Adaptation Research Alliance

BASE.
Building Approaches to fund local Solutions with climate Evidence

CHAIR'S SUMMARY FINDINGS FROM THE CONSULTATIVE PROCESS

"FINANCING CLIMATE RESILIENCE AT THE LOCAL LEVEL"

August - October 2022

CHAIR'S SUMMARY FINDINGS FROM THE CONSULTATIVE PROCESS

"FINANCING CLIMATE RESILIENCE AT THE LOCAL LEVEL"

August - October 2022

About the Adaptation Research Alliance

The Adaptation Research Alliance brings together funders, researchers and practitioners to catalyze increased investments in action-oriented research, providing a common platform for planning research and its uptake. It builds on the United Nations 2019 Call for Action on Adaptation and Resilience and is intended to provide the pioneering science and technical expertise to inform and underpin the work of the Adaptation Action Coalition. To date, 110 organization across 40 economies have joined the Alliance

About BASE

BASE - Building Approaches to fund local Solutions with climate Evidence convenes partners to work collaboratively and promote funding of locally-led climate solutions using approaches that ensure climate rationale, simplicity and speed. It implements grantmaking schemes that generate evidence of climate impact and promote collective advocacy at national, regional, and global levels for making climate finance reach the local level.

Coordination of the Consultative Process:

Fundación Avina

Support from:

skoll

SOUTH SOUTH NORTH
TOWARDS CLIMATE RESILIENCE

Acknowledgments

The report was written by Victoria Matusevich, Nathalia Rezende Mamede and Virginia Scardamaglia, based on a literature review and the valuable inputs provided by stakeholders consulted between August and October 2022.

This consultation process was made possible thanks to the combined efforts, knowledge and skills of:

- The Fundación Avina team that coordinated the consultative process, including interviews, workshops and preparation and revision of the report: Andrés Mogro, Milena Gramacho, Nathalia Rezende Mamede, Paula Ellinger, Pamela Olmedo, Ricardo Zapata, Sofía Varela, Victoria Matusevich, and Virginia Scardamaglia.
- The South South North team, which co-organized and provided valuable inputs throughout the process: Jesse Demaria-Kinney and Sydney Church.
- Hernan Blanco, who supported in workshop design and facilitation.
- Aditya Bahadur, Cristina R. del Rio, Diana Cárdenas, Hilda Vega, Kazi Amdadul Hoque, Natalie Unterstell, and Thandiwe Chikomo, who made up the Steering Group of the consultative process.
- Aditya Bahadur, Joan Carling, Ngao Mubanga and Dora Luz Miranda Rios, speakers who generously shared their experiences and insights at the workshops.
- Trace Dreyer, Manuel Dominguez, Rosemarie García, María Alejandra Revelo, Patricia de Blanco y Jesse Kates-Chinoy, interpreters who made it possible to have a global conversation in 3 languages.

We also thank the 27 experts that were interviewed and the 94 participants over the three workshops whose generous gift of time and creative thinking made this consultation a success.

Content

1 About the consultative process

1.1 Aims and objectives

There are numerous challenges for climate finance to reach the local level. One of these is ensuring evidence that the projects respond to problems related to climate change, so that funding is effective in terms of its impact on enhancing resilience to climate change and appropriate in terms of the speed and manner in which it reaches the communities.

This document summarizes the main results of the "Financing climate resilience at the local level" consultative process organized by BASE - Building Approaches to fund local Solutions with climate Evidence and ARA – the Adaptation Research Alliance. The process was built on the extensive existing literature and sought to understand different perspectives on how to link climate evidence and funding accessibility, to ensure that grants can reach local organizations and help generate resilience. In that regard, the process objectives included:

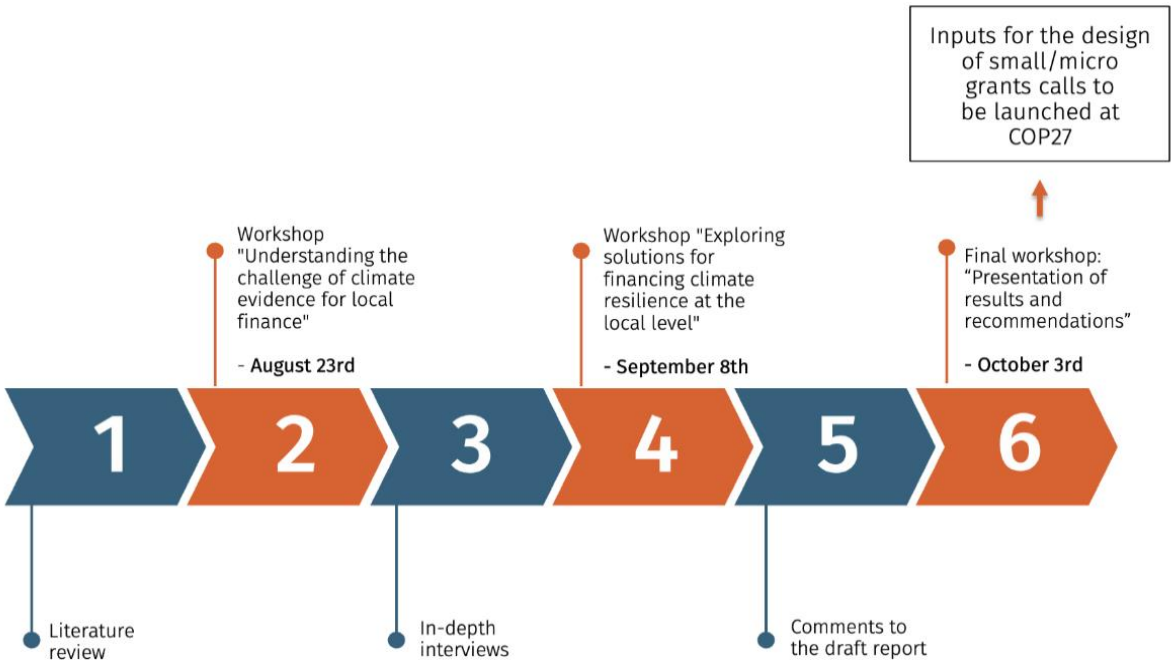
- Needs and opportunities identification: To explore the challenges and opportunities that exist in framing locally-led project proposals with climate impact.
- Network formation: To help identify relevant stakeholders from the scientific and financial sectors, communities, policy, and communities of practice around local financing for climate resilience.

BASE and ARA are planning a round of small scale-grants to be launched at COP27. This consultative process will feed into the design of these grants to ensure that they are effective at meeting local needs and in building a better understanding of climate risks.

1.2 Stages

The process took place in August and October 2022 and was built on a review of the extensive existing literature on climate finance, locally-led adaptation, climate evidence, and other relevant subjects, as well as three interactive workshops attended by 94 participants and in-depth interviews of 27 experts from different backgrounds and geographies. Of the total participants, 63% were women and 37% men; 73% from the global South and 27% from the global North.

Figure 1. Stages of the consultative process



2 Challenges and opportunities in framing locally-led project proposals with climate impact: setting the context

2.1 Climate finance for the local level[1]: an increasingly recognized gap

There are substantial inconsistencies in the way humanity is tackling the climate crisis, one of the most significant being that the funds2 designed to combat the crisis rarely reach the places and people most impacted by climate change: local communities in the global South.

