This document contains a review of climate finance and the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) for the consideration of the Ad Hoc Advisory Committee on the Funding Strategy and Resource Mobilization (ACFSRM).

It responds to the decision made by the Governing Body at its Seventh Session, through Resolution 3/2017, to reconvene the ACFSRM with a revised mandate, in order to develop the updated Funding Strategy for consideration and approval by the Eighth Session of the Governing Body, including to further develop resource mobilization aspects.

International mechanisms, funds and bodies featured in this review such as the Global Environment Facility (GEF), Green Climate Fund (GCF), the World Bank and IFAD are considered “Funding Tools” for the implementation of the Treaty in the Matrix of Funding Tools contained in Appendix 2 of the Annotated Outline of the Updated Funding Strategy of which the Governing Body took note at its Seventh Session.
Climate Finance and the ITPGRFA

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This document was prepared at the request of the Secretariat of the International Treaty on Plant Genetic Resources for Food and Agriculture. The contents of this document are entirely the responsibility of the author and do not necessarily represent the views of the Secretariat of the International Treaty.
Climate Finance and the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA)

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1. Introduction

The Annotated Outline for an updated Funding Strategy, as contained in the Annex to Resolution 3/2017 of the GB, noted in paragraph 8.v that “the updated Funding Strategy should take into account global trends and realities of the donor environment while acknowledging Article 18.4 (b) and (c) of the Treaty (ACFS-8 Report, para.10). There have been changes in the funding landscape and the Benefit-sharing Fund, and other funding mechanisms under the direct control of the Governing Body need to adapt and evolve to donor and recipient needs, thus increasing its potential to attract adequate, and diverse funding that ensures a long-term perspective. Consequently, the updated Funding Strategy should respond to emerging funding trends, provide flexibility to adapt to a changing environment and ensure an efficient and coherent funding approach across Treaty mechanisms (ACFS-8 Report, para. 18).” Paragraph 8.ii also noted that “The next phase of the implementation of the Funding Strategy should aim at strengthening linkages between different funding sources and partners, by pursuing collaborative planning and co-spending opportunities and identifying appropriate channels to make such linkages (ACFS-8 Report, para. 26)”.

The biggest change underway at the moment to the funding landscape is the rise of international donor finance for climate change or “climate finance” which has grown enormously over the last two decades and is predicted to increase even more in the coming decades. In 2000, climate finance was estimated to provide $560m to developing countries. By 2016, this had grown to almost $20bn or a 40-fold increase and it is expected that this figure will increase to $100bn by 2020. By comparison, total official development assistance (ODA) was $72bn in 2000 and $145bn in 2016 or a twofold increase.
Food security, PGRFA, climate smart agriculture, local farmers and gene banks are widely recognised as important issues and stakeholders in this area and, as such climate finance represents an increasing important opportunity for the Funding Strategy and the ITPGRFA.

This report responds to this important change in the funding landscape and donor environment and provides an analysis of climate finance focusing on the Climate Finance “funding tools” listed in the Matrix to Resolution 03/2017, such as the Global Environmental Facility (GEF), the Green Climate Fund (GCF), World Bank and the International Finance Corporation (IFC), the International Fund for Agricultural Development (IFAD) and bilateral funding and assistance. The report provides a review of these organisation’s climate finance mandates, portfolio of projects and pipelines and analysis of the extent that they support the aims of the ITPGRFA, with a focus on comparative advantage and future opportunities.

2. Background

Climate finance refers to financing for addressing climate change.

Resources for climate finance are being raised and deployed by an increasingly complex constellation of public and private institutions. Multilateral climate funds play a large and growing role in this system, proliferating over the past two decades in response to need and negotiations. Some multilateral funds are dedicated to accelerating the spread of clean technologies, while others focus on reducing emissions from deforestation, supporting adaptation, or pursue a mixed-mandate.

Multilateral climate funds also differ in terms of operating modalities, with some working primarily through multilateral development banks and UN agencies while others also channel resources directly to institutions in developing countries. As a result of these and other differences, no one fund or organisation will meet the full range of climate finance needs. Indeed, there may be benefits, including speed, flexibility, accessibility and innovation, to some degree of multiplicity in international climate finance.

Regardless, policymakers are under growing pressure to rationalise the number and nature of multilateral funds so that the architecture of international climate finance is increasingly coherent, efficient and responsive to developing country needs.

An important focus for climate finance is the United Nations Framework Convention on Climate Change (UNFCCC). The UNFCCC obliges developed country Parties (Annex II Parties) to provide financial resources to assist developing country Parties in implementing the objectives of the UNFCCC and its Paris Agreement. The main focus of these efforts is the Financial Mechanism of the Convention established by the UNFCCC.

The Sixteenth meeting of the Conference of Parties to the UNFCCC (COP 16) established a Standing Committee on Finance (SCF) to assist the COP in relation to the Financial Mechanism of the Convention. The SCF prepares a biennial assessment of climate finance flows (BA), drawing on available sources of information, including national communications and biennial reports of both developed and developing country Parties, information
provided in the registry, information provided by Parties on assessments of their needs, reports prepared by the operating entities of the Financial Mechanism and information available from other entities providing climate change finance.

