Decentralising Climate Funds (DCF)

The Decentralising Climate Funds Mechanism: Principles and operational arrangements in Mali and Senegal

Near East Foundation consortium under the Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED) programme

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Acronyms

ANICT	*Agence Nationale d'Investissement des Collectivités Locales* / National Local Authority Investment Agency (Mali)
ARD	*Agence Régionale de Développement* / Regional Development Agency (Senegal)
BRACED	Building Resilience and Adaptation to Climate Extremes and Disasters
BRACED-X	Building Resilience and Adaptation to Climate Extremes and Disasters – Extension
CBO	Community-based organisation
CCA	*Comité Communal d'Adaptation* / Communal Adaptation Committee
CDA	*Comité Départemental d'Adaptation / Department* Adaptation Committee (Senegal)
CLA	*Comité Local d'Adaptation* / Local Adaptation Committee (Mali)
CLOCSAD	*Comité Local d'Orientation, Coordination et Suivi des Actions de Développement* / Local committee on guidance, coordination and monitoring of development activities
COP	Conference of the Parties
CRA	*Comité Régional d'Adaptation* / Regional Adaptation Committee (Senegal)
CR	*Commission Régionale de suivi des Fonds* / Regional Fund Monitoring Commission
CROCSAD	*Comité Régional d'Orientation, Coordination et Suivi des Actions de Développement* / Regional committee on guidance, coordination and monitoring of development activities
DCF	Decentralising Climate Funds
GCF	Green Climate Fund
GEF	Global Environment Fund
IED Afrique	*Innovation Environnement Développement en Afrique*
IIED	International Institute for Environment and Development
MCF	Mali Climate Fund
M&E	Monitoring and evaluation
NEF	Near East Foundation
NGO	Non-Governmental organisation
PDESC	*Programme de Développement Économique Social et Culturel* / Economic, Social and Cultural Development Programme
PNDL	*Programme National de Développement Local* / National programme for local development (Senegal)
TAMD	Tracking Adaptation Measuring Development
ToC	Theory of Change

Introduction

Local authorities, who have a legitimate mandate with respect to local development, are uniquely placed to identify and implement climate adaptation measures that best meet local needs. Yet, they often lack the resources to build the resilience of vulnerable populations. In addition, although nominally participatory, local government planning systems do not systematically cater to the adaptation needs of communities.

The Decentralising Climate Funds (DCF) project is working against this backdrop to help local authorities (i) access climate finance to fund local adaptation; and (ii) factor climate resilience into their planning and budgeting systems. This action research and advocacy project was carried out between 2015 and 2019 in the regions of Mopti and Kaffrine in Mali and Senegal, respectively. DCF is part of the UK government-funded BRACED programme and is implemented by the Near East Foundation (NEF) with Innovation, Environnement et Développement en Afrique (IED Afrique) and the International Institute for Environment and Development (IIED).[1]

Drawing on the experience of DCF in Kenya[2], the DCF-BRACED project builds on the institutional and financial architecture of decentralisation in Mali and Senegal and complements the existing systems by strengthening institutional capacity and applying resilience research tools.

This document is designed to share the approach adopted by the DCF project in Mali and Senegal and the practical implementation methods of the DCF mechanism. It has four sections:

- Presentation of the climate and development issues targeted by DCF
- The fundamental principles of the mechanism
- The four operational components of the DCF mechanism and their implementation methods in Mali and Senegal
- Lessons learned concerning the relevance of DCF.

[1] See: http://www.braced.org/

[2] In Kenya, the government is in the process of introducing the County Climate Change Fund mechanism on a national scale so that the county authorities can access climate finance and strengthen their planning and budgeting systems in the face of climate change.

1. Climate change challenges for resilient local development

If they are to put an end to poverty and achieve sustainable development in Africa against a background of increasingly severe climate risks, national governments need to tackle two major challenges. Firstly, the lack of climate funds available locally prevents local authorities, entities responsible for local development, to invest in development and climate adaptation. Secondly, the authorities' planning systems are not designed to meet the challenges posed by climate change. Current planning processes do not integrate the existing adaptation strategies developed over time by the communities nor do they integrate climate information and data. As a result, local investments do not meet local priorities in terms of resilience.

Supporting local adaptation priorities and strategies requires ensuring that sufficient climate and development funds are made available locally, strengthening local planning and budgeting systems management of climate change risks, and increasing community involvement in decisions on mitigation and climate adaptation investments to ensures ownership and sustainability.

1.1 Insufficient local climate funds

During the COP 15 in Copenhagen, developed countries committed to providing US$100 billion annually from 2020 to 2100 to address the needs of developing countries to both adapt to climate change and invest in low-carbon development. If these funds are to be used for investments benefiting the most vulnerable people, a large part must be channelled to local communities. Not only are these communities the ones with the greatest need, they also are in the best position to determine which adaptation measures are most suited to their priorities and local contexts (Steele et al., 2015).

