Principles for locally led adaptation

A call to action

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- Supporting public planning processes in delivering climate resilient development outcomes for the poorest
- Supporting climate change negotiators from poor and vulnerable countries for equitable, balanced and multilateral solutions to climate change
- Building capacity to act on the implications of changing ecology and economics for equitable and climate-resilient development in the drylands.

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Recovery from COVID-19 provides a historic opportunity for giving greater voice to local people — especially women, youth, children, disabled and displaced people, and marginalised ethnic groups — and putting agency over their own adaptation into their hands. To support this shift, we present eight principles for locally led adaptation and invite adaptation stakeholders to join us on a complimentary ten-year learning journey. Endorsing these principles and embracing the learning journey will help guide stakeholders through the challenging route of increasing the business-unusual financing, programming and policy support needed to build resilient and regenerative societies, economies and ecosystems.

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Summary

The world faces a triple and interconnected crisis: a climate emergency, rapid biodiversity destruction and entrenched poverty. The next ten years are crucial to prepare, adapt and transform our societies, economies and ecosystems. Historical injustices and current marginalisation mean that the world's poorest and most excluded people are most affected by this triple crisis.[1] They must therefore be at the forefront of the world's response.

Recovery from COVID-19 provides a historic opportunity to make this radical shift in local voice and agency.[2] Given the right resources, partnerships, information, voice and agency, local people offer huge untapped resilience-building potential to deliver more context-specific, coherent, accountable, democratic, agile, diverse and cost-effective adaptation solutions.

To date, adaptation, development and humanitarian support to the most vulnerable countries and communities has fallen well short of what is needed.[3,4] Funding rarely reaches the local level where it is most needed; and when it does, the quality is often poor.[3,5,6] Adaptation decisions are made far away from local contexts, missing vital insights and innovation, and risking maladaptive solutions that waste money, resources and time.[7-9]

This paper outlines more than five years of action research, including collaborative research and dialogue between IIED, WRI and more than 50 adaptation stakeholders in support of the Global Commission on Adaptation's Locally Led Adaptation Track.[10] It details the core concepts of locally led adaptation; discusses the problems in business as usual and the solutions offered by business unusual; and proposes eight principles to help stakeholders build an adaptation ecosystem that empowers local actors on the frontline of climate change to lead more adaptation solutions. It closes with an open invitation to participate in a complimentary learning journey.

A call for more locally led adaptation action

We call on all adaptation stakeholders seeking to improve the quantity and quality of locally led adaptation to endorse eight principles for locally led adaptation action, based on a whole-of-society and subsidiarity-led approach.[11,12] This does not mean that all adaptation actions must take place at the local level. Indeed, many effective adaptation actions happen at all levels. However, to redress historical injustices and exclusion, there must be a significant shift in local people's power to decide on their own adaptation. So, even where locally led adaptation is not the most effective, local actors must still be actively involved. Without their involvement, adaptation will be less effective and more likely to produce maladaptive outcomes.[13]

We therefore argue for radically greater quantity and quality of financing, programming and policy support where localities, communities, local groups, households and individuals have greater agency to define, prioritise, design, monitor and evaluate adaptation actions, with support from higher levels. This means a greater role for formal and informal organisations that are composed of or directly accountable to local people.

These local (and some national) institutions — which we term **delivery mechanisms**[14,15] — offer solutions to proponents' concerns over locally led adaptation.[16] Falling into three main categories — public, civil society and private — they:

- Are already connected and accountable to local people
- Can help resolve trade-offs and conflict between communities[17]
- Are strengthening local actors' capabilities
- Can support local actors to consider climate risks over different timescales
- Can help shift local actors' incentives to make more sustainable choices, and
- Can cost-effectively aggregate local adaptation actions at scale.

Improved financing that addresses what we term the 'missing middle' of climate finance[7,8] can help develop sustainable networks of local and national institutions that can collaborate effectively to deliver different resilience capacities.

Eight principles for locally led adaptation action

We developed these principles through consultation with more than 50 organisations covering the whole spectrum of adaptation stakeholders across governance levels and sectors of society. Launched at the January 2021 Climate Adaptation Summit, they aim to guide stakeholders away from empty participation rhetoric towards business-unusual adaptation financing, programming and policy. Responding to the ambition set by the Least Developed Countries (LDC) Group and Southern social movements, they complement the Aid Effectiveness Agenda,[18] the World Bank's Adaptation Principles[19] and the LDC Group's 'asks' for the international community.[20] The eight principles are:

1. **Devolve decision making to the lowest appropriate level.** Business unusual empowers those worst impacted by climate change to lead more adaptation initiatives, increases direct adaptation finance flows to local actors, and gives them either decision-making power or a genuine voice, where it is more appropriate for other institutions to lead.
2. **Address structural inequalities faced by women, youth, children, disabled and displaced people, and marginalised ethnic groups.** Under business unusual, adaptation engages with the structural issues underpinning risk, concretely integrating gender-based, economic and political inequalities at the core of activities and supporting marginalised groups to meaningfully participate in and lead adaptation decisions.
3. **Provide more patient, predictable and accessible funding.** Business unusual provides finance over at least seven years — long enough to build sustainable local institutions and capacities. It ensures communities can effectively influence adaptation and enables adaptive management that incorporates new climate information, skills and innovations. Acknowledging that local actors may not be fluent in proposal development practices, it also addresses structural capacity imbalances in the aid system.
4. **Invest in local capabilities to leave an institutional legacy.** Business unusual builds capabilities — and develops new structures as needed — to ensure local institutions can understand climate risks and uncertainties, generate solutions and facilitate and manage adaptation initiatives over the long term without depending on project-based donor funding.
5. **Build a robust understanding of climate change impacts, risk and uncertainty.** Business unusual bases adaptation on local, traditional, Indigenous and generational knowledge, integrating bottom-up climate vulnerability and risk assessments with scientific knowledge to enable resilience under a range of future climate scenarios.
6. **Provide flexible programming and learning.** Business unusual enables adaptive adaptation management, addressing uncertainty through robust monitoring and learning systems, adjustable finance and flexible programming.
7. **Ensure meaningful transparency and accountability.** Under business unusual, donors governments, intermediaries, and other adaptation implementors make governance arrangements and financial allocations publicly accessible, increasing downward transparency and accountability. Communities have a clear understanding of the aims and objectives of adaptation programmes, delivery mechanisms, decision making and governance structures and are involved in key decisions, evaluations and learning.
8. **Enable collaborative action and investment.** Under business unusual, actors collaborate across sectors, initiatives and levels to ensure that activities and sources of funding support each other — avoiding duplication or parallel reporting systems — to enhance efficiencies and good practice.

The learning journey

These principles are not a simple recipe book. Shifting incentives, norms and behaviours will not be easy; it will require patient, consistent and politically astute support. Recognising that commitments will look different for every institution, we ask you to be as ambitious as possible, committing to shift internal incentives and to do more business unusual.

We also invite you to join us on a shared learning journey. While you implement the move from business as usual to business unusual over the next ten years, we will come together regularly as a community of practice to share the changes you make to deliver more locally led adaptation. Through this forum for peer review, exchange, consultation and constructive feedback, we will work together to strengthen locally led adaptation action. Join us today.

Introduction

1

The world faces a triple and interconnected crisis: a climate emergency, rapid biodiversity destruction and entrenched poverty. The last year has seen devastating storms in South Asia, unprecedented locust swarms across East Africa, wildfires in Australia and the COVID-19 pandemic. Rooted in a paradigm of extractive economic growth that exploits nature, causes rapid global heating and perpetuates social inequality, the worsening impacts of this triple crisis disproportionately affect the world's poorest and most excluded.[2]

The next ten years are crucial to prepare, adapt and transform our societies, economies and ecosystems to these worsening climate and biodiversity shocks. A just, green recovery from COVID-19 provides a historic opportunity to provide local people[21] — especially the poorest and most excluded — with greater voice and agency to rebuild regenerative societies and economies that are just, equitable and resilient to these rising risks, enabling the world to thrive in the new normal.

To achieve this vision, climate, humanitarian and development action must move away from business as usual. Far too few financial resources pledge to support the most vulnerable countries and communities. The UN Environment Programme (UNEP) estimates that developing countries will need US$300 billion a year by 2030 to continue adapting to climate change; yet by 2016, only US$10.4 billion had been committed.[5,22] Between 2003 and 2016, less than 10% of mitigation and adaptation global fund climate finance was dedicated to the local level.[3] And, despite the 2016 Grand Bargain 25% commitment, only 2.1% of international humanitarian funding goes directly to local organisations.[4,23]

The quality of support is also poor. Governance deficits and communities' lack of control over adaptation finances, programmes, policies and regulations means that most adaptation decisions are made far away from local contexts. This approach misses vital insights and innovation, increases the risk of maladaptive solutions and wastes significant amounts of money, resources and the limited time we have left.[7]

The Least Developed Countries (LDCs) — the world's poorest and most vulnerable nations — are leading the call for a locally led response in their 'LDC 2050 Vision', delivered through the LDC Initiative for Effective Adaptation and Resilience (LIFE-AR). After reviewing evidence of effective adaptation, the LDCs have committed to spending 70% of their climate finance at the local level by 2030 and ask climate funders to partner with them to deliver this ambition.[20] This will enable local individuals, communities and institutions to lead the design and delivery of adaptation solutions. As momentum behind this call grows, the Global Commission on Adaptation's Locally Led Action Track (LLAT) seeks to mobilise commitments that align with the LDCs' ambitious and world-leading agenda (see Box 1).[10]

To support the LLAT objectives, IIED has worked with WRI, ICCCAD and more than 50 other stakeholders at events over the past two years (see Box 2) to develop a set of eight **principles for locally led adaptation action**. Strengthening the Aid Effectiveness Agenda[18] across adaptation, mitigation and nature-based solutions, these principles put people at the frontline of the triple crisis, at the centre of solutions. By outlining the shift from 'business-as-usual' to 'business-unusual'

BOX 1. CALL FOR LOCALLY LED ADAPTATION ACTION

The Global Commission on Adaptation seeks to accelerate adaptation action and increase political support for building climate resilience. The commission aims to inspire heads of state, government officials, community leaders, business executives, investors and other international actors to prepare for and respond to the disruptive effects of climate change with urgency, determination and foresight.

Comprising more than 30 commissioners and 20 convening countries, the commission is led by Ban Ki-moon, Kristalina Georgieva and Bill Gates, and co-managed by the World Resources Institute (WRI) and the Global Center on Adaptation.

The commission highlights the importance of locally led adaptation action in its flagship report, 'Adapt now'. Its Locally Led Action Track (LLAT) builds on a decade of foundational work by IIED, Slum Dwellers International, Huairou Commission, International Center for Climate Change and Development (ICCCAD) and many others on financing for adaptation, resource access and urban services in vulnerable communities, and efforts such as the principles of smart aid.

'Adapt now' strongly calls for increasing the volume of funding available to local governments, community-based organisations, local enterprises and others working at local level to identify, prioritise, design, implement, monitor and evaluate climate adaptation solutions. The commission's 'Call to action for a climate-resilient recovery from COVID-19' recognises this is even more important now that local institutions have to respond to the COVID-19 crisis and its consequences.

support for locally led adaptation, they move away from empty participation rhetoric, placing agency to shape the agenda and make decisions over resources into the hands of local people and their communities — especially excluded women, youth, children, disabled and displaced people, and marginalised ethnic groups.

