

Concept Note

Vanuatu Community-based Climate Resilience Project

Vanuatu | SCA

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FUND**

Concept Note

Project/Programme Title: Vanuatu Community-based Climate Resilience Project

Country(ies): Vanuatu

National Designated Authority(ies) (NDA): Mike Waiwai, Director, Department of Climate Change

Accredited Entity(ies) (AE): Save the Children Australia

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Notes

- The maximum number of pages should **not exceed 12 pages**, excluding annexes. Proposals exceeding the prescribed length will not be assessed within the indicative service standard time of 30 days.
- As per the Information Disclosure Policy, the concept note, and additional documents provided to the Secretariat can be disclosed unless marked by the Accredited Entity(ies) (or NDAs) as confidential.
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- NDA can also submit the concept note directly with or without an identified accredited entity at this stage. In this case, they can leave blank the section related to the accredited entity. The Secretariat will inform the accredited entity(ies) nominated by the NDA, if any.
- Accredited Entities and/or NDAs are encouraged to submit a Concept Note before making a request for project preparation support from the Project Preparation Facility (PPF).
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A. Project/Programme Summary (max. 1 page)			
A.1. Project or programme	<input checked="" type="checkbox"/> Project <input type="checkbox"/> Programme	A.2. Public or private sector	<input checked="" type="checkbox"/> Public sector <input type="checkbox"/> Private sector
A.3. Is the CN submitted in response to an RFP?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, specify the RFP: _____	A.4. Confidentiality¹	<input type="checkbox"/> Confidential <input checked="" type="checkbox"/> Not confidential
A.5. Indicate the result areas for the project/programme	<p>Mitigation: Reduced emissions from:</p> <input type="checkbox"/> Energy access and power generation <input type="checkbox"/> Low emission transport <input type="checkbox"/> Buildings, cities and industries and appliances <input type="checkbox"/> Forestry and land use <p>Adaptation: Increased resilience of:</p> <input checked="" type="checkbox"/> Most vulnerable people and communities <input checked="" type="checkbox"/> Health and well-being, and food and water security <input type="checkbox"/> Infrastructure and built environment <input type="checkbox"/> Ecosystem and ecosystem services		
A.6. Estimated mitigation impact (tCO₂eq over lifespan)		A.7. Estimated adaptation impact (number of direct beneficiaries and % of population)	54,000 people 20% of total population
A.8. Indicative total project cost (GCF + co-finance)	Amount: USD <u>30 million</u>	A.9. Indicative GCF funding requested	Amount: USD <u>27 million</u>
A.10. Mark the type of financial instrument requested for the GCF funding	<input checked="" type="checkbox"/> Grant <input type="checkbox"/> Reimbursable grant <input type="checkbox"/> Guarantees <input type="checkbox"/> Equity <input type="checkbox"/> Subordinated loan <input type="checkbox"/> Senior Loan <input type="checkbox"/> Other: specify _____		
A.11. Estimated duration of project/ programme:	a) disbursement period: 8 years b) repayment period, if applicable:	A.12. Estimated project/ Programme lifespan	8 years
A.13. Is funding from the Project Preparation Facility requested?²	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other support received <input type="checkbox"/> If so, by who:	A.14. ESS category³	<input type="checkbox"/> A or I-1 <input type="checkbox"/> B or I-2 <input checked="" type="checkbox"/> C or I-3
A.15. Is the CN aligned with your accreditation standard?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	A.16. Has the CN been shared with the NDA?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
A.17. AMA signed (if submitted by AE)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If no, specify the status of AMA negotiations and expected date of signing:	A.18. Is the CN included in the Entity Work Programme?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
A.19. Project/Programme rationale, objectives and approach of programme/project (max 100 words)	<p>Vanuatu is one of the most climate-vulnerable countries. Communities suffer an existing adaptation deficit. The Vanuatu Community-based Climate Resilience Project seeks to: reduce the climate-related vulnerabilities of communities across Vanuatu; increase their resilience to climate variability, extremes and change; and build the adaptive capacity required to ensure communities can maintain sustainable development pathways across a wide range of climate futures. This will be achieved via: 1) developing and implementing scalable, locally appropriate actions to meet immediate and future community adaptation needs to create climate-resilient sustainable development pathways; 2) strengthening and supporting government and civil society to facilitate local-level adaptation; and 3) facilitating horizontal and vertical dialogue between communities, government, civil society and the private sector. The Vanuatu Ministry of Climate Change and Save the Children Vanuatu will be co-Executing Entities. Project activities will be delivered by a range of implementing partners, including key government departments, provincial governments, local civil society organisations and private sector entities.</p>		
B. Project/Programme Information (max. 8 pages)			

¹ Concept notes (or sections of) not marked as confidential may be published in accordance with the Information Disclosure Policy ([Decision B.12/35](#)) and the Review of the Initial Proposal Approval Process ([Decision B.17/18](#)).

² See [here](#) for access to project preparation support request template and guidelines

³ Refer to the Fund's environmental and social safeguards ([Decision B.07/02](#))

B.1. Context and baseline (max. 2 pages)

Vanuatu is one of the most climate vulnerable countries. The 2019 World Risk Report ranked Vanuatu as the most at-risk country to disasters (highlighting exposure, vulnerability, lack of coping capacity and lack of adaptive capacity).⁴ As highlighted in Vanuatu's National Adaptation Programme of Action, the country is exposed to, and highly vulnerable to, nearly all conceivable impacts of climate change.⁵ These risks were re-confirmed in the analysis undertaken to develop Vanuatu's Climate Change and Disaster Risk Reduction Policy.⁶

Communities in Vanuatu are highly exposed to climate-related hazards. Poverty, social stratification and marginalization, and reliance on subsistence agriculture and fisheries for livelihoods limit people's adaptive capacity. Community and household structures and cultural practices result in higher vulnerability among some groups – particularly women, children and socially marginalized people. These groups, and poor people in general, suffer an adaptation deficit – high levels of exposure to frequent hazards and insecure access to key services reinforces the cycle of poverty, and undermines resilience.⁷ The vulnerability of local communities is reflected in their experience recovering from Cyclone Pam, which devastated Vanuatu in 2015. Two years later, the National Disaster Management Office estimated it would take a further two years for the most affected communities to fully recover, if no major setbacks occurred. Climate change projections show a trend towards increasing frequency of extreme rainfall events, an increase in the intensity of tropical storms, continuing sea level rise and ocean acidification, and increases in the intensity and duration of heatwaves across the country.⁸ It is increasingly unlikely that Vanuatu will see a four-year period without a significant extreme weather event. This means some communities may never fully recover from future events like Cyclone Pam. Unaddressed, these impacts will erode development gains, entrench the cycle of poverty, and place more lives and livelihoods at risk. This project seeks to: reduce the climate-related vulnerabilities of communities across Vanuatu; increase their resilience to climate variability, extremes and change; and build the adaptive capacity required to ensure communities can maintain sustainable development pathways across a range of climate futures.