Yet, this represents a significant challenge. Between 2003 and 2016, it is estimated that less than 10% of international, regional and national funds reached the local level (Soanes et al., 2017). There is little information regarding the proportion of climate funds available to local stakeholders in Mali and Senegal. The provisional figure for the 2018-2020 Mali Climate Fund (MCF) is an estimated US$ 22,410,000, while funding for 2013-2017 was US$748,792[3]. In Senegal, the total amount received between 2015 and 2019 via the various funding sources, i.e. the Green Climate Fund (GCF), the Adaptation Fund and the Global Environment Fund (GEF), is valued at more than US$142 million[4].

Across all of these funds, key actors involved with implementation are banks, United Nations agencies, national government agencies or NGO consortia. Until now, local authorities and Community-Based Organizations (CBOs) do not benefit directly from funding for investments to build climate resilience in Mali and Senegal. There are many barriers preventing climate finance from flowing to the local level. For instance, these include gaps in national policy and in the institutional frameworks of both countries.

[3] Preliminary version of the Malian Climate Fund Investment Plan (2019-2023) drafted by the MEADD (Ministry of the Environment, Sanitation and Sustainable Development) in December 2018

[4] Information provided at the national workshop on sharing experience of decentralised climate finance, held in Dakar on 11 April 2019 by the Designated National Authority (DNA) F CFA: 84 billion. Dollar equivalent calculated on 25 April 2019 using the exchange rate on the xe.com website.

1.2 Inadequate government planning systems

In Mali and Senegal, local authorities are responsible for local development through the economic and social powers conferred by the state. In this regard, they act as implementing and contracting authorities and have the responsibility for the planning and providing of various public services. Their role includes coordinating different sectors and stakeholders and funding investments in public goods. Their proximity to local communities enables them to implement tailor-made climate change adaptation plans, taking into account the needs and priorities of the population, as well as the diversity and complexity of local economies and ecosystems. These roles and activities are essential to strengthening communities' resilience.

Local authorities' institutional capacity to manage climate change and facilitate adaptation and mitigation is, however, generally weak. They lack support enabling them to factor specific information on climate variability into planning and investment decisions (GIZ, 2013). In addition, the absence of institutional mechanisms enabling the various social groups to have a say in the planning process results in a disconnect with the local authorities. Although nominally participatory, local planning does not sufficiently involve communities, let alone the most vulnerable groups, in decisions concerning local priorities.

To date, local planning does not account for the fact that climate risks are cross-sectoral and often manifest themselves on a geographical scale encompassing many different administrative jurisdictions. Although mechanisms do exist for coordinating development activities within and between the various authorities, their implementation is hindered by a lack of political will and financial resources (Ministry of Local Administration, Mali, 2014). Finally, financial transfers from central to local government do not cover local financing needs and are often subject to conditions tuned to national rather than local priorities (IMF, 2015). The problems therefore remain institutionalised due to the lack of resources or fora within which to address them, absent a complete overhaul of the current system.

2. Conceptual framework: principles and foundations of the DCF mechanism

To address the paucity of locally-available climate funds, the DCF project has launched a financing mechanism (hereinafter the DCF mechanism) aimed at building community climate resilience.[5] The DCF mechanism relies on five fundamental principles: (1) participatory community planning; (2) social inclusion; (3) emphasis on public goods; (4) embedding and strengthening the decentralisation system; and (5) flexible and iterative management. These principles are designed to enhance the capacity of local stakeholders (local authorities, local communities and their institutions) to plan and prepare for the risks and opportunities presented by climate change. This section describes the leading principles of the DCF mechanism and their underpinnings in order to shed light upon the operational features presented in Section 3 below.

2.1 Participatory community planning

The first principle of the DCF mechanism holds that integrating local perspective and knowledge in local planning is required to build resilience. This principle rests on the premise that local people have the necessary experience, knowledge and institutions enabling them to manage climate variability and extremes. First of all, investments in climate adaptation that take local priorities into account are more likely to meet people's needs, making those investments more relevant, sustainable and cost-effective. Secondly, this principle is consistent with the notion of "citizen participation" found in the laws on decentralisation and in the constitutions of both countries. Although local adaptation strategies may need to be adjusted to remain sustainable in the long-term, it is nevertheless vital to capitalize on these as a starting point.

2.2 Social inclusion

The second principle of the DCF mechanism follows from the first and holds that effective, equitable climate strategies must go beyond "participation". According to this principle, social inclusion aims to address the power balance and dynamics of decision-making between stakeholders at every level of the planning system: within households and communities, between people and authorities and between local and national government. Social inclusion contributes to the understanding, respect and dialogue between stakeholders by minimising the risk of conflicts and fostering greater ownership and sustainability of the investments. Finally, the principle complies with the provisions of the constitution and those of development and decentralisation policies.

[5] Although this section only refers to Mali and Senegal, the principles described are just as valid for Tanzania, the fourth country to test a decentralised climate finance mechanism based on the Kenyan example.

