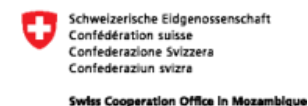




LOCAL

LOCAL CLIMATE ADAPTIVE
LIVING FACILITY



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Why give support at the local level?

Local governments from LDCs and other developing countries :

- ❖ are in a unique position to identify and implement the responses that best **meet local needs**
- ❖ typically have the **mandate** to undertake small to medium sized interventions and investments required for building climate resilience.
- ❖ face a **funding gap** (regular transfers, additional costs, centralized climate financing, etc.)
- ❖ face a **capacity gap** (data, risk informed planning, MRV)

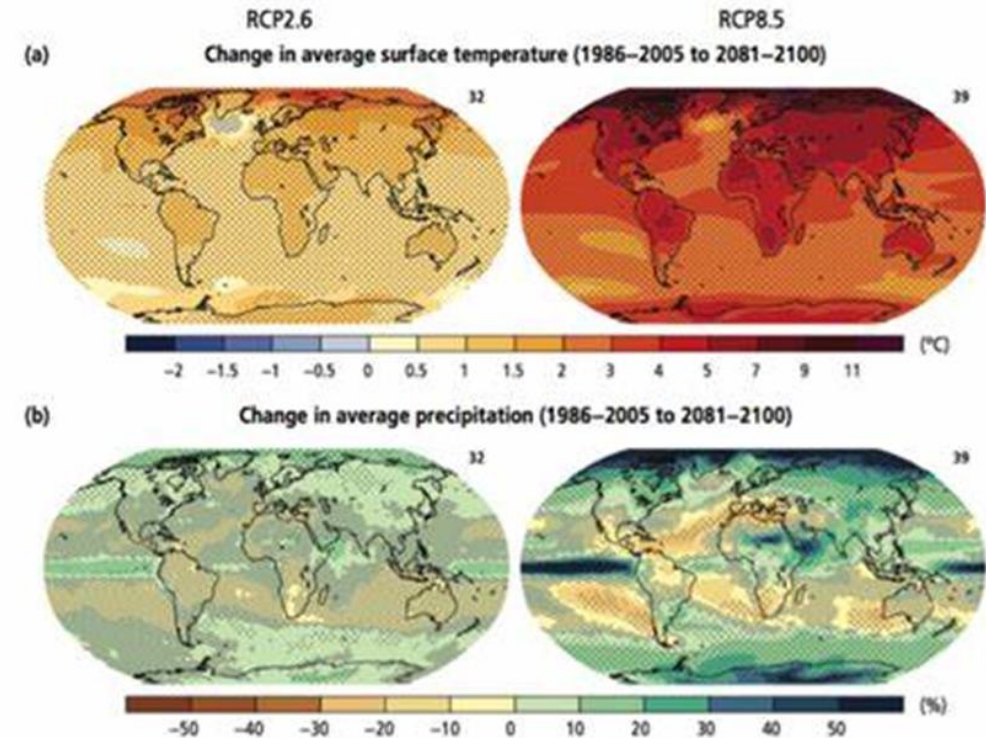


Figure SPM.7 | Change in average surface temperature (a) and change in average precipitation (b) based on multi-model mean projections for 2081–2100 relative to 1986–2005 under the RCP2.6 (left) and RCP8.5 (right) scenarios. The number of models used to calculate the multi-model mean is indicated in the upper right corner of each panel. Stippling (i.e., dots) shows regions where the projected change is large compared to natural internal variability and where at least 90% of models agree on the sign of change. Hatching (i.e., diagonal lines) shows regions where the projected change is less than one standard deviation of the natural internal variability. (2.2, Figure 2.2)

The local climate adaptive living facility: **LoCAL**

A mechanism for financing **locally led adaptation** to enable local authorities and their communities to contribute to the implementation of the **Paris Agreement, NDCs, NAPs** and SDG 13 and deliver on Paris Agreement commitments.

