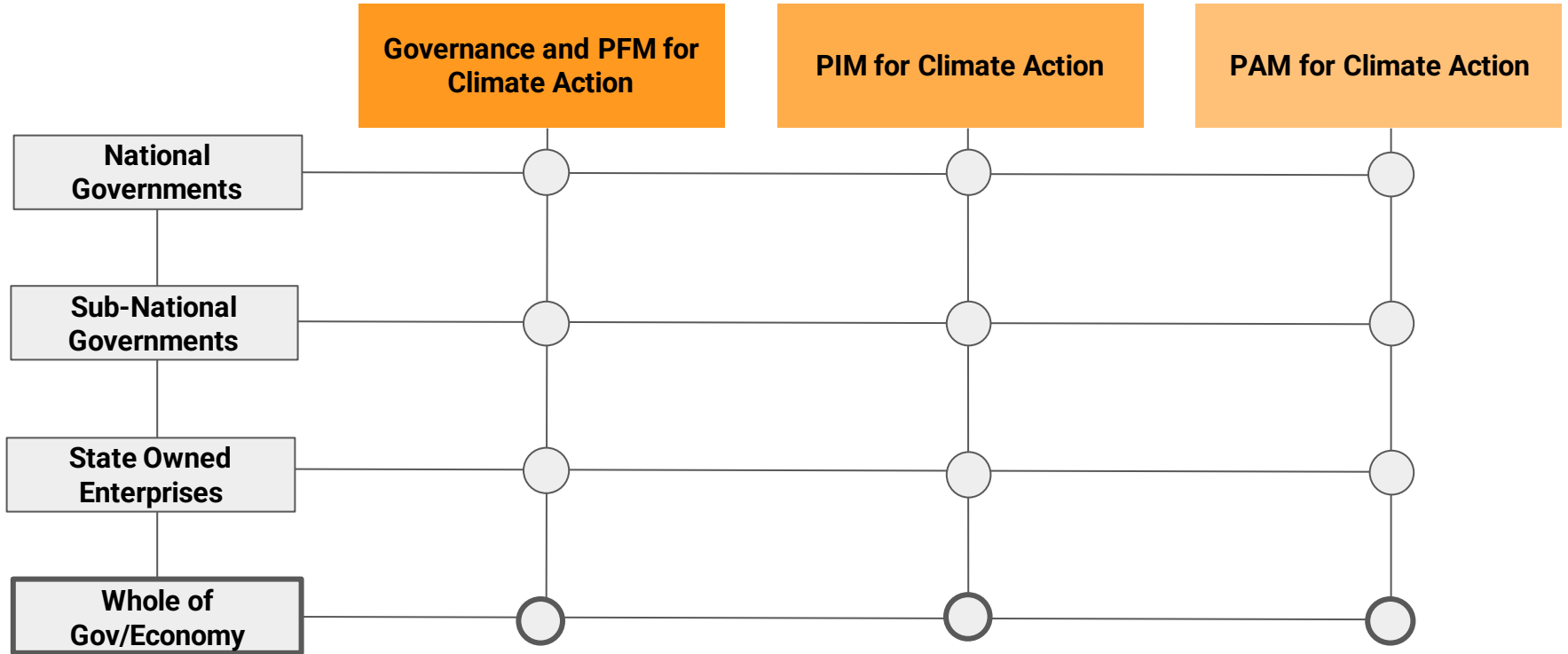


Leverage technology and data for stronger impacts

- **Digital tools can increase efficiency, address data gaps and foster better-informed decisions**
- **Recognition that the green transition and digital transformations need to proceed in tandem** – EU Digital Decade Policy Program 2030
- **Alignment to EU standards is important for many ECA countries**, including as part of anticipated accession processes



A whole-of-government approach is required to strengthen Public Financial Management for Climate Action





The World Bank has undertaken a number of diagnostics related to climate smart PIM and PAM across Europe and Central Asia

