

NATIONAL CONFERENCE ON FINANCING LOCALLY-LED CLIMATE ACTION

Directing Climate Finance to Frontline Communities for Accelerated Adaptation, Resilience Building, and Transition To Low-Carbon, Climate-Resilient-Green-Blue Development Paradigm

PARTNERS:

KPCG, PACJA, AfDAN, World Bank, The Treasury & Ministry of Economic Planning, Council of Governors, ChristianAid, ActionAid, Care International, VSO, IRC, Save the Children, Parliamentary Caucus on Climate Change, KYPA, SDGs Kenya Forum.

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A. Contextual Issues

Climate change continues to exert a profound impact on extreme weather events, leading to notable shifts in the frequency of cold days, cold nights, and frost, which have decreased, while the occurrences of storms, wildfires, and floods causing significant GDP losses have increased. Within the framework of the African Union's Agenda 2063, the continent recognizes the utmost importance of addressing climate change to achieve its development objectives. As Africa strives for a prosperous future based on inclusive green and just economic growth and sustainable development, Africa is committed to implementing measures that are just and responsible for building the adaptive and resilience capacities of frontier communities to manage rich biodiversity, forests, land, waters, as well as natural capital. Moreover, many countries including Kenya have developed innovative financing mechanisms of supporting adaptive strategies which have been deployed to effectively respond to the impacts of climate change, disasters, and risks.

A vast majority of communities and people most affected by climate change, comprising the pastoralists, fisherfolk, smallholder farmers, and indigenous communities, are largely excluded from the mainstream conversations that aim to find the most plausible solutions to address the climate crisis, regarded as 21st biggest challenge to the survival of humanity and the planet. The lack of awareness, political consciousness, and engagement of these core constituents in climate action dialogue processes is partly to be blamed on the centralized, party-state-centered, global-centric, and top-down climate response systems and approaches which have failed over time.

A growing community of practice for “*locally-led action*” has restlessly decried the inertia occasioned by the top-down model, and its cost where it matters most for communities barely surviving the waves of

climate shocks. In the same breadth, they are concerned about the increasing climate change vulnerabilities of these communities to episodes of drought, heat waves, failed rain seasons, cyclones, floods, and incidences of diseases and locusts invasions.

A section of stakeholders view the design of the Nationally Determined Contributions (NDCs) as outward-looking to excite mitigation and related investments and weak adaptation imperatives. In countries where adaptation has been conceptualized in the design of these NDCs, the focus has been highly on economic sectors considered to be pillars in traditional neo-classical economies that consign marginal communities to the periphery of the mainstream economy.

In many instances, the NDCs prioritize projects conceived with an obscure role for women, indigenous people, smallholder producers, and other vulnerable groups in the delivery models and envisaged outcomes of the programs. Given that many NDCs of African countries are mitigation-centric conditional, and premised on funding from developed countries, the ambition of even the most transformative NDCs has remained constrained and unachievable.

Part of the efforts to cure such constraints in the African continent is strengthened policy and legal regime to govern climate change at all levels, which is undermined by having weak laws and/or the process of developing these laws.

One of the key outcomes of the *Pan African Parliamentarian Summit on Climate Policy and Equity* hosted by PACJA and the Pan African Parliament in May 2023 in South Africa was a resolution ***“to strengthen accountability and oversight measures in climate response by ensuring national and sub-national-level response policy program as provided for under NDCs are the epitome of interests of communities at the front line of climate crisis & advance equitable access for women and children”***.

The Summit, whose keynote address was delivered by CAHOSCC Coordinator and Host of the Africa Climate Summit President William Ruto, called for ***“Intensified efforts towards locally-led, people-centered solutions backed by enabling Laws”***.

These, among other vocal critics of the current model of implementation that has exacerbated the climate crisis, are calling for a paradigm shift and transformative approaches that genuinely put at the center communities that are mostly affected by the climate crisis and to ensure remedial and preventive actions.

They should ensure that the ***provision of climate finance*** as one of the pillars for means of implementation of climate action is based on the premise of a local people-centered decision-making process... ***actual needs of the people, promote locally-led initiatives, and equal access for women, youth, indigenous people and children*** – a recognition that these communities are often the most vulnerable and marginalized in society, and disproportionately negatively impacted by climate change - increased poverty, violence, displacement, and health risks.