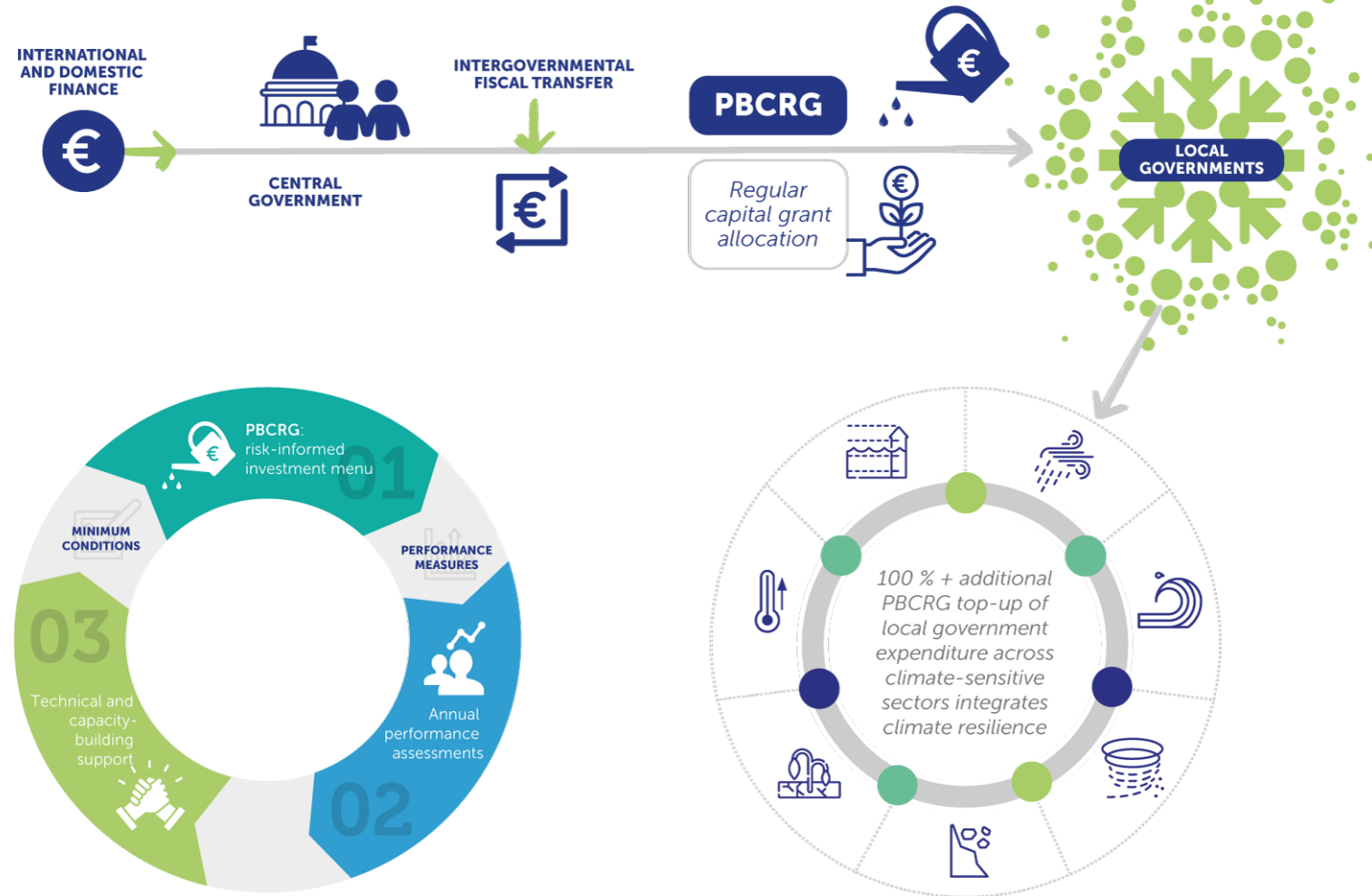
Designed by UNCDF to help local governments and their communities **access and effectively use climate finance at the local level**

Promotes the **integration** of climate change adaptation (CCA) in **local government planning and budgeting systems** in a participatory and gender sensitive manner

Uses innovative **Performance-Based Climate Resilience Grants (PBCRGs)** to guarantee programming and verification of local adaptation expenditures