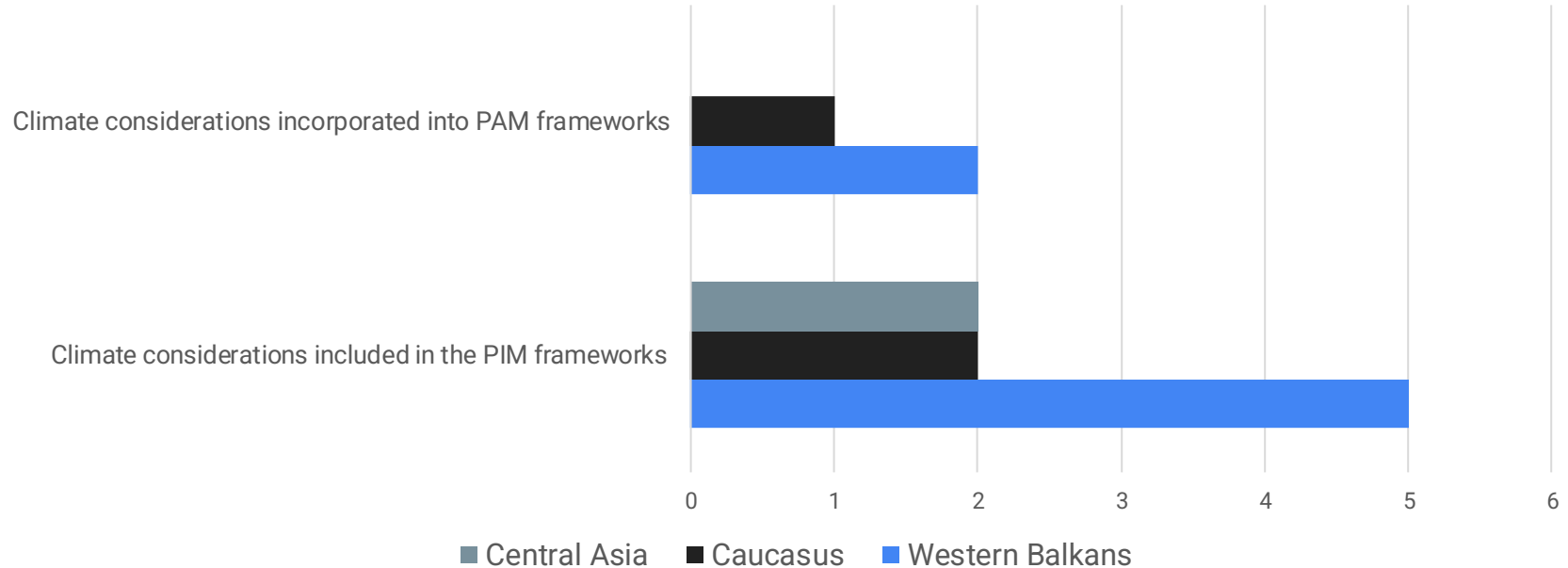
These diagnostic assessments are simply a **mechanism** to understand and identify key bottlenecks. They provide insights that are crucial for effective intervention and improvement.





Diagnostic results reveal varying levels of advancement among countries in integrating climate change considerations into PIM and PAM frameworks

The incorporation of climate considerations into PIM and PAM frameworks in ECA countries



