

2030 Strategy for Locally Led Action on Poverty, Climate and Nature (LLA)

Developed by the LLA Consortium of Partners – June 2022

This strategy aims to drive real and sustained change to protect the people and places threatened by the interconnected climate, nature and inequality crises. The Pathways and the activities outlined in this strategy aim to transform the relationships and power imbalances between climate finance providers, intermediaries and recipients from the national level down to local actors. It looks to reimagine the model of partnership - from risk averse relationships of restrictive control and oversight towards trust, partnership and mutual accountability – in order to make locally led action a global norm in adaptation action and wider development practice.

To deliver this ambitious yet critical work plan, we are seeking multiple donors to co-fund the package of activities and to engage in the influencing agenda over the coming 8 years to 2030. We will ensure close alignment between multi-year funding from other funders (also in discussion) to maximise impact.

This concept note has been developed through an inclusive participatory strategy development process over four months (March – June 2022) involving the Locally Led Adaptation (LLA) consortium partners and drawing on the views of the wider Community of Practice. It explains our collective journey, sets out our vision for Local Action on Poverty, Climate and Nature and describes the three mutually reinforcing Pathways that we believe will advance locally led adaptation beyond endorsement of the LLA principles towards decisive action and mutual accountability.

Why is this initiative needed?

The momentum and action around Locally Led Adaptation (LLA) emerged from increasing evidence of how climate finance is failing people at the frontlines of climate change. Not only are the levels of climate finance insufficient, funding that does exist is rarely channelled to or easily accessed by actors at the local level and its quality is often poor. It fails to tackle the drivers of vulnerability, it directs funding through layers of intermediaries who control decision-making, it supports short-term projects with short-lived impacts, and power remains with finance providers or intermediaries while recipients are seen as “beneficiaries” of investment decisions.

‘Locally Led Adaptation’ as a term was launched under the Global Commission for Adaptation, but it had its roots in the wider framing of ‘Locally Led Action for Poverty, Climate and Nature’, which is why there is dual framing around ‘LLA’. We are now moving to prioritise use of the more holistic and encapsulating term ‘Locally Led Action for Poverty, Climate and Nature’.

Decisions over adaptation funding are made in distant headquarters, constraining the potential for collaboration with national and local actors to resolve challenges and trade-offs, and to uphold communities’ agency and right to self-determination. Finance providers perpetuate power imbalances through restrictive procedural requirements and financial controls, which shift the burden of risk down through the chain of intermediaries. This de-prioritises local solutions, limits the ability of local communities to engage, reduces the amount of funding actually reaching the local level and diminishes the possibility of building trust and partnership.

Frustration with the climate finance system is widely shared. The LDC group of climate negotiators were setting up their LDC Initiative for Effective Adaptation and Resilience in parallel to the development of the principles for LLA. They committed to develop a “business unusual” approach to access climate finance and ensure 70% reaches the local level. The Champions Group for Adaptation Finance - now thirteen bilateral and one multilateral provider – also recognise the challenges of accessing finance and delivering it to local actors at the frontline of climate impacts. Building trust that finance is reaching where it matters most is critical to the

continued legitimacy of the Paris Agreement, and – given the challenges - this requires reimagining how providers, recipients and intermediaries work together in forms of partnership which centre mutual accountability.

What progress has been made?

The [Eight Principles for Locally Led Adaptation \(Principles for LLA\)](#) launched at the Netherlands January 2021 Climate Adaptation Summit, aimed to guide stakeholders away from empty participation rhetoric towards business-unusual adaptation financing, programming and policy. Since the launch, the LLA movement has garnered strong momentum internationally, with growing awareness and support for the Principles for LLA. The Principles for LLA have now been endorsed by more than 75 institutions, including climate finance providers and climate funds, national governments (from global North and global South), international development partners (who act as intermediaries), federated social movements, grassroots and community-based organizations.

The UK COP26 Presidency framed their adaptation campaign around LLA and supported regional dialogues to deepen discussions of good practice. During this process over 100 experiences of delivery mechanisms aligned with the principles were identified – demonstrating that there are many opportunities to invest in LLA, as well as showing the wealth of good practice for the LLA community to learn from. These documented experiences offered insights into a range of interventions that have applied the LLA principles in some way, including urban poor funds, social protection and women-led community-based organisations.

Who is involved in the LLA consortium?

Since 2016, a growing collective of likeminded partners have been collaborating to investigate how to resolve the challenges to LLA described above – looking to understand how to enable development and climate finance to flow to the local level in a meaningful way to facilitate locally led action on poverty, climate and nature. A consortium formed two years ago of ten members representing leaders from each region as well as representatives of federated “constituency governed” grassroots organisations to help hold us true to our LLA intentions. We are: CANARI (Caribbean Natural Resources Institute), ENDA Energie, Huairou Commission, ICCCAD (International Centre for Climate Change and Development), IIED (International Institute for Environment and Development), SDI (Slum Dwellers International), SSN (South South North), Tebtebba/CADPI (Centro para la Autonomía y Desarrollo de los Pueblos Indígenas), Save the Children, and WRI (World Resources Institute).

What distinct contribution will this initiative make?