Following these principles can help stakeholders shift away from financing projects towards strengthening the institutional architecture required to deliver effective support to local actors. They complement the guidance for central governments set out in the World Bank's Adaptation Principles, unpacking Action 1.4 (Ensure financing is available to all, and provide support to the poorest and most vulnerable people)[19] to ensure all actors can adapt and thrive. They also offer a response to the LDC 2050 Vision 'asks' for the international community.[20]

The principles aim to go beyond the humanitarian sector's Grand Bargain, which has fallen short of its commitment to deliver at least 25% of funding to local and national responders as directly as possible. They also aim to go beyond the multilateral development banks' experiences of community-driven development, which has delivered widely variable results.[24] We recognise that delivering on these principles is no easy task.[6] Achieving them will require incredibly patient, deep and politically intelligent support, building champions at national and local levels to influence the governance of resources to benefit communities.

IIED, WRI and partners are asking all adaptation stakeholders seeking to increase the quantity and quality of locally led adaptation to commit to these principles. Committing to these principles fully will require changes in internal incentives and will differ between stakeholders. But we ask that all stakeholders:

- Seek to be as ambitious as possible, strengthening existing initiatives, launching new action for local adaptation or integrating the principles across the organisation via executive or board-level adoption
- Commit those signing up to shift internal incentives to do more business unusual, and
- Include accountability by joining the shared learning journey; this will build trust between stakeholders and ensure we collectively learn what works for effective adaptation.

BOX 2. A CONSULTATIVE PROCESS

Refining the 'Principles for locally led adaptation action' was a highly consultative process. Starting at IIED's 'Money where it matters' workshops in 2017 and 2018, consultations continued at the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties in 2018 and 2019, Africa Climate Week 2019 and throughout the Global Commission of Adaptation's Year of Action at events including: the 13th and 14th annual Community-Based Adaptation (CBA) meetings in April 2019 and September 2020; London Climate Week in July 2019 and November 2020; the UN Secretary General's Climate Summit in September 2019; Development and Climate Days in December 2019 and 2020; Gobeshona-6 Conference in January 2020; a grassroots-donor dialogue in May 2020; and the Climate Red Conference in September 2020.

Key civil society organisations (CSOs) — including Women's Climate Change Initiative, Pan-African Climate Justice Alliance, Slum Dwellers International and the Huairou Commission — also undertook internal consultations. Other organisations that provided input included the Adaptation Fund (AF), the United Nations Capital Development Fund, the Climate Justice Resilience Fund, CARE and the ACT Alliance.

A locally led adaptation response

This section presents the core concepts of locally led adaptation that lie behind the eight principles, outlining its benefits, how to deliver it at scale and how it differs from business as usual.

2

What is locally led adaptation?

The term 'local' is widely but inconsistently used. In climate and development, it variously refers to: stakeholders within a developing country; actors below the national level; community-level institutions; households; and individuals.[12] Across local hierarchies, there are also many types of local institution, as outlined in Box 3.[25] There are also several interpretations of 'locally led adaptation'. To some, it means that local people 'participate' in prioritising or implementing adaptation. In practice, this often means presenting local people with pre-determined adaptation options so they can voice concerns before somebody else implements them in a process outside of their control.[26]

We consider **local actors** to encompass the people and communities on the frontline of climate change and the local institutions representing and supporting them to facilitate their adaptation. We consider that **locally led adaptation** is not simply about delivering adaptation benefits at the local level or getting local people to participate in a project. Rather, it is about local people and their communities having individual and collective agency over defining, prioritising, designing, monitoring and evaluating adaptation actions, and working with higher levels to implement and deliver adaptation solutions. This helps ensure that adaptation respects cultural practice and ancestral knowledge and becomes a central part of everyday lives and local institutions.

Why more locally led adaptation?

Climate change impacts threaten our societies, economies and ecosystems differently, varying in their magnitude, timescale and interaction with other environmental, social and economic risks. Effective adaptation solutions therefore require a **'whole-of-society'** approach. By this, we mean that the complex system of public, private and civil society actors — with their varying interests, capacities, vulnerabilities and contributions — work together to find coherent adaptation responses, resolving trade-offs and maximising synergies.

The **subsidiarity concept** — whereby decisions and actions take place at the lowest most effective unit(s) — is central to the whole-of-society approach. This will most often lie above the household level, at local group, community, locality, larger subnational or even national level.[12] The subsidiarity concept recognises that not all adaptation challenges can be solved at the local level and that many creative, effective and efficient solutions to environmental and social problems are implemented across all levels and seldom in isolation.[11,12,27]

Providing local benefits in economic and development progress is not enough. There is significant evidence that top-down solutions are often unsustainable and unjust,[1,11,12,28] particularly when it comes to effective adaptation, which requires context-specific solutions.[13,17,29–33] Proportionally, the poorest local

BOX 3. WHAT DO WE MEAN BY LOCAL?

Local adaptation benefits accrue below the lowest administrative unit, in localities, communities, local groups, and households and individuals that share administrative units, shocks and stresses. At individual and household levels, adaptation actions are likely to be more effective and long-lasting when undertaken in collaboration with other households and individuals.

Local institutions include formal and informal organisations below the national level that are composed of or directly accountable to local people, making them better placed to give local people agency over their adaptation. We emphasise local institutions that are closest to communities and can facilitate face-to-face interpersonal relationships for collective adaptation action. Local institutions can be:

- **Public:** subnational authorities and governments that are responsible for meeting local needs, particularly through public services, infrastructure and enforcing regulatory frameworks and policy.
- **Private:** formal and informal enterprises of all sizes that form a country's economic backbone, driving economic growth, generating employment and alleviating poverty.
- **Civil society:** community-based organisations and social movements that reach and represent excluded people, invest in locally led, people-centred solutions and engage in political and social issues to shift public opinion, norms and behaviours and public and private action.

people already spend the most in addressing the climate crisis, despite contributing the least to the problem. For example, households in Bangladesh spend more than US$2 billion a year on climate change adaptation and disaster recovery. That is more than double government and 11 times donor spending,[34] yet they are often excluded from making decisions over their own adaptation, accessing services or controlling resources that could build their climate resilience.

Locally led adaptation action is not always the most appropriate option. But without the active involvement and perspective of local people and local institutions, most adaptation interventions will almost certainly be less effective and more likely to produce maladaptive outcomes.[6] For example, investing in climate information services will support global models and national meteorological services; but local insights ensure these services translate the science into forms suitable for local decisions.[35] Agile and capable local institutions are needed to deliver long-lasting resilience by facilitating adaptive management as new climate information, innovation, skills and tools emerge.

We can consider the degree to which adaptation and development is locally led on a spectrum, ranging from no to full localisation (Box 4). Using the subsidiarity concept will help stakeholders consider the right localisation level for different interventions. Due to the historical injustices faced by local and excluded communities and the critical knowledge they bring to delivering successful adaptation, we argue for significant increases in support for high and full localisation in all adaptation decisions.[36]

The benefits of locally led adaptation

Context-specific and coherent. Climate change is a global issue, but its impacts manifest at local levels and are experienced differently according to biophysical, social and economic variables. No two communities exhibit the same climate exposure or adaptive capacity. Even within communities, experiences differ depending on gender, age, ethnicity, religion and disability.[37] Climate events vary over small geographical areas and future models cannot accurately predict the impacts at regional and national — let alone local — levels. Giving local people the right resources, agency, information, tools and capabilities enables them to use their unique generational knowledge of local conditions to prioritise and design adaptation solutions that distant donors, ministries or corporate headquarters could never predict.[13,29] This local knowledge can help produce robust and low-regret solutions that are more equitable for intra-community needs[38] in the face of socioeconomic and environmental uncertainty.[31]

Accountable and democratic. Given local peoples' immediate and significant vulnerabilities to climate change, they are often highly motivated to invest in and oversee good adaptation outcomes that protect and improve their wellbeing despite escalating climate shocks. This pragmatic imperative means local people can be best placed to develop creative adaptation solutions. Adequately resourcing locally led adaptation can strengthen the 'state–citizen contract' via the democratic selection and accountability of adaptation investments, especially for the most excluded people. With effective support from local and national organisations, incentivising communities to collaborate in managing their local resource solutions can lead to more equitable adaptation choices, reducing local conflict.[13,17,30,39]

Agile and diverse. Decentralised governance of adaptation actions can accelerate social learning in ways centralised governance cannot. Indeed, given the complexity and future uncertainty of climate change impacts, it is essential for supporting flexible adaptation responses.[13,30,32] Local actors' experiences and learning around the effectiveness of adaptation actions makes it easier for them to adjust their actions to tackle challenges as the context and information changes. Nurturing local diversity is crucial for adapting to highly uncertain climate and non-climate risks, as traditional top-down adaptation solutions often concentrate knowledge in a handful of actors, incentivising one-size-fits-all solutions.[13,17,30]

BOX 4. LOCAL ADAPTATION SPECTRUM

No localisation: subnational actors or local communities are neither consulted nor invited to participate in adaptation design or delivery decisions.

Low localisation: subnational actors or local communities are consulted in adaptation design or delivery decisions.

Medium localisation: subnational actors or local communities participate on equal terms in adaptation design or delivery decisions.

High localisation: subnational actors or local communities participate and are given authority to take adaptation decisions but do not set the agenda of the intervention.

Full localisation: subnational actors or local communities set the agenda, lead the design and have authority to take decisions within the adaptation intervention.

Adapted from Green (2018)[23]

Cost-effective. In developing countries, delivering basic services and infrastructure to address development deficits is crucial for adapting to climate change. Local actors and communities have the pragmatic imperative to spend such investments well, as they benefit from the multitude of co-benefits.[40] They can also often access cheaper materials and labour, delivering cheaper and faster services than traditional top-down routes.[13] Locally led adaptation solutions can also leverage significant financial investment — for example, supporting local forest landscape enterprises to deliver nature-based adaptation solutions can generate around US$1.3 trillion a year.[13,33]

How do we deliver locally led adaptation at scale?

Despite the many benefits, governments, funders and intermediary organisations often cite multiple concerns over locally led adaptation, particularly when it comes to small-scale, community-based adaptation initiatives.[41,42] Common concerns include:[16]

- Local people prioritise immediate rather than strategic needs
- Local elites, rather than the most vulnerable, capture the benefits
- Local actors lack the capabilities to design and deliver effective adaptation actions
- Transactions costs are too high, and
- Local actors lack the capacity to absorb, disburse and manage large sums of adaptation finance transparently and accountably at scale.

