

Local Climate Adaptive Living Facility (LoCAL)



FINANCING LOCALLY LED ADAPTATION



We all agree, the alarms have been sounded, it **cannot be business as usual**. Disasters don't wait for procedures, so we need to be able to trigger **finance mechanisms such as LoCAL** to channel finance where it is needed.

— **Alpha A K Jallow**, speaking at COP26
Director, Climate Secretariat
Ministry of Environment, Climate Change and Natural Resources, The Gambia



LoCAL was first piloted in Cambodia 10 years ago and is now being rolled out nationally. In this community in Bassac Commune, LoCAL is working with the local government on a public-private partnership for improved drinking water provision – another funding first for LoCAL.

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.

Local action for local results

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

LoCAL Ambassadors

LoCAL is owned by participating countries, with priorities defined at the annual LoCAL Board. In addition, eight LoCAL Ministerial Ambassadors advocate for the increased distribution of climate finance using the LoCAL Facility. Our ambassadors are:

- **José Didier Tonato**, Minister of Living Environment and Sustainable Development, Benin
- **Maminata Traoré-Coulibaly**, Minister of Environment, Energy, Water and Sanitation, Burkina Faso
- **Say Samal**, Minister for Environment, Cambodia
- **Lamin B Dibba**, Minister of Environment, Climate Change and Natural Resources, The Gambia
- **Kwaku Afriyie**, Minister for Environment, Science, Technology and Innovation, Ghana
- **Matthew Samuda**, Minister without Portfolio, Ministry of Economic Growth and Job Creation, Jamaica
- **Eisenhower Nduwa Mkaka**, Minister for Forestry and Climate Change, Malawi
- **Modibo Koné**, Minister of Environment, Sanitation and Sustainable Development, Mali
- **Ivete Maibaze**, Minister for Land and Environment, Mozambique
- **Garama Saratou Rabiou Inoussa**, Minister of Environment and Combating Desertification, Niger

Locally led adaptation

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; 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