Numerous studies confirm the challenge:

- The target of mobilizing $100 billion per year of climate finance from high-income countries to low-income countries was not met in 2020. The vast majority of the funds disbursed (71%) consisted of loans, implying debt acquisition for local actors. Also, the resources mobilized continue to focus on climate change mitigation (69%), despite several sources and local needs assessments suggesting that adaptation should be a priority (OECD, 2022).
- "Only 10% of climate finance committed from international climate funds by 2016 was prioritized for local-level activities" (Soanes, M., 2017).
- "There is also a paucity of studies and publicly available data on exactly how much climate finance is flowing to the local level and being spent in partnership with local communities, as most climate finance is not transparent enough to be tracked to its end users" (Carty, T., et at., 2020).
- Current climate finance is dominated by donors making decisions in distant headquarters and funders retaining heavy financial controls and reporting requirements, resulting in "low-risk, late-stage climate financing that offers limited support to newly established funds working at the local level" (Soanes, M, et al., 2019).

[1] For the present document, the approach used for "local" refers to organizations, communities and other actors on the front lines of climate change that are directly engaged in local development matters.

[2] In this sentence, the term fund refers to those financial structures, often public funded, that have been specifically conceived to address climate change impacts. Examples of these are the Green Climate Fund, the Global Environmental Facility, the Adaptation Fund, among others.

- Funds reaching local level are a matter of justice and reparation, but are also fundamental to the crisis, because it is at local level that action and innovation takes shape (Ellinger Da Fonseca, 2022).

Rural and urban communities in the global South often face challenges rooted in poor infrastructure, lack of access to basic services, informal labor, and socio-economic marginalization. These circumstances make them more vulnerable to the impacts of climate change and less able to transition to low-emission technologies. However, it is common for climate solutions to be adopted using a top-down approach that restrains local actors from having a say in what measures need to be implemented in their own territories to better adapt to a changing climate.

At the same time, local communities are often guardians of traditional knowledge and sources of innovative solutions, both of which are essential for implementing effective climate adaptation and mitigation measures. For that reason, it is crucial to promote and strengthen the enabling conditions for them to lead the pathways to a zero-emissions and climate resilient future. Locally-led approaches to tackle climate change need to gain traction if we truly want a just transition in the coming decade and access to the necessary resources is a key condition.

The concept of Locally-Led Adaptation has gained traction recently to acknowledge the urge for local actors to access resources and drive bottom-up approaches to climate change adaptation. Locally-led adaptation implies that the individuals, households, communities, and local organizations that are on the frontline of climate risks have control over the decisions regarding their own practices, programs, and funding for adaptation. A set of eight principles has been developed to guide narrative and practice – the Locally-Led Adaptation Principles (LLAP)[3].

1. Devolving decision making to the lowest appropriate level
2. Addressing structural inequalities faced by women, youth, children, disabled, displaced, Indigenous Peoples and marginalized ethnic groups
3. Providing patient and predictable funding that can be accessed more easily
4. Investing in local capabilities to leave an institutional legacy
5. Building a robust understanding of climate risk and uncertainty
6. Flexible programming and learning
7. Ensuring transparency and accountability
8. Collaborative action and investment

The LLAP have been endorsed by over 80 governments, leading global institutions and local and international NGOs, demonstrating a growing consensus on the predominant role of local voices is leading climate change adaptation and resilience building.

[3] The LLAP can be accessed in this link

The literature around finance and LLAP highlights that investing in local actors and solutions enables better adaptation outcomes, and response to the climate crisis in ways that are "more integrated, cost-effective, contextualised, accountable, democratic, equitable and agile." (Patel, S., et al., 2020).

2.2 An array of challenges to access funding for locally-led projects

There are many reasons why local organizations have difficulties in accessing climate finance.

At the launch workshop for this consultative process, Aditya Bahadur proposed a framework of 4 quadrants, organized as challenges faced by demand and by supply, and technical or institutional challenges.

Table 1. Challenges with LLA

	Supply	Demand
Institutional	Mandate of IFIs	Lack of readiness
Technical	Lack of cost-benefit analysis / RoI	Climate rationale

Source: presentation by Aditya Bahadur in the first workshop

The institutional challenges are common to the struggle to access other types of development funding. The demand side refers to weak institutional capacity, language barriers, and other challenges. The supply side includes mandates by international financial institutions to direct funding to countries aligned with their national priorities, which may be distant from locally-led approaches. The technical challenges are specific to the climate finance landscape and refer to the need to differentiate climate projects from other development investments by providing a technical justification. This technical justification is often referred to as climate rationale, and is required by climate funders to prove the climate additionality of investments and support the theory of change of an intervention in face of a changing climate. A climate rationale, as we will discuss below, often depends on the collection of decades of historic climate information or the complex modelling of future climate scenarios, which are time and resource consuming and often distant to the far-removed from the resources of local organizations (demand side). On the other hand, on the supply side, funders lack evidence on the impact of community-led approaches in avoiding losses and damages and delivering resilience.

The technical challenge of providing evidence about the expected climate impact of projects (climate rationale) was the focus of this consultative process. Before deep diving into this issue, though, it is worth providing an overview of the mismatches between what climate funders expect from a climate project (especially multilateral funds under the UNFCCC) and the capacities and needs for locally-led climate adaptation projects.

Table 2. Institutional and technical challenges at the supply and demand sides when developing a climate proposal

	Supply[4]	Demand[5]
Institutional	• Processes that are time-consuming and resource-intensive: Complex formats for presenting proposals and a long list of required studies make project preparation a time and resource-consuming process. • Projects require a letter of endorsement from their national government **How the challenges have been tackled:** • Multilateral Climate Funds provide financial support for preparing project proposals.[6] • Philanthropy funding for climate justice is moving toward unrestricted funding, radically simplifying proposal assessment and project monitoring (from reporting to conversations) and focusing on trust and values. • Banking organizations focus on an assessment of client profiles, moving away from the assessment of projects.	• Ineligibility: Lack of accounting capacities vis-à-vis the accounting standards expected by donors, and weak project monitoring and management skills hinder local organizations from being eligible to access funds. There is a risk of many locally-led projects not being submitted to access climate finance because national governments prioritize other sectors or topics. • Lack of awareness: The fact that language for submitting proposals (often English) does not match local language skills and the lack of access to information about the funds and how to access them practically excludes local organizations from funding processes. **How the challenges have been tackled:** • Philanthropy funding for climate justice works with intermediary organizations trusted by the community/local stakeholders. • Accredited entities to multilateral funds comply with specialized fiduciary standards to operate mechanisms that return decision-making on what gets funded to the local level, and thereby bridging the gaps between capacities and requirements.

[4] Providers of climate fundings, with an emphasis on public funds established to respond to the climate crisis, like those established under the UNFCCC – Green Climate Fund, GEF, Adpatation Fund.

[5] Local organizations looking for funding to climate adaptation

[6] Preparation support windows expect projects to be presented for approval in 1-2 years from concept note stage and cover from USD50k (Adpatation Fund) to USD1.5M (Green Climate Fund)

Technical	• Mismatch of scale: Multilateral climate funds work with projects that are bigger in scale than community-based projects.[7] Few climate finance sources are willing to fund much smaller interventions. • Accountability: Multilateral climate funds have a strict methodology to account for every dollar spent, assuring that funds are used according to what was originally planned. There is a lack of flexibility. • Indicators: Evidence of impact is often demonstrated using indicators that many times do not reflect important facets of the project or make generating the required information very difficult or expensive. **How the challenges have been tackled:** • Special windows for enhanced direct access are being developed and implemented by multilateral climate funds under the UNFCCC, to facilitate regranting appropriate to local level.[8]	• Climate rationale: Demonstrate that the project seeking funding addresses a problem actually caused by climate change may be very time and resource-consuming. This can also be directly related to capacity and access to information in local communities. • Lack of Information: Demonstrating evidence of impact using indicators that many times do not reflect important facets of the project or make generating the required information very difficult or expensive. Changing priorities and new necessities can emerge. • Traditional knowledge: There is still little acknowledgement that traditional knowledge is as valid/credible as scientific knowledge. The way that local/traditional knowledge is presented may sound anecdotal. **How the challenges have been tackled:** • Interscientific dialogue: At UNFCCC, the Local Communities and Indigenous Peoples Platform was established to bring knowledge systems together to build a resilient world. • Philanthropy funding for climate justice engages local stakeholders in definition of impact and centers on learning.