Effective locally led adaptation does not happen automatically; it requires strong local leadership and local institutions. Fortunately, many local (and in some instances, national) institutions are already governing and investing in local development and capabilities that can facilitate locally led adaptation at scale. Already connected and accountable to local people, they can:

- Help resolve trade-offs and conflict between communities[33]
- Strengthen local actors' capabilities and support them to consider climate risks over different timescales
- Help shift local actors' incentives to make more sustainable choices, and
- Offer a means to cost-effectively aggregate local adaptation actions at scale.[2]

We term these institutions **delivery mechanisms**.[14,15] They include:

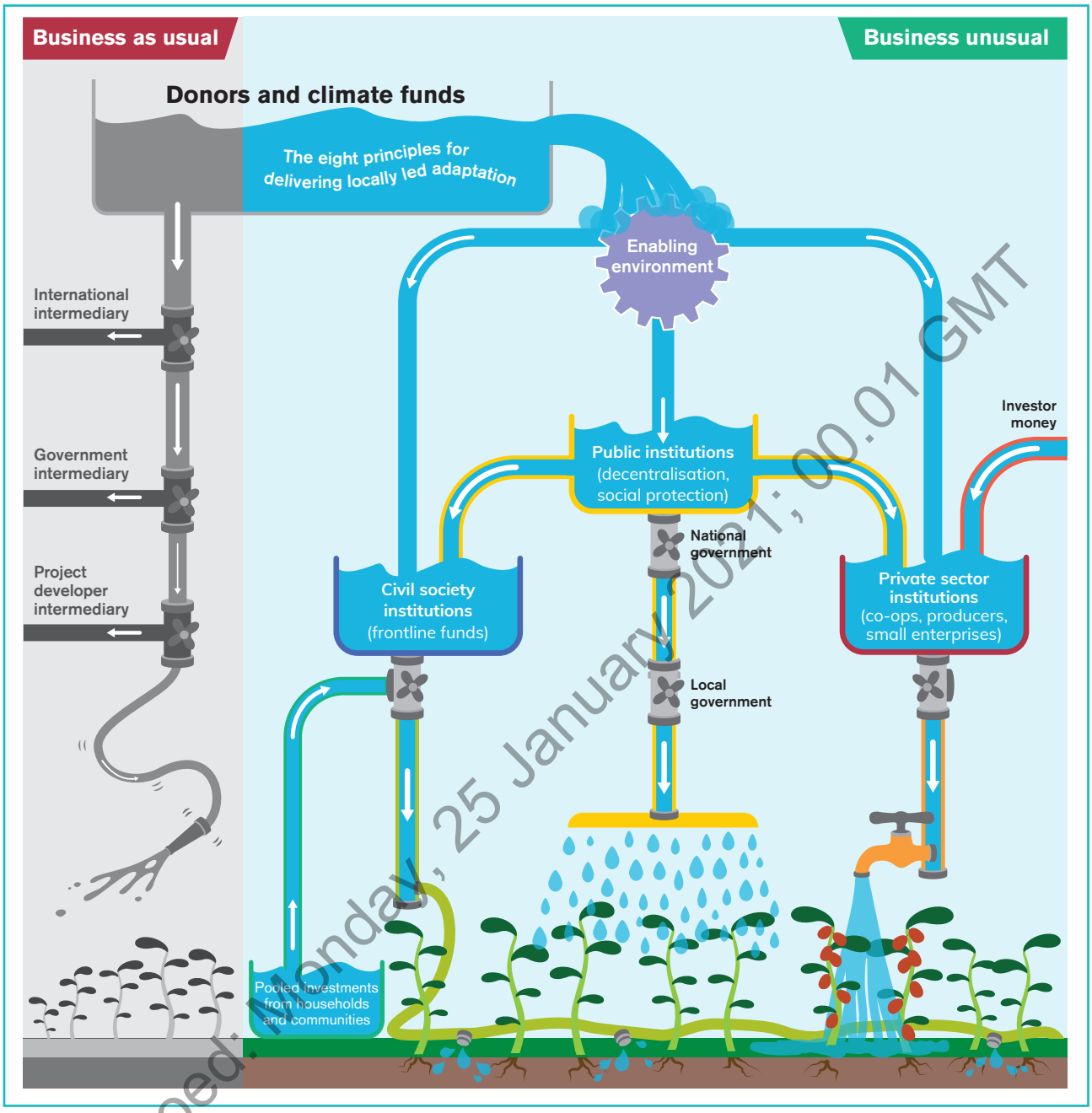
Public institutions. Government delivery mechanisms for local development, social protection and landscape management use central state and local governance and financing architecture to reach the poorest and most marginalised people at scale. Decentralisation is active in most countries to some degree and provides a ready-made framework for locally led adaptation. Examples include the decentralised climate funds (DCFs) in Kenya, Tanzania, Senegal and Mali.[17]

Civil society institutions (including frontier[8] or frontline funds). These include grassroots organisations owned and led by the communities they represent, which are increasingly supporting locally led adaptation. They are uniquely positioned to ensure that locally led adaptation action considers issues of agency, power, rights to land, natural resources and essential services, especially for the most excluded. Examples include Slum Dwellers International,[43] federated women's groups, the Huairou Commission,[44] and Brazil's Babaçu and Dema Funds, both formal funds for forest dwellers.[8,14]

Private sector institutions. Investors are increasingly considering physical climate and transition risks in their financing decisions. On top of traditional business support to create jobs and grow returns, enterprises need support to adopt climate-resilient business models and develop adaptation services for society. Corporate and formal financing institutions can ensure their financial instruments invest in commercially viable local adaptation actions,[45] while aggregation and business development platforms[33,46] and microfinance institutions can help smaller and less bankable enterprises strengthen their resilience. Financiers, buyers or aggregators can also pool risk higher up supply chains.[14,33]

Instead of establishing project delivery units, investing in local institutions' fiduciary, environmental, social and climate risk management capabilities[47] will more effectively support equitable locally led adaptation at scale. All countries need a collaborative network of capable local institutions to support different types of climate risk management and link to 'outside' resources and knowledge. These institutional networks are often incomplete in developing countries.[12] Figure 1 shows how, in the climate finance systems, business as usual is highly intermediated and upwardly accountable, with adaptation decisions made far away from frontline institutions, communities and households, whereas business unusual is led by national and local public, private and civil society institutions that are accountable to local people and their communities.

Figure 1. Business-as-usual versus business-unusual climate finance systems



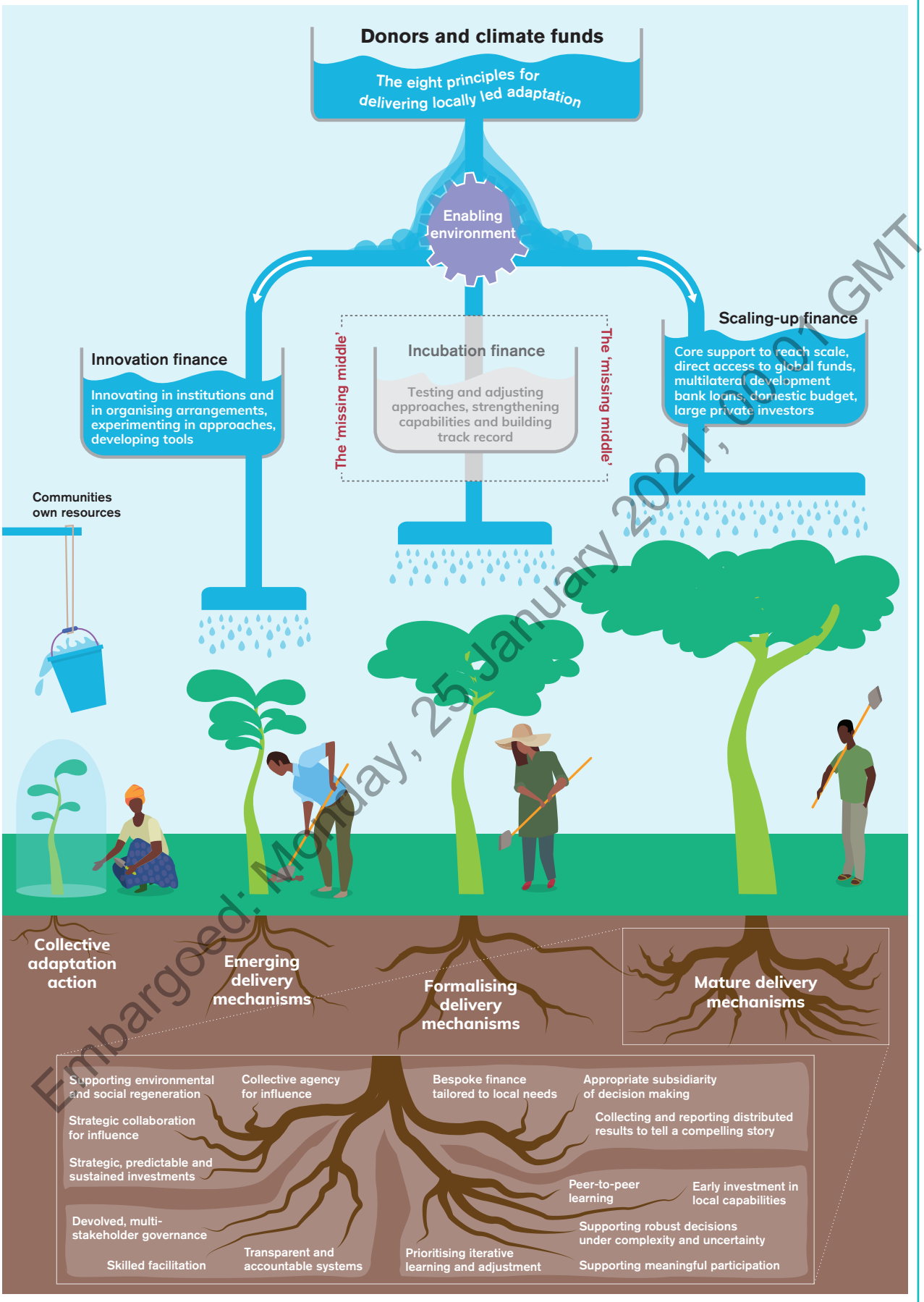
Why is locally led adaptation not thriving?

Despite these benefits and aggregation options, several factors still impede locally led adaptation.

Low local capabilities. Local actors often have an incomplete understanding of climate risks and their uncertainties and can struggle to coordinate, facilitate and manage adaptation finance. But rather than justify their reduced role in adaptation decision making, this proves the need for investing in them. Meaningful progress on adaptation and sustainable development is impossible without strengthening local institutions, people and their communities.[48]

The 'missing middle' in climate finance. Patient, predictable and flexible finance is needed to invest in local institutions' capabilities to manage the money, enabling them to provide grants and loans to local actors to deliver locally led adaptation. However, there is a 'missing middle' in institutional development investment, as money is rarely available to incubate local institutions.[7,8,49] Figure 2 shows how the missing middle of climate finance supports business unusual by incubating more national and local delivery mechanisms to strengthen a range of good aggregation, trust, capabilities and incentive building practices.

Figure 2. The missing middle: supporting the business-unusual climate finance system



Public adaptation finance tends to be delivered as 'small grants' or large loans and grants over US$10 million. Local actors typically access small, short-duration grants. These do not allow them to build a track record in managing funds, which would give them access to the larger sums they need to develop their long-term capabilities to lead local adaptation design and delivery.[7,9,50]

The private sector also offers large amounts to institutions with strong financial track records and only microcredit to smaller actors. Local-level organisations struggle to attract large enough sums of flexible finance to invest in patient business development, where equity and debt is accompanied with the technical and legal support required for leading adaptation action.[33]

Incomplete decentralisation. In contrast to the concept of subsidiarity, developing countries often concentrate power at higher levels.[51] In many cases, decentralisation and devolved decision making is laid out in law but not translated into reality.[30] More often than not, those at higher levels of governance make decisions through untransparent processes and remain unaccountable to local actors, who cannot influence the development processes that impact them.

