



Report on Wilton Park Conference 957

FORUM FOR FUNDERS ON CLIMATE CHANGE AND INTERNATIONAL DEVELOPMENT

Monday 9 – Wednesday 11 February 2009

in co-operation with the Baring Foundation and the European Foundation Centre and supported by the Department for International Development and the Tesco Charity Trust.

Introduction

Funders, NGOs, academics, government and international agency officials met to consider how the increasingly influential private funders of development (foundations, trusts, individual philanthropists, the private sector) can best help to counteract the negative impact of climate change on international development.

Key messages

- Impacts of climate change will be severe and will be hardest felt by the most vulnerable in developing countries. All players must recognise and act on the need for a coordinated global strategy: piecemeal efforts on such a complex and interconnected issue will not suffice. Consequences will be significantly greater and perhaps irreparable if the global community does not take urgent coordinated action.
- Funders have an unprecedented opportunity and responsibility to influence policy and action on the impact of climate change on development, particularly at and in advance of the UN Climate Change Conference in Copenhagen (COP 15) in December.

- Funders should seek to develop a more cooperative and concerted strategic approach to policy development, advocacy and representation at COP 15 and beyond.
- Funders must mobilise the full scope of their influence: lobbying at the highest international level as well as supporting and building the capacity of communities and individuals at the grass roots.
- Civil society has been under-utilised. Funders need to ensure global policy makers hear the voice of civil society from communities who will be most affected. There should be greater engagement with other agents for change such as local authorities in developing cities, children, scientists and research institutions.
- Funders are better placed to take risks than governments. They should look for niches and challenges, such as new technology, and consider innovative mechanisms to support projects, such as loans, venture capitalism and small grants schemes.
- In allocating funding, funders need to consider the complex relationship between climate change and issues such as conflict, migration, social justice, health, community resilience and urbanisation
- Funders need where possible to “scale-up” their projects. Methods might include long term funding, additional grants, micro credit, business support, replication of the project, or pooling resources with other funders.
- Funders need to learn from each other through sharing knowledge, resources, pooling ideas, and increased networks such as websites, meetings etc. The key is to learn to cooperate without duplicating efforts or shrinking the current wide scope of projects.

Climate Change and International Development: The Policy Agenda

1. There is a need for dynamic and ambitious policy change on climate change issues. Achieving goals for mitigating climate change will only be possible if both developed and developing countries are part of the solution. There is an inverse balance between those mainly responsible for climate change and those most vulnerable to its impact. The debate needs to move beyond the ‘blame game’. It is increasingly difficult to manage the dichotomy between the development aspirations

of Southern nations and the consequence on climate change. This is most relevant in the context of the BRIC countries (Brazil, Russia, India and China). The challenge is how to decouple emissions from economic growth. Part of the answer is to accelerate efforts and investments to develop 'green' technologies and methods. Slow progress towards mitigating poverty coupled with the increasing vulnerability to climate change places Southern societies in an extremely delicate situation. On a political level, the perceived divide between interests and obligations of developed and developing nations impede climate change negotiations. Globally coordinated efforts to tackle climate change are needed, but these have to go hand in hand with the underlying principle of common but differentiated responsibilities.

2. COP-15 will provide an important opportunity for funders to ensure their views, and those from the communities they support, are heard. New, transparent mechanisms are needed. Existing institutions need to be more inclusive of developing countries. If the developing world is to play a key role in reducing CO², then there is a need to address finance, governance and evaluation. Increased bilateral government arrangements to take control of capital flow might be the likely way forward. In current economic circumstances, policy makers needed to be creative and radical to raise the necessary funds.

3. There is no 'silver bullet' to mitigate the impact of climate change. Multiple mitigation options need to be deployed across every sector and region. Current national and international policy proposals are insufficient (perhaps less than half of the required abatement). Costs on mitigation and adaptation activities should be seen as investments. Although it will 'cost' in the short-term, it will be economically positive over time (e.g. 50 years). Peoples' mindsets will change and lifestyles evolve. Increasing taxes on materials and reducing taxes on people may help integrate climate change policy into sustainable development strategies.

