

The Transformative Actions Program (TAP): Linking with finance to TAP the potential of local climate action

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The Transformative Actions Program (TAP) is a collaborative initiative to improve access to existing capital flows for cities and regions, catalyzing and accelerating additional capital flows, and maximizing investment in low-carbon and climate-resilient urban development and governance processes.

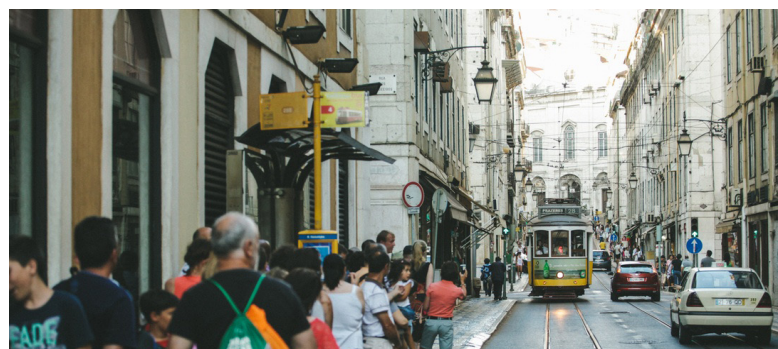
Key Messages

- The local and subnational level – in particular cities and regions – is where climate change can be tackled effectively. City-level activities already account for a significant share of global greenhouse (GHG) emissions. Cities are also the place where the majority of climate actions can contribute to achieving ambitious global climate goals.
- A critical barrier to accelerating and scaling-up the realization of much needed local and subnational actions across the globe is the range of difficulties in accessing available financing, as well as the lack of bankable projects.
- The Transformative Actions Program (TAP) is therefore a timely initiative by networks of local and subnational governments to improve access to existing capital flows to cities and regions, catalyzing and accelerating additional capital flows, and maximizing investment in low-carbon and climate-resilient urban development and governance processes. The TAP is launched and managed by ICLEI – Local Governments for Sustainability.
- The TAP has mobilized a first generation of 125 ambitious, inclusive and cross-cutting projects from around the world to be presented to financial institutions, foundations and national government delegates at the Cities & Regions Pavilion in Paris Le Bourget during the COP21 in December 2015.

A low-carbon world needs low-carbon cities

The **local and subnational level** – in particular, cities and regions – is where climate change can be tackled effectively. City-level activities already account for a significant share of global greenhouse (GHG) emissions, consuming 78 percent of the world's energy sources and generating more than 70 percent of energy-related carbon dioxide, largely through energy production and transportation based on fossil fuels, but also industry, and biomass consumption. Therefore, however, cities are also the place where the majority of climate actions can contribute to achieving ambitious global climate goals.

Further, cities, particularly in developing countries and



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emerging economies are facing unprecedented levels of urbanization over the next decades, with the number of urban dwellers to almost double between 2010 and 2050. This makes the urgency for effective climate action by all levels of government even more pressing.

Accommodating such an influx of citizens, providing effective and necessary services, establishing sustainable green infrastructure, and creating the political, economic and social frameworks for healthy, dignified and climate-neutral livelihoods, is a task requiring strong leadership. It also requires a drastic readjustment of financing mechanisms, emphasizing programmatic support rather than isolated stand-alone measures over the short to medium-term.

A key prerequisite for this is the fundamental reconceptualization of the role of local and subnational governments to optimize their effectiveness in addressing climate change mitigation and the local impacts of climate change (see also the ICLEI Briefing Sheet – Climate Series 02 about the vertical integration of climate policy across different levels of government).

Local access to finance is the barrier

A critical barrier to the realization of the much needed numerous local and subnational actions across the globe is the range of difficulties in accessing available financing, as well as the lack of bankable projects. Whilst major financial institutions and national governments are launching financial assistance programs specifically for local and subnational governments, eligibility requirements are often too complicated, especially considering the limited capacity at the local and subnational level to apply for, manage, monitor, evaluate and report on projects. This has resulted in a delay of accessing finance, in spite of considerable



amounts of funds allocated to tackling climate change mitigation and adaptation. In some countries, the situation is even further complicated by legal frameworks that do not allow for funding to go directly to the subnational government level. Hence, legislation can be an additional barrier to accelerating local and subnational climate action.

Local governments and their networks call for empowerment and support

Over the past 25 years, local and regional governments have been pioneers in implementing climate mitigation and adaptation actions. The efforts of local and regional governments must now be matched by a strong enabling environment that includes financing mechanisms with programmatic support and vertically integrated climate policy.

The 2013 Nantes Declaration of Mayors and Subnational Leaders on Climate Change urges Nation-States to adopt an action plan at COP21 to engage local and subnational governments in climate change policies on mitigation and adaptation. It further called for supporting them through capacity building, access to finance and modern technology. A similar proposal was included both in the Technical Paper prepared by the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat and by the Co-Chairs of the ADP1 in 2014.