The eight principles we present here are designed to help overcome these challenges to ensure locally led adaptation is robust to future climate risks, draws on Indigenous and local generational knowledge and tackles the combination of structural inequalities experienced by women, youth, children, disabled and displaced people, and marginalised ethnic groups. They are not a quick fix; effective locally led adaptation will require patient support and politically astute action that emanates from a clear understanding of institutional incentives and political economy. These principles present strategic directions that, if adopted, will empower local actors on the frontline of climate change to lead more adaptation solutions.

Principles for delivering locally led adaptation

This section presents the eight principles for locally led adaptation action, produced over five years through collective inputs from over 50 organisations. Alongside each principle, we present illustrative examples of business-as-usual and business-unusual practices, commitment options for adaptation stakeholders and sample indicators for monitoring progress.

3

The eight principles aim to guide stakeholders to effectively support locally led adaptation. They respond to the LDC Group's[20] and Southern social movements' ambition for more and better-quality climate, development and humanitarian finance committed behind local priorities. They also align with the Aid Effectiveness Agenda.

They provide a roadmap for those wishing to deliver ambitious business-unusual adaptation that can better support more resilient societies, economies and landscapes. This is an alternative to business-as-usual, siloed, project-based adaptation, which is not delivering the transformation needed. But this is not a recipe book. The principles aim to shift incentives, norms and behaviours, which is no easy task. So, to support all stakeholders committing to these principles, we also invite you to join us in a shared learning journey to collectively learn what works (see Section 4).

When reviewing these principles, it is important to bear the following in mind:

- Organisations will base their commitments on their practices and what doing more business unusual looks like for them. Many of the examples we present are from IIED's 'Money where it matters' research, which has focused largely on international climate finance institutions but has developed further through extensive consultation with a large and diverse set of climate and development institutions.[3,7,8,9]
- The principles all interact with each other and should not be viewed in isolation. For example, patient and predictable finance is needed to build sustainable local institutions, who are well placed to support flexible adaptation that is robust to uncertain future climate change.
- Many of the challenges are not unique to the local level. As such, the principles can be applied at international, national, regional, landscape or local level, wherever adaptation is undertaken.
- All institutions can deliver more business-unusual adaptation. The principles aim to encourage all those engaged in delivering adaptation to strive for better, regardless of current performance.

Principle 1. Devolve decision making to the lowest appropriate level

Most climate adaptation programme design and planning happens at international and national levels, away from the local realities of climate change.[9] In this business-as-usual approach, local actors participate on the margins of adaptation decisions. While most planning processes consult and engage with multiple stakeholders, local communities are often denied ownership over interventions intended for them. This is especially true for excluded people.[42]

Shifting towards business unusual (Table 1) and more locally led adaptation means empowering those most impacted by climate change to lead in prioritising, designing, implementing and evaluating more adaptation initiatives.[42] With this approach, more adaptation finance

Table 1. Business as usual versus business unusual: devolved decision making

BUSINESS AS USUAL	BUSINESS UNUSUAL
Prioritising, designing, learning, monitoring and evaluating adaptation all takes place at international and national levels.	For each adaptation investment, international donors and intermediaries set out the appropriate localisation of decisions via the concept of subsidiarity.
Local actors are not empowered to make adaptation decisions.	Explicitly defines the local actors and hierarchies to be engaged.
Most adaptation finance is managed by international intermediaries. Little is accessed directly by national institutions let alone local institutions.	Community leaders are represented and have decision-making power within international and national platforms and delivery mechanisms for adaptation.
Local level stakeholders are defined as homogenous groups, with no differentiation between public, private or civil society actors, or local hierarchies.	70% of adaptation finance flows directly to local institutions — or directly via the relevant national institutions — for investment behind community priorities.
	Women, youth, children, disabled and displaced people, and marginalised ethnic groups and other local actors lead a significant amount of adaptation design, prioritisation, implementation and monitoring and evaluation (M&E).

flows directly to local actors, who are given the power to make adaptation decisions. Where an international or national lead is more appropriate, local actors have a genuine voice to influence decision making at each stage. This means embracing subsidiarity, carefully thinking through the most suitable level(s) of adaptation decision making and action in collaboration with local people and their communities.

Examples of good practice

Adaptation stakeholders across all scales of governance could devolve authority and resources to local communities where appropriate.

1. Donors and climate funds

The Green Climate Fund (GCF) accredited the Cambodian National Committee for Sub-National Democratic Development Secretariat to receive climate finance directly with the intention of engaging local government bodies in prioritising adaptation activities in areas such as livelihood enhancement, infrastructure and water security.[9]

USAID committed to deliver 30% of aid directly to local actors by 2015 to give them greater agency in decision making.[52]

These two examples show how donors and climate funds can ringfence funding for locally led adaptation and mandate local actors to be involved in or lead the design of funding proposals. To take it further, donors and climate funds could require investment in governance arrangements and national institutions' capabilities to engage local actors and increase local leadership of public policies and programmes relevant to adaptation.

2. International intermediaries

The Inclusive Conservation Initiative (ICI), supported by the United Nations Development Programme (UNDP), International Union for Conservation of Nature (IUCN), Conservation International and Global Environment Facility (GEF), will enable investment in activities led and designed by Indigenous Peoples and local communities (IPLCs) to protect biodiversity and deliver global environmental benefits. It provides resources, capabilities and learning to ensure IPLCs are recognised and empowered as decision makers and key actors in land, water and natural resource stewardship, with 80% of funding ringfenced to provide direct financial support to IPLC-led initiatives in priority areas.[53]

This example shows how intermediaries can enable locally led adaptation. To take it further, they can engage networks of local actors from the global South in shaping adaptation initiatives. Part of their success criteria could be making themselves redundant, gradually reducing their support while strengthening local institutions that can sustainably lead adaptation decision making in the long term.

3. National governments

The LDC Group has pledged to commit 70% of climate finance flows to supporting local-level action that puts "resources into local hands for local adaptation priorities to ensure the effective and efficient management and implementation of public resources".[20]

Nepal is committed to delivering at least 80% of its climate change adaptation funding to the local level through local adaptation plans of action.[54]

Kenya is taking a World Bank loan to establish nationwide county climate change funds, where 70% of the budget is decided by ward committees, which must have women and youth representatives.[55]

These three examples show how national governments can support locally led adaptation action and invest in building local institutions' capacity to engage communities in defining their adaptation priorities. Other governments can learn from this experience and devolve more decision making, political, financial and technical support to local actors. To take it further, governments could articulate appropriate localisation levels for adaptation interventions in their climate and development plans.

4. Civil society

The Institute for Social and Environmental Transition uses repeated cycles of structured and thematic shared learning dialogues with communities to enhance an understanding of local hazards, vulnerability and exposure,[56] laying the foundation for communities' effective participation in decision making.

This example outlines one mechanism civil society can use to facilitate locally led adaptation action by building the understanding of communities and local governments. Collaborative governance is a critical area for learning to ensure local actors — especially women, youth, children, disabled and displaced people, and marginalised ethnic groups — can engage meaningfully in adaptation decision making.

Suggestions for measuring progress

To measure progress in and support learning around devolving decision making to the lowest appropriate level, stakeholders could track:

Devolved decision making. As they make adaptation investment commitments, donors and intermediaries could state the appropriate level of localisation of authority over decisions and finance.

Empowerment and agency. M&E systems can include indicators to track the depth and quality of local agency, empowerment, engagement and leadership in development processes and decision making, drawing on existing approaches.[57] These can be tweaked to gauge community readiness for adaptation decision

making.[58] Stakeholders can also track the degree to which local actors determine their needs for capacity building, external expertise and access to information to lead monitoring, evaluation and learning (MEL).[59]

Intention to localise support. If donors and intermediaries state their intention for localising support, it will be possible to track the number of projects that transparently articulate the level at which key decisions are made. National tracking could also capture the increased number of local leaders on decision-making and adaptation platforms.

Principle 2. Address structural inequalities faced by women, youth, children, disabled and displaced people, and marginalised ethnic groups

At the local level, climate risk is influenced by a combination of structural, economic and political inequalities, including discrimination, exclusion and persecution due to gender, age, political affiliation, caste, linguistic group, ethnicity, religion, economic status and cultural factors.[60] These factors can determine exposure and vulnerability to hazards. For example, economically and socially marginalised urban populations often live in informal settlements on flood-prone land or hazardous slopes. They also influence coping and adaptive capacities, affecting household access to assets.

Rather than engage these underlying drivers of risk, most business-as-usual adaptation merely engages the proximate causes of risk. It tends to focus on designing infrastructure to reduce risk without addressing the underlying inequalities or the intersectionality of risks.[61]

Business unusual means facilitating locally led adaptation interventions that engage with the structural issues underpinning risk (Table 2).[27] They concretely integrate gender-based, economic and political inequalities into activities and support the power and agency of the most excluded sections of society to meaningfully participate and lead adaptation decisions.[62,37] Providing exclusive streams of finance for action led by women, youth, children, disabled and displaced people, and informal and marginalised ethnic groups and developing their capabilities to effectively articulate and communicate their own interests and needs enhances their agency and allows them to lead adaptation decision making.[63] Transformational adaptation must engage with structural reforms related to land, tenure and control over common property resources.[64,8]

Examples of good practice

Actors across all scales of governance need to collaborate to ensure that local adaptation addresses structural inequalities.

Table 2. Business as usual versus business unusual: addressing structural inequalities faced by marginalised and excluded groups

BUSINESS AS USUAL	BUSINESS UNUSUAL
Stakeholders commonly address gender-related and other historical exclusion issues solely through disaggregated reporting without explicitly tackling power and agency.	Adaptation investment approval process includes criteria for distributional and procedural justice.
Adaptation focuses on investing in infrastructure rather than engaging with the social implications of climate impacts.	Adaptation funds are ringfenced to support excluded peoples' rights and access to land, natural resources and services and for interventions led by them.
Adaptation mostly tackles the proximate causes of risk, rarely engaging with risks underlying drivers.	Women, youth, children, disabled and displaced people, and marginalised ethnic groups are represented in decision-making platforms and influence most adaptation decisions.
Little adaptation finance considers climate justice.	Locally led adaptation interventions place social, economic and political inequalities at the core of their activities.
	Local adaptation engages with the drivers of risk and vulnerability, considering gender and intersectionality.

1. Donors and climate funds

The Forest Investment Program's (FIP) Dedicated Grant Mechanism (DGM) is a US$80 million grant window designed and led by IPLC representatives. It channels funding directly to these groups to enhance their capacity to engage in and contribute to climate action. The DGM has enabled several initiatives that aim to tackle the structural drivers of risk — for example, by securing land and resource rights for marginalised populations.[65]

This is an example of how locally led adaptation considers structural inequalities. To take it further, funders should increase incentives for adaptation interventions that engage with social, political and economic inequalities within vulnerable communities. They could consider ringfencing funding exclusively for adaptation initiatives led by women, youth, children, disabled and displaced people, and marginalised ethnic groups to invest in their leadership, thus correcting participation inequalities. Although many climate funds target adaptation initiatives that benefit these groups, no active climate funds solely target them. Donors could also mainstream climate risk into the governance, social development and gender programmes they support.

2. International intermediaries

The Forest and Farm Facility (FFF) provides direct financial and technical support to strengthen forest and farm producer organisations representing smallholders, rural women's groups, local communities and Indigenous Peoples' institutions, enabling them to aggregate their influence and assert their rights to land and natural resources.[66]

This example shows how intermediary organisations can ensure that locally led adaptation is informed by an understanding of how social, political and economic inequalities influence risk by placing marginalised groups at the heart of prioritising, designing, implementing and evaluating the adaptation initiatives they support. To take it further, they could explore how to support public institutions to mainstream issues of structural inequality in their climate change adaptation.