4. Political structures will need to change. Arguably the G8 is already less relevant than the G20. Perhaps the G20 should be supplemented by the B20 (business representatives selected by each G20 representative). Civil society

organisations also need a place at the top table. Issues that policy makers need to address in considering funding to fight climate change include: how can one stimulate capital flows from the developed to developing world? how can one ensure the capital is used efficiently? what national institutions and programmes need to exist to use the money well? and what mechanisms or controls are needed to ensure any carbon abatement 'sold' to the developed world is actually delivered?

Climate Change and Development: National Government Policy and Outlook

5. Climate change is a major threat to the international development agenda, undermining or destroying poverty gains in many areas and is now (particularly since the Stern report) a key strategic consideration in development policies of countries such as the UK. The impact of climate change coupled with the credit crunch makes international development financing more difficult and the political space more challenged. Nevertheless, the concept of a 'green recovery' provides some opportunities.

6. The UK government recognises 'business as usual' is unacceptable. Doing so might result in global temperature rises exceeding 4-5°C within the next generation. The achievements of the Millennium Development Goals (MDGs) would be threatened with reversal, and developing countries would be unprepared to face the scale of these changes. The correct alternative is for governments such as the UK to integrate ambitious and proactive climate change impact reduction programmes into top line policies and investment. Such policies might help limit global temperatures to a 2-2.5°C increase. Impacts of climate change will still prove severe, but more manageable. There needs to be an equitable allocation of mitigation effort and sourcing of mitigation finance.

7. Governments such as the UK must balance efforts between the immediate objectives for the United Nations Framework Convention on Climate Change (UNFCCC) negotiations and the longer term aim of helping developing countries achieve low carbon development and climate change adaptation. The UK proposes to work with the EU where possible in order to have a more impact, for example, in

establishing a sound financing position on mitigation. Climate change work must not be at the expense of poverty reduction. DFID's three pronged approach is to help create a global framework on climate change; promote low carbon development; and minimise the impact of climate change. There needs to be global policy debate and action coupled with country-level transformation.

Science and Key Community Impacts

8. Current scientific research on the impact of climate change on international development provides stark messages, both in terms of what is already happening, and on future projections. Climate change is already radically affecting some societies. Greenhouse gas concentrations have increased by an unprecedented amount and speed. It is increasingly unlikely that the world will avoid dangerous climate change, that is, global warming exceeding 2°C above pre-industrial levels which would have a serious impact on global crop productivity. The 2% figure is an average, and increases of temperature over large land masses (where the impact would be greater) will be significantly higher than over the sea. It is important to appreciate the greater impact of anthropogenic climate change and seasonal variations.

9. Climate change is likely to have a disproportionate impact upon the poorest countries and the poorest persons within countries, exacerbating inequities in health status and access to adequate food, clean water and other resources. Developing countries in general, in a world already severely challenged, are the most vulnerable to climate change. For example, they are already more flood and drought prone and have a larger share of the economy in climate sensitive sectors. Developing countries generally have a lower capacity to adapt because of a lack of financial, institutional and technological capacity and access to knowledge. This is especially true of Africa where the existence of widespread poverty, hunger, and poor health already affects millions of people.

10. Climate change will cause damage to ecological and socio-economic systems.
 - i) Higher maximum temperatures will produce more heat waves, increased storminess, reduced air quality, increased mortality in old people, damage to crops, heat stress on livestock, changes to seed production patterns, and an extended range of pests and diseases.
 - ii) Rising sea levels will produce more coastal flooding (exacerbating loss of habitat, biodiversity, tourism), and loss of productive land area.
 - iii) More heavy rainfall means will produce more intense precipitation events, more river flooding, landslides, mudslides, damage to family and public assets, and increased disease in urban areas.
 - iv) Increased frequency of drought will produce decreased agricultural productivity, greater incidence of famine, increased wildfires, decreased hydropower, and water supply problems.