Sources: Produced internally based on insights of interviews with experts; first workshop Mural; Adytia Bahadur's presentation at the first workshop; Candid, 2022; GCF (n.d.), GEF (n.d.) and AF (n.d.)

[7] For example, GCF ranges from micro projects (>USD10M) to large (<USD250M); Adaptation Fund works on a basis of USD 20 M per country; and GEF full size projects amount +USD 2M.

[8] GCF/EDA: USD 200 million for at least 10 pilots (on average USD 20 million per proposal). The objective of the EDA pilot is "to enhance access by sub-national, national and regional, public and private entities to the Green Climate Fund (the Fund). This will include devolved decision-making to such entities, once accredited, and stronger local multistakeholder engagement"; AF: up to USD5M per country; GEF: USD25K – USD50K

3 The climate rationale challenge: an emerging action research priority

3.1 Climate Rationale: understanding its role and challenges

According to the World Meteorological Organization, climate rationale "ensures that the linkages between climate and climate impacts, climate action and societal benefits fully ground in the best available climate data and science" (World Meteorological Organization, n.d.). Moreover, the World Resources Institute considers that when developing a climate rationale of a proposal, it is "critical to look at what climate risks, impacts, and existing vulnerabilities are in the short and long term, and identify activities that address those risks, impacts, and vulnerabilities".

Traditional climate funds such as the Green Climate Fund (GCF) indicate that "for adaptation activities, climate rationale is established by providing an evidence-based analysis to show that a proposed activity is likely to be an effective adaptive response to the risk or impact of a specific climate change hazard". "Adaptation proposals should show how the activity addresses current or future projected climate change risk or impact, and why it is likely to be an effective response. Proposals should identify the systems at risk and the climate change hazard affecting them or expected to in the future. They should show how climate change has led, or will lead, to the specific risk or impact that the proposed activity addresses using the best available information" (GCF/B.33/05 - Steps to enhance the climate rationale of GCF-supported activities; June 2022)

However, as recognized by multiple actors (GCF, 2018), addressing climate rationale while preparing project proposals involves technical, social, and capacity challenges that can make the project development process more difficult than expected. Some of these challenges include communicating and disseminating available climate data using different languages and local dialects; the varying level of capacity and resources across countries or institutions to generate and uptake climate information; and the need to mobilize public and private investments to develop projects based on climate information and high-quality data systems and infrastructure. Addressing these issues and providing technical support is crucial to enhance climate rationale in the design of funding proposals that target local actions.

For its 33rd meeting, a document was prepared to address the Board's request regarding "steps to enhance the climate rationale of GCF-supported activities". This document shows that many proposals fail to demonstrate the climate hazard and impacts that they are seeking to address. Specifically, "between B.23 and B.29, 11 out of 21 funding

proposals which were not endorsed by the TAP[9] initially (52 per cent of all non-endorsements) were not endorsed on the grounds of insufficient demonstration of "climate rationale". Of these 11 proposals, seven were for adaptation and two were cross-cutting". The following main deficiencies have been identified: "(ii) unavailability of data; (ii) lack of clear articulation of the relevance of the proposed activity to a specific climate hazard; and (iii) lack of clear articulation of the exposure and vulnerability of people, systems, or ecosystems" (GCF/B.33/05 - Provisional agenda item 13 - Steps to enhance the climate rationale of GCF-supported activities; June 2022).

Aditya Bahadur's presentation during the first workshop of the consultation process (August 23rd, 2022) shared two facets of climate rationale:

- **Climate attribution or attribution science**: How to demonstrate that the challenge you want to overcome with an amount of funding is actually related to climate change. Many challenges, however, arise from using this approach: the need for long-term historical and observational data; the need for accurate GHG emissions data; the fact that models work in very large grids; and that models usually focus on hazards instead of exposure and vulnerability, which are crucial elements to define climate risks in a given area.

Moreover, the IPCC has provided enough evidence that there is a climate signal to most hydrometeorological shocks and stresses, and that anthropogenic or human-induced climate change is exacerbating most of these shocks and stresses.

- **Theory of change**: Proving a causal argument for how an investment might help ameliorate climate risk. Limitations of this approach include that it is built on assumptions (implementing a particular activity will lead to a particular output, this will lead to an outcome, and finally this will cause a certain impact); it measures "latent" resilient capacities, which means that to actually see how effective a certain measure was to help a community adapt, for example to recurring floods, it is necessary to wait until the floods actually occur. Theories of change need to change frequently because realities on the ground shift.

According to the participants of the first workshop, some of the key elements to ensure the climate rationale of a locally-led project include:

- **Participatory processes:** Presence and closeness to community are key. The communities know the climate is changing and they should lead action for the solutions.
- **Access to quality data and development of climate modeling:** Collect quantitative and qualitative data, ideally at the lowest possible scale; climate data-based studies; projections.

[9] Technical Advisory Panel

- **Ensuring a link between the problem and how the project activities propose to solve it:** connecting threats, impacts and solutions.
- **Alignment with national plans:** As national policies are already a reflection of a climate resilience pathway for a country and are often informed by climate science, more alignment could facilitate the process of developing a climate rationale.

Traditional climate funders or investors measure the effectiveness and additionality of their investments by screening for the climate rationale of projects to ensure that they lead to substantial reductions in greenhouse gas emissions, minimize the impacts of climate change, and/or increase resilience. The complexity of climate change and the limited resources available to local communities have turned the current way of accessing climate finance into a bottleneck.

Throughout the consultative process, there were critical and supportive views regarding the role of evidence-based climate rationale in project development. On one hand, it can be seen as an extra burden that shades the need to advance in sustainable development to reduce climate vulnerabilities. On the other hand, developing an evidence-based climate rationale can be seen as an assurance that locally-led projects are responding to climate change and, most importantly, incorporating projections regarding a changing climate, which will present very different conditions and challenges to local communities compared to historic patterns. Further discussion on the role that climate rationale plays for funders and for local organizations is needed to find a common ground that makes it a rewarding exercise.

3.2 Evidence that supports climate rationale

Access to sufficient and robust information is a fundamental piece to build the climate rationale of a project proposal. Different sources of information are used to help demonstrate that a project proposal is rooted in a climate problem and will effectively make an impact in increasing adaptation to climate change and/or reducing GHG emissions. The extent and rigor of the information to be provided often varies according to the funding source where the proposal will be submitted.

Throughout the consultative process, and in particular at the first workshop, participants highlighted that the lack of scientific data at an appropriate scale is a major challenge for building a climate rationale, and that generating it might be costly and time consuming. Furthermore, participants have reiterated that evidence to support climate rationale can go beyond scientific data and incorporate local and traditional knowledge. The sub-sections below briefly explore the complementary nature of both sources.

3.2.1 Climate science

According to the United Nations Climate Change Learning Partnership (UN CC:Learn), “climate change science seeks to understand the physical, chemical, biological and geological processes, and the interactions among these processes, that produce climate (…). Changes in climate, both temporally and spatially, are detected by examining observational evidence from instruments and indicators such as tree rings, fossils,

glaciers and sea ice, plant pollen, and sea level. One of the goals of the scientists is to predict future climates based on natural phenomena and to project future climates based on assumptions of future human activities. These predictions and projections are determined as the output of climate models and may be used to develop strategies for mitigating the effects of climate change and for adapting to the expected changes" (UN Climate Change Learning Partnership, 2015).