3. National governments

Kenya's national adaptation plan (NAP) emphasises the importance of considering gender in the context of climate risk. Going beyond gender-disaggregated data, it commits to strengthening "…the adaptive capacity of vulnerable groups (women, orphans and vulnerable children, the elderly, and persons with disability)," through targeted social protection, by enabling access to enterprise funds, creating awareness and other initiatives.[67]

This example shows how national policy can support locally led adaptation action by emphasising the importance of tackling the structural drivers of risk and gender-based vulnerabilities. Ideally, these should also give the most excluded people a seat in decision making over adaptation actions, particularly in local government planning.

4. Civil society

Gorakhpur Environmental Action Group (GEAG) is a nongovernmental organisation (NGO) engaged with structural drivers of risk in a programme tackling low-level, high-frequency urban flooding in poorer parts of Gorakhpur City in India's Uttar Pradesh. Rather than simply invest in flood-protective infrastructure, GEAG mobilised local communities, empowering them to demand municipal services such as solid waste management to reduce drains clogging and public works maintenance to prevent them from falling into disrepair.[68] This recalibrated power dynamics, replacing a local municipal councillor who did not prioritise these issues with one who did. The result was stronger accountability for flood impacts on marginalised communities and a structural solution to this pernicious problem.

This example shows how civil society and nongovernmental actors can facilitate locally led adaptation action by expressing a firm commitment to ensuring local adaptation processes focus on structural inequalities. To take it further, these organisations should invest in the political capabilities of marginalised groups to advocate for their own rights, build accountability and enable their effectiveness as agents of change.

Suggestions for measuring progress

To measure progress and support learning around addressing structural inequalities, stakeholders could track:

Application of power and agency tools. Causal loop diagramming helps unearth the underlying structural causes of vulnerability; shared learning dialogues support deep and iterative deliberative engagement around an issue; and political economy analysis reveals the underlying interests, incentives and institutions that enable or frustrate change.[69] Using such tools can help those running adaptation initiatives engage with the structural drivers of inequality that increase climate vulnerability. Funders can encourage those applying for funding to use them and track their use and impact across adaptation initiatives.

Inclusion. Government bodies and funding organisations can track the depth and breadth of inclusion in decision making around adaptation actions using frameworks that present criteria for evaluating the degree to which participation or engagement is nominal, instrumental, representative or transformative.[58] Adaptation MEL should understand and respond to structural inequalities by basing theories of change and indicators on subjective definitions of resilience from excluded groups, to reduce any potential for power imbalances.[59]

Investment in political capabilities. Donors, intermediaries and governments can track the amount of adaptation finance being invested in infrastructure against communities' leadership capabilities and in actions that aim to rebalance power and authority to gauge whether adaptation finance is engaging more earnestly with structural drivers.

Ringfenced resources for initiatives led by excluded groups. Donors, intermediaries and governments can track overall funding flows to adaptation initiatives that give excluded and marginalised groups the authority to frame, prioritise, design, implement and evaluate adaptation interventions and to initiatives that address excluded and marginalised peoples' access to land, natural resources and services to enable resilient societies.

Principle 3. Provide more patient, predictable and accessible funding

Business-as-usual adaptation funding (Table 3) is mostly delivered as project finance over three to five years.[9] The high levels of technical expertise required to access it are mostly held by international actors and intermediaries. And as the time horizons are not long enough[49,70] to build national and local institutions' capabilities, international intermediaries continue to dominate.[71,72] Accessing finance is also a long process, taking months, if not years,[8,9] which creates operational challenges for local actors.[49,65]

The consultations we undertook to develop these principles indicate that funding should be provided over at least seven years, the minimum time needed to build sustainable institutions and capacities at national and local levels.[7,73] The absence of patient support provided in a timely manner can inhibit the achievement of long-term outcomes[27] and reduce communities' ability to influence adaptation initiatives.[70] Although important for adaptation investments at all scales, it is particularly so for locally led adaptation initiatives, which need to develop governance processes and build institutional capabilities to ensure effective community engagement. It also enables adaptive management, allowing new climate information, skills and innovation to be incorporated into locally led adaptation action over time. With predictable funding,[74] local actors can take risks and change behaviour to develop more strategic and sustainable interventions. Business-unusual finance (Table 3) is more easily accessible,[75] acknowledging that local actors may not be fluent in proposal development. It also addresses structural capacity imbalances in the aid system through multi-stakeholder partnerships, innovative proposal formats such as video submissions and by placing more emphasis on the risk of not investing, among others.

Table 3. Business as usual versus business-unusual: providing more patient, predictable and accessible adaptation funding

BUSINESS AS USUAL	BUSINESS UNUSUAL
Funding for adaptation is delivered as project finance with 3–5-year time horizons.	Adaptation finance is provided over 7+ year timeframes: long enough to build sustainable local-level institutions and capacities and embed governance arrangements at national and local levels.
Accessing climate finance is arduous for national, let alone local, actors, requiring high levels of technical expertise and track records, which are mostly held by international intermediaries.	Ringfenced adaptation funds are available across the climate finance landscape, providing predictability and building trust with local institutions.
Few dedicated adaptation financing facilities or funding windows focus on local actors, leading to unpredictability in financing local adaptation.	Simplified access windows for international and national adaptation funding increase availability to local actors.
Accessing finance can take a long time: even small grant facilities take many months for disbursal following approval.	
Funding requirements for co-financing and demonstrating climate additionality create bias in favour of international intermediaries.	

Examples of good practice

Actors across all scales of governance need to work together to ensure patient and predictable funding can be accessed more easily.

1. Donors and climate funds

The Pilot Programme for Climate Resilience (PPCR) recognised the need for sustained support, adopting a programmatic approach to adaptation action and engaging with countries for timeframes of over ten years. This ensures that the range of adaptation-enhancing interventions relevant for each country context receives sustained attention. However, many community projects within PPCR's overall investment remain much shorter.[9]

This example shows how donors and climate funds can support locally led adaptation through long-term grant financing. To go further, they could ringfence financing for all actors over longer timeframes, with appropriate access criteria for poorer countries and local actors.

2. International intermediaries

The Asian Development Bank's Community Resilience Partnership Program (CRPP) intends to scale up resilience investments targeted at household, community, small and micro enterprise and local government level in poor and excluded communities. The CRPP commits to working towards providing patient financing over at least seven to ten years, with predictable allocations.

This example shows how intermediaries can catalyse locally led adaptation. Others can replicate it to engage local actors in the co-design of long-term, locally led adaptation programmes for delivery over seven years or more and develop local capacity to manage finance. To take it further, intermediaries could innovate in overcoming the arduous funding compliance conditions — such as sophisticated fiduciary management requirements — and help de-risk local actors' engagement in adaptation.

3. National governments

The Bangladesh Climate Change Strategy and Action Plan (BCCSAP), developed to help the country move towards sustained and long-term action against climate change, provides a ten-year roadmap for building national capacity and resilience.[76]

The LDC Group is seeking ten-year funding commitments from donors to achieve the objectives set out within LIFE-AR.[20]

BCCSAP shows how support for locally led adaptation can be enshrined within national policy that takes a long-term view. Other governments can recognise the need for sustained and long-term adaptation action in nodal climate and development policy instruments and move beyond short-term projects. LIFE-AR shows how to put the intention to provide patient and predictable finance to local institutions into practice through decentralisation and other government-led delivery mechanisms.

4. Civil society

Indian earthquake response: after a large earthquake in 1993 in Maharashtra, the World Bank provided finance for reconstruction and retrofitting buildings across the state. A set of civil society organisations (CSOs) engaged with the donor and through rapid demonstration projects, successfully advocated for simpler finance for local communities to access. This finance made up a substantial part of the reconstruction effort.[77]

The lessons from the Maharashtra response can be applied to adaptation. Civil society actors can facilitate locally led action by helping local governments forge platforms where donors can engage with local actors to develop simpler ways to access finance. To take it further, civil society actors can consolidate evidence on the benefits of locally led interventions to advocate for increased patient, predictable and easily accessible finance.

Suggestions for measuring progress

To measure progress and support learning around the provision of easier access to patient and predictable finance, stakeholders could track:

The funding commitment. Donors and intermediaries could assess their proportion of investments with 7+ year time horizons.

Development of national platforms for long-term support. Donors and intermediaries could track their proportion of investments through national structures designed to facilitate sustained support.

Finance available through simplified access. Donors and intermediaries could track the amount of finance they provide through easily accessible facilities and windows targeting local-level actors.

Strategic investment frameworks. Governments could track commitments behind long-term development plans with 7+ year time horizons, ensuring even short-term projects contribute strategically to sustained action. This could also consider how long-term adaptation initiatives are incentivised through nationally determined contributions (NDCs), NAPs and long-term strategies, reducing the focus on short-term projects.

Principle 4. Invest in local capabilities to leave an institutional legacy

Business-as-usual adaptation (Table 4) often uses local institutions as implementers or conduits for activities, with little focus on building long-lasting institutional capabilities to enable them to take leadership in designing and delivering future adaptation solutions.[78] As a result, local institutions lack agency and cannot play a decisive role in climate action after projects conclude. To access funds, organisations need a significant track record in managing finance, and transparency and accountability requirements are often more stringent. As a result, traditional, Indigenous, informal and other nongovernmental institutions that meet local needs are commonly sidelined from institutional support.

Business-unusual adaptation (Table 4) builds the capabilities of local public, private and civil society institutions to lead on adaptation interventions, developing new local-level institutional structures if required to ensure local leadership on adaptation after project funding finishes.[65] This includes the capacity to understand climate risks and uncertainties, generate solutions, and facilitate and manage adaptation initiatives, as well as the fiduciary and management capacity to provide grants and loans to other local actors for adaptation actions. Having such measures in place ensures that short-term adaptation investments can be sustained after initial project finance ends.[79]

Examples of good practice

Actors across all scales of governance need to collaborate to prioritise investment in the institutional legacy of interventions at the national and local levels.

1. Donors and climate funds

The Global Fund for Aids, Malaria and TB promotes sustainable community strengthening and emphasises that communities have a central role in project design, implementation and monitoring. Multilaterals can only access funding if there are no alternative domestic institutions and they commit to building local institutional capabilities in the process.[3]

This example shows how donors can provide strong guidelines and standards for interventions' sustainability and legacy, with local actors at the front and centre. Instead of focusing on a proven track record, those financing locally led adaptation can invest in developing local actors' capabilities to lead adaptation initiatives. For example, donors and climate funds could include criteria to ensure local actors have a role in programme design and are not just delivery partners; they can also add "creating an institutional legacy" to their results management frameworks.

Table 4. Business as usual versus business unusual: incubating more local institutions to deliver lasting adaptation

BUSINESS AS USUAL	BUSINESS UNUSUAL
Local organisations are delivery partners rather than decision makers and leaders of adaptation.	Investments prioritise building local institutions' capabilities to lead on adaptation interventions, including traditional, Indigenous and informal institutions.
Funders do not invest in institutions with limited track records in managing climate finance, particularly traditional, Indigenous and informal local institutions.	Governance structures are developed to strengthen local leadership on adaptation after project funding finishes, with attention to where further support will come from.
Project management systems parallel to national institutions are established to deliver interventions.	National platforms are set up to access international climate finance to support local public, private and civil society institutions.
Results are recorded in terms of numbers of people made more resilient rather than in-country institutional capabilities and the associated enabling conditions for long-term resilience.	Most climate finance is managed by agile and capable local public, private and civil society institutions able to facilitate long-term resilience.