The latest and second assessment of the BA – the 2016 biennial assessment and overview of climate finance flows - concluded that USD 25.4 billion in 2013 and USD 26.6 billion in 2014 of climate-specific finance was reported in Biennial Reports of Parties, of which USD 23.1 billion in 2013 and USD 23.9 billion in 2014 was channelled through bilateral, regional and other channels. This represents an increase of about 50% from public finance reported through the same channels in 2011–2012.

Climate finance provided by multilateral development banks (MDBs) to developing countries from their own resources was reported as USD 20.8 billion in 2013 and USD 25.7 billion in 2014.

The OECD calculated that pledges made in 2015 will increase public finance from an average of USD 41 billion over 2013-14 to USD 67 billion in 2020 – an increase of USD 26 billion.

At COP 21, Parties decided that developed countries intend to continue their existing collective mobilization goal through 2025 in the context of meaningful mitigation actions and transparency on implementation, and that prior to 2025 the Conference of the Parties serving as the meeting of the Parties (CMA) to the Paris Agreement shall set a new collective quantified goal from a floor of USD 100 billion per year, taking into account the needs and priorities of developing countries.

Climate funds and international organizations such as the GCF, the GEF, Least Developed Countries Fund (LDCF), Special Climate Change Fund (SCCF), Adaptation Fund, the World Bank’s Forest Carbon Partnership Facility (FCPF) and Forest Investment Program (FIP), the UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation (UN-REDD Programme), IFAD and the International Land and Forest Tenure Facility have recognised the important and distinct role that resilient agriculture and food security and local farmers play in addressing climate change and the unique barriers to funding they face, and consequently have developed a range of dedicated direct access modalities to promote their full and effective engagement, including specific and tailored means of participation and engagement in these funds, direct access to these funds and protections and safeguards of these funds, including grievance mechanisms.

Analysing the array of funding mechanism that have emerged to address climate change is beyond the scope of this paper. The following analysis looks at some of the most relevant mechanisms for the ITPGRFA and its Funding Strategy.

3. **The Global Environment Facility (GEF)**

The GEF was established in 1991 to help tackle the global challenges of climate change, biodiversity and international waters. The GEF has provided over $20 billion in grants and mobilized an additional $88 billion in financing for more than 4000 projects in 170 countries.
Projects are eligible for GEF climate funding if the country has ratified the UNFCCC, the project is consistent with national priorities, the project is seeking GEF financing only for the agreed incremental costs on measures to achieve global environmental benefits and the project involves the public in project design and implementation.

The GEF has 18 Partner Agencies which are responsible for developing projects. FAO, UNDP, UNEP, IFAD and the World Bank Group (WBG) are Partner Agencies of the GEF and as well as being partners of the Benefit Sharing Fund.

The Country GEF Operational Focal Point (OFP) decides which Agency would be best suited to develop and implement a project idea. This is an important decision since the Agency will be the partner at all stages of the project or program. The Operational Focal Point coordinates all GEF-related activities within a country.

The GEF provides funding through four modalities: full-sized projects (more than $2m); medium-sized projects (less than $2m); enabling activities (project for the preparation of a plan; strategy or report to fulfil commitments under the UNFCCC); and, programmatic approaches (a longer-term and strategic arrangement of individual yet interlinked projects that aim at achieving large-scale impacts on the global environment). The selected modality should be the one that best supports the project objectives.

The GEF has supported projects of relevance to the ITPGRFA as part of its biodiversity portfolios since it was established in 1991. For example, one of the very first GEF full size projects was the 1992 In-Situ Conservation of Genetic Biodiversity in Turkey by the World Bank which identify and establish in-situ conservation areas for the protection of genetic resources and wild relatives of important crops and forest tree species that originated in Turkey.

In 2015, GEF launched a new flagship program on food security “Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa”. The program helps smallholders strengthen soil health, improve access to drought-tolerant seeds, adjust planting periods and cropping portfolios, and enhance on-farm agro-biodiversity. Twelve African countries (Burkina Faso, Burundi, Ethiopia, Ghana, Kenya, Malawi, Niger, Nigeria, Senegal, Swaziland, Tanzania and Uganda) participate in the program which face the greatest threat of environmental degradation in smallholder farms.

Another important programme for the ITPGRFA is the GEF Small Grants Programme (GEF SGP). The SGP has provided over $850m to over 22,000 projects in 129 countries and unlocked the global potential of using plant genetic resources for food and agriculture as well as local farmers, thereby delivering increased cost efficiency, higher implementation effectiveness, greater impact, deeper integration across sectors or countries.

The GEF-7 Impact Programs on Food, Land Use and Restoration which is earmarked to receive $470m over the period may also provide opportunities for ITPGRFA Stakeholders. The Impact Programme will focus on three interrelated priorities as “entry points”. One of them “Sustainable Food Systems” will target countries seeking to meet growing demand for increased crop and livestock production, without the risk of further expansion of farmland,
erosion of genetic diversity, overexploitation of land and water resources, overuse of chemical fertilizers and pesticides, and inefficient practices that lead to greenhouse gas emissions and food loss and waste. The approach will be holistic, encompassing all stages of the food value chain from production, processing, and distribution to marketing, consumption, and disposal. It will engage agribusiness and the food industry, harnessing their ability to scale best practices and standards across global food value chains and their ability to support small- and medium-sized enterprises.

