

ISO 14093:2022-11 (E)

Mechanism for financing local adaptation to climate change - Performance-based climate resilience grants - Requirements and guidelines

Contents		Page
Foreword		v
Introduction		vi
1	Scope	1
2	Normative references	1
3	Terms, definitions and abbreviated terms	1
3.1	Terms and definitions	1
3.1.1	Terms related to climate change and its impacts	1
3.1.2	Terms related to parties	2
3.1.3	Terms related to adaptation	3
3.1.4	Terms related to monitoring	5
3.2	Abbreviated terms	6
4	Financing and mainstreaming climate change adaptation at the local level	6
5	General description of the mechanism	8
5.1	Overview	8
5.2	Localizing adaptation action	9
5.3	Good governance and public financial management	10
6	Designing a national system for local adaptation financing	11
6.1	General	11
6.2	Scoping analysis	11
6.3	Assessing conditions for a successful launch -- Key points and principles for consideration	12
6.3.1	General	12
6.3.2	Alignment with government policies	12
6.3.3	Linking planning and budgeting	13
7	Designing the PBCRG system	13
7.1	General	13
7.2	Minimum conditions and performance metrics	13
7.2.1	General	13
7.2.2	Principles for defining indicators for minimum conditions and performance metrics	14
7.2.3	Performance metrics	15
7.3	Size of the grants and allocation formula	16
7.4	Menu of eligible adaptation investments	17
7.5	Institutional arrangements	19
7.6	Flow of funds	19
7.7	Capacity building and institutional strengthening	20
7.8	Selection of (pilot) subnational authorities	20
7.9	Outlining the rationale for the initiative -- Output and outcomes	21
7.10	Country design report	21
8	Implementation and institutional arrangements	22
8.1	General	22
8.2	Conducting/reviewing climate risks, vulnerability and adaptation assessments	22
8.3	Integrating adaptation into local development planning and budgeting	23

8.3.1	General	23
8.3.2	Identifying local adaptation priorities	23
8.3.3	Promoting diversity, social and environmental benefits	24
8.3.4	Monitoring adaptation funding	24
8.4	Selecting and implementing adaptation investments	24
8.4.1	General	24
8.4.2	Using the investment menu in a risk informed manner	24
8.4.3	Developing an investment adaptation rationale	25
8.4.4	Developing investment outcome indicators	25
8.4.5	Selecting investment primary output indicators	26
8.5	Appraising subnational authorities' performance	26
8.5.1	General	26
8.5.2	Understanding annual performance assessments	26
8.5.3	Selecting a performance assessment modality	27
8.5.4	Coordinating with existing performance assessments and audits	27
8.5.5	Validation and verification	28
8.5.6	Informing subsequent allocations	28
8.6	Capacity building	28
9	Evaluation of LoCAL	29
	Annex A (informative) LoCAL country case studies	30
	Annex B (informative) Sample outcome indicators for adaptation investments	34
	Annex C (informative) Sample output indicators	35
	Annex D (informative) Categories of minimum conditions and performance metrics	37
	Annex E (informative) Example of basic allocation	38
	Annex F (informative) Types of local adaptation actions	39
	Annex G (informative) Sample investment menu	40
	Bibliography	42