Alignment with national priorities and country ownership

Adaptation is the key focus of Vanuatu's approach to addressing climate change. In its Nationally Determined Contribution, Vanuatu highlighted adaptation as the country's overriding concern. The NDC estimates that ongoing adaptation costs are likely to be around 1.5% of GDP on an annual basis.⁹ This is around USD 9.5 million per year, much of which will be required to address challenges at the community level.

The project is specifically designed to support achievement of the climate-relevant objectives of key sector policies and strategies in Vanuatu. The concept has been developed in cooperation with senior staff from key departments as well as the Vanuatu Ministry of Climate Change – the project's co-Executing Entity.

The project will directly respond to Government of Vanuatu Policy Frameworks, including:

- *Nationally Determined Contribution to the UNFCCC (2015)*: The adaptation priorities outlined in the NDC are commensurate with those outlined in the national climate change policy, which this proposal directly supports.
- [National Sustainable Development Plan \(2016-2030\)](#): Climate and disaster resilience is a key outcome area under the Environment Pillar of the NSDP. This project will contribute to a range of the specific policy objectives under the pillar. This project will also assist in meeting outcomes under the Society and Economy pillars.
- [National Climate Change and DRR Policy \(2016-2030\)](#): highlights community-based adaptation as an objective. This project will also make contributions to priorities in governance, finance, and knowledge and information.
- [Agriculture Sector Policy \(2015-2030\)](#): This project will assist Vanuatu to meet policy directives related to climate variability, climate change and DRR, environmental protection, food security, and gender and vulnerable groups.
- [National Water Strategy \(2018-2030\)](#): This project will support the achievement of priority seven (Secure Water Future), particularly the risk response and mitigation agendas. It will also support actions to ensure that priority one (Water Safety and Security) is not undermined by climate change impacts.
- [National Fisheries Sector Policy \(2016-2031\)](#): Aims to ensure that fisheries are a sustainable, long term resource. This project will support building the resilience of community fisheries to a range of climate impacts.
- [National Gender Equality Policy \(2015-2019\)](#): Highlights the gendered nature of climate change impacts and includes an indicator to ensure that climate change and DRR are gender responsive. This project will support the achievement of this indicator and any further relevant indicators contained in an updated policy.
- [National Land Use Planning Policy \(2013\)](#): Aims to ensure the sustainable use and effective management of land resources. This project will support Vanuatu to meet directives on risk and vulnerability management (largely related to climate and disaster risks) in planning processes at the local level.

This project builds directly on the achievements of a range of current and previous adaptation/DRR projects in Vanuatu, including Save the Children's previous community-based adaptation (CBA) and broader community development work, as well as by work undertaken by key government departments, often supported by development partners. Through previous CBA projects, we have gained a clear understanding of the key climate-related challenges facing ni-Vanuatu communities across a variety of geographies and socio-economic contexts. In the development of this concept, the

⁴ Mucke et al. (2019) *World Risk Report 2019*. Available [here](#).

⁵ Government of Vanuatu (2007) *National Adaptation Programme of Action*. Available [here](#).

⁶ Government of Vanuatu (2015) *Vanuatu Climate Change and Disaster Risk Reduction Policy 2016-2030*. Available [here](#).

⁷ See Burton (2004) Climate change and the adaptation deficit. In *Environmental Monitoring and Assessment*, paper 3, pp.25-33; and Frankhauser (2014) Understanding the adaptation deficit. In *Global Environmental Change* vol.27, pp.9-18.

⁸ Pacific-Australia Climate Change Science Program (2015) *Current and future climate of Vanuatu*. Available [here](#).

⁹ Government of Vanuatu (2015) *Intended Nationally Determined Contribution*. Available [here](#).

design team has engaged closely with key government departments and drawn from existing participatory climate vulnerability and capacity assessment processes undertaken with vulnerable communities.

Root causes and barriers

While climate change is a global problem that needs to be addressed by the international community, impacts will be felt most acutely at the local level – particularly in poor communities in developing countries that have the least resources with which to implement adaptation measures. This is true for Vanuatu – a highly aid dependent country, where domestic resources remain insufficient to ensure all citizens have access to basic services, let alone the resources to manage climate change impacts and pursue climate-resilient sustainable development pathways.

Many communities in Vanuatu remain highly stratified – with women and children’s perspectives often disregarded in community planning processes. Rates of family violence remain high and can be further exacerbated by the impacts of extreme weather events. During and after disasters, levels of sexual and gender-based violence often increase. For example, after two tropical cyclones hit Tafea Province in 2011, the Tanna Women’s Counselling Centre reported a 300% increase in domestic violence cases.¹⁰ Women, men, girls and boys experience the impacts of climate change in different ways, and have different needs and capacities that must be factored into adaptation planning. Currently, in Vanuatu, there is little evidence that gender- or child-sensitive adaptation planning is undertaken at the local level. Accordingly, this project will take strong gender equality, child-centred and inclusive development approaches – working to ensure that the needs of all community members are addressed in local planning and adaptation actions.

The rural-urban divide remains stark: rural communities (75% of the population) have significantly lower access to employment; are unlikely to be connected to the electricity grid (50% of rural households have no electricity and 30% rely on small scale solar); have reduced access to potable water (with 44% of households relying on rainwater tanks for all water use); are more likely to engage in subsistence agriculture (39% of rural households versus 5% of urban households).¹¹ There are also significant disparities between rural provinces, with communities in different parts of the country facing specific issues within the broad spectrum of development challenges. For example, while just over 10% of people in Malampa have never been to school, this increases to nearly 40% in Tafea; and, on average, less than 60% of rural households engage in fishing, this increases to 85% in Torba.

While climate variability, extremes and change are key drivers of vulnerability in Vanuatu they are not the only drivers of vulnerability. When working to reduce peoples’ vulnerability to climate change impacts (and increase their resilience and adaptive capacity) it is critical to take a holistic view. Climate vulnerabilities among communities in Vanuatu are exacerbated by cultural, social, political, economic, environmental and development factors.¹² Research across three islands found it is difficult to isolate climate and non-climate related symptoms and drivers of vulnerability; and that the impacts of climate change ‘cannot be understood to act independently from multiple pre-existing dimensions of vulnerability’.¹³ To ensure that specific adaptation solutions are not undermined by non-climate drivers of vulnerability, CBA projects tend to take a broad view of what constitutes adaptation at the community level – initially closer to the ‘development’ end of the climate–development continuum developed by the World Resources Institute¹⁴ – with a view to building climate-resilience in the context of sustainable development and addressing specific climate change-related challenges. It is also important to note that, while this project focuses on the most vulnerable groups – women, children and people with a disability – these are not homogenous groups; individuals have different needs and capacities.