There is strong demand for increased ambition, mutual learning and accountability, and knowledge and evidence of good practices for delivering LLA – for democratising and decolonising the climate response. The rise in political support for LLA brings important opportunities to strengthen the ambition, strategy and support for adaptation action led by those most at risk – especially women, youth, children, people living with disabilities, displaced peoples, Indigenous Peoples and excluded ethnic groups. It is vital that large institutions transform their processes to ensure these groups are meaningfully engaged in the design and delivery of any intervention *from the beginning*, so that local level demands, voices and priorities are embedded in the design and structure of interventions. It is also important to work with these marginalised groups to increase their understanding and confidence and create spaces for their leadership and voice in the design and delivery of any climate response. The organised grassroots communities are also calling to be supported in building their capabilities as delivery partners – creating the building blocks of any proposal application so they are also ready to engage those actors with greater power, on their terms.

Within this consortium, the combination of federated grassroots organisations, regional organisations and international intermediaries is powerful as it provides the opportunity to link these different levels and for consortium members to broker exchange and access between actors that may not otherwise engage with each other.

As powerful international actors increasingly endorse the Principles for LLA, we must ensure local actors retain equivalence of power in setting and driving the LLA agenda, and that all actors involved are equipped with evidence and learning to support effective and equitable LLA. We must also ensure the LLA movement connects meaningfully into and works alongside existing movements, such as practitioners involved with the CBA (community-based adaptation) event.

The LLA approach has been to deliberately work with actors across the climate finance landscape – from providers (bilaterals with a tax base for their finance, multilateral development banks with their own capital, foundations financed by a HNWI or company profits), intermediaries who receive funding from providers and pass it on (multilateral climate funds, UN, international NGOs, consultancy companies etc) and recipients (national and local governments as well as national and local non-state actors, all the way down to the indirect recipients who are the end users of the funding). The LLA theory of change is reliant on working across the landscape to innovate and incubate new ways of operating, the “business unusual” approaches, to demonstrate alternatives at sufficient scale to shift the system entirely. This will require us to work deliberately across the full range of actors and contexts to build an entirely convincing evidence base, grow the leaders needed to innovate and champion this change and hold ourselves and our partners to account for this change.

This consortium aims to help providers, recipients and intermediaries deliver in ways that enable locally led action on poverty, climate and nature, demonstrating how to get international finance invested behind the priorities of the people at the frontlines of climate impacts at the scale and speed required to shift development pathways to be climate resilient and low emission. The aim is to create the evidence, know-how and trust to deliver the doubling of adaptation finance by 2025 through high quality investments in LLA.

How does it relate to other initiatives?

The LDCs developed the LDC Initiative for Effective Adaptation and Resilience (LIFE-AR) in a parallel and related process to the collective developing the principles for LLA. The people involved in both drew from each other through sharing evidence and lived experience at workshops. The Adaptation Research Alliance (ARA) and the LDC University Consortium for Climate Change (LUCCC) likewise involve many of the same people, draw oxygen from the shared challenges and frustrations and aim to support the learning and evidence under LLA and LIFE-AR. The Frontline Fund Accelerator (FFA) represents the priorities and voices of the constituency governed organisations such as federated grassroots organisations and social movements.

There are huge opportunities for these communities to support each other in driving the change across regions and stakeholders, breaking down sector and issue silos. These connections will be deliberately designed and invested in. Areas of collaboration are already clear, such as in connecting on the learning journey, collaborating in designing co-creation and innovation spaces, and in building the evidence of what works and asking whether LLA matters. These related initiatives can also pool evidence on what are the most significant changes (both in terms of impact and in terms of adjustments with learning) in responding to the principles that demonstrate what will work at the pace and scale needed.

However, giving the different actors and groups time to nurture their own culture and approaches to learning is also important to enable different (but mutually reinforcing) strategies to develop and to give space to leadership, ambition and purpose within different constituencies. Using shared events to anchor collaboration will be important, so LDC-led or grassroots-led initiatives do not feel taken over by international intermediaries or by a culture of competition and self-promotion and instead can engage in listening and collective action to readjust power dynamics and invest in the climate capabilities of domestic institutions (state and non-state).

What is our 2030 vision?

Climate Finance Providers have recalibrated their processes, restrictions and regulations on how they provide funding, reconfigured the incentives and rules on those to whom they provide funding including the intermediaries who deliver funding to downstream partners, and updated risk management processes to collaboratively share risk rather than pass on their own risk and not recognise or value the risk of those downstream.

Intermediaries have reimagined their role as good partners – sharing risk effectively through the delivery chain, considering how to ensure downward accountability to the recipient’s citizens they aim to serve as much as upwards to the tax paying citizens of the providers.

Recipients have built delivery mechanisms across the whole of society – noting the value of having a diversity of state led, private sector led and civic led interventions to reach across the whole of society and created accountability systems that hold each other and those upstream to account for providing effective support behind the priorities of those at the frontline of climate impacts.

The LLA community will work on the Vision, Theory of Change and metrics for tracking these changes over the coming months. But they will, by necessity, include process metrics of how the principles of LLA are embodied as well as outcome metrics. **For now, we propose that these shifts in behaviour, trust and mutual accountability might be made visible in the following changes:**

Finance flows

Moving from 10% of climate finance being committed with the intention of being invested behind local priorities to 70% by 2030 [of public adaptation finance, with genuine local leadership] as called for by the LDCs 2050 Vision.

