

# *Financing Rights-Based Climate and Conservation Solutions*

## **Summary Document**

December 5, 2022 | Montréal, Canada and Online

### **Purpose**

The intent of this document is to 1) summarize key takeaways from the meeting, “Financing Rights-Based Climate and Conservation Solutions,” held in Montréal, Canada on December 5, 2022; and 2) suggest a path forward for the Path to Scale Network that participants can reflect on and provide feedback.

In Sections I and II, the document outlines the state of play in 2022 and the key challenges moving forward, based on the topics that received the most attention in the Montréal discussions. Sections III and IV propose next steps for the Path to Scale in 2023 and beyond, organizing the multi-year priorities for the movement and proposing a 2023 Workplan.

The desired outcome is to gain alignment on the key challenges and priorities for the Network moving forward, and to begin outlining opportunities for coordination and collaboration in 2023 to scale up ambition, innovation, and resources for local rightsholders to meaningfully contribute to the 2030 climate and biodiversity goals.

### **Strategic Context of the Meeting**

The Rights and Resources Initiative and the Tenure Facility, in collaboration with the Forest Tenure Funders Group, hosted a meeting on December 5, 2022, from 8:00 to 17:00 EST at the Humaniti Hotel in Montréal to discuss the status of, and new opportunities for, financing rights-based climate and conservation solutions. The meeting preceded the 2022 UN Biodiversity Conference (CoP 15).

The purpose of the meeting was to advance collective progress against the [Path to Scale targets](#) and to support implementation of the historic [Forest Tenure Pledge](#) committed at CoP26 to secure, strengthen, and defend Indigenous Peoples’ and local communities’ rights to their lands and forests. The audience consisted of 46 leaders (in person and online) from the public and private donor community, rightsholder networks and funds, and NGOs who have been working—together and separately—to ensure that more resources reach Indigenous Peoples, local communities, and Afro-descendant Peoples (IPs, LCs, and ADPs) to manage and conserve rural landscapes, tropical forests, and biodiversity.

To achieve the ambitions of the Pledge and Path to Scale targets, participants discussed the critical next steps to increase collaboration among diverse stakeholders, channel more funding directly to IPs, LCs, and ADPs, and catalyze greater investments to meet the scale of the challenge. The meeting consisted of a dialogue in the morning to assess the state of play in 2022 and 2023, and an operational session in the afternoon to set the agenda for the Path to Scale Network in 2023.

## I. Key Trends in 2022

Main ideas from discussion on progress, trends, and lessons learned in 2022 for mobilizing support for local rightsholders.

- 1. Recognition that securing IP, LC, and ADP rights are central to achieving 2030 goals.** In key international forums and communication, world leaders cited and endorsed data and messaging that acknowledged the importance of IP, LC, and ADP land rights and management in achieving 2030 climate and biodiversity goals. Leaders from IP, LC, and ADP networks were also highly visible in these global forums in 2022, like the Oslo Tropical Forest Forum, New York Climate Week, and at CoP27 in Egypt. Given this recognition, Montréal participants agreed that the focus should shift toward enabling and supporting IPs, LCs, and ADPs as implementers, instead of building the analytical case for their involvement and impact.
- 2. Substantial new funding for IP, LC, and ADP rights was mobilized.** In 2022, public and private donors committed roughly \$200 million in new resources to directly support IPs, LCs, and ADPs to manage and conserve tropical forests and rural landscapes, with private philanthropists as the top contributors. With the 1.7 billion Forest Tenure Pledge made at CoP26, this brings the total resources pledged to IPs, LCs, and ADPs for forest conservation and management to ~1.9 billion. Participants acknowledged this was insufficient to meet the scale of the challenge and that much more funding would need to be mobilized. The Path to Scale's [targets](#) are to raise 10 billion by 2030 to secure community rights to an additional 400 million hectares of tropical forests.
- 3. New analyses elaborated on the challenges and opportunities with directly channeling support to IPs, LCs, and ADPs.** Analyses undertaken in 2021 and 2022 provided greater insight into the current funding landscape, as well as shed light on the funds directly reaching local rightsholders and women-led causes and organizations.<sup>1</sup> This work also synthesized best practices for donors, such as principles for improved financial and administrative systems, and highlighted alternative funding models to channel more resources locally. Additionally, the Forest Tenure Funders Group launched its first annual report documenting the status of efforts to implement the CoP26 Pledge.
- 4. Emergence of rightsholder-led funding mechanisms and regranting arrangements.** IP, LC, and ADP networks launched and piloted new funding vehicles in 2022 in response to challenges with channeling resources directly to community groups at the grassroots level.<sup>2</sup> IP, LC, and ADP networks also collaborated to define the strategy and pipeline for projects channeling new

