



# Guide for Financing Climate-Related Activities in the Coffee Sector

within the context of INDC process in 2015

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Executive summary: Countries are working towards a global climate change treaty at the end of 2015. They are submitting intended nationally determined contributions (INDCs). Coffee should be mentioned in the INDCs of coffee-producing countries because it creates awareness for the challenges of the sector and enhances the opportunities for receiving climate financing over the coming years for supporting the implementation of local coping strategies. The goal of this document is to encourage the coffee sector in producing countries to work towards inclusion in the INDCs. It also informs the sector of potential financing available for their actions.





#### 1.0 Introduction

The initiative on coffee & climate (c&c)¹ in partnership with the International Coffee Organization (ICO) backs efforts of coffee-producing countries to include the coffee sector's needs in their long-term climate change strategies. During 2015, many countries will draft Intended Nationally Determined Contributions (INDCs) for submission to the United Nations Framework Convention on Climate Change (UNFCCC).

INDCs are national plans for action on climate change and will provide the basis for a new global climate agreement<sup>2</sup> for the post-2020 period that will be adopted in 2015. The drafting of the INDCs represents a "window of opportunity" for the coffee sector to include its needs in national climate frameworks. By virtue of being considered in INDCs, the coffee sector will be better positioned to gain support for the implementation of climate-related activities (e.g., risk assessments, pilot projects) over the period 2015-2020.

This guidance document, therefore, has been drafted to help the coffee sector in producing countries to put together proposals that enable them to make use of the opportunity that INDCs offer in order to effectively respond to climate change. If the coffee sector of a country can organize itself<sup>3</sup> to: (1.) assess strategically how to address climate change in the coffee sector, and (2.) draft a written action plan to tackle the issue(s); then it could benefit from different sources of support from national/international organizations.

This document was developed incorporating information provided by IISD<sup>4</sup>, GIZ<sup>5</sup>, UNEP<sup>6</sup>, and others, as well as by feedback received from funding organizations. The document supports the 2015 climate work of the International Coffee Organization<sup>7</sup>. The intended audience for the document is personnel in the national "coffee institutes and federations" of producing countries.

#### Box 1: About coffee&climate

In 2010, key players from the private, the development and the research sector joined forces to address challenges posed by changing climatic conditions to coffee livelihoods. They founded the initiative for coffee & climate (c&c) as a development partnership with the vision to enable all coffee-farming families worldwide to effectively respond to climate change. The c&c approach is currently implemented in pilot projects in Brazil, Tanzania, Trifinio (Guatemala, Honduras, El Salvador) and Vietnam. These regions have been chosen mainly because of their strategic relevance as key coffee producing areas, representing Arabica and Robusta production, intensive and diverse growing systems as well as wet and dry processing.

The vision of c&c is to enable all coffee farmers worldwide to effectively respond to changing climatic conditions by: (1) combining state of the art climate change science and proven farming methods, offering suitable hands-on tools; (2) forming a network of all relevant stakeholders in the field; and (3) applying a 360° precompetitive approach including the entire value chain.

<sup>&</sup>lt;sup>1</sup> www.coffeeandclimate.org; http://toolbox.coffeeandclimate.org

<sup>&</sup>lt;sup>2</sup> Agreement were countries work to keep temperature change to <2°C.

<sup>&</sup>lt;sup>3</sup> Including the involvement of key government officials and civil society groups

<sup>&</sup>lt;sup>4</sup> International Institute for Sustainable Development (IISD)

<sup>&</sup>lt;sup>5</sup> Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

<sup>&</sup>lt;sup>6</sup> United Nations Environmental Program (UNDP)

<sup>&</sup>lt;sup>7</sup> Read more about ICO's climate change views <u>here</u> and <u>here</u>.



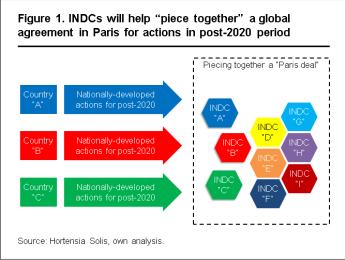


# 2.0 INDCs provide a "window of opportunity" for the coffee sector to have its needs incorporated in government plans.

From 30 November to 11 December 2015, the UNFCCC will coordinate the 21<sup>st</sup> annual conference of parties (COP 21) meeting in Paris, France. This "summit" will be another step forward in the global effort to address the risks of climate change.

COP 21 is expected to result in a new global agreement on climate change. A central feature of the agreement will be the "intended nationally determined contributions" (INDCs) that each country proposes to conduct in the period post-2020. The agreement will serve as a starting point for efforts about how national actions interact within a global framework. See Figure 1.

