



NEITHER ENOUGH, NOR ADEQUATE

A participatory assessment of the barriers to local access for climate finance in the Sahel.

EXECUTIVE SUMMARY

www.oxfam.org



OXFAM

EXECUTIVE SUMMARY

Countries from the Global South, especially those that are most vulnerable to climate change, are paying the cost of a climate crisis that they have not caused. The current international climate finance goal is to provide US\$100 billion a year to countries in the Global South. This has proven to be not only insufficient, but also inadequate. This is especially the case for vulnerable countries in the Sahel and other least developed countries (LDCs), where finance continues to be dominated by loans (rather than grant-based financing).

Ensuring that climate finance is of high quality is paramount to be able to truly deliver on the climate action targets set by the Paris Agreement. One of the most important qualitative aspects relates to accessibility. Countries most affected by climate change continue to face barriers to accessing funds that are critical for building their resilience to the impacts of the climate crisis. This is a challenge for those at the forefront of locally-led climate solutions, also compounded by a lack of information proving how much of this finance is being directly managed by such local actors. The accessibility issue has also become a prominent feature in the international climate finance discourse, from both civil society and governments, particularly for the negotiation process to adopt a New Collective Quantified Goal at COP29.

This paper presents the insights from research carried out in four countries of the Sahel (Senegal, Mali, Burkina Faso, and Chad). More than a hundred actors working at the local and national levels¹ provided first-hand information, highlighting the key barriers and structural factors that block much-needed access to climate finance, to be able to deliver climate solutions. This analysis focuses on five key dimensions that shape access to climate finance: accessibility of climate finance mechanisms, capacity gaps, participatory governance mechanisms and decision-making, gender and intersectional factors, and multi-dimensional fragility.

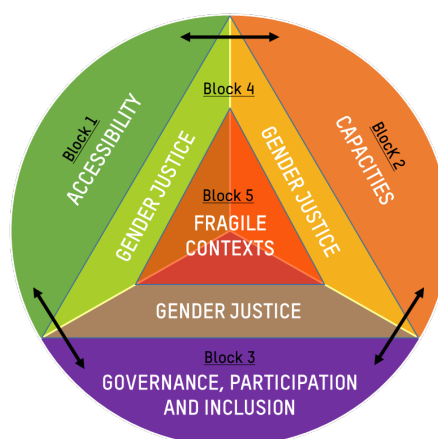


Figure 1. Five structural dimensions shaping accessibility to climate finance.

While there is a pressing need for scaled-up financial support to mitigate and adapt to climate impacts, existing finance mechanisms and other structural disabling elements create substantial barriers to accessing climate finance, particularly for civil society organisations and local communities that lead climate solutions in their regions.

Firstly, the findings reveal that the design of several climate finance mechanisms excludes many national and local structures from tackling existing opportunities, especially organisations from civil society and those representing marginalised groups. For instance, issues such as the complexity of application procedures and implementation requirements, experience requirements, co-financing requirements, difficulties in accessing information or language barriers make existing climate opportunities highly inaccessible for many actors and unreachable for many others. Multilateral climate funds still present several challenges due to the complex processes involved for accreditation and project access.

¹ Including civil society and community-based organisations, groups representing marginalised groups (women, youth and persons with disabilities), farmer organisations and networks, the public administration or the private sector.

Secondly, local actors often face capacity gaps that limit their opportunities for accessing climate finance. Existing challenges range from underlying factors such as legal recognition, economic and organisational capacities, to more specific issues such as their fundraising capacity; financial / funding compliance management; technical and project implementation capacities; or partnership, coordination and networking capacities. These gaps emphasise the need to provide substantial readiness support focusing on capacity building. In addition, national and local actors have diverse skills and expertise that represent an important added value for the deployment of effective actions and strategies for strengthen climate resilience and that could be further valued and promoted by donors in their funding allocation and selection criteria. This includes a deep understanding of the local context, local and traditional knowledge and expertise related to climate and the environment, the existing local support services, their ability to share information with communities and the presence representing the most marginalised and climate-vulnerable collectives.

Thirdly, there are other structural elements that exclude meaningful participation in decision-making spaces that shape climate-related strategies, actions and policies at different levels. This is especially the case for communities and social groups that are most marginalised and affected by climate change, curtailing their influence and reinforcing top-down funding decisions that may not align with on-the-ground needs. For instance, the participation of grassroots organizations and those representing marginalized groups in the definition of donor strategic priorities tends to be more symbolic than substantive and genuinely working to incorporate local priorities into funding priorities. When proposals for important climate projects are developed, the participation of these actors can be superficial and limited to specific technical roles, rather than participation in important decisions concerning how the funds are allocated and spent. National policies, which are also important to define and align priorities for international funding, are defined by stronger consultative processes with civil society and other actors. However, the inclusiveness and quality of such processes is also questioned.