11. One third of the world's population is now subject to water scarcity. Scientific estimates show the population facing water scarcity may more than double over the next 30 years, with 30% of the world's land mass in drought by the end of the 21st century. This has a serious impact on global security. The compounded effect of climate change (the way that several aspects of climate change can cause greater impact collectively than individually) is not fully understood. Developing countries have limited policy capacity to undertake strategic research on climate change 'threat multipliers': this would be a fruitful area of research which funders might fund.

Response to Climate Change

12. The response to climate change needs to be twofold: mitigation and adaptation. Mitigation is largely in the domain of developed countries, and the need for serious mitigation measures is well supported by the science. Adaptation is particularly important in developing countries where the impact of climate change will be most adversely felt. The world is already signed up to 2-3 decades of considerable adaptation initiatives. But in many areas the likely impact of climate change is still uncertain or poorly understood. Increasingly the choice will become starker – communities that do not adapt will suffer.

13. The world is struggling to achieve even a reduction in the increase of emissions. The only way to deal with the impact of climate change in the short and medium term (which still requires drastic reductions in greenhouse gas emissions) is for people and communities to adapt to the consequences of climate change. Technological fixes are not sufficient. A key to successful adaptation is knowledge and information, cooperation within the affected community, and the resources to act on the shared knowledge. If people understand the changes affecting them and options for adaptation, they can choose to modify their activities. For example, people can diversify into different crops. Giving people the means to supply or produce sustainable energy is an invaluable tool to get people out of poverty as well as helping them reduce carbon. Simple technology could transform lives. Adaptation will only work if embedded at community and family level. Decisions in the community, like in a business, are made through assessing risk and evaluating the opportunity cost. With a supply of appropriate and timely information, people can make better 'business' decisions and are therefore empowered through this knowledge.

Population and Migration

14. The Red Cross estimated that in 2001, for the first time, the number of environmental refugees was greater than the number of people fleeing war and conflict. Climate change has significant impact on vulnerable communities in areas such as population, demography and migration. Migration will rise even without climate change. But there will be substantially growing numbers of environmental refugees. Migration is largely an adaptation strategy for the poor, sometimes a result of the failure of a previous risk reduction strategy. Predictions range from 150-200 million environmental refugees by the middle of the century, other reports claim 1 billion may migrate. The Intergovernmental Panel on Climate Change (IPCC) acknowledges that all estimates are guesswork. What is clear is that the pressure to migrate from certain areas will intensify. At present there is no term and thus no collective status for such environmental refugees. This makes it easier for governments to ignore the issue. Pressure from private funders on the international

community and individual countries to recognise the status of such refugees might help.

15. Most governments and NGOs tend to see migration as a negative process, and a cost. Certainly migration of communities to less stressed areas can have a negative impact ('water wars' or people smuggling into developed countries). Those with power can seize assets for their own survival from those with less power, or from common assets (deforestation, wildlife, minerals). However, migration is in many instances a positive action, particularly for the individual concerned. The key is to accept that migration of individuals and communities is inevitable. Governments and NGOs need to work on enhancing and managing migration, and helping to mitigate the effects where the influx would be detrimental.

16. The issue of migration is complex, with uncertain predictions and a relative lack of empirical material, particularly at the local level. Migration has multiple 'drivers', some more susceptible to climate change than others. It is sometimes difficult to isolate environmental drivers. Migration may be forced or voluntary; reactive or proactive; across or within borders; permanent or temporary. Some migration flows are counter-intuitive: for example, economic migration to cities in Asia themselves at risk of flooding. More research is necessary to try to unpick the complexities of environmental migration as an adaptation strategy to climate change. Funders could help promote understanding of when and how this adaptive response might be appropriate.

