

COMMUNITY PHILANTHROPY AND LOCALLY-LED ADAPTATION SOLUTIONS:

LESSONS LEARNED
FROM THE GLOBAL
SOUTH

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1

Introduction

Climate change has caused increasingly severe impacts around the world, but with devastating effects in the Global South due to a combination of social, economic and geographical vulnerabilities that expose communities and ecosystems to extreme risk¹. In 2024 alone, Brazil has already recorded the worst fire season in a decade, destroying the Amazon² and the Pantanal, with 11 million hectares burned, twice as much as in 2023, putting the lives of people living in rural and urban environments at risk from exposure to smoke. At the same time, Rio Grande do Sul has declared a state of climate emergency and public calamity due to catastrophic flooding which has resulted in the deaths of more than 180 people³, reinforcing the urgent need for adaptation measures and immediate responses to climate change.



Foto: Ahmad Jarrah

¹ UNFCCC (2022). [New Report Details Dire Climate Impacts in Latin America and the Caribbean](#) | UNFCCC

² Amazon Environmental Research Institute (2024). [Brazil burned 11 million hectares between January and August 2024](#)

³ G1 (2024) [Number of victims rises to 183 after flooding in RS; 27 people are still missing | Rio Grande do Sul](#) | G1

Although they affect everyone, indigenous peoples, traditional and local communities, women, children, black people and LGBTQIAPN+ are the main victims of these extreme events. This is because these groups already live in situations of socio-economic vulnerability and have less access to the services and resources needed to adapt to climate change. In addition, crucial ecosystems such as tropical forests and coastal zones are also under threat, directly affecting the biodiversity and environmental services on which these populations directly depend.

Faced with these challenges, discussions on **climate finance and adaptation and resilience strategies** have intensified at the Conferences of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC), especially considering the growing pressure from countries and communities in the Global South.

In emerging economies alone, adaptation investment needs will exceed US\$11 trillion by 2030⁴. However, international agreements and traditional climate finance mechanisms have proved ineffective in meeting the urgency and speed needed to meet the demands of these most vulnerable communities.

In the field of philanthropy, one of the main problems with funding is the concentration of resources in large groups which, as a rule, don't reach the communities that have the most efficient responses for protecting these territories. Some even reach intermediary NGOs and more organized movements, but in no way do they manage to reach the most excluded and vulnerable communities, who at the same time make up the main protection group for these territories, on a scale compatible with demand.

Foundations in the Global North, for example, control 99% of global funding for human rights and allocate 88% of this funding to organizations based in the Global North. The remaining 12% of funds go to groups in the Global South and East⁵. In addition, the **bureaucracy** involved in accessing these funds represents a significant barrier, with technical and administrative requirements that alienate local groups and grassroots organizations, leaving them without the support they need to work on climate mitigation and adaptation projects.

In addition to the concentration of resources, many of these institutions have narratives and agendas based on the priorities of the Global North, which limits the effectiveness of actions in the Global South. This creates a disconnect between funding proposals and real local needs, since in highly vulnerable regions the demand is for climate adaptation projects that address the immediate impacts faced by communities. This incompatibility hinders the development of effective responses that promote climate justice and sustain the resilience of the most affected groups.

In this context, there is an urgent need to support **Locally Led Adaptation (LLA)** measures⁶, as a central strategy to increase the resilience of communities and promote sustainable development based on their priorities. LLA is based on the premise **that the people who directly face the impacts of climate change should be the ones leading the adaptation processes in their communities and livelihoods**. In this way, community and decentralized climate finance plays a key role in supporting local adaptation measures, offering the necessary resources for communities to implement their strategies with autonomy and protagonism.



⁵ Trust-Gap-Report (2023). [Trust-Gap-Report-HRFN.pdf](#)

⁶ Global Center on Adaptation (2021). [Principles for Locally Led Adaptation Action](#).

The people and communities directly facing the impacts of climate change are the most proactive and creative in finding adaptation solutions. However, they often lack access to the resources and power needed to put them into practice effectively.

Locally Led Adaptation (LLA) has the potential to unlock, support and strengthen the capacity of these communities to develop and implement solutions. **By transferring power to local actors, without burdening them with full responsibility for adaptation,** it is possible to promote more efficient, fair and transparent adaptation. With this, it is possible to develop actions specific to local realities, guaranteeing greater social participation and climate justice.

Studies suggest that public participation can lead to more ambitious and transformative adaptation plans in cities⁷. By evaluating the concrete cases where community participation has resulted in greater ambition in urban climate plans, there is an indication that well-structured participatory processes can adopt more innovative and effective approaches to tackling climate challenges.

Furthermore, there is an understanding that effective public participation can improve adaptation in urban areas, mainly through the continuous engagement of citizens in decision-making processes⁸.

Faced with the urgent need to facilitate access to finance so that communities can spearhead local adaptation measures, community funds and philanthropy networks from the Global South are essential to guarantee the infrastructure needed to advance the financing of the adaptation agenda.

⁷ Reckien, D., Shwom, R., & Vaughan, C. (2021). Climate decision-making. *Current Opinion in Environmental Sustainability*, 52, 100-110. <https://doi.org/10.1016/j.cosust.2021.03.013>

⁸ Hügel, S., & Davies, A. R. (2020). Public participation, engagement, and climate change adaptation: A review of the research literature. *Wiley Interdisciplinary Reviews: Climate Change*, 11(4), e645. <https://doi.org/10.1002/wcc.645>



Since it was founded in 2005, the Casa Socioambiental Fund has been an important advocate for environmental actions in South America, supporting around 4,000 projects in 10 countries⁹, always prioritizing the provision of direct resources to Indigenous Peoples, traditional and local communities and to territories that are vital for biodiversity and climate regulation.

Historically focused on climate mitigation - an agenda with co-benefits for adaptation - the Fund's direct involvement with adaptation has intensified in recent years. This trajectory is justified by the direct demands of the groups supported. A clear example is the growing support for firefighting brigades, a direct response to the record increase in forest fires in Brazil.

With the worsening of extreme events such as fires and floods, the Casa Fund has recognized the need to expand its activities, and has supported adaptation measures and responses to the urgent needs of communities. This responsive nature of the Fund, which adapts to the direct demands of the territories, allows it to support climate change adaptation strategies to ensure climate justice, often neglected by traditional philanthropy.