Gender-based and intersectional factors also impact the opportunities of marginalised groups and the organisations representing them to access climate finance. Socio-cultural stereotypes, norms and practices or the insufficient implementation of gender policies and strategies are underlying and systematic barriers that affect opportunities for women and their organisations. Unequal access to resources such as land, natural resources or financial services disproportionately affect women and other marginalised groups, limiting their capacity to participate fully in climate finance initiatives. This exclusion not only undermines equity but also restricts the overall effectiveness of climate adaptation efforts. Other capacity and access gaps shaped by gender-based discrimination include limited financial capacity to assume co-financing requirements, the limited access to information, or unequal access to capacity building opportunities.

In fragile and conflict-affected settings, these challenges are even more pronounced. Insecurity and geopolitical restrictions add layers of difficulty, while the risk aversion of finance providers with regards to the potential impact of delivered finance, or even its final use, means that some regions and communities most in need of this finance are excluded. To address this, approaches relying on localised climate action, with the leadership, experiences and solutions implemented by local actors, are key to deliver effective action in particularly fragile contexts. Applying context-specific approaches and working effectively at the intersection of the humanitarian, development and peace nexus can help leverage access barriers in these contexts.

These barriers create a climate finance landscape that systematically overlooks the most vulnerable communities, limiting their ability to lead in the fight against climate change.

The presented evidence reinforces the need for Global North countries to improve access to climate finance at all levels, in order to accelerate climate action in the Global South. There is an urgent need for climate finance mechanisms to be more accessible, inclusive, and responsive to the needs of local actors. It is of utmost importance to invest in preparedness efforts to strengthen their capacity and promote meaningful participation in decision-making. Addressing systemic inequalities, even in fragile and conflict-affected settings, is essential for effective and equitable climate action.

The specific recommendations drawn from this participatory analysis include:

RECOMMENDATIONS	TARGETS
<p>(1) Facilitate direct access mechanisms and adapt eligibility requirements and access criteria for nationally and locally based organisations:</p> <p>Facilitate direct access for local actors and frontline communities, including by developing specific funding quotas and creating dedicated direct access funding windows for national and local CSOs, umbrella farmers’ organisations, organisations representing groups experiencing marginalisation (women, youth and people with disabilities) or municipal administrations, with balanced geographical representation and prioritising LDCs and SIDS.</p> <p>Reduce co-financing requirements and create flexible co-financing schemes based on the nature of different types of actors, particularly their size and capacity. Eliminate co-financing requirements for small and locally based organisations. Past learnings from Oxfam have also shown that administrative costs (indirect cost recovery) should also be adequately covered to best facilitate long-term and sustainable local capacities for funding access.</p> <p>Adapt the experience requirements of calls for proposals to become more inclusive for local and small-scale organisations, by reviewing the number of projects, years of experience and size of previously implemented climate and development projects.</p>	<p><u>Climate finance providers (bilateral, multilateral, finance institutions)</u></p>
<p>(2) Streamline access procedures and requirements for national and local organisations</p> <p>Reduce the complexity of funding proposal requirements by facilitating simplified and more accessible mechanisms for local organisations. This may include streamlining project templates, reducing the number of administrative and technical documents required and adapting funding proposal development deadlines.</p> <p>Adapt calls for proposals to the official languages of countries from the Global South (French, Portuguese, Spanish, Arabic and other official languages) and allow the submission of funding proposals in these languages. Provide support for translation to/from local languages.</p> <p>Put in place dedicated staff who are available to support local actors and respond to their specific requests during open call for proposal periods.</p> <p>Multilateral climate finance providers (GCF, Adaptation Fund, GEF and FRLD) should streamline eligibility requirements and application processes for the accreditation of local and national organisations.</p>	<p><u>Climate finance providers (bilateral, multilateral, finance institutions)</u></p>
<p>(3) Strengthening local and national climate finance preparedness by providing tailored information sharing, capacity building and technical support services for</p>	<p><u>Climate finance providers</u></p>