Details about the GEF and its support for the PGRFA have been periodically provided to the Governing Body of the ITPGRFA.

The Climate Change portfolio of the GEF also has supported projects that are relevant for the ITPGRFA. GEF-funded projects have reduced the vulnerability of almost 17 million people in more than 130 countries and improving sustainable land management in 350 million ha of productive landscapes and seascapes.

Specific project examples of relevance to the Funding Strategy that benefit small farmers and the maintenance of PGRFA include:

- PRC-GEF Partnership Program for Sustainable Agricultural Development;
- Strengthening Resilience and Adaptive Capacity to Climate Change in São Tomé and Príncipe’s Agricultural and Fisheries Sectors;
- Namibia Integrated Landscape Approach for Enhancing Livelihoods and Environmental Governance to Eradicate Poverty (NILALEG); and
- Strengthening Resilience and Adaptive Capacity to Climate Change in São Tomé and Príncipe’s Agricultural and Fisheries Sectors.

The GEF currently provides funding for adaptation to climate change to developing countries through two funds: the Least Developed Countries Fund (LDCF), which supports urgent adaptation needs in Least Developed Countries (LDCs), and the Special Climate Change Fund (SCCF), accessible by all developing countries. Established in 2001 at COP 7, the two funds currently support implementation of the Paris Agreement, and comprise “the most advanced portfolio of adaptation projects in the developing world.”

By 2017, the LDCF had approved around US$1.2 billion for the funding of projects and programs in 51 countries. LDCF projects relate to the ITPGRFA such as:

- In Malawi, projects are supporting practical community-level adaptation actions that improve resilience of the agriculture sector, while boosting community economic development; and
- In Niger, land degradation, water scarcity and at-risk livestock pose a deadly threat to rural communities. The LDCF supports distribution of drought-resilient crop seeds, and locally appropriate water-harvesting techniques.

The GEF 2018-2022 Programming Strategy on Adaptation to Climate Change for the LDCF and SCCF and Operational Improvements, also highlight opportunities for the Funding Strategy. Food security and the CGIAR system feature prominently in this Programme (e.g.
the programme contained 13 references to food security). For example, the Programme states “The SCCF will support projects that address specific national and regional/global adaptation priorities, for examples on the themes of .... enhancing food security.” LDCF priorities include enhancing the climate resilience of agriculture (forecasts, crop science, institutional improvements, farming techniques, crop varieties and mix, etc.) and integration of LDCF/SCCF learning and methodologies in food security or large agriculture programs. Key stakeholders for these priorities include the “CGIAR, private sector, GCF, MDBs, International Institute for Applied Systems Analysis (IIASA), International Food Policy Research Institute (IFPRI), etc.”

Developing proposals for these programmes and funds is most effectively done through the National Focal Point of the ITPGRFA approaching the OFP of the GEF or one of the 18 Agencies of the GEF that the proponents have the closest relationship with.

Many of the proposals for the Fourth Call for Proposals (CFP4) would meet the requirements of the various GEF climate change funds described above, in particular, the SGP, the LDCF and SCCF. The GEF-7 Impact Programs on Food, Land Use and Restoration would also be potential important Programme for these proposals. The Panel of Experts that reviewed these proposals for the CFP4 emphasized the high quality of the pre-proposals that have been submitted to the Benefit-sharing Fund in this funding cycle. The portfolio of best pre-proposals identified by the Panel constitute a unique body of excellent proposals for strengthening Treaty implementation, and the aims of the various programmes and funds outlined in this section. While many of the pre-proposals would not be funded by the Benefit-sharing Fund, the Panel of Experts recommended that the Bureau consider providing a certificate of excellence that may help applicants to find funding from other donors. In addition to this recommendation, it would be useful for the Secretariat to consider with the GEF Secretariat and interested partners of the Benefit Sharing Fund who are Agencies of the GEF such as UNEP, UNDP, IFAD and the WBG ways and means of supporting proponents of the CFP4 proposals accessing the programmes and funds.

4. **The Adaptation Fund**

Launched in December 2007 the Adaptation Fund has since helped countries build national capacities to adapt to climate change while committing US$ 462 million in 73 countries to projects that help vulnerable communities meet urgent adaptation needs in sectors such as food and water security, coastal management, agriculture, disaster risk reduction, rural development, and forests.

The Adaptation Fund, like the GEF, largely works through implementing entities accredited by the Adaptation Fund Board to receive direct financial transfers from the Fund in order to carry out adaptation projects and programmes. Projects need to be proposed by a National Implementing Entity (NIE), a Regional Implementing Entity (RIE), or a Multilateral Implementing Entity (MIE). In order to become accredited, entities are required to meet the legal and fiduciary standards adopted by the Board. Currently, there are 28 NIEs, six RIEs and 12 MIEs. None of these NIEs are National Focal Points of the ITPGRFA. The WBG, UNDP, IFAD, UNEP, are MIEs and partners of the Benefit Sharing Fund.
The Adaptation Fund has adopted a number of projects that are relevant to the Funding Strategy such as:

- Building Resilience of Small-Scale Agriculture Producers, Argentina, Unit for Rural Change, (UCAR);
- Empowering Rural Small Farmers Through Localized Projects and Helping Smallholders Improve Crop Production, South Africa, The South Africa National Biodiversity Institute (SANBI);
- Abdylvahyp Halimberdiev, Farmer in Nohur Region, UNDP, Turkmenistan;
- Small-Scale Farming in the Irrigation Valley of Patagones, Argentina, World Bank Group; and
- Building Resilient Food Security Systems in Southern Egypt, World Food Programme (WFP).

