GCF IN BRIEF

Locally Led Climate Action





What is Locally Led Climate Action?

Locally Led Adaptation has emerged as a critical approach to address the gap in adaptation finance and to reach those most vulnerable to climate change. Historically, adaptation efforts have been predominantly driven by international and national actors, often sidelining local stakeholders from meaningful participation in planning, implementation, and monitoring.

In response, the global adaptation community developed eight Locally Led Adaptation principles to promote a systemic shift in funding practices and ensure investments are context-specific, sustainable, and driven by local actors. Building on these principles, Locally Led Climate Action (LLCA) recognises the potential for locally led solutions to deliver both adaptation and mitigation benefits.

GCF and Locally Led Climate Action

The Green Climate Fund (GCF) is committed to LLCA. The Fund's <u>50 by 30</u> vision underscores the importance of more intentional support towards ensuring climate finance reaches the most vulnerable. At the same time, its <u>2024-2027 Strategic Plan</u> emphasises scaling up direct access and locally led action.

GCF is uniquely positioned to leverage its global partner network to embed locally led climate solutions across entire ecosystems of local partners, spanning governments, civil society, and the private sector. This approach cultivates local capacity and ensures effective, inclusive, and accountable programming.

GCF's approach to LLCA

GCF's LLCA approach builds on several components: the eight LLA Principles, GCF policies that support strong safeguarding, GCF's patient and flexible concessional capital, and the Fund's experience from the Enhanced Direct Access (EDA) pilot.

Three key parameters underpin GCF's investment and support modalities for LLCA:

- 1. Devolved finance or decision-making to the lowest appropriate level local actors have direct access to GCF funding and are meaningfully involved in deciding how the funding is used.
- 2. Empowering local actors to drive climate action local actors are strongly involved throughout the entire project cycle, and investments leverage local, traditional, and indigenous knowledge.
- 3. Building capacity for Locally Led Climate Action investments address structural inequalities, enable decentralisation, and systematically address capacity needs.

GCF systematically integrates LLCA parameters into its funding processes from origination to engagement to appraisal. It follows three complementary tracks:

- Supporting countries and partners to integrate LLCA upstream – by supporting the enabling environment for LLCA through its Readiness Programme.
- **2. Enhancing the pipeline** by identifying projects with LLCA potential and ensuring strong locally led impact through design advice.
- **3.** Nurturing innovative and programmatic approaches by fostering collaboration with the global LLCA community to develop and implement trailblazing locally led concepts.

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Locally Led Climate Action in practice: Case studies

GCF's key LLCA parameters

- Devolved finance or decision-making
- Empowering local actors
- Building local capacity

FP024: Empower to Adapt: Creating Climate-Change Resilient Livelihoods through Community-Based Natural Resource Management (CBNRM) in Namibia

Project partner: Environmental Investment Fund



Namibia faces increasing climate threats, such as highly variable rainfall and prolonged droughts, which makes it the driest country in sub-Saharan Africa. — In response, this project strengthened long-term climate

resilience of communal conservancies and community forests in Namibia's rural areas through a grant facility that directly provided climate financing to communities for ecosystem-based adaptation. — To ensure sustainability, capacity building and technical assistance were provided to support the development and implementation of climate investment plans at the local level. — As a result, community-based organisations implemented 31 projects in 12 regions, and the climate resilience of at least 15,000 direct and 61,000 indirect beneficiaries increased.

<u>SAP038</u>: Climate Adaptation, Resilience and Engagement in Local Governments (CARE-LG)

Project partner: Bhutan Trust Fund for Environmental Conservation



Bhutan faces multiple climate risks, including water scarcity, glacial lake outburst floods, and forest fires, which threaten local livelihoods.

Through a performance-based grant mechanism, this project aims

to strengthen climate resilience in rural communities by enabling local governments to implement climate adaptation interventions aligned with locally developed plans incorporating traditional knowledge.

● Sixty gewogs (local administrative units) are expected to receive grants of up to USD 125,000, empowering them to lead initiatives tailored to their specific vulnerabilities. ● The project also fosters peer-to-peer learning networks among local governments and strengthens the technical and institutional capacities necessary for effective Locally Led Climate Action.

<u>FP184</u>: Vanuatu community-based climate resilience project (VCCRP)

Project partner: Save the Children Australia



Vanuatu is among the most vulnerable nations to climate change, facing rising sea levels, extreme weather events, and shifting rainfall patterns that threaten food security and livelihoods. This project works

with highly exposed coastal and rural communities to strengthen resilience through community-driven adaptation initiatives. — Households and communities across 29 Area Councils will be directly engaged to develop local adaptation plans and select tailored solutions that minimise vulnerability, diversify income sources, and build governance systems within their localities. — Localised climate information and early warning systems will be introduced to support smallholder farmers and fishers in the decision-making and adoption of relevant, sustainable agricultural and coastal resource management practices. — Community disaster and climate change committees in over 250 communities will be established to deliver climate change awareness training to community members.

FP226: Resilient Puna: Ecosystem-based Adaptation for sustainable High Andean communities and ecosystems in Peru

Project partner: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



The ecosystems in the Southern High Andes of Peru are experiencing increasing climate pressures, including glacial retreat, prolonged droughts, and declining water availability, that are threatening local ecosystems

and livelihoods of the Andean Indigenous Peoples and Local Communities (IPLCs). — In response, the project enables IPLCs to design and implement locally driven ecosystem-based adaptation measures and develop climate resilient value chains in agriculture through a participatory financing mechanism called the Puna Facility. — It also mobilises both traditional knowledge and climate science to protect vital Puna ecosystems and establishes community monitoring and observation systems promoting local ownership and sustainability. — It will directly benefit over 60,000 people while enhancing national capacities, long-term policy and investment frameworks, and fostering dialogue among diverse stakeholders through participatory approaches.