

Vertical Integration of the NAP process:

Through the establishment of a performance-based climate resilience grant mechanism



LOCAL

LOCAL CLIMATE ADAPTIVE
LIVING FACILITY





Vertical integration of the NAP process

- ❖ Article 7 of the **Paris Agreement** recognizes adaptation as a global challenge faced by all with local, subnational, national, and regional dimensions. **COP26** further emphasizes role of **multilevel action**
- ❖ Vertical integration is the process of creating intentional and strategic linkages between national and sub-national adaptation planning, implementation and monitoring & evaluation (M&E) (NAP Global Network).
- ❖ **Enabling factors**
 - ❖ Institutional and political anchorage/frameworks in place (e.g. decentralization)
 - ❖ Information sharing channels
 - ❖ Capacities (both technical and financial)



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

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

- Designed by UNCDF to help local governments and their communities **access and effectively use climate finance at the local level**
- Promotes the **integration** of climate change adaptation (CCA) in **local government planning and budgeting systems** in a participatory and gender sensitive manner
- Uses innovative **Performance-Based Climate Resilience Grants (PBCRGs)** to guarantee programming and verification of local adaptation expenditures

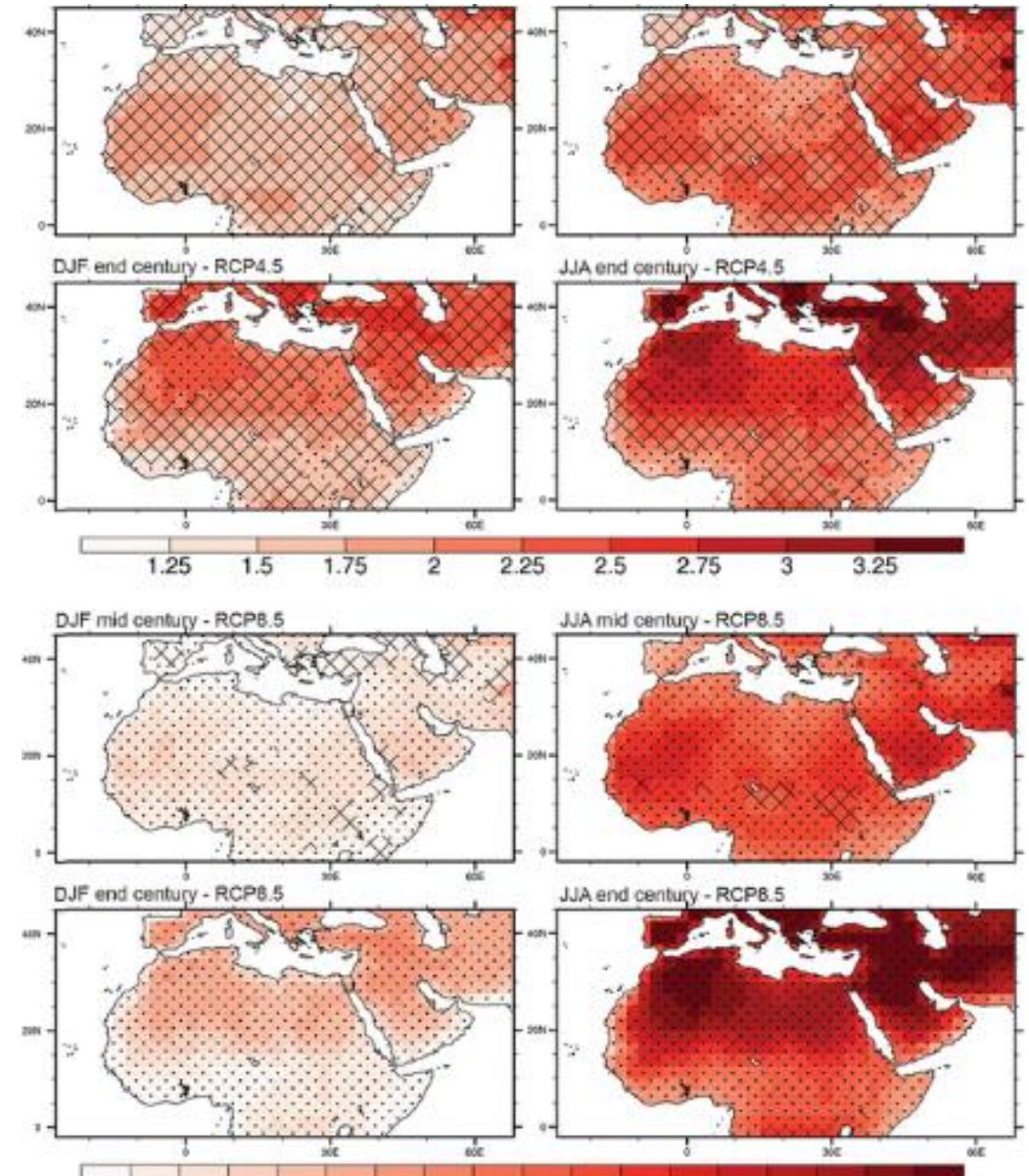




why give support at the local level?

Local governments from LDCs and other developing countries :

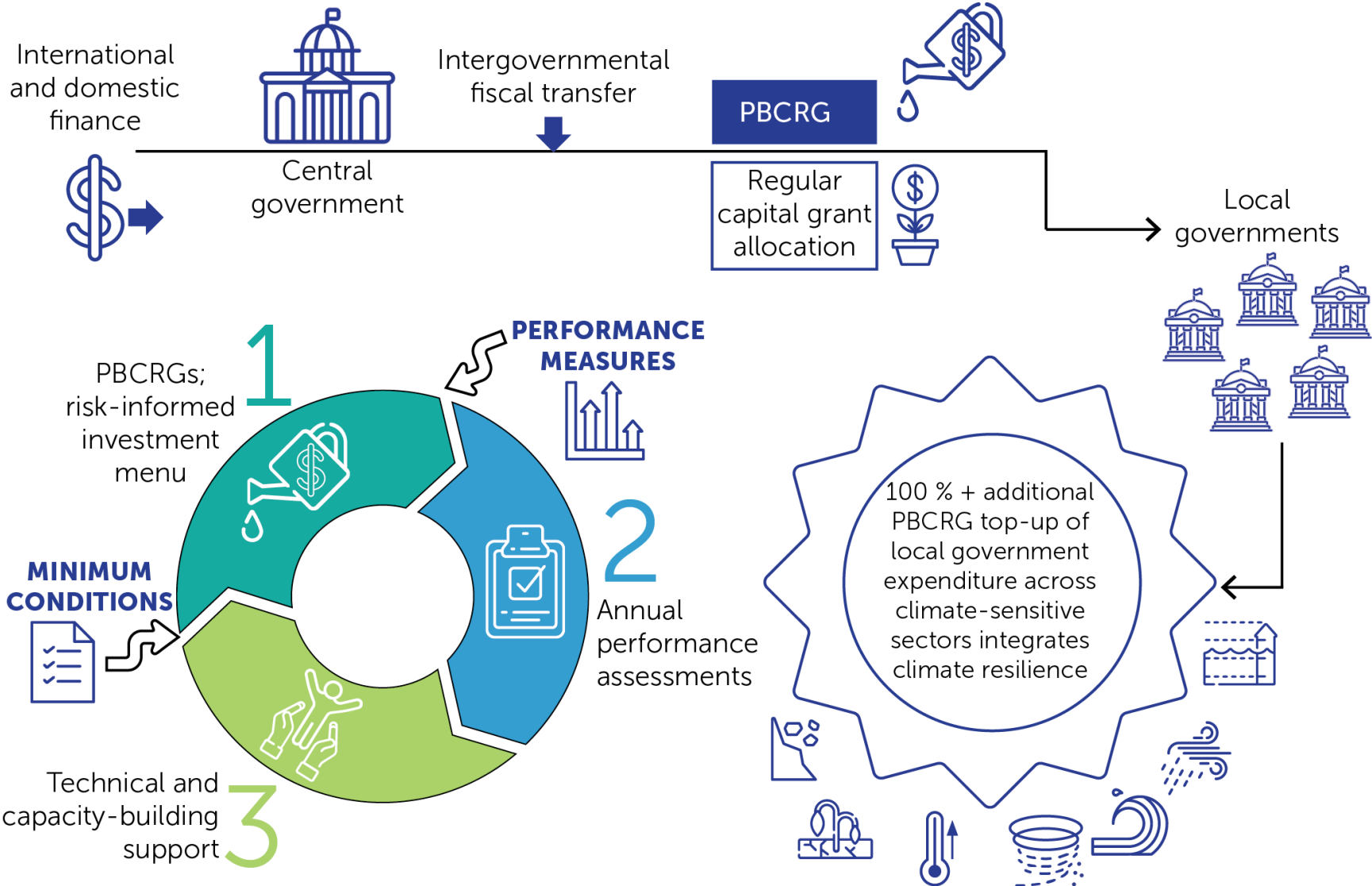
- are in a unique position to identify and implement the responses that best **meet local needs**
- typically have the **mandate** to undertake small to medium sized interventions and investments required for building climate resilience.
- face a **funding gap** (regular transfers, additional costs,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