Urbanisation

17. The Forum debated the efficacy of projects to improve rural life to avoid high migration to cities, but agreed that it was important not to fall prey to the 'rural romance' vision. Urban dwelling, even in slums, can have advantages over rural communities in terms of access to healthcare, work, and places of creativity/education. In Africa, for example, the economic future is based in urbanisation and cities. According to UN Habitat figures half of the African population will be urban by 2050 with urban growth rates the highest in the world. Difficulties

occur, however when a mega city has no surrounding rural infrastructure. Funders could direct more resources to climate change projects in urban areas. Few coastal cities will avoid serious impacts from climate change. There are over 3000 cities in low elevation coastal zones, putting nearly 400 million people at risk, of which half are in Asia. The impact of the hurricane in New Orleans shows how even in an ostensibly rich country, the poor in particular are still vulnerable to sudden meteorological events.

18. Unprecedented slum growth (38% of the world's urban growth) is in part a result of high levels of environmental refugees. About 30% of the African slum population comes from this category. The capacity of cities in developing countries to improve sustainability and combat the impact of climate change is weakened by the lack of city level data. Urban research would be a worthwhile area for funders to support. The key for funders working on projects within cities is to form partnerships at local authority level. The social organizations of slum dwellers also have important local knowledge and influence. Individual projects supported at a local authority level might be able to be duplicated or upscaled elsewhere, thus bringing greater benefits to the community and funders alike. Focusing responsibility at a local authority level can be productive, such as at the Local Government Climate Session at the UNFCCC Poznan meeting in 2008. Local authorities can often effect change more swiftly and appropriately than the national government. Mayors and local authority officials have the power to effect change locally, but can subsequently be effective advocates for action at higher level. On a practical level it is vital for city planners to play a major role in mitigating climate risk in their particular area. This is not always happening; for example, Mumbai champions low carbon transport but is not adapting the city sufficiently for flooding. India had officials known as 'municipal commissioners' who can prove useful 'change agents' through whom funders could explore ideas and seek support for their projects. The difficulty, however, is how cities can leverage high level funding without the support of government.

The Role of Private Funders

19. There are advantages in the private funders' role compared with that of governments or international organisations. Governments are accountable to taxpayers. This makes them risk-averse. Private funders can take more risks and innovate. They can helpfully fill a niche role, for example, providing support for local end projects, orphan technology, venture capital or other areas where public sector funding was seen as too great a risk. Work on a fair and equitable carbon allocation deal, carbon market reform or help on deals to unlock technology investment in developing countries are areas private funders could influence.

20. Private funders are seen as more impartial than governments. Without allegiances to government, private funders have a crucial lobbying voice. In the run-up to Copenhagen and beyond, private funders have an opportunity and responsibility to lobby for discussion and resolution of difficult issues. Lobbying should be at all levels: national, EU, UN, or pushing for a greater 'green' commitment from organisations such as the World Bank. Impartiality is also a useful platform from which to encourage knowledge generation and building up the capacity of local and national civil society. Funders' rights and conflict experience is valuable in the climate change context. Greater coordination between private funders and between funders and government can maximise the impact of overall development funding and avoid duplication of effort. Governments and private funders could usefully compare their data on funding flows.

The Role of Civil Society

21. Civil society holds the key to real change, social justice, and greater distribution of the wealth and benefits of development. It generates the social basis for democracy, promotes political accountability, produces social trust, reciprocity and networks, creates and promotes alternatives through collective practice, challenges ideas from the state and supports the rights of citizens and the concept of citizenship. The role of civil society in addressing climate change, particularly adaptation, has been overlooked and is under-utilised. IPCC findings have stated that a high priority should be given to increasing the capacity of communities and

social groups to adapt to climate change in ways that are synergistic with wider societal goals of sustainable development. Current measures, including the establishment of an international adaptation fund will miss the opportunity to generate social justice as the role of civil society is not embedded in these measures.

22. Civil society must focus on key adaptation and mitigation needs and use its voice to articulate these and respond to them. The dual and interlinked challenges for civil society are to get the global community to agree to reduce emissions whilst enabling and encouraging communities to develop and adapt against a backdrop of constant and often negative climate change. Communities need to make dramatic changes. The role of the state in encouraging or forcing people to embrace such change is overvalued. The key to bridging the gap is more focus on civil society; funders might further help to nurture and support this.

