

**Inclusive ownership and multilateral adaptation finance:**

**Taking local communities needs into account**

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*Abstract for a proposed presentation:*

Ownership is a founding principle of development finance, since the Paris Declaration on Aid effectiveness in 2005. It requires funding to follow priorities and needs defined at the national level (**country ownership**), but also at the local level, including voices of parliament members, local authorities and civil society organisations (democratic or inclusive ownership). **Inclusive ownership** was introduced in the development finance agenda in 2008 and emphasized in every international conference and declaration about development effectiveness since. Beyond the value of democracy and inclusiveness as a **fundamental right**, inclusive ownership was developed in order to **ensure effectiveness of development project** in the long run: a project that is either not needed or not wanted on the field will have no chance of succeeding.

Although it is not explicitly recognized as such as a principle in climate finance, **country ownership** shows through the rules of procedure for **funding allocation of multilateral climate funds**. As for **inclusive ownership**, it is taken into consideration through **stakeholder participation** procedures, which **does not offer the same opportunities to contribute to the design of a project** to local authorities, communities and CSOs. Indeed, in this perspective, local actors are informed and consent to the project, act as observers in decision making bodies and can introduce a complaint through internal redress mechanisms, but they are not in the driver's seat for the definition of the objectives and activities of the project.

We will focus here on the three multilateral funds set up under the UNFCCC that have adaptation funding in their mandate: **the Adaptation Fund, the Global Climate Fund and the Global Environment Facility**. These funds are aware of the issue of including stakeholders, and have worked both on enhancing direct access for national and local entities, and on deepening the relationships with non-state stakeholders. However, when one considers the internal complaint mechanisms put in place by the GEF et GCF, the **lack of consideration for local communities' perspectives and rights are the main motive for project suspension** of GEF projects. The recent suspension of a GCF mitigation project in Nicaragua, worth 117 million USD, is another proof of the importance of the issue for climate finance. Complaints from local communities and CSOs are still under review by the GEF conflict resolution commissioner.

In our contribution, we will develop an analysis of two points of tensions that could lead to underestimating local perspectives. First, the procedural aspects of stakeholders' participation, along with the multiplication of standards and rules to be observed, makes it **difficult for decision making bodies to assess the actual account given to local communities' needs**. Second, the architecture of climate finance, based on a partnership between designated and accredited entities, **leaves little room for local and grassroot movements to be involved in the planning of the project**.

Based on an **analysis of the rules of procedures and guidance** of the AF, GCF and GEF, and on past and current **complaints filed at the GCF et GEF** redress mechanisms, our proposal intends to make **concrete proposals to ensure local communities' increased engagement**.

*Brief statement why my contribution is policy-relevant.*

Multilateral climate funds are aware of the lack of community engagement and the risks it represents for a project's success. Today, the focus of these discussions to better engage stakeholders remains on **communication** about the work they do and the ways civil society organisations can participate at the institutional level. However, there are rooms for improvement for engaging local communities and grassroots movements. **Direct access modalities** of funding can be developed in order to foster a bottom-up approach to adaptation finance. **Clarifying the order of priority** among the different objectives to be aimed at and standards to comply with could be another avenue for thoughts.

As a **legal scholar specialized on development finance architecture and governance**, I will contribute to this ongoing reflection by adopting a development finance perspective as well as a rule-based approach. I will deliver a **thorough analysis of the procedures, guidelines and standards through the lens of inclusive ownership**.

This contribution is part of a **larger project on the rules and procedures of international climate finance**. Thus, taking part to this workshop would also be an opportunity for me to enlarge my academic perspective through the practical expertise of professionals.