

LOCAL CAPACITY AND ACTION FOR THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

EXECUTIVE SUMMARY

UNDP's emerging strategy on Local Capacity and Action for the Environment and Sustainable Development (hereafter the Local Capacity Strategy) has been developed to 'strengthen local capacity to manage the environment and expand access to environmental and energy services, especially for the poor', a key result area within UNDP's Environment and Sustainable Development Practice as outlined in UNDP's Strategic Plan 2008-2011.

The Local Capacity Strategy is intended to support and scale up the growing number of inspiring examples from around the world of local action taken through community-based institutions to sustainably manage natural resources; alleviate poverty; conserve and maintain ecosystems; secure adequate supplies of food, water, and energy; and adapt to environmental changes (including climate change). These local actors encompass a diverse range of groups, formal and informal, rural and urban, inclusive of: communities, indigenous peoples, village associations, local NGOs, micro-enterprises, youth and women's groups, cooperatives, self-help groups, savings groups, local authorities and municipalities.

Improving the capacity of local actors to access natural resources – and manage them sustainably for income and sustenance – can help them break the cycle of poverty and increase the quality of resource management, the productivity of local resource-based enterprises, and the equity with which benefits are shared within communities.

Work at the local level is the only reliable way to build real resilience to the challenges of climate change and the many other environmental, social, and economic challenges the poor face today. Such resilience stems from simultaneous improvements in the health of local ecosystems, in the diversity and availability of local economic options, and in the social capacity to work collectively for common development objectives. By providing a coherent scheme for delivering the appropriate resource rights, capacity development, and financing to local actors, UNDP will contribute directly to such community resilience.

The Local Capacity Strategy is structured around four Strategic Priorities:

1. Strengthen institutional, policy, and legal frameworks to broaden local access to environment and energy resources and services, and to enable finances to flow to the local level
2. Enhance the capacity of local actors to access environmental finance and plan, implement and monitor environment and energy programmes, enterprises and service delivery
3. Facilitate learning to make local action more effective, sustainable, and replicable
4. Ensure that local actors are positioned to advocate for their rights and entitlements related to environment and energy in national and international fora

Strategic Priorities are based on both the needs of local actors, as articulated by local actors themselves, as well as UNDP's niche, perceived comparative advantage, and current portfolio of activities within the Environment and Energy Group (EEG) *.

* The Environment and Energy Group (EEG) includes UNDP staff located in Headquarters, within the Bureau for Development Policy (BDP). EEG is part of the broader, Environment and Sustainable Development Practice, which includes all of UNDP's staff in Regional Service Centres and Country Offices around the world, working in the focus area of Environment and Sustainable Development.

While each Strategic Priority has a distinct scope and modalities, all are strongly correlated and inter-dependent. UNDP interventions will focus on strengthening two-way capacity development: of national governments and donors to recognize and support the scaling-up and replication of local best practices in environment and energy; and of local actors to articulate needs, access resources, and inform national and international policy-making processes.

The Local Capacity Strategy will be implemented through a variety of channels, including but not limited to:

- The GEF-Financed, UNDP-implemented Small Grants Programme (SGP): UNDP will build on and provide additional financing to SGP's existing organizational structures, including the SGP National Coordinator (NC), multi-sectoral SGP National Steering Committee (NSC) and SGP local networks, to enable it to expand beyond its GEF mandate.
- UNDP Country and Regional Offices: existing programmes will be supported and expanded to improve the impact and efficacy of work with local actors and to bridge local-national dialogue
- UNDP Headquarters:
 - Integration of local work across thematic areas – biodiversity and ecosystem services, land, water, energy, community based adaptation (CBA) to climate change, and reducing emissions from deforestation and forest degradation (REDD)
 - Coordination of local work with EEG's other three pillars – environmental mainstreaming, catalyzing environmental finance, and climate change adaptation
 - Coordination of EEG's local work with other Bureau for Development Policy (BDP) Practices and Teams
- Partnerships: a global partnership of multilateral institutions, monetary and financial institutions, non-governmental organizations, research institutes, foundations, and other relevant stakeholders will be mobilized to cover activities outside the areas of UNDP comparative advantage

