

Executive Summary

IKI Mid-Term Evaluation of the project

Integrated Urban Climate Action for Low- Carbon &

Resilient Cities (Urban-Act)

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Action

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1 Summary

1.1 Background of the project and the Mid-Term Evaluation

Project context and main purpose

The subject of this International Climate Initiative (IKI) Mid-Term Evaluation (MTE) is the project **"Integrated Urban Climate Action for Low-Carbon & Resilient Cities (Urban-Act)"**, which is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) and its partners in five countries (India, Thailand, the Philippines, China and Indonesia). The project is implemented in the context of rapidly growing cities in Asia that face increasing climate risks, rising losses and damages from extreme weather events, and mounting pressures on urban infrastructure and ecosystems. Against this backdrop, the project aims to strengthen climate-sensitive urban development by supporting especially intermediary cities and national institutions in integrating climate resilience (climate change adaptation), low-carbon development (climate change mitigation) and Circular Economy (CE) approaches into urban planning and investment processes.

A key innovation of the project lies in its combined focus on improved policy instruments, multi-level climate governance (vertical integration) and access to climate finance, implemented through a regional approach involving multiple partner countries and stakeholders. The project is implemented by a consortium led by GIZ along with the Economic and Social Commission for Asia and the Pacific (ESCAP), United Cities and Local Governments Asia-Pacific (UCLG ASPAC), University of Stuttgart (USTUTT), and Technical University Dortmund (TUD). The project's overall budget is of EUR 34,625,000, including EUR 12,000,000 in co-funding provided by the European Union (EU) for the CE country component in the Philippines. The project period is from April 2022 until December 2027 for the co-financed part in the Philippines. The other components will phase out earlier by September 2026.

The main objective of the Urban-Act project is to enhance enabling conditions (i.e. effective multi-level climate governance frameworks and instruments) for the planning and implementation of evidence-based and inclusive urban climate actions in Urban-Act partner countries. The project seeks to achieve this objective by working across three interlinked levels: pilot cities, national and subnational governments, and the regional level. At city level, the project focuses on integrating Climate Change (CC) considerations in spatial and development planning, and the preparation of climate-relevant investment projects. The evidence generated in the pilot applications is used at national level, where policy instruments, guidelines, services and coordination mechanisms are improved to effectively assist cities in addressing low-carbon and resilient urban development. At regional level, the project promotes knowledge exchange, peer learning and dissemination of good practices across partner countries and cities, and in the Asia-Pacific region overall.

The purpose of this MTE is to **facilitate learning, increase accountability, and contribute to better decision-making** among all stakeholders involved, by providing steering-relevant information about the status of implementation, the achievement of objectives and possible challenges. The main intended users of the MTE results are the project itself and its partners for the management and further development of the project. The German Ministries and Zukunft-Umwelt-Gesellschaft gGmbH (ZUG) use the MTE results for knowledge management, programme design and political

steering. The summary of the report will be published and made available to the German parliament and to the interested public.

The evaluation process started in June 2025 and concluded with this report in March 2026. The MTE assessed the evaluation criteria 1) relevance, 2) planning, steering and coherence, 3) effectiveness, 4) transformational impact and sustainability, 5) safeguards, and 6) IKI's standard indicators. This included an assessment of the evaluation questions (EQ), evaluation indicators assigned to the criteria, and additional specific learning questions (LQs) raised by the evaluation stakeholders during the MTE inception phase.

A theory-based mixed-methods approach using contribution analysis was applied. The evaluation involved a systematic assessment of the project's Theory of Change (ToC) to analyse the contributions of the measures. Key methods included document analysis, ToC revision, participatory reflection workshops, semi-structured interviews and focus group discussions (FGDs) with all relevant stakeholder groups. Members of the MTE team conducted field visits in India, the Philippines and Thailand while China and Indonesia were covered through remote interviews. On-site visits in the pilot cities provided direct insights into project implementation. This approach ensured comprehensive data collection and analysis, fostering stakeholder involvement and facilitating a credible assessment of cause-and-effect relationships in the project's complex context.