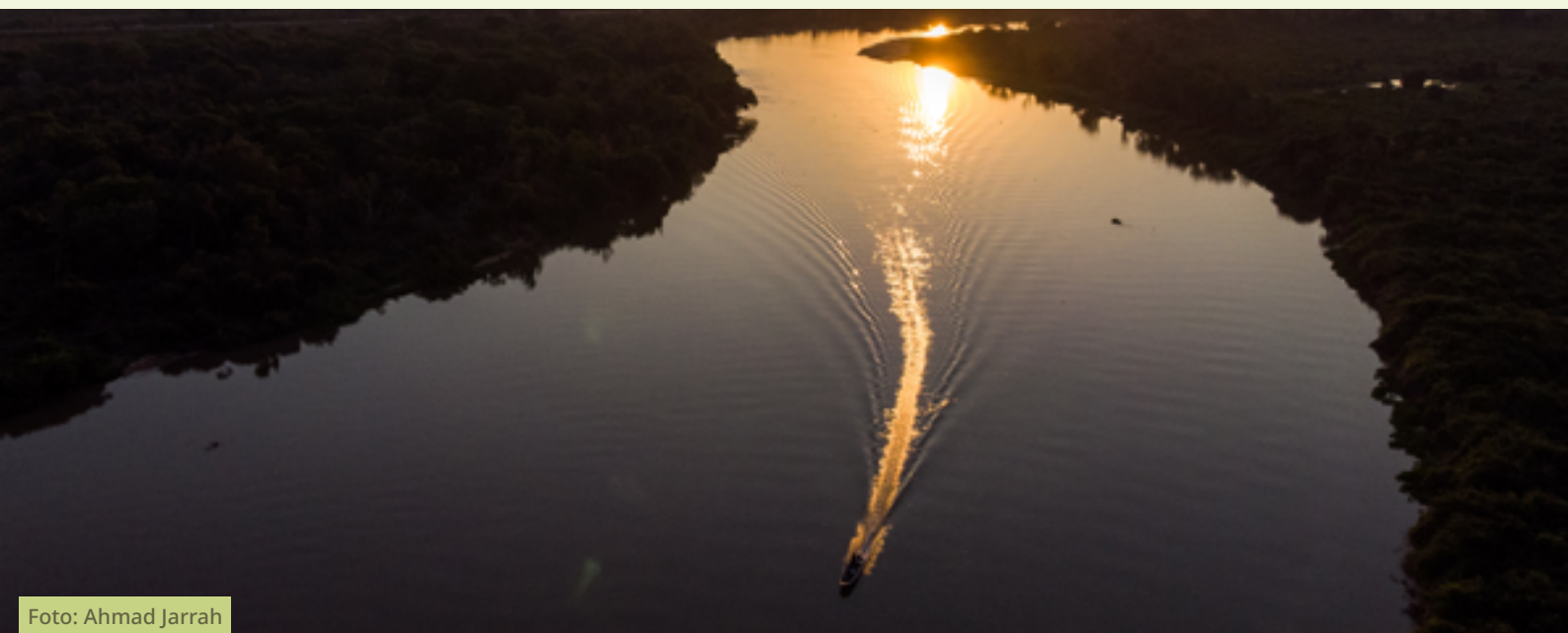


Foto: Ahmad Jarrah

⁹ Casa Fund (2024). [Casa Socio-Environmental Fund recognized as a successful model in environmental protection](#) - Fundo Casa Socioambiental

From 2019 to 2021, more than a thousand projects were supported by the Fund, with R\$40 million donated directly (approximately US\$8 million), strengthening the well-being and socio-environmental rights of communities. The Fund has the opportunity to consolidate its work on the adaptation agenda and to take important steps in this direction, such as co-constructing adaptation strategies in partnership with communities. Considering its capillarity, expanded through networking in countries of the Global South, there is an opportunity to contribute to building local adaptation agendas and narratives from the ground up.

Given this context, this policy brief points out the main challenges and opportunities related to financing mechanisms, in particular the Adaptation Fund, to support local communities, strengthen participatory management processes and support Locally Led Adaptation measures. The document highlights the role of funds from the Global South in the adaptation agenda and presents some networks and funds with participatory management that are already working on the climate agenda in the Global South and can serve as decisive financial mechanisms for increasing local resilience. Finally, it outlines recommendations for actors interested in climate philanthropy, in order to make access to financial resources more democratic and efficient, with communities at the heart of this process.



During COP29, when negotiators are expected to set a new global climate finance target for the first time in fifteen years, it is hoped that this goal will be ambitious, take into account the needs and priorities of developing countries and their peoples, and contribute to increasing the level of adaptation funding for those who contribute least but are most affected by climate change.

2

Challenges of financing mechanisms for adaptation and community philanthropy

Within the climate finance ecosystem, the main **financial mechanisms linked to the UNFCCC** - the Green Climate Fund and the Adaptation Fund - **face structural challenges**, especially when it comes to meeting the needs of countries and communities in the Global South effectively and quickly. Some of these challenges will be discussed in the topics below.

Bureaucracy and centralization. The current format is marked by a bureaucratic, time-consuming and centralized process, which prevents the swift disbursement of resources and makes it difficult to align global priorities with the urgent needs of the most vulnerable communities in the Global South. In addition, the high degree of complexity in accessing resources makes it difficult for small community organizations to access these funds, limiting the effectiveness of adaptation actions.

Box 1. *The financing gap between mitigation and adaptation and the role of the Adaptation Fund.*

According to the **Adaptation Gap Report 2023**, while investments in climate mitigation are growing rapidly (with figures close to 1.2 trillion dollars a year), funding for adaptation remains insufficient. In 2021, funding for adaptation amounted to 21.3 billion dollars, a 15% reduction on the previous year. Despite the reduction, financial flows should increase 10 to 18 times to meet global needs because adaptation costs are estimated at around US\$215-387 billion/year for developing countries in this decade¹⁰. This means that **there is a contradiction in the direction of climate finance**, since there is a financial need to increase resources for adaptation at the same time as there is a decrease in investment in this area worldwide.

The **Adaptation Fund** has emerged as a crucial tool for supporting adaptation projects in developing countries, being one of the main channels for providing funding through direct access. With more than US\$1.1 billion allocated, the Fund aims to give developing countries a leading role in the planning and implementation of adaptation projects, while ensuring monitoring and transparency at all stages¹¹. Despite its importance, the Fund's **accreditation process is highly complex**, which makes it difficult for countries and entities wishing to become eligible for funding to access it.

The Fund recognizes the importance of optimizing processes through resource mobilization strategies and improving accessibility for different groups, including local and more vulnerable communities¹². This includes innovations such as the development of new funding windows and a continuous improvement in the capacity of countries to manage resources¹³. To meet the growing demand for adaptation, it will be necessary to make progress in expanding and diversifying funding flows, as well as facilitating support for organizations with the capillarity and institutional capacity to implement projects that respond to local needs.

¹⁰ United Nations Environment Programme (2023). [Adaptation Gap Report 2023: Underfinanced. Underprepared. Inadequate investment and planning on climate adaptation leaves world exposed.](#)

¹¹ [Adaptation Fund.](#)

¹² Adaptation Fund (2022). [Elements and Options for the Fund's Medium-Term Strategy 2023-2027.](#)

¹³ The Adaptation Fund seeks to explore options to support locally-led adaptation actions based on existing modalities and windows of direct access and enhanced direct access, innovation (incl. Adaptation Fund Climate Innovation Accelerator), capacity building through readiness, as well as involvement of local and vulnerable communities, including women and youth, in all adaptation actions financed by the Fund.