To be effective and sustainable, CBA must be based on: a clear understanding of the current and projected climate change impacts; insight into the key cultural, social and environmental constraints among individuals, households, communities and governments that exacerbate climate vulnerabilities; knowledge of the existing capacities and strategies on which to build enhanced adaptive capacity; and the understanding that women, men, girls and boys need to be actively engaged in assessments of their own vulnerabilities and capacities, and maintain strong ownership over the development and implementation of adaptation actions.¹⁵ These criteria hold true in the Pacific.¹⁶ Recent research has shown that community-based approaches to adaptation can have significant and tangible impacts at the local level and beyond, including ‘soft’ outcomes (like improved decision-making), ‘hard’ outcomes (like improved agricultural output in a more hostile climate), and positive benefit-cost ratios (4:1 for this study).¹⁷

B.2. Project/Programme description (max. 3 pages)

This project may form the first sub-project of a broader *Community-based Climate Resilience Programme*, which will: provide high-level programmatic goals and objectives; guide project development and implementation in targeted countries; and establish linkages and cross-learning between targeted countries. If proposed, we will submit the programme structure to the GCF for endorsement in concert with the Vanuatu-specific proposal.

Aims and objectives

¹⁰ UN Women (no date) Climate change, disasters and gender-based violence in the Pacific. Available [here](#).

¹¹ All population statistics are sourced from the 2016 Vanuatu mini-census and 2009 full census. The 2016 census is available [here](#). The 2009 census is available [here](#).

¹² Ensor, J (2015) *Adaptation and resilience in Vanuatu: Interpreting community perceptions of vulnerability, knowledge and power for community-based adaptation programming*. Stockholm Environment Institute and Oxfam Australia. Available [here](#).

¹³ *Ibid*.

¹⁴ McGray et al (2007) *Weathering the storm: Options for framing adaptation and development*. World Resources Institute. Available [here](#).

¹⁵ See, Reid and Schipper (2014) *Upscaling community-based adaptation*. In Schipper et al *Community-based adaptation to climate change: Scaling it up*. New York: Routledge.

¹⁶ See, Mcnamara (2013) Taking stock of community-based climate-change adaptation projects in the Pacific, *Asia Pacific Viewpoint* 54(3)

¹⁷ See, Vardakoulas and Nicholles (2014) *Managing uncertainty: An economic evaluation of community-based adaptation in Dakoro, Niger*. Available [here](#).

The project will aim to ensure that **communities across Vanuatu have reduced vulnerability and increased resilience in the face of climate variability and extremes, and the adaptive capacity needed to maintain sustainable development pathways across a range of potential climate futures.**

To meet this goal, the project will pursue three interlinked objectives:

- Develop and implement scalable locally appropriate actions to meet immediate and future community adaptation needs to create climate-resilient sustainable development pathways;
- Strengthen and support government and civil society at all levels to facilitate local-level adaptation (including national, provincial, municipal, area council, and civil society);
- Facilitate horizontal and vertical dialogue between communities, government at all levels, civil society and the private sector; while linking the Vanuatu experience to regional and international processes.

The project will be built around the Vanuatu Community Resilience Framework, initially developed through a previous CBA project and modified for this proposal. The Framework provides an overarching structure that all project activities will work towards to enhance the climate resilience of the most vulnerable people and communities in Vanuatu. It focuses on meeting eight preconditions for climate-resilience:

1. Existing adaptation deficits are closed
2. Access to a diverse, climate-smart, set of livelihoods strategies
3. Ability to engage in fair, inclusive and forward-looking decision-making processes
4. Access to, and ability to utilise, traditional and scientific climate information
5. Ability to innovate and take risks, particularly with regard to livelihoods
6. Increased understanding of the changing context of shocks and stresses, and ability to take action to reduce risks
7. Strong in-community and external networks to share and draw on knowledge, resources and ideas
8. Connected government at all levels that listens and is responsive to community needs, is innovative, and has strong leadership that is transparent and accountable.

Further information on the Vanuatu Community Resilience Framework is provided in *Annex A – Theory of Change*.

Components/Outputs

The project will ensure that all activities: meet community needs and expectations (including taking an all-hazards approach at the local level); support relevant government policy objectives; and support the achievement of the objectives of the GCF. To do so, project staff, in cooperation with government officers, will undertake detailed participatory multi-stakeholder community climate vulnerability and capacity assessments (CVCA) across all targeted communities in the initial phase of the project – drawing on existing assessments wherever possible.

The CVCA processes will result in a detailed community-level adaptation plan which will:

- Outline specific climate-related vulnerabilities that need to be addressed in the short term to ensure sustainable development processes are not continually disrupted (drawing from climate science and local observations);
- Determine the key, non-climate factors that place barriers in the way of effective adaptation and determine how these can be addressed (through project activities or via other mechanisms);
- Develop a strategy for increasing broad community resilience in the face of a changing climate and determine priority actions for immediate implementation as well as longer term actions to address projected impacts; and
- Identify the processes, tools and structures required to build adaptive capacity to ensure that targeted communities are able to pursue sustainable development pathways in a range of climate futures.

The subsequent phases of the project will focus on implementing the agreed plan. Rigorous monitoring, evaluation and learning mechanisms will ensure activities remain on track and can flexibly accommodate changing circumstances.

Research partnerships will ensure that the project captures what works and continues to build the CBA evidence base.

As outlined in Section B.1, the most significant structural divides in Vanuatu are based on gender/inclusion and location. The development indicator gaps between urban and rural communities, and between able-bodied men and everyone else (women, children and people living with a disability). Accordingly, all project activities will be designed to address the social determinants of vulnerability to climate change impacts at the local level (specifically focused on gender equality, child-centred approaches and inclusivity); with specific packages of activities available to address the immediate adaptation needs of different communities.

During the concept development, we have re-validated existing CVCA processes and other hazard and capacity analyses across a range of communities in Vanuatu identified as representative of the range of community-types across the country. These 'archetypal' communities were identified as: rural coastal, rural inland, and urban/peri-urban/informal. Categorising communities into these three archetypes is not intended to simplify the myriad differences and unique contexts that define individual communities in Vanuatu. It does, however, assist us to put parameters around the activities this project will support and find a balance between the flexibility required to respond to specific contexts within individual communities and the need to articulate specific local-level activities to be implemented in order to develop budgets and meet donor and partner requirements. Descriptions of the three archetypal communities and their key climate challenges are in *Annex A – Theory of Change (Section 2)*.

Direct community-level activities

Grouping communities into archetypes enables the development of an 'adaptation package' (a suite of concrete adaptation activities) for each community type that will form the basis of action in each location. The exact activities implemented in each targeted community will be refined/confirmed through participatory CVCA processes in the project's initial phase to ensure they meet the specific needs of communities and address local climate change

challenges most effectively. However, the packages outlined below provide a baseline suite of actions to ensure that all targeted communities have significantly increased adaptive capacity by the project's conclusion. The development of adaptation packages has enabled the project team to outline indicative costs for community-level action without undertaking detailed community-level assessments across all provinces (which is time, labour and cost intensive, takes community members away from productive work, and raises expectations of communities that funding is guaranteed).

