



KEY LESSONS LEARNED

Financing Climate Change Adaptation

Financing plays a crucial role in climate change adaptation and ecosystem conservation. Many local adaptation solutions, such as Ecosystem-based Adaptation (EbA), have already proven their effectiveness and efficiency. However, securing long-term financing remains difficult. The 2023 Adaptation Gap report by the United Nations Development Program (UNDP) concludes that adaptation finance needs to increase at least tenfold. Green finance tends to

focus on mitigation, particularly on private sector emissions offsetting. Conflicts about responsibility and cost coverage among different levels of government and the activation of more private funding are other challenges. Also, the suitability of financing solutions for adaptation is highly dependent on local context. Key stakeholders, public support, financial literacy, and the activities to be financed are among aspects to be considered.

In the GreenWatersheds-project, OroVerde and its partner organizations in Mesoamerica and the Caribbean have identified four key lessons:

1 Successful Business Cases for Adaptation

Compelling business cases are a key factor to attract financing for adaptation. In the case of EbA, convincing cases can be built upon the economic benefits of restoring or conserving ecosystem services, long-term development prospects, and scientific evidence of success.

2 Engaging the Private Sector

Given the scarcity of green investments that truly address local adaptation needs, multi-actor partnerships are advisable. Involving representatives from the private or financial sector already at the planning stage and in the design of the financial framework facilitates the incorporation of their unique perspectives as well as providing valuable insights on how to attract external finance. In addition, such exchanges can help foster a shared understanding of the situation, conditions and requirements for success among all stakeholders involved.

3 Science-Based Measures and Economic Rationales

There is an urgent need for context-specific studies on the costs and benefits of adaptation activities at the local or regional level. These studies should focus on ecosystem services of particular importance to regional stakeholders, such as water, erosion mitigation, or pollination. By providing scientific proof for the effectiveness and efficiency of adaptation activities, such analyses offer an economic rationale and an avenue to directly address the interests of potential funders.

4 Strategic Communication

A well-crafted communication strategy establishes a shared understanding and language across involved sectors. Especially when engaging the private, public, or financial sector, it should be highlighted how the measures align with national and international goals. Additionally, analyzing the connection between an institution's or company's mission and EbA allows to present convincing arguments for financing EbA and point out potential co-benefits, such as good publicity or tax relief.



Success Stories for Funding Ecosystem-based Adaptation

COST-BENEFIT ANALYSIS

The **cost-benefit analysis of rainforest reforestation and conservation in the Sierra de las Minas Biosphere Reserve, Guatemala**, put hard numbers on the efficiency of these activities. While the monetary costs are usually easy to identify, the monetary benefits – in this case from ecosystem services such as water supply, carbon sequestration and erosion prevention – are harder to calculate. The study helped to put costs and benefits into perspective and is serving as an essential tool in persuading the private sector to invest in EbA.

WATERSHED GOVERNANCE

The **CONORYAQUE watershed council in the Dominican Republic's** Valverde region stands as a notably successful model of watershed governance. With a membership of over 20 organizations and institutions, it has already successfully secured private and public funding for its initiatives. It is also working towards establishing a trust fund for financing adaptation measures, such as sustainable agroforestry and reforestation.

CROWD-FUNDING

The **“Héroes Brigadistas” (Fire Brigade Heroes)-crowdfunding campaign in Mexico** aimed to provide volunteer firefighter teams with the essential gear needed to safeguard forests and other ecosystems from wildfires. Launched in 2020, the campaign was so successful that it was repeated in 2021. Overall, nearly 250,000 US-Dollars were raised, enough for firefighting, first aid and rescue equipment and supplies for 100 firefighters.

[Héroes Brigadistas 2020](#)



[Héroes Brigadistas 2021](#)



[Héroes Brigadistas 2022](#)



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