There is quite an investment to be made to leverage the potent power of local-level policy and legislation at decentralized and sub-national governments to better ground locally-led climate actions. Nevertheless, there is progressive agitation for this transformative approach with remarkable victories, against the background of a global climate governance regime that is still operating a tokenistic top-down approach.

African leaders have remained vocal and called for radical reform of the current climate finance framework, where the landscape is largely letting down communities at the frontline of the climate crisis as well as sub-national government entities.

However, exceptions exist where some efforts have been made to respond to a non-functional widespread top-down model of financial provision. The World Bank supported the first ever large-scale innovative and transformative initiative dubbed ***Financing Locally Led Climate Action (FLoCCA)*** Program at its pilot implementation in Kenya is probably one of the global most bold attempts to decentralize funds in scale and size through the sub-national governments (the counties) to fund locally-led grassroots actions.

Implemented through a multistakeholder approach, FLoCCA's full potential is now being manifested in large-scale disbursement of funds under a two-prong grant: County Climate Institutional Support (CCIS) Grant (Technical Assistance to the Sub-national governments to build/strengthen their capacities and County Climate Resilient Investment Grant (CCRI) and setting the overall institutional mechanism of delivering a 10 year 1.05 billion USD multilateral development funds crowding in concessional loan-funded and grant to finance local level adaptation initiative annually program. To date, USD 10 M has been disbursed to 45 counties (US 100,000) in two tranches and by September will be disbursing approximately an additional USD 60 M for resilient investments.

However, the model holds promise, and a significant effort is required to align future funding to the aspirations of the Paris Agreement, promoting a program of such nature, largely funded with public resources and in grant form. Heightening this conversation as the political agenda for Africa in global space gains momentum is of the absolute essence.

B. Goal and Objectives

This event seeks to provide space for the exchange of experiences, share perspectives learning and scale up on practical lessons and challenges faced by communities, governments, and funders in promoting locally-led climate action, with a specific focus on *Financing Locally-Led Climate Action (FLoCCA)* Project in Kenya.

The specific objectives are to:

- 1) Share ideas, innovations, and solutions advanced by communities at the frontline of climate change impacts
- 2) Learn, peer-review, and receive feedback from County stakeholders on the progress of FLoCCA implementation, what has worked so far, what has not worked, and what needs to be done to improve performance
- 3) Display FLoCCA as an innovative-paradigm -shifting organic initiative that can be replicated across Africa and beyond as part of a global finance reform solution,
- 4) Publicly announce and disburse FLoCCA funds to counties that have met the criteria as a way of enhancing transparency and accountability as an essential imperative of climate justice and Locally-Led Climate Action.

C. Organization of the events:

This is a full-day event, organized in four distinct parts, punctuated with a 45-minute session where the ACS Summit host and the President of Kenya will address the participants and issue cheques to respective Counties.

Respective sessions will harness the richness of notions, perspectives, and narratives, notably:

- a. **Opening session:** Lasting a maximum of one hour, this will be a brief session meant to serve to introduce the event and set the tone for the conversations among stakeholders.
- b. **Accountability in the eyes of rights holders:** This session will tap into the voices and proposals of communities at the frontline of crisis comprising women, youth, pastoralists, smallholder farmers, and indigenous people among other excluded communities.
- c. **Technical and political segment:** This session will connect the aspirations to political dialogues and policies in existence. The session will center its efforts on developing ideas for strengthening the implementation of decentralized, community-centered climate response (adaptation) action – leadership of communities and sub-national governments.
- d. **Taking our proposals to the next level:** key proposals to the Africa Climate Summit and other processes and sharpening our influence approaches
- e. **Vision of the leader:** Listening to the CAHOSCC Coordinator and Host of Africa Climate Summit, HE President William Ruto, issuance of the FLOCCA funds (USD 56 M) to the 45 beneficiary counties. Selected County Governors led by the chair Council of Governors, chair of the climate and Natural Resources Committees, flanked by FLOCCA Steering Committee representatives,
- f. **High-Level Launch of Mellenium Financing Initiatives:**
 - a. Global Green Growth Institute Regional Office in Nairobi to support the region of mobilization of climate finance in scale and launch on USD 10 B Africa Adaptation Fund Initiative by H.E the President of Kenya and Banki Moon, the Chair of GGGI
 - b. Launch of Africa Development Bank, Global Adaptation Center, and The National Treasury USD 5 Billion Adaptation fund
 - c. Official Launch of Africa Green Climate Fund NDAs Network (AfDAN and Re-branded Africa Green Coallition (AGF)