STRATEGIC PRIORITIES

Strategic Priority 1: Strengthen institutional, policy, and legal frameworks to broaden local access to environment and energy resources and services, and to enable finances to flow to the local level

Environmental Finance: Ensure that key international environmental financing mechanisms benefit the local level and provide responsive, demand-driven financing and grant-making

Inform International Policy: Contribute to international policy processes including CBD, UNFCCC, and other international fora to inform decision-making, drawing upon country experiences and local best practices

Multi-Stakeholder Dialogues: Strengthen the relationship, understanding and communication flows between state, non-governmental, and local actors through multi-stakeholder dialogues

National Policy: Support national governments to provide enabling policies and investments required for the effective implementation of EEG's Financing Facilities* at the local level

Scaling Up Local Efforts: Build government capacity to identify local best practices and support the scaling-up of local efforts

Strengthen SGP: UNDP will build on and provide additional financing to SGP's existing organizational structures, including the SGP National Coordinator (NC), multi-sectoral SGP National Steering Committee (NSC) and SGP local networks, to enable it to expand beyond its GEF mandate.

Strategic Priority 2: Enhance the capacity of local actors to access environmental finance and plan, implement and monitor environment and energy programmes, enterprises, and service delivery

Strengthen local capacity to understand and demand access to natural resources and financing mechanisms for nature-based projects and enterprises:

Rights and Access: Understand, negotiate, and claim rights to ecosystem resources, and access finance opportunities

Effective Participation: Understand global and national policy formation, negotiate and communicate effectively within these processes

Demonstration and Documentation: Demonstrate traditional knowledge and the positive environmental and socio-economic impacts of local work to funders, donors, and national governments

Strengthen local capacity to scale-up sustainable implementation of natural resources and environment and energy programmes, enterprises and service delivery:

Institutional Development: Build local resource management groups, conflict resolution techniques, leadership development, resource mapping, needs identification, and monitoring skills

Financial Development: Undertake strategic and investment planning, banking, budgeting, asset management, internal controls, accountability requirements, and reporting

Business Development: Implement sustainable business practices such as business planning, market research and product development

Network Development: Map, engage with, learn from and exchange experience with other local stakeholders and potential partners.

*Carbon finance and payments for other ecosystem services is emerging as a potentially powerful new funding source for the environment and sustainable development – creating new markets for environmental services. EEG is investing significantly in tapping into these new global environmental financing mechanisms and has developed a set of facilities with the potential to unleash and redirect resources to sustainable development at the local level.

Strategic Priority 3: Facilitate learning to make local action more effective, sustainable, and replicable

Dialogues: Facilitate dialogues and meetings between groups of local actors – by region, area of work, common challenges, etc – to share best practice

Peer-to-Peer Exchange: Facilitate peer-to-peer exchanges where communities face common challenges and could benefit from direct, on-the-ground knowledge sharing

Learning Platforms: Support communities to maintain ongoing learning platforms, both virtually and through regional and national focal points

Local Centres of Excellence: Establish local knowledge centres for training and demonstrations by local actors or initiatives

Lessons Learned: Support the implementation of new knowledge and acquired lessons learned after a good practice has been shared

Documentation: Support local actors to document best practice and acquired knowledge in locally relevant and understandable forms

Locally Relevant Information: Adapt existing information and training materials to be more useable for community groups

Information Sharing: Develop training kits and create opportunities for information sharing such as workshops, case studies, and information platforms

Strategic Priority 4: Ensure that local actors are positioned to advocate for their rights and entitlements related to environment and energy in national and international fora

Partnership Building: Facilitate partnerships and constituency building for strategic advocacy of local action in environment and energy

Local Voices: Broker multi-stakeholder dialogues to integrate local voices into national and international environment and energy policy formation

Advocacy: Equip local actors with the communication and organizing skills to advocate for themselves

Awareness Raising: Highlight and disseminate vertically and horizontally innovative community-based experience

Outreach and Communication: Heighten the visibility of local action in environment and energy through media, knowledge sharing, publications, and demonstration,