The LoCAL mechanism



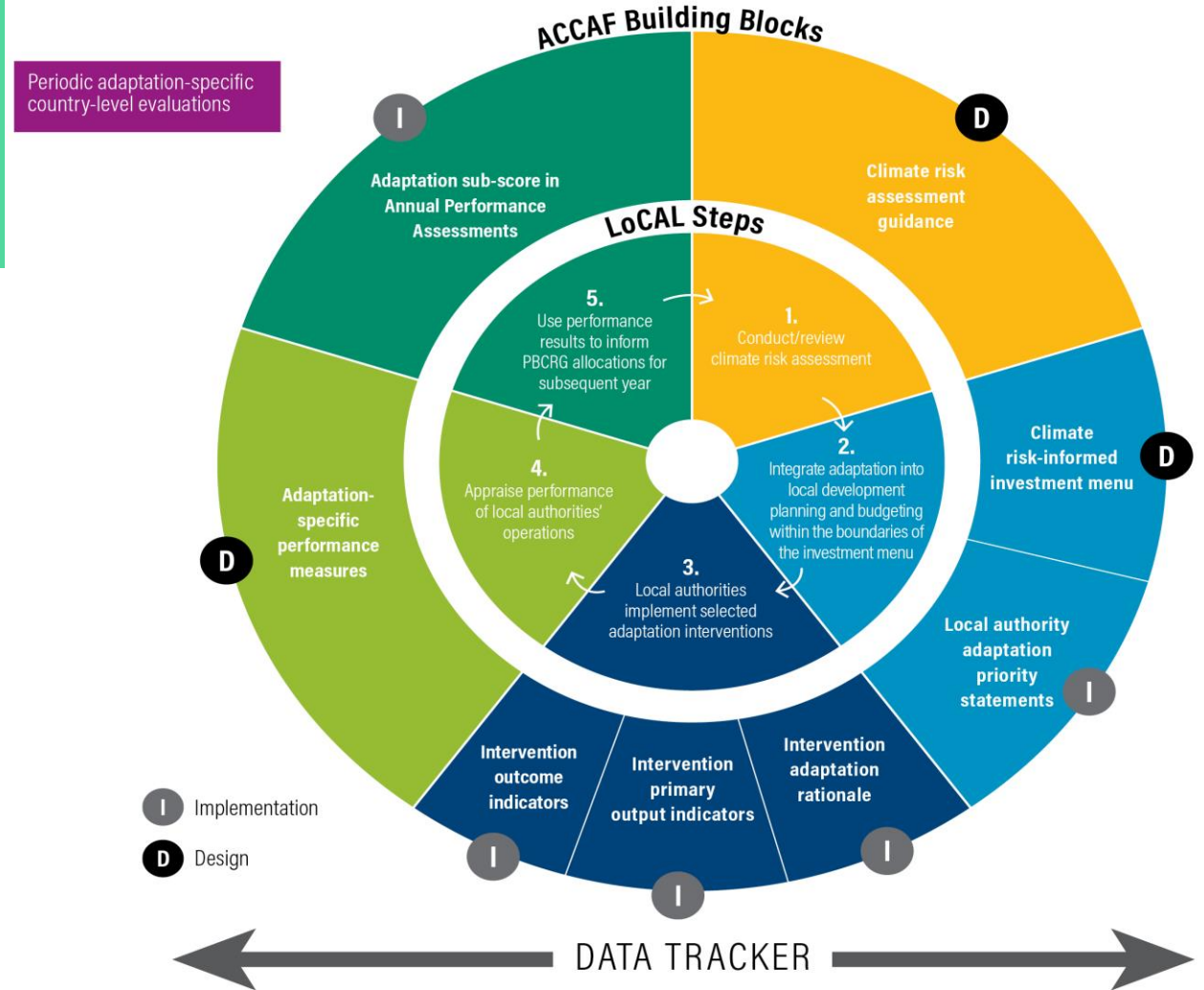
LoCAL: an investment menu aligned with NAPs & NDCs



M&E Systems & ACCAF

M&E is done through the ACCAF system = the framework LoCAL is striving toward, customized to each country and to fit existing M&E structures