The adaptation packages outlined in *Figure 1*, below, are designed to be flexible to accommodate the specific climate change challenges and existing capacities within each community. Components of each package can be scaled up or down (or removed completely) depending on community circumstances and the outcomes of the participatory CVCA process. The packages are structured to address key climate-related challenges across six key sectors: climate-smart agriculture; fisheries for food security; water security in a changing climate; enhanced disaster risk reduction; education and skills for adaptation; and adaptive governance. Some activities will benefit multiple sectors and community-types.

All activities will be developed to address the structural disadvantages experienced by women, children and people living with a disability to ensure that sustainable climate resilient development pathways also promote social justice and equality in decision-making. Community Climate Change and Disaster Committees (CDCCCs) will be a key partner in local-level action. Where the CDCCCs exist, they will be strengthened. Where they are not yet active they will be developed in partnership with local government. Examples of specific adaptation actions available to be implemented at the local level across the three archetypes are provided in the figure below.

Figure 1: Adaptation actions mapped against community archetypes

Sector/Activity	Archetype			Key		
	C	I	U	C = Rural Coastal	I = Rural Inland	U = Urban/peri-urban/informal
Climate-smart Agriculture	C	I	U			
Introduction/scale up of climate-resilient staple crops						
Climate-resilient introduction/scale up of climate-resilient cash crops						
Development of local seed centres for climate-resilient seed stock						
School-based kitchen gardens for enhanced food security and nutrition						
Home-based kitchen gardens for enhanced food security and nutrition						
Development of local food processing and food preservation facilities for food security/income						
Solar-powered refrigeration for food preservation						
Scaled up irrigation for food security						
Increasing access to coastal areas for markets						
Provision of hydroponic gardens for enhanced food security and nutrition						
Development of kitchen gardens for community centres						
Improve market access for cash crops to diversify incomes						
Fisheries for Food Security	C	I	U			
Deployment of near-shore fish aggregating devices to relieve pressure on reef fisheries						
On-shore aquaculture for food security						
Roll out of enhanced catch monitoring technologies to increase catch sustainability						
Development of local fish processing and fish preservation facilities for food security/income diversification						
Solar-powered refrigeration for fish preservation						
Improve market access for fish and fish products to diversify incomes						
Enhanced Disaster Risk Reduction	C	I	U			
Develop/strengthen gender-balanced Community Climate Change and Disaster Committees (CCDCs)						
Strengthen local level early warning systems						
Develop/implement standards for climate-resilient community infrastructure (inc. WASH facilities)						

Higher level activities

To support the sustainability of immediate adaptation actions implemented at the community level, as well as communities' ability to build and maintain adaptive capacity over time, a range of other activities will be undertaken with government from local to national levels and research partners. These activities will support achievement of the project's second and third objectives.

Objective Two activities

A range of actions will be implemented in support of the project's second objective – to *strengthen and support government and civil society at all levels to facilitate local-level adaptation*. Activities will work across the six key sectors outlined above at all levels of government. Key activities under Objective Two will include:

- Strengthen/establish Community Climate Change and Disaster Committees to manage local adaptation priority settings and actions
- Increase understanding of climate

change (including local risks and impacts, locally appropriate adaptation actions to address immediate needs, and integration of climate risks and resilience into planning processes to build adaptive capacity) among local and provincial government and civil society organisations

- Sector-specific support for agriculture, fisheries and water, including support to provincial extension officers and provincial officials to increase their ability to support the roll out and sustainability of local adaptation solutions
- Strengthen farmer's associations and rural co-ops to support the transition to climate-resilient food systems
- Work with the Ministry of Education to scale up the roll out of climate change curriculum materials to schools
- Support provincial, area council and local disaster management offices to engage in enhanced DRR actions that support communities to prepare for and manage anticipated extreme weather events
- Work across ministries at the national level to strengthen integrated water resource management policies and process to ensure they are resilient to the projected impacts of climate change on the water cycle
- Work across ministries at the national level to gain a clearer understanding of the skills that will be needed in a climate-changed future and support the creation of pathways to climate-resilient skills development
- Strengthen knowledge management and coordination processes to ensure that communities have access to reliable and consistent climate information and receive coordinated support from departments and agencies
- Help establish climate risk analysis processes at the provincial level to ensure that future planning processes and development projects are climate-resilient
- Work with officials to integrate climate change risks and resilience building into provincial budget processes to support future adaptation action

- Improve provincial government access to and utilisation of climate information services (scaling out systems being developed via the SPREP-led GCF Project FP035)
- Capture resources by working with provincial governments to strengthen their ability to effectively access and utilize future climate finance flows in support of CBA.

Objective Three activities

Action at the local, sub-national and national levels to support enhanced community adaptive capacity will only lead to transformational change if the actions implemented have community ownership and government support; and if the adaptive capacity built is maintained over time and as circumstances change. In order to ensure the sustainability of immediate adaptation actions and continuation of established adaptive decision-making processes, activities will be implemented in support of the project's third objective – to *facilitate horizontal and vertical dialogue between communities, government at all levels, civil society and the private sector; while linking the Vanuatu experience to regional and international processes*. Key activities under Objective Three will include:

- Link national plans to local realities by ensuring national climate change planning processes (NAP, NDC updates, etc.) are informed by local needs, and that local actions support national objectives
- Support key partner departments to better integrate climate change risks and resilience building into work plans and budget processes to support future adaptation action at all levels
- Foster national–local dialogue in order to strengthen links between national and local structures to ensure approaches to building adaptive capacity are mutually reinforcing and supportive
- Promote regional/cross-regional collaboration by linking communities and governments across targeted countries under the potential broader *Community-based Climate Resilience Programme*
- Increase the global adaptation knowledge base by linking project outcomes to regional and global processes.

Theory of Change

The project's theory of change builds on the work of Ensor (2011)¹⁸ and Pelling (2010).¹⁹ The project will work to address the impacts of climate change on ni-Vanuatu communities at three interlinked levels:

- *Reducing vulnerability* – the project will help communities reduce current vulnerability to existing climate-related hazards (many of which are already being exacerbated by climate change). Developing and implementing community-based climate change adaptation and disaster risk reduction actions will help alleviate the burden of short-term climate change impacts on communities' development pathways. Reducing vulnerability directly correlates with two components of the Vanuatu Resilience Framework (see below): adaptation deficits closed; and access to climate information.
- *Increasing resilience* – the project will help communities build resilience to anticipated climate change impacts (i.e. increasing frequency of intense cyclones; changing rainfall patterns, etc.). Building climate resilience will help communities to recover more quickly from the inevitable shocks and stresses associated with a rapidly warming world. Increasing resilience directly correlates with three components of the Vanuatu Resilience Framework: diverse livelihood assets; ability to understand and act on shocks and changes; and social networks.
- *Building adaptive capacity to enable transformation* – the project will work with communities and government at all levels to develop and put in place the structures and processes that communities will require if they are to manage their own adaptation to future climate change impacts. Building adaptive capacity will help ensure communities are able to maintain sustainable development pathways within a range of possible climate futures. It will also provide the basis for the transformation of socio-economic and political structures that will be required in climate changed world. Building adaptive capacity directly correlates with three components of the Vanuatu Resilience Framework: Fair, inclusive, forward-looking decision-making; ability to innovate and take risks; and connected and responsive government.