2. Intermediaries

The Energy Resource Institute (TERI) in India has accessed funding explicitly to build enduring capabilities within local institutions so they can lead on adaptation. In Odisha, it used this funding to build the capacity of city-level decision makers to apply insights from climate science into urban development planning and decision making.[81] This included collaborative work to determine local climate impacts, an introduction to climate modelling and risk assessments, approaches for resilience mainstreaming into sectoral interventions and analysis of financing sources for local adaptation.

TERI's work channelling finance and advice to local partners in support of locally led adaptation shows how intermediaries can identify capacity gaps and help local institutions develop the capabilities to lead the design and delivery of adaptation initiatives. Intermediaries are largely expected to have an exit plan, but further attention is needed to understand how to gradually reduce support and leave a sustainable legacy in the form of durable local institutions to continue the work.

3. National governments

The GCF's Enhanced Direct Access (EDA) in Antigua, Barbuda, Dominica and Grenada aims to overcome the short-term nature of EDA funds by creating a legacy of three to six financing mechanisms. These will deliver grants or loans to locally led resilience investments and be accredited to the GCF to ensure continued and sustainable finance for local adaptation.[9]

This example shows how national governments can set up platforms to support building local institutional climate capabilities. The LDCs' LIFE-AR has similar intentions to support locally led adaptation action by developing delivery mechanisms that reach across the whole of society, giving a voice to local communities to enable more inclusive, equitable and sustainable climate solutions. Other governments could explore how to move beyond project-based adaptation to operationalise NDCs and NAPs by providing the resources and authority to the range of institutions needed to deliver a coherent adaptation response across societies, sectors and landscapes.

4. Civil society

The Decentralised Climate Funds (DCFs), established in Kenya, Tanzania, Mali and Senegal under the discretionary power of elected local authorities, are managed by elected representatives from the community with support from technical local government experts and civil society partners and use participatory planning tools to deliver locally relevant solutions.[81]

These examples illustrate the role that civil society can play in facilitating locally led adaptation action, building buy-in and support from national government for innovation and incubating the local institutions' capabilities to lead on adaptation over time. To take it further, civil society actors could refuse to accept initiatives where they are used merely as implementers without agency to influence programme design and outcomes.

Suggestions for measuring progress

To measure progress in and support learning around investing in local capabilities to leave institutional legacy, stakeholders could track:

Development of capacity, capability and competence. Stakeholders can build on approaches such as Ballard's 'All Quadrants All Levels' framework or UK Climate Impacts Programme's 'Attributes of well adapting organisations'[82] to track the development of local actors engaged in adaptation interventions. Box 5 shows how the Action on Climate Today (ACT) programme approached this issue.

Investment in strengthening local institutions. Requiring all partners to report on how they are helping build institutional legacy — and the proportion of finance invested in this — could incentivise all actors to give this greater attention. This could also involve tracking the degree to which local institutions can lead on developing MEL systems best suited to local contexts.[59]

BOX 5. TRACKING CAPABILITY DEVELOPMENT TO MAINSTREAM ADAPTATION

The Action on Climate Today (ACT) programme, funded by the UK's Department for International Development (DFID)[83] aimed to mainstream climate risk into development processes across South Asia. In India, the initiative sought to empower subnational institutions to mainstream climate risk into development. A competency framework tracked 64 parameters across six competencies — climate data, gender and social inclusion, implementing climate change financing frameworks, coordination, communication, and financial management — to measure the degree to which these institutions could deliver the role and what needed strengthening. The programme used the results to direct investment in institutional development to ensure mainstreaming could persist after the project's end.[84]

Principle 5. Build a robust understanding of climate change impacts, risk and uncertainty

Adaptation interventions must be informed by the best possible understanding of climate and disaster risk and their uncertainties. As the dangers of exclusively relying on scientific knowledge are well understood, this is best developed through the convergence of local and scientific knowledge.[71,85] Local knowledge spans traditional, cultural and generational systems of understanding and recording climate change impacts, variability and vulnerability, including perceptions and local histories of environmental and social change. Scientific knowledge includes historical data on climate extremes and trends, weather and seasonal forecasts, and downscaled climate projections.

Business-as-usual adaptation (Table 5) decision making is rarely based on the convergence of local and scientific data. It tends to favour top-down scientific climate risk assessments that use historical climate data and climate projections to predict the future.[86] But downscaled climate projections rarely capture all climate change uncertainties or the range of change in climate variability, especially when presented as averages. Basing adaptation decisions on their results is likely to deliver maladaptation.[87]

Business-unusual adaptation (Table 5) planning starts from the bottom up, using climate risk assessments that build from local communities' understanding of climate risk and resilience pathways.[32,35,88] These bottom-up climate risk assessments then need to be integrated with scientific knowledge and climate scenarios to test appropriate low-regret options and produce robust adaptation strategies. Rather than using averages of downscaled projections to predict future climate impacts, it is more appropriate to develop scenarios that use the range of climate model projections to test the sensitivity of different adaptation solutions.

Examples of good practice

Actors across all scales of governance need to collaborate to ensure that a robust understanding of climate risk and uncertainty informs adaptation decisions in local contexts.

1. Donors and climate funds

World Wildlife Fund's GCF 'Bhutan for Life' project combines traditional and Indigenous knowledge, using community-based vulnerability assessments and technical support from Columbia University and NASA for local weather stations that incorporate weather, seasonal climate data and future climate scenarios. By training youth group members as citizen scientists, the project will enable local translation of the climate data collected.[9]

This example offers one approach for basing adaptation decisions on insights gained by integrating local and scientific knowledge. Other funders could consider how to correct the bias towards financing adaptation initiatives based on historical data and simplified projections that 'predict' the future. Few currently provide good guidelines for the robust use of local knowledge and climate information in locally led adaptation, and efforts to systematically use and mainstream traditional knowledge into adaptation are limited.[89] To take it further, programmes could innovate ways to develop a community's understanding of local climate risk and develop adaptation pathways. This would usefully draw on local generational knowledge in designing robust adaptation solutions.

Table 5. Business as usual versus business unusual: building more robust and bottom-up locally led adaptation actions

BUSINESS AS USUAL	BUSINESS UNUSUAL
Top-down adaptation decision making prevails, relying on climate models presenting averages that hide their uncertainty.	Adaptation decisions are based on bottom-up assessments that analyse local insights from generational knowledge in combination with climate science.
Adaptation design pays little attention to the value of local, cultural, Indigenous and traditional generational knowledge.	Adaptation decision makers use climate projections to test the sensitivity of different options to make optimal low-regret solutions for most possible climate futures.
Historical climate data is extrapolated to predict the future for informing adaptation decision making.	Climate information tools are co-produced and tailored to local people's context and needs.

2. International intermediary organisations

Participatory Integrated Climate Services for Agriculture (PICSA), supported by the CGIAR and the University of Reading in 24 countries, involves agriculture extension staff working with farmers ahead of the agricultural season. They analyse historical climate information and use participatory tools to develop and choose the best crop, livestock and livelihood options for individual farmers' circumstances. Before and during the season, extension staff and farmers consider the practical implications of seasonal and short-term forecasts on farmers' plans. The farmers then use this information to decide which tailored adaptation solutions to apply.[90]

Other international intermediary organisations can build on the PICSA approach, designing adaptation options from the bottom up, beginning with local knowledge and using local insights on how to best present and translate scientific climate change information to inform locally led adaptation actions. To take it further, they could consider how to support the convergence of local and scientific information to explore robust adaptation solutions to the range of plausible climate futures.

4. National governments

Brazil's NAP acknowledges the immense value of Indigenous populations' traditional knowledge around environmental shifts and adaptation pathways, underscoring the importance of inviting their representatives "to participate in debates, evaluations and planning of policies to counter the adverse impacts of climate change, in recognition that a blend of scientific, traditional and local knowledge could foster adaptation capacity and reduce vulnerabilities."[91]

This example shows how national governments can enshrine the importance of local and Indigenous knowledge into national and subnational climate change policies and plans. To take things further, governments can: mandate relevant public institutions and NGOs to integrate local knowledge and scientific information in local adaptation intervention design and delivery; issue adequate caveats and 'health warnings' alongside scientific knowledge such as downscaled climate projections, to reduce their misuse and the risk of maladaptive decision making; and offer climate information freely and in forms that support robust local decision making in the face of the range of possible climate futures.

4. Civil society

Under the **Partners for Resilience Program**, CSOs have been working with local communities in the Philippines' Bokod municipality to determine adaptation pathways through the convergence of scientific knowledge and local insights. The programme supplements Indigenous knowledge with the results of climate projections in participatory decision making to find low-regret adaptation solutions to the problem of reduced water supply. This has led to traditional, community-based cooperative labour agreements for developing a new water supply system, helping local farmers adapt to decreasing rainfall and increasing temperatures.[92]

This example shows the crucial role that CSOs can play by strengthening local actors' capabilities to interpret and use climate information. They can also support the development of platforms where local communities and climate scientists can engage with each other to converge local and scientific knowledge. The insights gained ensure that decision making delivers the best possible solutions in the face of multiple possible climate futures. CSOs are uniquely placed to ensure that any national and subnational adaptation plans are strengthened by local, traditional, cultural, Indigenous and generational knowledge systems.

Suggestions for measuring progress

To measure progress in and support learning around building a robust understanding of climate risk and uncertainty, stakeholders could track:

Adaptation initiatives that actively support the convergence of scientific and local knowledge, beginning with bottom-up vulnerability and climate risk assessments and local, traditional, Indigenous, cultural and generational knowledge.

Where in the delivery cycle generational knowledge is used. Unpacking the breadth and depth of participatory processes across the programme cycle to understand how generational knowledge is employed in decision making.

Robust decision making. Understanding the number of local adaptation decisions undertaken using future scenarios where the sensitivity of adaptation options to the range of potential future climates is tested to find best possible low-regret options.

Quality of climate information. Developing national and local institutions that facilitate the convergence of local and scientific knowledge and co-produce climate information that is useful for decision making and includes clear advice on the uncertainties of this information.

Principle 6. Provide flexible programming and learning

Locally led adaptation must have the ability to evolve in tandem with changes in the operational environment. This adaptive management approach to programming helps address the inherent uncertainty surrounding climate change.[93,94]

Under business as usual (Table 6), initiatives increasingly claim to employ adaptive management; but evidence of their depth and quality is scarce.[9,95] Programme managers are unable to substantially shift timelines, budgets and outputs.[70] Rigid programming hinders locally led adaptation as adapting to current variability, future climate change risks and their interactions with non-climate risks is uncertain and requires testing ideas and learning over time.

Business unusual (Table 6) provides adaptation funding with enough flexibility to support adaptive programme management.[9] Budgets can adjust to changing circumstances, allowing locally led adaptation to prioritise and adapt to learnings — from both successes and failures — as they emerge, especially through peer-to-peer knowledge exchanges. Business unusual funding can support robust monitoring and learning systems that iteratively gauge the progress of adaptation and enable learning from the context in which interventions unfold and can allocate a percentage (for example, 30%) of total budget to contingency or crisis modifier finance to cope with unexpected events.