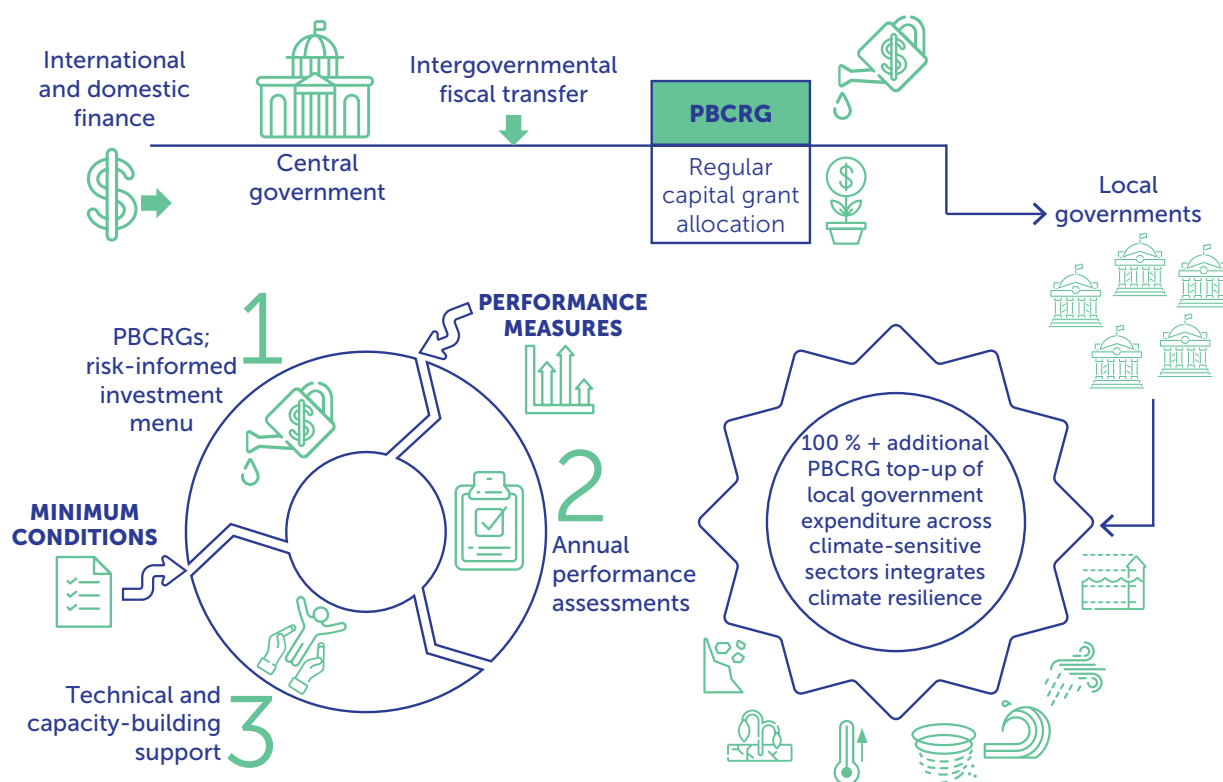
How LoCAL works

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





The LoCAL facility under the UN Capital Development Fund is an example of an initiative supporting domestic national budget systems to target **adaptation actions at the local level**, while reinforcing transparency and reporting through those systems. – UNFCCC Standing Committee on Finance, 2021


LoCAL phases and countries

Over 30 countries worldwide have adopted the LoCAL mechanism. These country initiatives are at various phases of implementation:

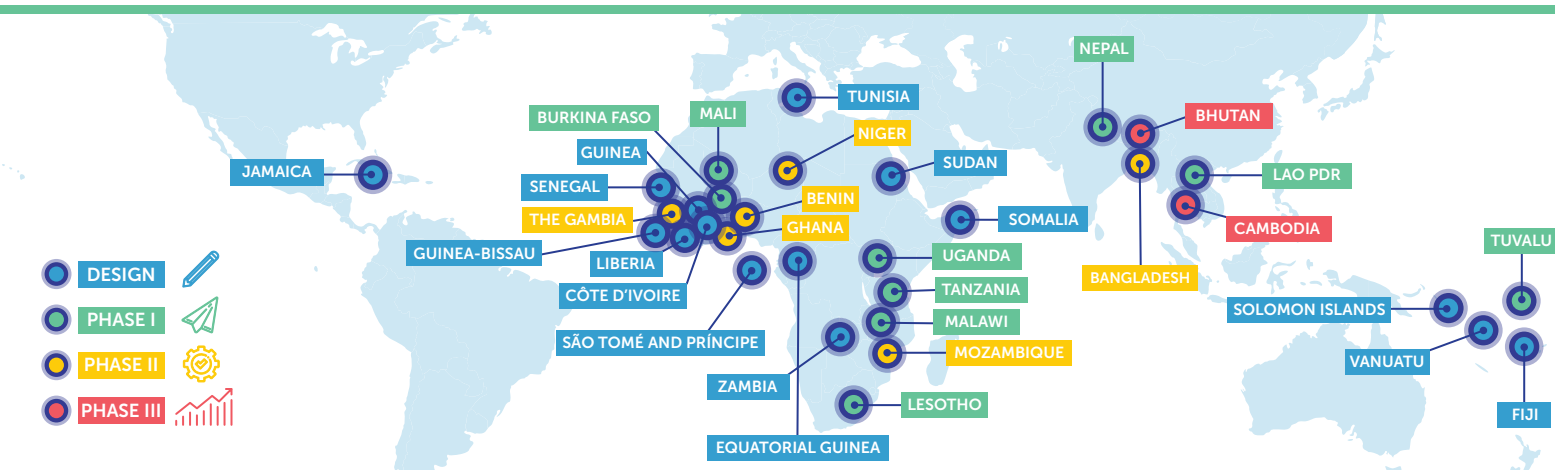
 **Design** involves research, assessment and engagement in advance of LoCAL deployment

