Kathmandu Declaration on Financing Local Adaptation to Climate Change

8th International Conference on Community Based Adaptation to Climate Change, 26-30 April 2014

Preamble

We, representatives of a range of public, civil society, private, local, regional, international agencies, and governmental and non-governmental organisations meeting in Kathmandu, Nepal at the 8th International Conference on Community Based Adaptation (CBA) have come together to put forward the Kathmandu Declaration on Financing Local Adaptation to Climate Change.

We are committed to effectively financing and implementing CBA at the local level on the basis that climate change impacts are being felt particularly by the most vulnerable countries and communities who have contributed least to the climate crisis. We recognise that the level of ambition to mitigate emissions and finance adaptation and mitigation solutions to climate change is vastly insufficient to prevent dangerous anthropogenic interference with the climate system in a time-frame sufficient to allow adaptation and to ensure sustainable development.

We reiterate the provisions of all pertinent existing international declarations related to sustainable development and climate change, including internationally agreed development goals; the Istanbul programme of action for LDCs, the Mauritius Plan of Action for SIDS; the Rio principles and conventions; International Covenant on Economic, Social, and Cultural Rights; the International Covenant on Civil and Political Rights; the United Nations Declaration on the Rights of Indigenous Peoples; the Busan Partnership for Effective Development Co-operation; the 2010 Investor Statement on Catalyzing Investment in a Low-Carbon Economy; and the Universal Declaration on Human Rights and emphasise the need to implement them in good faith, and subsequently call for a focused and human rights based approach to financing local adaptation to climate change.

We recognise the contributions that at risk communities to adapting to climate impacts as they hit, though recognise that this is not enough for them to fully cope with the impacts of climate change.

Shared principles to achieve community based adaptation and consistent with our respective goals, and call for adaptation finance to be based on the principles of equity, climate justice urgency, efficiency, effectiveness, adequacy, additionality, transparency, gender equity, accountability, inclusivity, participation, sustainability, as well as pro-poor, flexible, locally driven, long-term and based on sound scientific and indigenous knowledge, and human rights as well as democratic, participatory, and inclusive processes.

- Funding must reach local communities and target the most vulnerable. Financing local adaptation can only succeed if it is led by the most vulnerable and disadvantaged countries and communities, tailoring approaches to context-specific needs, and capitalising on communities' values and strengths.
- The needs and priorities of the most vulnerable and disadvantaged communities and groups, including the poor, women, children, youth, indigenous people, landless people, persons with disabilities, whose capacity should be strengthened to access resources for adaptation should be programmatically prioritised..
- Stakeholders must be able to access information about availability, deployment and utilisation of adaptation funding to ensure mutual accountability and transparency, including tracking financial flows at all stages.
- There is a need to guard against maladaptation. Strong environmental and social safeguards and robust multi-stakeholder consultation processes is required to ensure that adaptation interventions do not increase the vulnerability both within and across national borders, and limit the wellbeing and choices of future generations.

Strengthening international finance for local adaptation

Developed country governments must scale up public finance – a starting point for this would be a medium term finance target at the UNFCCC and its related protocols. Without adequate finance, the vulnerability will increase and adaptation will become more resource-intensive. Resource mobilization and distribution of finance must be scaled up and accelerated. The Green Climate Fund must deliver on its promise for a 50-50 split between adaptation and mitigation over time, including through its result area on CBA.

International finance bodies, including the Green Climate Fund, should prioritise systemic and transformational change and channel funding to the local level, by scaling up successful practices and strategies into planning and implementation processes, including integrating with disaster risk reduction, humanitarian aid, conservation,

development, forecast-based financing, as well as building the capacities of countries and communities to access and manage funds.

Funding should be needs-based and made available through enhanced direct access mechanisms by following equitable, simplified, and transparent processes, some of which is explicitly mentioned in the governing instrument of the Green Climate Fund.

Finance should be focused on building natural capital, climate-resilient work and livelihoods, community assets, urban as well as rural resilience, health, nutrition, technical capacity, institutional strengthening, and building resilience in basic services infrastructure, accounting for ecosystems services, and without compromising environmental integrity or national sovereignty.

Requirements for strong multi-stakeholder engagement processes and social and environmental safeguards are key for ensuring adaptation activities have full community ownership, not just national-level government ownership, and to ensure equity and inclusion and to enable targeted social protection. To be effective, adaptation finance must deliver not just resources, but also meaningful, inclusive public participation.

Funding agencies should have a shared vision and consider a mechanism for pooling of funds, with a single platform to avoid duplication of activities.

There is a need for inclusion and coordination of more organisations to widen the financial and knowledge base and deepen the impact of CBA activities. Greater inclusion of NGOs, IGOs, and governments will assist scaling up the overall volume of finance and the overall coverage of issues, including regional issues.

Strengthening national finance for local adaptation

Governments should be the primary channel for adaptation finance, and should ensure coordinated public sector adaptation planning and implementation, sustainability, and accountability to local communities.

National climate change policy frameworks and budgets, and robust funding mechanisms that integrate different local adaptation needs should be achieved through a participatory policy development with clear provisions for the allocation of funds to the local level.

Significant investment in local government capacity building must be made and scaled up to develop the readiness to access and manage climate finance.

Countries' nationally designated authority for Green Climate Fund are encouraged to prioritize adaptation actions in consultation with national climate change coordination mechanisms, keeping in mind the importance of involving multi-stakeholder partnership.

At least 50 per cent of all financing for adaptation should be allocated to local level actions and local communities.

Engaging non-state actors in local finance

NGOs, and CBOs, and CMOs have an important role to play in supporting capacity building and technical guidance. Nation-states have a responsibility to their own citizens to ensure that funds are targeted to the local communities in their countries.

Private sector finance for CBA must be implemented in accordance with the needs and wishes of local communities. Local businesses and enterprises must be differentiated from large scale international private investors. From the perspective of financing local adaptation, the GCF’s private sector facility should have as its primary role supporting local, domestic small and medium sized enterprises, including small-holder farmers.

Local businesses and enterprises can be empowered with access to commercial finance, information, appropriate low-cost technologies and social organisations, particularly in relation to food security, production, and sovereignty. Small scale domestic innovations in adaptation financing need to be promoted.

To support implementation the above principles and approaches, developed countries must urgently provide adequate finance in accordance with their international obligations. Community based adaptation is vital to our efforts to build a just and sustainable world.