

Key points

The GEF should increase access to funding for Indigenous Peoples and other local actors, including reducing reliance on intermediaries and country focal points.

The GEF should improve data transparency and publish clear monitoring and reporting indicators to track how much money reaches each project partner, including Indigenous Peoples, local communities and women's organisations.

The GEF should provide long-term, patient, predictable, inclusive and flexible funding to support institutional capability building within local organisations.

The GEF should incorporate lessons and processes from the Small Grants Program across its full funding portfolio.

Limited GEF finance for nature reaching the local level

The Global Environment Facility (GEF) is a major multilateral funder delivering nature finance to developing countries to protect biodiversity. The GEF is critical to ensuring that nature finance is delivered at scale and that it meets the needs of Indigenous Peoples and local communities (IPs and LCs) who are custodians of significant biodiversity across their lands and territories. This briefing presents findings from recent research into the amount of GEF nature finance reaching IPs and LCs. It highlights that not enough GEF finance is reaching the local level where it is most needed and that it is not always being delivered in ways that support local priorities. It offers recommendations to the GEF and other funders on ways to deliver better quality nature finance in line with local priorities, with the best possible outcomes for biodiversity.

Nature finance is a major current topic in the Convention on Biological Diversity (CBD) and other international policy spaces. In February 2025, parties to the CBD agreed a new roadmap to mobilise biodiversity finance¹ to 2030 and beyond. The Global Environment Facility (GEF) is critical to these efforts, as a key multilateral funder for biodiversity and climate and host of the Global Biodiversity Framework Fund (GBFF),² the flagship fund for nature established at the 15th Conference of the Parties (COP15) to the CBD. The GEF-9 replenishment meetings in 2025 will set the agenda for the GEF's delivery of nature and climate finance over the next four years.

For nature finance to fulfil its vital role in halting and reversing biodiversity loss, it must reach Indigenous Peoples and local communities (IPs and LCs), who are local stewards of nature and whose knowledge is known to be highly effective at conserving biodiversity.

From 2023 to 2025, IIED and partners carried out research into the amount and quality of GEF

biodiversity finance reaching IPs and LCs, including IP and LC women's organisations specifically. We analysed publicly available data on the GEF project database and interviewed recipients of GEF funding in Antigua, Kenya, Malawi, the Philippines and Vanuatu. We included projects from the GEF Trust Fund's recent replenishment phases³ (GEF-5, GEF-6 and GEF-7), as well as projects from the GEF Small Grants Program (SGP)⁴ and the GEF-7 Inclusive Conservation Initiative (ICI)⁵. This briefing highlights the main findings and recommendations from this research, which reflect known issues previously highlighted by IPs and LCs.

Limited funding reaching IPs and LCs and IP and LC women's organisations

For the main GEF Trust Fund, our quantitative analysis estimated that 24% of total GEF-6 funding and 30% of GEF-7 funding was

IPs and LCs have long been calling for reform to GEF policies

'targeted' towards IP and LC actors at the design stage. However, many projects targeted them as indirect beneficiaries rather than direct recipients of funding, so these figures do not reflect actual amounts reaching IPs and LCs. Furthermore, through interviews with funding recipients, we also found little evidence that funding was arriving at the local level.

Indeed, local funding recipients of the main Trust Fund were often hard to find. In Bangladesh, for example, we found only two projects designed to involve local actors, but activities had not yet started, so there were no organisations to interview. Only one organisation involved in a GEF-6 project in Malawi reported receiving a small amount of funding: 0.3% of the overall project total. We did not find any IP and LC women's organisations receiving funding in any of the countries.

The SGP and ICI were more effective at channelling funding to IPs and LCs. Recipients reported receiving much higher amounts – US\$50,000 on average per small grants project.

Persistent information gaps and limited transparency

There is no current indicator within the GEF reporting framework that obligates implementing agencies (IAs) (see Box 1) to report on how much money reaches IPs and LCs directly, or women and girls directly. We therefore had to carry out line-by-line analyses of each individual project document to ascertain the proposed distribution of funding across different beneficiaries.

There is a gender indicator that tracks the number of male and female beneficiaries of a project, but this was not widely used prior to GEF-7 and many projects had no clear gender disaggregation at all. This indicator also only tracks the expected number of beneficiaries by gender at the proposal stage and not what happened by the end of a project. Furthermore,

data available in GEF project documents was often illegible or incomplete.

It was difficult even to track who the local partners are within GEF projects. Proposal documents often state that Indigenous organisations will be partners but rarely name them. In the Malawi project, the project documents did list the organisations involved, but we could not obtain information about the funding amounts allocated to each.

Ongoing access issues and short-term funding

Overall, interviewees reported that the GEF process is often inaccessible to local groups. Few IP and LC organisations understand how the GEF works, very little information about GEF funding is in the public domain and many IP organisations don't know how to access funds from the GEF or its IAs.

Many funding recipients reported problems accessing funding, largely due to funding always flowing through IAs and country operational focal points (OFPs) and not directly from the GEF itself.