Sources: InfraGov, PEFA, and PIM diagnostic assessments

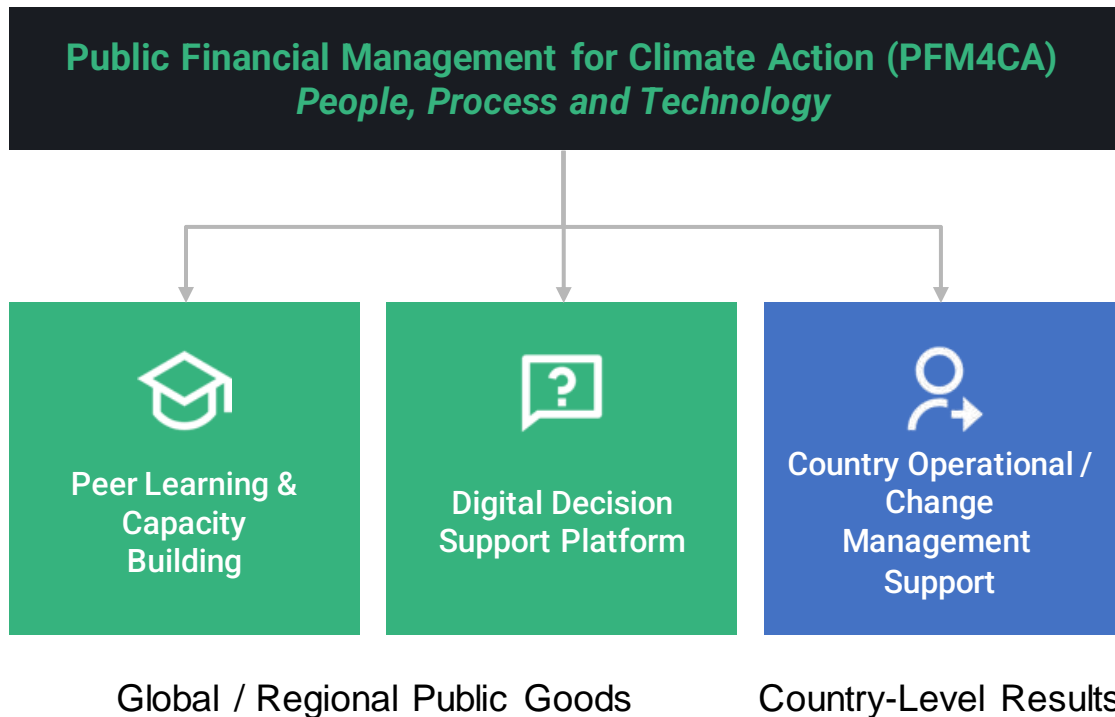
Most importantly, all countries have highlighted the **implementation** of climate smart PIM and PAM as an area in need of improvement and support.



The Europe and Central Asia Public Financial Management for Climate Action Network (PFM4CA)



The PFM4CA Network, **financed with the support of the European Union**, aims to provide innovative **peer learning and capacity building activities** as well as a range of **digital decision support tools** for stakeholders in the Western Balkans and ECA region.





The PFM4CA Network Supports both Regional and Country-specific Outcomes

ECA / Global Pillars



Peer Learning & Capacity Building

Climate Government Academy

Hosted by the Austrian School of Government

Technical Knowledge
Catalysts

Leadership for Governance & PFM for Climate Action

New methodologies

New tools

New processes

...

Challenge-based Peer Learning Programs

Peer Network: Conferences, Events

PFM Counterparts

International and Local Experts and Academics

Technology Innovation Partners

IFI Partners

Knowledge Hub: Articles, Videos



Decision-Support Platform

Global PIM and PAM Decision-Support Applications

Country Benchmarking
Data Visualization Dashboard

Geospatial Planning and Budgeting Platform (GPBP)

Local Development Tracker (LDT)

Public Infrastructure Access (PIA) application

Projects/Assets
Climate Change Screening (CCS) application

Climate Smart Public Investment Cost Benefit
Analysis Application with Risk Stress
Testing (e CBA)

Big Data Observatory

Demonstrations & International
Good Practices

Country Pillar



Country Operational / Change Management Support

Country-Specific Projects

Use-Case Specific Data Feeds, Visualizations
and Analyzes

Service Design

Training and Technical Support for
Applications Customization

Technical Assistance towards Applications
Integration

...

Scaling Finance



The Value of the Network: A People, Process, and Technology Approach

- **Join a regional and international peer network** to share insights, experiences and priorities for advancing towards climate-smart policies and practices.
- **Train teams** on methodologies, tools and processes to go beyond « business-as-usual » public financial management practices.
- **Use simple, open-source, scalable tools** to inform decision-making on climate-sensitive PIM and PAM.
- **Customized technical support** tailored to your specific needs, including use-case specific data feeds and analyzes, technical assistance and customized tools.