Several successful projects have been upscaled by the Green Climate Fund (GCF). In 2011, the Adaptation Fund approved nearly US$9 million to pilot an integrated water management project in the Maldives. Four years later, UNDP received US$28 million from the GCF to replicate and scale up lessons learnt. Although none of these examples involved PGRFA it is an important added benefit of the Fund and interesting development for the Funding Strategy and route for potential projects of relevance to the ITPGRFA.

The Adaptation Fund current five-year Medium-Term Strategy (MTS) is built around three strategic pillars of Action, Innovation, and Learning and Sharing. The MTS envisions targeted funding for activities such as support for scaling up proven and innovative adaptation practices and technologies across countries or regions and sharing practical knowledge and lessons from effective actions. The MTS also contains four cross-cutting themes, which the Fund will work to mainstream across its processes to further improve outcomes. These include: engaging and empowering the most vulnerable communities and social groups; advancing gender equality and the empowerment of women and girls; strengthening long-term institutional and technical capacity for effective adaptation; and, building complementarity and coherence with other climate finance delivery channels.

The MTS also aims to raise a US$ 100 million annual target for 2018-2020.

The Adaptation Fund’s Readiness Programme for Climate Finance aims to help strengthen the capacity of national and regional entities and provides important entry points for ITPGRFA stakeholders. Its core activities are training workshops, South-South grants program, technical assistance grants for designing adaptation projects and online collaboration and knowledge sharing. The Adaptation Fund Board has made available several small grants under the Readiness Programme to help NIEs provide peer support to countries seeking accreditation with the Fund and to build capacity for undertaking various climate finance readiness activities. **Engaging in this Programme is an important way to develop proposals for the Adaptation Fund and its importance should be highlighted to the National Focal Points of the ITPGRFA.**
The Adaptation Board has recently approved a streamlined accreditation process. The process is based on experience gained by the Accreditation Panel in considering options for accrediting small entities through a streamlined process by taking into account compensating measures, controls and practices commonly used by small entities, while ensuring that the small-entity applicant not only meets the fiduciary standards, but also will not expose the Adaptation Fund to unreasonable risk. This streamlined accreditation process is another important entry point for ITPGRFA stakeholders and should be highlighted to National Focal Points of the ITPGRFA.

As was mentioned in the previous section regarding the GEF, many of the proposals CPF4 would meet the requirements of the Adaptation Fund. It would also be useful for the Secretariat to consider with the Secretariat of the Adaptation Fund and interested partners of the Benefit Sharing Fund who are Agencies of the GEF such as UNEP, UNDP, IFAD and the WBG ways and means of supporting proponents of the CPF4 proposals accessing the programmes and funds.

4. The Green Climate Fund (GCF)

The Green Climate Fund (GCF) was established in 2010 and is the largest international climate fund helping developing counties respond to climate change.

The GCF receives funding from country contributions through replenishment cycles. Its initial resource mobilization saw the GCF capitalized at $10.3 billion from 43 countries, including 9 developing countries.

The next replenishment is scheduled for 2019, or when 60 percent of the current resources are programmed.

Developing country Parties to the UNFCCC are eligible to receive resources from the GCF.

The GCF funds activities through international, regional, and national implementing entities. The GCF provides financing in the form of grants, concessional loans, equity, guarantees, for the agreed costs for activities to enable and support enhanced action on adaptation, mitigation, technology development and transfer, capacity building and the preparation of national reports by developing countries.

The mandate of the GCF includes ITPGRFA issues. For example, proposals must align with national strategies and GCF policies. Over 100 Countries have referred to actions in the agriculture sector and emphasized the importance of integrating adaptation into agriculture and food production and ensuring food security and sustainability of agriculture and the role of the ITPGRFA. Parties have introduced various programmes and policies, such as promoting sustainable agriculture and land and resource management, implementing integrated adaptation programmes for agriculture, developing climate criteria for agricultural programmes and adapting agricultural calendars which are of relevance to the ITPGRFA.
Any project or programme and sub-projects need to be aligned with the GCF’s investment framework, including the investment criteria, sub-criteria and indicative assessment factors. Some of the relevant factors for ITPGRFA proposals include:

- Expected total number of direct and indirect beneficiaries, (reduced vulnerability or increased resilience), number of beneficiaries relative to total population, particularly the most vulnerable groups;
- Expected reduction in vulnerability by enhancing adaptive capacity and resilience for populations affected by the proposed activity, focusing particularly on the most vulnerable population groups and applying a gender-sensitive approach;
- Expected strengthening of institutional and regulatory systems for climate-responsive planning and development;
- Expected strengthening of adaptive capacity and reduced exposure to climate risks;
- Expected strengthening of awareness of climate threats and risk reduction processes; and
- Opportunities for targeting innovative solutions, new market segments, developing or adopting new technologies, business models, modal shifts and/or processes.