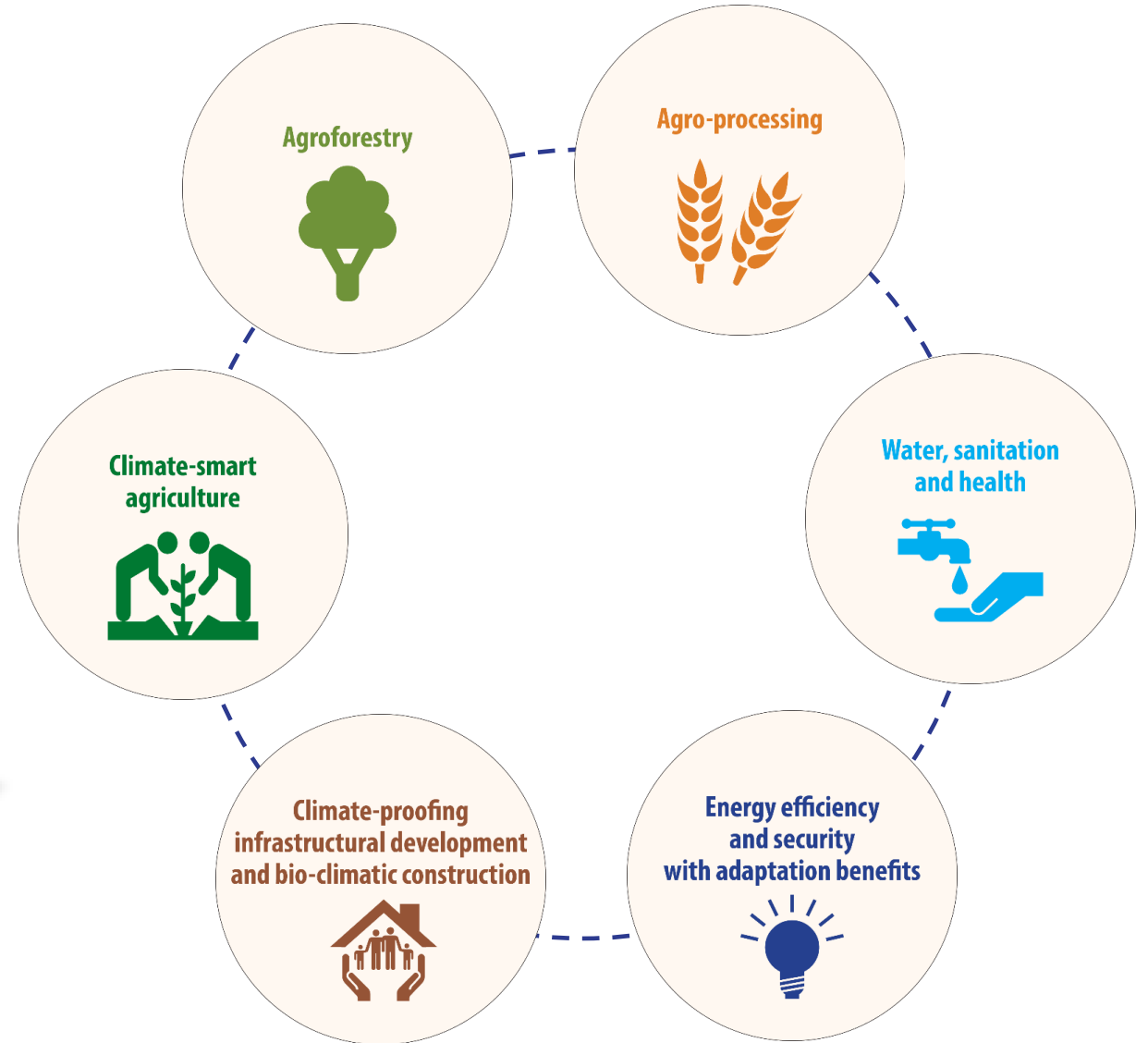
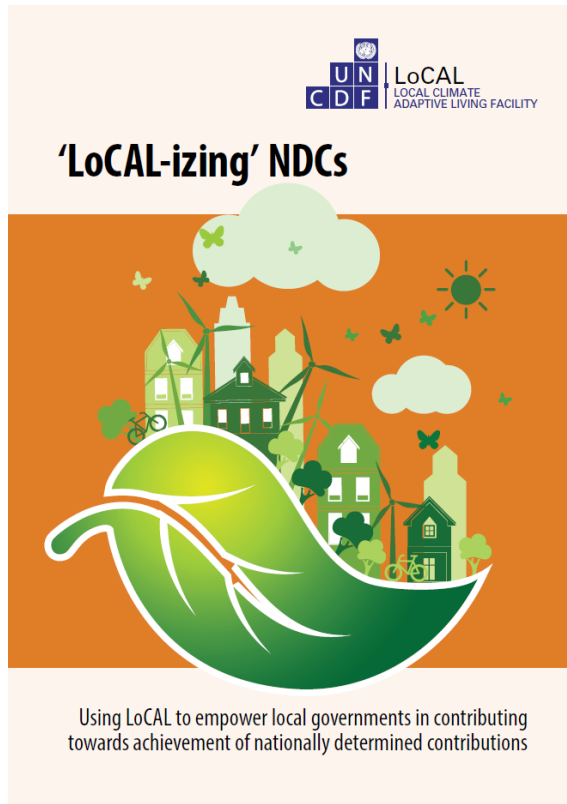
The LoCAL mechanism