2.3 Emphasis on public goods

The DCF mechanism focuses on investments in public goods in order to amplify the effects on resilience for all segments of the society and support endogenous adaptation strategies. This principle is also consistent with embedding the DCF project in the institutional arrangements for decentralisation, where local authorities take responsibility for planning and managing public funds in the interest of local development for all citizens. Given the two previous principles and the role of the local authorities as public, decentralised government institutions, it is logical that the investments supported by DCF should focus on public goods. According to this principle, local authorities must invest in interventions designed to strengthen communities' productive and adaptive strategies. Public investments that enhance current production systems account for community dependency on common resources (forests, water, grazing, etc.), and enable everyone, or at least as many citizens as possible, to reap the benefits.

Box 1 Definition of "public good"

A public good is a good that each individual can consume. A good is said to be public when it meets two criteria: non-rivalry and non-exclusion.

2.4 Embedding and strengthening the decentralisation system

This principle holds that local authorities must play a key role in ensuring climate resilient development. Indeed, considering climate challenges in the formulation of local development policies and strategies is part of local authorities' mandate – making climate adaptation a joint responsibility. responsibility. Climate adaptation requires effective coordination between various players with different mandates and interests. Local authorities have the necessary legitimacy and power to coordinate, co-fund and involve all local and national stakeholders. Under existing decentralisation frameworks, local planning can take account of the principle of subsidiarity which, in comparison with central planning systems, enables decisionmaking that is more responsive to variable and diverse socio-economic and ecological conditions – resulting in adaptation investments that are more relevant, effective and supportive of dynamic production systems.

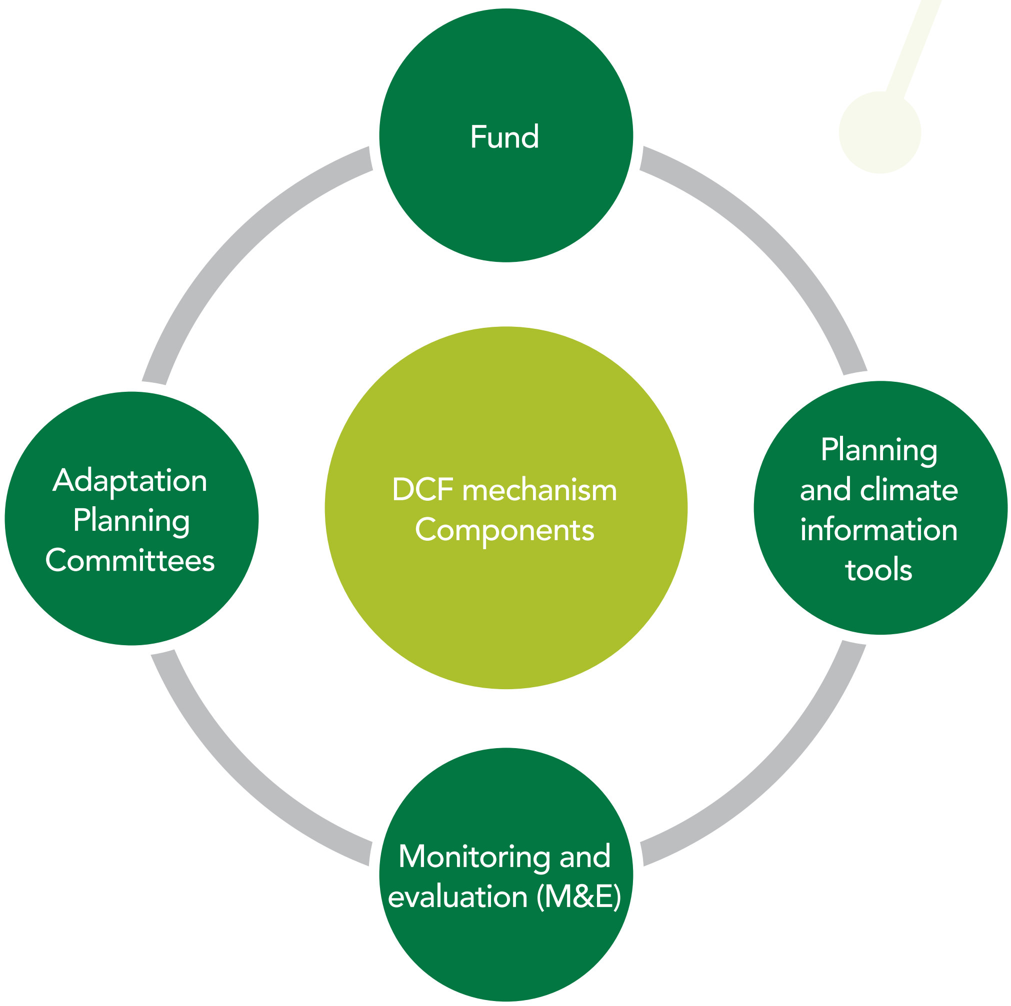
2.5 Flexible and iterative management

The DCF mechanism must take into account the uncertainty associated with future climate change as well as its social, economic and environmental consequences. For these reasons, the DCF mechanism must be flexible by learning and adapting to changing circumstances while remaining centred on its objectives. The principle of flexible and iterative management has been embedded into the DCF project as well as in all four operational components presented below.