The GCF began approving proposals in October 2015 and has approved 76 projects and contributed USD 3.7 billion which will benefit 217m with increased resilience and reduce 1.3b tonnes of CO₂.

Many GCF projects are ecosystem-based adaptations to climate change and several of these projects include benefits for ITPGRFA such as:

- FP041 - KfW - Tanzania – Simiyu Climate Resilience Project, Kreditanstalt für Wiederaufbau (KfW);
- FP048 - IDB - Guatemala and Mexico Climate-Smart Agriculture (CSA) Risk Sharing Facility for MSMEs, Inter-American Development Bank; and

A further 130 concept notes (CNs), are available on the website of the GCF and many of these could potentially be useful for the ITPGRFA. For example:

- Building Climate Resilience of Vulnerable and Food Insecure Communities through Capacity Strengthening and Livelihood Diversification in Mountainous Regions of Tajikistan;
- Enhanced climate resilience of rural communities in central and north Benin through the implementation of ecosystem-based adaptation (EbA) in forest and agricultural landscape;
- Increasing Agricultural and Ecosystem Resilience through Ecosystem- based Adaptation Agroforestry - Burundi, Lesotho, Malawi, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe; and
- Ecosystem and Livelihoods Resiliency: climate change risk reduction through ecosystem based adaptation in Botswana’s communal grazing lands.
These CNs provide opportunities for the ITPGRFA. A closer review of these CNs, along with reaching out to the relevant National Designated Authority (NDA) and relevant Accredited Entities (AEs), such as FAO, to improve if necessary the links between the proposal and the ITPGRFA would be useful.

The GCF Readiness and Preparatory Support Programme is a strategic priority for the GCF to enhance country ownership and access to the Fund. The Readiness and Preparatory Support Programme is working in 112 countries. While most of the projects have focused on strengthening NDAs, developing country programmes and supporting direct access, it is expected they will increasingly focusing on strategic frameworks for the identification of programmes and projects that advance national priorities and align with the results management framework of the GCF. For example, at least 20 countries have expressed an interest in accessing support for National Adaptation Plans (NAPs) or other adaptation planning processes.

Farmers are not adequately included in many of these proposals. A common problem in this Programme is that many of the NDAs are in ministries of finance and knowledge of the ITPGRFA and its role in climate change is poorly known so as a result these stakeholders are not adequately included in the national level processes. Engaging in this Programme is an important way to develop proposals for the GCF and its importance should be highlighted to the National Focal Points of the ITPGRFA.

Another important activity for ITPGRFA is to participate in the “Structured dialogues” organized by the Secretariat of the GCF. These dialogues are focused interactions with NDAs and focal points, accredited entities, readiness delivery partners, the Secretariat and other country stakeholders, including the private sector, to develop country programmes and determine which priorities identified by country strategies (INDCs, LEDS, NAPAs, NAMAs, etc.) are the best match for GCF support.

The Latin America Structured Dialogue, in Colombia in March 2018 attracted around 200 participants representing 19 countries. The key outcomes included significant progress made in the development of several Readiness proposals, Project Preparation Facility (PPF) requests and concept notes, including progress in the development of a concept note on action across the ‘Dry Corridor’ of Central America – a region strongly affected by drought, crop losses and hunger.

The second Africa Structured Dialogue, held in Mali in April 2018, had around 250 participants representing 49 countries were present. Ministers described their countries’ visions and perspectives in transitioning Africa on a paradigm shift towards a low-emission and climate resilient future during the high-level segment, where they highlighted the measures necessary to deal with the climate change implications of socioeconomic development and investment trends in Africa. Food security was a prominent theme.

The second Asia Structured Dialogue in Viet Nam in April 2018 attracted 150 participants representing 26 countries across Asia. Food security was a prominent issue and key takeaway messages included, country engagement that takes into account diverse needs
and involves actors from diverse sectors sets a strong foundation for project identification and prioritization.

Further opportunities for organizing similar events in other regions, including the Caribbean, Eastern Europe and Asia, are being explored with countries, as well as regional and international partners. A key objective of these events will be to implement the action plan set out in the strategic plan, particularly to facilitate structured dialogues between NDAs/focal points, accredited entities and the Secretariat. **ITPGRFA National Focal Points should consider approaching their NDA, AEs or even the GCF Secretariat about ensuring better participation in these meetings.**

### 5. World Bank Group

The World Bank Group (WBG) acknowledges that its twin goals of ending extreme poverty and boosting shared prosperity cannot be achieved without tackling climate change.

Between FY2011 and FY2017, the WBG committed $76 billion dollars, an average of close to $11 billion a year, to more than 1,200 climate-related projects that help countries adapt to a changing climate and mitigate the impacts of climate change.

In FY17 the International Development Association (IDA), the World Bank’s fund for the poorest, provided more than $4 billion in climate-related financing to more than 140 projects.