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<sup>1</sup> For instance, studies such as [Greening the Grassroots](#) by Maliasili (July 2022); [Funding with Purpose](#) by Rights and Resources Initiative (RRI) and Rainforest Foundation Norway (Sept. 2022); RRI's [Call to Action](#) to include IP, LC, and ADP women in climate finance (Sept. 2022); the Forest Tenure Funders Group's [Annual Report 2021-2022](#) (Nov. 2022); [Directing Funds to Rights](#) by Charapa Consult (Nov. 2022); and [Building Bridges](#) by RRI (Dec. 2022).

<sup>2</sup> Examples include the Shandia Mechanism by the Global Alliance of Territorial Communities (GATC), the Mesoamerican Territorial Fund by AMPB, the Nusantara Fund by AMAN, and the Community Land Rights and Conservation Finance Initiative (CLARIFI) by RRI and the Campaign for Nature, among others.

philanthropic funding to communities in the Tropical Andes and Congo Basin, with the goal of recognizing tenure rights to millions of hectares of forest.

- 5. Acknowledgement that donor systems should adapt to channel greater resources to local rightsholders.** Strategic analyses from the previous year produced similar recommendations on how donor systems could adapt to address the funding challenges of IPs, LCs, and ADPs (i.e., become more “fit for purpose”). Participants noted that re-engineering funding systems may be a tedious and intensive process, particularly among public donors that must navigate government bureaucracy and strict accountability to taxpayers. As a result, intermediaries will remain a key stakeholder in achieving the ambitions of the Path to Scale and Forest Tenure Pledge, as they have greater flexibility to channel funds to rightsholders on the ground and can alleviate the administrative requirements of donors.

## II. Emerging Gaps and Challenges

Key strategic and analytical gaps undermining progress and momentum on the Pledge and Path to Scale targets.

- 1. Need for greater engagement with high level political leaders and related 2030 pledges.** Participants noted that various initiatives were successful in 2022 to ensure that IP, LC, and ADP rights, and associated language and messaging, were adopted and socialized in the climate and conservation CoPs, endorsed by a handful of high-level political leaders, and highly visible in key media outlets. However, the group also acknowledged that despite these successes, the group of the “convinced” are largely practitioners who may lack the power to unlock new funding or to shift bureaucratic systems. New strategies, data, and messages will be needed to influence and convince high-level leaders in government and philanthropy who can facilitate the achievement of the Pledge and Path to Scale targets.
- 2. Dialogue among global stakeholders has not yet translated to country level platforms.** Discussions to mobilize and channel more resources to IPs, LCs, and ADPs for forest management and conservation have been primarily organized with stakeholders at the global level. There are few country-level forums where donors, governments, and community leaders can interface to implement rights-based approaches and build local capacity. High-level, global discussions tend to universalize or flatten IP, LC, and ADP experiences, which can overlook the nuanced funding barriers each group and rightsholder faces (particularly women and youth) within a specific region, country, and context. Furthermore, focusing efforts at the national level could mobilize additional political support and funding for the movement.
- 3. Need for greater engagement with developing country governments.** Developing country governments are key stakeholders since they retain the power to directly support and/or enable rights-based conservation and management, but they remain largely unengaged within the context of the Pledge and Path to Scale targets. As a result, most funding for community conservation and forest management has been channeled through intermediary NGOs.