The main form of financing for adaptation fosters inequalities¹⁴. The relationship between financing for adaptation and loss and damage. Financing for loss and damage is an important point of discussion in the climate negotiations. While the idea of loss and damage is that developed nations should help bear the costs of the losses that developing countries face due to the impacts of climate change, there is a close relationship between finance for loss and damage and finance for adaptation. The main difference is that adaptation finance seeks to help communities prepare for and reduce potential impacts, while loss and damage finance would mainly pay for the losses that occur despite investments in resilience.

Access to adaptation resources is not reaching the grassroots. Evidence shows that the available funding is not reaching those most vulnerable to climate impacts and who often have fewer resources to adapt. Data from the four main multilateral climate funds - the Adaptation Fund, the Climate Investment Fund (CIF), the Green Climate Fund (GCF) and the Global Environment Facility (GEF) - indicate that fragile and highly vulnerable countries are receiving less funding compared to others with middle-income economies¹⁶. Although Brazil is considered a middle-income country, the level of vulnerability of many Brazilian communities is comparable to that of countries with much less developed economies. Economic and social inequality within the country exposes many populations to intensified risks in the face of climate change, with little adaptation infrastructure and limited resources to cope with environmental impacts.

¹⁴ World Resources Institute (2022). [Adaptation Finance: 11 Key Questions, Answered](#).

¹⁵ OECD (2022). Climate Finance Provided and Mobilized by Developed Countries in 2016-2020: Insights from Disaggregated Analysis, Climate Finance and the USD 100 Billion Goal, OECD Publishing, Paris, <https://doi.org/10.1787/286dae5d-en>

¹⁶ UNDP (2021). [Climate Finance for Sustaining Peace: Making Climate Finance Work for Conflict-Affected and Fragile Contexts](#) | United Nations Development Programme

The relationship between financing for adaptation and loss and damage. Financing for loss and damage is an important point of discussion in the climate negotiations¹⁷. While the idea of loss and damage is that developed nations should help bear the costs of the losses that developing countries face due to the impacts of climate change, there is a close relationship between finance for loss and damage and finance for adaptation. The main difference is that adaptation finance seeks to help communities prepare for and reduce potential impacts, while loss and damage finance would mainly pay for the losses that occur despite investments in resilience.

Understanding climate risks is essential to increasing the level of funding available for adaptation.

According to the AdaptaBrasil Platform, of Brazil's 5,570 municipalities, 3,679 have low or very low adaptive capacity to extreme events and hydrogeological disasters, such as windstorms, heat waves, strong sea surges, landslides and floods¹⁸. As a result, material damage, economic loss and loss of human life occur on a massive scale.

Without policies aimed at climate adaptation, the response to risks is compromised, as is the raising of adequate resources. **The lack of consistent and up-to-date data makes it difficult to create effective adaptation plans, especially in cities, where climate impacts manifest themselves intensely and unevenly.** In addition, the lack of sectoral adaptation plans prevents different economic sectors from adequately preparing for future challenges, increasing the general vulnerability of the population and hindering climate resilience.



¹⁷ World Resources Institute (2024) [What Is 'Loss and Damage' from Climate Change? 8 Key Questions, Answered](#)

¹⁸ AdaptaBrasil Platform. <https://adaptabrasil.mcti.gov.br/>

These challenges underscore the urgency of transforming the system of financing and governance of climate adaptation, with a view to a more inclusive, agile approach that focuses on the real needs of vulnerable communities, especially in the Global South.

Increasing access to resources and prioritizing the strengthening of adaptation policies are essential steps to ensure that those most affected by climate change are not left behind. Considering that access to adaptation funding should be facilitated for those who need it most, supporting community funds can be a strategic approach to making communities more resilient and prepared to face the growing impacts of climate change.



Foto: Ahmad Jarrah

Community philanthropy aims for locally-oriented development, which strengthens the capacity and voice of communities, provides trust and builds local resources, seeking to balance power dynamics. Originating in practices of exchange, mutual aid, solidarity and community development, it is not a type of organization, but a practice. This approach connects with various conceptions, such as grassroots, engaged, participatory, horizontal, social justice, indigenous and territory-based philanthropy.

¹⁹ [What is community philanthropy?](#) - A guide to understanding and implementing community philanthropy.

3

The Casa Fund's role in the Adaptation Agenda

More responsive funds are essential to tackle the limitations of more traditional adaptation funding mechanisms. Just as important as agility is ensuring that they are locally consolidated. Since 2018, the Casa Fund has prioritized the climate agenda, considerably expanding its support for projects in this area, in order to guarantee increased resilience for peoples and communities who are on the front line in the fight against climate change.