The WBG has committed to increasing climate financing to 28 percent of the Bank Group’s portfolio by 2020, in response to client demand. In July 2018 the World Bank Group announced that in fiscal year 2018, 32.1 percent of its financing had climate co-benefits – already exceeding the target set in 2015 that 28 percent of its lending volume would be climate-related by 2020. This amounted to a record-setting $20.5 billion in climate-related finance delivered in the last fiscal year which resulted in developing 22 investment plans for climate-smart agriculture in 20 countries.

The WBG Climate Change Action Plan lays out concrete steps to meet that commitment. It includes ambitious targets to be met by 2020, including develop climate-smart agriculture investment plans for at least 40 countries. In partnership with the UN, the WBG has announced a new platform for climate action, Invest4Climate, designed to bring together national governments, financial institutions, investors, philanthropies, and multilateral banks to support transformational climate investments in developing countries.

The WBG is currently scaling up climate-smart agriculture. In its Climate Change Action Plan, the World Bank committed to working with countries to deliver climate-smart agriculture that increases productivity, enhances resilience and reduces emissions.

The WBG portfolio will also increase its focus on impact at scale and be rebalanced to have a greater focus on adaptation and resilience. To enable these commitments, the WBG is screening all IDA projects for climate risks and will continue to develop and mainstream
metrics and indicators to measure outcomes, and account for greenhouse gas emissions in their projects and operations. These actions will help countries implement their Nationally Determined Contributions (NDCs) in the agriculture sector, and will contribute to progress on the Sustainable Development Goals for climate action, poverty and the eradication of hunger.

The WBG also backs research programs such as the Consultative Group on International Agricultural Research (CGIAR), which develops climate smart technologies and management methods, early warning systems, risk insurance and other innovations that promote resilience and combat climate change. For example, Climate-Smart Agriculture (CSA) Country Profiles bridge a knowledge gap by providing clarity on CSA terminology, components, relevant issues, and how to contextualize it under different country conditions. The knowledge product is also a methodology for assessing a baseline on climate-smart agriculture at the country level (both national and sub-national) that can guide climate smart investments and development.

The Bank’s support of CSA also is of relevance to the Funding Strategy and the ITPGRFA. For example:

- In Niger, a Bank-supported project that is specifically designed to deliver climate-smart agriculture aims to benefit 500,000 farmers and agro pastoralists in 44 communes through the distribution of improved, drought-tolerant seeds, more efficient irrigation, and expanded use of agroforestry and conservation agriculture techniques;
- Starting in 2015, a Bank-supported project has been helping pastoralists adopt climate-smart agriculture in the Sahel—namely Burkina Faso, Chad, Mali, Mauritania, Niger and Senegal. Interventions to improve animal health and rearing, and promote more sustainable rangeland management, are boosting productivity and resilience, and helping to reduce emissions; and
- In Senegal, the West Africa Agricultural Productivity Program (WAAPP) has developed seven new high-yielding, early-maturing, drought resistant varieties of sorghum and millet. Released in 2012, these varieties are being widely diffused to farmers and show positive yield result.

CGIAR provides an obvious entry point into the WBG climate funding activities.

Given the prominence that agriculture and climate smart agriculture has in numerous country NAPAs and NDCs the National Focal Points can use these national policies to develop proposals for many of the relevant WBG climate opportunities and activities.

Finally, as has been mentioned previously, the WBG as a Partner Agency of the GEF and an MIE of the Adaptation Fund as well as a Partner of the Benefit Sharing Fund of the ITPGRFA could provide assistance with promoting access for the unfunded proposals for the CFP4 and should be invited to consider how this could be most effectively undertaken.
6. The International Fund for Agricultural Development (IFAD)

IFAD is an international financial institution and specialized United Nations agency based in Rome. Since 1978, IFAD has provided US$18.5 billion in grants and low-interest loans to projects that have reached about 464 million people.

Small-scale agriculture is central to IFAD’s development model, which connects farmers and poor rural women and men to markets and services so they can grow more and earn more.

Its current strategic framework sets out three strategic objectives (SOs) to achieve its goal:

- SO1: Increase poor rural people’s productive capacities;
- SO2: Increase poor rural people’s benefits from market participation; and
- SO3: Strengthen the environmental sustainability and climate resilience of poor rural people’s economic activities.

The framework recognises that special attention needs to be paid to environmental sustainability and climate resilience in agriculture while also promoting a reduction of greenhouse gas emissions from agriculture and agrifood value chains and harnessing under-utilized synergies that exist between adaptation and mitigation. IFAD’s work in this area will be guided by its Environment and Natural Resource Management Policy, Climate Change Strategy, the 10-point Climate Mainstreaming Plan and the Social, Environmental and Climate Assessment Procedures (SECAP).

The framework specifically recognises increased attention will be given to enhanced climate resilience by promoting diversification as a risk management strategy to enhance farmers’ livelihoods, including through specific interventions such as production and marketing of indigenous crops that are drought-resistant and enable low-input farming.

A centre piece of IFAD climate change strategy is its Adaptation for Smallholder Agriculture Programme (ASAP) which it claims it is the “largest global climate adaptation programme for smallholder farmers”. The ASAP is IFAD’s flagship programme for channelling climate and environmental finance to smallholder farmers.