- 4. Lack of transparency related to the scope, scale, and status of donor commitments.** Participants welcomed progress made by the Forest Tenure Funders Group to produce a robust status update on the Pledge. They also recognized that the robustness of public donor reporting on IP, LC, and ADP tenure and forest management projects has historically been uneven, making external analysis challenging. Additionally, there was acknowledgement that some private donors contributing to the Pledge were transparent with the amount and scope of their support, while others were not.
- 5. Capacity building on the donor and intermediary side to support rightsholders as implementers.** There was acknowledgement that IP, LC, and ADP organizations and networks may require support to build capacity to manage greater amounts of funding. But there was also concern that this focus on communities as recipients disproportionately places the responsibility to adapt upon local actors, as opposed to donors and intermediaries themselves. Emerging best practices from recent studies and industry peers present ways donors and intermediaries could adapt internal capacity and systems to promote greater inclusion of IPs, LCs, and ADPs.
- 6. Community women and youth are missing from financial commitments.** There is a persistent gap in gender- and youth-specific funding commitments for local conservation and forest management. Although important progress was made this past year,<sup>3</sup> a more concentrated effort is needed to prioritize and recognize the unique position of women and youth in funding agendas.
- 7. Lack of concrete guidance to support the implementation of new donor practices and systems.** While the past year of analytical work built the case for “fit for purpose” funding practices and elaborated high level principles for systems change, there is a lack of donor-specific guidance to practically implement these changes. Similarly, an analysis is needed to map the most strategic geographies and project types for advancing IP, LC, and ADP tenure and conservation in certain contexts, which would help guide the implementation of pledges and commitments.

### III. Priorities for 2023 and Beyond

Below are short- and medium-term priorities identified by Montréal participants to scale up ambition, innovation, and resources for local rightsholders to meaningfully contribute to the 2030 climate and biodiversity goals. These represent priorities for the field and may include 1) projects led by individual member organizations; 2) products co-created by a group of member organizations; or 3) activities coordinated under the Path to Scale initiative.

- 1. Mobilize new funding and allies.** To reach the Path to Scale’s 2030 target to mobilize at least 10 billion to support the recognition of IP, LC, and ADP tenure rights to 400 million additional

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<sup>3</sup> For example, through [The Women in Global South Alliance for Tenure and Climate](#) and RRI’s [Call to Action for Women and Girls](#).

hectares of tropical forest, a collaborative strategy is needed to engage and recruit more pledges/donors.

- **1.a.** Conduct a funding landscape analysis to identify other 2030 pledges to support biodiversity, climate change mitigation, and other development goals, where funding might be repurposed or redirected to scale up support for IP, LC, and ADP forest tenure and management funding.
- **1.b.** Develop a funding mobilization strategy to leverage collective networks to recruit donors to the movement to scale up resources for IPs, LCs, and ADPs under the Pledge and Path to Scale targets to contribute to climate and biodiversity goals.
  - This may include incorporating tailored donor messaging into our analyses that link community tenure data to the goals and motivations of different donors and decision makers.
- **1.c.** Develop a high-level report targeting prominent policy makers and leaders with the power to change administrative systems and/or unlock more funding to directly support IP, LC, and ADP tenure rights.

**2. Support rightsholder-led mechanisms to directly support IPs, LCs, and ADPs and their allies to manage and conserve tropical forests and rural landscapes.** There are already IP, LC, ADP, and women-led funding and regranting mechanisms with the capacity to manage the funding volumes and/or administrative requirements of donors. A priority in 2023 is to fully utilize these existing mechanisms already channeling direct support to collective rightsholders. Furthermore, there are lessons to be learned from donors that have successfully adapted their operations and requirements to better service rightsholder organizations. Other donors should be linked with these solutions and provided the guidance necessary to implement them.

- **2.a.** Conduct research to identify high-priority partners and mechanisms (e.g., GEF, EnABLE, the Tenure Facility, Mesoamerican Territorial Fund, Nusantara Fund, Shandia Mechanism, Podaali Fund, and CLARIFI) directly channeling support to IPs, LCs, and ADPs and promote and/or connect these opportunities with donors.
- **2.b.** Building off recent analytical work,<sup>4</sup> continue efforts to synthesize concrete and donor-specific best practices and guidance for immediate implementation, prioritizing quick wins to build the momentum and conditions for systemic change, using examples from other donors that have successfully adapted their funding and operational models to meet the needs of rightsholder groups.
  - Concomitant to this work is promoting success stories of direct funding that quantify the impact of new innovations, methodologies, and processes against donor goals, as this will be important in building trust in emerging models and overcoming the perceived capacity risks.

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<sup>4</sup> In particular, [Building Bridges](#) by RRI (Dec. 2022); [Directing Funds to Rights](#) by Charapa Consult (Nov. 2022); [Greening the Grassroots](#) by Maliasili (July 2022); and RRI's [Call to Action](#) to include IP, LC, and ADP women in climate finance (Sept. 2022).