Examples of good practice

Actors across all scales of governance need to work together to guarantee that flexible programming is effectively enabled.

1. Donors and climate funds

Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED), a DFID[83] programme, had a crisis modifier facility with ringfenced money accessible in the event of a humanitarian crisis within project areas. This ensured that organisations working in the area could respond to crises effectively.[96]

Interest is increasing in adaptive management approaches in development programmes, with their focus on learning and delivering results and outcomes as opposed to outputs and activities. Given the uncertainty and challenges of delivering effective adaptation, funders could draw on this and allow partners to justify changes to milestones, adjusting timelines and budgets within reason and with justification as contexts change and insights emerge. They could also make additional finance available to enable initiatives to respond to exigencies.

2. International intermediaries

The PPCR allows project implementers to move 15% of the investment plan funding envelope (up to US$10 million) between budget lines without steering committee approval.[9]

This example of budget flexibility shows how intermediaries can help local actors embed approaches for flexible programming, adaptive management and iterative learning within local adaptation initiative design. Intermediaries could build on this, helping communicate to donors the importance of providing flexible finance in response to learning or changing circumstances.

Table 6. Business as usual versus business unusual: providing more flexible adaptation funding and programming

BUSINESS AS USUAL	BUSINESS UNUSUAL
Programme monitoring aims to deliver accountability to donors and their taxpayers rather than support learning among local actors and local accountability.	Platforms and delivery mechanisms are established and supported to adjust to changes in the operational environment.
Adaptation programmes unfold in a predetermined, linear fashion, with little flexibility to adjust timelines and budgets as contexts change.	Adaptation interventions support rapid and iterative learning from the start, and this is fed into adjusting approaches and budgets.
	Additional flexible finance is provided for responding to shocks and changing circumstances.

3. National governments

Kenya's NAP underlines that "…learning from implementation of climate change adaptation activities in the country will need to be collected and submitted to policy makers to influence future adaptation implementation and decision making".[67] It designates institutional responsibility for this to the Climate Change Resource Centre and the Kenya Climate Change Knowledge Portal.

Building on Kenya's approach, other governments can enshrine the importance of learning, adaptive management and flexible programming in salient adaptation policies. To take things further, they could increase budgetary flexibility — for example, creating sovereign contingency funds and joining regional risk pools to offset residual risks — to help local adaptation actors cope with changing circumstances and climate shocks.[97] They could also ensure that their adaptation monitoring and evaluation systems support adaptive management by ensuring they consider the implications in delivery plans and budgets.

4. Civil society

Community-Based Adaptation (CBA), IIED's annual conference, provides opportunities for those delivering adaptation initiatives to share lessons and innovation to improve programming.

Gobeshona, the knowledge-sharing platform hosted by ICCCAD aims to inform adaptation action with findings from cutting-edge research.

Civil society actors can support peer-to-peer knowledge exchange platforms and learning communities to enable local actors to share adaptation learning and adjust programmes accordingly. Such platforms can play a crucial role in strengthening local actors' capabilities to develop approaches for flexible adaptation programming, adaptive management and iterative learning within local adaptation initiative design.

Suggestions for measuring progress

To measure progress in flexible programming and support learning within and between stakeholders, they could track:

The presence of iterative learning mechanisms in adaptation interventions, gathering insights about effective designs to elicit tacit learning and support adaptive management. This metric could also track the amount of funding allocated to adaptation MEL processes to understand what levels of support are required for effective adaptive management systems. Information and communication technologies for monitoring and evaluating initiatives in real time can also greatly support iterative learning.[59]

The balance of effort between accountability and learning. This could consider the proportion of adaptation interventions designed around a few broad outcomes that allow flexible responses with learning rather than being based on detailed, discrete outputs. Reviewing whether an intervention's design cycles align with MEL cycles can help stakeholders understand whether MEL systems enable internal learning and adjustment or focus on upward accountability.

Engagement in peer-to-peer knowledge exchange and learning communities. To measure this, stakeholders could look at programme budgets and analyse 'back to office' reports. They could also use peer feedback from the learning communities of practice to ascertain the impact of participation.

How funders provide a licence to learn. By understanding the innovations funders use to support learning, others can consider taking them up. Areas of interest could include analysing the rules on adjusting programme timelines and budgets or measuring and tracking the availability of additional finance for adjusting programmes based on learning or in response to exigent circumstances.

Principle 7. Ensure meaningful transparency and accountability

Transparency in financing, designing and delivering adaptation is important to ensure local actors and institutions can lead adaptation initiatives.[42] Under business as usual (Table 7), the amount of adaptation finance reaching or controlled by local actors is unknown.[3] Non-local actors — who are accountable to donors, not communities — lead the development of financing arrangements,[70] design of governance structures and adaptation delivery mechanisms. Communities are not meaningfully engaged in the process.[98] When finance information is made available, it is largely in formats and languages that are alien to local actors and institutions.

Business unusual (Table 7) means donors, governments, intermediaries and other adaptation partners make their governance arrangements and financial allocations publicly accessible, right down to the local level. This ensures that local communities know how much finance is available and its distribution across activities and budget lines. It also gives them a clear understanding of the aims and objectives of adaptation interventions, delivery mechanisms, decision-making and governance structures envisaged. Community members engage in central decision making, and evaluation and learning activities include downwardly accountable and participatory approaches that correct for power imbalances such as the free and informed

prior consent principle,[99] where local people have the right to give or withhold consent to interventions that affect them. Under business unusual, memoranda of understanding and contracts could include clear requirements of delivery partners for transparency in decisions and budgets, supporting social audits and developing community engagement platforms that regularly involve local actors in accountability processes.

Examples of good practice

Actors across all scales of governance need to collaborate to enhance transparency and accountability within adaptation initiatives.

1. Donors and climate funds

Donor reporting platforms: All donors report to the Organisation for Economic Co-operation and Development's Development Assistance Committee's Common Reporting Standard (OECD DAC CRS); some also use the International Aid Transparency Initiative (IATI) or OpenAid platforms.[100] But these platforms provide inadequate information on the localisation of adaptation, climate, development and humanitarian finance. The UK government publishes all funded project information on their DevTracker website[101] and IATI, although localisation and decision-making levels are not transparent.

Donors and climate funds could mandate those receiving funding for adaptation interventions to disclose financial data transparently, including in formats that are meaningful for local communities. This could usefully cover intentions for the degree of localisation. To take it further, funders could require local representation in budgeting and decision-making bodies and committees. This would require funding for translating and communicating essential information into accessible languages and formats.

2. International intermediary organisations

The International Accountability Project (IAP) works with donors, governments and CSOs to enable community leadership in development. Its Community Action Guide, a step-by-step approach to help communities "determine their own development priorities, and respond to unwanted development projects,"[102] can enhance local actors' capacity to hold those delivering adaptation initiatives to account.

Other intermediaries can draw on the IAP's learning and approaches to help mediate the relationship between local communities, governments and those financing interventions. To take it further, they could develop guidelines for accountability and transparency when building the capabilities of local institutions. Because intermediary organisations are central to building accountability, they should share their own financial data and governance information and justify their intended localisation levels for adaptation interventions.

3. National governments

The Mahatma Gandhi National Rural Employment Guarantee Scheme, the Indian government's flagship social protection scheme, has incorporated several mechanisms to support transparency and accountability. These include social audits, where local communities review official records and determine whether state-reported expenditures reflect the monies spent on the ground.[103]

Governments could issue and enforce guidelines that require those financing and delivering adaptation initiatives to be meaningfully transparent about budgets and governance structures. These examples show how to do this by including adaptation interventions under the purview of existing legislation on transparency. Where funds for adaptation are routed through government agencies, they could use national auditing and other public financial management processes to explicitly report on the localisation of adaptation finance.

Table 7. Business as usual versus business unusual: delivering more transparent and accountable locally led adaptation

BUSINESS AS USUAL	BUSINESS UNUSUAL
Budgets and the flow of funds in adaptation initiatives are not accessible, so it is impossible to know how much adaptation finance reaches the local level.	Financial data on adaptation initiatives are available in accessible formats and languages, allowing stakeholders to track adaptation finance to the local level.
Local communities are not aware of the aims and objectives of interventions beyond the activities in their area and do not understand the governance structures of delivery mechanisms that influence programme decisions.	Local actors are included in evaluation and accountability mechanisms and structures.
Evaluation and accountability mechanisms are sharply oriented towards donor requirements.	Local actors have broad understanding of the adaptation delivery mechanisms designed to support them and are engaged in citizen feedback and social audits, enabling downward accountability.

4. Civil society

The Adaptation Fund NGO Network (AFN) provides capacity building to CSOs across developing countries to independently monitor the execution of AF projects. Network partners conduct training on monitoring and tracking project progress for citizens and local actors to ensure civil society enables transparency, accountability and successful implementation. The network also contributes to policy discussions and decisions on adaptation financing, especially through a CSO dialogue at AF Board meetings.[104]

To help communities engage meaningfully in accountability and transparency, other civil society actors can build on this example with a range of activities including establishing accountability platforms where communities can interact with those funding, designing and delivering adaptation initiatives.

Suggestions for measuring progress

To measure progress in and support innovation and learning around enabling meaningful transparency and accountability, stakeholders could track:

Reporting on the localisation of adaptation funding and decision making at all levels. Donors, international intermediaries, national governments and local stakeholders could report their financial commitments and disbursements for locally led adaptation action. Donor reporting to the OECD DAC CRS, IATI and the UNFCCC could be adapted to increase transparency over their intentions to devolve authority and resources.

Translation of programme information, including financial data and governance arrangements, into local languages and sharing of these with local actors online or through other accessible platforms such as community meetings. This includes tracking the degree to which MEL processes speak to local actors, rather than donors.[59]

Local actor representation in decision making, using quantitative processes (measuring the number of local actors participating in meetings) and qualitative outcomes (measuring changes in project processes because of participatory meetings) to measure the degree and depth of participation in decision-making bodies.

Existence of independent oversight mechanisms, such as watchdogs, committees, complaints redressal systems and disclosure policies.

Stakeholders signing up to accepted standards, codes and practices that promote accountability such as Open Government or the SPHERE standards for humanitarian assistance, which also emphasise transparency and accountability.[105]

Principle 8. Enable collaborative action and investment

No single programme or investment can address all climate risks in every context.[9] So, collaborative approaches are crucial to support convergence between adaptation initiatives led by different local actors.[106] A collaborative whole-of-society approach is needed to ensure initiatives work in concert, support each other and layer their activities to avoid duplication, enhance efficiencies and learn what works best.[7]

Under business as usual (Table 8), global climate funds and national institutions make only sporadic attempts at coordination; national focal points are largely not empowered to enable convergence;[26,49,107] and institutions delivering local adaptation programmes are burdened with parallel accountability systems, duplicating work.

In business-unusual approaches (Table 8), donors and intermediaries converge on simple investment criteria, readiness, accreditation processes and accountability mechanisms to strengthen national systems and avoid creating parallel systems that are accountable to different funding bodies. National focal points and institutions get the support they need to shift towards bottom-up and collaborative approaches to support long-term local action and investment, including through NAPs, NDCs and Long-Term Strategies. To maximise local-level synergies, there must be greater collaboration across sectors and initiatives with potential to contribute to climate change adaptation, including humanitarian relief, public health, livelihoods and agriculture. This is especially important in the context of a green recovery from COVID-19, where initiatives will need to tackle integrated threats and opportunities for building resilience to a range of shocks and stresses.