Data can be obtained from national and subnational governments, the private sector, universities, or research institutions. Climate science uses data to understand the climate of a certain area in the past decades and in the present, and to build climate models to predict and project future scenarios. In order to adapt to a changing climate, planning for the next decades is a central element. In this regard, scientific information can offer valuable insights to avoid mal-adaptation and encourage a transformational adaptation approach that is defined by the IPCC as the one "that changes the fundamental attributes of a social-ecological system in anticipation of climate change and its impacts" (IPCC, 2022).[10] Moreover, the IPCC expresses that "the limits to adaptation (…) suggest that transformational change may be a requirement for sustainable development in a changing climate" (Denton et al, 2014).

Challenges for locally-led projects

Format: Climate data does not provide information on the effects of a certain event nor on what does the community does to cope with it.

For example, hydrometeorological information often fails to translate specific data (i.e. millimeters of expected rainfall) into information that local people can relate to; for example, translating expected millimeters of rainfall into the effects of less or more rain for people's lives, livelihoods, property and the economy.

Structural gaps: Although quality, quantity and access to scientific climate information has improved over the years, significant gaps still remain between developed and developing countries. In the latter, the main difficulties identified in this consultative process were:

- Scale and robustness of the information: Many countries do not currently have an extended and robust collection of local hydrometeorological information.
- Past information: There is a lack of historical data and/or continuity of data collection over time, specially at the local level.
- Decentralization: Information is scattered across various institutions.
- Availability: Data may not be publicly accessible.

Resource intensive*:* Climate data generation and management is often resource intensive (requiring qualified human resources and financing), time consuming, and demands high engagement from different stakeholders and the establishment of clear methodologies and adequate infrastructure to collect and share data.

[10] Transformational adaptation differs from incremental adaptation, being the latter "as extensions of actions and behaviours that already reduce the losses or enhance the benefits of natural variations in extreme weather/climate events" (IPCC, 2020).

3.2.2 Local and traditional knowledge

Climate data is still insufficient or imprecise in some regions, which it makes it difficult for local communities to properly respond to the impacts of climate change. Traditional and indigenous experiences can add value, especially providing insights on climate data in specific regions, as a source of local climate knowledge and observation. Additionally, these groups are closer to how climate change manifests locally, as their ways of life and livelihoods are directly dependent on climate.

Some of the contributions local and traditional knowledge can bring include: complementing scientific projections of global assessments (Fernandez-Llamazares et al. 2017; Reyes-Garcia et al. 2019); filling the gaps left by scientific research models (Crona et al. 2013; Savo et al. 2016); creating better comprehension of social and environmental, direct, and secondary impacts (Savo et al. 2016; Balvanera et al. 2017); highlighting the urgencies at the local level affected by climate change; enhancing a community-based approach for adaptation and mitigation (Raygorodetsky, 2011); finding solutions for climate adaptation, avoiding maladaptation, and creating linkages between cultures and policy frameworks (Portner et al, 2022).

Traditional knowledge has been frequently overlooked in building climate evidence. Valuing the importance of indigenous knowledge took time and implied changing the view to consider indigenous peoples as active agents for implementing mitigation and adaptation solutions rather than solely victims of the impacts of climate change (Etchart, L., 2017). There is an increasing recognition of the value and importance of incorporating traditional knowledge as a source of climate information, as acknowledged at the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC) (Portner et al, 2022).[11] Literature is growing on data collection methods that can be used to build climate evidence based on local memories, using peer-to-peer validation processes, which result in findings that are robust enough to give credible information about climate change (Chanza, N. and Musakwa, W., 2022). Along these lines, one of the interviewees shared the case of the Pilcomayo Early Warning System in the Gran Chaco region, in South America, where the lack of weather stations and historical data was compensated with community knowledge, which was more accurate than any other type of information. The collectively-held nature of this knowledge served as a form of validation.

Finally, an important element that came up in one interview is related to the use of information collected from local memories as a useful source for promoting innovative ways to respond to climate change. If local authorities fail to deliver technical solutions to deal with hydrometeorological events, many times there is capacity amongst the communities, by recalling local memories, to understand how they have been responding to such events. These local memories can be collected through interviews or even by reviewing newspapers or municipal archives, that may show requests from the communities to local authorities to improve certain infrastructure, for instance. This kind of information can be translated into adaptation indicators.

[11] "The historic focus on scientific literature has also been increasingly accompanied by attention to and incorporation of Indigenous knowledge, local knowledge, and associated scholars".

Challenges for locally-led projects

***Limits in informing future climate**:* One of the main challenges in solely using this type of information relates to planning for the future. Local and traditional knowledge are based on historical climate patterns, but in a changing climate there may be limits to the insights provided by this source. Climate modeling can offer useful information to design and implement strategies and solutions to adapt to a changing climate and economy.

Format: Another challenge pertains to the way local and traditional knowledge is presented. As one interviewer highlighted, it may often sound anecdotal, which can hinder its use and incorporation in preparing adaptation projects.

3.2.3 Other sources: People's perception of climate change and participatory processes

Although what came out most strongly in the interviews or workshops was scientific and local and traditional knowledge, other sources should also be considered valid sources of evidence building for climate rationale. As the AR6 WG II Summary for Policy Makers stated, "A wide range of top-down, bottom-up and co-produced processes and sources can deepen climate knowledge and sharing, including capacity building at all scales, educational and information programmes, using the arts, participatory modelling and climate services, indigenous knowledge and local knowledge and citizen science (high confidence). These measures can facilitate awareness, heighten risk perception and influence behaviours (high confidence)."

People's perception: Normally, both science and perceptions are going in the same direction, i.e., perceptions can confirm the scientific data. According to Aditya Bahadur's presentation during the first workshop, sometimes acknowledging people's perceptions and subjective indicators may lead to surprising findings. In Nepal, for example, windstorms were not addressed in public policy, National Communications or NAPs as an important climate impact, but they appeared as a key issue flagged by civil society when asked about impacts of climate change. Perception-based surveys can therefore help to assess impacts and adaptation, as well as point out the most important problems regarding vulnerability (Tanner, Acharya & Bahadur, 2018).

Participatory approaches: Participatory approaches have been identified in the workshops as a necessary element to build climate rationale for locally-led climate projects. Participatory approaches are an opportunity to recognize different categories and how they respond to climate change. For instance, they represent a space for women, youth and children, while also considering other cultural differences, to express the challenges of living with the impacts of climate change and identifying solutions.

Challenges for locally-led projects

The most relevant challenges have to do with the methodology used to collect the information. In that regard, the questions must be clear and unbiased to obtain useful data and the sample used has to be significant and representative in order to ensure robustness.

4 Cross-cutting observations

4.1 Opportunities and recommendations to break through the climate rationale challenge

4.1.1 Building and strengthening trust

One of the issues that emerged repeatedly in interviews and workshops refers to the importance of building and strengthening relationships of trust for locally-led adaptation and funding for locally-led climate projects. The role of trust is fundamental to overcome several of the institutional challenges related to funding locally-led solutions, and also plays a role in breaking through the technical challenge of climate rationale.