Immediate impacts will be achieved through community-level actions that address priority adaptation needs (including closing adaptation deficits), with a focus on addressing structural constraints to sustainable adaptation (specifically gender, age, social inclusion and geography). The actions will seek to reduce peoples' vulnerability to current climate change impacts. Medium term impacts will be achieved through working with communities and government on increasing knowledge and awareness of climate change impacts, improving access to and ability to use climate information and manage knowledge, and strengthening local systems and processes (like CCCDCs) to increase individual and community resilience to anticipated near-term climate change impacts. Long term impacts will be achieved by working at local, sub-national and national levels to increase adaptive capacity and the ability to make forward-looking decisions in the face of a range of climate futures. For communities to have sufficient adaptive capacity, local planning processes need to be climate-smart, adaptation actions need to be costed and included in budgets, local-national linkages need to be strengthened and gender and social relations need to be transformed. The project inputs will contribute to the GCF's goal of promoting a paradigm shift towards climate-resilient development by working directly with the people most affected and supporting them to transform their socio-economic structures and address structural barriers to adaptation, to ensure they can continue to pursue sustainable development pathways in a range of possible climate futures. Further information is in *Annex A – Theory of Change*.

Accredited Entity Capacity

¹⁸ Ensor, J (2011) *Uncertain futures: Adapting development to a changing climate*. Warwickshire: Practical Action

¹⁹ Pelling, M (2010) *Adaptation to climate change: From resilience to transformation*. New York: Routledge

Save the Children is the world's leading independent organisation for children, with 30 national organisations working together to deliver programs in more than 120 countries. In 2018, Save the Children delivered programs worth over USD 2.1 billion and reached over 62 million children. Our vision is a world in which every child attains the right to survival, protection, development and participation. Our mission is to inspire breakthroughs in the way the world treats children, and to achieve immediate and lasting change in their lives. In 2018 Save the Children Australia worked in 17 countries, including Vanuatu, with an annual in excess of AUD 127 million. We manage a wide range of community-based projects in climate change adaptation, disaster risk reduction, education, and health. Save the Children Australia leads on climate change globally for Save the Children. Globally, Save the Children is currently implementing a portfolio of over 100 resilience-related projects and programmes valued at more than USD 200 million. This includes projects and programmes with explicit objectives to reduce climate and disaster risks and improve disaster management, as well as to increase adaptive capacity and speed recovery from shocks and stresses. Save the Children has worked in Vanuatu for more than 25 years and has managed a portfolio in excess of AUD 24 million over the past 8 years, supported by donors including the Australian government, USAID, UNDP, UN Women, Palladium, New Zealand government, Ministry of Health Vanuatu; and with a focus on climate change and DRR, maternal and new-born health, sexual and reproductive health, child protection and humanitarian response.

Key Risks

1. Lack of local community engagement in the project

We will mitigate this risk by ensuring all project activities are developed in a participatory manner and that local needs are balanced with project imperatives. Implementing partners have strong existing relationships in the provinces as well as a history of engagement at the community level. This knowledge, experience and these existing relationships will be key in ensuring smooth project implementation.

2. Lack of trust between project partners

Strong partnerships between the Accredited Entity, Executing Entities and implementing partners is critical. We continue to work closely with all partners during detailed project design and throughout implementation to ensure that all perspectives are taken into account and all partners work cooperatively towards agreed goals via agreed methods.

3. Significant extreme weather event impacts on project sites

Given Vanuatu's geographic location, the project's breadth and implementation period, it is highly likely one or more project sites will experience a major extreme weather event during the project cycle. The project will specifically and purposefully build DRR capacity in communities to reduce the impacts of severe weather events. The project will also include adaptive management process and contingency planning.

4. Implementation delays

To ensure that the project can commence on time and meet agreed timelines and milestones, Save the Children Australia will work closely with the co-Executing Entities to ensure that processes and approvals are in place at all levels. Save the Children has a history of delivering quality projects across a range of sectors in Vanuatu. Key government partners have staff in place within each province who can be mobilised to support project start up. Existing networks and relationships at the province level will ensure a smooth start up and on-time implementation.

B.3. Expected project results aligned with the GCF investment criteria (max. 3 pages)

Impact Potential

The project will make a contribution to the GCF's overarching adaptation impact – *contributing to increased climate-resilient sustainable development* – by directly increasing the climate resilience of an estimated 54,000 people in Vanuatu (20% of the total population), focused on the most vulnerable and socially marginalized groups. The project will also increase the GCF's reach at the local level – highlighting the Fund's ability to directly impact the lives of vulnerable people with practical adaptation actions that measurably build climate resilience. The entire population of Vanuatu (272,459) will indirectly benefit as the project will operate nation-wide and will help improve structures and coherence for adaptation actions at all levels. The project will result in substantial reductions in loss of lives and assets due to reduction in risks from extreme weather events; as well as a significant increase in the number of people adopting climate-resilient livelihoods options. It will also increase the number of households with year-round food and water security.

Paradigm Shift Potential

To date, the majority of climate change adaptation projects in Vanuatu have either worked at the national level on capacity building and policy development or piloted community-based approaches in relatively small numbers of communities. There has not, until now, been a project taking a comprehensive approach to CBA across the country. This holds true for the broader Pacific region and across the developing world, where the vast majority of CBA initiatives have been small scale, short term and of limited reach.

We believe that, with sufficient resources to implement at scale, CBA could result in a transformation in the way adaptation actions are conceived and implemented. Providing local communities with up-to-date climate information and projections; empowering them to make informed decisions about the nature, timing and type of adaptation actions they want to take; and resourcing them to follow through and feed results upward through governance structures can create a fundamental shift in the way adaptation has been pursued to date – largely via top down processes that can result in adaptation actions at the local level that are not community 'owned' and, therefore, not consistently maintained or sustained after project funding concludes.

The project will contribute to each of the GCF's assessment factors from the Investment Framework:

1. Potential for scale up and replication

Taking CBA approaches to scale in one country will provide lessons and a platform for replication across different contexts. CBA has a proven history of generating significant resilience at the local level in a wide variety of contexts. It is ripe for significant scale up. This model will seek to prove that CBA approaches can work at scale and will set the foundations for a scale up across and between regions.

2. Potential for knowledge and learning

This project is likely to form part of a multi-country programmatic approach to national-scale CBA, with a number of linked projects to be developed within and between regions. A component of each project will be dedicated to cross-country engagement to ensure the knowledge and learning from each project will be shared across contexts. This will also facilitate the development of common approaches to addressing the specific climate change challenges facing different communities. This project will also include a research and learning agenda to ensure that knowledge generated is shared with the wider CBA community.