One Indigenous organisation in the Philippines reported actively seeking funding from the GEF since 2009 but never being able to find information on how to apply. When the organisation enquired through the United Nations Development Programme (UNDP) in the Philippines (a GEF IA), it was always told there was no project available. But other organisations interviewed in the Philippines were working with UNDP during this period, suggesting that IAs are deciding which local organisations and projects to fund, rather than this being decided based on requests or priorities coming directly from IPs. Similarly, in Antigua, recipients of the SGP reported not knowing when funding was available or how to apply. Furthermore, since all project proposals must go through the national OFP, local-level opportunities to scale up and amplify community actions are missed.

Respondents across all the GEF funding mechanisms reported a need to secure

Box 1. GEF operational model

The GEF uses 18 implementing agencies (IAs)¹¹ that act as intermediaries in the finance delivery chain and work with actors at the country level to develop proposals. All the IAs are development banks, United Nations agencies or international nongovernmental organisations. The operational focal points¹² are designated government officials responsible for choosing the IA and overseeing GEF activities within their country. The choice of IA is therefore made at the national government level and not by the organisation applying for funding. Furthermore, the IAs take a standard 8–9% of all project funding, which directs it away from local priorities, and support from the IAs is rarely available at the local level.

longer-term funding, since there are limited opportunities to scale up activities after grant funding has concluded. These insights on access challenges and lack of long-term funding are closely linked to criticisms of other funds. Stronger collaboration between funds and multilateral development banks, including through nationally owned and locally connected processes like County Platforms,⁶ offers opportunities to address these issues.

Funding not in line with IP and LC's own priorities

Several interviewees reported limited ability to influence projects before they are approved, meaning little funding across the GEF portfolio is aligned with IP and LC needs and priorities. Local organisations have no power to propose a project or choose which intermediary they want to work with – they can only wait to be approached by an intermediary if their help is needed on a project that has already been approved.

Similarly, respondents from Malawi reported that they did not apply to be part of a project. Instead, they were approached by the local environment ministry, which was looking for local organisations whose work aligned with an existing project. One organisation in Malawi was even approached part-way through a project after other partners failed to deliver.

Interviewees in Kenya stressed the need to ensure funding from the SGP and ICI aligns with the realities on the ground rather than the priorities of the funder. It is critical that these GEF funds, which stand out for delivering more funds to the local level, also respond directly to community needs.

Limited support for capacity building or project preparation

Several respondents reported a need for more capacity building for local organisations, but including this as a project component depends on the flexibility of IAs. In the Philippines, the project's success was due to the Indigenous organisation insisting on implementing the project in its own way and UNDP, as the IA, being flexible enough to adjust the project. Interviewees from Antigua and Vanuatu highlighted limitations with receiving capacity building support from the SGP.

Respondents also identified a lack of support to IP and LC organisations for project preparation. The GEF proposal process is complicated and often there are English language requirements that communities cannot meet. Respondents in



A community-based adaptation project in Antigua to restore a village's reservoir and develop a community tourism park around the site, funded by the GEF Small Grants Program. Credit: Barnes Hill Community Development Organization (BHCO).

Kenya reported little to no support by IAs during the proposal development until the later stages. This creates tensions between Indigenous organisations and IAs and the process is not streamlined.

Examples from Vanuatu showed that organisations with previous experience of managing GEF funding found the process easier, underscoring that capacity and prior exposure heavily influence how burdensome the application process is. Local organisations should be supported to engage with GEF funding to ensure the funding isn't locked into a few targeted groups. Similarly, the GEF and its IAs must build their capabilities and adjust their systems to maximise the range of organisations able to access their funding.

The SGP provides important lessons

Several interviewees highlighted positive examples of easier application processes, streamlined reporting, budget flexibility and a broad funding scope from the SGP. And while they also highlighted challenges, the SGP is a working example of how GEF funding can be delivered in business unusual ways. There is significant scope for the lessons and experiences from the SGP to be factored into the rest of the GEF Trust Fund and especially the GBFF. This will be an important area of further research.

The SGP is a working example of how GEF funding can be delivered in business unusual ways

Recipients of the SGP in Vanuatu highlighted some positive experiences, including a more streamlined application process compared to larger grant mechanisms, good examples of community ownership of projects and budget flexibility. However, they also highlighted challenges, including language barriers, delays in the application approval process and confusion about tender timelines, budgets and processes. A widespread concern in Vanuatu was that the SGP's US\$50,000 funding ceiling is insufficient to cover logistics and capacity building requirements, especially for remote projects.

Recommendations

IPs and LCs have long been calling for reform to GEF policies and processes to increase their access to finance and their role in the design and decision making of GEF funding mechanisms.⁷

Other multilateral funders such as the Green Climate Fund (GCF) and the Adaptation Fund (AF) have endorsed the principles for locally led adaptation,⁸ which were developed by governments, civil society groups and communities to ensure that climate finance reaches those most vulnerable to climate change. In 2024, the principles for inclusive, gender-responsive and locally led biodiversity action⁹ were launched to recognise a similar need for locally led action on biodiversity. With GEF-9 replenishment consultations upcoming, now is an optimal time for the GEF to endorse these principles and review their operational model to put IPs and LCs front and centre.