One facet of trust regards acknowledging local and traditional knowledge as credible sources of evidence for climate attribution. Much of the literature reviewed and many of the opinions collected over the course of the consultative process indicate that both scientific and traditional knowledge as well as people's perceptions are legitimate sources of information and should be complementary. The combination of these sources can provide more robust evidence of how a given solution relates to climate change and will effectively address its impacts, not only focusing on physical changes, but rather by explaining the social, economic and cultural consequences of climate change (Chanza, N. and Musakwa, W., 2022). In its latest report on Impacts, Adaptation and Vulnerability, the IPCC recognizes the value of combining diverse forms of knowledge and approaches to knowledge building (IPCC, 2022).

Another facet of trust is recognizing that locally-led projects, developed by trusted partners, have a solid theory of change because those leading the project development are the most knowledgeable and interested parties in building climate resilience. Locally-driven projects promote strong ownership, are more appropriate to the context of those affected and are conceived to provide collective benefits. Local communities know their territories better that anyone and when there is community ownership, the solutions that are implemented can be long lasting.

In particular, regarding indigenous peoples, Joan Carling shared in her presentation during the second workshop that they "have been dealing with changes in their environment because it a matter of survival". Indigenous peoples' economies and livelihoods rely on the use and management of natural resources and depend directly on the climate. Therefore, they are used to observing changes in their environment because they know these changes can affect their way of living. Moreover, elders of indigenous communities have been living in the same territory for more than thirty years, which implies decades of recollecting memories about past events and how they have coped with different situations. (Chanza, N. and Musakwa, W., 2022).

Understanding that communities are the most interested in becoming more resilient because they are at the frontline of the impacts of climate change must be a key reminder to funders that aim to embrace locally-led adaptation.

4.1.2 Contextualizing and translating climate information into impacts in people's lives for better decision making

During the consultative process, many opinions were collected regarding the needs of communities on the use of information to make decisions. Hydrometeorological data is perceived by many as not the best type of information to be shared, and instead the suggestion is to prioritize information types that are more relatable to the effects on their lives, livelihoods and property, and the economy.

The PPCR (Pilot Program for Climate Resilience) project in Zambia, as explained by Ngao Mubanga in the second workshop, uses the data of the meteorological department, which must be accurate and timely in order to be combined with the interpretation of what communities have, and to encourage ownership of this information. This program makes communities more adaptable to climate change impacts, as they have more information to increase the diversification of crops they grow. For example, instead of receiving data about the expected millimeters of rain for the following days, communities can make better use of the information if they can translate it into understanding the best periods to plant and what type of crop should be used, considering the expected rainfall for the season.

It was also suggested to combine observation of the impacts to identify trends and data at the available scale and strengthen national hydrometeorological systems.

The Kenya County Climate Change Fund (CCCF) mechanism promotes the flow of climate finance to county governments, while strengthening local communities to build resilience to a changing climate. An interesting approach of this mechanism is that it integrates climate information from the Kenya Meteorological Department (KMD) into participatory resilience assessments (Crick F., et al., 2019). The KMD usually delivers weather forecasts on TV, but many people do not use television for this type of information. Therefore, conversations with communities were arranged to understand what information they needed and what the best channels would be to share it. After these exchanges, it was seen as a good practice to send text messages with relevant meteorological information to certain actors in the community, who will then spread the information to others and use radio stations to inform monthly forecasts in the local language.

Impact Oriented Forecasts (IOF) and Impact Based Forecasts (IBF) could be possible alternatives to explore. Traditional weather forecasts provide reliable warnings of hydrometeorological multi-hazards, but these warnings should be translated into information about what to do to ensure people’s safety and protect their property.

4.1.3 Strengthening local capacities and governance

Local governance processes and individual and institutional capacities must be strengthened and supported, as these constitute key enabling conditions for communities to understand climate change, effectively implement adaptation actions and ensure the sustainability of actions. The development of a climate rationale of a project is linked to how the project proponents understand climate change. Building capacities improves the understanding and awareness of climate change, and thus, strengthens the ability develop a proposal following a climate logic.

As an example of the importance of strengthening local capacities, Global Forest Trends and WWF are implementing a Capacity Building Program on Indigenous Territorial Governance (PFGTI by its Spanish acronym). For a full year, representatives of indigenous peoples in four Amazon countries -Brazil, Colombia, Ecuador, and Peru- are trained to strengthen leadership. Each community chooses four members to participate of the program: one woman, one elder, one community authority, and one young person. Tools are shared to address the problems the communities usually face and the multiple social and economic pressures they have, to improve capacities on territorial management. (Forest Trends, n.d.)

Another example is the work of Pawanka Fund. As explained by Joan Carling in her remarks during the second workshop, funding relies on the traditional knowledge of indigenous people and strengthening their governance systems to deal with the impacts of climate change. Carling stressed the importance of having "strong ownership for a locally-driven solution to climate change and combining traditional knowledge with innovation in order to address some of the things communities find difficult to explain".

4.1.4 Promoting the use of information and communication technology (ICT)

ICT can play an important role in monitoring the implementation of projects and gathering data to inform progress and impact indicators. Some of the key questions that emerged during the consultative process deal with the importance of employing technology that is user-friendly, can continue to be used once the resources of a specific project are exhausted, and does not require the permanent use of internet. That way, it is feasible to ensure the sustainability of the technology.

A good example of the use of technology can be found within the Open Forest Protocol (OFP), an open-source and blockchain-based platform for communal measuring, reporting and verification (MRV) of forest data at scale that helps to address some of the challenges in the reforestation efforts: the lack of access to accurately do MRV, the lack of precision in the data and a lack of funding and local inclusion in projects. The blockchain is verified by satellite and can be accessed by cellphone. The annual growth of trees is translated into carbon capture that can be reported as an advocacy practice or used as credits in carbon markets. In the second workshop, Dora Luz Miranda Rios, a manager at OFP, stressed the importance of access and ownership of transparent and traceable data by local actors. In that way, communities can have powerful evidence of what conservation and reforestation does for their them, their countries and the environment, and potentially secure financial sustainability for their projects.

Another example of good use of ICT can be observed in the coalition All Eyes on the Amazon. A combination of territorial surveillance with innovative technologies, such as drones and camera traps, are used to collect evidence, monitor, and evaluate the levels of deforestation and the trade and financial chains that affect the forests and local populations. This coalition understands that technology ownership and uptake in the communities is a paramount element that must be ensured for the monitoring and evaluation of deforestation to continue once the program has concluded. In that sense, appropriate technology and constant capacity building are fundamental (Hivos, n.d.).

4.1.5 Facilitating access to data

Different sources of latest climate science and platforms that gather climate data are available, like the Intergovernmental Panel on Climate Change (IPCC) climate model projections, the IPCC Working Group I Interactive Atlas, and the GCF–WMO Climate Information platform, which provide access to projections of climate change indices and software to calculate climate indices that are relevant for the health, agriculture, and water sectors.

Moreover, a decision reached at COP21 in 2015 defined the need to form a Platform of Local Communities and Indigenous Peoples (LCIPP) with the overall purpose of exchanging best practices and lessons to approach climate change in an holistic manner, to enhance capacities of local communities and engage these groups in the UNFCCC processes (LLCIP, n.d.).

Regarding the demonstration of the impacts of implemented climate solutions, the usual indicator used for adaptation is “the number of direct or indirect beneficiaries”. It is necessary to enhance the use of other indicators that show what are communities effectively doing and how they are doing it, in order to better adapt to climate change impacts. In that regard, one noteworthy initiative developed by UNEP is called the Land Use Finance Impact Hub, which offers financial institutions tools and guidance to help monitor environmental and social impact for sustainable land use investing using different indicators (UNEP, n.d.).

4.2 Other recommendations

The following recommendations do not necessarily relate to the challenge of climate rationale in particular, but rather to locally-led resilience projects accessing climate finance. Some of the most relevant suggestions that emerged from the consultative process include the following.