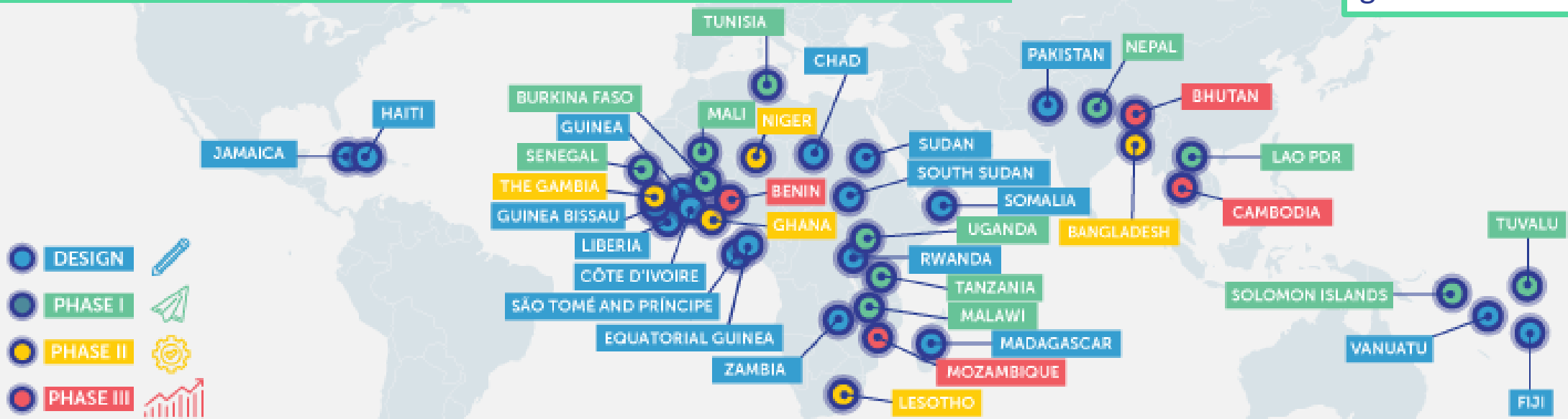
Figure ES-1 | How the ACCAF Complements the Existing LoCAL Steps



Note: PBCRG stands for performance-based climate resilience grants.
Source: For LoCAL steps, UNCDF; for ACCAF elements, WRI.

LoCAL expansion mapped

38 countries
10 in Asia & Pacific
30 LDCs
18 operational with
grants



Mediating the subnational level's direct access to climate change finance



- ❖ With LoCAL support, FNEC of Benin and NCDD-S of **Cambodia** were **accredited** as a GCF National Implementing Entity in 2019 and **Bhutan TFEC** in 2020.
- ❖ Bhutan, Benin, Cambodia are preparing further national scale-up through **direct access to GCF**, as is Uganda and Tanzania (AF). **4 west African** countries have submitted a proposal to the GCF through a Regional Accredited Entity (BOAD) for direct access (100 local governments). 4 more are preparing with the Secretariat of the **Pacific Community** (SPC).
- ❖ LoCAL is supporting the preparation of **7 projects for USD 180 million portfolio to GCF/AF**.

LoCAL Standard and UNFCCC



ISO 14093

The LoCAL mechanism and country experience provide the basis for International Standard Organisation standard **ISO 14093**, launched at COP27 in 2022 and available in the ISO catalogue online.

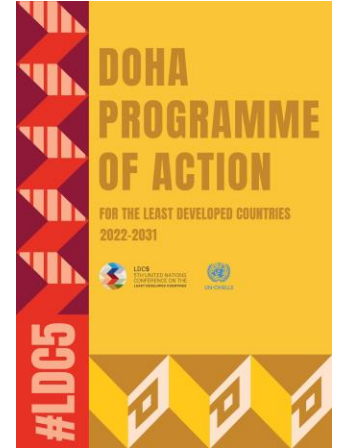
NMA

Presented as **existing Non-Market Approach (NMA)** by Cambodia, LDC group, RCI, The Gambia, Ghana, and referenced by Kenya, and Africa Group of Negotiators (Glasgow Committee on Non-Market Approaches)



UNFCCC

Referenced by the **UNFCCC Standing Committee on Finance**: “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.