In late 2014, some countries began announcing their INDCs<sup>8</sup>. During 2015, the remaining countries – including

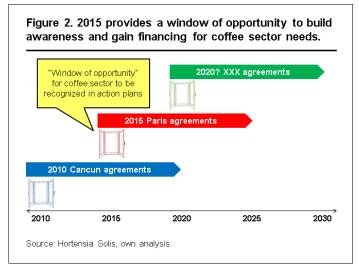


most coffee-producing countries – will announce their INDCs. Since the INDCs are the foundation for action in the 2020-30 timeframe, the needs of the coffee sector should ideally be incorporated. The technical and financial needs for the coffee sector to address climate change should be considered in the INDC of producing countries. By considering/mentioning the coffee sector in INDCs, the sector can benefit with more concrete linkages to national strategies to address climate change.

To do this, the coffee sector in producing countries should inform policy makers about the impacts of climate change on coffee, so that the sector's needs can be incorporated in long-

term coping plans. This document is intended to help the coffee sector take advantage of this "window of opportunity" and partner with governments on climate change initiatives. See Figure 2.

Note: The UNFCCC processes have not yet clearly defined the concept and modalities of INDCs. Climate change experts indicate that INDCs will likely be very varied in nature. The lack of clarity with regards to INDCs is not necessarily negative at this stage, given that INDCs are inherently bottom-up mechanisms to determine actions.



<sup>8</sup> The U.S., China and E.U. have all announced their INDCs (post-2020 goals), thus increasing pressure on other countries to come forward with their plans.

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# 3.0 Climate-related actions in the coffee sector can have productivity, adaptation and mitigation benefits.

Adaptation, productivity and mitigation actions are <u>not</u> mutually-exclusive. Most climate adaptation actions proposed by relevant organizations in the sector (e.g., Colombian coffee growers association, Embrapa, Rainforest Alliance, 4C, CIAT, Intracen, AdapCC, etc.) address productivity and mitigation. The implementation of good agricultural practices (e.g., shade, soil and water management) does not *only* serve adaptation purposes but also has a positive effect on the production. In fact, the international<sup>9</sup> approach for climate action in agriculture<sup>10</sup> focuses on climate-related measures that have *integrative* positive impacts on productivity, adaptation and mitigation. The table below demonstrates how climate related action in coffee have productivity, adaptation and mitigation benefits.

**Table 1.** How actions in the coffee sector have multiple benefits

Action	Productivity	Adaptation	Mitigation
Planting new	New varieties can	New varieties can be	New varieties can
varieties	increase yields and	more resistant to	rise productivity and
	require less inputs	pests/diseases and	reduce emissions
		produce at higher	due to more efficient
		temperatures.	fertilization and less
			land use
Gradual replanting	Replanting can lead	Replanting allows to	Replanting can rise
	to significant yield	incorporate better	productivity and
	increases in older	adapted and more	reduce emissions
	farms	productive varieties	due to more efficient
			fertilization and less
			land use
Better planting	Wealthy trees can	Stronger seedlings	Higher planting
practices	produce beans more	are better prepared	density and quicker
	quickly and develop	to survive climatic	development of
	stronger growth	events	productivity reduce
	habit		potential pressure
			on land
Tree rejuvenation	Pruning/stumping	Pruning/stumping	Increased
(stumping/pruning)	can lead to	can make plants	productivity means
	significant yield	more resilient to	less fertilizer use
	increases in older	weather events	and land use change
	farms		

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<sup>&</sup>lt;sup>9</sup> Supported by the UN's Food and Agriculture Organization (FAO)

<sup>&</sup>lt;sup>10</sup> FAO states that climate actions should be "an integrative approach to address the interlinked challenges of food security and climate change, that explicitly aims for three objectives: (1) sustainably increasing agricultural productivity, to support equitable increases in farm incomes, food security and development; (2) adapting and building resilience of agricultural and food security systems to climate change at multiple levels; and (3) reducing greenhouse gas emissions from agriculture (including crops, livestock and sheries)."





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Agroforestry/shade	Proper shade	Shade trees can	Carbon stocks in
trees	management can	reduce temperature	trees sequesters
	increase quality of	extremes and	atmospheric CO <sub>2</sub>
	coffee, optimize	evaporation, as well	
	costs and generate	as provide wind	
	additional income	blocks	
Integrated pest	Integrated pest	Mapping of pest can	Less pesticide use
management	management can	help to raise	reduces emissions
	reduce costs and	readiness against	(due to less inputs)
	prevent losses	potential attacks	
Water management	Optimized irrigation	Less water use can	Less water use can
	can reduce fertilizer	keep aquifers	reduce emissions
	leaching	healthy; can	due to less energy
		contribute to	required for
		availability during	pumping
		droughts	
Optimized fertilizer	Using less fertilizer	Better products and	Using less fertilizer
use	can cut production	proper dosification	reduces emissions
	costs; where not	can reduce run-off	from use and
	being used, more	or leaching of	fertilizer production
	use of fertilizer can	fertilizer in high	-
	increase yields <sup>11</sup>	rainfall events	
Soil management	Good fertility and	Loss of topsoil can	Carbon stocks in soil
	moisture of soil can	be reduced in severe	can be maintained
	increase yields	rain or drought	and increased
		events; moisture can	
		be maintained in soil	
Energy-efficiency at	Higher efficiencies at	Less energy use can	Reducing energy use
mill	the mill can reduce	reduce the	can lead to
	processing costs	dependence on (less	reduction of
		reliable) electric	emissions
		grid or costly fossil	
		fuels	
Wastewater	Reducing the use of	Capturing and using	Methane emissions
management	water can reduce	methane for own	at mill can be
0 - 1	energy	energy consumption	reduced
	consumption;	can reduce	
	capturing methane	dependency on	
	can result in new	external energy <sup>12</sup>	
	sources of energy		
Use of renewable	Energy-related costs	Less dependence on	Reducing energy use
energy (e.g., solar	associated with	the grid can lead to	can lead to emission
dryers, etc.)	processing coffee	higher resilience in	reductions
	can be reduced	event of power	1000000000
		shortages	
1		Jiioi tages	