LDCs and SIDS are receiving a fair share of climate finance given the multidimensional and compounding nature of their vulnerability to climate change (in response to explicitly recognising that LDCs, SIDS and certain communities globally have been politically excluded from economic opportunities and vulnerablised by the high emissions and extractive economic patterns of power holding countries and communities).

There is an increase in the volume and quality of climate finance flowing to grassroots organisations (directly from finance providers) from [X% to Y%].

There is an increase in the number and range of organisations (from LDCs and SIDs, as well as from grassroots organisations and local communities) who are direct access entities to the GCF and Adaptation Fund, from 106 (72 GCF, 34 Adaptation Fund) to [Y], and an increase in the number and range of enhanced direct access projects from 7 (3 GCF, 4 Adaptation Fund) to [40].

National and local actors

Organised communities are confidently and effectively attracting climate finance investments into non-state delivery mechanisms as an integral part of the national climate architecture, drawing in community solutions to delivering a just transition at the pace and scale required. These approaches are vital to increasing mutual accountability across the delivery chain.

LDCs and SIDS are confident in designing the institutional architecture and climate capabilities of national and local institutions to enable agile, flexible responses to climate impacts, that are context specific and politically astute in tackling the underlying drivers of climate capabilities.

The social movements and grassroots organisations represented in the FFA are governing a fund [or window in an existing fund] to enable innovation in the development of delivery mechanisms and in their incubation, so that they can attract direct investment by providers over time.

Peer-to-peer models of technical assistance which are based on the sharing of local actors’ knowledge and experience (recognising their assets and capabilities) are increasingly replacing fly-in/fly-out models.

Transformed partnerships

The LLA Innovation Academy has successfully trialled new approaches to foster innovation in enabling LLA and to incubate new models of partnership.

New models of partnerships have been established between climate finance providers and recipients based on trust and mutual accountability and finance providers have introduced changes to their ‘rulebooks’ to remove or reduce the process-related obstacles to LLA. This has supported more resources to flow to grassroots groups and communities.

Climate finance providers have started to provide open reporting to the whole of society and are transparently reporting on delivery of their promise of doubling adaptation finance.

The federated grassroots organisations and social movements collectively agree a charter under the FFA for how they wish to be engaged in the climate response – for those with lived experience being invited to meaningfully partner in and shape the initiatives of climate finance providers and intermediaries - and providers and intermediaries are signing up.

What are the Pathways to Impact?

We envision three mutually reinforcing *pathways to impact* which are underpinned by evidence, advocacy and leadership at all levels:

Pathways to impact	What success looks like by 2030	Key activities
Pathway 1: Strengthening local actors capability to deliver LLA and access climate finance directly	<ul style="list-style-type: none"> There is a strong evidence base (predominantly generated by local researchers) that shows that investing in locally led adaptation is effective, good practices and approaches for delivering LLA and what is needed to enable increased investment (particularly from climate finance providers) Peer-to-peer models of technical assistance which are based on the sharing of local actors knowledge and experience (recognising their assets and capabilities) are increasingly replacing fly-in/fly-out models Local actors have the capability to seek, access and administer international climate finance directly. There is an increase in the number and range of organisations who are direct access entities. 	<ol style="list-style-type: none"> 1.1. Consolidating learning and evidence about supporting local actors to deliver LLA 1.2. Supporting local actors (particularly grassroots groups and communities) to strengthen their capabilities and document their experience and learning 1.3. Deepening understanding of why and how LLA approaches make a difference 1.4 Distilling good practice on accessing climate finance for mechanisms that devolve authority, resources and decision making to local actors to invest behind their priorities 1.5 Accelerating peer learning around access and accreditation 1.6 Strengthening evidence and communications to support advocacy, accountability and local leadership to support Pathways 2 and 3
Pathway 2: Strengthening mutual	<ul style="list-style-type: none"> Climate finance providers have the capability to form partnerships based on trust and mutual accountability and have 	<ol style="list-style-type: none"> 2.1 Research to explore the ‘rulebooks’ – specifically the procedural chain of accountability

<p>accountability through new models of partnership</p>	<p>introduced changes to their ‘rulebooks’ to remove or reduce the process-related obstacles to LLA. This has supported more resources to flow to grassroots groups and communities.</p> <ul style="list-style-type: none"> • New partnerships (based on trust and mutual understanding) have been built between ‘first mover’ finance providers and local actors (with a focus on communities and grassroots groups). • At the national/regional level, new models of partnership have emerged that include national governments and grassroots communities and social movements. • Evidence base exists that demonstrates the need for a change in the reporting/fiduciary/risk management demands placed on climate finance recipients at the local level. 	<p>2.2 Rewriting the rulebook – Co-creating new models of partnership (including collaborative risk management) for LLA</p> <p>2.3 Structured dialogues that increase visibility of challenges in current models of partnership, build collective power and share learning about how to strengthen mutual accountability and recalibrate risk.</p> <p>2.4 Developing deeper relationships between a cohort of partners through the ‘LLA Innovation Academy’ to collaboratively learn and take risks together</p> <p>2.5 Building new partnerships and power at the national/regional level</p>
<p>Pathway 3: Accelerating accountability at the international level for enabling LLA</p>	<ul style="list-style-type: none"> • The number of endorsers and active members in the LLA Community of Practice has grown to a community of [400], who are actively incorporating the principles in new and innovative ways into their programming. • LLA features in UNFCCC negotiations text and in the next IPCC Assessment Report. • Evidence and data from tracking finance flows and reporting have (1) improved the quality & effectiveness of climate finance, and (2) improved the transparency of climate finance flows. • Climate finance providers have started to provide open reporting to the whole of society and are transparently reporting on delivery of their promise of doubling adaptation finance. 	<p>3.1 Strengthening collective advocacy and accountability for action on LLA at key international events.</p> <p>3.2 Develop and promote 360-degree accountability: a methodology to track the quality and quantity of climate finance and build constructive feedback into the climate finance system.</p> <p>3.3 Advocacy to ensure LLA is included in the UNFCCC and other critical international policy and legal instruments, such as the DAC, CBD, Sendai & SDGs.</p> <p>3.4 Advocacy to improve climate finance providers and intermediary reporting</p>

