



Project Proposal for Workshops on
Macrofiscal-critical Climate Adaptation Issues
in African Countries:
From Science and Data to Policies

June 2026

Component: Spending

Module: SM-III: Spending / Climate Policy



PROJECT SUMMARY

COUNTRY: AFR Multiple Countries

LEAD DEPARTMENT: FAD

REGION: AFR

PLANNED DATES: FY27-28

PROJECT MANAGERS: Emanuele Massetti (Climate Policy, FADCP, Lead)

ESTIMATED BUDGET US\$ 160,500

CONTENTS

I. Project Purpose	4
II. Background.....	5
III. Project Modules - Description.....	5
Table 1. Summary of Objectives covered by the Proposal	5
A. SM III – Spending Policy / Climate	5
Scope	5
Program Objectives	5
Expected Results (outcomes).....	6
IV. Organizational Arrangements	6
A. Country Engagement.....	6
B. Delivery Modalities.....	6
C. Coordination / Cooperation.....	7
V. Risk Assessment and Mitigation	7
VI. CD Delivery Plan.....	8
Table 2. Summary of Indicative CD Delivery.....	8
Table 3. First year workplan	8
VII. Program Financials	8
VIII. Targeted Logical Framework	9
A. SM III – Spending Policy / Climate	9

I. PROJECT PURPOSE

Country request and relevance/importance

The proposed training and peer learning activities are designed to address requests from African countries seeking capacity building to integrate climate change adaptation and natural disaster risk management into macro-fiscal policy frameworks. Weather extremes and natural disasters pose challenges to macro-fiscal stability by reducing GDP, increasing government expenditure on reconstruction and welfare, lowering tax revenues, and discouraging private investment. Climate change exacerbates these risks through increased frequency and intensity of weather events, as well as gradual productivity losses resulting from warming, sea-level rise, and other slow-onset changes. It is essential for countries to enhance their disaster risk management strategies to address current threats and effectively adapt to the long-term challenges of climate change while maintaining fiscal sustainability. Accordingly, comprehensive training and peer learning are required in climate data collection and analysis, disaster risk management practices, methods to assess the macro-fiscal impacts of weather shocks and climate change, principles for effective fiscal policy in adaptation, and sector-specific adaptation strategies for highly exposed sectors.

Description of Module

The training and peer learning activities, delivered by workshops, are organized around three main topics with the goal of integrating adaptation to climate change into fiscal policy: climate science and data, disaster risk management, and macro-fiscal principles for adapting to climate change. Additionally, optional subjects are tailored to fit the needs of participant countries. These topics include: (1) econometric techniques for estimating and incorporating extreme weather and gradual warming impacts into macro-fiscal frameworks, as well as sectoral analyses to develop fiscally sound adaptation strategies for (2) sea level rise, (3) agriculture, and (4) fisheries.

The estimated budget for this project is US\$160,500, and endorsement is requested for the full amount through FY28.

II. BACKGROUND

Building upon previous climate policy diagnostics and engagement in the context of the IMF's Resilience and Sustainability Facility lending programs in selected countries, and on the experience of similar trainings that have attracted participants from 13 countries in East and West Africa, this activity supports climate change governance reforms by strengthening macro-fiscal resilience to current and future climate risks. The training also supports other initiatives such as the Resilience and Sustainability Trust, green public financial management and climate-related public investment management assessments, by strengthening analytic and policy skills to implement effective and efficient reform measures.

III. PROJECT MODULES - DESCRIPTION

This proposal will provide capacity development (CD) support to African countries in climate policy. CD support from the IMF's Fiscal Affairs Department (FAD) will support improvements within the strategic objectives presented in Table 1.

Table 1. Summary of Objectives covered by the Proposal

Component	Module	Objective
Spending	SM III: Spending Policy / Climate	Improved fiscal policies and institutional frameworks to combat climate change and its impacts

A. SM III – Spending Policy / Climate

Scope

Through practical training sessions, these workshops are designed to help African governments address the challenges involved in developing effective and efficient macroeconomic policies for managing recurrent weather disasters and long-term climate change effects. The workshops utilize data sets, analytic methodologies, and policy research conducted by the Climate Policy Division within FAD, which are applied in surveillance, technical assistance, and CD initiatives.

Program Objectives

These workshops aim to equip participants with practical skills and insights to use data and macroeconomic analysis for effective disaster risk management and climate adaptation policies. Hands-on sessions with climate datasets build skills in risk analysis and fiscal policy development. Training in

disaster risk financing is designed to strengthen macroeconomic resilience against weather shocks. Applying economic theory and public finance principles ensures adaptation spending has maximum impact and incorporates climate risks into projections such as debt sustainability. Sector-focused discussions on agriculture, sea level rise, and fisheries highlight specific risks, adaptation strategies, and best practices crucial for participating countries.