**3. Advance context-specific strategies.** A context-specific approach is required to understand and appreciate the unique, place-based circumstances and barriers local rightsholders face in accessing funds, as well as the challenges different types of donors and policy makers face in adapting funding and legal systems.

- **3.a.** Hold country-level meetings to improve coordination and collaboration with government officials, civil society, local stakeholders, and the donor community. Also, for the donor community to improve coordination amongst themselves (public, private, bi/multilateral, philanthropies, etc.) so that funds are strategically dispersed within a given context. Side meetings should also be strategically targeted at recurring national events that convene key stakeholders (e.g., government officials).
- **3.b.** Conduct country-level research to identify the place-based, context-specific barriers in channeling support directly to IPs, LCs, ADPs, and women.
- **3.c.** In close collaboration with rightsholders and other local stakeholders, develop localized strategies and recommendations to adapt and design more “fit for purpose” funding models in high-priority regions (e.g., mapping existing pipeline of solutions at the country-level).

**4. Dual capacity building.** The capacity barriers of local organizations are known, but it is also important to outline practical ways donors can build internal capacities to adapt to the needs of rightsholder organizations.

- **4.a.** Conduct a comparative analysis of policies and operational practices of major donors (such as due diligence or reporting processes) to outline recommendations that key stakeholders can adapt and implement to deliver more “fit for purpose” funding.

**5. Focus on gender and youth.** Accurately tracking the volume, outcomes, and distribution of funding to women and youth is a priority moving forward, as well as providing donors and intermediaries with the guidance needed to equitably fund and engage these partners.

- **5.a.** Conduct country-level gender research to detail conservation and tenure funding directly reaching Indigenous, local, or Afro-descendant women or women-led organizations, as well as youth or youth-led organizations, to accurately track and report on the funding gap.
- **5.b.** In close collaboration with women and youth rightsholders, develop localized guidance to inform more equitable and “fit for purpose” funding strategies for donors.

**6. Address analytical gaps.** While important research was accomplished this year, there is a need to go deeper in 2023. Specifically, more accurately linking Forest Tenure Pledge funds committed to what is reaching communities on the ground and developing an operational data set to hold donors accountable.

- **6.a.** Conduct deeper baseline research and analysis to independently verify where and how Forest Tenure Pledge commitments are being disbursed and the amount reaching IP, LC, and ADP-led organizations. Also, continue innovating the tagging process for public and private project data.

#### IV. Proposed 2023 Path to Scale Workplan

From the priorities identified in Montréal in Section III, the Rights and Resources Initiative and the Tenure Facility propose the Path to Scale move forward with the following activities in 2023:<sup>5</sup>

- 1. Funding Mobilization:** Develop a strategy to engage other pledges and new donors to mobilize funding to reach the 10 billion goal by 2030 (**Activities 1.a. and 1.b.**). This includes engaging donors and funds supporting the implementation of the [Global Biodiversity Framework \(GBF\)](#), as well as country-specific networks. Another focus is to look beyond grant funding and explore alternative forms of investment with the private sector, philanthropy, etc.
- 2. Analytical Work:** Develop a report aimed at influencing high-level decision makers to change administrative systems and/or unlock more funding to directly support IP, LC, and ADP tenure rights; to be launched by the end of 2024 (**Activity 1.c.**). Additionally, the Path to Scale will map Network workplans with 2023 priorities to highlight areas for coordination and collaboration among participants.
- 3. 2023 Convenings:** Identify global and regional forums that would be geographically or politically strategic to reconvene to engage important decision makers and recruit more allies to the movement. Participants generally agreed that New York Climate Week represented an ideal opportunity.
- 4. Grow and Systematize Path to Scale Platform:** Expand participation in the Path to Scale and formalize the structure and working arrangements of the Network.
  - Expand participation in the Platform, prioritizing the participation of leaders from key NGOs and intermediaries, rightsholder-led funds, and rightsholder networks.
  - Establish quarterly meetings to provide participants with regular opportunities to collaborate in intentional, co-owned spaces. Also, meetings may be organized on an ad hoc basis.

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<sup>5</sup> This only reflects the activities the Path to Scale will coordinate in 2023 and does not reflect all the priorities being pursued this year by the Path to Scale Network, i.e., the projects/workplans of member organizations that intersect with Path to Scale priorities.