LDC5

LoCAL featured at LDC5 after inclusion in the 2022 **Doha Programme of Action** as an existing target for helping LDCs achieve their adaptation goals.

LoCAL highlights

To date **38 countries** are designing or implementing their LoCAL actions.

2014 - 2022, LoCAL has engaged with **350 local governments** reaching an **indirect beneficiary population of over 16+ million people**, mobilising a total of **US \$180+ million globally**.

In just three years (2019–2022), LoCAL mobilized **US \$130+ million** in funding

Between 2019 and 2023, LoCAL secured a number of **new technical and financial partners**, including Australia, Denmark, Luxemburg, New Zeland, Norway, in addition to EU, Belgium, Sweden, Switzerland, etc.

Ministerial Declaration, now with 24 signatures, launched at Climate Week NYC in sidelines of UNGA in September 2023 calling for ‘simplified’ and consistent’ climate finance with LoCAL.



- ❖ Following the pilot, the PBCRGS was scaled up to 72 union parishads through the Local Government Initiative on Climate Change (LoGIC), funded by Sida, the European Union and now Denmark, under a joint programme of UNCDF and UNDP.
- ❖ Evidence of integration of SNRM and NBS and gender analysis informed scale up.
- ❖ A Climate Vulnerability Index was developed as well as Risk Reduction Action Plans informed with community risk assessment.
- ❖ Accounting and management information systems and adaptation tracking and measuring software .
- ❖ First Adaptation Fund concept note approved in October 2023 to expand LoCAL to upazilas of CHT, in partnership with ICIMOD.
- ❖ Update of the design to inform the further phase 3 deployment



As of December 2021, 697 small-scale climate resilience schemes had been financed under LoCAL in Bangladesh. The investments delivered direct results for approximately 859,000 people across 72 Union Parishads.

- ❖ The UNCDF pilot was scaled up with EU budget support, moving from 3, to 6 and later 30, 50 and 100 gewogs.
- ❖ 300 small scale investments in 100 local authorities
- ❖ 206,588 beneficiaries
- ❖ Technical Assistance for updates of design and annual performance assessments
- ❖ BFTEC was accredited to Green Climate Fund accreditation in April 2020
- ❖ Preparing a GCF CN/FP for further scale up to 60 gewogs.



Bhutan, one of the first countries to pilot and embrace LoCAL, highlights the potential of **scale up, with budget support** with 50% of gewogs covered.

- ❖ National scale-up of LoCAL reached 50 districts, and total population of 16 million people
- ❖ Multiple funding sources including IFAD loan
- ❖ 538 adaptation measures (e.g. elevated roads/bridges; restoration/protection of irrigation canals; rehabilitation/construction of water gates, sewage systems and community ponds).
- ❖ NCDD-S was accredited to Green Climate Fund in November 2019
- ❖ Preparing a GCF FP for further scale up.
- ❖ Recent updated of the design to inform the further phase 3 deployment



Cambodia, one of the first countries to pilot and embrace LoCAL, highlights the potential of the model with **project funding** and **loans** in up to 50 districts.

- ❖ LoCAL is moving to implementation phase in Solomon Islands, with roll out nation wide (9 Provinces) from 2024, with 4 rounds of PBCRGs.
- ❖ Work will build on the existing successful performance-based grant system for local governments in Solomon Islands, the Provincial Capacity Development Fund (PCDF).
- ❖ LoCAL is expected to support over 60 projects and 100,000 beneficiaries.
- ❖ Solomon Islands is seeking access to long-term climate finance for continued funding.



LoCAL will support the sustainability of Solomon Islands "Provincial Capacity Development Fund" and strengthen its ability to support local level adaptation.

- ❖ As a remote, low lying Small Island Developing State, Tuvalu is highly vulnerable to climate change.
- ❖ LoCAL has supported the transfer of three rounds of PBCRGs to three pilot Kaupules (local governments). A further round of grants will be provided in FY24 with funding from SIDA.
- ❖ Projects funded include the maintenance of evacuation centres and repair and expansion of water storage facilities.
- ❖ Tuvalu is seeking to scale LoCAL nation-wide over future cycles.



The PBCRG system has been effective in Tuvalu, with Kaupules improving performance scores across cycles.



Thank you!



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