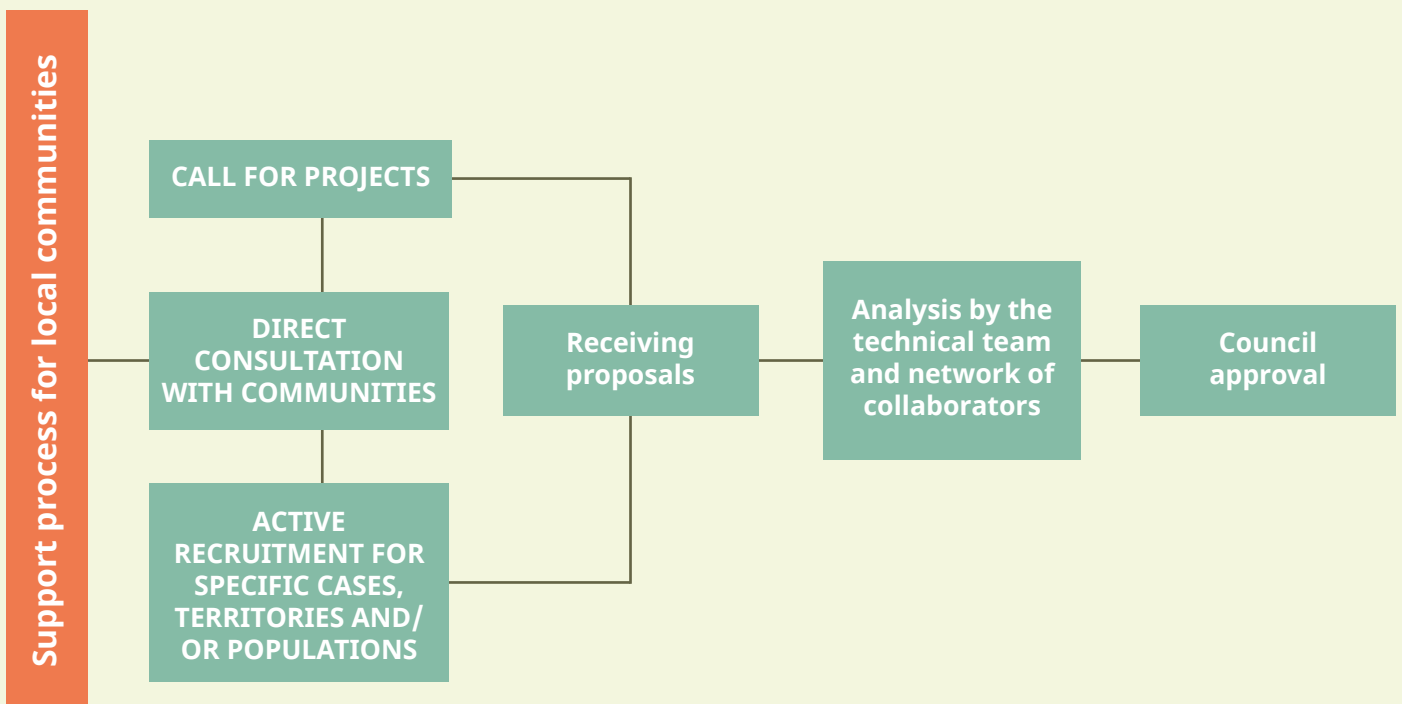


In 2023, R\$55.2 million (\$10.8 million USD) was donated to 434 projects, consolidating a record value of total grantmaking in a single year. Of this amount, R\$22.3 million (\$4.46 million USD) was earmarked for support in Brazil²⁰ and the other part for support of the nine founding members of the Socio-Environmental Funds of the Global South, plus its global coordination. The Casa Fund's work aims to promote sustainable development and social justice and is marked by aspects that benefit local communities, such as:

Reduced bureaucracy for grassroots organizations

Actions marked by flexibility and a focus on grassroots-led initiatives, promoting direct access to resources for small groups and community organizations and with less bureaucracy. The flowchart below shows the modalities that are part of the process of supporting local communities.

Flowchart 1. Casa Fund's support process for local communities



²⁰ Casa Socioambiental Fund (2024). [Annual Report 2023](#).

Proposal selection process using objective and transparent criteria

A fundamental difference of the Fund is the use of a Scoring Matrix, which analyzes the projects submitted to receive financing based on the criteria defined in the call for proposals and maintains the selection of proposals in an objective and transparent manner. Unlike processes that depend on the subjective interpretation of the technical team, the Scoring Matrix avoids bias and maintains impartiality, promoting a fair and reliable assessment. This method strengthens the trust of communities, who know that their projects will be judged clearly and according to well-defined criteria, increasing the legitimacy of the support granted.

Agility in the transfer of funds and the real value of projects in the territories

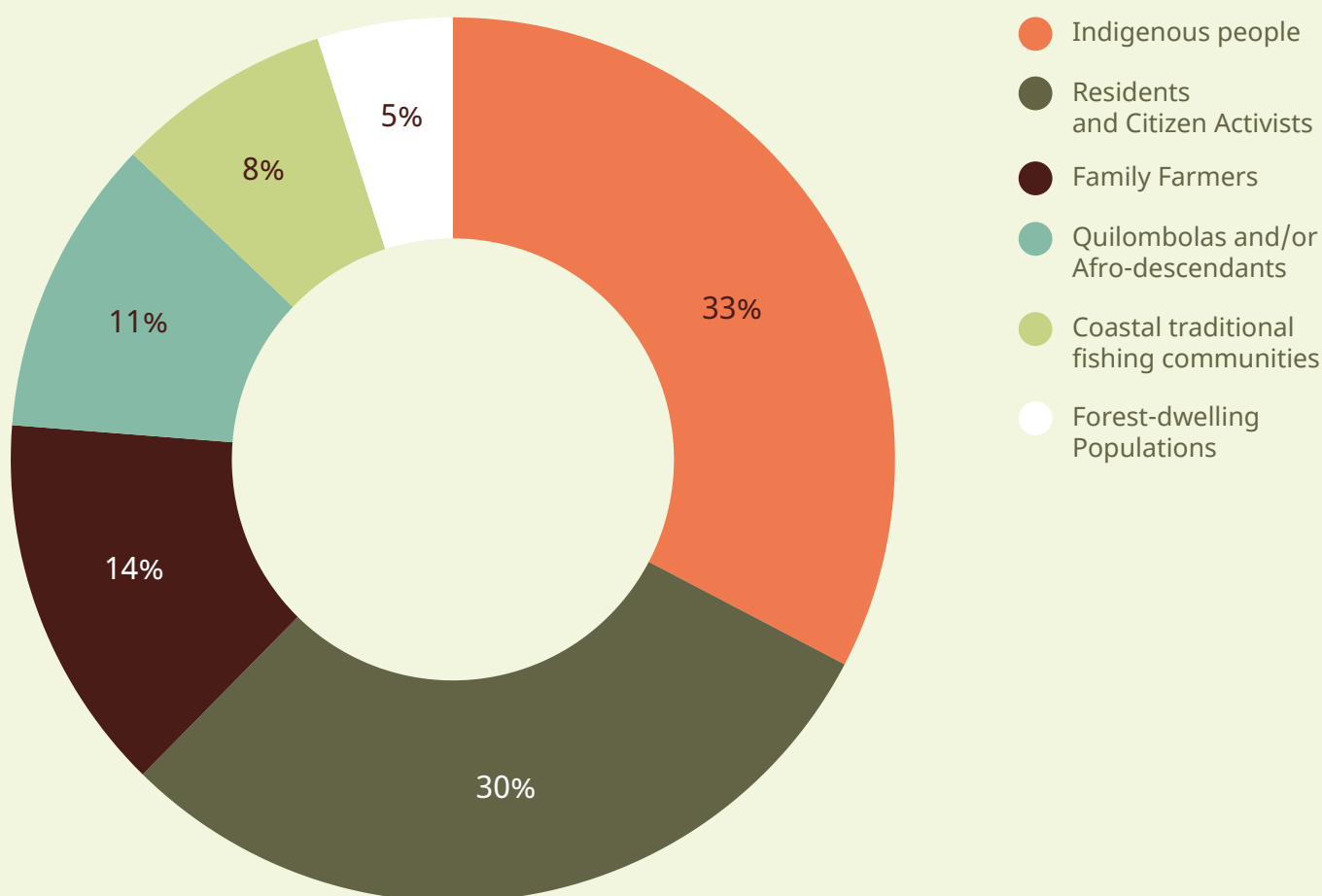
The process between the call for projects and the transfer of funds takes up to 3 months. Most of the support is made up of small grants - up to R\$50,000 (\$10,000 USD), which is often perceived by traditional philanthropy as a small contribution with little impact. However, this amount has a **deep and real impact on the lives of communities through targeted and close support.**



Resources actually reaching the end

In 2023, around **60% of the resources donated by the Fund were earmarked to support traditional communities**, including quilombolas, indigenous people, artisanal fishing communities and forest dwellers. This equates to more than R\$14 million (\$2.8 million USD) donated directly to groups disproportionately affected by climate change and historically disadvantaged in terms of funding, helping to reduce inequalities and structural barriers and to ensure that funding reaches those who need it most quickly. The graph below shows the percentage distribution of support for projects focused on each of the Casa Fund's priority groups, which are also priority audiences for adaptation measures in general.