 $<sup>^{11}</sup>$  Optimization needs to be incorporated as it can reduce over fertilization and enhance efficiency by using the right products in the right dosification.

<sup>&</sup>lt;sup>12</sup> Protecting a scarce resource and assuring its quality.





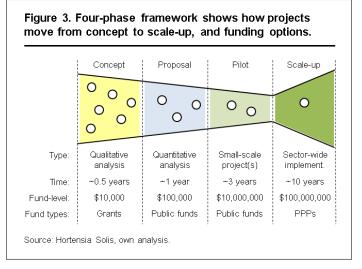
# 4.0 Climate-related actions from coffee-producing countries can be divided into four phases. Different finance options apply for each phase.

If a country incorporates coffee sector related actions on climate change in its INDCs (or other climate action initiatives), it may be able to leverage this contribution in requesting financial and other support from local and international partners. While INDCs project actions for the post-2020 period, countries will likely begin working on an enabling framework and preparatory activities in the pre-2020 period.

Please note that the UNFCCC is not a funding organization. The UNFCCC's role is to

coordinate efforts towards a global agreement. Nevertheless, a number of countries and development organizations are committing to back the COP process and pledge resources for supporting in particular developing countries in the implementation of their INDCs.

The kind of action that a coffee sector organization can propose and the type/level of finance it might attract can be associated with a four-phase framework which consists of two preparation phases (concept note and proposal) and two subsequent



implementation phases (pilot and scale-up). Figure 3 indicates the different phases and provides high-level details on each. The ensuing four sections of this document (Sections 4.1 to 4.4) provide information on the specifics of the phases.

Different financing options apply for each phase of the framework. In the preparation phases, international support could become available to the project coordinator (e.g., the coffee association or organization of a country) to conduct initial research and analysis and to convene key stakeholders. This type of support can come in the form of grants and public funds. In later phases (pilot and scale-up), some local financial contributions may be required to catalyze further international support. Funding via Public-Private Partnerships is one approach that can be used.

In Figure 3, the framework is shown in a funnel diagram. This shape is chosen to highlight that while several concepts can be funded there will likely be a smaller number projects that make it all the way to the scale-up phase in the nearer-term. This is based on the fact that some projects may drop-out of the 'funnel' as they progress and funding requirements get more rigorous (due to the larger budgets they require). Quality of implementation and impact achieved will be crucial.

Local and international financing would include both, private and public sources. Generally, local resources are targeted towards low-cost, rapid return on investment actions.<sup>13</sup>

<sup>&</sup>lt;sup>13</sup> Directed towards "no regrets" actions that are cost neutral or that yield a net profit.





International financing may be requested for covering higher cost, longer-term interventions.

Issues to keep in mind as countries progress through each of the four phases include:

- Projects need to incorporate extensive domestic stakeholder consultations;
- Projects need to be ambitious but realistic and feasible for implementation (e.g., a pilot may focus on one region and then expand in subsequent phases based on success);
- Projects need to mention a specific coordinator with the relevant mandate and appropriate technical and financial capabilities.

Funding organizations prefer a broad agreement/participation of national stakeholders to ideally participate in project funding. Thus, the coffee sector should try to include the following stakeholders (amongst others) into project preparation:

- Government officials (particularly in agriculture and environment agencies),
- Trade organizations (e.g., federation of coffee farmers), and
- Local climate change experts (e.g., research, academics and environmental NGOs).

There is no template as to who needs to do what to develop the projects. However, based on past experience, there is generally a party that takes on the central role of the "project coordinator" to frame the project and develop cost-benefit estimates. Who has this lead role can change as the project moves through the different phases of the proposed sequential framework.

The following sections provide further details on each of the four "phases" of the proposed framework. Note that for INDCs, it is expected that coffee sector organizations develop – at a minimum – the concept note (see section 4.1). It is recommended that they consider key quantitative aspects of the proposal phase (see section 4.2) to have better chances of receiving international support.

