Submission by CÔTE D'IVOIRE to the call of submission by Conference of the Parties serving as the meeting of the Parties of the Paris Agreement (CMA) on the Work Programme under the framework for non-market approaches referred to in Article 6, paragraph 8 of the Paris Agreement

#### I. Introduction on COUNTRY

#### **Country climate change context**

As part of the fight against climate change, Côte d'Ivoire ratified the United Nations Framework Convention on Climate Change (UNFCCC) in November 1994. This ratification followed the submission of three national communications in 2001, 2010 and 2017 respectively and an updated biennial report in 2018. In the same vein, it has joined several initiatives and mechanisms to combat climate change, including the CDM (Clean Development Mechanism of the Kyoto Protocol) in 2007, REDD+ (Reduction of Emissions from Deforestation and Forest Degradation) in 2011, the CCAC (Climate and Clean Air Coalition) in 2013, the NDC Partnership in 2018, the Local Climate Adaptive Living (LoCAL) Facility in 2019 and the Climate Action Transparency Initiative (ICAT) to name a few.

Also, as a prelude to the Paris Climate Agreement, the country produced its first Determined Contributions (NDCs) in 2015 with the objective of reducing its greenhouse gas emissions by 28.25% and improving the resilience of eleven (11) strategic development sectors by 2030. Thus, for the achievement of the objectives of the Paris Agreement and the respect of its climate commitments, Côte d'Ivoire ratified the said agreement in October 2016. It is in this context that the country has been able to benefit with the support of some partners from projects that have led to the achievement of some results such as the accreditation of the Interprofessional Fund for Research and Agricultural Council (FIRCA in french) to the Adaptation Fund (AF), the application of other national structures for accreditation to the Green Climate Fund (GCF), strengthening the capacities of national actors for the mobilization of climate finance, the integration of gender issues into climate-related policies and strategies, initiatives to set up a climate transparency framework as well as the consideration of local authorities in the context of the territorialization of NDCs.

For the follow-up of all these actions, the Ministry of Environment and Sustainable Development (MINEDD in french), which has the lead on climate change issues, has set up structures for better coordination of climate action. The National Climate Change Program (PNCC) created in 2012 is the operational entity for the execution of programs and projects. In the aftermath of the Paris Climate Agreement, the Directorate for the Fight against Climate Change (DLCC) was created in 2016 to improve climate governance and monitor the implementation of the Paris Agreement. These two structures work together with technical and financial partners (TFPs) and national stakeholders to reduce and limit the impacts of climate change in Côte d'Ivoire. Since 2020, Côte d'Ivoire has undertaken a review of its NDCs against the backdrop of the marked intention of increasing its climate ambition. Thus, in this momentum, the objectives targeted for 2030 have gone from an initial reduction in greenhouse gas emissions of 28.25% to 30.41%. In addition, the country intends to intensify its actions within the framework of the resilience of 5 strategic sectors in this case, AFOLU (Agriculture, Forestry and other Land Use), water resources, coastal zones and human health.

### Country NDC and/or climate policies with a focus on adaptation and local level action

According to the provisions of the Paris Agreement, Côte d'Ivoire has revised its NDCs after 5 years of implementation to increase climate ambition as previously envisaged. This revision was also intended to achieve the recalibration of policies supported by these contributions and the correction of certain shortcomings such as the timid consideration of the local level. In addition to the stated objectives for reducing greenhouse gas emissions, these revised NDCs have the particularity of reassessing the overall situation of entry points at the local level in order to achieve, with the salutary assistance of UNCDF, a real adaptation. These entry points are reflected in the capacity building of local actors, the integration of adaptation into local development planning, the mobilization of financing for the adaptation of communities while respecting gender issues, the assessment of the risks and vulnerabilities of local communities and the monitoring of the implementation of adaptation actions for the benefit of communities.

In addition, Côte d'Ivoire has been preparing its National Adaptation Plan (NAP) since 2019 with promising results. Indeed, several activities have been undertaken including studies on the involvement of the private sector in the financing of adaptation activities, the roles and responsibilities of actors in the implementation of the NAP. In the same vein, methodological guides and reports for assessing climate risks, quantifying the impacts and costs of adaptation options have been developed. Also, structuring projects in the five sectors recognized as having high vulnerability (Agriculture, Forestry and other Land Uses, water resources, coastal zones and human health) will be developed to support the implementation of the NAP. In addition, several consultations have been initiated on the Gender component and have led to the establishment of a gender and climate change platform as well as the signing of a memorandum of understanding between the Ministry in charge of Environment and the Ministry in charge of women, family and children's issues. To concretize the decentralization of the NAP process, the UNCDF, through the LoCAL Mechanism Facility that it hosts, supports Côte d'Ivoire by trying as much as possible to articulate the options for enhancing the program related to locally focused adaptation with the identification of financial tools for its implementation.