Group 1. Percentage of groups supported between 2018 and 2023.



Women leading the implementation of adaptation measures.

Support for projects led by black women, artisanal fisherwomen and representatives of other vulnerable populations. In urban areas of southern Brazil, for example, there is a growing need to rebuild infrastructure that is resilient to climate change, due to periods of heavy flooding like the ones that devastated the state of Rio Grande do Sul.

Acting in different biomes through a comprehensive territorial approach.

Acting in different ecosystems, including the Amazon, Cerrado, Pantanal and Atlantic Forest and coastal areas. In addition, the Fund's work extends beyond forest and rural areas to urban and peripheral areas, where social problems are complex and resources are scarce.

Partnership with a national public bank.

Since 2023, a partnership between the Casa Fund and Fundo Socioambiental Caixa at Caixa Econômica Federal do Brasil, one of Brazil's largest public banks, has ensured **that the largest call for proposals in both Funds' history has been sealed, with a contribution of R\$53 million (\$10.6 million USD)**. The first call, launched in October 2024, seeks to support projects focused on Sociobiodiversity Businesses and Nature-Based Solutions²¹. The expertise and network of the Casa Fund are fundamental for the bank to reach communities that it would not be able to reach on its own, bringing a promising partnership model with the potential to be

²¹ Casa Socioambiental Fund (2024). [Socio-biodiversity Web](#).

Ensuring that international funding mechanisms channel support to funds with institutional capacity and extensive knowledge of regional realities is a strategic approach to achieving a greater level of capillarity and efficiency in the implementation of adaptation measures from the local to the global level. Community based and focused funds, established by local actors and experts, promote greater participation, ensuring that people and communities can directly influence the allocation of resources, leading to more inclusive solutions adapted to the real needs of the population - in line with the principles of Locally Led Adaptation²².

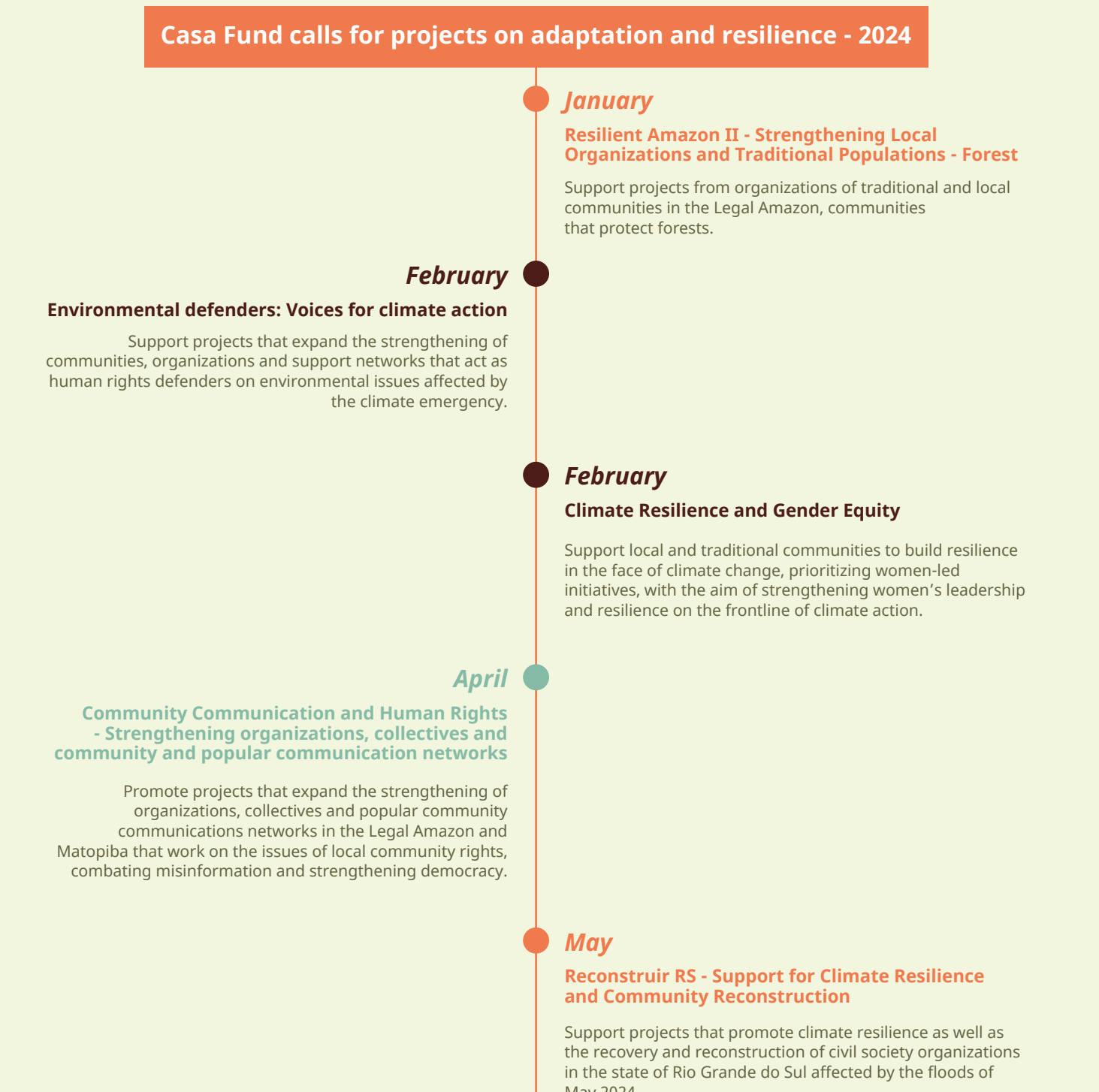
In the area of adaptation, the Fund's main contribution has been to **directly finance local, traditional and urban communities** in the implementation of solutions that strengthen resilience and promote **adaptation measures in view of the changes already observed in their territories**:

- 1. Fighting forest fires:** Support for the creation and strengthening of volunteer community brigades to deal with preventing and fighting forest fires, often of criminal origin.
- 2. Water resource management:** Financing projects that promote water security and adaptation to increasingly frequent periods of drought in rural and urban areas.
- 3. Agroecology:** Encouraging the adoption of sustainable agricultural practices, which strengthen local resilience and promote the production of healthy food, together with the maintenance and restoration of the forest, guaranteeing the permanence of people in their territories, food security and the generation of income for communities from the sale of this food.
- 4. Nature-based solutions:** Support for reforestation and conservation initiatives to mitigate environmental impacts and promote community resilience.

²² Global Center on Adaptation (2021). [Principles for Locally Led Adaptation Action](#).

The figure below shows some of the Casa Fund’s **calls for projects** that engage with the theme of Locally Led Adaptation, which were launched between January and October 2024. The diversity of themes - which include support for environmental defenders, women-led initiatives, emergency responses to disasters and extreme events, strengthening community projects and socio-biodiversity, as well as the ecosystems involved, demonstrate the variety and capillarity of the Fund’s work.