4.2.1 Flexibility, simplicity and predictability

These first two attributes should be promoted not only during the proposal development stage, but also when demonstrating project implementation and results.

Different alternatives should be promoted in the project proposal design to better adapt to people’s realities. Accepting video submissions, audio descriptions of project objectives, simplified templates and requirements to submit a proposal and use of

multiple languages that can easily be understood and complied with, are some of the options to further encourage indigenous communities, women, young people, small farmers, and other vulnerable groups, to access climate finance.

Regarding traceability of project expenses, it should be considered that indigenous people do not conceive of accounting in the way traditional funding expects. Receipts or invoices should not be the only mechanisms to keep track of the use of funds. Photos and signatures of local leaders could be other sources of evidence to prove that funds are spent in actions that help communities adapt to climate change. In many cases, indigenous peoples have to go through institutions that can manage the funds. It is important that these organizations are well known by the community. These examples reflect other trust issues that need to be better addressed.

It is important to acknowledge that we are in a changing climate, and that implies working in scenarios of uncertainty. For that reason, it is crucial to have flexibility to adapt to new conditions or needs that must be addressed. Finance schemes should not be an exception.

Moreover, the LLAP identifies patience and predictable funding that can be accessed more easily as key elements that must be considered. In that regard, providing multi-year grants could be seen as a long-term commitment from funders to communities. This approach, together with a climate action approach, are crucial elements for building enabling conditions for implanting adaptation solutions. “Most climate finance is directed to short-term interventions by distant ‘experts’, accountable to donors and aid agencies rather than to poor and vulnerable communities” (Patel et al, 2020).

Global Greengrants Fund UK (2019) compiled findings from a review of 43 grants distributed, and one of its conclusions showed that “investing in people and relationships is critical to both the immediate and long-term success of any climate-smart investments”.

Lastly, another important element that should be taken into account is that funds should support learning-by-doing, so local communities can lead their own climate actions.

5 Final reflections and questions

- Climate change and development: Although many traditional sources of climate funding express the need to clearly distinguish between a project that helps reduce vulnerability to climate change to others that help to resolve development issues, others argue that adaptation and development should not be conceived as two separate issues but as a part of the same problem to be addressed. The latter claim that there is no possible way to address the effects of climate change over communities if we don't attend to development issues, and vice versa.
- Developing countries struggle to collect and process information to periodically present their BUR, NAP, National Communications, NDC and LTS to the UNFCCC. These documents provide a baseline and a characterize the actual and expected impacts of climate change at the country level, identifying regions and sectors that are most vulnerable. Moreover, IPCC reports provide a robust source of information. Could these documents be sufficient to offer robust and valid sources of past, present and projected climate scenarios and priority interventions for the whole country and, therefore, lift the burden of local communities having to develop this information on a much smaller scale?

  Intermediary organizations have a role to play in bridging the gaps of scale. In terms of climate information, they could play a role in generating climate information on a regional scale that can be used by different project proposals at the local level. That arrangement could help coordinate research efforts, promote efficiency, and avoid the need for every project proponent to generate micro-scale evidence.

6 References

- Adaptation Fund (AF) (n.d.). https://www.adaptation-fund.org/
- Amerasinghe, N. (2018). Adaptation finance: The importance of climate rationale. GCF Adaptation Rationale Workshop. Day 1, session 1. World Resources Institute (WRI). https://www.greenclimate.fund/event/gcf-adaptation-rationale-workshop
- Carty, T., Kowalzig, J. & Zagema, B. (2020) Climate Finance Shadow Report 2020. Oxford: Oxfam International. https://www.oxfam.org/en/research/climate-finance-shadow-report-2020
- Chanza, N., Musakwa, W. (2022) Indigenous local observations and experiences can give useful indicators of climate change in data-deficient regions. J Environ Stud Sci 12, 534–546. https://doi.org/10.1007/s13412-022-00757-x
- Coger, T., Dinshaw, A., Krishnanm N., Cook, M., Brown, A., Chu, E., Illick-Frank, E. (2021). Tracking and Reporting Finance for Locally Led Adaptation to Climate Change. Working Paper. Washington, DC: World Resources Institute. https://doi.org/10.46830/wriwp.20.00100
- Crick, F., Hesse, C., Orindi, V., Bonaya, M. and Kiiru, J. (2019). Delivering climate finance at local level to support adaptation: experiences of County Climate Change Funds in Kenya. Ada Consortium, Nairobi. https://www.adaconsortium.org/index.php/ada-resources/news-blogs/ada-blogs/95-blogs/320-supporting-adaptation-through-local-level-climate-finance-lessons-from-kenya
- Denton, F., T.J. Wilbanks, A.C. Abeysinghe, I. Burton, Q. Gao, M.C. Lemos, T.Masui, K.L.O'Brien and K. Warner, 2014: Climate-resilient Pathways: adaptation, mitigation, and sustainable development. In Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part A: Global and Sectoral Aspects. Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change". https://www.ipcc.ch/site/assets/uploads/2018/02/WGIIAR5-Chap20_FINAL.pdf
- Ellinger da Fonseca, P., Mogro, A., Matusevich, V. (2022) One of COP27's most pressing challenges: Funding locally-led climate solutions. Alliance Magazine. https://www.alliancemagazine.org/blog/one-of-cop27s-most-pressing-challenges-funding-locally-led-climate-solutions/
- Etchart, Linda. (2017). The role of indigenous peoples in combating climate change. Palgrave Communications. https://www.nature.com/articles/palcomms201785.pdf
- Fernández-Llamazares, A., Amaral, R., Díaz-Reviriego, I., Cabeza, M., Pyhälä, A., Reyes-García, V. (2017). An empirically tested overlap between indigenous and scientific knowledge of a changing climate in Bolivian Amazonia. Reg Environ Change 17, 1673–1685. https://doi.org/10.1007/s10113-017-1125-5
- Forest Trends (n.d). Capacity Building Program on Indigenous Territorial Governance. YouTube. https://www.youtube.com/watch?v=JTDPReBa8gk&t=107s&ab_channel=ForestTrends
- Global Greengrants Fund (2019) Fostering Climate Resilience: Lessons from flexible, community-based grantmaking in the Pacific Islands. https://www.greengrants.org/wp-content/uploads/2020/06/FInal-PI-Climate-Resilience-Lessons.pdf
- Green Climate Fund (GCF) (n.d.). https://www.greenclimate.fund/