1.2 Main findings per evaluation criterion

Relevance: The project is **highly relevant** in its thematic focus, particularly regarding urban climate resilience in the face of increasing risks and losses in rapidly growing Asian cities. The topics, approaches and instruments addressed—such as climate risk-informed planning, Nature-based Solutions (NbS) and access to finance—directly **respond to core challenges** faced by cities and national governments and address their needs. The project is well aligned with national strategies and planning cycles, regional agendas, and international frameworks, including the Paris Agreement, the Sendai Framework for Disaster Risk Reduction and the New Urban Agenda (NUA). The project's distinctive added value lies in its support for **vertical integration** and **multi-level climate governance**, complementing existing initiatives with a more practical, implementation-oriented approach. In practical terms, vertical integration means creating feedback loops between levels: pilot cities inform national policy design with real-world constraints and experiences, while national actors adjust frameworks, standards, and financing mechanisms to better enable local implementation. The aim is to reduce the common disconnect between ambitious national strategies and the realities of local implementation, thereby making low-carbon and resilient urban development more feasible and scalable. Multilevel climate governance refers to the way climate action in cities is shaped, coordinated and implemented across multiple governance levels and actor groups—not only vertically between national, provincial and local government, but also horizontally across sectors and institutions. Multilevel climate governance recognises that urban climate action does not sit with one actor alone, but depends on national and city governments, provincial or regional authorities, and sectoral actors, e.g. from transport, housing, environment and finance. It involves aligning policies, plans and instruments across levels, improving coordination between institutions and sectors, and clarifying roles and responsibilities. This approach is appreciated by different stakeholders as relevant. The regional level engagement mainly driven by the consortium partners ESCAP and UCLG ASPAC are perceived as relevant for regional outreach.

Project planning, steering and coherence: Project planning, steering and coherence is assessed as **overall good**. Strengths in planning include a broad and flexible design that allows adaptation to country-specific needs and contexts, and an innovative focus on access to finance. Across the participating countries, Urban-Act planning aligns well with national frameworks and city-level planning cycles, which facilitated coordination and ensured that the project responded to real policy windows. Design limitations include insufficient anticipation of how to promote the wider use of improved national frameworks and pilot city experiences. In particular, the importance of systematic capacity development to support local implementation and of embedding it within national agencies was underestimated. Moreover, the project design appears to have underestimated the time needed for implementation and regional learning in such a complex cooperation environment and project set-up. Project steering is generally good. A results-based monitoring system is in place, and internal steering structures are functional. However, steering with partners at regional, national and local levels is constrained by the lack of institutionalised steering structures, limiting vertical and horizontal coordination. Overall cooperation management works well, even though the cooperation landscape is highly fragmented and complex. Stakeholders appreciate the project's convening power that "breaks the sectoral silos", a key requirement for multilevel climate governance. The project actively and successfully seeks synergies with different stakeholders, including national and international initiatives.

Effectiveness is also assessed as good. The project is based on an overall strong results logic. Although implementation started late, mainly due to delays in approval processes, all major activities are now underway and implementation has accelerated significantly. Preliminary results are emerging. With output achievement largely well on track, future outcome achievement, appears generally plausible. The focus of output 1 is currently on developing or revising country specific guidelines on different planning related topics. In Output 2, pilot cities are developing key planning documents, and in Output 3, cities are developing project concepts to apply for pre-feasibility study funding for urban climate action investments. While several proposals have already been submitted, results are mixed with several rejections but also notable successes. The latter include, for example, a project proposal on waste management from Bacolod/Philippines shortlisted by the C40 Cities Finance Facility (CFF), and the waste management proposal across six cities of the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) that has been accepted by the City Climate Finance Gap Fund (Gap Fund) for the pre-feasibility study. In Output 4, a regional training series has almost been concluded, while regional city-to-city pairing has started in August 2025, after city priorities were understood, so the pairing could be strategically planned. Even though outcome indicators might be achieved by the end of the project, it remains uncertain to what extent the outputs will translate into the intended outcomes, particularly given capacity constraints at city level and limited national outreach strategies in partner countries. In particular, it is unclear to what extent enhanced policy instruments and institutionalised training offers at national level will materialise and be taken up and effectively absorbed by cities.

Transformational impact and sustainability: This criterion is rated as acceptable, as there are significant uncertainties and risks related to impact and sustainability. The current implementation level only allows for plausibility considerations, as impact is yet to emerge. The evaluation team considers it rather likely that climate-related impacts and socio-economic co-benefits at the pilot city level will be achieved, provided that funding can be secured and plans are implemented. At the national level, impact remains uncertain, as it is not sure whether the policy instruments

developed by the project will be formally validated, applied, and adopted by the partner institutions as policy instruments. There is a risk that city plans and policy instruments could remain on the shelf, without being applied in practice due to missing outreach strategies and limited capacities for systematic application. There are some limitations to the way the project addresses the structural, institutional and behavioural shifts required for larger-scale impact. While the project does contribute to sustainability through institutional cooperation agreements, initiated investment pipelines, follow-up initiatives and strengthened regional platforms, limited resources and capacities—especially in small and medium-sized cities—pose risks to long-term sustainability.