The SGP offers examples of good practice in this regard. However, the main GEF Trust Fund and the GBFF are not based on this model, and there is a missed opportunity to apply similar practices across the wider GEF portfolio.

The research covered quantitative and qualitative dimensions of GEF funding. And, while the interviews focused on a small subset of IPs and LCs and their experiences accessing funds across GEF-5, GEF-6 and GEF-7, they offer important insights. The following recommendations are specifically for GEF.

1. GEF should adopt and expand lessons from the SGP across its full funding portfolio. This should be done in close collaboration with the Indigenous Peoples Advisory Group¹⁰ and be informed by IPs and LCs currently accessing GEF funding to ensure changes are grounded in real experiences.
2. GEF should improve data transparency and publish clear monitoring and reporting indicators to track who the partners are, how much money goes to each partner, and how much is actually reaching IPs and LCs, including IP and LC women's organisations.
3. GEF should radically improve access for local actors and simplify its funding model, reducing reliance on intermediaries and country focal points – instead improving access for IPs and LCs, sharing information directly with them, streamlining processes and, where intermediaries are required, allowing local actors to choose them.
4. GEF funding should be long-term, patient, predictable, inclusive and flexible enough to support institutional capacity building for local organisations and help them develop the skills they need to influence and access funding. GEF should actively factor in project preparation support during early project development phases to give local organisations the best possible chance to design programmes and receive funding.
5. GEF should endorse the principles for locally led adaptation and the principles for inclusive, gender-responsive and locally led biodiversity action and commit to working with peer funds to increase the volume of funding reaching the local level to support local priorities and needs.

This briefing is based on contributions from: Ebony Holland, nature-climate policy lead, IIED; Nicola Sorsby, researcher, IIED; Dr Anthony Waldron, independent consultant, Working Ant Consultancy Cambridge; Minnie Degawan, independent consultant, Kankanaey Igorot activist; Ramson Karmushu, independent consultant, My Indigenous Knowledge in Action Kenya; Ruth Spencer, local community representative, Marine Ecosystems Protected Areas Trust, Antigua and Barbuda; Madiha Chowdury, senior researcher, International Centre for Climate Change and Development; Brenda Mwale, climate diplomacy advisor – LDC support, Climate Analytics; and Corey Huber, director of climate and resilience, Pacific Consulting Limited.



Knowledge Products

The International Institute for Environment and Development's (IIED) mission is to build a fairer, more sustainable world, using evidence, action and influence in partnership with others.

Contact

Nicola Sorsby
nicola.sorsby@iied.org

Ebony Holland
ebony.holland@iied.org

44 Southampton Buildings
London, WC2A 1AP
United Kingdom

Tel: +44 (0)20 3463 7399
www.iied.org

IIED welcomes feedback
via: www.linkedin.com/company/iied

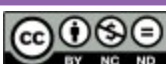
ISBN: 978-1-83759-146-6

This work is funded by the UK Department for Environment, Food and Rural Affairs (Defra). The views expressed do not necessarily reflect the views of Defra.



Notes

¹ Convention on Biological Diversity (2025) Governments agree on the way forward to mobilise the resources needed to protect biodiversity for people and planet. Press release, 27 February. / ² GEF, Global Biodiversity Framework Fund, www.thegef.org/what-we-do/topics/global-biodiversity-framework-fund. Accessed 23 April 2025. / ³ GEF, Funding, www.thegef.org/who-we-are/funding. Accessed 23 April 2025. / ⁴ GEF, GEF Small Grants Program, www.thegef.org/what-we-do/topics/gef-small-grants-program. Accessed 23 April 2025. / ⁵ Inclusive Conservation Initiative, About Inclusive Conservation Initiative, <https://inclusiveconservationinitiative.org/about-2/about-inclusive-conservation-initiative>. Accessed 23 April 2025. / ⁶ Gul, M, Holland, E, Hassan, A and Upson, L (2025) The realities of country platforms for LDCs and SIDS: ten key lessons. IIED, London. / ⁷ Raman, S (2023) Big promises to Indigenous groups from new global nature fund – but will it deliver? Mongabay, 29 August. / ⁸ IIED, Principles for locally led adaptation, www.iied.org/principles-for-locally-led-adaptation. Accessed 23 April 2025. / ⁹ Roe, D and Poulsen, H (2024) Emerging principles for supporting locally-led biodiversity action, IIED, 21 October. / ¹⁰ GEF, Indigenous Peoples Advisory Group, www.thegef.org/what-we-do/topics/indigenous-peoples#ipag. Accessed 23 April 2025. / ¹¹ GEF, GEF Agencies, www.thegef.org/partners/gef-agencies. Accessed 23 April 2025. / ¹² GEF, Focal Points, www.thegef.org/who-we-are/focal-points. Accessed 23 April 2025.



FIND OUT MORE

This briefing is part of our work on nature finance. Find out more about our work on this issue at www.iied.org/transforming-nature-finance