3. Contribution to the creation of an enabling environment

In order to provide for the longer-term sustainability of any adaptation technologies provided to communities, the project will investigate the possibility of establishing, and providing seed-funding to, community-managed savings groups (or building on existing groups where possible). These groups would have ongoing resources to ensure that project-funded technologies (i.e. climate-resilient water systems) are well and remain operational after the project concludes. Integrating climate change risks and resilience building actions into local development planning and budgeting processes will build an adaptation culture within community governance structures. As communities manage their own adaptation trajectories, the project will work to enhance local–national dialogue to ensure that national level policies are reflective of local needs and realities.

4. Contribution to the regulatory framework and policies

These enhanced dialogue processes should help 'reality check' national policies and ensure they are targeted at effectively meeting the needs of communities as climate change impacts escalate. Working with communities and local government to integrate climate change risks and resilience building actions into development planning and budgeting processes will help catalyse a sustainable transition to locally resourced climate-responsive planning and development.

5. Overall contribution to climate-resilient development pathways consistent with a country's climate change adaptation strategies and plans

This project has a high potential for both scalability and replicability. The adaptation packages will be designed to be scaled out to further communities, via the integrated planning processes. Provincial government officers, trained in CVCA and climate change integrated planning and budgeting, could extend the project to non-targeted communities. Similarly, the CBA process is well understood, but not tested at significant scale. The outcomes of this project will inform future CBA projects globally. Within the region, the initial outcomes of this project will inform the development of the other projects under the broader programme umbrella. As outlined in Section B.1, above, the project is closely aligned with, and designed to support achievement of the objectives of, all relevant national policies.

Sustainable Development Potential

Undertaking adaptation programming at the community level requires taking a holistic view of community needs and capacities. At the most local level, the impacts of climate change are intimately interconnected with broader development challenges. The evidence is clear that climate change impacts exacerbate existing development challenges²⁰ and that, in the absence of significant adaptation action, sustainable development will be unachievable.²¹ CBA works directly at the local level to build community adaptive capacity by reducing vulnerability and increasing resilience to the current and projected impacts of climate change. One element of this work is to close existing adaptation deficits to ensure communities have a stable base from which to increase resilience to projected impacts and build adaptive capacity to ensure they can safeguard sustainable development outcomes.

The adaptation packages will have a range of economic, social, environmental and gender co-benefits, including:

- Increasing the household incomes of rural coastal and inland communities through livelihoods diversification and increasing access to markets;
- Increasing access to education by ensuring less schools days lost in the aftermath of extreme weather events by making school facilities more climate resilient and ensuring children's needs and capacities are included in adaptation planning and enhanced DRR action;
- Increasing broad community health outcomes by ensuring communities have more secure access to nutritious foods and potable water;
- Increasing the sustainability of ecosystem services by improving integrated water resource management and reducing reliance on reef fish as a primary food source in rural coastal communities;

²⁰ See Willbanks et al. (2014) Climate-resilient pathways: adaptation, mitigation, and sustainable development. In: *Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part A: Global and Sectoral Aspects. Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change.* Cambridge University Press, Cambridge

²¹ *ibid* (particularly section 20.2.1.2). See also, Dulal (2013) *Poverty Reduction in a Changing Climate.* Lanham, US: Lexington Books; and New et al. (2011) Four Degrees and beyond: The Potential for a Global Temperature Increase of Four Degrees and Its Implications. In *Philosophical Transactions. Series A, Mathematical, Physical, and Engineering Sciences* 369 (1934): 6–19

- Increasing gender equality across all areas of community life – with a specific focus on ensuring women’s voices are heard in climate-related decision-making forums and that the gendered nature of climate change impacts is a key component of all climate and development planning at community and province levels.

The project will also make direct contributions to Vanuatu’s efforts to meet SGs 2, 5, 6, 11, 13, and 14.

Needs of Recipients

The climate change impacts and adaptation needs of communities in Vanuatu are outlined in Section B.1, above. Accessing finance to address adaptation deficits and build community resilience to the current and anticipated impacts of climate change has posed a significant challenge in Vanuatu. As outlined in Section C.2, below, climate finance flows reaching the community level have, to date, made up a very small proportion of total global climate finance. In Vanuatu, research has found similar results – with only a small percentage of total climate finance allocated to the country being specifically channelled to the community level.²²

Vanuatu is currently a Least Developed Country²³ and is highly aid dependent. Domestic revenue remains insufficient to adequately fund essential services to a widely dispersed, largely rural population. Donor programs are generally focused on immediate development priorities (like economic growth, poverty reduction, health and education), with a relatively minor focus on climate change – and only a small number of programmes effectively integrating climate change risks and resilience building into core objectives. The capacity of line ministries to deliver services, particularly to remote islands, remains limited. While the Vanuatu government has access to strong technical climate change capacity, the capacity to deliver adaptation assistance to the local level – in ways that meet community needs and expectations – remains restricted. Communities in Vanuatu urgently need scaled up support to address immediate adaptation priorities, as well as to support the integration of climate change into local planning processes.

The initial problem identification was derived from the deep experience of Save the Children and the Ministry of Climate Change in working at all levels across the country to understand capacities, needs and gaps – particularly the development, implementation and evaluation of previous small-scale CBA projects. During the detailed design phase, further consultations will be undertaken at the national, provincial and community levels to test and verify our existing understanding of the issues facing communities in relation to climate change. During inception and initial implementation, we will work with targeted communities in a participatory manner to further assess key vulnerabilities and capacities to design activities that will have immediate benefits and build long term adaptive capacity.

Country Ownership

As outlined in Section B.1, the project is closely aligned to, and supportive of, key national and sector policies and strategies in Vanuatu. The project will have two Executing Entities: the Vanuatu Ministry of Climate Change and Save the Children Vanuatu. Both entities have extensive experience in managing and delivering climate change programs across Vanuatu at a range of scales and from a variety of funding sources (including the Global Environment Facility, the Climate Investment Funds, the Australian aid program, the World Bank and the Green Climate Fund). A range of Implementing Agencies will be engaged to deliver project activities. The Ministry of Climate Change will lead engagement across relevant National ministries (including the Ministry of Agriculture, Livestock, Forestry, Fisheries and Biosecurity’s Department of Agriculture and Fisheries, and the Ministry of Lands and Natural Resources’ Department of Water; the Ministry of Education; as well as its own Department of Climate Change and the National Disaster Management Office), as well as leading engagement with provincial extension offices of key departments. Save the Children Vanuatu will lead engagement at the community level, working with provincial governments, community organisations, local civil society partners and private sector entities to determine key risks and vulnerabilities within each targeted community and work with communities to develop and implement priority adaptation actions.

