



## OYO STATE INVESTMENT PROMOTION & PUBLIC PRIVATE PARTNERSHIP AGENCY (OYSIPA)

### Report on the Climate Screening Assessment of Pipeline PPP Projects in Oyo State

#### Executive Summary

This report provides a climate screening assessment of the pipeline Public-Private Partnership (PPP) projects in Oyo State. The assessment evaluates the extent to which these projects incorporate climate considerations, focusing on their potential impacts on climate change adaptation and mitigation. The report identifies areas of strength and areas requiring improvement, offering recommendations to enhance the climate resilience and sustainability of PPP projects in the state.

#### 1. Introduction

Oyo State is proactively addressing climate change through a range of PPP projects aimed at promoting economic development while ensuring environmental sustainability. Climate screening is a critical process that assesses the potential impacts of these projects on climate change and evaluates their alignment with the state's climate goals. This report examines the current pipeline of PPP projects, assessing their climate risks, opportunities for mitigation, and overall contribution to Oyo State's climate resilience.

#### 2. Methodology

The climate screening assessment involved the following steps:

- **Project Identification:** Identification of key PPP projects in various sectors, including infrastructure, energy, agriculture, and waste management.
- **Risk Assessment:** Evaluation of climate risks associated with each project, including potential vulnerabilities to extreme weather events, rising temperatures, and other climate-related impacts.
- **Mitigation Potential:** Analysis of each project's potential to reduce greenhouse gas emissions and contribute to climate mitigation.
- **Adaptation Potential:** Assessment of the project's capacity to enhance resilience to climate impacts, particularly for vulnerable communities and sectors.

#### 3. Climate Screening of Key PPP Projects

### 3.1 Infrastructure Development

- **Project: Urban Flood Management Systems**
  - **Climate Risk:** High risk of increased flooding due to more intense rainfall patterns.
  - **Mitigation Potential:** Limited direct mitigation potential; primarily focused on adaptation.
  - **Adaptation Potential:** Strong adaptation potential through the reduction of flood risks, protection of infrastructure, and prevention of economic losses.
  - **Assessment:** The project effectively integrates climate adaptation measures but could benefit from enhanced design features to handle extreme weather events.

### 3.2 Renewable Energy Projects

- **Project: Solar Power Plant Development**
  - **Climate Risk:** Low direct climate risk; however, changes in weather patterns could impact solar energy generation.
  - **Mitigation Potential:** High potential for reducing greenhouse gas emissions by replacing fossil fuel-based energy sources.
  - **Adaptation Potential:** Contributes to energy security and reduces vulnerability to power outages during extreme weather.
  - **Assessment:** The project is well-aligned with climate mitigation goals, but adaptive management plans should be included to address variability in solar radiation.

### 3.3 Agricultural Modernization

- **Project: Climate-Smart Agriculture Initiatives**
  - **Climate Risk:** Moderate risk due to potential changes in rainfall patterns and temperature extremes affecting crop yields.
  - **Mitigation Potential:** Medium potential through the promotion of sustainable farming practices that reduce emissions.
  - **Adaptation Potential:** High adaptation potential by enhancing agricultural resilience through drought-resistant crops and improved irrigation systems.
  - **Assessment:** The project is well-integrated with both adaptation and mitigation strategies but requires ongoing monitoring of climate impacts on agriculture.

### 3.4 Waste Management and Recycling

- **Project: Integrated Waste-to-Energy Facility**
  - **Climate Risk:** Moderate risk associated with the management of waste during extreme weather events (e.g., heavy rains leading to waste overflow).
  - **Mitigation Potential:** High potential for reducing methane emissions from waste decomposition and generating renewable energy.
  - **Adaptation Potential:** Moderate adaptation potential through the reduction of waste-related health risks during extreme weather conditions.

- **Assessment:** The project supports climate mitigation effectively; however, additional adaptation strategies, such as flood-proofing facilities, could be incorporated.

## 4. Key Findings

### 4.1 Strengths

- **Mitigation Integration:** Most PPP projects have a strong focus on climate mitigation, particularly those in the renewable energy and waste management sectors, which contribute significantly to reducing greenhouse gas emissions.
- **Adaptation Measures:** Several projects, especially those related to infrastructure and agriculture, incorporate robust adaptation measures, enhancing the state's resilience to climate impacts.

### 4.2 Areas for Improvement

- **Climate Risk Management:** While some projects consider climate risks, there is a need for more comprehensive risk management plans that address both current and future climate scenarios.
- **Monitoring and Evaluation:** Ongoing monitoring and evaluation mechanisms should be strengthened to ensure that projects remain effective in the face of changing climate conditions.
- **Integration of Adaptation and Mitigation:** Some projects could better integrate both adaptation and mitigation strategies to maximize their climate benefits. For example, infrastructure projects could include more green infrastructure elements that both reduce emissions and improve resilience.

## 5. Recommendations

### 5.1 Enhanced Risk Assessment

- **Conduct Detailed Climate Risk Assessments:** For each PPP project, a detailed climate risk assessment should be conducted, incorporating future climate projections to inform design and implementation.

### 5.2 Strengthen Adaptation Strategies

- **Incorporate Adaptive Management:** Develop adaptive management plans that allow projects to adjust to changing climate conditions, particularly for infrastructure and agricultural projects.

### 5.3 Promote Integrated Approaches

- **Combine Mitigation and Adaptation:** Encourage the design of PPP projects that integrate both mitigation and adaptation strategies, ensuring a holistic approach to climate resilience.

#### 5.4 Monitoring and Evaluation

- **Establish Robust Monitoring Systems:** Implement strong monitoring and evaluation systems to track the effectiveness of climate measures over time and adjust strategies as necessary.

#### 5.5 Capacity Building

- **Build Local Capacity:** Invest in capacity-building initiatives for local stakeholders to enhance understanding and implementation of climate-resilient practices within PPP projects.

### 6. Conclusion

The climate screening assessment of PPP projects in Oyo State highlights both strengths and areas for improvement in integrating climate considerations. While many projects effectively contribute to climate mitigation and adaptation, there is a need for more comprehensive climate risk management and integration of adaptive measures. By implementing the recommendations outlined in this report, Oyo State can further enhance the resilience and sustainability of its PPP projects, positioning itself as a leader in climate-responsive development.

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This report provides valuable insights for policymakers, investors, and stakeholders involved in PPP projects in Oyo State, guiding them towards more climate-resilient and sustainable project outcomes.



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