Furthermore, at the local level, the Ministry of Environment and Sustainable Development through the UNDP support project for the implementation of NDCs (NDC support programme) has developed the very first territorial climate plan for the Aries region. A set of similar actions is part of the same objective. These include the Adapt'action facility of the French Development Agency (AFD) with specific support aimed at integrating adaptation into local planning benefiting four (4) Ivorian local authorities, and the Project for the Integration of Climate Change in Agricultural and Forestry Policies (PICC) which benefited three regions and various capacity-building workshops.

### Progress of LoCAL's implementation in the country.

In 2018, at the KATOWICE Conference of the Parties in Poland, Côte d'Ivoire identified and recognized the LoCAL (Local Climate Adaptive Living Facility) mechanism as a relevant means by which locally led adaptation should be able to achieve its objectives. With this in mind, the PNCC, with the support of the LoCAL Facility, has carried out the framing of the implementation of this mechanism by identifying all the actors and enabling factors.

An architecture of the mechanism was thus formulated and designed to support this implementation. In this momentum, two major actions have been undertaken to operationalize

this new tool. On the one hand, it is a proposal on four countries (Burkina Faso, Mali, Niger and Côte d'Ivoire) that has been submitted to the Green Climate Fund since 2019 and on the other hand, an agreement in principle to finance an architecture of the mechanism specific to Côte d'Ivoire from the European Union. It should be added in the same vein that the LoCAL Facility also supports Côte d'Ivoire in the revision of its NDCs through the consideration of the territorial or territorialization dimension of adaptation by identifying 5 entry points for adaptation within local authorities.

In the end, it seems obvious that the implementation of the LoCAL mechanism in Côte d'Ivoire is still in its infancy. However, the desire to integrate adaptation into local or even national planning will certainly contribute to the achievement of the objectives pursued through this mechanism. In the meantime, it is to be hoped that local authorities will be taken into account and that decisions will promote the reception and optimal functioning of the LoCAL mechanism.

### II. About the Local Climate Adaptive Living (LoCAL) Facility

In line with the Paris Agreement, the LoCAL Facility recognising the local and sub-national dimensions of adaptation needs and implementation has supported vulnerable countries efforts towards enhancing their adaptative capacity and strengthening resilience. Since its establishment in 2011, the LoCAL Facility through the LoCAL Mechanism has contributed to reducing vulnerability and enhancing resilience of local communities by establishing a standard and internationally recognized country-based mechanism to channel climate finance to local government authorities for adaptation efforts.

The LoCAL Mechanism combines performance-based climate resilience grants (PBCRGs) that ensure programming and verification of climate change expenditures at the local level while offering strong incentives for performance improvements in enhanced resilience with technical and capacity-building support and monitoring and quality assurance across.

LoCAL is overseen by the LoCAL Board, which comprises representatives of governments participating in the global mechanism and development partners. The Board is co-chaired by the Chair of LDCs group of the UNFCCC and the Chair of the Least Developed Countries Group of the United Nations. UNFCCC and UNFCCC financial mechanisms are observers to the LoCAL Board.

### III. The LoCAL Mechanism as Non- Market Approach

The LoCAL Facility presents the LoCAL Mechanism as an existing non-market approaches in line with Article 6.8 of the Paris Agreement, decision 1/CP.21, paragraph 39, and the Glasgow decisions. The LoCAL Mechanism responds to the mandates of Article 6.8 that states the importance of non-market approaches being available to Parties to assist in the implementation of nationally determined contributions, in the context of sustainable development and poverty eradication.

### 1.1.LoCAL Mechanism - assisting Parties to implement their NDCs in the context of sustainable development and poverty eradication

The LoCAL Mechanism enables Parties to implement their NDCs through local climate action and implementation by increasing local investments and related capacity building and technical support in countries, thereby building resilient communities and local economies and

contributes to the achievement of the Paris Agreement and related Sustainable Development Goals and their targets. The LoCAL Mechanism particularly contributes to:

• **Poverty Eradication (SDG 1):** the LoCAL Mechanism has contributed to improving the livelihoods for households and individuals by promoting green and resilient communities and local economies.

**Zero Hunger (SDGs 2):** through LoCAL, countries invest in climate resilient agriculture, contributing towards achieving food and nutrition security. It is estimated that a quarter of the financial investments under LoCAL concern the agricultural sector, but also water, transport and storage.