Efficiency and Effectiveness

As outlined above, CBA is a key component of Vanuatu’s response to climate change. As also noted above, accessing finance to support CBA actions at the scale required to create transformational change has been difficult for governments and civil society. Communities in Vanuatu are some of the least responsible for the emissions that are causing climate change, but they are among the first to suffer the impacts and will feel these impacts more acutely than people in wealthier, less hazard-exposed countries. The Government of Vanuatu is clear that significant external financing will be required if the country is to effectively manage the unavoidable impacts of climate change. The Government also struggles to balance the broad range of adaptation priorities (from protecting critical economic infrastructure to building local climate resilience). This project will work to increase the accessibility of global climate finance to local communities. There is a clear argument for high co-finance and private sector engagement in mitigation action. The argument for poor countries to finance their own adaptation actions in response to a problem stemming from the unregulated use of the global commons, or to take out concessional loans to do so, is less clear. It is even less strong when the ultimate beneficiaries are communities on low-lying islands facing an ever-harsher climate not of their own making. Investing in CBA pays dividends (see B.1, above), but governments struggle to find the resources to meet current development needs within communities, let alone proactively address anticipated future climate change

²² Atteridge and Canales (2017) *Climate finance in the Pacific: An overview of flows to the region’s Small Island Developing States*. Stockholm Environment Institute, Working Paper 2017-04. Available [here](#).

²³ Vanuatu is set graduate from LDC status in 2020 – during the life of this project. While steadily increasing economic and social indicators are a positive sign for Vanuatu’s climate resilience, gains remain unevenly distributed and the most vulnerable people and communities will require adaptation assistance for the foreseeable future, particularly given the country’s significant exposure to extreme weather events and other hazards. Increasing domestic revenue streams will help increase the sustainability of project outcomes.

impacts. The funding amount requested from the GCF for this project is commensurate with the scale of the problem and the Vanuatu Government's desire to take a nation-wide approach to addressing community adaptation needs.

B.4. Engagement among the NDA, AE, and/or other relevant stakeholders in the country (max ½ page)

This concept note is based on over four years of consultation with Government agencies and partners, including substantial engagement with Vanuatu's NDA and National Advisory Board on Climate Change (NAB). On 19 February 2020 the NAB (which is chaired by Vanuatu's NDA and includes senior representation from all key sector ministries) formally endorsed this proposal for submission to the GCF.

The project will build directly on the foundations of previous community-based climate change and disaster risk reduction projects implemented by Save the Children and partners in collaboration with national and subnational Government in recent years. As outlined above, the initial problem identification has been derived from our previous experience and country engagement at the community level. Upon commencement, the inception phase will include detailed Climate Vulnerability and Capacity Analyses in each targeted community to identify specific climate-related needs, building on a range of existing analyses and assessments undertaken by government and previous projects, including: Community vulnerability and adaptation assessment and action report ([SPREP](#)), Greater Port Vila climate vulnerability assessment ([UN-HABITAT](#)), Climate change vulnerability assessments for communities in six Pacific Island countries ([SPC](#)), An assessment of the impact of climate change on agriculture and food security: A case study in Vanuatu ([FAO](#)), Climate change impacts in North Efate ([SPC](#)), and other assessments. These processes will guide activity development and implementation in each community.

A range of consultations have been undertaken at the national level, including a project theory of change workshop in February 2017, with participation from the NAB Secretariat, Prime Minister's office and the Department of Agriculture and Rural Development. A design workshop was held in September 2017 with participation from the Directors of the departments of Fisheries and Water, and senior representation from the Department of Agriculture. In April 2018, Save the Children participated in the first Vanuatu Private Sector Climate Finance Tradeshow, presenting this concept and engaging with potential private sector delivery partners.

C. Indicative Financing/Cost Information (max. 3 pages)

C.1. Financing by components (max ½ page)

Please provide an estimate of the total cost per component/output and disaggregate by source of financing.

Component/Output	Indicative cost (USD)	GCF financing		Co-financing		
		Amount (USD)	Financial Instrument	Amount (USD)	Financial Instrument	Name of Institutions
Objective 1 activities	\$14,500,000	\$13,050,000	Grant	\$1,450,000	Grants and in-kind contributions	Save the Children, Government of Vanuatu, and other donors
Objective 2 activities	\$5,000,000	\$4,500,000	Grant	\$500,000	Grants and in-kind contributions	Save the Children, Government of Vanuatu, and other donors
Objective 3 activities	\$3,000,000	\$2,700,000	Grant	\$300,000	Grants and in-kind contributions	Save the Children, Government of Vanuatu, and other donors
Project management, coordination, MEAL and research	\$7,500,000	\$6,750,000	Grant	\$750,000	Grants and in-kind contributions	Save the Children, Government of Vanuatu, and other donors
Indicative total cost (USD)	\$30,000,000	\$27,000,000		\$3,000,000		

C.2. Justification of GCF funding request (max. 1 page)

As outlined above, few donors have made significant funding available for the delivery of CBA projects and the majority of highly vulnerable counties struggle to meet existing development needs at the community level, let alone provide substantial resources to address future challenges. While climate finance continues to increase over time,²⁴ the amount allocated to adaptation has remained static in recent years, at around USD 20-30 billion (10-15% of public climate finance, but less than 5% of total climate finance).²⁵

While it is difficult to accurately account for the total flow of climate finance to the community level, a recent assessment estimated that less than 10% of climate finance flowing from dedicated multilateral, bilateral and regional climate funds

²⁴ See, Buchner et al. 2019. *Global Landscape of Climate Finance 2019*, Climate Policy Initiative. Available [here](#).

²⁵ *Ibid*.

between 2003 and 2016 was “approved for locally focused climate change projects.”²⁶ The assessment estimated this figure was around USD 1.5 billion, of which around USD 1.3 billion was allocated to CBA activities – equating to an average of USD 93 million allocated to CBA annually since 2003. This represents a tiny proportion (around 0.02%) of total global climate flows. This rises to just under 0.4% when taken as a percentage of public climate finance flows for adaptation – still an insignificant number compared to the known needs at the community level.

Within these total flows, some funds and donors have attempted to prioritize CBA, but only at small scale or in competition with other priorities. For example, the Global Environment Facility has a dedicated community-based mechanism – the Small Grants Programme (SGP), which channels funding direct to communities and civil society groups for a range of issues, including adaptation. The SGP is an excellent and well-regarded mechanism; however, individual grants are capped at USD 50,000, necessarily resulting in very small-scale pilot activities. In Vanuatu, for example, the SGP has supported 60 projects since 2007 with total funding of USD 2.3 million – averaging at USD 38,000 per project. Projects are this scale can have a significant impact on local lives, but they are not likely to result in transformational change.