3. Operational components of the mechanism

Built around the five conceptual principles presented in Section 2, the DCF mechanism is operationalised through four interdependent components, each of which both influences and is influenced by the functioning of the others. The proper functioning of the mechanism thus depends on the proper functioning of each of these components, allowing the mechanism to address the issues of the complete system. These components are: (1) the fund; (2) the adaptation planning committees; (3) the planning and climate information tools; and (4) monitoring and evaluation (M&E) (see Figure 1). Although the same principles and components apply in both Mali and Senegal, the implementation of DCF is also characterised by a few specificities due to the distinct socio-political contexts. The following section introduces the four components and the key aspects of their implementation in Senegal and Mali.

Figure 1 Operational components of the DCF mechanism



3.1 Fund

The DCF mechanism operates by first creating a public fund used by local authorities to invest in public goods. This fund is managed by local authorities, which already have the necessary financing mechanisms in place to ensure the accountability and transparency of local planning. Therefore, the DCF mechanism complies with policy and legislation on public finance in Mali and Senegal and complements existing local government financing systems. As a public fund, it can draw on different sources, such as local authority development budgets, national climate funds or funds from bilateral and multi-lateral donors.

3.1.1 Implementation of the fund

The bulk of the fund (90%) is devoted to financing local investments at the commune and *cercles* levels in Mali and at the commune and department levels in Senegal. The remaining 10% of the fund is allocated to support the mechanism operating costs, including the other three components (adaptation planning committees, planning and information tools and M&E).

In Mali and Senegal, local authorities manage the fund and are responsible for selecting investment priorities. In both countries, funds are channelled from national entities to local authorities via the adaptation planning committees set up by the DCF project (see Section 3.2).

In Senegal, DCF has a partnership with the National Programme for Local Development (PNDL), which transfers funds through the Local Development Fund (FDL) financing channel via special Treasury accounts. Local authorities manage the financing procedures and investment projects, with technical support from the national Agency for Regional Development (ARD).

In Mali, the existence of local authorities at the regional level justified the establishment of a subcommittee of the regional committee on guidance, coordination and monitoring of development activities (CROCSAD) (see Section 3.2.1 below) to monitor the investment funds and allocate resources for its operation. Funds are channelled through the National Local Authority Investment Agency (ANICT) at the national level.

Both local authorities and CBOs can access these funds by developing and submitting investment proposals based on predefined criteria according to the principles of the DCF mechanism: emphasis on public goods, obvious links with climate change, focus on vulnerable groups, women and young people in particular, and alignment with existing development policies. The fund and its investments are therefore also catalysts for the instigation of a dialogue between the authorities and all parts of the community concerning climate adaptation.

3.2 Adaptation planning committees

The second component of the DCF mechanism involves establishing local adaptation planning committees at different levels. These committees, which include local actors and community members, are responsible for identifying and selecting investments. The creation, composition and institutional grounding of the committees varies between Mali and Senegal, reflecting each country's different decentralisation context.

In both countries, committees are established at the local and regional levels as offshoots of the formal structures put in place by the respective governments. Their roles and responsibilities consist of applying local planning tools (see Section 3.3), consulting the population before validating the prioritisation of adaptation investments and supporting contracting for each investment.

The committees provide a framework for the inclusion and empowerment of local actors throughout the DCF implementation process. In practice, they represent all development stakeholders: the administration, elected representatives, technical services, regional development agencies and civil society organisations (producers', women's and young people's organizations, NGOs). The committees also serve as intermediaries for building local stakeholder capacity and ensuring the ownership and continuity of the DCF approach. Beyond planning, the committees have facilitated successful experimentation on participatory monitoring and evaluation (see Section 3.4).

3.2.1 Implementation of the adaptation planning committees

Adaptation committees operating at different levels support local authorities and grassroots communities to design and implement resilience investments. In Mali, these are comprised of the Regional Fund Monitoring Commission (CR), the Local Adaptation Committee (CLA) and the Communal Adaptation Committee (CCA). In Senegal, these bodies are the Regional Adaptation Committee (CRA) and the Department Adaptation Committee (CDA).

At the regional level, the adaptation planning committees are chaired by the governors of the regions (Kaffrine and Mopti in Senegal and Mali, respectively). The CRA is a subcommittee of the regional committee on development coordination, harmonisation and monitoring for the Kaffrine region. In Mali, the CR is an offshoot of CROCSAD. The regional budget director and the NEF-DCF programme coordinator act as the joint secretariat. The CR checks that service provision projects comply with the law, approves applications from communes and *cercles* for the disbursement of climate funds, validates investments proposed by the local commissions at the *cercle* level and undertakes financial monitoring of climate funds raised in the region.