<p>national and local NGOs, CSOs and CBOs. Climate finance providers and other actors can provide tailored readiness support (financial and technical) for national and local NGOs, CSOs and CBOs including:</p> <ul style="list-style-type: none"> • Capacity building/conceptual training on climate change, climate finance and its instruments and access modalities; • Technical support in the development of funding proposals for climate projects, including translation services to national and local languages; • Technical, administrative, financial, organisational and project implementation capacity building and institutional strengthening; and • Supporting small-scale organisations in addressing underlying barriers for their funding eligibility (i.e., institutional and organisational strengthening, support for formal registration, etc.). 	<p><u>National administrations</u></p> <p><u>International organisations and NGOs</u></p> <p><u>National NGOs and CSOs</u></p>
<p>(4) Support equitable and efficient access to information on climate finance opportunities for local actors and climate vulnerable communities.</p> <p>Readiness support efforts improving access to information can include:</p> <ul style="list-style-type: none"> • Providing financial and technical support for the creation, strengthening and organisation of national CSO/NGO platforms and mechanisms to engage collectively in the monitoring of funding opportunities; • Information sharing on climate finance opportunities, including the timely sharing and explanation of calls for proposals and their access procedures. Information should be shared through accessible communication channels such as radio broadcasting, newspapers or the creation of tailored internet content (social network, videos, podcasts). It should be translated into local languages and in accessible and comprehensive formats and should follow a gender-responsive and intersectional approach (considering levels of literacy and digital literacy, offering tailored support for people with disabilities, etc.). 	<p><u>Climate finance providers (bilateral, multilateral, finance institutions)</u></p> <p><u>National and local administrations</u></p> <p><u>National NGOs and CSOs</u></p>
<p>(5) Facilitating local-to-national and cross-border stakeholder networking and exchange platforms among CSOs, NGOs, local/national administrations, and other actors – facilitating joint resource mobilisation efforts and consortium building ahead of potential climate funding opportunities, helping to strengthen the capacity of smaller organisations, catalysing joint advocacy efforts and the exchange of experiences and information, and focusing on promoting stronger participation from underrepresented groups (women, youth, and people with disabilities).</p>	<p><u>All</u></p>
<p>(6) Improve the participation of civil society in the design and implementation of climate finance strategies, programmes and policies</p> <p>Climate finance providers should facilitate the integration of the perspectives, needs and climate solutions of national and local CSOs/NGOs, CBOs and local administrations in the definition of donor strategic priorities, calls for proposals and implementation of climate finance programmes through upstream and participatory consultations with rights-holders, placing a special focus on the participation of organisations representing women, youth and people with disabilities. Accredited entities to multilateral climate funds should also strengthen their receptiveness to and support of proposals coming from local and community-based organisations when considering submitting project proposals for funding.</p> <p>Governments and local administrations receiving international climate finance</p>	<p><u>Climate finance providers (bilateral, multilateral, finance institutions)</u></p> <p><u>National and local administrations</u></p> <p><u>International</u></p>

<p>should foster participatory approaches in national-to-local climate governance (climate and gender-sensitive policymaking, planning and budgeting) and in international diplomacy with the effective inclusion of women, youth and marginalised groups in order to define priorities and plans aligned with their needs.</p>	<p><u>organisations and NGOs</u></p>
<p>(7) Prioritise and develop adapted funding instruments and programmes for climate-vulnerable, fragile and conflict-affected areas</p> <p>In their strategic geographical priorities and calls for proposals, climate finance providers should target specific funding for geographical areas that are particularly affected by fragility, conflict and climate impacts, developing fit-for-purpose mechanisms that are based on bottom-up community approaches and that ensure long-term, sustained programming.</p> <p>Supporting integrated climate resilience-humanitarian-peacebuilding approaches that allow climate finance flows to be effectively dedicated and adapted to conflict-affected settings, including by mainstreaming social cohesion and peacebuilding efforts into climate programming.</p>	<p><u>Climate finance providers (bilateral, multilateral, finance institutions)</u></p> <p><u>International, national and local NGOs and CSOs, CBOs</u></p>
<p>(8) Strengthening knowledge management, learning, and documentation of successful climate-related practices and approaches implemented by local actors – especially from fragile and conflict-affected settings – and developing robust external communication and visibility strategies, serving to engage with providers and contributing to influence scaled-up funding for locally-led climate solutions.</p>	<p><u>National and local NGOs and CSOs, CBOs</u></p>
<p>(9) Create a facilitative environment for an effective channelling of climate finance initiatives and resources to the local level, including by promoting effective territorial decentralization of governance structures, decision-making and the transfer of economic resources to the municipal level and by creating or increasing national-to-local budget envelopes dedicated to financing local and gender-responsive climate initiatives and activities.</p>	<p><u>National administrations</u></p>
<p>(10) Engaging in advocacy and lobbying activities for enhanced and inclusive climate finance access at the local level and strengthened climate governance, targeting providers, international and domestic governments and engaging in international climate diplomacy.</p>	<p><u>National and local NGOs and CSOs, CBOs</u></p>
<p>(11) Improving gender policies and laws and strengthening their application, especially in areas related to participation of women in decision-making spaces, tackling structural discriminatory norms and practices, promoting women and girls' access to formal education and literacy in rural areas, or improving women's access to land, natural resources and financial services. Implementing information and awareness-raising actions targeting different levels and actors. Training national and local administration staff on gender, including gender-sensitive programming and budgeting.</p>	<p><u>National and local administrations</u></p>
<p>(12) Carrying out advocacy and awareness raising at different levels to address gender discriminatory policies, norms and practices, including for improved gender policies/laws and their strengthened application. Implementing programmes and activities aiming at strengthening the leadership of women, youth and people with disabilities (entrepreneurship, advocacy and participation in decision-making).</p>	<p><u>International, national and local NGOs and CSOs, CBOs</u></p>

