

The Local Climate Adaptive Living Facility

Financing locally led adaptation

Local adaptation action to enhance resilience

The LoCAL Facility supports the implementation of nationally determined contributions (NDCs) and national adaptation plans (NAPs) through decentralization and local-level implementation strategies.

The LoCAL Mechanism contributes to the local-level implementation of the Paris Agreement and the climate-related Sustainable Development Goals (SDGs).

LoCAL was recognised as a tool and method for subnational adaptation planning and implementation and included on the UNFCCC adaptation knowledge portal. The UNFCCC Standing Committee on Finance 2021 Biannual Report also recognised LoCAL as an “initiative supporting domestic national budget systems to target adaptation actions at the local level, while reinforcing transparency and reporting through those systems”.

Doha Programme of Action



The Doha Programme of Action lays out the LDC’s six key priorities for the coming decade. The LoCAL Facility is named in this steering document as **an existing initiative that can help achieve results on adaptation.**

How LoCAL works

LoCAL combines **performance-based climate resilience grants (PBCRGs)** – to programme and verify climate change expenditures at the local level while offering strong incentives for improvements in enhanced resilience – with **technical and capacity-building support**.

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

- Undertaking local climate **risk assessments** to inform adaptation planning and mainstreaming

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



Designed by UN Capital Development Fund in 2010
Launched globally in 2014

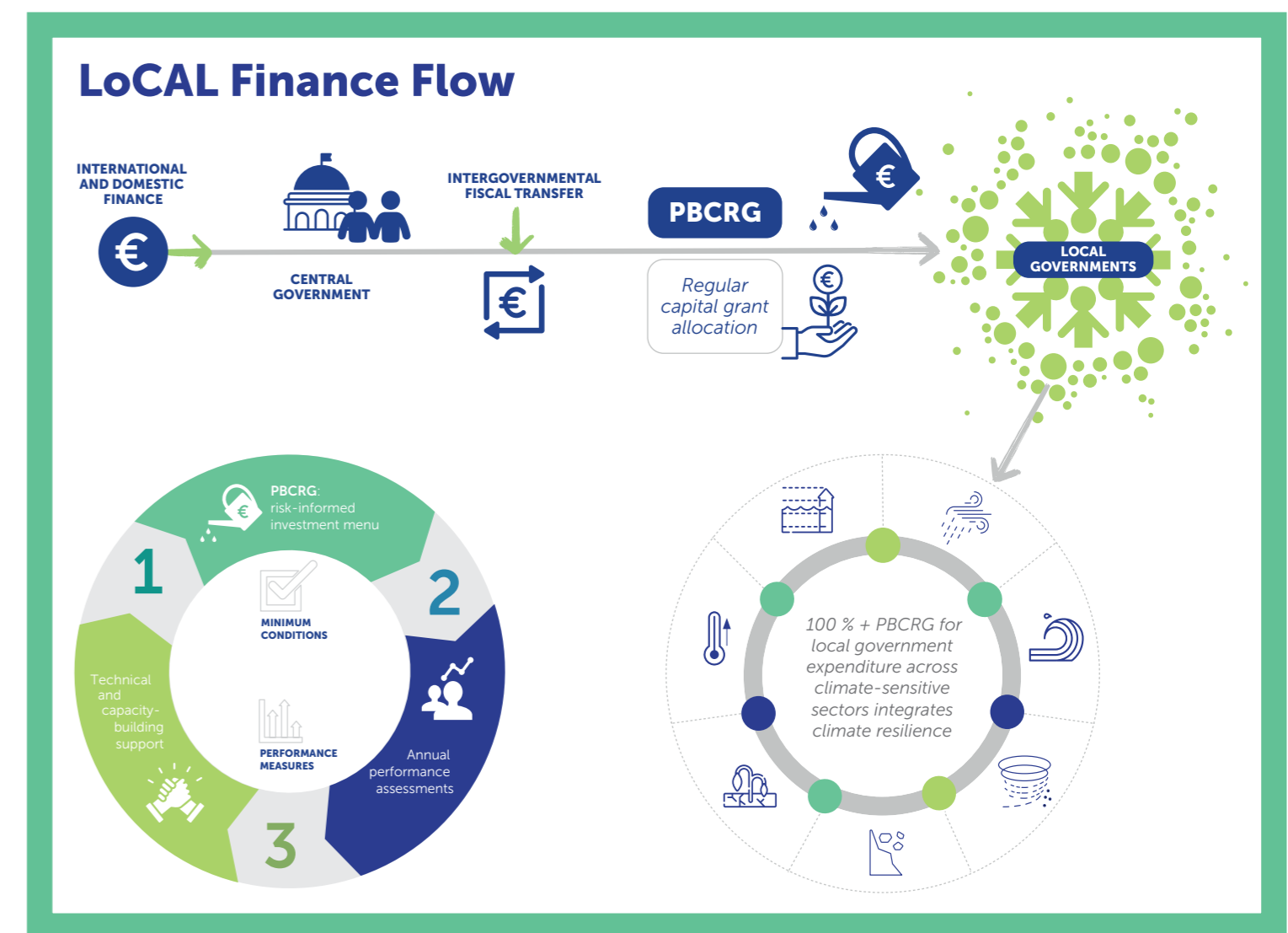
34 countries across Africa, Asia, the Caribbean and the Pacific have engaged LoCAL



US\$ 150M mobilized
15M+ beneficiaries

2100+ adaptation investments funded with Performance Based Climate Resilience Grants