- Clean Water and Sanitation (SDG 6): LoCAL countries invest in clean drinking water and sanitation, including climate proofing of water supply system. An estimated 20% of the investments financed under LoCAL relate to the water sector.
- Sustainable cities and communities (SDG 11): LoCAL countries invest in climate adaptative infrastructure which are resilient to climate change and/or contribute to climate change adaptation. An estimated of the investments financed under LoCAL relate to construction, transport, storage, and other social and infrastructure services.
- Climate Action (SDG 13): The main SDG that the LoCAL Mechanism contributes to is SDG 13. The LoCAL Mechanism has promoted the following in CÔTE D'IVOIRE:
- The design of an implementation architecture of the LoCAL mechanism through a series of consultations of national stakeholders to take into account Ivorian municipalities and regions;
- The submission of a proposal from the mechanism on four countries (Burkina Faso, Mali, Niger and Côte d'Ivoire) in 2019 to improve the resilience of local communities to climate change;
- The inclusion of local authorities in the revision of the NDCs with the definition of five entry points for adaptation, in particular the strengthening of the capacities of local actors, the integration of adaptation into local development planning, the mobilization of financing for the benefit of community adaptation while respecting gender issues, the assessment of the risks and vulnerability of local authorities and the monitoring of the implementation of actions adaptation for the benefit of communities;
- The decentralization of the NAP process, taking into account options for enhancing adaptation programs by identifying the financial tools for its implementation.

### II. LoCAL Mechanism- Promoting mitigation and adaptation ambition

The LoCAL Mechanism promotes enhancing adaptation ambition and contributes to the implementation of NDCs. The Mechanism integrates climate change adaptation into existing local development planning and budgeting processes.

LoCAL Mechanism aims to respond to the local, subnational, national, and regional dimensions of the impacts of climate change in accordance with the Paris Agreement. The LoCAL Mechanism supports adaptation ambition among the most exposed to the impacts of climate change, at the local government level.

The LoCAL Mechanism supports adaptation ambition among the most exposed to the impacts of climate change, at the local level, by addressing the following:

- weak or lack of institutional capacities to deal with climate change issues at the lowest administrative level
- lack of appropriate budgetary allocations from the national level leading to unfunded mandates for addressing climate change across climate sensitive sectors,
- local government' inability to absorb the incremental costs of climate change adaptation, and
- the lack of decentralisation of climate finance to the local government level, and/or the lack of use of country systems for that purpose.

As it addresses the above stated challenges, the LoCAL Mechanism deploys the following features:

- Systemic and scalable, as it uses government systems rather than project or parallel approaches;
- Flexible and sustainable, as it is tailored to national circumstances and contextualized for local climate risks and response; and
- Standardized, in its design, quality assurance, monitoring and reporting

If the LoCAL Mechanism is scaled up nationally in the 30 countries currently participating in the Mechanism, it would reach over half a billion people.

### 2.1.LoCAL Mechanism - Enhancing participation of public and private sector and civil society organizations in the implementation of NDCs

The LoCAL Facility and Mechanism increase awareness and capacities to respond to climate change through the local level, integrate climate change adaptation into local government planning and budgeting in a participatory manner and increase the financing available to local governments for climate change adaptation investments, in LoCAL countries.

LoCAL is by design a gender-sensitive and inclusive approach to climate change adaptation, as it brings the planning and budgeting process for climate change adaptation closer to the communities – especially those who are disproportionally affected by climate change effects.

### 2.2. LoCAL Mechanism - Enabling opportunities for coordination across instruments and relevant institutional arrangements

The LoCAL Mechanism is implemented by deploying an instrument for the programming and verification of climate change expenditure at the local level and using the demonstration of its effect to trigger further flows for local adaptation, including national fiscal transfers and access to global climate finance for local governments (through their national governments) and for private sector and public-private adaptation initiatives.

### III. Synergies of the LoCAL Mechanism with the focus areas of the Non-Market Approach

### (a) Adaptation, resilience, and sustainability

The LoCAL Mechanism supported local governments to increase local resilience to climate impacts by aligning with their mandates, the Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), local adaptation plans and the United Nations Framework Convention on Climate Change (UNFCCC). The LoCAL also contributes to the achievement of the Paris Agreement through the local level implementation of adaptation action and

adaptation co-benefits with mitigation, including reforestation, conservation, and sustainable agricultural systems.

In April 2019, the LoCAL guidelines were endorsed as <u>supplementary material to the NAP</u> <u>technical guidelines</u> by the LDC Expert Group at the UNFCCC. The LoCAL Mechanism guide support developing countries efforts by creating strategic linkages between country national adaptation plans and nationally determined contributions at the subnational level in a coordinated and standard manner – bringing a financing dimension to the vertical integration of the NAP and NDC processes. Furthermore, the UNFCCC Adaptation Committee has recognized LoCAL as a tool and method for enhancing resilience <u>UNFCCC adaptation knowledge portal</u>.