The only bilateral donors to have provided substantial funds for CBA to date, are Australia (via Community-based Climate Change Action Grants) and the U.K. (via Building Resilience and Adaptation to Climate Extremes and Disasters). These mechanisms supported larger scale CBA projects implemented by international NGOs and local partners; however, the funding for projects was capped at AUD 3 million (USD 2.3 million) for Australia and around GBP 9 million (USD 11 million) for the U.K. Both were also relatively short term, based on a two to three-year project cycle. The U.K. Programme did not include the Pacific. The Australian-supported project in Vanuatu, in which Save the Children was an implementing partner, was highly regarded by both donor and partner government; however, to result in transformational change, the work undertaken in this project needs to be taken to scale. This is the key argument for GCF engagement.

With the scale of need at the local level growing and the majority of donors choosing to remain focused on national level programmes, there is a significant gap in climate finance that the GCF is well positioned to fill. Investing in CBA is not likely to be a high priority for many governments with scarce resources and competing interests, particularly in the face of a lack of a solid evidence base of community-based approaches working at scale and driving transformative change.

Without substantial investment from a mechanism like the GCF, CBA is likely to remain a small scale, pilot approach that struggles to make an impact beyond individual communities. With GCF investment, we could investigate the power of community-based approaches to drive transformational changes in the way adaptation is conceived, from the bottom up, and provide governments with the evidence they need to proactively invest in participatory approaches to building community resilience. The Government of Vanuatu is committed to CBA approaches; however, domestic resources are insufficient to take CBA to scale, and bilateral donors are spread across a wide range of sectors and are unlikely to focus sufficient resources to catalyse scale in CBA.

An increasing number of GCF-supported adaptation projects include a community focus, however, in general this is either a secondary focus or restricted to a specific sector (i.e. FP036, FP061, FP073) or context (i.e. FP013, FP034, FP058, FP069, FP084, FP0109). To date, the GCF has not had the opportunity to support a project taking a holistic approach to community-based adaptation across a whole country, addressing the full range of contexts and geographies. We believe the Vanuatu Community-based Climate Resilience Project provides that opportunity.

C.3. Sustainability and replicability of the project (exit strategy) (max. 1 page)

Five key sustainability strategies will be employed to ensure project impact will be sustained over time.

1. *Building the capacity of sub-national government and targeted communities to access and efficiently utilise future climate finance.* Ensuring government and communities are well positioned to access climate finance, especially via direct access, will reduce the risk of an adaptation deficit re-emerging at the community level after this project.
2. *Building the evidence base to advocate for the national government to allocate future climate finance and other resources to support locally driven adaptation actions.* CBA projects have proved highly successful. However, the majority have been small scale and have struggled to gain traction beyond targeted communities. This project aims to build a substantial evidence base of the impact of CBA when taken to scale across a whole country. This will increase the likelihood of future climate finance flows in Vanuatu including an allocation to support CBA activities.
3. *Allocation of national budget resources to local adaptation actions.* The project will work with provincial governments to integrate the risks of climate change as well as current and future adaptation actions into local planning and budgetary processes. Having adaptation actions included in formal budget submissions will increase visibility of the needs and capacities of communities and increase the likelihood of domestic resources being allocated to sustaining the impact of the project over time. As Vanuatu’s economy continues to grow, it is possible that adaptation priorities at the community level will find domestic funding sources. A key aim of this project is to ensure communities are better positioned to access domestic resources for adaptation action.
4. *Increasing locally available adaptation resources.* The project will investigate the possibility of establishing and providing seed-funding to community-managed savings groups (or building on existing groups where possible). These groups would then have resources to ensure that project-funded adaptation technologies (i.e. climate-resilient water systems) are well maintained and remain operational after the project concludes.

²⁶ Soanes et al. (2017) *Delivering real change: Getting international climate finance to the local level*, IIED Working Paper. Available [here](#).

5. *Promoting local ownership.* All activities implemented at the community level will be based on community-developed risk analyses combined with climate impact information. Communities will determine which adaptation actions (from the adaptation packages) are urgent and should be resourced by the project. This ownership over project activities at the community level will increase the likelihood that activity outputs and outcomes will be sustained beyond the life of the project. Our previous experience in developing and implementing CBA activities in Vanuatu and beyond has shown that the more engaged and in control communities are over the kinds of activities that are implemented and the means of their implementation, the more likely the outcomes are to be sustained and replicated.

The project's implementation arrangements – co-executed by government and civil society – will promote sustainability through: 1) increasing line ministry and provincial governments' capacity to support adaptation at the community level; 2) substantially strengthening local implementation structures (the CCCDCs) to ensure they are ready and able to access future climate finance flows; and 3) the enduring links Save the Children has with communities in Vanuatu.

Monitoring and Evaluation

An initial Theory of Change for the project was developed by key stakeholders, including government participants from the Department of Strategic Sector Planning and Aid Coordination, the Department of Agriculture and Rural Development and Vanuatu's National Advisory Board on Climate Change; civil society representatives; and technical specialists. A further developed version of the theory of change is provided in Section B.2, above, and at *Annex A*.

A full monitoring, evaluation and learning (MEAL) framework will be developed during the detailed design phase, including a logical framework analysis. The MEAL framework will be designed to measure progress towards project objectives and the Resilience Framework, and contributions to key GCF Investment Criteria and the Adaptation Performance Measurement Framework. During the inception phase a baseline, utilising the eight characteristics from the Vanuatu Resilience Framework, will be established in order to measure project impact over time. Key principles of our approach to MEAL include: the need to ensure project partners and beneficiaries are engaged in monitoring and evaluation through participatory processes, in line with para 57 of the GCF's governing instrument; the need for a robust MEAL framework, developed prior to the commencement of project activities to ensure an outcomes focus is maintained throughout the life of the project; a focus on continuous learning and accountability; and engaging independent research partners to assess the impact of adaptation actions.

Research linkages

Research partners will be engaged to assess the impact of the adaptation packages after initial rollout. Further refinement of specific activities will take place during implementation as required. Targeted research partnerships will link immediate adaptation actions at the community level with the longer-term transformations that will be required to ensure sustainable development in a changing climate. Research will help guide future adaptation actions to ensure they contribute to enabling communities to build their adaptive capacity to maintain sustainable development pathways across a broad range of climate futures. Research partnerships will also ensure that the impact of the project goes beyond Vanuatu and informs critical thinking on CBA as it continues to evolve from small scale pilots to transformational, at-scale, projects and programmes.

D. Supporting documents submitted (OPTIONAL)

- Map indicating the location of the project/programme
- Diagram of the theory of change
- Economic and financial model with key assumptions and potential stressed scenarios
- Pre-feasibility study
- Evaluation report of previous project
- Results of environmental and social risk screening

Self-awareness check boxes

Are you aware that the full Funding Proposal and Annexes will require these documents? Yes No

- Feasibility Study
- Environmental and social impact assessment or environmental and social management framework
- Stakeholder consultations at national and project level implementation including with indigenous people if relevant
- Gender assessment and action plan
- Operations and maintenance plan if relevant
- Loan or grant operation manual as appropriate
- Co-financing commitment letters



Are you aware that a funding proposal from an accredited entity without a signed AMA will be reviewed but not sent to the Board for consideration? Yes No