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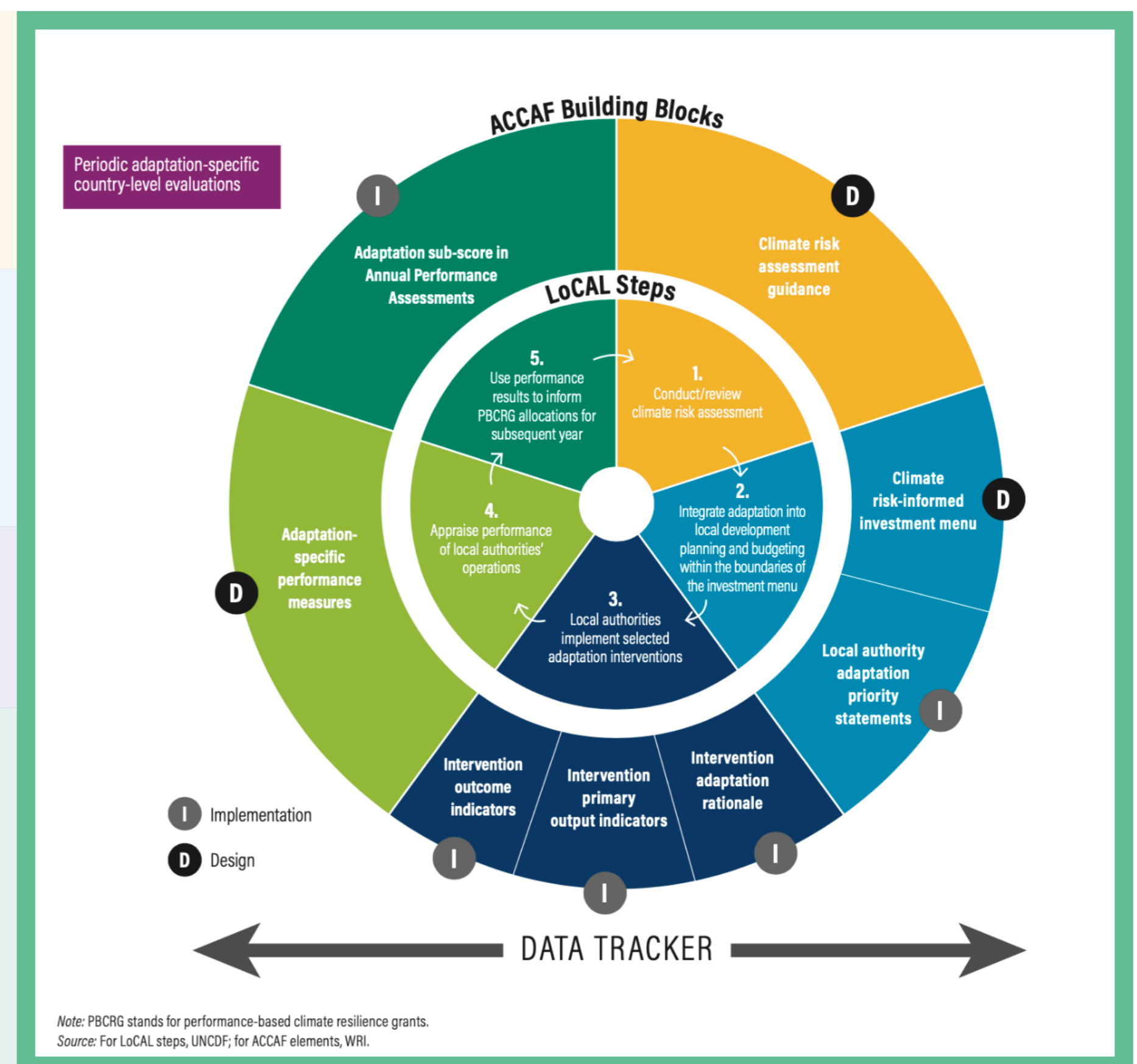
LoCAL Facility’s Phases to Transformational Adaptation and Resilience

Phase I - Sensitization and capacity development for effective local climate governance: national and local governments receive support to increase awareness and build capacities to respond to climate change. The support includes capacity development at the local level for institutional strengthening – covering all aspects effective local decision-making processes for risk-informed planning, budgeting and implementation of adaptation options that respond to locally identified needs.

Phase II - Mainstreaming of climate change adaptation into local planning and budgeting processes: LoCAL aims to support efforts to mainstream climate change adaptation into local development plans. The integration of adaptation is achieved by identifying resilience interventions that are aligned with the countries’ NAPs and NDCs. It also supports the implementation of adaptation action and NDCs while contributing to achieving at least 5 SDG goals, i.e., poverty eradication, zero hunger, clean water and sanitation, sustainable cities and communities and climate action.

Phase III - Financing mechanism: The LoCAL Facility combines performance-based climate resilience grants (PBCRGs) that ensure the programming and verification of climate change expenditures at the local level, with technical assistance and capacity-building support. LoCAL applies principles of fiscal decentralization and effective local planning and public financial management to climate change.

Phase IV - Monitoring and evaluating adaptation investment and results: The LoCAL Facility addresses this gap through its Assessing Climate Change Adaptation Framework (ACCAF), developed in partnership with the World Resource Institute. The ACCAF is a multi-country M&E framework which guides the effectiveness of the performance-based climate resilience grant mechanism in producing the adaptation investments and results expected. ACCAF has five categories to classify local adaptation investments: climate-specific, climate-smart, climate strategic, climate complementary, and awareness and capacity building to inform the adaptation intervention and rationale. Based on the adaptation intervention, the ACCAF introduces a standard set of primary output indicators for each intervention.grant mechanism in producing the adaptation investments and results expected.



ISO 14093 recognised the LoCAL Facility as a methodology for a country-based mechanism to channel climate finance to subnational authorities to support climate change adaptation and to increase local resilience.

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