#### 4.1 Developing and financing a concept note

A concept note is a *qualitative* assessment to identify a list of interventions that the coffee sector can implement to enhance its adaptive capacity and strengthen its resilience in the face of climate change. The concept note can be thought of as the result of an initial screening assessment to determine a more detailed proposal for action. The note can be used as a starting point for the proposal (see next section).

The concept note is a useful exercise because it:

- Assesses current carbon emissions in the sector together with the potential for mitigation and opportunities for adaptation step;
- Forms the basis of factsheets on priority actions for starting discussions with government officials and potential funders;
- Identifies measures and technologies that require more investigation/information; and
- Raises awareness of opportunities for INDCs with development partners.





The process for developing the concept note can be broken down into three steps:

Step	Objective	Potential topics:
Providing context	Collect, review and categorize relevant documents and data that provide context and information on climate risks and opportunities for the coffee sector.	<ul> <li>Economic development</li> <li>Social development</li> <li>Climatic risks</li> <li>GHG emissions</li> <li>Existing policies</li> <li>Major initiatives</li> </ul>
Conducting a quick screen for potential actions	<ol> <li>Develop a "long list" of action opportunities based on:         <ul> <li>Improved productivity,</li> <li>Improved resilience, and</li> <li>Reduced emissions.</li> </ul> </li> <li>Screen the long-list of potential actions based on a set of criteria to develop a "short list" emphasizing on impact and feasibility.</li> </ol>	<ul> <li>Farm restoration and rejuvenation</li> <li>Shade</li> <li>Soil conservation</li> <li>Fertilization</li> <li>Tree density</li> <li>Waste management</li> <li>Water management</li> <li>Genetic improvement</li> </ul>
Drafting a report and getting validation	<ol> <li>Develop a [5-page] report that provides context and presents the long and short list of actions.</li> <li>Validate the initial report with key stakeholders and revise based on expert feedback.</li> </ol>	<ul> <li>Introduction</li> <li>Coffee sector context</li> <li>Results of quick screen</li> <li>Conclusions</li> <li>Appendix: documentation from the process</li> </ul>

The concept note is in the front-end of the funnel framework presented in Section 4.0. Therefore, support required to conduct this phase is associated with the development of the concept and bringing together key stakeholders. This process can benefit from facilitators with a solid understanding of climate change risks and impacts in the coffee sector. The process can be conducted with the use of sector workshops. The cost of developing a concept note is estimated at [\$10,000.] This is an order of magnitude figure, which will vary based on the size and complexity of the national coffee sector and its stakeholders.

A number of organizations could support processes for developing concept notes (e.g. as a component of coffee projects). Appendix A provides a list of funding organizations and their contact details.

### 4.2 Developing and financing a proposal

A proposal is a *quantitative* assessment that elaborates on the most promising interventions that the coffee sector of a particular country can implement to enhance its adaptive capacity and strengthen its resilience in the face of climate change. The proposal is an analytical effort to explore the feasibility and possible outcomes of different actions. Its output can be used as an input when developing pilot projects and sectorial-level actions.





The proposal is useful in that it:

- Provides an evidence base for the identification of priority actions in the coffee sector and potential need for international support<sup>14</sup>, which is important to bilateral and multilateral donors;
- Produces a document that can be incorporated into INDCs and shared in meetings with development organizations to seek funding for pilot-level and full implementation projects; and
- Enhances awareness in the sector and provides stakeholders with a detailed analysis of opportunities.

The development of the proposal can be broken down into three steps:

Step	Objective	Potential topics:
Determining the country's reference case <sup>15</sup>	Determine historical and projected production, risks and emissions for the coffee sector assuming no actions.	<ul> <li>Historical trends</li> <li>Projection         <ul> <li>assuming constant growth rates, no structural changes</li> <li>assuming that goals in policy documents are not likely achieved without [outside] financing</li> </ul> </li> </ul>
Conducting more in-depth screening of the potential actions	<ol> <li>Estimate the benefit of each action from productivity, adaptation and mitigation perspectives.</li> <li>Calculate the costs associated with each action.</li> <li>Assess sustainable development co-benefits / negative impacts.</li> <li>Discuss financing options.</li> </ol>	<ul> <li>Quantitative analysis of benefits and additional costs vs. reference case for each action proposed</li> <li>Rank actions based on costeffectiveness and importance/feasibility</li> <li>Assess sustainable development aspects (GDP, migration, employment, gender/youth, health, etc.)</li> <li>Identify barriers for implementing the action and priority financing channels that address barriers</li> </ul>
Drafting a report and getting validation	<ol> <li>Develop a [50-page] report that provides reference case and presents an analysis of scenarios for different actions.</li> <li>Validate the report with key stakeholders and revise based on feedback.</li> </ol>	<ul> <li>Introduction</li> <li>Coffee sector reference case</li> <li>Results of an in-depth screen</li> <li>Conclusions</li> <li>Appendix: documentation from the process</li> </ul>

<sup>&</sup>lt;sup>14</sup> These support measures include financing, technology transfer and capacity building.