Pathway 1: Strengthening capability, and support to, local actors to deliver LLA & access climate finance directly

This pathway recognises the need to rebalance relationships so that local actors have greater agency & power in delivering LLA. This will support greater responsiveness to local contexts that effective adaptation approaches require. Key to this pathway will be greater investment in the delivery capability of local actors and their ability to directly access climate finance.

LLA aims to ensure that context relevant and timely support – authority and resources - is provided across the full range of diverse contexts experiencing climate impacts. It is essential that domestic institutions from the national level down to the most local have the climate capabilities they need, so they can be agile, flexible and responsive as circumstances change with climate impacts. These institutions will have to respond to circumstances that are unexpected – more severe, persisting for longer, or compounding in ways we haven't experienced before. And given the known uncertainties, these institutions need to be equipped with the ability to learn rapidly and adjust as well as to collaborate quickly and effectively – whether vertically with other governance levels or horizontally across sectors and stakeholders.

By local actors we mean people and communities on the frontline of climate change and local institutions (both formal and informal) representing and supporting them to facilitate their adaptation. It can also include federated grassroots groups, local authorities, local private sector and local civil society groups.

We recognise that in small countries, local actors may overlap with national and regional actors and their roles conflate.

By 2030, what does success look like?

- There is a strong evidence base (predominantly generated by local researchers) that shows that investing in locally led adaptation is effective, and demonstrates good practices and approaches for delivering LLA and what is needed to enable increased investment (particularly from climate finance providers).
- Peer-to-peer models of technical assistance which are based on the sharing of local actors' knowledge and experience (recognising their assets and capabilities) are increasingly replacing fly-in/fly-out models.
- Local actors have the capability to seek, access and administer international climate finance directly. There is an increase in the number and range of organisations who are direct access entities.

Activities

Strengthening the capability and support to deliver LLA by:

1.1 Consolidating learning and evidence about supporting local actors to deliver LLA - Consortium partners SDI, Canari and ICCCAD are well placed to share their experience across countries and regions and facilitate peer-to-peer learning exchanges. This could include sharing experience of how LLA can be supported by different models of vertical integration (across governance levels e.g. working with national, regional and international bodies) and horizontal integration across sectors and stakeholders and how effectively local, traditional and cultural knowledge is being combined with scientific and technical knowledge.

1.2 Supporting local actors (particularly grassroots groups and communities) to strengthen their capabilities and document their experience and learning, in engaging and accessible formats to share with their peers. By documenting practice and experience from across our network we will generate evidence of the diversity of models for LLA across the world and latent capability and potential of LLA. It will also support the engagement of new local actors – including social movements who are focused on community rights and justice and have not previously been aware of the potential of devolved climate finance to support their struggles. We will also be able to document the range of finance that is available for action at the local level (for different stakeholders) and the common frustrations of those trying to access international

climate finance. For example, ICCCAD will be investigating the major challenges faced by local communities in Bangladesh in taking local action on adaptation. This will support advocacy and accountability in the other two pathways. Through peer assist models, common challenges around strengthening finance and administrative systems at the local level can be addressed in a context-specific and collaborative way rather than through fly-in, fly-out technical assistance models.

1.3 Deepening understanding of why and how LLA approaches make a difference, by undertaking deep matter analysis of successful LLA experiences and identifying their commonalities to extrapolate what is required at different levels to enable LLA in different contexts. This kind of analysis will enable actors to prioritise strategies that are proven to have good impact and to understand the ‘most significant adjustments’ required for them to enhance their impact. This kind of analysis has close links to the Adaptation Research Alliance’s work so there is potential for collaboration. Asking the LLA community of practice to share their most significant impact and most significant adjustments annually would also strengthen our internal accountability.

Strengthening capability, and effective support, for local actors to directly access climate finance by:

1.4 Distilling good practice on accessing climate finance through mechanisms that devolve authority, resources and decision making to local actors to invest behind their priorities - Drawing on experience and networks from across the consortium and community of practice, we will consolidate our knowledge and understanding of obstacles to direct access, and how to overcome them, as well as our understanding of the diversity of ways local actors and grassroots groups access funding more broadly.