Image 1. Calls for support for Casa Fund projects on adaptation and resilience²³ - 2024



²³ Casa Socioambiental Fund - Calls for projects.

[Calls archive - Casa Socioambiental Fund](#)

May

Amazônia Viva - Strengthening the Autonomy and Resilience of Forest Peoples

Supporting projects by local organizations of traditional indigenous communities, quilombola territories and forest-dwelling populations in the Brazilian Amazon through initiatives that value their sustainable way of life.

May

Fair energy transition and strengthening artisanal fishing

Support projects that increase the strengthening of grassroots community organizations in defending their rights and territories in the face of the implementation of energy projects (oil, gas, hydroelectric plants, transmission lines, wind, solar, nuclear).

May

Strengthening youth in confronting environmental racism

Expand and strengthen the role of movements and organizations led by youth, in all states of Brazil, in the development of local actions to combat environmental racism and the injustices caused by climate emergencies in the territory.

June

Strengthening Communities for Conservation and Revitalization of the Atlantic Forest and Climate Resilience

Strengthening grassroots communities in this biome in their quest for better living conditions and socio-environmental justice, with a focus on restoring/recovering the Atlantic Forest and building protocols for coping with climate change.

September

Immediate reinforcement: Emergency support for Volunteer and Community Brigades

Supporting local groups in dealing with Climate Emergencies caused by Forest Fires.

September

Support for local groups in facing Climate Emergencies caused by Forest Fires

Support voluntary and community forest firefighting brigades, community associations, traditional, local and rural communities that were impacted by forest fires in the last year.

October

Socio-biodiversity Network

Promote and strengthen the capacities of 400 organizations from traditional and local communities, in the countryside and in the city, on the themes of Business from Sociobiodiversity and Nature-based Solutions.

4

Participatory approaches in locally-led adaptation solutions

Research shows that **participatory management is an essential strategy for boosting adaptation actions in the territories**²⁴. This management model **has the potential to create long-term public commitments, establish shared responsibilities for local governance, promote greater community involvement and include groups that are often excluded from decision-making processes that impact them** (T20, 2024)²⁵. In addition, involving local and traditional communities comes as an opportunity to emphasize locally-led adaptation measures that are already underway.



Foto: Ahmad Jarrah

²⁴ Hügel, S., & Davies, A. R. (2020). Public participation, engagement, and climate change adaptation: A review of the research literature. *Wiley Interdisciplinary Reviews: Climate Change*, 11(4), e645. <https://doi.org/10.1002/wcc.645>

²⁵ T20 Policy Brief (2024).

https://t20brasil.org/media/documentos/arquivos/TF02_ST_04_Using_Participatory66cde847e0257.pdf

Participatory governance for adaptation is also understood as **an approach that seeks to reduce uncertainty by improving the knowledge base for decision-making** (Siciliano and Giuseppina, 2014)²⁶, whether that decision is political or financial. In this way, the Casa Fund, through continuous processes of listening and exchange with the communities and organizations supported, ensures that the calls for projects reflect the real needs of the territories and the search for more adapted and effective solutions to the challenges. Participatory systems can support the collaborative learning of different actors and point to new ways of understanding and overcoming complex relationships between climate adaptation and the well-being of communities²⁷.

In view of this, the Casa Fund prioritizes active listening to the local communities it supports through the continuous collection of feedback during the evaluation processes of funded projects, allowing it to understand emerging needs. Based on this input, the Fund adjusts its calls and actions, focusing on the priorities identified by the communities themselves, such as issues related to climate resilience, agroecology and sustainable resource management. This participatory process allows for a more adaptive and responsive approach to local realities.

In addition to the importance of fostering participation in order to raise the political profile of the adaptation agenda, the Global Commission on Adaptation (GCA) launched eight **guiding principles for Locally Led Adaptation** in 2021, focusing on concrete solutions at the international and local level²⁸. The principles were launched through a letter of endorsement signed by more than 30 organizations active in international philanthropy, including the Adaptation Fund.

²⁶ Siciliano, Giuseppina (2014). Integrating adaptive governance and participatory multicriteria methods: A framework for climate adaptation governance. *ECOLOGY AND SOCIETY*. 19. 74. 10.5751/ES-06381-190274.

²⁷ Harrison, Sarah, Macmillan, Alexandra, Bond, Sophie, Stephenson, Janet (2023). Participatory modeling for local and regional collaboration on climate change adaptation and health. *The Journal of Climate Change and Health*, 12, 100235. <https://doi.org/10.1016/j.joclim.2023.100235>

By committing to this effort, organizations are moving away from a conventional approach to an innovative one, which seeks to **increase local funding, modify bureaucratic processes for accessing funds and adjust internal structures to better integrate local priorities.**

Table 2. Guiding principles of Locally Led Adaptation and the work of the Casa Fund

Principle	Description of the Principle	How the Casa Fund works
1. Addressing structural inequalities	Integrate gender, economic and political inequalities, which are the root causes of vulnerability, into the core of adaptation action, encouraging the meaningful participation of these vulnerable and marginalized groups in adaptation decisions.	The Casa Fund prioritizes support for the most vulnerable communities, including indigenous and traditional peoples, women and youth, focusing on reducing structural inequalities. 56% of the projects approved in 2023 were led by women , equivalent to 225 projects and more than R\$40 million in funding. In addition, 727 indigenous projects have been supported throughout the Casa's history, benefiting 182 of the 305 ethnic groups recognized in Brazil.
2. Decentralization of decision-making	Give local institutions and communities more direct access to funding and decision-making power over how adaptation actions are defined, prioritized, designed and implemented; how progress is monitored; and how success is evaluated.	The Casa Fund maintains an active network of partners made up of other institutions and local communities who identify challenges and facilitate decision-making on where resources should go . Calls for projects often respond to urgent adaptation needs in the territories, such as support for fire brigades and the reconstruction of cities and communities after disasters.
3. Affordable and predictable financing	Support the long-term development of local governance processes, capacity and institutions through simplified access modalities and more predictable and lasting funding horizons, to ensure that communities can effectively implement adaptation actions.	The Casa Fund offers flexible financial support, with up to 3 months between the call for projects and the transfer of funds to communities . This means less bureaucracy to ensure that communities can implement adaptation actions quickly. In general, support lasts a maximum of one year and can be renewed up to three times, with the exception of projects in the "protection of rights" theme, where the approach can be longer.

²⁸ The Global Commission on Adaptation was launched in 2018 by the 8th Secretary-General of the United Nations, Ban Ki-moon. Established by the Prime Minister of the Netherlands Mark Rutte and the leaders of 22 other participating countries, the Commission was launched with the mandate of accelerating adaptation, raising the political profile of adaptation and focusing on concrete solutions.

