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

### **Background**

In accordance with Article 34 of the International Coffee Agreement 2007, the International Coffee Organization is required to provide Members with studies and reports on relevant aspects of the coffee sector. This document contains the Guide for Financing Climate-Related Activities in the Coffee Sector.

### **Action**

The Council is requested to take note of this document.

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

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Within context of INDC process in 2015

**February 2015**

Executive summary: Countries are working towards a global climate change treaty at the end of 2015. They are submitting intended nationally determined contributions (INDCs). The coffee sector should be mentioned in the INDCs of coffee-producing countries because it creates awareness for the challenges of the sector and enhances the opportunities that the sector receive climate financing over the coming years. The goal of this document is to encourage the coffee sector in coffee-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)<sup>1</sup> 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>1</sup> [www.coffeeandclimate.org](http://www.coffeeandclimate.org); <http://toolbox.coffeeandclimate.org>

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

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

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

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

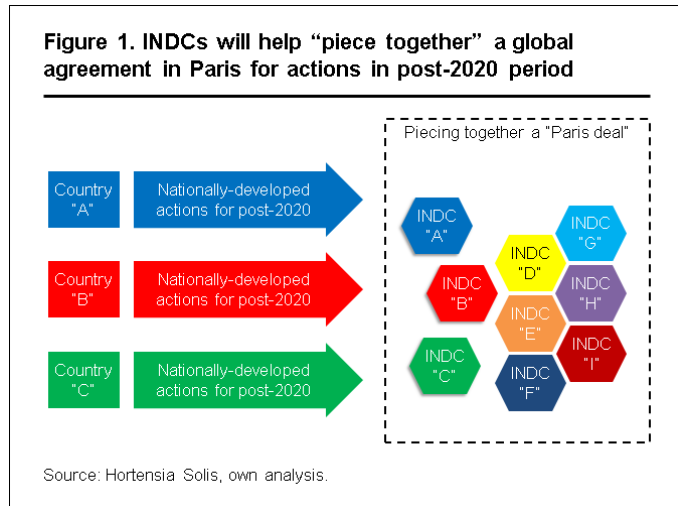
<sup>6</sup> United Nations Environmental Program (UNEP)

<sup>7</sup> Read more about ICO's climate change views [here](#) and [here](#).

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

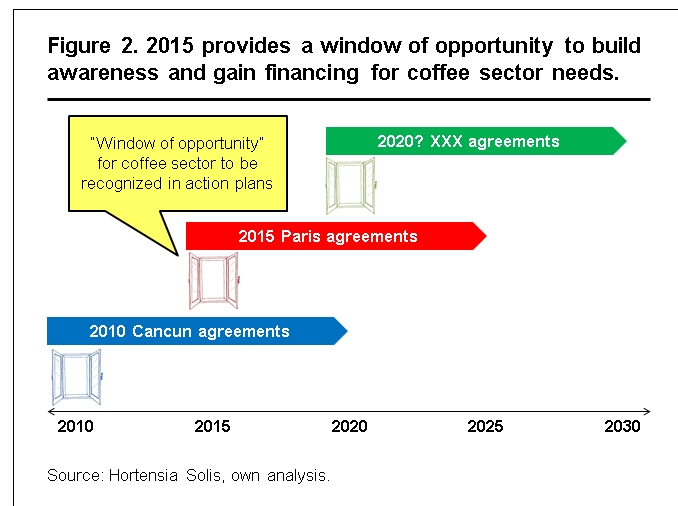
From 30 November to 11 December 2015, the UNFCCC will coordinate the 21<sup>st</sup> annual conference of parties (COP 21) meeting in Paris, France. This “summit” will be another step forward in the global effort to address the risks of climate change.

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*

<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.

are inherently bottom-up mechanisms to determine actions.