During the first phase of ASAP, from 2012 to 2017, IFAD programmed US$305 million in ASAP grants in 41 countries, expecting to reach more than 5 million vulnerable smallholders to cope with the impacts of climate change and build more resilient livelihoods. ASAP has substantively enhanced climate risk mainstreaming in IFAD’s investment processes and promoted innovative tools and technologies that smallholders are using to protect their assets from greater climate variability.

ASAP2 was launched in 2018 and has raised over $15m. Key donors being the Norwegian Agency for Development Cooperation (NORAD), which has agreed to contribute NOK80 million – equivalent to about US $9.5 million – to the ASAP Trust Fund, and the Swedish International Development Agency (SIDA), with a contribution of SEK60million – equivalent to US $5.9 million.
The ASAP2 instrument will enable climate mainstreaming through technical assistance and capacity building in cooperation with national ministries, research institutes, farmers’ organizations and civil society, and leverage IFAD investments to incentivize additional co-financing for climate change adaptation. The overall target for the ASAP2 Trust Fund is US$100 million.

ASAP funds activities that focus on:

- Policy engagement – supporting agricultural institutions in IFAD Member States seeking to achieve international climate change commitments and national adaptation priorities;
- Women’s empowerment – increasing the participation of women in, and their benefits from, climate-change adaptation activities;
- Private-sector engagement – strengthening the participation of the private sector and farmer groups in climate change adaptation and mitigation activities;
- Natural resource management and governance – strengthening the participation and ownership of smallholder farmers in decision-making processes; and improving technologies for the governance and management of climate-sensitive natural resources; and
- Knowledge management – enhancing the documentation and dissemination of knowledge on approaches to climate-resilient agriculture.

These types of activities are relevant to the ITPGRFA and thus National Focal Points would be useful partners or proponents for ASAP 2.

Public information about the pipeline for the ITPGRA is limited. Accordingly, as IFAD is a partner of the Benefit Sharing Fund, it could be invited to review its pipeline and advise the Secretariat about all its proposals that might be of relevance to the ITPGRFA which would form the basis of developing a practical relationship between the Funding Strategy.

As has been mentioned previously, IFAD as a Partner Agency of the GEF and an MIE of the Adaptation Fund, as well as a Partner of the Benefit Sharing Fund of the ITPGRFA, could provide assistance with promoting access for the unfunded proposals for the CFP4 and should be invited, along with the WBG, to consider how this could be most effectively undertaken.

7. Bilateral funding and assistance

Agriculture is a significant sector for climate finance from bilateral donors and in 2016 received just over $3bn, up from $182m in 2006 and $27m in 2000. Developmental Food Aid/Food Security Assistance amounted to a further $936m in 2016.

Within this are many specific programmes that are relevant for ITPGRFA. Some important ones include the Government of Norway’s International Climate and Forest Initiative (NICFI), the UK’s International Climate Fund, USAID’s Ecosystem Based Adaptation Programme; and the Germany the UK and Denmark also support the Global Climate Partnership Fund (GCPF).
An important and illustrative example of these bilateral efforts is the International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) which cooperates with partner countries in the practical implementation of climate change mitigation and biodiversity conservation measures. Since its establishment in 2008 it has launched more than 500 climate and biodiversity projects and provided 2.3 billion euro. The resources for international climate and biodiversity activities have grown steadily since the programme was launched. Whereas some 170 million euro was available for on-going projects in 2008, by 2014 the figure had risen to 318 million euro. In recent years, the German Government has steadily increased its commitments to climate change mitigation measures.

The projects are carried out by a broad range of implementing organisations: the German Government's major implementing organisations Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and KfW Entwicklungsbank, UN, MDBs, NGOs, research institutes, foundations and private companies.

IKI focuses on four funding areas:

- Mitigating greenhouse gas emissions;
- Adapting to the impacts of climate change;
- Conserving natural carbon sinks with a focus on reducing emissions from deforestation and forest degradation (REDD+); and
- Conserving biological diversity.

IKI supports projects that provide innovative solutions to the challenges and develop new political, economic and regulatory approaches, as well as technological options and cooperation models. The solutions are meant to have impacts that go beyond the individual project and to be transferable.

To date, 11 per cent of IKI’s funds (301 million euros) are allocated to conserving biodiversity, which have concentrated on implementing the Strategic Plan 2011-2020 of the Convention on Biological Diversity and its Aichi Targets. IKI projects often deal with challenges that, in addition to preserving and sustaining the use of biodiversity, also address climate change or adaptation to the impacts of climate change and develop comprehensive solutions. Conversely, the conservation of biological diversity also plays a key role in IKI projects on ecosystem-based adaptation and natural carbon sinks.