 $<sup>^{15}</sup>$  Reference case is defined as the "business as usual" or what would the sector look like in future if no actions are taken and everything continues as is.





The proposal is the second phase of the presented funnel framework. Developing the proposal requires technical and economical expertise to assess risks, opportunities, costs and benefits. The proposal can benefit from an on-the-ground researcher who can trackdown unpublished documentation, have access to sector data, and liaise with key stakeholders to raise awareness and promote buying-in. Developing a proposal might cost around \$100,000. This figure will vary based on the size and complexity of the national coffee sector and its stakeholders.

#### 4.3 Developing and financing a pilot

A pilot is a project that will be implemented on a small, controlled scale to allow for its full impact, benefits and weaknesses to be evaluated before starting implementation at scale on a national basis. In order to obtain financing, the pilot will likely be presented to funding organizations in the form of a business plan. The plan would detail the amount of support needed, how the support will be used to enable the successful implementation of the project, and what are the potential socio-economic benefits of the project.

Pilot projects can vary significantly based on the action(s), the level of project ambition and the types of needs they address (e.g., technological, capacity building and/or financial support). Pilots do not necessarily need to come after preparing a proposal. It might well be that some ongoing projects might already qualify as pilots or would requires some adjustment and would thus only need to be brought into the context of the process. Pilots just need to follow scalable project proposals so that they address a significant portion of production.

The pilot(s) could be implemented as public-private partnerships or be presented to financiers with a package of instruments for bridging support gaps. For example, a special purpose vehicle could be created in order to fund a project. Financing options for a special purpose vehicle include: equity investors, debt investors, insurance companies, domestic governments, etc.

The implementation of a pilot can be broken down into three steps:

Step	Objective	Potential topics:
Developing a project plan	Be clear about the objectives of the pilot, the monitoring and evaluation plan and how the indicators will be measured. <sup>16</sup>	<ul> <li>Specify initial supporting theories to be tested</li> <li>Define timeframe for pilot</li> <li>Determine sample size to test in accordance with type/purpose of intervention</li> <li>Determine team members that will execute the pilot together with their roles/responsibilities</li> <li>Estimate and allocate sufficient resources for effective execution</li> <li>Define indicators to be used to assess progress and impact of the pilot</li> </ul>

<sup>&</sup>lt;sup>16</sup> This document has to be fully developed before executing pilot and will constitute the basis for evaluation of the pilot, as well as basis for future evaluation plan of a large scale deployment.





Step	Objective	Potential topics:
Implementing the pilot and learning by doing	Systematically learn from experiences generated during implementation, so that initial assumptions can be adjusted and informed decisions can be taken regarding the execution of the project on a larger scale. <sup>17</sup>	<ul> <li>Select sample farms where pilot will run</li> <li>Buy/install equipment (if any)</li> <li>Train people on objectives of work and projected results</li> <li>Activate monitoring plan, once running, so indicators can be measured and data analyzed</li> <li>Terminate pilot once the data is sufficient for decision-making</li> </ul>
Share learnings and improvements	Write a report with the collected findings in order to share learnings	<ul> <li>Discuss most relevant         experiences and data from the         pilot, including technical and         economic aspects</li> <li>Suggest adjustments to original         project plan in accordance with         lessons learnt and propose         solutions to avoid identified         problems</li> <li>Estimate potential nationwide         deployment costs</li> </ul>

The pilot is the third phase of the presented framework. Developing and implementing the pilot project will likely mean that there is good buying-in from the sector and involvement from the government. Conducting the pilot project might cost up to \$10,000,000 – depending on the size and complexity of the national coffee sector and its stakeholders.

#### 4.4 Developing and financing scaling-up

Scaling-up means the large-scale implementation of one or more climate actions at the sector-level in a country or region of a country.

In this phase, domestic finance will likely play a role in attracting additional international funds, and in setting framework conditions that make private investment attractive. If there is no local contribution, or no national preparedness to restructure the financing to achieve transformational changes in the sector, the potential for attracting international financial support may be limited.

Local financing includes budgetary support from public institutions as well as private sector investment. The following stakeholders may play a role in providing local financing:

- Government, such as the Ministry of Agriculture
- Sector organizations, such as the national federation of coffee growers
- Industry bodies, such as the exporters or roasters association
- Suppliers of fertilizers and pesticides

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<sup>&</sup>lt;sup>17</sup> There is a clear distinction between piloting and progressive or phased deployment. Pilots are not the first phase of the full scale-up itself, since the deployment per se will start once the final project documentation is completed.





- Power utilities or energy service companies
- Banks and other financial service institutions

International financing may include budgetary support from bilateral and multilateral programs (such as Germany's International Climate Initiative and the Global Environment Facility). Private sector organizations and foundations, like c&c, have also provided financial support to pilot projects. Different international financing instruments may apply during the different phases of preparation and implementation. Examples will be provided in the following sections.