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

Adaptation, productivity and mitigation actions are not mutually-exclusive. Most climate adaptation actions proposed by relevant organizations in the sector (e.g., Colombian Coffee Growers Federation (FNC), 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 actions 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 varieties	New varieties can increase yields and require fewer inputs	New varieties can be more resistant to pests/diseases and produce at higher temperatures	New varieties can increase productivity and reduce emissions due to more efficient fertilization and less land use
Gradual replanting	Replanting can lead to significant yield increases in older farms	Replanting allows for incorporation of better adapted and more productive varieties	Replanting can increase productivity and reduce emissions due to more efficient fertilization and less land use
Better planting practices	Wealthy trees can produce beans more quickly and develop stronger growth habit	Stronger seedlings are better prepared to survive climatic events	Higher planting density and quicker development of productivity reduce potential pressure on land
Tree rejuvenation (stumping/pruning)	Pruning/stumping can lead to significant yield increases in older farms	Pruning/stumping can make plants more resilient to weather events	Increased productivity means less fertilizer use and land use change

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

<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)."

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

<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.

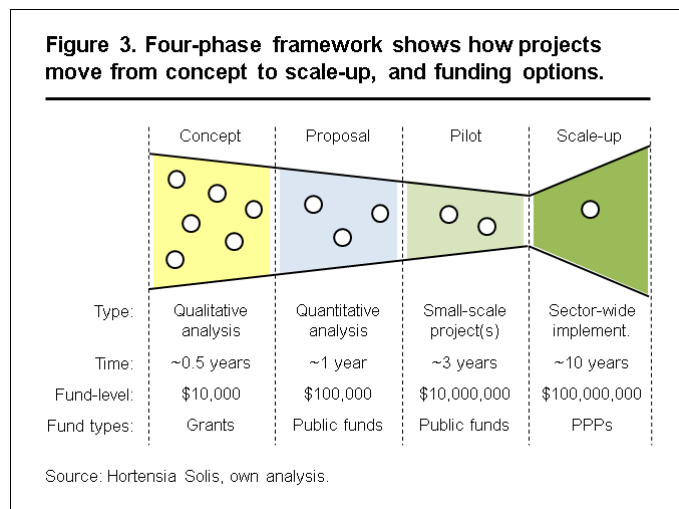
<sup>12</sup> Protecting a scarce resource and assuring its quality.

**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 backing the COP process and pledging 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>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 the 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 style="list-style-type: none"> <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 style="list-style-type: none"> <li>1. Develop a “long list” of action opportunities based on: <ul style="list-style-type: none"> <li>• Improved productivity,</li> <li>• Improved resilience, and</li> <li>• Reduced emissions.</li> </ul> </li> <li>2. Screen the long-list of potential actions based on a set of criteria to develop a “short list” emphasizing the impact and feasibility.</li> </ol>	<ul style="list-style-type: none"> <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 style="list-style-type: none"> <li>1. Develop a 5-page report that provides context and presents the long and short list of actions.</li> <li>2. Validate the initial report with key stakeholders and revise based on expert feedback.</li> </ol>	<ul style="list-style-type: none"> <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 style="list-style-type: none"> <li>• Historical trends</li> <li>• Projection                             <ul style="list-style-type: none"> <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 style="list-style-type: none"> <li>1. Estimate the benefit of each action from productivity, adaptation and mitigation perspectives.</li> <li>2. Calculate the costs associated with each action.</li> <li>3. Assess sustainable development co-benefits / negative impacts.</li> <li>4. Discuss financing options.</li> </ol>	<ul style="list-style-type: none"> <li>• Quantitative analysis of benefits and additional costs vs. reference case for each action proposed</li> <li>• Rank actions based on cost-effectiveness 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 style="list-style-type: none"> <li>1. Develop a 50-page report that provides reference case and presents an analysis of scenarios for different actions.</li> <li>2. Validate the report with key stakeholders and revise based on feedback.</li> </ol>	<ul style="list-style-type: none"> <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>

The proposal is the second phase of the presented funnel framework. Developing the proposal requires technical and economical expertise to assess risks, opportunities, costs

<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.

and benefits. The proposal can benefit from an on-the-ground researcher who can track-down 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 require some adjustment. 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 style="list-style-type: none"> <li>Specify initial supporting theories to be tested</li> <li>Define a timeframe for the 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 the impact of the pilot</li> </ul>

<sup>16</sup> This document has to be fully developed before executing the pilot and will constitute the basis for evaluation of the pilot, as well as a basis for the 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 style="list-style-type: none"> <li>• Select sample farms where the pilot will run</li> <li>• Buy/install equipment (if any)</li> <li>• Train people on objectives of work and projected results</li> <li>• Activate a monitoring plan, once running, so indicators can be measured and data analyzed</li> <li>• Terminate the pilot once the data is sufficient for decision-making</li> </ul>
Sharing learnings and improvements	Write a report with the collected findings in order to share learnings	<ul style="list-style-type: none"> <li>• Discuss most relevant experiences and data from the pilot, including technical and economic aspects</li> <li>• Suggest adjustments to the 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 presented in Section 4.0. 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

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<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.