PGRFA and the ITPGRFA have benefited from IKI projects. Examples include:

- Conservation of pollinator diversity for enhanced climate change resilience, Algeria, Egypt, Jordan, Morocco, Palestinian, Tunisia, Turkey, 2017 – 2022, 6.583.079,00 €, International Center for Agricultural Research in the Dry Areas;
- PA categories V and VI as landscape mechanisms for enhancing biodiversity in agricultural land, ecological connectivity and REDD+ implementation, Congo, Ghana, Tanzania, Uganda, 2017 – 2020, 4.288.983,00 €, IUCN Switzerland;
• Conservation of Biodiversity and Natural Resources and Climate Protection by Sustainable Agriculture and Forestry at Cyamudongo Forest, Rwanda, 2016 – 2021, 2.147.358,00 €, Universität Koblenz-Landau;
• From full sun to shaded cocoa agroforestry systems: Rehabilitation of smallholder cocoa farms and forest ecosystems for enhanced conservation and sustainable use of forestry resources in the High Forest zone of Ghana, 2016 – 2018, 1.393.476,00 €, SNV Netherlands;
• Scaling up the conservation of biodiversity through climate smart agro-silvopastoral practices in landscapes dominated by cattle-raising systems in the tropical regions of Mexico, 2016 – 2020, 2.965.000,00 €, CATIE Costa Rica;
• Mainstreaming Biodiversity into the Mexican Agricultural Sector, 2016 – 2020, 5.000.000,00 €, GIZ;
• Ecosystem-based Adaptation for Smallholder Subsistence and Coffee Farming Communities in Central America, Costa Rica, Guatemala, Honduras, 2012 – 2018, 2.999.970,00 €, Conservation International; and
• Biodiversity and Ecosystems Services in Agrarian Landscapes, India, Kenya, Tajikistan, 2016 – 2020 4.000.000,00 €, GIZ.

The current call for proposals is looking for activities in Colombia, Mexico or the Philippines. The focus is on comprehensive, large-scale programmes with a duration of up to seven years. Prior to launching the competition, discussions were held with government representatives of these partner countries in order to consider as many issues on climate and biodiversity protection as possible, which are of particular importance for the country and should be included in the competition of ideas. Information on all three countries has been compiled and is available on the IKI website. All three country outlines highlight the importance of agrobiodiversity and provide opportunities for ITPGRFA. For example, the Philippines highlights the importance of the proposal is expected to work with elements of (a) ecosystem-based adaptation and food security in a landscape approach; (b) conservation of biodiversity ... (d) environmental health and human security. In Mexico one of the 4 priorities is “Agricultural sector: Land-use approaches promoting all kind of actions regarding mitigation and adaptation in agricultural landscapes are to be integrated into the planning process. For this purpose, instruments for the conservation of biodiversity and the promotion of sustainable land use practices should be integrated.” In Colombia “best practices in climate-resilient agriculture.... Food security might be one of the covered aspects in this focus area” are key priorities. All proposals must have a strong degree of national ownership and partnership.

9. Other sources

Important sources of other climate finance that support food security, conservation of PGRFA and local farmers but are not addressed in this report include:

• Regional development banks – ADB, EBRD, IDB, AfDB, EIB, Asian Infrastructure Investment Bank;
• Philanthropic sources (e.g. Climate and Land Use Alliance (CLUA), The David and Lucile Packard Foundation, The Oak Foundation, The Rockefeller Foundation, Gordon and Betty Moore Foundation, Rockefeller Brothers Fund, Inc., Ford Foundation, Tides
• Big International NGOs (e.g. The Nature Conservancy, Conservation International and World Wildlife Fund (WWF)); and
• National Climate Fund Commitments (e.g. Amazon Fund, Brazilian National Fund on Climate Change, Bangladesh Climate Change Trust Fund Guyana REDD+ Investment Fund Bangladesh Climate Resilience Fund, Indonesia Climate Change Trust Fund ....).

Nevertheless, as has been mentioned previously, many of the proposals for CFP4 would meet the climate change programmes and projects of these organisations. **It would be useful for the Governing Body to invite these organisations to consider how they could support this body of excellent ideas.**

10. **Conclusions**

Climate finance generally recognises the role of PGRFA in tackling climate change and has supported many projects of direct relevance to the ITPGRFA.

As a result, climate finance is an important source of funds and partnerships for the Funding Strategy and the ITPGRFA.

Each section of this report highlights crucial entry points in bolded text for the ITPGRFA and measures that the revision of the Funding Strategy might consider in order to respond to make the most of climate finance.

Additionally, although the Secretariat can play an important role in developing partnerships and accessing funding from most of these potential sources, securing funds is most effectively done at the national level in developing countries through the ITPGRFA National Focal Points. Many the ITPGRFA National Focal Points though lack the means and capacities to approach the various funds and so support for such activities needs to be identified.

The proposals for CFP4 constitute a unique body of excellent proposals for strengthening Treaty implementation as well as the aims of the organisations considered in this report. This body of proposals is a valuable and practical tool that have national level support, potential partners could be invited to consider and work with the Secretariat as to how they could be funded from their programmes. As a first step in this exercise it would be useful for the *Ad Hoc* Advisory Committee on the Funding Strategy and Resource Mobilization to invite these organisations as soon as possible to consider how they might be able to use or support this body of proposals. Additionally, it would be useful for the Secretariat to liaise with these organisations and interested partners of the Benefit Sharing Fund who are Agencies of the GEF, GCF and the Adaptation Fund such as UNEP, UNDP, IFAD and the WBG on ways and means of supporting proponents of the CPF4 proposals accessing their programmes and funds.