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Local Climate Adaptive Living Facility (LoCAL)

# Financing local climate change adaptation





Photo: Muhammed Kora © UNCDF/LoCAL

**LoCAL for me is the right fix for  
people at the community level.**

**– Ebrima Sawaneh**

Director of Community Development Department  
Ministry of Lands and Regional Government, The Gambia

# Bridging the finance and capacity gap

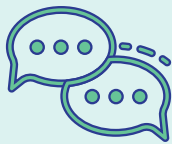
The Local Climate Adaptive Living Facility (LoCAL) helps local government authorities in developing and least developed countries access the climate finance and capacity-building and technical support they need to respond

and adapt to climate change. A standard, internationally recognized mechanism designed and hosted by the UN Capital Development Fund (UNCDF), LoCAL promotes climate change–resilient communities and local economies.

## Why local?

While much attention is given to international climate negotiations and national-level action, the impacts of climate change are most dramatically observed – and experienced – at

the local level. Local governments can be a powerful ally in promoting climate change adaptation and building resilient communities because they:



### Understand local needs

and are on the front line of climate change adaptation action



### Have a mandate

to undertake small to medium-sized adaptation and infrastructure investments – e.g. in agriculture and irrigation, water and sanitation, transport and drainage, and natural resource management



### Can bring together various actors

for results, including national-level institutions, civil society bodies, the private sector and decentralized government departments

## Why LoCAL?

LoCAL is an internationally recognized country-based mechanism that channels climate finance to local government authorities in developing countries. LoCAL responds to the Paris Agreement and contributes to achievement of the Sustainable Development Goals (SDGs) – particularly SDG 1, ending poverty; SDG 11, sustainable cities and communities; and SDG 13, combating climate change and its impacts – with concrete action at the local level.

LoCAL is:

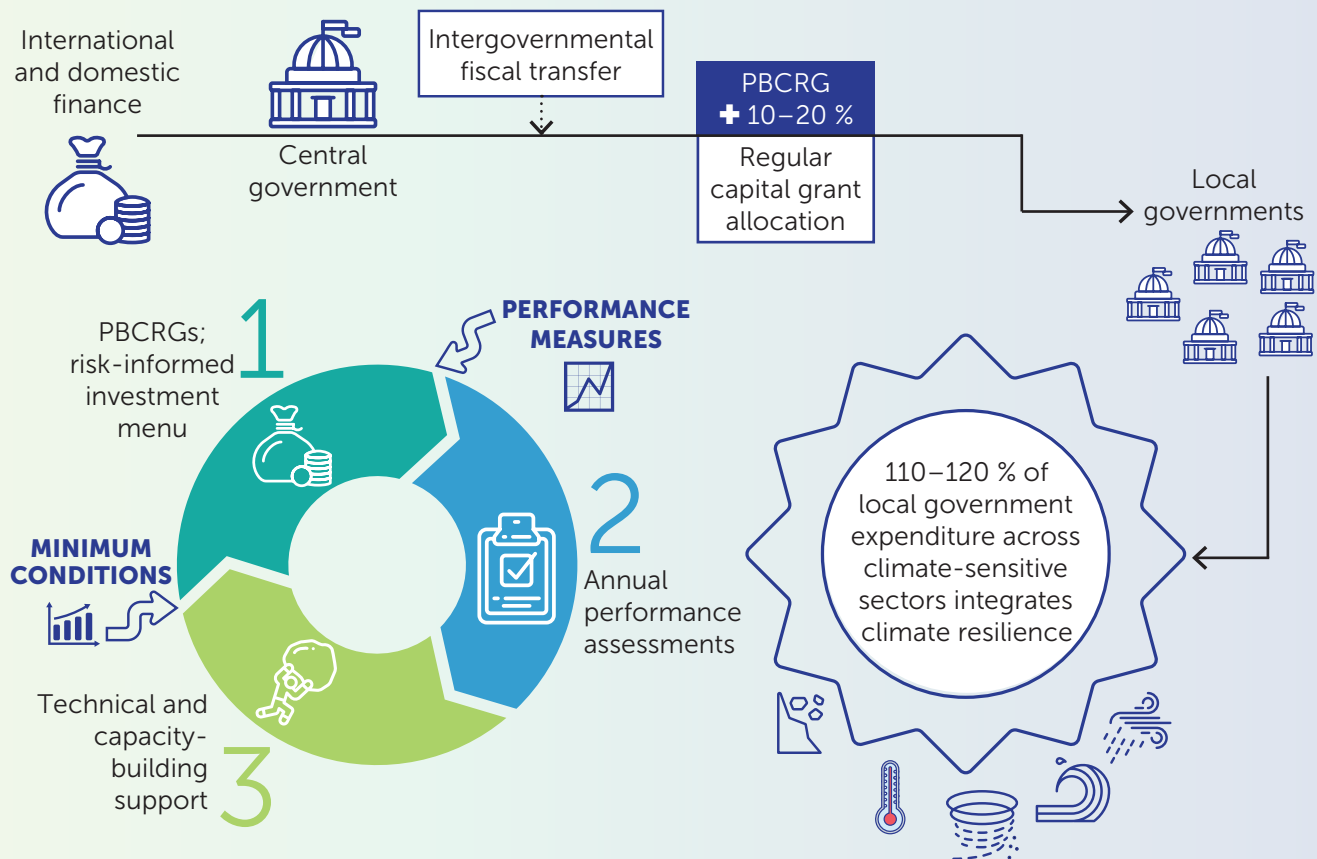
- ▶ **Systemic** and **scalable**, as it uses government systems rather than project or parallel approaches
- ▶ **Flexible** and **sustainable**, as it is tailored to national circumstances and contextualized for local climate responses
- ▶ **Standardized**, in its design, quality assurance, monitoring and reporting