At the department level, Senegal has the CDA, while at the ***cercle*** **level,** Mali has the local commission (CL), an offshoot of the local committee on guidance, coordination and monitoring of development activities (CLOCSAD). In both countries, these bodies have the following responsibilities: (1) carrying out participatory evaluations on the resilience of production systems in the face of climate uncertainties and future climate change; (2) monitoring the implementation of investments; (3) accepting the investments and monitoring their management by the beneficiaries; (4) supporting the elaboration of Theories of Change (ToC) for the adaptation investments; (5) taking part in or conducting technical studies of project proposals, including environmental screening; and (6) taking part in the reception of the works.

Like their regional counterparts, the CDA and CL are made up of representatives of diverse stakeholders, such as local state services, civil society and the president of the deliberative council of the department (Senegal) or *cercle* (Mali). The CDAs in Senegal facilitate project identification by organising community forums, making project applications, and assessing service providers. In Mali, the CL has responsibility for the review and technical validation of initiatives chosen by the CCAs and for identifying and prioritising cercle-level investments.

Only Mali has committees at the communal level (CCAs). CCAs are established formally by local commune authorities to consolidate the planning and financing system for climate adaptation investments under the DCF project. Created by decision of the mayor, the CCA is comprised of two representatives of the communal council, two representatives of producers' organisations (including one woman), and one representative each from a woman's organisation, young people, and civil society, along with the secretary-general and expense administrator of the commune. CCAs organise and effect consultations of CBOs and communities and receive and consolidate project proposals. They have the power and legitimacy to choose initiatives in line with the priorities expressed by the communities to whom they are accountable. CCA members are responsible for assessing submitted proposals according to objective evaluation criteria, such as the alignment of the proposal with the PDSEC and with the annual budget – which are preconditions for funding that is channeled through ANICT.

In each country, community-level committees made up of beneficiaries (men and women) were established to manage and maintain each resilience investment. Members of these committees benefited from capacity-building trainings provided by the project through facilitation sessions and consultancies (including training modules on technical, administrative and financial management, leadership, gender and climate change), as well as the transfer of management tools.

3.3 Planning and climate information tools

The third component of the DCF mechanism is based on the application of planning tools, such as resilience assessments, the integration of management tools and the dissemination of climate information. These participatory tools generate more informed discussion between communities and the authorities' technical staff. By giving the community the opportunity to describe their livelihood systems and encouraging them to think about their climate adaptation strategies and capacities, the tools facilitate a bottom-up dialogue with the technical services which remains under community control. Moreover, embedding these tools in local planning systems helps to institutionalise the perspectives and knowledge of local people within local government decision-making systems. The process focuses on ensuring an approach that is not only complementary to local planning and budgeting systems, but also relevant, affordable and manageable for local authorities.

3.3.1 Implementation of planning and climate information tools

Resilience assessments are participatory evaluations designed to take stock of climate change issues and analyse the vulnerability, resilience and adaptive capacities of the communities. Piloted by the DCF team in the two countries[6], these studies focused on women and young people in particular, as well as on the various production systems in use in the Kaffrine and Mopti regions.

In each country, DCF developed tools to manage and disseminate climate information to facilitate access to and use of meteorological information. The project designed the tools to increase uptake of weather forecasting services with a view to adapting production practices. The DCF project has emphasized raising people's awareness of the importance of climate services in the Sahel where the variability, uncertainty and unpredictability of the climate are so marked. In both countries, DCF uses a wide range of tools following a methodical approach, starting with participatory identification of traditional knowledge on seasonal forecasting and moving on to share data on rainfall predictions and the expected trends[7]. Finally, the process provides advice on appropriate farming practices in view of forecasts.

In addition, DCF worked with stakeholders in each country to establish test fields as demonstration plots for agricultural practices that make use of weather forecasting information. DCF complemented the process with training for key stakeholders (producers, radio presenters and elected representatives) on climate change, production based on weather forecasts and the use and dissemination of climate information. As a result of this work and partnerships with the weather services of each country, producers are increasingly making use of climate information in their agro-pastoral practices.

[6] Accompanied in the case of Senegal by a consultant/facilitator.

[7] In Senegal, climate information was shared at forums on seasonal forecasting and adaptation strategies organised in each of the four departments. In Mali, the Agence Mali Météo (Malian Weather Agency) was involved in disseminating climate information via local radio and pilot farmers.