Specific recommendations for the NCQG

The post-2025 New Collective Quantified Goal (NCQG) for international climate finance to be agreed at COP29 should:

- 1) **Incorporate all necessary provisions to enable the conditions for enhanced accessibility of international climate finance for national, local and community-based organisations** in climate-vulnerable countries, including those experiencing conflict and institutional fragility, following the above set of recommendations as examples of actions to be included in readiness enhancement efforts under the NCQG. Climate finance under the NCQG should also, to the extent possible, be predictable by following long-term funding and programme approaches rather than short-term project-based approaches.
- 2) **Secure a needs-based quantum to the scale of trillions** that specifically ensures the needs of LDCs and SIDS and most affected communities are effectively and adequately covered, encouraging these needs to be informed by participatory, bottom-up and inclusive needs assessments at the local/community level.
- 3) **Follow subsidiarity principles and aim for the most localised possible delivery of climate finance**, including by setting financing tranches at a scale and of a quality (such as small grant mechanisms) that increases the participation and climate finance decision-making of local civil society, including women and other marginalised groups.
- 4) **Be affordable to national, local, small-scale and grassroots organisations** by ensuring that co-financing requirements do not impose a financial burden and an eligibility barrier, and by applying flexible co-financing requirements based on the size and type of final climate finance recipients.
- 5) **Prioritise the provision of grant-based finance over loans**, particularly for adaptation, and loss and damage finance. Finance provided and mobilised under the NCQG should not contribute to worsening the debt crisis in Global South countries, particularly those that are already overindebted and/or fiscally constrained. Climate finance provided under the NCQG to Global South countries at high risk of debt distress or in debt distress should only be in the form of grants.
- 6) **Be participatory, inclusive and adopt locally led and community-based approaches** in all phases of climate finance disbursement and implementation cycles, ensuring sufficient and adequate representation and participation of women, youth, Indigenous peoples, local communities and people with disabilities, and by empowering communities in developing and implementing collaborative and bottom-up approaches to address their climate-related challenges.
- 7) **Ensure all climate finance flows are human rights-consistent, gender-responsive, intersectional, and conflict-sensitive** – ensuring all climate finance activities promote equality, take into account and prioritise the needs and rights of marginalised groups, systematically address gender inequalities and adopt an intersectional approach at all programme stages, ensure transparency and accountability towards communities and adhere to the do-no-harm principle.
- 8) **Include loss and damage in the Goal**, ideally in the form of a (regularly reviewed and adjusted) sub-goal expressed exclusively as grants.

Recommendations for the Fund for responding to Loss & Damage (FRLD)

The Fund for responding to Loss and Damage (FRLD) offers great potential to become a global example of building local leadership through facilitating enhanced access and shifting decision-making power towards local actors. The Fund could specifically:

- 1) **Establish access modalities that facilitate direct access** to funding for frontline communities, local CSOs and groups experiencing marginalisation, including setting up a small-grant community access window within the Fund.
- 2) **Establish simplified funding application processes and agile, needs-based fund disbursement mechanisms** – including simpler application forms translated into local languages and promoting agile fund disbursement after a climate disaster, based on locally coordinated, bottom-up anticipatory action and loss and damage needs assessments following participatory processes, integrating in-depth gender and human rights analysis and considering all aspects of economic and non-economic loss and damage.
- 3) **Provide flexible and multi-year funding based on evolving needs** – including by operating through context-specific programmatic approaches contributing to achieving longer-term developmental objectives after a climate impact.
- 4) **Use multi-purpose cash** as a mechanism allowing finance to quickly reach affected people and communities and empowering local decision-making.
- 5) **Have capacity-strengthening as part of its activities** – for example by allowing for specific assistance requests to be included as part of the application process to the Fund or providing feedback and recommendations for improvement to non-selected organisations.
- 6) **The Fund's governance needs to have mechanisms in place** through which affected communities can feed into the fund's operations (including through representation on the Board); ensure that affected communities are properly consulted on and included in the design of programmes; and be transparent in its decision-making and provide open access to information and ensure access to independent grievance mechanisms.