- Sector organizations, such as the national federation of coffee growers
- Industry bodies, such as the exporters or roasters association
- Suppliers of fertilizers and pesticides
- 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 style="list-style-type: none"> <li>• Determine scalability of projects and identify required 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. a Gantt chart)</li> <li>• Establish budgets for corresponding action</li> </ul>
Implementing actions	Ensure that the scaling up is successful and sustainable	<ul style="list-style-type: none"> <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 style="list-style-type: none"> <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 funding

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

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

Fund / sponsors	About the funding opportunity	Opportunity / key contact / relevant info
<p><a href="#">International Climate Initiative (IKI)</a> - Germany</p>	<p>The 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, adaptation to the impacts of climate change and the protection of biological diversity.</p>	<p>Have funded projects in Costa Rica, Ethiopia and regionally in Central America.</p> <p>Deadline: generally around June</p> <p>Isabelle Floer <a href="mailto:isabelle.floer@programmbuero-klima.de">isabelle.floer@programmbuero-klima.de</a></p> <p>Julia Rüsç <a href="mailto:julia.ruesch@programmbuero-klima.de">julia.ruesch@programmbuero-klima.de</a></p> <p><a href="mailto:programmbuero@programmbuero-klima.de">programmbuero@programmbuero-klima.de</a></p> <p>Markus Kurdziel <a href="mailto:Markus.Kurdziel@programmbuero-klima.de">Markus.Kurdziel@programmbuero-klima.de</a></p> <p>Telephone: +49 (0) 30 338 424 - 218</p>
<p><a href="#">Climate and Development Knowledge Network (CDKN)</a> - Netherlands and UK</p>	<p>The Climate and Development Knowledge Network supports decision-makers in designing and delivering climate compatible development. They do this by combining research, advisory services and knowledge management in support of locally owned and managed policy processes. They work in partnership with decision-makers in the public, private and non-governmental sectors nationally, regionally and globally.</p>	<p>CDKN could support overall sectorial efforts to get organized and develop strategies, access finance, etc.</p>
<p><a href="#">Forest Carbon Partnership Facility - Readiness Fund (FCPF-RF)</a> - various organizations</p>	<p>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</p>	<p>This could be an interesting opportunity for countries who want to obtain funding for reforestation, silviculture and tree shading activities in coffee farms.</p>



Fund / sponsors	About the funding opportunity	Opportunity / key contact / relevant info
	conserve forest carbon stocks, and sustainably manage forests (REDD+).	
<a href="#">Adaptation Fund (generally implemented via the UNDP)</a> – various countries	The Adaptation Fund is a financial instrument under the UNFCCC and its Kyoto Protocol (KP) and has been established to finance concrete adaptation projects and programmes in developing countries parties to the KP, in an effort to reduce the adverse effects of climate change facing communities, countries and sectors.	Focused on adaptation measures. Check out <a href="#">this web page</a> for how to apply.  <a href="mailto:afbsec@adaptation-fund.org">afbsec@adaptation-fund.org</a> Please be sure to cc <a href="mailto:dndiaye@adaptation-fund.org">dndiaye@adaptation-fund.org</a> and <a href="mailto:molikainen@adaptation-fund.org">molikainen@adaptation-fund.org</a>
<a href="#">Forest Investment Program (generally implemented by IBRD)</a>	The FIP supports developing countries' efforts to reduce deforestation and forest degradation (REDD) and promotes sustainable forest management that 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.	This could be an interesting opportunity for countries who want to obtain funding for reforestation, silviculture and tree shading activities in coffee farms.
<a href="#">Special Climate Change Fund</a>	The Special Climate Change Fund (SCCF) was created in 2001 to address the specific needs of developing countries under the UNFCCC. It covers the incremental 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.	Information on how to access the fund <a href="#">here</a> .  Contact details on the website.