1.5 Accelerating peer learning around access and accreditation – beginning initially with the Enhanced Direct Access (EDA) modality from the GCF and Adaptation Fund. EDA is an important mechanism for LLA as it sets out a process through which the major climate funds are able to devolve decision making on fund allocation away from their boards and into the control of national and sub-national actors. This peer-to-peer initiative will facilitate practical knowledge exchange (including sharing proposals and accreditation templates) between organisations with experience of accessing and implementing EDA projects (to share their experiences) and organisations that wish to access funds through EDA. This will support the consolidation of evidence of how climate finance providers can improve access – identifying where good practice exists and highlighting the barriers and challenges to achieving LLA – all surfaced through the peer exchange and used to engage the bilaterals and funds. This will also provide an opportunity to explore the role that national platforms or coalitions can play in facilitating access by, for example, connecting accredited entities with smaller organisations and grassroots groups.

1.6 Strengthening evidence and communications to support advocacy, accountability and local leadership (to support Pathways 2 and 3) - Our activities will build on ongoing efforts to document and share LLA experiences via a series of [regional dialogues held in 2021](#), a [working paper ‘From Principles to Practice’](#) published in June 2022, the Good Climate Finance Guide for Locally Led Adaptation also to be published in 2022, and an online interactive map showcasing the spread of LLA practice globally. There will be opportunities to showcase learning across the network through the learning journey events – CBA, Gobeshona and D&C days – and explore collectively how to use the evidence generated to drive action and accountability.

Pathway 2: Strengthening mutual accountability through new models of partnership

This pathway recognises the need for endorsers (particularly climate finance providers and intermediaries) to move beyond agreement to the LLA principles to embedding LLA in their day-to-day practice and partnerships. Our activities will look to challenge restrictive and risk-averse rulebooks with processes and policies that foster trust and mutual accountability.

Climate finance providers tend to be risk averse, channelling money with a range of restrictive conditions and laborious due diligence assessments which prevent meaningful implementation of the LLA principles.

Intermediary organisations have not effectively challenged the myriad of constraints, conditions, regulations and requirements that hinder direct access and have often replicated them in their own relationships with local actors. We call the set of these conditions the ‘rulebook’ imposed by climate finance providers and maintained by intermediaries. This rulebook which guides how finance can be used, accessed, and distributed is passed along the chain in a hierarchical manner (provider, intermediary, recipient) which focuses on upwards accountability and looks to shift costs and risk down to local actors. The reliance on strict rulebooks builds on, and reinforces, a lack of trust and meaningful partnership and outdated hierarchical power relations see accountability flow in only one direction.

This pathway will focus on driving change by setting precedents and identifying first movers in the climate finance provider and intermediary space. It will broker new connections between LDCs, SIDS, local actors (particularly grassroots groups and communities) and finance mechanisms to ensure that new models of partnership are embedded in design, decision-making, assessment and disbursement practice. It will drive intentional dialogue about sharing risk collectively and the specific changes that each set of actors needs to make in order to enable LLA.

By 2030, what does success look like?

- Climate finance providers have the capability to form partnerships based on trust and mutual accountability and have introduced changes to their ‘rulebooks’ to remove or reduce the process-related obstacles to LLA. This has supported more resources to flow to LDCs, SIDS, local actors and particularly grassroots groups and communities.
- New partnerships (based on trust and mutual understanding) have been built between ‘first mover’ finance providers and local actors (with a focus on LDCs, SIDS and grassroots groups).
- At the national/regional level, new models of partnership have emerged that include national governments and grassroots communities and social movements.
- A strong evidence base exists that demonstrates the need for a change in the reporting/fiduciary/risk management demands placed on climate finance recipients at the local level.

Activities

Challenging the rulebook by:

2.1 Research to explore the ‘rulebooks’ – specifically the procedural chain of accountability. This will include how conditions and procedural requirements are passed down from the finance provider to intermediary to recipient and act as a barrier to LLA. It will examine who ‘owns’ risk, looking at whether the responsibility for risks amplifies down the chain of accountability.

This research will include:

- Analysis of ‘rulebooks’ and the specific conditions and regulations (including due diligence assessments, financial requirements, procurement rules, monitoring, evaluation and learning as well as reporting requirements, etc.) which are inhibiting LLA. The research will highlight what changes are needed, with specific examples so that these institutional structures can be reformed. There will also be a focus on programmes with low disbursement of funding to understand how much funding is not being utilised due to the restrictive demands of the rulebook and how this might be changed.
- Documenting experiences of where processes that underpin models of partnerships (‘rulebooks’) have inhibited LLA and where they have been successfully challenged or changed. A range of examples exist that demonstrate how the constraints of the rulebook are pushed onto local communities, however, these examples have not been collated and documented consistently. The reach and network of the organisations involved in this consortium will enable the collating of diverse experiences, including examples of grassroots groups challenging existing practice and having breakthroughs.

Rewriting the rulebook by:

2.2 Co-creating new models of partnership (including collaborative risk management) for LLA. Drawing on the ‘rulebook’ research – this activity involves outlining what processes underpin models of good partnership and ‘business unusual’. This will explore how the rulebook might be replaced with more flexible and collaborative risk management strategies.