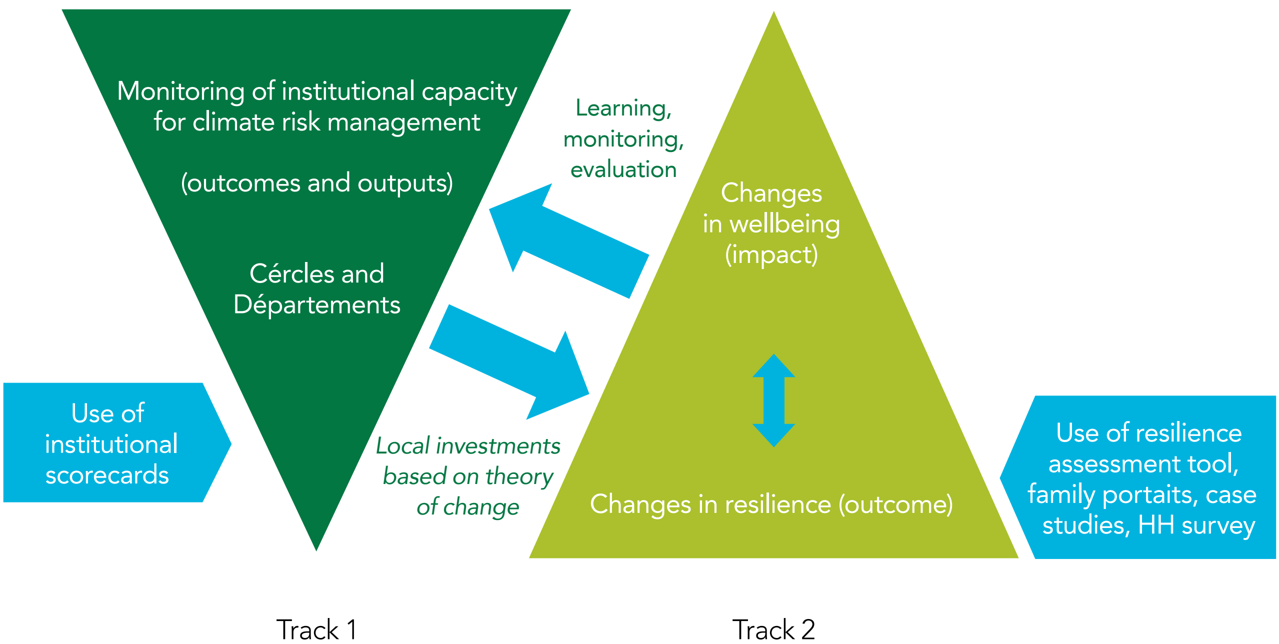
3.4 Monitoring and evaluation (M&E)

The DCF mechanism relies on an M&E framework, its fourth key component, which seeks to grasp the diversity of local initiatives and identify best practices which could be built into national and sub-national planning processes. Climate risk management has a number of features which may not be unique but do require special M&E efforts to connect climate change at the local level with general development, planning and budgeting processes. This M&E framework is intrinsically linked with the core DCF principle of flexible, iterative management, providing information on the operation of the fund, investments and committees.

Some M&E frameworks are inflexible and cannot effectively measure key changes. They do not take into account the fact that adaptation is a long-term process going far beyond the end of any project management cycle, nor do they establish indicators relevant to the local context. Moreover, the complexity of climate adaptation and the associated measures (often multi-sectoral in nature, focusing on several themes and with long timeframes) demands a tailored M&E approach designed to demonstrate how a policy or programme can contribute to an overall adaptation process widely shaped by external factors (Bours et al., 2014).

The DCF mechanism uses the Tracking Adaptation and Measuring Development (TAMD) framework to strengthen the local authorities' existing M&E systems. TAMD is a "twin-track" framework, which evaluates adapation success at two levels (Brooks et al., 2013). It assesses the scope and quality of climate risk management processes and activities at the institutional level (Track 1) through institutional scorecards filled by departments and communes. TAMD also assesses how successful adaptation interventions are in reducing climate vulnerability and in keeping development on course (Track 2) through the application of various tools such as household surveys. The DCF M&E framework thus includes collection of both quantitative and qualitative data.

Figure 2 Representation of the DCF project through the TAMD approach



3.4.1 Implementation of the M&E framework

Taken together, four tools used in the M&E framework (resilience assessments, family portraits, case studies, and household surveys) help gather the necesary evidence to assess whether and how the DCF mechanism is both appropriate and viable in boosting local adaptation capacity and climate resilient development for the most vulnerable communities.

Institutional scorecards are designed to assess climate risk management and the use of climate information by local authorities, evaluating their capabilities in respect of (1) climate change integrated into local planning; (2) institutional coordination; (3) budgeting and finance; (4) knowledge and institutional capacity; and (5) use of climate information. To ensure continuity of the processes put in place during the project, DCF organised training sessions on these topics to frame and build local authorities' capacities.

Through **household surveys**, DCF seeks to better understand changes in individual resilience through contextualised resilience and well-being indicators for households. The surveys are a means of triangulating and deepening analysis on matters of resilience touched on during the participatory resilience assessments undertaken to establish the baseline situation. The household surveys have provided robust quantitative data facilitating statistical analysis of the contextual effects and factors influencing the effectiveness and relevance of the DCF project in Mali and Senegal.