Local Climate Adaptive Living Facility





LoCAL: an investment menu aligned with NAPs & NDCs

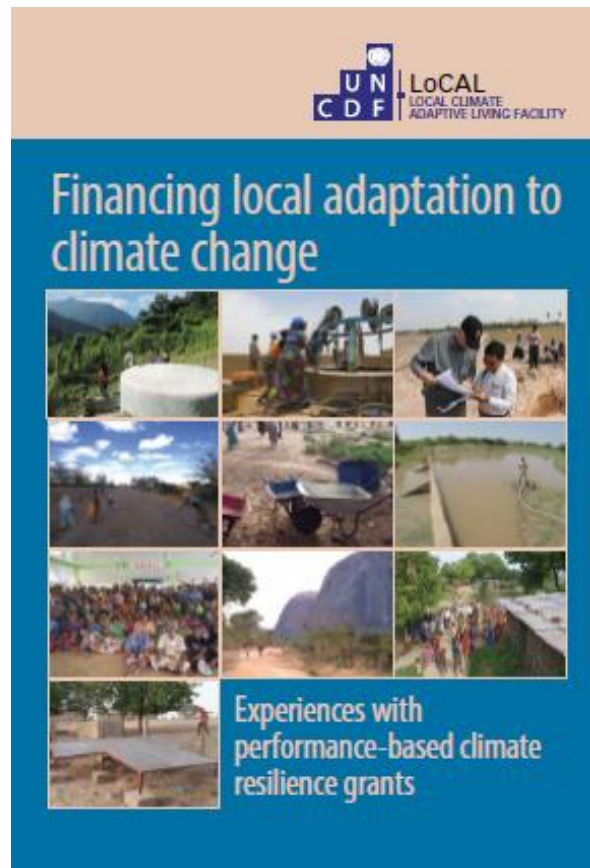




LoCAL

Endorsed by the LDC Expert Group to the UNFCCC as supplementary material to its National Adaptation Plan technical guidelines and related ISO standard application

Vertical Integration Module (Open NAP Initiative) – annexed to NAP



LoCAL

A recognized tool for financing local adaptation to climate change in the UNFCCC Adaptation Knowledge Portal