 **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

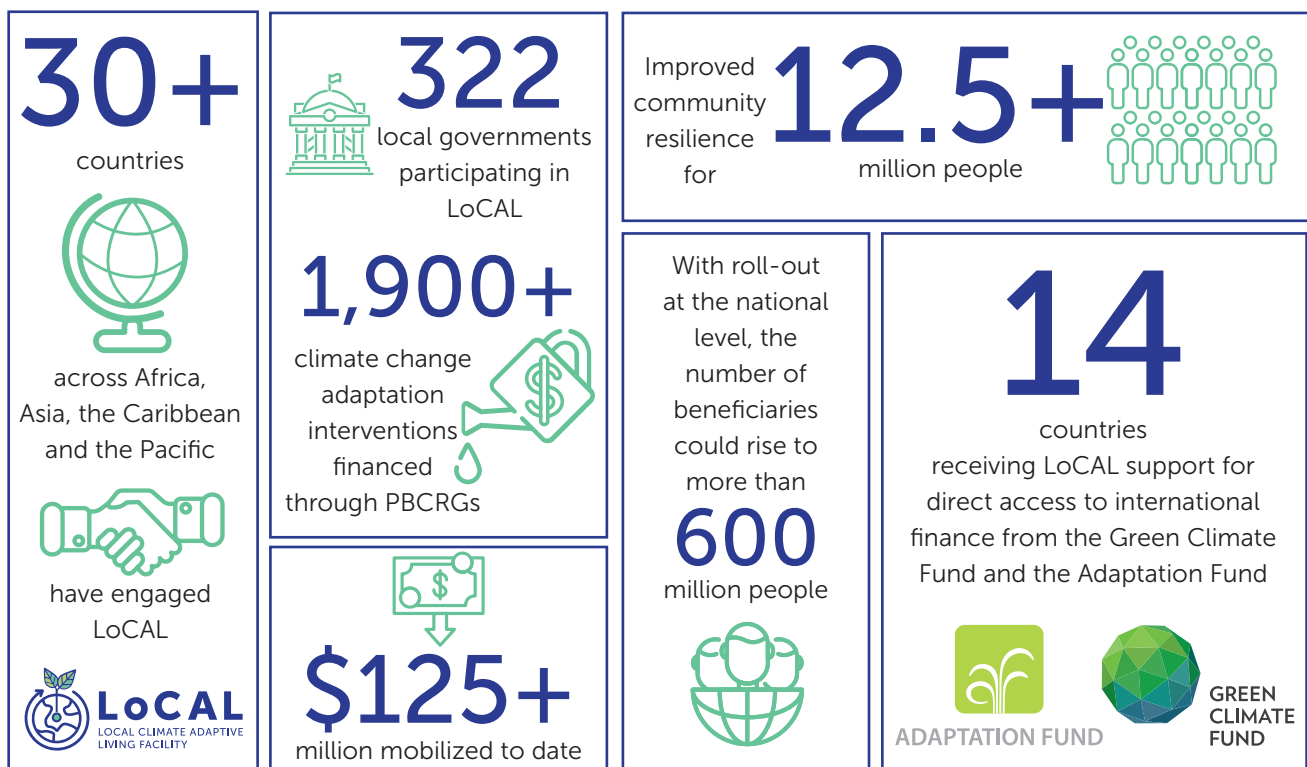
Engaged in more than 30 countries with the potential to reach more than 600 million people



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



For more information:

 LoCAL.Facility@uncdf.org
 www.uncdf.org/local
 www.youtube.com/local-uncdf
 @UNCDFLoCAL



LoCAL
LOCAL CLIMATE ADAPTIVE LIVING FACILITY

LoCAL Partners



LoCAL Board Observers



LoCAL Board



Cover photo: Community members sing to welcome visitors to the "19 October" primary school in Kutlane, Gaza province, Mozambique, which was recently built, with infrastructure adapted to climate change, with UNCDF support. Photo: Arete / Philip Hatcher-Moore / UN Mozambique

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