This will include:

- Conducting interviews and storytelling workshops to discuss examples at all levels of when transformation in risk management has been possible and what hindered progress, in order to extrapolate pathways that can make change happen, tackling the impediments that block change.
- Investigating new models of how risk and responsibilities can be shared fairly across actors and innovating in alternative approaches that would give donors confidence without the amplification of burdens for recipients.
- Developing a series of products that crystallise what “good partnership” looks like, with new models of risk management and decision-making which ensure different actors can enable LLA – these can be adapted for different actors e.g. the GCF, bilateral donors etc.
- Active engagement of key actors of influence within multilateral and international institutions (e.g. multilateral development banks, UN agencies) to request them to reform their current operating models and engage the local constituencies that will be affected at the early design stages of their programmes, and to offer to support them by directing them to the constituencies that need to be engaged.

This research can be used for advocacy with individual climate finance providers (and potentially intermediaries) to improve their models of partnership and to hold them to account.

Promoting Mutual Accountability & Partnerships by:

2.3 Structured dialogues that increase visibility of challenges in current models of partnership, build collective power and share learning about how to strengthen mutual accountability and recalibrate risk. This process of convening LLA stakeholders provides a feedback loop for practitioners to share learnings, challenges, and progress from their own LLA learning journeys.

This will include both horizontal – or peer-to-peer - learning and vertical engagement:

- **Dialogue for peer-to-peer learning bringing the *same type* of actor together** (e.g. grassroots groups, finance providers). These will bring together likeminded groups at different stages of their LLA journeys for honest conversations, to share learnings and co-create strategies for accelerating LLA. These dialogues will help to consolidate understanding of what different actors need in order to play their role in LLA (their asks) & what they can help others with (their offers).
- **Dialogue across stakeholder groups bringing *different types* of actors together.** These dialogues will deepen shared understanding and mutual accountability. The dialogues will be sensitively curated and facilitated to minimise the impact of differential power relations on the discussions and to create an environment conducive to open discussion. In these dialogues, there will be a focus on in-person face-to-face interaction with donors and intermediaries engaging in spaces, and with agendas, that have been designed by local actors including grassroots groups. The objective is to root the conversations in the lived reality of people experiencing the effects of climate change with a view to creating greater momentum and urgency for change. These dialogues will consolidate learning around what concrete changes are needed to facilitate greater democratisation of decision-making and sharing of power as well as creating regular moments of accountability.

These dialogues will also foster deeper shared understanding of other actors’ internal processes, particularly understanding the decision-making processes of finance providers and intermediaries around how funding operates and how accountability is managed. This will help to unpack power and decision-making dynamics and support local actors to understand the various critical points of the process where

they must be engaged by providers and intermediaries. This will work to ensure that local level demands, voices and priorities are embedded in the design and structure of interventions.

2.4 Developing deeper relationships between a cohort of partners through the ‘LLA Innovation Academy’ to collaboratively learn and take risks together. The LLA Innovation Academy will bring together a small group of finance providers, intermediaries and grassroots groups (10-12 total) who have endorsed the principles and who commit to accelerating their learning and action together. This initiative complements FFA which focuses just on grassroots, constituency governed processes and the ARA co-creation fund which focuses on innovation. The LLA Innovation Academy will identify sources of support for innovation and incubation to test and trial approaches.

Fundamental to this process is building partnership and relationships of trust. Building an environment of trust and willingness to be open and self-reflective requires engaging with each other in ways that feel authentic, honest and safe. That is very difficult to build in virtual spaces or in formal roundtable conferences. The LLA Innovation Academy will therefore involve face-to-face between these ‘first movers’ as well as online engagement – with in-person meetings held both in donor capitals and in communities working to implement LLA.

This will include:

- Testing innovations and trialling new models of partnership drawing on research and practice – for example experimenting with methods that support co-management of risk. This will allow the cohort to collaboratively learn what processes are most enabling for LLA and how to be a more supportive partner. This will also demonstrate the impact and transformative potential of working together based on relationships of trust.
- Ongoing dialogue and engagement to foster deeper understanding and collaboration – working to subvert existing power dynamics and practice mutual accountability. This cohort will engage deeply to learn about each other and to understand each other’s functions, priorities, challenges and needs. This will allow the cohort to navigate into processes of risk management and to understand how the rulebook cascades down along the chain of actors. This will prompt initial understandings of how to manage risks differently together and how to be a good partner. This will also allow the participants to hold each other accountable to the principles and to support and challenge each other to do better.
- Creating a group of institutional champions who are connected to each other, enabling breakthrough relationship building at the global level and leadership in reforming the rulebook and enabling LLA. This is a unique way to develop understanding, trust and mutual accountability. Going through this process is a way to bridge the gap between power holders and power claimers, and it will form the basis for strong relationship building and learning about what other actors require to implement LLA and what other actors consider good partnership.
- Documenting the impact of working together and collaborating on the basis of trust in order to influence wider practice and policy. The LLA Innovation Academy represents an avenue to turn insights from research into practice – applying the evidence and research on the rulebook to real life, trialling new approaches and learning by doing. In turn, a range of evidence and learnings will be generated by this process itself and the transformational potential of demonstrating these possibilities.