A way forward: the Transformative Actions Program

Thus, in spite of the existence of:

1. Recognized suitable pro-green policies and regulations, experiences and practices;

2. Robust existing clean and low carbon technologies in the field of waste and water management, energy efficiency and renewable energy; and
3. Comprehensive finance tools and mechanisms;

many subnational decision-makers lack the required knowledge and a clear understanding on how to implement and deliver, as support structures and mechanisms are largely not in place, or are under-funded.

In not having the necessary 360-degree overview of requirements and the capacity to support the transition to the green economy, subnational authorities are indeed for the most part not well equipped to conduct feasibility studies, engineering and costing concepts to design a portfolio of bankable local and regional low-carbon climate-resilient projects.

This in turn leads to the perception among investors that it is too risky to invest in these projects. Here training, capacity building and capacity to act (personnel and resources) – also through learning by doing – addressing and integrating policy across sectors and levels of government, scoping modern and efficient technology, and exploring finance issues are key.

The Transformative Actions Program (TAP) is designed to address and create aiding mechanisms to help find ways to address key issues around subnational climate finance, and provide tools and knowledge necessary for local and subnational governments to design and implement transformative climate actions.

To achieve its goals, the TAP was designed to include five key pillars:

- 1. TAP Project Pipeline**, through which the TAP supports at least 100 projects from cities and regions;
- 2. The TAP Platform**, an online resource for local climate finance which features the submitted projects;
- 3. The annual Cities & Regions Pavilion**, which showcases the selected projects to a multi-actor public at COPs;
- 4. TAP Project Implementation**, through which the TAP assists cities and regions in implementing their climate ambitions.
- 5. TAP Advocacy (TAACA)**, the overarching 5th pillar that supports the other four by progressively setting the stage for better access to climate finance and accelerated

What makes a Transformative Actions Project (TAP)?

TAP

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A Transformative Actions Project is:

Ambitious

- First-time project/ action plan that will serve a meaningful percentage of the population; OR
- Existing project/ action plan that will be scaled up and that will serve an increasingly large amount of the population/ jurisdiction area/ etc.

Cross-cutting

- People: A TAP project demonstrates how citizens, in particular those identified from disadvantaged communities, will benefit in the short- and mid-term, e.g. urban poor, unemployed, elderly, youth, women, ethnic minorities, etc.
- Place: It improves different aspects of the location by optimizing the use of local resources [air, water, waste, land, biodiversity / ecosystems, energy] across services and sectors.
- Planet: It contributes to national and global sustainability goals (SDGs).

Inclusive

- City administration: A TAP project is well coordinated within the city administration, meaning cross-departmental coordination processes and mechanisms have to be in place to assure effective project implementation and financing.
- Civil society: It engages citizens and local stakeholders actively, encouraging their participation in the design, implementation and monitoring of the project.
- Multi-level governance: It establishes concrete efforts to foster collaboration and cooperation with governmental stakeholders at all governance levels: municipal, local, sub-national, national, regional.

implementation. TAP Advocacy mobilizes cities and regions, raises awareness of local action in global processes and advocates better local climate finance.

As part of TAP Advocacy, a focus on the vertical integration urges national governments to engage the regional and local levels in the design, development and implementation of transformative climate actions. The volume of applications received for the TAP this year is a testament to the potential that exists at the local and regional level. More than 120 projects are now part of the TAP Project Pipeline,

Meet the first generation of TAP projects!

The TAP has mobilized a first generation of 122 ambitious, inclusive and cross-cutting projects from around the world that will be presented at the Cities & Regions Pavilion in Paris Le Bourget during the COP21 in December 2015.

Find information about all the TAP projects on the website (tap-potential.org), and meet the TAP city champions during the TAP Time sessions in Paris 01-11 December. Find the program and more info here.

the majority of which await key financial and capacity building support towards full realization.

More related ICLEI Briefing Sheets in the 2015 Climate Series:

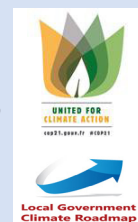
No. 01 - A brief history of local government climate advocacy: the Local Government Climate Roadmap - mission accomplished!

No. 04 - Forging Measurable, Reportable and Verifiable actions to tackle climate change

No. 05 - Reporting platforms for Local and Subnational Climate Action

And more, available at: www.iclei.org/briefingsheets

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TAP Partners



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Further Reading

- Transformative Actions Program website: <http://tap-potential.org/>
- ICLEI (2015) "Vertical integration between levels of government to effectively address climate and energy", ICLEI Briefing Sheet – Climate Series. Bonn, Germany.
- Other ICLEI Briefing Sheets in the Climate Series towards the COP21: www.iclei.org/briefingsheets
- The Cities & Regions Pavilion – TAP2015 website: <http://www.cities-and-regions.org/>



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ICLEI – Local Governments for Sustainability is the world's leading network of over 1,000 cities, towns and metropolises committed to building a sustainable future. By helping our Members to make their cities sustainable, low-carbon, resilient, biodiverse, resource-efficient, healthy and happy, with a green economy and smart infrastructure, we impact over 20% of the global urban population.

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