In addition, LoCAL was recognised as tool and method for subnational adaptation and included as such on the UNFCCC <u>adaptation knowledge portal</u>. The 53th SBI session further approved the <u>report of the stocktaking meeting of the Least Developed Countries Expert Group</u> which includes the work with LoCAL as "financing mechanism for subnational and local climate action based on performance-based climate-resilient grant systems and for integrating adaptation into subnational development plans" among experience, good practices and lessons learned in relation to support provided by organizations to the least developed countries. Last, the UNFCCC Secretariat included in its Note on "<u>Progress in the process to formulate and implement national adaptation plans</u>" activities to integrate climate change adaptation into local government planning and budgeting systems under the Local Climate Adaptive Living Facility.

## (b) Mitigation measures to address climate change and contribute to sustainable development and (c) Development of clean energy sources

The LoCAL Facility contributes to the achievement of the Paris Agreement through the local level implementation of adaptation action and adaptation co-benefits with mitigation, including Agriculture, Forestry and Other Land Use (AFOLU) and renewable energy. It is estimated that 28% of LoCAL-financed investments in member countries concern AFOLU and the energy sector.

As mentioned earlier, the LoCAL Facility contributes to addressing sustainable development across a range of SDGs, in particular SDG 1, SDG2, SDG 6, SDG 11, and SDG 13.

# IV. LoCAL Mechanism responding to the mandate Article 6, paragraphs 8–9, decision 1/CP.21, paragraph 39, and CMA decision non-market approaches under the framework

#### 4.1.1. Finance

The LoCAL Mechanism combines performance-based climate resilience grants (PBCRGs) that ensure programming and verification of climate change expenditures at the local level while offering strong incentives for performance improvements in enhanced resilience with technical and capacity-building support and monitoring and quality assurance across. The UNFCCC Standing Committee on Finance 2021 Biannual Report (paragraph 304) refers to LoCAL as an "initiative supporting domestic national budget systems to target adaptation actions at the local level, while reinforcing transparency and reporting through those systems".

### 4.1.2. Technical and capacity building support

The LoCAL Facility provides technical and capacity building support to both local governments and ministries responsible for climate change, finance, planning and local government.

The technical and capacity building support is provided alongside the PBCRGs through specialised technical assistance; on-the job learning; and specific training; as well as south-south cooperation among countries engaged with LoCAL.

The technical and capacity building support ranges from CRVA for subnational adaptation; local information systems for adaptation (LISA); local risk-informed planning and budgeting; execution and procurement of local adaptation investments; and monitoring and reporting. Furthermore, the capacity building supports sensitization of communities on climate change issues and risks, encourages participatory approaches to resilience building and reinforces bottom-up responses for locally led adaptation.

### V. LoCAL Mechanism as an existing relevant non-market approach

### 5.1. Alignment of the LoCAL Mechanism with the NMA Principles

The LoCAL Mechanism is aligned with the principles of the non-market approaches agreed at COP26. As highlighted in this submission LoCAL is aligned with and contributes to:

- implementation of nationally determined contributions (NDCs) in the context of sustainable development and poverty eradication;
- enhanced linkages and synergies between mitigation, adaptation, finance, technology, and capacity building;
- resilience and cooperative actions that are not reliant on market approaches;
- innovation approaches for enhancing adaptation ambition; and
- achievement of the long -term temperature goal of the Paris Agreement.

### **5.2.LoCAL** Mechanism - in accordance with the provisions referred to in chapter II of the annex

The LoCAL Facility is engaged with more than 30 countries following the request of support from the participating countries on voluntary basis. Over the last years, LoCAL has been supporting over 300 local governments representing over 11.5 million people, across in 17 countries (Bangladesh, Benin, Bhutan, Burkina Faso, Cambodia, The Gambia, Ghana, Lao PDR, Lesotho, Malawi, Mali, Mozambique, Nepal, Niger, Tanzania, Tuvalu ,and Uganda), with 14 more countries having formally expressed interest to benefit from the global mechanism and actively preparing to do so (Côte d'Ivoire, Fiji, Liberia, Jamaica, São Tomé and Príncipe, Senegal, Solomon Islands, Sudan, Tunisia, Vanuatu, and Zambia).

Therefore, as highlighted in the submission, CÔTE D'IVOIRE supports the recognition of LoCAL Mechanism as a Non-market approach (NMA).