The preparation and implementation of scaling can be broken down into three steps:

Step	Objective	Potential topics:
Developing a scaling-up plan	Be clear about what is to be scaled up and who will do it by when	<ul> <li>Determine scalability of projects and identify needed actions</li> <li>List components of the scaling-up process, including hardware and 'soft' components such as training</li> <li>Develop timetables, define roles and responsibilities (e.g. spotted into a Gantt chart)</li> <li>Establish budgets for corresponding action</li> </ul>
Implementing actions	Ensure that the scaling up is successful and sustainable	<ul> <li>Increase the capacity in the coffee sector to implement the scaling up concept</li> <li>Get political support for institutionalization: clarify legal, political, budgetary and regulatory changes needed</li> <li>Coordinate the implementation of the action plan to ensure that scaling up benefits emerge via an orderly and gradual process</li> </ul>
Monitoring and reporting performance	Ensure that scaling up goes as planned	<ul> <li>Create monitoring systems that provide statistical evidence of progress during scaling up</li> <li>Track effects of the new model and make adjustments if the results differ from what was intended</li> </ul>

The scaling-up implementation is the final phase of the presented framework. This is a major national undertaking and costs could reach amounts exceeding \$100s of millions depending on the size and complexity of the national coffee sector and its stakeholders.





### 5.0 Case studies of climate-related projects that have received

The following case studies show how coffee sector-specific projects can receive climate-related funding. All of the projects were conducted over the past 5 years and have each received international support of over €2.5 million. The Costa Rica NAMA project is an example of one that has progressed over the past three years from concept note to proposal phase. It is now in the pilot phase. Table 2. Case studies of projects that have received climate related financing

Project title/region	Objectives	Partners/Implementer	Amount/timing
Building regionally	Analyze, develop and improve approaches	Partner institutions: Costa Rica: Ministry	Grant amount:
appropriate, ecosystem-	to ecosystem-based adaptation and water	of Environment and Energy; El Salvador:	€ 2,513,492
based adaptation in	management at local, national and regional	Min. of Environ. and Nat. Resources;	Duration:
<u>Mesoamerica</u>	level. A particular focus is placed on	Mexico: Nat. Commission of Natural	06/2010 till
Region: Costa Rica, El	optimizing transboundary water resource	Protected Areas; Panama: National	09/2013
Salvador, Mexico,	management.	Environ. Authority.	
Panama		Implementer: International Union for	
		Conservation of Nature (IUCN)	
Climate Change	Conservation, reforestation and sustainable	Partner institution: Ministry of	Grant amount:
mitigation and primary	use of Ethiopia's cloud forests in the Kafa	Agriculture (MOA) Ethiopia, regional	€ 3,191,675
forest conservation - a	biosphere reserve, which constitute an	government Southern Nations	Duration:
best-practice	important carbon sink. These efforts will	Nationalities and People's Region	11/2009 till
management scheme for	ensure the livelihoods of the local	(SNNPR)	10/2013
wild coffee forests	population and help reduce their	Implementer: Naturschutzbund	
Country: Ethiopia	vulnerability to climate change.	Deutschland (NABU) e.V.	
NAMA for Coffee Sector	Support a sector specific approach aiming	Partner institutions: Ministry of	Grant amount:
Country: Costa Rica	for a climate-friendly transformation of the	Agriculture and Livestock (MAG)	€ 7,000,000
	entire value chain of one of the most	Implementer: Fundecooperacion	Duration:
	important economic sectors in the country.	_	2013 -
	Incentivize private sector investments by		
	providing grants, loans and guarantees for		
	coffee farmers and millers in order to		
	acquire greenhouse gas-efficient fertilizer		
	and milling technologies.		