Family portraits are a participatory action research tool supplementing the household surveys with in-depth qualitative case studies[8]. This tool is designed to conduct a more detailed analysis of the factors which weaken and/or strengthen household resilience in the face of climate variability and shocks. Family portraits also aim to establish the relevance and usefulness of investments financed by decentralised funds to boost household (and women's) resilience. The tool helps people and local development stakeholders better understand the dynamics, practices and operational strategies of families using different production systems and identify ways to reinforce them at various levels.

Finally, the DCF project relies on **Investment Theories of Change (ToC)**, intended to explicitly link selected investments and their expected resilience outcomes. The ToC also are useful for field staff in monitoring interim results. Following capacity-building, the committees (CDA in Senegal and CCA in Mali) help communities prepare the ToC. The CDA and CCA elaborate a ToC for each of the selected investments, bearing in mind the overall objectives of the project and donor. DCF's introduction of the investment-level ToCs is an innovation that supported very important learning within the CDA and CCA.

[8] Download this publication which presents the approach and methodology of family portraits: www.policy-powertools.org/Tools/Understanding/docs/family_portraits_tool_english.pdf

4. Discussion

The DCF project is structured around components framed by conceptual principles and anchored in already existing institutions of decentralisation in Mali and Senegal. DCF's originality lies in the project approach, which focuses both on process and specific investments in strategies aimed at enhancing resilience. By introducing significant changes into local planning systems and climate risk management, the DCF project has had positive impacts on beneficiaries. Three key findings are discussed in this section.

4.1 Promoting participatory and inclusive community planning

By placing communities at the heart of planning, the DCF project consolidates the principle of participation, a cornerstone of the decentralisation policy in Mali and Senegal. Opportunities for discussion created through the various components of the project have laid the foundations for open, inclusive and community-based planning. Indeed, the DCF mechanism facilitates dialogue between local authorities and diverse groups within their communities, strengthening trust.

The community consultations and forums have improved local planning by increasing community participation and ownership of decision-making processes that reflect local priorities. However, local people often prioritise short-term needs that are not always compatible with long term adaptation needs. The urgency created by shocks may prevail over sustainable and resilient development. Strategic planning is necessary to ensure a better balance.

Moreover, the findings of social inclusion research[9] show that the DCF process is very inclusive in both countries. Stakeholders consulted for case studies, examples, and in key informant interviews expressed their satisfaction with the consideration given to their priorities. DCF project experience has also evidenced that investments in semi-public goods can help reach the most vulnerable groups. Although these investments may depart from the initial principle of investing only in public goods, it emphasises, on the other hand, the importance of social inclusion as well as flexible and iterative management at the heart of the DCF process.

4.2 Empowering local authorities to build resilience

By giving implementation responsibility to adaptation planning committees, the DCF mechanism promotes the local capacities and resource optimisation. The approach catalyses the mutual learning that is needed to ensure the ownership and sustainability of the DCF process. In addition, empowering committees at several levels generates a territorial dynamic around shared objectives that are essential to resilience building. Addressing resilience at the level of local authorities has the benefit of organising community or even inter-community initiatives and efforts around shared development goals. An emerging lesson from the inter-communal investments piloted within the framework of DCF, however, is that investments must adopt a broader geographical conception in order to address climatic risks that operate at larger scales.

[9] Social inclusion in the Decentralised Climate Funds process in Mali and Senegal, research report by Djohy, 2019.

The funds provided and investments made by the DCF project prove it is possible to reach local targets through mechanisms put in place in the framework of decentralisation. The adaptation planning committees play a pivotal role because they align national and regional planning policies. This operational component of DCF not only reduces donors' workloads, but also ensures compliance with the procedures and transparency rules that govern management of public funds. The traceability of the funds in the local authorities' accounts is also a decisive factor in the budget support advocated by the DCF approach. For example, management of the operational funds by the CRAs in Senegal and CCAs in Mali gave them real "powers" of consultation and project preparation and selection, while maintaining the necessary accountability vis-à-vis the communities resulting from such responsibilities. Committee accountability led to increased transparency that empowers local committees and vulnerable groups. Indeed, the structures at the cercle/department level could not arbitrarily reject the project proposals of the communes as long as they met the predefined strategic criteria.

4.3 Embedding in public institutions to ensure ownership and scaling up

The DCF project not only aims to build community resilience in the face of climate change, but also seeks to consolidate local authorities' capacity to ensure inclusive, resilient governance. If it is to be successful in the long term, the DCF mechanism must be part of sustainable institutional and financial frameworks.

In both Mali and Senegal, developing multi-stakeholder partnerships guarantees scaling up of the DCF mechanism. In Mali, the DCF project supported the accreditation of ANICT to the GCF. Achievement of this objective will enable ANICT to mobilise finance from the GCF and channel it through the local authorities to finance investments addressing communities' priority resilience needs. Embedding the DCF mechanism in the institutional frameworks and procedures of ANICT will provide an opportunity to internalise and ensure the sustainability of the innovations of the mechanism. In Senegal, a national multi-stakeholder platform has been created by IED Afrique with a view to represent, coordinate and monitor DCF achievements and innovations. The platform has developed a national strategy for scaling up DCF, submitted a joint funding application to the African Development Bank and prepared the national PNDL planning guide to incorporate climate change in local development planning.