The Network's Success relies upon Engagement with Counterparts and Partners

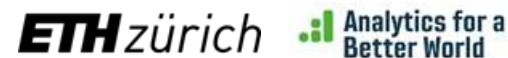


- **Close engagement with and between counterparts**, to ensure the program addresses and adapts to counterparts' needs and demands.
- **Strengthen partnerships with domain and technology innovation partners** to continuously refine and upgrade trainings and tools, aligning services with priorities and emerging technologies in the field.

Leadership for Governance & PFM for Climate Action



Robust Decision-Support Methods



Design Thinking



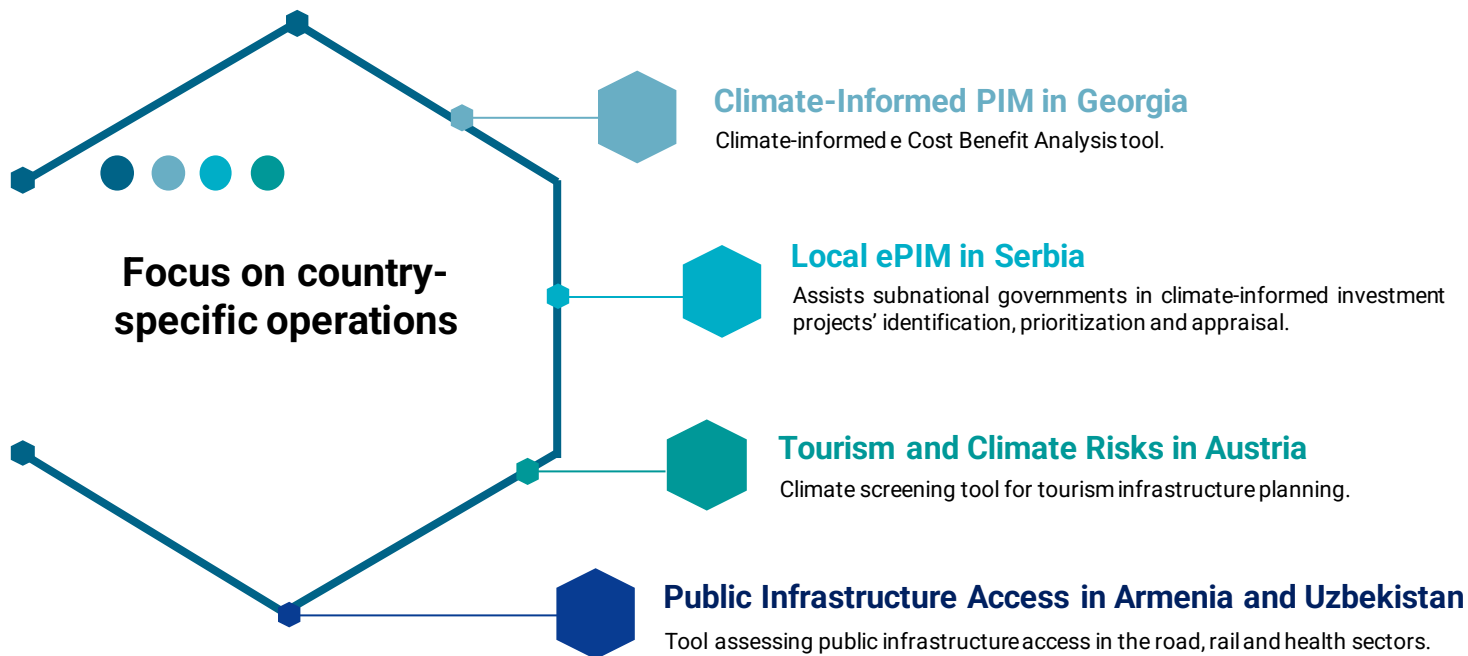
Data Assets





Focus on Country Operational Support

Country-specific demonstrations and customized tools leveraging PFM4CA global decision-support applications.