Safeguards and standard indicators: Social and environmental safeguards have largely been applied adequately. Gender equality, disability and social inclusion (GEDSI) aspects are integrated into project design and implementation, supported by a study, focal points and training modules. However, participatory elements remain limited, with affected groups mainly informed rather than involved in decision-making which limits effectiveness and impact. Standard indicators on people supported through training and on finance leveraged are appropriate and realistically measurable within the project duration. Contributions to other standard indicators are likely only in the longer term.

1.3 Main conclusions and recommendations

Conclusions: The findings can overall be assessed positively despite some shortcomings. They mostly meet expectations. The MTE highlights the project's relevance and is positive regarding the achievement of the outputs. Overall, the level of satisfaction with the project at national and city level is high. Perceived strengths include:

- Opportunities and right entry points were identified and are worked on.
- There is a level of ownership among the project stakeholders and the approach is very partner-oriented.
- There is a high level of trust with the partners at national and at local level
- The team is perceived as dedicated, flexible, sensitive and professional (GIZ and implementing partners)
- CD and access to new knowledge is highly valued. A lot of learning is happening in the different formats

There are also limitations with regard to approach and implementation. Major limitations include:

- Shortcomings in project design, especially regarding the up-scaling strategy of pilot cases and the outreach strategy for policy instruments
- Missed opportunities regarding mutual exchange and joint learning among pilot cities and implementation partners
- The various delays resulted in most deliverables still being in early stages with little time left for consolidation
- So far, insufficient attention has been given to a sustainability/exit strategy

Looking ahead, there is a need for the project to use the remaining project period for focusing on results consolidation and on securing the use of outputs / achievement of outcomes with a focus on the sustainability of results. Critical tasks include establishing the guidelines as policy

instruments which are taken up by the partner systems and are actively extended and applied in practice.

Major recommendations to Urban-Act

- **Further support the pilot cities with a clear focus on implementation readiness:** Project management should intensify hands-on support to pilot cities in finalising spatial and development plans as well as in maturing project concept notes into fundable proposals. This support should prioritise capacity development of local technical staff, enabling them to independently apply tools, guidelines, and planning approaches.
- **Further develop national guidelines as practical, needs-based instruments:** National guidelines should be further refined to ensure they are operational, demand-driven, and directly usable by cities. Rather than treating guidelines as end products, their development should be designed as an iterative process that actively strengthens vertical cooperation between national and city levels
- **Strengthen vertical and horizontal integration through the guideline development process:** The guideline development process should be used strategically to improve vertical integration (national-local cooperation) and horizontal coordination across ministries and departments.
- **Foster practical application through institutionalised training and awareness raising:** To ensure sustained use of project outputs (like guidelines, approaches and tools), practical training modules should be developed and embedded within national institutions as a clear sustainability (exit) and scaling strategy.

to IKI/ZUG/BMUKN

Regarding the Urban-Act project:

- **Consider extending the project duration by approximately one additional year, until 12/2027:** Given the late start of full implementation and the complexity of the objectives pursued, such an extension would provide critical time to consolidate results that are currently still emerging. It would allow for the finalisation, approval and institutional anchoring of national guidelines, methodologies and tools, as well as for embedding training modules and training-of trainers approaches within national institutions.

Regarding the elaboration of calls for proposals and the design of similar regional initiatives in the future:

- Such initiatives should be conceived with significantly **longer time horizons**, ideally around eight years, and structured in two phases. A first phase can focus on piloting, capacity development and testing approaches, while a second phase allows for consolidation, institutionalisation and scaling.
- To strengthen regional learning, existing **regional organisations and platforms should be used** systematically as institutional anchors. Anchoring exchange and dissemination in such structures enhances ownership, continuity and sustainability beyond individual project cycles.
- The **selection of participating countries** should not only be driven by relevance and demand, but also by complementarity and a clear willingness to engage in mutual learning despite potential political tensions. Regional exchange is most effective when partner countries bring different strengths and experiences and are committed to sharing and learning from each other.