23. Engagement at grass roots level is fundamental. The key question is how to link up grassroots with international policy making. One can “put a megaphone on the anecdotal” but this is not very effective. How can one bring voices to global processes? The problem is in part the unwieldy and bureaucratic structure of current aid architecture. The voices of civil society have some outlets, for example, through the web, media, and mass collaboration. The lack of participation in global processes by indigenous people is a particular problem. Not only should they have a greater say on climate change itself, since they are often most affected by it, but also they need a greater say in the decisions taken by international conventions as, again, these are likely to have a greater impact on them.

Strengthening Capacity and the Voice of Southern Civil Society

24. The developed world is accountable for taking on the bigger burden of mitigation, and of financing adaptation efforts in poor societies of the global south. But voices from the South, of the poor, the marginalised, and the grassroots communities need to be included in the climate change dialogue and in formulating appropriate and just strategies. Policy makers need to contextualise climate change discussion in language communities can understand and contribute to. Capacity

building should focus on the community level, making strong use of information and communication technologies to improve knowledge and networking. Southern civil society should be equipped and empowered not only to hold the developed world to account on climate change issues, but also to challenge its own governments. Resources from funders could be used to enable a bottom-up coordinated action by a 'coalition-of-willing' across both North and South. Funders might also provide useful research on how the common but differentiated principle could be applied.

25. The climate change 'movement' at grassroots level is fragmented and lacks a common 'frame'. Civil society, supported by funders, needs to 'frame' calls on action within a positive message that people can make a difference (such as happened in the 'Making Poverty History' campaign). Scaremongering on the impact of climate change can be counter-productive. Influencing the IPCC needs substantial engagement. Funders could help through support of the grassroots, and in particular through scaling-up grass roots work. One way to scale up is through publicity, best practice and example (such as the Ashden Awards initiative).

Civil Society Funding

26. Although private funders are able to take risks on projects, they seem to be becoming increasingly risk-averse. The pressure to quantify positively the impact achieved means that funders avoid riskier projects which are less likely to show proven success. The pressure to document success misses the point of effecting change. Funders need to be able to fail, to learn from failures, and for their mistakes to be used to further understanding throughout the funding community.

27. One funding model which makes it easier to take risks is through administering a small grants scheme. Grants of less than \$5000, for example, need less formal monitoring and evaluation procedures. This could be helpful both for the partner on the ground and the funder. Working from the ground up, getting local leaders to advise and volunteer, can create a resilient, robust system which is culturally appropriate and often gives a good return on the investment. Using local implementers obviates the need for the high fixed staffing costs of larger projects.

Projects can move forward quickly, feedback loops are short, and because of peer accountability there is a strong bond of trust which means abuses are rare.

Role of Children

28. Children are economic actors in own right. The role of children in taking action against climate change needs to be more widely recognised. Climate change will be of greater consequence in their lives than ours. Children are powerful advocates and agents of change. These skills should be used to increase community resilience. Perhaps funders could fund more educational programmes such as training on disaster risk reduction (like the successful disaster preparedness training in Japanese schools). Children from whatever background could be connected in common cause through education and the national school curriculum. Children are 'early adapters' and want empowerment to participate in ongoing national/international discussion. Children, who form 50-60% of population and will inherit the planet we leave them, should not be disenfranchised.

Community Development, Livelihoods and Economic Growth

29. Climate change has serious impacts on community development, livelihoods and economic growth. Improving community resilience is key. Resilience is defined as the ability to understand what climate change impacts were, and to prepare, survive, recover and sometimes thrive in the changing environment. Communities need help to define their vulnerabilities. Decisions made today help reduce future vulnerability. Funders can play an important role in creating and developing community resilience. Examples cited include work in agriculture in sub Saharan Africa, and mid sized cities in Asia. At the city level it is important to make the process replicable and to use partners to build momentum and traction and to ensure the work was incorporated into city planning for its future. A practical way of looking at the issue is to focus on helping communities rid their dependency on fossil fuels, rather than looking at climate change more generally.