### Appendix A: Main opportunities for funding of contributions

and / sponsors ternational imate Initiative KI) - Germany	About the funding opportunity  International Climate Initiative (IKI) of the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) has been financing climate and biodiversity projects in developing and newly industrializing countries, as well as in countries in transition. The Initiative places clear emphasis on climate change mitigation, adaption to the impacts of climate change and the protection of biological diversity.	Opportunity / key contact / relevant info  Have funded projects in Costa Rica, Ethiopia and regionally in Central America.  Deadline: generally around June Isabelle Floer isabelle.floer@programmbuero-klima.de Julia Rüsch julia.ruesch@programmbuero-klima.de programmbuero@programmbuero-klima.de Markus Kurdziel Markus.Kurdziel@programmbuero-klima.de
<u>imate Initiative</u>	Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) has been financing climate and biodiversity projects in developing and newly industrializing countries, as well as in countries in transition. The Initiative places clear emphasis on climate change mitigation, adaption to the impacts of climate change and the protection of biological	regionally in Central America.  Deadline: generally around June Isabelle Floer <u>isabelle.floer@programmbuero-klima.de</u> Julia Rüsch <u>julia.ruesch@programmbuero-klima.de</u> programmbuero@programmbuero-klima.de Markus Kurdziel <u>Markus.Kurdziel@programmbuero-</u>
	Building and Nuclear Safety (BMUB) has been financing climate and biodiversity projects in developing and newly industrializing countries, as well as in countries in transition. The Initiative places clear emphasis on climate change mitigation, adaption to the impacts of climate change and the protection of biological	Deadline: generally around June Isabelle Floer <u>isabelle.floer@programmbuero-klima.de</u> Julia Rüsch <u>julia.ruesch@programmbuero-klima.de</u> <u>programmbuero@programmbuero-klima.de</u> Markus Kurdziel <u>Markus.Kurdziel@programmbuero-</u>
KI) Germany	climate and biodiversity projects in developing and newly industrializing countries, as well as in countries in transition. The Initiative places clear emphasis on climate change mitigation, adaption to the impacts of climate change and the protection of biological	Isabelle Floer <u>isabelle.floer@programmbuero-klima.de</u> Julia Rüsch <u>julia.ruesch@programmbuero-klima.de</u> <u>programmbuero@programmbuero-klima.de</u> Markus Kurdziel <u>Markus.Kurdziel@programmbuero-</u>
	newly industrializing countries, as well as in countries in transition. The Initiative places clear emphasis on climate change mitigation, adaption to the impacts of climate change and the protection of biological	Isabelle Floer <u>isabelle.floer@programmbuero-klima.de</u> Julia Rüsch <u>julia.ruesch@programmbuero-klima.de</u> <u>programmbuero@programmbuero-klima.de</u> Markus Kurdziel <u>Markus.Kurdziel@programmbuero-</u>
	in transition. The Initiative places clear emphasis on climate change mitigation, adaption to the impacts of climate change and the protection of biological	Julia Rüsch <u>julia.ruesch@programmbuero-klima.de</u> programmbuero@programmbuero-klima.de Markus Kurdziel <u>Markus.Kurdziel@programmbuero-</u>
	climate change mitigation, adaption to the impacts of climate change and the protection of biological	<u>programmbuero@programmbuero-klima.de</u> Markus Kurdziel <u>Markus.Kurdziel@programmbuero-</u>
	climate change mitigation, adaption to the impacts of climate change and the protection of biological	<u>programmbuero@programmbuero-klima.de</u> Markus Kurdziel <u>Markus.Kurdziel@programmbuero-</u>
	climate change and the protection of biological	Markus Kurdziel Markus.Kurdziel@programmbuero-
	arversity.	Minute
		Telephone: +49 (0) 30 338 424 - 218
imate and	The Climate and Development Knowledge Network	
		organized and develop strategies, access infance, etc.
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therianus and UK	1 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
•		
Readiness Fund	Fund and a Carbon Fund. The FCPF was created to	silviculture and tree shading activities in coffee farms.
<u>CPF-RF)</u> – various	assist developing countries to reduce emissions from	
ganizations	deforestation and forest degradation, enhance and	
	=	
daptation Fund		Focused on adaptation measures. Check out this web
	the UNFCCC and its Kyoto Protocol (KP) and has been	
<u>CPF-RF)</u> – various ganizations	combining research, advisory services and knowledge management in support of locally owned and managed policy processes. We work in partnership with decision-makers in the public, private and nongovernmental sectors nationally, regionally and globally.  The Forest Carbon Partnership Facility (FCPF) is a World Bank programme and consists of a Readiness Fund and a Carbon Fund. The FCPF was created to assist developing countries to reduce emissions from deforestation and forest degradation, enhance and conserve forest carbon stocks, and sustainably manage forests (REDD+).  The Adaptation Fund is a financial instrument under	CDKN could support overall sectorial efforts to get organized and develop strategies, access finance, organized and develop strategies, access fin





Fund / sponsors	About the funding opportunity	Opportunity / key contact / relevant info
implemented via the	established to finance concrete adaptation projects and	
<u>UNDP</u> ) – various	programmes in developing country Parties to the KP, in	afbsec@adaptation-fund.org Please be sure to cc
countries	an effort to reduce the adverse effects of climate change	dndiaye@adaptation-fund.org and
	facing communities, countries and sectors.	mollikainen@adaptation-fund.org
Forest Investment	The FIP supports developing countries' efforts to	This could be an interesting opportunity for countries
Program (generally	reduce deforestation and forest degradation (REDD)	who want to obtain funding for reforestation,
implemented by	and promotes sustainable forest management that	silviculture and tree shading activities in coffee farms.
IBRD)	leads to emission reductions and the protection of	
	carbon reservoirs. It achieves this by providing scaled-	
	up financing to developing countries for readiness	
	reforms and public and private investments, identified	
	through national REDD readiness or equivalent	
	strategies.	
Special Climate	The Special Climate Change Fund (SCCF) was created in	Information on how to access the fund <u>here</u> .
<u>Change Fund</u>	2001 to address the specific needs of developing	
	countries under the UNFCCC. It covers the incremental	Contact details on the website.
	costs of interventions to address climate change	
	relative to a development baseline. Adaptation to	
	climate change is the top priority of the SCCF, although	
	it can also support technology transfer and its	
	associated capacity building activities. The SCCF is	
	intended to catalyze and leverage additional finance	
	from bilateral and multilateral sources, and is	
	administered by the Global Environment Facility.	
<u>Least Developed</u>	The Least Developed Countries Fund (LDCF) was	Could be used for the implementation of NAPA projects
<u>Country Fund</u>	established to meet the adaptation needs of least	in agriculture (coffee).
	developed countries (LDCs). Specifically the LDCF has	
	financed the preparation and implementation of	Contact details on the website.
	National Adaptation Programs of Action (NAPAs) to	
	identify priority adaptation actions for a country based	
	on existing information.	