2.5 Building new partnerships and power at the national and regional level. An important focus for the next phase of LLA work is engaging national governments, and supporting local actors to engage with their own national decision makers (not just with international community). We will leverage existing allied communities of practice (LLA, CBA, Gobeshona, ARA) to consolidate networks at national and regional level. In some regions with many small countries (Caribbean, Pacific) it is more relevant to build partnerships at the regional level rather than simply national.

This will include:

- Hosting regional meetings to foster national and regional interactions between community of practice members, providing a forum for more focused discussions on LLA needs and actions in different regions. (These meetings will also serve as a forum for outreach and engagement of new partners.)
- Encouraging national level dialogues in countries with multiple endorsing organisations as a way to bring national governments into the LLA conversation. There are several organisations within the LLA CoP who have close relationships to their governments (e.g. Fundecooperacion) who will be able to lead the relationship building. This will build on existing good practice e.g. the establishment of a national platform for LLA in Bangladesh following a national level consultation.
- Leveraging the Adaptation Action Coalition as an avenue to engage national governments in supporting national platforms for locally led adaptation and integrating locally led adaptation into national plans (e.g. National Adaptation Plans, Nationally Determined Contributions, Sectoral Plans), policies, budgets and reporting systems. The Adaptation Action Coalition can also play a role in facilitating peer to peer learning between national governments on how best to support locally led adaptation action.

Pathway 3: Accelerating accountability at the international level for enabling LLA

This pathway focuses on collective advocacy, tracking finance flows, independent verification of finance reporting, and improving transparency.

It recognises that different actors are at different points in a process of applying the principles – from those who want to endorse but haven't yet, to those who have endorsed but have not acted, to those who have endorsed and think that they are applying the principles to those who are doing it, learning and sharing their experience so that others can gain from their practice.

Tracking climate finance provides a useful lens to understand how the poorest countries and communities are receiving the support they need for shifting their development pathways to be climate resilient and lower carbon at the pace and scale needed given climate impacts. It can also help to focus efforts on funds, programmes and actors who are disbursing low levels of funds to the local level.

By 2030, what does success look like?

- The number of endorsers and active members in the LLA Community of Practice has grown to a community of [400], who are actively incorporating the principles in new and innovative ways into their programming.
- LLA features in UNFCCC negotiations text and in the next IPCC Assessment Report.
- Evidence and data from tracking finance flows and reporting have (1) improved the quality & effectiveness of climate finance, and (2) improved the transparency of climate finance flows.
- Climate finance providers have started to provide open reporting to the whole of society and are transparently reporting on delivery of their promise of doubling adaptation finance.

Activities

Accelerating accountability by:

3.1 Strengthening collective advocacy and accountability for action on LLA at key international events. The advocacy strategy will promote LLA in a range of different events and spaces to support the expanding momentum and uptake of locally-led action for climate and nature. These will include the three milestone LLA events (Gobeshona, CBA, Development & Climate days) as well as for example the UNFCCC COP, Sendai framework review, and World Urban Forum.

Three milestone LLA events make up the LLA annual learning journey:

- CBA (Community Based Adaptation) events where local knowledge and experience, innovation and progressive ideas from local climate practitioners can inform the changes being made by LLA endorsers. CBA will aim to develop locally hosted, regional, in-person learning and networking events

that build stronger networks, engage directly with governments and build capabilities through shared learning and experience.

- Gobeshona is an online event where action-oriented researchers from around the world can share the latest knowledge and focus on accountability of endorsers for meaningful change.
- UNFCCC Development and Climate Days is where messages and learning from the learning journey can be broadcast and discussed for influencing international policy within the heart of COP conferences.

This will include:

- Creating opportunities for dialogue and accountability across different stakeholder groups around LLA.
- Showcasing innovation and leadership on LLA – specifically leadership at the local level by grassroots groups, national platforms and national governments. It will be crucial to ensure that grassroots groups and recipients of climate finance (incl. national government finance) play a meaningful role in such events and spaces.
- Connecting LLA with other issues to widen reach. LLA has value for a range of interest groups beyond climate as it is holistic and centres governance, equity, climate justice and human rights.
- Focusing on sharing skills and training to develop new leaders and champions for LLA.

3.2 Develop and promote 360-degree accountability: a methodology to track the quality and quantity of climate finance and build constructive feedback into the climate finance system. The tracking process will build on the *Follow the Money approach* to track and verify finance providers' reported climate finance flows down to end use, including some ground-truthing of investments to capture the direct experience of local actors receiving the money. It will be carried out in partnership with regional partners in the LLA Consortium and their country networks to verify the amount of finance flowing to each country and its quality.

This will include:

- Compiling a dataset of climate finance flows and using machine learning and other data science methods to identify evidence of localisation in provider reporting.
- Developing a method for analysing finance quality with those receiving the support – LDC and SIDS governments and LLA regional partners - in line with the *Good Climate Finance Guide* principles and the LLA Principles.
- Using the data to develop a quantitative scorecard to 'ground truth' the data and to elicit the experiences of different stakeholders involved in the programming of adaptation finance. This will include how Indigenous People and local communities are participating in these processes and how their rights are being respected. This verification process can feed back into the machine learning analysis of climate finance flows.
- Facilitating 360° review feedback between different types of stakeholder via interviews, dialogues, and roundtables.
- Developing an online platform where people can explore specific climate finance flows and view feedback from key stakeholders.