- Green Climate Fund (GCF) (2018). Green Climate Fund International Technical Workshop: Adaptation Rationale for Project Pipelines and other Climate Investment. Workshop Report. https://www.greenclimate.fund/sites/default/files/event/2018-adaptation-rationale-workshop-workshop-report.pdf.
- Green Climate Fund (GCF) (2022). Steps to enhance the climate rationale of GCF-supported activities. Provisional agenda item 13. GCF/B.33/05. June 2022. https://www.greenclimate.fund/sites/default/files/document/gcf-b33-05.pdf
- Green Climate Fund (GCF) (2022). Steps to enhance the climate rationale of GCF-supported activities. Meeting of the Board. GCF/B.33/05. August 2022. https://www.greenclimate.fund/sites/default/files/document/gcf-b33-19.pdf
- Global Environment Facility (GEF) (n.d.). https://www.thegef.org/
- Hivos (n.d.). All Eyes on the Amazon (AEA). https://hivos.org/program/all-eyes-on-the-amazon/
- International Labour Office (ILO) (2017) Indigenous peoples and climate change: from victims to change agents through decent work. Gender, Equality and Diversity Branch. Geneva. https://www.ilo.org/global/topics/indigenous-tribal/WCMS_551189/lang--en/index.htm
- IPCC, 2007: Summary for Policymakers. In: Climate Change 2007: The Physical Science Basis. Contribution of Working Group I to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change [Solomon, S., D. Qin, M. Manning, Z. Chen, M. Marquis, K.B. Averyt, M.Tignor and H.L. Miller (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA. https://www.ipcc.ch/pdf/assessment-report/ar4/wg1/ar4-wg1-spm.pdf
- IPCC, 2022: Summary for Policymakers [H.-O. Pörtner, D.C. Roberts, E.S. Poloczanska, K. Mintenbeck, M. Tignor, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem (eds.)]. In: Climate Change 2022: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA, pp. 3–33, doi:10.1017/9781009325844.00. https://www.ipcc.ch/report/ar6/wg2/downloads/report/IPCC_AR6_WGII_SummaryForPolicymakers.pdf
- IUCN (n.d.) IUCN Director General's Statement on International Day of the World's Indigenous Peoples 2019. https://www.iucn.org/news/secretariat/201908/iucn-director-generals-statement-international-day-worlds-indigenous-peoples-2019
- Krishnan, N. (2020). Following the Money Isn't Enough. Working Paper. Washington, DC: World Resources Institute. www.wri.org/publication/followingthe-money.
- LCIPP. (n.d.) Overview. Local Communities and Indigenous People Platform Web Portal. https://lcipp.unfccc.int/lcipp-background/overview.
- OECD. (2022). Aggregate trends of Climate Finance Provided and Mobilised by Developed Countries in 2013-2020. https://www.oecd.org/climate-change/finance-usd-100-billion-goal
- Patel, S., Soanes, M., Rahman, F., Smith, B., Steinbach, D. (2020). Good climate finance guide: lessons for strengthening devolved climate finance. IIED Working Paper, IIED, London. http://pubs.iied.org/10207IIED
- Principles for Locally Led Adaptation Action (n.d.). https://files.wri.org/s3fs-public/uploads/Locally_Led_Adaptation_Principles_-_Endorsement_Version.pdf
- Pörtner, H.-O., D.C. Roberts, H. Adams, I. Adelekan, C. Adler, R. Adrian, P. Aldunce, E. Ali, R. Ara Begum, B. BednarFriedl, R. Bezner Kerr, R. Biesbroek, J. Birkmann, K. Bowen, M.A.

Caretta, J. Carnicer, E. Castellanos, T.S. Cheong, W. Chow, G. Cissé, S. Clayton, A. Constable, S.R. Cooley, M.J. Costello, M. Craig, W. Cramer, R. Dawson, D. Dodman, J. Efitre, M. Garschagen, E.A. Gilmore, B.C. Glavovic, D. Gutzler, M. Haasnoot, S. Harper, T. Hasegawa, B. Hayward, J.A. Hicke, Y. Hirabayashi, C. Huang, K. Kalaba, W. Kiessling, A. Kitoh, R. Lasco, J. Lawrence, M.F. Lemos, R. Lempert, C. Lennard, D. Ley, T. Lissner, Q. Liu, E. Liwenga, S. Lluch-Cota, S. Löschke, S. Lucatello, Y. Luo, B. Mackey, K. Mintenbeck, A. Mirzabaev, V. Möller, M. Moncassim Vale, M.D. Morecroft, L. Mortsch, A. Mukherji, T. Mustonen, M. Mycoo, J. Nalau, M. New, A. Okem, J.P. Ometto, B. O'Neill, R. Pandey, C. Parmesan, M. Pelling, P.F. Pinho, J. Pinnegar, E.S. Poloczanska, A. Prakash, B. Preston, M.-F. Racault, D. Reckien, A. Revi, S.K. Rose, E.L.F. Schipper, D.N. Schmidt, D. Schoeman, R. Shaw, N.P. Simpson, C. Singh, W. Solecki, L. Stringer, E. Totin, C.H. Trisos, Y. Trisurat, M. van Aalst, D. Viner, M. Wairiu, R. Warren, P. Wester, D. Wrathall, and Z. Zaiton Ibrahim, 2022: Technical Summary. [H.-O. Pörtner, D.C. Roberts, E.S. Poloczanska, K. Mintenbeck, M. Tignor, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem (eds.)]. In: Climate Change 2022: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA, pp. 37–118, doi:10.1017/9781009325844.002. https://www.ipcc.ch/report/ar6/wg2/downloads/report/IPCC_AR6_WGII_TechnicalSummary.pdf

- Raygorodetsky, G. (2011). Why Traditional Knowledge Holds the Key to Climate Change?. UNU: Climate Change, Culture & Religion. https://unu.edu/publications/articles/why-traditional-knowledge-holds-the-key-to-climate-change.html.
- Recio, E., Hestad, D., (2022). Indigenous Peoples: Defending an Environment for All. International Institute for Sustainable Development (IISD). Still only one Earth Policy Brief #36. https://www.iisd.org/articles/deep-dive/indigenous-peoples-defending-environment-all
- Soanes, M, Rai, N, Steele, P, Shakya, C and Macgregor, J. (2017). Delivering real change: getting international climate finance to the local level. IIED Working Paper. IIED, London. http://pubs.iied.org/10178IIED
- Soanes, M., Shakya, C., Walnycki, A., Greene, S. (2019). Money where it matters: designing funds for the frontier. IIED Issue Paper. IIED, London. http://pubs.iied.org/10199IIED
- Tanner, Thomas & Acharya, Sunil & Bahadur, Aditya. (2018). Perceptions of climate change: Applying assessments to policy and practice. Action on Climate Today Learning Paper. https://www.researchgate.net/publication/324246811_Perceptions_of_climate_change_Applying_assessments_to_policy_and_practice
- The Intergovernmental Panel on Climate Change (n.d.) https://www.ipcc.ch/
- UN Climate Change Learning Partnership (UN CC:Learn)(2015). Resource Guide for Advanced Learning on the scientific fundamentals of climate change. https://www.uncclearn.org/wp-content/uploads/library/guide_scientific_fundamentals_0.pdf
- UNEP (n.d.). Land Use Finance Impact Hub. https://landuseimpacthub.com/en
- World Meteorological Organization (n.d.). Climate rationale for GCF project design. https://unfccc.int/sites/default/files/resource/0.9WMOClimate-Rationale.pdf

Annex

Workshops

1. Workshop "Understanding the Challenge of Climate Evidence for Local Finance"

The first workshop of the series had two main objectives:

- To deepen the understanding of the challenges for financing climate resilience at the local level and the role of climate evidence.
- To exchange experiences on the challenge of developing a financing proposal that contributes to climate resilience.

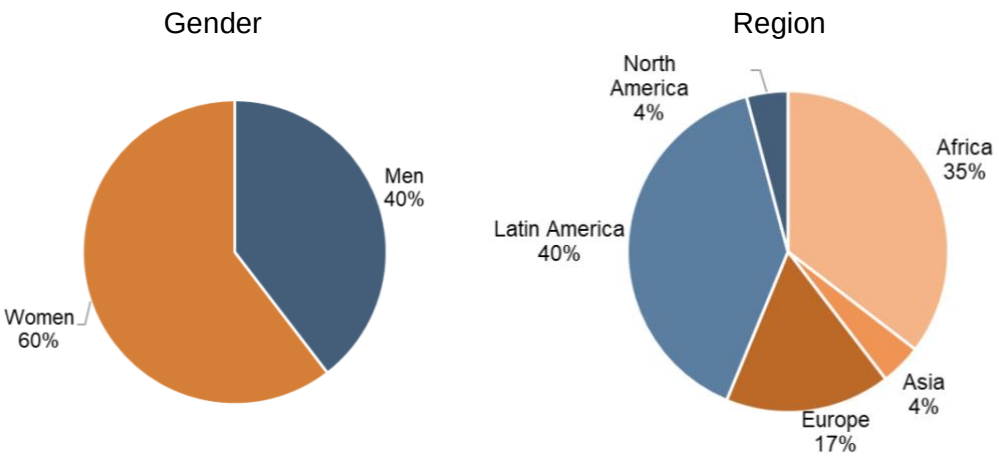
After a brief presentation of BASE, ARA, and the consultative process, Aditya Bahadur, Principal Researcher at the International Institute for Environment and Development (IIED), made a kick-off presentation on the challenges of financing locally-led climate resilience and, in particular, the challenge of climate evidence.