30. To promote economic growth the need to scale up projects rapidly was key. For example, one can create a 'business in a box' and then licence it for quick

expansion. Microfinance is an effective mechanism for scaling up. Funders need to commit seed finance quickly and for a prolonged period. Tapping into communities or individuals with a strong entrepreneurial spirit reaps dividends.

Climate Change and Social Justice

31. Climate change is a social justice issue. Donors could and should promote justice in their climate change efforts through, for example, legal interventions and support for social movements. They should ensure that all efforts undertaken are respectful of social justice and human rights. Development models matter. Efforts to address climate change have justice implications within countries as well as between them. Policymakers and donors should be attentive to the developmental and distributional outcomes of climate change and of the efforts to address it.

32. Fund management is often opaque and unaccountable. The origin and management of funds used to promote development, and increasingly to address climate change, raise social justice concerns. At what point does 'bad' money (money generated from climate unfriendly activities such as, for example, mining, fossil fuels, the automobile industry or other industrial processes) become 'good' money (i.e. addressing climate change)? Donor support for governance and anti-corruption activities in developing countries is itself frequently lacking in transparency and accountability. These concerns reappear with especial force in the climate change domain.

33. Carbon markets raise hard questions of accountability, transparency and distributional outcomes. The wider distributional outcomes of carbon markets are not well understood. Who stands to benefit and who would lose? What would be the consequences if a bubble were created and burst? Research is needed to unravel the complexity and understand the larger implications of carbon markets, to demonstrate their effectiveness and to explain clearly the stakes to those most likely to be affected by them over the mid to long term.

Livelihoods

34. Funders need to understand the complexity of the livelihoods of communities affected by climate change, and work with them on response measures that minimise current vulnerabilities. They need to look at how communities can respond with the resources they have, and how these resources can be best used or complemented to provide successful adaptation strategies. By protecting and enhancing the current environment that supported livelihoods, vulnerable communities can maintain local safety nets and develop better coping strategies for disruptive shocks and trends. Start-up projects for low carbon projects are successful in improving livelihoods as well as inherently improving the environment – thus helping both on adaptation and mitigation. Foundations and private funders should practice what they preach, for example being carbon neutral in their investment portfolio and following best practice on mitigating their own energy (for example, undertaking a carbon audit, using proven good alternative energy measures and offsetting the rest).

Demography

35. The climate change/population interface is a sensitive but important issue. The linkage between the two is not fully understood. While the world's climate had always varied naturally, the vast majority of scientists now believe that rising concentrations of greenhouse gases in the earth's atmosphere are as a result of economic and demographic growth over the last two centuries. If the world carried on with 'business as usual', we would need two planets by 2050 for the expected population to live sustainably. Population and consumption levels are also clearly connected and should be discussed on the climate change mitigation agenda.

What Specific Steps can Funders Take for Future Action and Partnerships?

i) Action for Copenhagen

36. The UNFCCC Copenhagen meeting is crucial. Whatever its inadequacies, it is the only show in town. Funders could play their part in ensuring that the ambition level high for Copenhagen is kept high. Countries preparing for Copenhagen are developing their national climate change strategies up to 2020 and beyond. Funders

should take the opportunity for strong advocacy work, both on their own initiative and through building capacity to ensure all voices were heard. That said, funders must not only seek to cooperate and focus on the run-up to Copenhagen, but also need to plan and prepare for the longer term.