Principle	Description of the Principle	How the Casa Fund works
<p>4. Transparency and responsibility</p>	<p>Make the processes of financing, designing and implementing programs more transparent and accountable to local stakeholders.</p>	<p>The Casa Fund adopts transparent practices in the management of its resources, with the annual publication of activity and audit reports.</p>
<p>5. Investing in local capacities to leave an institutional legacy</p>	<p>Improve the capacities of local institutions to ensure that they can understand climate risks and uncertainties, generate solutions, facilitate and manage long-term adaptation initiatives without relying on project-based donor funding.</p>	<p>One of the fundamental premises of the Casa Fund is to support the institutional development of the organizations it supports, with a view to their sustainability and their ability to manage projects in the long term. Also in 2023, 31 workshops were held on the following topics: financial and administrative management, institutional management and accounting consultancy. A total of 609 participants attended the workshops, representing 478 organizations²⁹.</p>
<p>6. Flexible programming and learning</p>	<p>Enable adaptive management to deal with the uncertainty inherent in adaptation, especially through robust monitoring and learning systems, flexible funding and flexible programming.</p>	<p>The Casa Fund launches calls for projects based on the needs they map in the territories and also based on the emergency demands they receive from communities. In this sense, the funding can be used flexibly to respond to urgent adaptation needs. The funds can sometimes be used for institutional costs, as well as for the purchase of equipment.</p>
<p>7. Understanding climate risks</p>	<p>Inform adaptation decisions through a combination of local, traditional, indigenous, generational and scientific knowledge that can enable resilience in a variety of future climate scenarios.</p>	<p>The Casa Fund values local and traditional knowledge, including the knowledge of Indigenous peoples, traditional communities, Afro-descendants and local people, in the implementation of projects and in the preparation of reports. These reports often point out the risks and challenges facing communities and discuss how the support offered creates strategies to improve people's resilience in the face of climate change.</p>
<p>8. Collaborative action</p>	<p>Collaborate across sectors, initiatives and levels to ensure that different initiatives and funding sources (humanitarian assistance, development, disaster risk reduction, green recovery funds, etc.) support each other and that their activities avoid duplication, to increase efficiency and promote good practices.</p>	<p>The Casa Fund is integrated into regional and international networks and partnerships, mainly in the Global South. This increases collaboration with different actors and funds, improves the efficiency of the use of resources and promotes the exchange of experiences, good practices and lessons learned on mitigation and adaptation actions.</p>

²⁹ Casa Socioambiental Fund (2022). [THE GUARDIANS OF THE FORESTS - FINANCING FOR CLIMATE RESILIENCE.](#)

As well as acting in dialogue with the principles of Locally Led Adaptation, Casa opens up ways for other funds in the Global South to adapt their methodologies to better suit local communities and realities. Alignment with ALL's principles and this networking contribute to the **transformation of philanthropic practices**. The Fund's inclusive and participatory approach goes beyond its interaction with communities, but extends to its internal governance, which is marked by an intersectional approach.

*Box 2. From the inside out:
participatory internal management*

The Casa Socio-Environmental Fund's policies and strategies are built on participatory approaches, reflecting its commitment to inclusion and diversity. Since its creation, the Fund has adopted an inclusive approach in its team composition³⁰, 72% of whom are women, and with black, young, indigenous, LGBTQIAP+ and traditional community people from the different regions of Brazil. With this composition, the Fund is able to ensure that internal decisions are made with a broad vision and sensitivity to the different realities of the country.

In addition, the Fund adopts a collaborative governance model, in which the Governance Board plays a central role. This Council is made up of indigenous people, women, quilombolas, artisanal fishing communities and environmentalists. The Council's role is to support the fulfillment of the Casa Fund's mission by helping to understand the different contexts, challenges and opportunities. The members of the Council may be called upon to represent the Fund in different instances, and they look after the institutional image and position, as well as ratifying the projects supported each year, and may occasionally seek to monitor the selection of projects more closely, in themes of their direct interest and/or expertise.

³⁰ Casa Socioambiental Fund. [Team](#).

³¹ Casa Socioambiental Fund. [Council](#).

5 Participatory climate networks and funds based in the global south

Collaborative funds in the Global South have stood out for their networking, mobilizing partners to strengthen community philanthropy and support local communities in a decentralized way, adapted to local realities. Through networking, collaborative funds operating in the Global South offer a solid value proposition, based on three essential pillars: efficiency, effectiveness and engagement³². They facilitate due diligence, logistics and risk management for funders, while strengthening local capacity through proximity to communities. In addition, these funds promote continuous donor involvement, providing a learning journey that contributes to the development of more effective and sustainable solutions.



Foto: Ahmad Jarrah

³² The Bridgespan Group (2024). [Want to Fund in the Global South? Philanthropic Collaboratives Can Help.](#)

The Casa Fund has been a catalyst for action in the Global South, where it mobilizes partners to act in community philanthropy with a focus on local communities. After 10 years of operation in South America, **the Fund decided, based on its experience that, instead of continuing to expand regionally, the best approach would be to support the creation of independent funds in countries that share biomes, such as the Amazon, following the Casa Fund model.**

The Fund allocated R\$32.8 million (\$6.56 million USD) to support eight funds in Latin America, Africa and Asia, in the context of the Socio-Environmental Funds of the Global South. These funds, in turn, made grants to 265 projects, reinforcing the strategy of strengthening local funds throughout the Global South.

Since 2016, the Casa Fund has been sharing its experiences to help establish and strengthen new local funds, demonstrating how these actors can manage resources effectively and at scale³³. Between 2018 and 2020, five new funds were established in South America and one in Africa: the Semilla Socio-Environmental Foundation in Bolivia, the Emerger Socio-Environmental Fund in Colombia, the Ñeque Fund in Ecuador, the Peru SocEnvironmental Fund, and the Tindzila Fund in Mozambique³⁴.

The Fund has worked on a model of collaborative philanthropy, showing the importance of directing financial and institutional resources to grassroots groups and promoting new funds in the Global South. In addition to its catalytic role, the Casa Fund is also part of national and international networks that mobilize community philanthropy to generate positive impact in local communities. Below is a list of some of these networks.

³³ [2023 Report from Casa Socio-Environmental Fund: US\\$10.8 million in support for projects across Brazil and the Global South with international recognition.](#)

³⁴ API Transparency initiative (2023). [Socio-environmental funds in South America insights on localization in practice.](#)

National

Alliance among Funds

Formed by Fundo Elas+, Fundo Brasil de Direitos Humanos and Fundo Casa Socioambiental. This alliance emerged from the community mobilization for racial, social, environmental and gender justice to confront Covid-19 and proposes a new way of acting in the philanthropy ecosystem in Brazil, collaborative philanthropy for social justice.

Comuá Network

Acting in different ecosystems, including the Amazon, Cerrado, Pantanal and Atlantic Forest and coastal areas. In addition, the Fund's work extends beyond forest and rural areas to urban and peripheral areas, where social problems are complex and resources are scarce.