The tracking will provide evidence for advocacy and support dialogue around good practice amongst providers, intermediaries, and recipients.

Pushing advocacy on key issues including:

3.3 Advocacy to ensure LLA is included in the UNFCCC and other critical international policy and legal instruments, such as the DAC, CBD, Sendai & SDGs. There is the potential to mobilise the reach and relationships of the organisations involved in the consortium and the community of practice to ensure that LLA language is included in the UNFCCC negotiation text and other relevant regional & international agreements.

This will include:

- Pursuing influencing opportunities to introduce LLA language into negotiation text, via leveraging engagement and networks with national governments.
- Collaborating on other avenues for incorporating LLA e.g. submissions on GGA and GST processes and other relevant processes

3.4 Advocacy to improve climate finance providers and intermediary reporting. Building on the DAC (Development Assistance Committee) declaration and Glasgow Pact’s commitments to improve climate finance reporting, we will work together to advocate for increased transparency in climate finance reporting. Meaningful transparency on the part of providers will strengthen trust between climate finance providers and recipients and will better enable finance recipients to be able to report what finance is coming to them and for what.

This will include:

- Advocating for finance providers to provide open reporting to all stakeholders in a country (whole of society reporting), and to transparently report on delivery of their promise of doubling adaptation finance.
- Connecting recipients with progressive climate finance providers, as well as with the OECD DAC and UNFCCC Standing Committee on Finance, to build a shared understanding of how to improve the quality and consistency of data.
- Through national platforms, coalitions and communities of practice support LDCs and SIDS party and non-state representatives with evidence and support so that they are able to influence these reforms to ensure meaningful transparency.

Conclusion

This strategy aims to catalyse a paradigm shift in how development cooperation and climate initiatives are designed and implemented internationally. The three pathways complement and reinforce each other, each supporting different actors to accelerate accountability and innovation. Pathway 1 focuses on strengthening local actors capability to deliver LLA and access climate finance directly, Pathway 2 focuses on strengthening mutual accountability throughout the delivery chain via new models of partnership, and Pathway 3 aims at accelerating accountability at the international level for enabling LLA.

The Pathways aim to transform the relationships and power imbalances between climate finance providers, intermediaries and recipients from the national level down to local actors. It reimagines how different actors engage with each other in ways that are aligned to the LLA principles, shifting partnerships from risk averse relationships of restrictive control and oversight, towards trust, partnership, and mutual accountability.

The principles are not a simple recipe book and applying them in practice is a shift to a very new way of operating for lots of adaptation stakeholders, moving from business as usual to business unusual. Shifting incentives, norms and behaviours is not easy; it requires patient, consistent and politically astute support. Commitments look different for every institution, and there are challenges and learnings along the way. Capturing, sharing and applying these learnings is a vital part of shifting the global norms around adaptation practice. This process will require strategic collaboration across actors and long-term commitment over time.

What are we going to do next with this strategy?

- Unpack the different elements further into approach papers (or concept notes) to develop a shared approach across actors
- Ground truth and improve these through engaging partners in regional and constituency discussions
- Bring consortium partners together to refine and finalise our shared strategy for the long and medium term as well as for next year
- Develop a TOC and deepen the thinking around milestones and the vision
- Develop metrics to capture progress on outcomes and on processes

- Hold a series of events to develop the thinking around “good partnership” and an “FFA charter” that can also raise providers’ awareness of the strategy and wider LLA partners’ interest in membership of activities such as the LLA Innovation Academy

Annex: List of Pathways and activities

Pathway 1: Strengthening local actors capability to deliver LLA and access climate finance directly

- 1.1. Consolidating learning and evidence about supporting local actors to deliver LLA
- 1.2. Supporting local actors (particularly grassroots groups and communities) to strengthen their capabilities and document their experience and learning
- 1.3. Deepening understanding of why and how LLA approaches make a difference
- 1.4 Distilling good practice on accessing climate finance for mechanisms that devolve authority, resources and decision making to local actors to invest behind their priorities
- 1.5 Accelerating peer learning around access and accreditation
- 1.6 Strengthening evidence and communications to support advocacy, accountability and local leadership

Pathway 2: Strengthening mutual accountability through new models of partnership

- 2.1 Research to explore the ‘rulebooks’ – specifically the procedural chain of accountability
- 2.2 Rewriting the rulebook – Co-creating new models of partnership (including collaborative risk management) for LLA
- 2.3 Structured dialogues that increase visibility of challenges in current models of partnership, build collective power and share learning about how to strengthen mutual accountability and recalibrate risk.
- 2.4 Developing deeper relationships between a cohort of partners through the ‘LLA Innovation Academy’ to collaboratively learn and take risks together
- 2.5 Building new partnerships and power at the national/regional level

Pathway 3: Accelerating accountability at the international level for enabling LLA

- 3.1 Strengthening collective advocacy and accountability for action on LLA at key international events.
- 3.2 Develop and promote 360-degree accountability: a methodology to track the quality and quantity of climate finance and build constructive feedback into the climate finance system.
- 3.3 Advocacy to ensure LLA is included in the UNFCCC and other critical international policy and legal instruments, such as the DAC, CBD, Sendai & SDGs.
- 3.4 Advocacy to improve climate finance providers and intermediary reporting