Fund / sponsors	About the funding opportunity	Opportunity / key contact / relevant info
IDH Sustainable	The Sustainable Coffee Program is a global, pre-	Jenny Kwan, IDH Senior Program Manager Coffee
Trade Initiative /	competitive, public-private initiative; which involves	kwan@idhsustainabletrade.com
Sustainable Coffee	industry and trade partners, (local) governments, NGOs	+31 30 2305660
Program (SCP)	and standard setting organizations in the coffee sector.	
	The ambition is to help bring global sustainable coffee	
	production and sourcing practices to scale, by aligning	
	stakeholder investments in producer support	
	programs, which aim to improve farmer livelihoods,	
	enable coffee producers to become more resilient in an	
	ever-changing market and increase sustainable yields	
	to meet growing demand.	
<u>Asian Development</u>	The CCF was established in May 2008 to facilitate	Projects focused on adaptation (water) and forestry
Bank Climate Change	greater investment in developing member countries	(REDD)
<u>Fund</u>	(DMCs) to effectively address the causes and	
	consequences of climate change. The CCF is a key	Mike Barrow
	mechanism for pooling resources within ADB to	
	address climate change through technical assistance	
	(TA) and grant components of investment projects.	
Organization of	The Department of Sustainable Development	Risk management and adaptation to climate change
<u>American States</u>	(OAS/DSD), through its Risk Management and	
	Adaptation to Climate Change section (RISK-MACC),	Wilkferg Vanegas
	supports the priorities of OAS Member States in	
	adapting to and managing the increasing risks	
	associated with natural disasters.	
Inter-American	The Inter-American Development Bank (IDB) is helping	Bank has already funded projects in Colombia, El
<u>Development Bank</u>	ts borrowing member countries adapt to climate	Salvador, etc.
	change impacts and reduce GHG emissions through	Maria Netto <u>mnetto@iadb.org</u>
	lending operations, technical cooperation, and	Fernando Balcazar
	knowledge generation.	
<u>International Fund</u>	The Adaptation for Smallholder Agriculture Program	Have funded projects in Rwanda and Ethiopia
for Agricultural	(ASAP) channels climate finance to smallholder farmers	Gernot Laganda
<u>Development (IFAD)</u>	so they can access the information tools and	Climate Change Adaptation Specialist





Fund / sponsors	About the funding opportunity	Opportunity / key contact / relevant info
	technologies that help build their resilience to climate	Environment and Climate Division (ECD)
	change. Launched by the International Fund for	Tel. +390654592142
	Agricultural Development (IFAD) over a year ago, ASAP	Email: g.laganda@ifad.org
	has become the largest global financing source	Geoffrey Livingstone
	dedicated to supporting the adaptation of poor	
	smallholder farmers to climate change. The program is	
	working in more than thirty developing countries, using	
	climate finance to make rural development programs	
	more climate-resilient.	
Africa Climate	The ACCF complements AfDB's own resources and the	Technical Department and Task Manager
<u>Change Fund</u> –	climate-change related trust funds managed by the	Florence Richard, ACCF coordinator
funded by African	Bank ((SEFA, CBFF, Clim-Dev, etc.) The ACCF intends to	f.quintanilha@afdb.org
Development Bank	increase climate funding mobilized for activities that	
	take account of climate change in African countries.	
	Thus, the fund was designed to become a catalyst with a	
	scope broad enough to cover a wide range of climate-	
	resilience and low-carbon activities.	
<u>UNDP Green</u>	The UNDP Green Commodities Facility (GCF) is a	Andrew Bovarnick, GCF Director, UNDP
<u>Commodities Facility</u>	public-private partnership that will scale up existing	andrew.bovarnick@undp.org
	programs targeting market barriers to the production	
	and sale of sustainably produced commodities. Green	
	commodities eligible for GCF funding are sourced and	
	produced to minimize negative impacts in either bulk-	
	traded goods or specialized niche varieties. The	
	objective of the Facility is to shift global markets to	
	drive the production and sale of green commodities	
	instead of current unsustainable practices.	





### **Appendix: References**

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- Guidebook for the Development of a Nationally Appropriate Mitigation Action on Efficient Lighting (2013); United Nations Environment Programme.