**More Demos, Less Memos
– The Climate Change Screening Platform –**



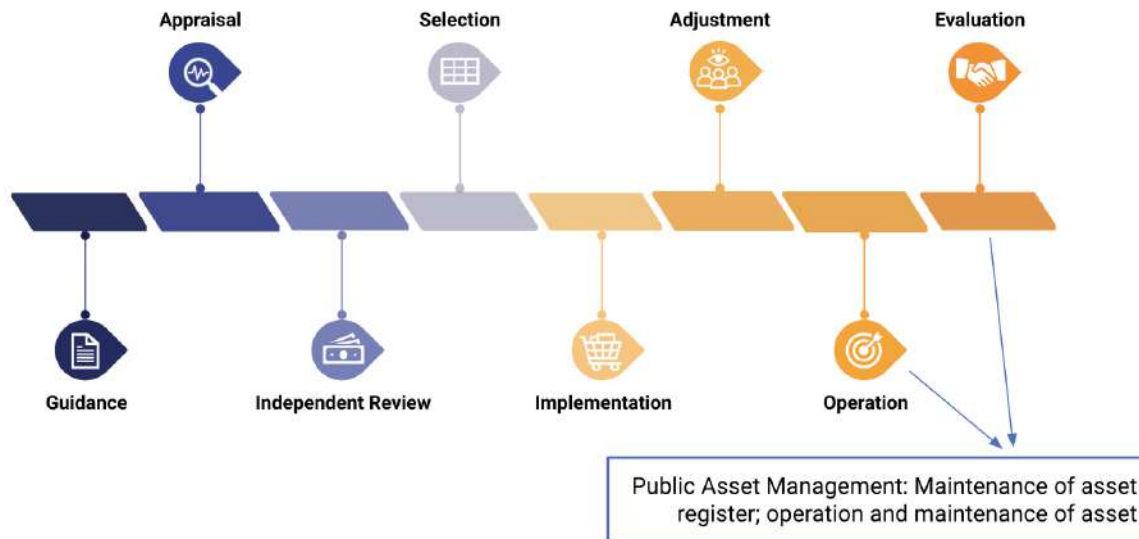
The Climate Change Screening Platform

- The Geospatial Planning and Budgeting Platform (GPBP) is a suite of tools providing **climate-sensitive decision support on PIM and PAM.**
- The Climate Change Screening Application **assesses the exposure of new investment projects or existing public assets to climate risks:** extreme temperatures, precipitations, wind.
- **This tool directly aligns with ECA countries reforms to mainstream climate mitigation, climate adaptation and disaster management objectives into public investment and asset management.**



Climate Change Screening Platform: Added Value for PIM Counterparts

- The analysis of exposure to climate risks helps decision-makers in optimizing projects:
 - **Prioritization and selection**
 - **Location**
 - **Design** (building materials)
 - **Costing and budgeting** (investment, operation and maintenance).





WRAP UP AND NEXT STEPS

Presentation of upcoming PFM4CA Network activities and wrap up

Kai Kaiser

Senior Governance and Public Sector Specialist, World Bank





Stay tuned for our upcoming activities!

Peer Learning and Capacity Building



Climate Government Academy training modules (online sessions and in-person seminars) - Q4 2024

Leadership for PFM for Climate Action
User Centric Service Design
ECA SOE Governance & Climate Action Module

 Austrian School of Government

Zürcher Hochschule für Angewandte Wissenschaften



12-month challenge-based multi-partner program – Q4 2024



Case studies, articles and videos available on our new PFM4CA website

In-person regional event of the PFM4CA Network – Q4 2024 - Stay tuned!

Decision Support Platform



Development of GPBP applications (LTD, PIA, CCS, eCBA) towards Digital Public Goods standards

Country Operational Support



Country-specific projects: customized analyzes, tools and technical support



Updates and next steps



**The PFM4CA Network website
is being revamped**

[Home](#) | [PIM-PAM](#)

Transforming into a knowledge hub
with training and knowledge products on
PFM4CA, PIM4CA, PAM4CA, access to
GPBP applications, country-specific case
studies and analyses

We value your feedback: Please look out for a short survey post-event to share your thoughts and expectations on the Network and the website.

We look forward to meeting you in person at our next event!