Next, small group sessions were organized to exchange with the participants about three main issues:

- Type of information used to demonstrate climate evidence in a project proposal
- Challenges in providing and demonstrating climate evidence when preparing local projects
- How to ensure the climate rationale of a project
- Other challenges to local climate action and funding

Insights were collected in a mural, serving as input for the second workshop and the consultative process.

**** Workshop Participants: 48***



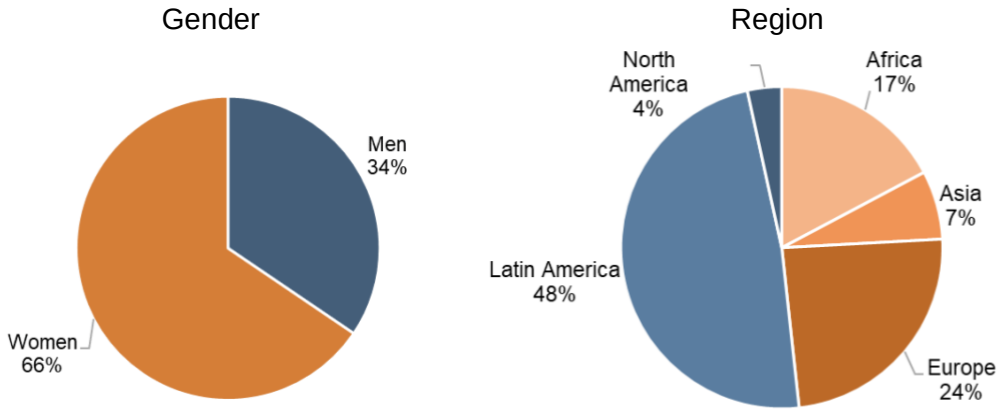
2. Workshop "Exploring solutions for financing climate resilience at the local level"

The second workshop started with a brief recap of the first session, synthesizing the contributions for each of the main topics previously discussed. Moreover, some definitions of climate rationale were shared to shed light on this challenging issue.

Next, case studies were presented by Joan Carling12, Dora Luz Miranda Rios13 and Ngao Mubanga14 in a panel around two guiding questions: What sources of information have you used as climate evidence to prepare a project and/or to demonstrate its impact? and How have you constructed the climate rationale?

A plenary session followed this panel in which participants brought comments, reflections and questions to share. The main points were summarized in a mural. Insights were given on the participation of traditional communities in building climate rationale in projects with descriptions, perceptions and memories. Some challenges identified were the classification of data as credible, the need to create ownership of locally-led solutions, how to measure impacts and provide a climate rationale, and the difficulties of funding emergency response to extreme weather events.

**** Workshop Participants: 29***



[12] Indigenous activist from the Cordillera Philippines. She has been working on indigenous peoples' issues for more than 20 years. Her fields of expertise are human rights and indigenous peoples rights, environment and climate change, and sustainable development. Carling was the Secretary General of the Asia Indigenous Peoples Pact-- AIPP-- a coalition of 50 indigenous organizations in Asia. In September 2018, she received the Champions of the Earth Lifetime Achievement Award from the UN Environment Programme. She is presently the Executive Director of the Indigenous Peoples Rights International-IPRI and part of the Guiding Committee at Pawanka Fund.

[13] LATAM Business Development Manager for Open Forest Protocol, her focus is to connect forest operators, organizations, governments and individuals to OFP, an open-source platform for communal measuring, reporting and verification (MRV) of forest data at scale. Prior to OFP, Dora carried out roles in Emergency Response and Preparedness for Natural Disasters in the UN System and Project Manager in Conservation INGOs focused in LATAM giving her personal lens to the region's climate challenges and opportunities.

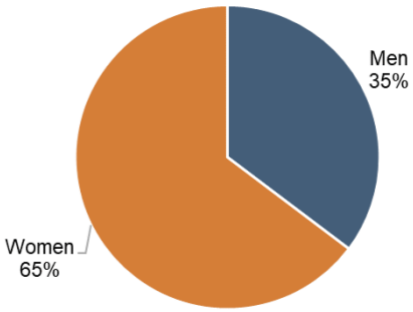
[14] Her works have mainly focused on environment and natural resource management, economic management, including policy and research in developing countries. She is currently working with the Environment, Natural Resources & Blue Economy Global Practice of the World Bank. She has contributed to the analysis of agriculture value chains and aggregation of small producers to increase their access to market linkages and growth in agribusiness. She is the team leader for the Zambia Strengthening Climate Resilience project.

3. Workshop "Presentation of results and recommendations"

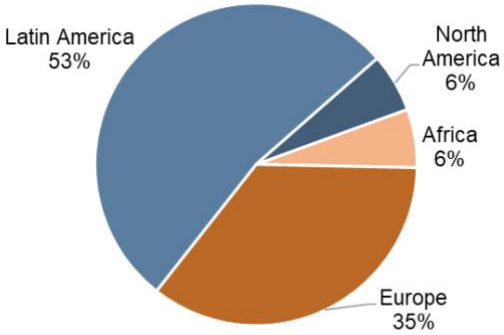
During the last session, Victoria Matusevich (BASE) shared the results of the consultative process. Jesse Demaria-Kinney (ARA), Andrés Mogro (Fundación Avina) and Thandiwe Chikomo (WWF) offered some comments to the presentation. The participants were also invited to express their views and suggestions. Finally, a sketch illustrated during the workshop was shared.

**** Workshop Participants: 17***

Gender



Region



Interviews

1. Aditya Bahadur – IIED
2. Andrés Mogro – Fundación Avina
3. Anju Sharma – Global Center on Adaptation
4. Beto Borges – Global Forest Trends
5. Chiaki Kinjo – Fundación Avina
6. Cristina del Río – WRI
7. Daniel Anaya – Dirección Provincial de Riesgos y Emergencias
8. David Howlet – Climate Champions Team
9. Demitrio Innocentit - GCF
10. Dora Miranda – Open Forst Protocol
11. Fabiana Menna – Fundación Gran Chaco
12. Gastón Kremer – World-Transforming Technologies (WTT)
13. Joan Carling – Pawanka Fund
14. Joanna Wolstenholme - UNEP-WCMC
15. Karina – Hivos
16. Lindley Mease – Clima Fund
17. Marcelo Doroso – Hivos
18. Marcio Halla – Global Forest Trends
19. Miguel Pinedo –
20. Myrna Cunningham – Pawanka Fund
21. Ngao Mubanga– Banco Mundial
22. Paula Moreira – Hivos
23. Paulina Zambrano – Grupo Faro
24. Pauline Makutsa – Adaptation Consortium
25. Pilar Bueno – Argentina 1.5°C
26. Sofía Suarez – Grupo Faro
27. Tania Guillen - Climate Service Center Germany (GERICS)

Available resources

- Link to workshop 1 recording and materials
- Link to workshop 2 recording and materials
- Link to workshop 3 recording and materials
- Link to the consultative process