Fund / sponsors	About the funding opportunity	Opportunity / key contact / relevant info
<a href="#">Least Developed Country Fund</a>	The Least Developed Countries Fund (LDCF) was established to meet the adaptation needs of least developed countries (LDCs). Specifically the LDCF has financed the preparation and implementation of National Adaptation Programs of Action (NAPAs) to identify priority adaptation actions for a country based on existing information.	Could be used for the implementation of NAPA projects in agriculture (coffee).  Contact details on the website.
<a href="#">IDH Sustainable Trade Initiative / Sustainable Coffee Program (SCP)</a>	The Sustainable Coffee Program is a global, pre-competitive, public-private initiative; which involves industry and trade partners, (local) governments, NGOs 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.	Jenny Kwan, IDH Senior Program Manager Coffee <a href="mailto:kwan@idhsustainabletrade.com">kwan@idhsustainabletrade.com</a> +31 30 2305660
<a href="#">Asian Development Bank Climate Change Fund</a>	The CCF was established in May 2008 to facilitate greater investment in developing member countries (DMCs) to effectively address the causes and consequences of climate change. The CCF is a key mechanism for pooling resources within ADB to address climate change through technical assistance (TA) and grant components of investment projects.	Projects focused on adaptation (water) and forestry (REDD)  Mike Barrow, Deputy Director Genral +632 632 6660
<a href="#">Organization of American States</a>	The Department of Sustainable Development (OAS/DSD), through its Risk Management and Adaptation to Climate Change section (RISK-MACC), supports the priorities of OAS Member States in adapting to and managing the increasing risks associated with natural disasters.	Risk management and adaptation to climate change

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<a href="#">Inter-American Development Bank</a>	<p>The Inter-American Development Bank (IDB) is helping its borrowing member countries adapt to climate change impacts and reduce GHG emissions through lending operations, technical cooperation, and knowledge generation.</p>	<p>The Bank has already funded projects in Colombia, El Salvador, etc.            Maria Netto <a href="mailto:mnetto@iadb.org">mnetto@iadb.org</a>            Fernando Balcazar <a href="mailto:fernandoba@iadb.org">fernandoba@iadb.org</a></p>
<a href="#">International Fund for Agricultural Development (IFAD)</a>	<p>The Adaptation for Smallholder Agriculture Program (ASAP) channels climate finance to smallholder farmers so they can access the information tools and technologies that help build their resilience to climate change. Launched by the International Fund for Agricultural Development (IFAD) over a year ago, ASAP has become the largest global financing source 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.</p>	<p>Have funded projects in Rwanda and Ethiopia            Gernot Laganda            Climate Change Adaptation Specialist            Environment and Climate Division (ECD)            Tel. +390654592142            Email: <a href="mailto:g.laganda@ifad.org">g.laganda@ifad.org</a>            Geoffrey Livingstone</p>
<a href="#">Africa Climate Change Fund</a> – funded by African Development Bank	<p>The ACCF complements AfDB's own resources and the climate-change related trust funds managed by the Bank (SEFA, CBFF, Clim-Dev, etc.) The ACCF intends to 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.</p>	<p>Technical Department and Task Manager            Florence Richard, ACCF coordinator  <a href="mailto:f.quintanilha@afdb.org">f.quintanilha@afdb.org</a></p>
<a href="#">UNDP Green Commodities Facility</a>	<p>The UNDP Green Commodities Facility (GCF) is a public-private partnership that will scale up existing programs targeting market barriers to the production and sale of sustainably produced commodities. Green commodities eligible for GCF funding are sourced and</p>	<p>Andrew Bovarnick, GCF Director, UNDP  <a href="mailto:andrew.bovarnick@undp.org">andrew.bovarnick@undp.org</a></p>

Fund / sponsors	About the funding opportunity	Opportunity / key contact / relevant info
	<p>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.</p>	

## **Appendix: References**

- Developing Financeable NAMAs: A Practitioner's Guide (March 2013); International Institute for Sustainable Development.
- Guide to the UN Climate Talks: COP20 and beyond (December 2014); Bloomberg New Energy Finance.
- Nationally Appropriate Mitigation Actions: A Technical Assistance Source Book for Practitioners (2012); Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH.
- Guidebook for the Development of a Nationally Appropriate Mitigation Action on Efficient Lighting (2013); United Nations Environment Programme.