Expected Results (outcomes)

At the end of these workshops, participants will:

- Command key principles to develop effective and efficient adaptation policies
- Be able to use data on climate trends and projections in macroeconomic analysis and fiscal policy;
- Be able to assess and implement reform options to strengthen a country's disaster risk financing readiness.

The objectives of this project financed with Global Public Finance Partnership (GPFP) resources may require extended and ongoing support to be fully and sustainably realized. Therefore, progress reports will serve to monitor advancement towards these objectives, and it may be necessary to adjust or broaden project workplans to better facilitate the achievement of these goals.

IV. ORGANIZATIONAL ARRANGEMENTS

A. Country Engagement

The weeklong workshops are designed for African government officials working on disaster risk management and climate change adaptation. These training activities will be delivered in coordination with IMF's Regional Technical Assistance Centers (RTAC) in Africa that will assist with participant selection, venue choice, and workshop logistics. Tentatively, the workshops will be delivered in the RTAC for Central Africa (AFC), Southern Africa (AFS) or the Africa Training Institute instead of one of the RTACs.

B. Delivery Modalities

CD consists of in-person week-long workshops conducted by IMF staff for groups of 20–30 participants from countries associated with one of the supporting RTACs. Workshops emphasize interactive learning, with ample space for discussions, hands-on activities, and policy simulations. Participants are

encouraged to actively engage, with plenty of time allocated for class discussions, hands-on work with datasets commonly used by IMF staff for climate risk assessments, and policy simulations.

C. Coordination / Cooperation

Partner	Coordination Type	Coordination Area	Frequency
Specific African RTAC will be determined based on interest and availability	CD delivery, including logistical and administrative aspects.	Climate policy	Three meetings to define broad issues. Daily email exchanges in the two weeks prior to the meetings.

V. RISK ASSESSMENT AND MITIGATION

Category/Module	Description	Risk Assessment	Mitigation Measures
EXTERNAL CLIMATE/CONDITIONS			
SM III – Spending Policy / Climate	Security concerns at the training location	Low	Close coordination with supporting RTAC to select the best location (country and facility) to deliver training.
POLITICAL SUPPORT			
SM III – Spending Policy / Climate	No risks associated with political support are identified	Low	No mitigation measures needed.
MANAGEMENT AND TECHNICAL STAFF SUPPORT AND COMMITMENT			
SM III – Spending Policy / Climate	No risks associated with management and technical staff support and commitment are identified.	Low	No mitigation measures needed.
RESOURCE ADEQUACY			
SM III – Spending Policy / Climate	Staffing constraints	Low	Training delivered by a pool of HQ-based staff familiar with all the parts of the training.
OTHER RISKS			
SM III – Spending Policy / Climate	None	Low	No mitigation measures are needed.

VI. CD DELIVERY PLAN

Table 2. Summary of Indicative CD Delivery

CD Modalities (Remote or Field-based CD)	FY27	FY28	Grand Total
SM III – Spending Policy / Climate			
HQ led CD mission	-	-	-
STX visits	-	-	-
Staff visits	-	-	-
Workshops	2	-	2
Total	2	-	2

Note: In-person delivery was chosen because it best supports effective learning and peer-to-peer exchanges.

Table 3. First year workplan

Timing	CD Modality	Proposed Topics of CD
SM III – Spending Policy / Climate		
Q2/FY27	Workshop I	Full workshop in first group of countries
Q3/FY27	Workshop II	Full workshop in second group of countries

VII. PROGRAM FINANCIALS

Module	FY27	FY28	TOTAL (USD)
Direct Delivery			
SM III – Spending Policy / Climate	150,000	-	150,000
Trust Fund Management Fee (7%)	10,500	-	10,500
TOTAL	160,500	-	160,500

Note: The estimated budget for this project is US\$ 160,500 and endorsement is requested for the full amount through FY28. Endorsement for future plans will be requested at a later date as funding for the program is secured and reform plans gain traction.

VIII. TARGETED LOGICAL FRAMEWORK

A. SM III – Spending Policy / Climate

Objective: Improved fiscal policies and institutional frameworks to combat climate change and its impacts (SDG 13) - CLM	
Outcome(s)	Indicator(s)
Improved fiscal policy for climate mitigation	Effectiveness of fiscal interventions to support climate objectives is regularly assessed and reported