Examples of good practice

Actors across all scales of governance need to work together to ensure coordinated action and investment.

1. Donors and climate funds

GCF, AF and Climate Investment Funds (CIF): The GCF is scaling up interventions initiated by other institutions, such as the AF and foundational activities covered by PPCR programmes, in countries across the world. The GCF and CIF recently commissioned multilateral analysis that considers synergies between the GCF, CIF, AF and GEF to find areas for improved coordination and convergence.[108]

Funders can build and extend on this example to consider their role in providing more coherent and complementary support in countries. To take it further,

Table 8. Business as usual versus business unusual: delivering more coherent locally led adaptation action

BUSINESS AS USUAL	BUSINESS UNUSUAL
Funders and intermediaries have different requirements of national and local actors regarding investment criteria and proven track records.	Funders and intermediaries collaborate to align investment criteria, capacity building and accreditation.
Investment into local-level mechanisms for ensuring effective collaboration between initiatives is limited.	Donors, national governments and local actors work together to reduce duplication.
There is little convergence in mechanisms aimed at accountability and reporting.	Country systems are developed and used to ensure a unified approach to reporting and accountability.
Finance is often siloed by type (humanitarian, development, climate), sector and project.	Donors and delivery partners of humanitarian, development and climate finance working at different scales collaborate to deliver more coherent responses to local climate and non-climate risks.
Adaptation planning is often rushed, with insufficient budget to create locally led plans, and focuses on projects rather than strengthening local institutions' leadership.	Adaptation planning is delivered from the bottom up, creating whole-of-society interventions.

they can ensure their investment designs bolster existing initiatives, and their investment criteria, readiness and accreditation processes align with others and avoid creating parallel accountability systems. They can also consider which sectors and stakeholder groups have not received adequate attention and innovate to engage them in their work. Crucially, they could consider how to support partner governments to ensure they use climate, humanitarian, development and even COVID-19 recovery finance to create a coherent response architecture for the range of risks communities face.

2. International intermediaries

World Bank helped Mozambique's Ministry of Land, Environment and Rural Development access different funds for their Integrated Landscape and Forest Management portfolio. The ministry is now receiving US$204 million across eight projects, brought together from the FIP, GEF, the Forest Carbon Partnership Facility, the World Bank's International Development Association, the Program on Forests (PROFOR) and other multi-donor trust funds.[9]

This example shows how intermediaries can help develop multi-stakeholder governance platforms and draw in finance behind them. They could build on this to work with donors, national governments, civil society and nongovernmental actors to improve collaborative action for enhancing locally led adaptation by finding incentives that go beyond alignment to harness synergies.

3. National governments

The **Zambian** government's Department of Climate Change and Natural Resources aims to enhance cooperation between bilateral and multilateral actors supporting adaptation and coordinate the evaluation of programmes and projects to ensure greater cohesion.[109] Under the PPCR, Zambia used a multi-ministry, multi-stakeholder platform with representation from a range of international and local NGOs, private sector and academic partners. More than 40 agencies and organisations contributed, leading to a focus on participatory and community-based adaptation integrated into local area development plans.

This is a good example of an institutional mechanism for improving coordination on adaptation. Other governments would also benefit from establishing policy and institutional mechanisms to ensure integration vertically (between international climate funds, and national and local actors) and horizontally (across sectoral agencies and ministries at each level). This could include structures to improve coordination between different donors supporting locally led action for adaptation and between donors and local actors. Governments could also adopt a programmatic approach for adaptation and set up unified, national systems for reporting and accountability to reduce the burden on local actors.

4. Civil society

The Myanmar Climate Change Alliance (MCCA) is a multi-stakeholder platform aimed at ensuring enhanced action on adaptation and better coordination of finance, action and accountability around adaptation. Its members include CSOs, multilateral institutions, government ministries and local institutions.[110]

CSOs in other countries can also help establish platforms where governments, adaptation funders and local actors come together to make joined-up decisions. As well as advocating for greater convergence in investment, accreditation and readiness criteria and for more unified and coherent reporting and accountability systems, they can help ascertain and fill gaps in each others' capabilities through joint initiatives.

Suggestions for measuring progress

To measure progress in and support learning around collaboration, stakeholders could track:

National architectures supporting collaboration, particularly the development of institutions, mechanisms and platforms that enable vertical and horizontal integration. This could consider the existence, functioning and growth of such entities and what incentivises multi-stakeholder collaborative problem solving and alignment of interventions.

Alignment of funding windows, to consider how donors and climate funds align investment, readiness and accreditation criteria and how donors can pool resources across humanitarian, development, climate and COVID-19 recovery funds behind a particular delivery mechanism to support coherent locally led climate action.

Differentiation of funding windows. The percentage of adaptation investments that aims to scale up and build on existing initiatives would demonstrate how donors and funds collaborate in providing appropriate support at each stage of developing coherent architecture and delivery mechanisms for whole-of-society approaches.

Looking forward: holding ourselves to account

This final section outlines the learning journey. We invite you to join us to deliver more effective adaptation over the next ten years. As part of a community of practice, you will be able to share, consult and solicit constructive feedback on the changes you make to deliver more business unusual.

4

We seek commitment to the eight principles from all adaptation stakeholders working to increase the quantity and quality of locally led adaptation. These principles complement the guidance for central governments set out in the World Bank's Adaptation Principles, unpacking Action 1.4 (Ensure financing is available to all, and provide support to the poorest and most vulnerable people)[19] to ensure all actors can adapt and thrive. They also offer a response to the LDC 2050 Vision 'asks' for the international community.[20]

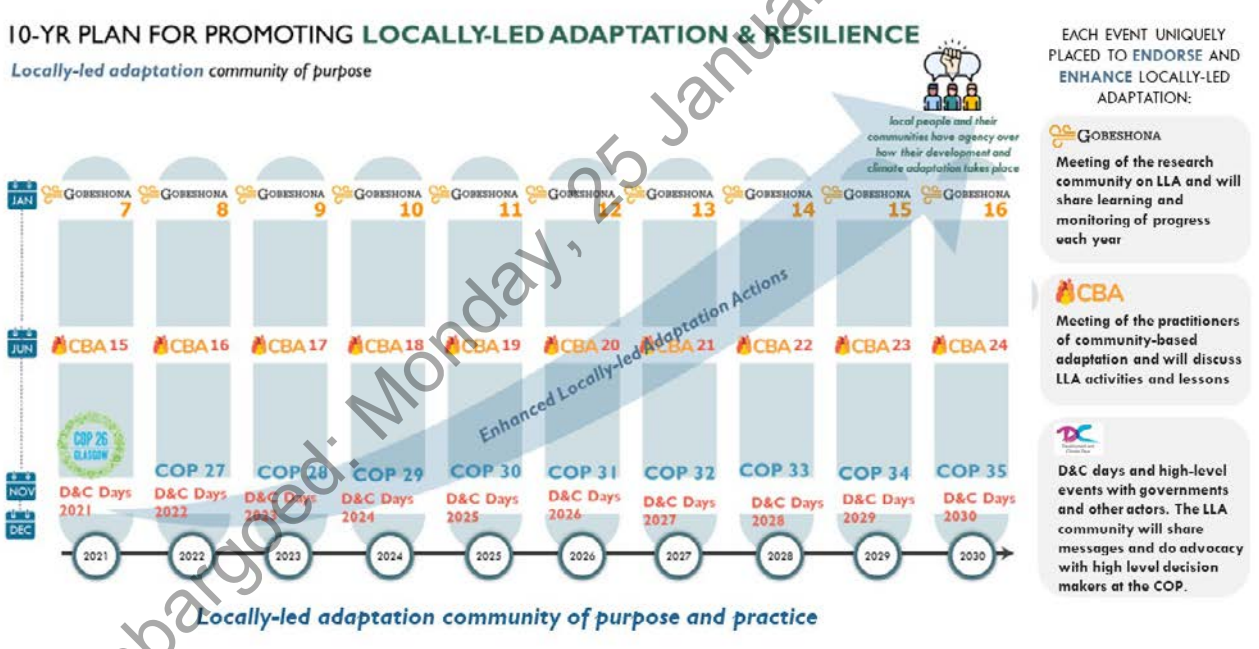
They are not a panacea. Turning them into effective locally led adaptation that unlocks local actors' resilience-building potential will require incredibly patient, deep and politically intelligent support, as well as national and local-level champions who can influence the governance of resources to benefit communities.

The journey towards more effective adaptation starts here. These principles were launched on 25th January 2021 with endorsing institutions at the Climate Adaptation Action Summit hosted by the Government of the Netherlands. We welcome more adaptation and development stakeholders to come forward with commitments to do more business unusual.

We realise that each stakeholder's commitments will look different. But we encourage all of you to be as ambitious as possible, commit to do (even) more business unusual and be part of this shared learning journey. After the Global Commission on Adaptation sunset in January 2021, there will be no permanent institution to monitor the commitments made under any action track. Ensure your own accountability by committing to join us on this journey, to build trust across stakeholders and learn collectively what works for effective adaptation.

As part of this learning journey, we invite you to come together as a community of practice throughout the ten years of action, to voluntarily share the changes you are making or intend to make to deliver more locally led adaptation (Figure 3). The community of practice will represent a forum for peer review and exchange, consultation and soliciting constructive feedback to strengthen locally led adaptation action over time.

Figure 3. The ten-year learning journey



Credit: Mimansha Josh

Abbreviations

ACT	Action on Climate Today
AF	Adaptation Fund
AFN	Adaptation Fund NGO Network
BCCSAP	Bangladesh Climate Change Strategy and Action Plan
BRACED	Building Resilience and Adaptation to Climate Extremes and Disasters
CBA	Community-Based Adaptation
CIF	Climate Investment Funds
CRPP	Community Resilience Partnership Program
CRS	Common Reporting Standard
CSOs	civil society organisations
DAC	Development Assistance Committee
DCCNR	Department of Climate Change and Natural Resource (Zambia)
DCFs	decentralised climate funds
DFID	Department for International Development
DGM	Dedicated Grant Mechanism
EDA	Enhanced Direct Access
FFF	Forest and Farm Facility
FIP	Forest Investment Program
GCF	Green Climate Fund
GEAG	Gorakhpur Environmental Action Group
GEF	Global Environment Facility
IAP	International Accountability Project
IATI	International Aid Transparency Initiative
ICI	Inclusive Conservation Initiative
IPLCs	Indigenous Peoples and local communities
IUCN	International Union for Conservation of Nature
LDCs	Least Developed Countries
LIFE-AR	LDC Initiative for Effective Adaptation and Resilience
LLAT	Locally-Led Adaptation Action Track
M&E	monitoring and evaluation
MCCA	Myanmar Climate Change Alliance
MEL	monitoring, evaluation and learning
MNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
NAP	national adaptation plan
NDCs	nationally determined contributions
NGO	nongovernmental organisation
NIAF	Nigeria Infrastructure Advisory Facility
OECD	Organisation for Economic Co-operation and Development
PICSA	Participatory Integrated Climate Services for Agriculture
PPCR	Pilot Programme for Climate Resilience
PROFOR	Program on Forests
TERI	The Energy Resource Institute
UNDP	United Nations Development Programme
UNEP	UN Environment Programme

Notes

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