LoCAL expansion mapped

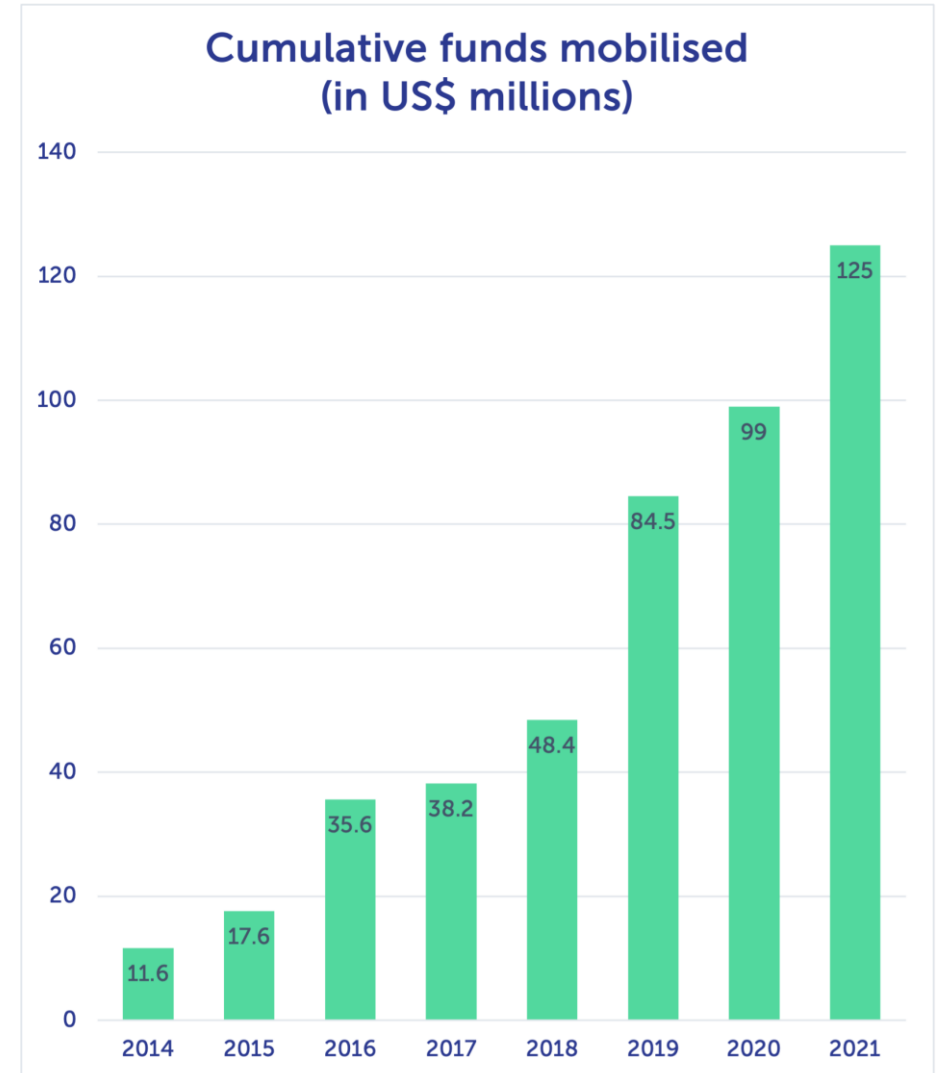


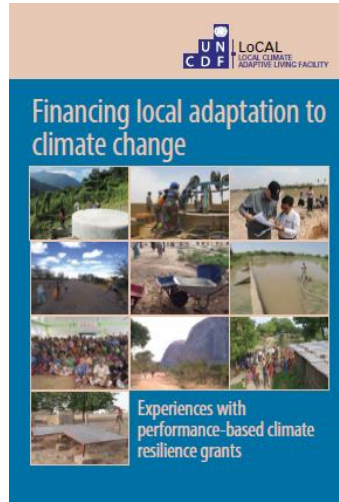


From pilot to a global mechanism

Exponential growth (2014-2021):

- **Delivery jumped** by 300+% from 2018 to 2019
- **60% year-on-year growth** from 2020 - 2021
- Reflects **phase II expansion** in selected countries
- Links to increased demand for LoCAL by countries and **recognition of the mechanism** among the climate community and development partners





LoCAL Recognition

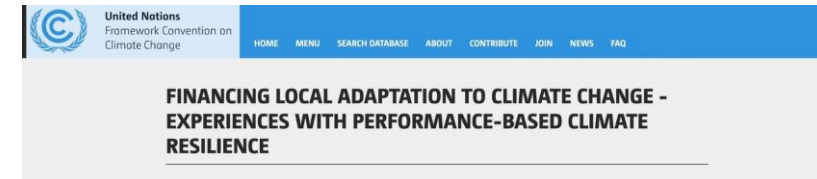


LoCAL
Referenced by the UNFCCC standing committee on Finance as an “initiative supporting domestic national budget systems to target adaptation actions at the local level, while reinforcing transparency and reporting through those systems.”

LoCAL
Endorsed by the LDC Expert Group to the UNFCCC as supplementary material to its National Adaptation Plan technical guidelines and related ISO standard application



LoCAL
The Doha Programme of Action recognises the importance of resilience building in developing countries and identifies the Local Climate Adaptive Living Facility as a target for supporting implementation of countries’ adaptation to climate change.



LoCAL
A recognized tool for financing local adaptation to climate change in the UNFCCC Adaptation Knowledge Portal