By establishing such institutional arrangements, the DCF project supports central governments to take account of the environment and climate change when transferring support funds to the local authorities. Developing countries can no longer count solely on grants from developed countries or other multilateral partners. They need to set up an internal mechanism to finance their own climate adaptation, placing local authorities at the heart of their approach. In both countries, ownership and scaling up depend on deepening the domestic decentralisation reforms, which are themselves under threat in a context increasingly dominated by issues of climate instability, social cohesion and, in the case of Mali, security.

Conclusion

The DCF project implemented in Mali and Senegal is based on the fundamental principles of a decentralised planning and financing mechanism through which vulnerable communities can make investments meeting their needs and building their climate resilience. Although DCF has only had four years to initiate changes in resilience, local planning and inclusive governance in Senegal and Mali, evidence and findings show positive outcomes and learnings.

The implementation of the mechanism, through its four operational components supporting the decentralization of climate funds, has helped strengthen the resilience of communities to climate change in Senegal and Mali. Identification and prioritisation of investments needs to be undertaken to a greater extent by the local communities themselves, as part of a participatory process paying attention to the needs of vulnerable groups, especially those of women. The DCF mechanism and its implementation demonstrate the importance of facilitating community access to locally controlled adaptation funds. Improving such a complex model nevertheless requires experience which may take a relatively long time to develop.

Against a background of delayed fulfilment of developed countries' climate commitments, financing adaptation in developing countries continues to present a major challenge. Despite the progress achieved in terms of local and even national planning tools, such planning has yet to be translated into local authority budgets due to the lack of adequate resources. Scaling up the DCF mechanism will therefore potentially require greater resources to build partnerships and strategic relationships at the national and international level.

The DCF model bears significant relevance in both the Sahel and other geographical areas. While the DCF project focused on the rural areas of Mali and Senegal, the sound principles and components of the mechanism could easily be applied to urban areas. Although the DCF mechanism alone is not a panacea for climate risks, it is nevertheless an indispensable tool to facilitate climate adaptation at the local level while working towards sustainable, resilient development at the global level.

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Organisations

Near East Foundation (NEF)

For over 30 years, NEF has developed sustainable, community-based approaches to manage forests, fisheries, rangelands, and agricultural lands in Mali. Operating out of a principal office in Sévaré, the NEF team of approximately 40 development professionals works to implement programs that are consistently community-based, participatory, and multi-sectoral.

NEF also coordinates a national-level working group on climate adaptation and assists Mali's government in climate policy – including participating in Mali's official delegation to international climate negotiations. NEF's headquarters in Syracuse, United States, provides overall project management and governance oversight to the consortium.

Innovation, Environnement, Développement (IED Afrique)

IED Afrique is an independent not-for-profit organisation based in Senegal. The organisation builds on fifteen years of experience in francophone West Africa and works on issues related to sustainable development and citizenship in Africa by prioritising methodological and participatory innovations.

International Institute for Environment and Development (IIED)

IIED is a policy and action research organisation. We promote sustainable development to improve livelihoods and protect the environments on which these livelihoods are built. We specialise in linking local priorities to global challenges. IIED is based in London and works in Africa, Asia, Latin America, the Middle East and the Pacific, with some of the world's most vulnerable people. We work with them to strengthen their voice in the decision-making arenas that affect them – from village councils to international conventions.

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DCF Consortium (2019). The Decentralising Climate Funds Mechanism: Principles and operational arrangements in Mali and Senegal. NEF, New York. http://www.neareast.org/download/materials_center/DCF_Mechanism_En.pdf

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Decentralising Climate Funds (DCF)

Decentralising Climate Funds (DCF) is an action-research and advocacy project supporting communities in Senegal and Mali to become more resilient to climate change through access to locally-controlled adaptation funds. It is part of the UK government-funded BRACED programme and is implemented by the Near East Foundation (NEF) with Innovation, Environnement et Développement en Afrique (IED Afrique) and the International Institute for Environment and Development (IIED).

To find out more:

Lessons and experiences from this project are shared through a variety of different publications available online:

www.neareast.org/braced

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Further reading:

Social inclusion in the Decentralised Climate Funds process in Mali and Senegal
http://www.neareast.org/download/materials_center/Social_Inclusion_DCF_En.pdf

Decentralisation of climate adaptation funds in Mali
www.neareast.org/download/materials_center/Decentralisation-Mali.pdf

Decentralisation of climate adaptation funds in Senegal
www.neareast.org/download/materials_center/Decentralisation-Senegal.pdf

Climate adaptation funds http://pubs.iied.org/17341IIED.html

Managing the Boom and Bust: Supporting Climate Resilient Livelihoods in the Sahel
http://pubs.iied.org/11503IIED.html

Tracking Adaptation and Measuring Development: a step-by-step guide
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