37. Action points identified for funders to take forward either individually or cooperatively in the run up to Copenhagen included: immediate capacity funding from a couple of funders to boost developing country involvement in Copenhagen; media training; public mobilisation of the “Global Campaign for Climate Action”; NGO-funder dialogue; production of think pieces on key issues to help inform negotiations; and efforts to identify and increase bilateral contacts with key negotiators and policy makers at Copenhagen.

ii) Advocacy, Awareness, Policy Development

38. Funders need to help mobilise voices at all levels. Philanthropy needs to be energetic and proactive. Think tanks and pressure groups are sometimes less easy to engage with than grassroots, but it is important to do so. Funders need to speak more on their own account in policy discussion and on international governance issues. At times this will be uncomfortable, for example, when not be in line with one’s own government. Climate change campaigning is currently in vogue, as once were “third world debt” or HIV, but the general public could lose interest. Funders and activists need to extend the lifespan of interest and activity. Greater attention is needed overall on policy advocacy. Many mainstream economic actors believe that limiting carbon emissions will weaken the economy. Civil society needs to work with research and educational institutions to show that action on climate change can lead to a sustainable future.

39. Advocacy work needs more public backing. This was identified as a key weakness in achieving a successful strategy. The solution is, however, more difficult in the current financial crisis. Funders need to help plug existing capacity gaps, for example, educating the media. This is important not only for Copenhagen but also beyond. Funders need to target specific sectors of influence, for example, the media

in non-oil producing Arab countries. It would also be useful to feed in key messages on Copenhagen to the people, media and politicians in advance of elections in key areas and countries.

iii) Building Foundation Knowledge and Networks on Climate Change and International Development

40. Philanthropy is like acupuncture: it can have a huge effect if directed to the right place. The key is to identify the right places. Funders need to develop more resources and tools to help identify and understand the capacity gaps. More funding is needed to pursue this issue, although this is difficult in the current economic climate. Funders could seek help or alliances with other donors such as governments or the World Bank. Reframing the issues for non-environmental funders might help bring them on board. Funders need to network amongst themselves more proactively, for example, using the increasing number of funder initiatives and resources in relation to climate change (see Annex).

41. The Forum looked at how best to find and select projects, and how to generate best practice and synergies. An important ingredient is having partners on the ground one can trust and with expertise. Funders need to find ways to advertise themselves to those needing funding. It is important to develop better links between funders working in the same field and to seek out organisations which may match fund seekers with funders. In some circumstances it made sense to pool funding in order to maximise use of funds and create synergies. Funders might also be encouraged to refer funding opportunities to others, for example, funders contributing to the early stage of a project could encourage other funders to take up the reins for later stages or related projects. Funders could do more to learn from each other through websites and opportunities for information sharing such as meetings and round table sessions.

42. Experience suggested that, as a rule, funders should fund the organisation itself, and fund its core enterprise. Funders should be open-minded in their choice of funding mechanism, such as considering loans as an alternative to grants. This is

difficult to do from the West; funders need to find local banks and lenders to support infrastructure and end users. In order to give the chosen project the best chance of success, funders need to offer a holistic package. For example, a project might require any or all of the following: seed stage funding; continuing funding; technical support; business support and funding of local delivery mechanisms.

Conclusion

43. The impact of climate change on international development is an increasingly critical global issue requiring a global solution. Yet finances are stretched, time is short and policy differences between world regions are many. Funders have an unprecedented opportunity and responsibility to influence policy and action, both in the months leading to the UN Climate Change Conference in Copenhagen but equally beyond. Funders need to step up their efforts to lobby and engage with international policy makers, cooperate with each other and support and bolster the role of civil society in order to protect vulnerable communities and play their part in creating stronger foundations for a sustainable planet.

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Wilton Park Reports are brief summaries of the main points and conclusions of a conference. The reports reflect rapporteurs' personal interpretations of the proceedings – as such they do not constitute any institutional policy of Wilton Park nor do they necessarily represent the views of rapporteur.

Annex

List of some key funder initiatives and resources on climate change

The Environmental Grantmakers Association, www.ega.org

The Environmental Funders Network, www.greenfunders.org

Climate Change Philanthropy Action Network, www.climatephilanthropists.org

Climate and Energy Funders Network

Forests Philanthropy Action Network

ClimateWorks Foundation, www.climateworks.org

European Climate Foundation, www.europeanclimate.org

The Baring Foundation and City Bridge Trust initiatives.