# How LoCAL works

LoCAL combines **performance-based climate resilience grants (PBCRGs)** – which ensure programming and verification of climate change expenditures at the local level while offering

strong incentives for performance improvements in enhanced resilience – with **technical and capacity-building support**.



PBCRGs provide a financial top-up to cover the additional costs of making local investments climate resilient; these are channelled through existing government fiscal transfer systems. The grants include minimum conditions, performance measures and a menu of eligible investments. Putting them in place typically involves:

- ▶ Undertaking local climate **risk assessments** to inform adaptation planning and mainstreaming
- ▶ Integrating adaptation in a **participatory and gender-sensitive** manner in their local development planning and budgeting processes
- ▶ Disbursing **grants** in the context of local governments' annual planning and budgeting cycles
- ▶ Developing, selecting and implementing **adaptation measures**
- ▶ **Appraising performance** to determine how additional resources have been used and conducting audits as part of a regular national process; these performance results inform the next year's PBCRG allocations and capacity-building support
- ▶ Providing **capacity-building and technical support activities** to identified needs at the policy, institutional and individual levels



# Where is LoCAL?

Over 20 countries worldwide have adopted the LoCAL mechanism; country initiatives are at various phases of implementation:



**I: Piloting** involves initiating LoCAL in 2–4 local governments over 1–2 cycles of investments, collecting lessons and fine-tuning the mechanism



**II: Consolidating** involves expanding and demonstrating LoCAL effectiveness at a larger scale, typically in over 5–10 local governments



**III: Scaling-up** is gradual nation-wide roll-out of LoCAL as the national system for channelling domestic and international adaptation finance to the local level



## LoCAL action delivers local results

- ▶ Serves as **proven mechanism** for international community to channel climate change finance to world's most remote and vulnerable regions and populations
- ▶ Recognized by Least Developed Countries Expert Group of UN Framework Convention on Climate Change as proven **avenue for vertical integration of national adaptation plans** with guideline approval and forthcoming ISO certification
- ▶ Integrates climate change **adaptation into local development planning**
- ▶ Supports **implementation of national climate change strategies**, such as nationally determined contributions, national adaptation plans and decentralization policies
- ▶ Builds **stronger and more transparent** government financial systems through PBCRGs
- ▶ Enables **community participation** in local development planning, implementation and monitoring
- ▶ Prioritizes **needs of women and youths**, so climate finance benefits those needing it most
- ▶ Contributes to climate-related SDGs and local economic **development**, particularly in the **green economy**, stimulating job creation as well as micro, small and medium enterprises
- ▶ Helps countries earn **accreditation** to access international climate funds
- ▶ Strengthens climate change adaptation **monitoring and reporting**

# LoCAL by the numbers

20+

countries



across Africa,  
Asia and the  
Pacific



have engaged  
LoCAL



The first

280

local  
governments  
benefited  
from

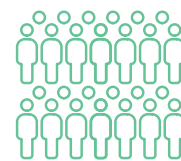
700+

investments



Improved  
community  
resilience  
for

10  
million+ people



With roll-out  
at the national  
level, the  
number of  
beneficiaries  
could rise to  
some

500  
million people



LoCAL is supporting  
5 countries in their  
Green Climate Fund  
accreditation,  
of which

2 countries  
have been  
successful  
to date



## For more information:

Email: [LoCAL.Facility@uncdf.org](mailto:LoCAL.Facility@uncdf.org)

Website: [www.uncdf.org/local](http://www.uncdf.org/local)

YouTube: [www.youtube.com/local-uncdf](http://www.youtube.com/local-uncdf)

Twitter: @UNCDFLoCAL



## LoCAL Partners



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INTRA-ACP GCCA+ PROGRAMME An initiative of the ACP Group of States funded by the European Union's European Development Fund



## LoCAL Board



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Union pour la Méditerranée  
الاتحاد من أجل المتوسط



United Nations  
Framework Convention on  
Climate Change

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