International

Alianza Socioambiental Fondos del Sur (Socio-Environmental Funds of The Global South)

A network of fifteen independent socio-environmental funds covering more than 50 countries in Africa, Latin America and Southeast Asia. The alliance's member funds are local funds with national, regional or global operations, created in different countries of the Global South. In addition to making direct donations, each fund supports community based organizations to build capacity and institutional strengthening. Alliance members partner with and implement methodologies similar to those of the Casa Fund, raising funds and supporting initiatives around the world, empowering local communities that develop solutions for environmental preservation and climate balance³⁵.

³⁵ [Casa Socio-Environmental Fund recognized as a successful model in environmental protection.](#)

Edge Funders Alliance

A network of foundations dedicated to strengthening social movements around the world. To this end, they encourage dialogues between funders and movements in a very advanced and participatory way. The Casa Fund, as well as being a member of this network, has for many years contributed to strengthening the participation of local funds from the South within this space.

Human Rights Funders Network

The largest global network of foundations and funds that invest in human rights in all its different aspects and forms, from racial equity to gender justice, traditional peoples, combating modern slavery, and many other variations of these themes. The Casa Fund was part of the Steering Committee of this network for six years, helping to strengthen the perspective of local funds from the Global South and their specialties.

Environmental Grantmakers Association (EGA)

A community made up of more than 200 foundations from North America and other parts of the world with the purpose of practicing just philanthropy in support of people and the planet. In 2021, EGA members earmarked a record \$2.3 billion for environmental issues.

Philanthropy Together

It is a global initiative, co-created by hundreds of collective giving leaders, to expand and strengthen a growing movement. Its mission is to diversify and democratize philanthropy. This practice strengthens community ties, creates a space for the practice of democracy and increases civic engagement - crucial elements for building a thriving multiracial democracy that underpins all other issues for building an equitable world.

In general, networking offers three levels of benefits:

i) For the funds themselves. Networking strengthens the exchange of experiences and enriches the organization of good practices and lessons learned from peers;

ii) For the Global South. It is strategic for organizations to partner and act as a bloc in order to strengthen the visibility of the similar issues they face, and thus create a platform for their demands to be heard in global forums;

iii) For community philanthropy. It is important that the funds work in collaboration so that the discussions and resources of traditional and international philanthropy can reach the territories that are most vulnerable to climate change and need support to adapt.



6

Recommendations for actors in the climate finance ecosystem

1. Scaling Up and Simplifying Climate Finance for Adaptation

- Increase the amount of resources mobilized for climate adaptation with a focus on the Global South in order to reduce the funding gap that exists between adaptation and mitigation, considering that the issue is urgent and there is a high cost of inaction.
- Facilitate the procedures for accessing adaptation funds, creating flexible alternatives to the level of bureaucracy involved, with a view to ensuring that community funds and smaller organizations access the resources and pass them on to the communities.
- Increase flexibility in the use of resources and create mechanisms for adaptation and rapid response to disasters, especially to support impacted and highly vulnerable communities.



2. Strengthening Climate Adaptation Narratives from Communities in the Global South

- Building a narrative of adaptation that reflects the intersectional perspectives of the Global South, addressing issues of gender, anti-racism and youth, through awareness-raising campaigns on these topics and the creation of content on multiple platforms that portrays the impact of direct donations on local communities.
- Encourage the creation and strengthening of regional networks that connect donors and affected communities in the Global South, to ensure that local needs are shared effectively.
- Diversify the channels of communication between the funds, communities and partner organizations, making interaction more agile and accessible through tools such as WhatsApp, emails, social networks and online or face-to-face meetings, where applicable.

3. Prioritizing Locally Led Projects with Intersectional Approaches

- Allocate more resources to adaptation initiatives led directly by local communities, ensuring that women, young people and communities in vulnerable situations have an active voice in the processes of preparing and disbursing funding.
- Recognize, value and respect local knowledge, especially that of Indigenous Peoples, traditional communities, Afro-descendants and locals, ensuring that their perspectives are integrated into adaptation strategies.
- Support participatory processes that guarantee the co-construction of adaptation strategies by the communities themselves, promoting solutions adjusted to their realities in order to preserve their traditional ways of life as a tool for achieving climate resilience.

4. Strengthening Long-Term Capacities

- Invest in the institutional development of local organizations so that they can manage funds and implement more effective adaptation measures in the long term.
- Develop leadership and project management training programs focused on developing the skills of local communities, in order to train local leaders who are more capable and able to lead adaptation initiatives effectively and with commitment.
- Establishing learning exchanges between regions, replicating successful practices and expanding the impact of projects already implemented in order to scale up positive impact projects nationally and internationally.

5. Expanding Data Collection and Analysis to Support Local Adaptation Strategies

- Develop and expand data collection initiatives at the local level, through quantitative and qualitative research, generating information on which to base more precise and effective adaptation strategies.
- Support partnerships between local organizations and research institutes and academia to create robust databases on climate vulnerabilities and risks specific to each region, considering data disaggregated by gender, race, age and other intersectionalities.
- Use the data collected to create or adjust sectoral policies and adaptation policies that reflect local realities, ensuring that they respond to the context and needs of communities.



7

Conclusion

Adaptation is crucial to improving the long-term global response to climate change and protecting people and ecosystems. To this end, strengthening support for effective and participatory adaptation measures is becoming an urgent necessity and must be a priority on the agendas of governments, the private sector and global financing actors. This is because the cost of adaptation is considerably lower than that of inaction, which highlights the importance of a proactive and preventative approach.

In order to tackle the challenges of climate change, funders need to do more than expand their investments; they need to ensure that these resources reach the groups that need them most - such as indigenous peoples, traditional communities, local people and black people. Funding must adopt an intersectional approach, centered on guaranteeing rights and strengthening people and the territories they inhabit. After all, different social realities require specific and inclusive solutions.





Financing mechanisms and donors play a crucial role in understanding the combined benefits that mitigation and adaptation actions bring to communities. Based on this, the level of support must be adjusted to respond appropriately to the priorities of reducing risks, vulnerabilities, losses and damages. The allocation of resources needs to be aligned with the real needs of these communities, which are on the front line of climate change.

The Casa Fund and other Global South funds have played an important role in promoting adaptation measures through local and participatory approaches. It is imperative that these funds receive more resources to strengthen the resilience of the groups they support, ensuring that adaptation solutions are implemented effectively and at scale. Considering that resources are often insufficient and difficult to access for those who need them most, as well as legitimizing their work in the territories they represent, funds from the Global South need to be included in a significant way in strategic discussions and in the construction of global philanthropy narratives. Collaboration and mutual recognition between organizations from the Global North and South are fundamental to tackling shared challenges and ensuring that resources get to where they are really needed.

Finally, many community funding mechanisms in the Global South already have the necessary infrastructure to implement locally-led adaptation solutions. And their ability to act at scale and ensure that support reaches areas where funding is scarce or non-existent highlights the importance of investing in these funds. Recognizing the transformative potential of these initiatives and committing to closing the financing gap for adaptation and rapid responses to climate events is vital to building a more resilient future for the most affected communities, who face both the impacts of climate change and structural social, environmental and economic inequalities.



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