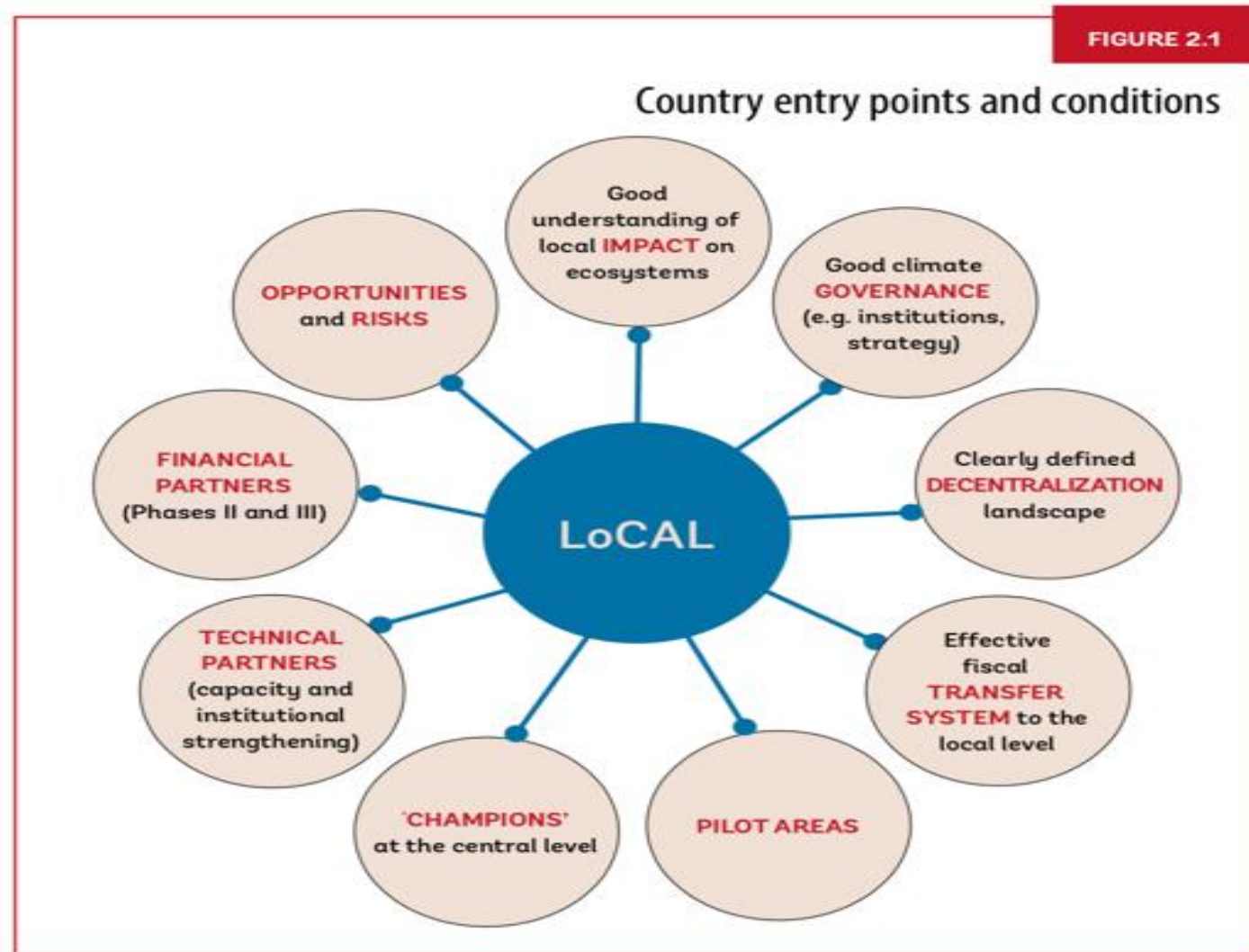


Mediating the subnational level's direct access to climate change finance

- LoCAL countries (**Bhutan, Benin, Cambodia, Mali, Niger and Tanzania**) have nominated a national entity for accreditation to GCF, engaged with LoCAL.
- The FNEC of Benin and NCDD-S of Cambodia were accredited as a GCF National Implementing Entity in 2019 and Bhutan TFEC in 2020. They are preparing further national scale-up through direct access, as is **Uganda**.
- 4 LoCAL countries have submitted a proposal to the GCF through a Regional Accredited Entity (BOAD) for direct access (100 local governments). 4 more are preparing with SPC.
- LoCAL is supporting the preparation of a USD 175 million portfolio to GCF with more to follow.



Key elements for a pre-feasibility study for LLA (CN stage)





LoCAL

LOCAL CLIMATE ADAPTIVE
LIVING FACILITY

thank you

LoCAL Board Observers



LoCAL Partners

