CHAPTER 7

HOW GOVERNANCE SHAPES LLA

KEY MESSAGES

- Governance reforms are central to effective locally led adaptation (LLA). Devolving power, resources, and accountability enables communities to plan and act on climate risks, as seen in Nepal and Kenya where constitutional change and decentralization brought climate finance closer to those most affected.
- Nepal's Local Adaptation Plans of Action demonstrate both progress and challenges. While constitutional and policy backing helped embed adaptation into local planning, a lack of financing, limited capacity, and elite capture show that true impact depends on adequate resources and genuine devolution of power.
- Kenya's County Climate Change Funds provides a durable model of participatory climate governance. County-level legislation and budget allocations have institutionalized adaptation, built trust, attracted co-financing, and supported transparent, accountable planning.
- Bangladesh now stands at a crossroads: political reforms and a new LLA framework create opportunities to devolve authority, strengthen local capacity, and channel predictable finance, drawing lessons from Nepal and Kenya.
- Effective LLA depends on six governance pillars: clear legal frameworks, strong technical capacity, predictable finance, participatory planning, robust accountability, and political commitment.
- From principles to practice, a realist approach is required: LLA will only succeed if governance reforms deliver finance, capacity, and accountability on the ground, while ensuring vulnerable communities are heard and inequalities addressed.

Devolving Decision Making

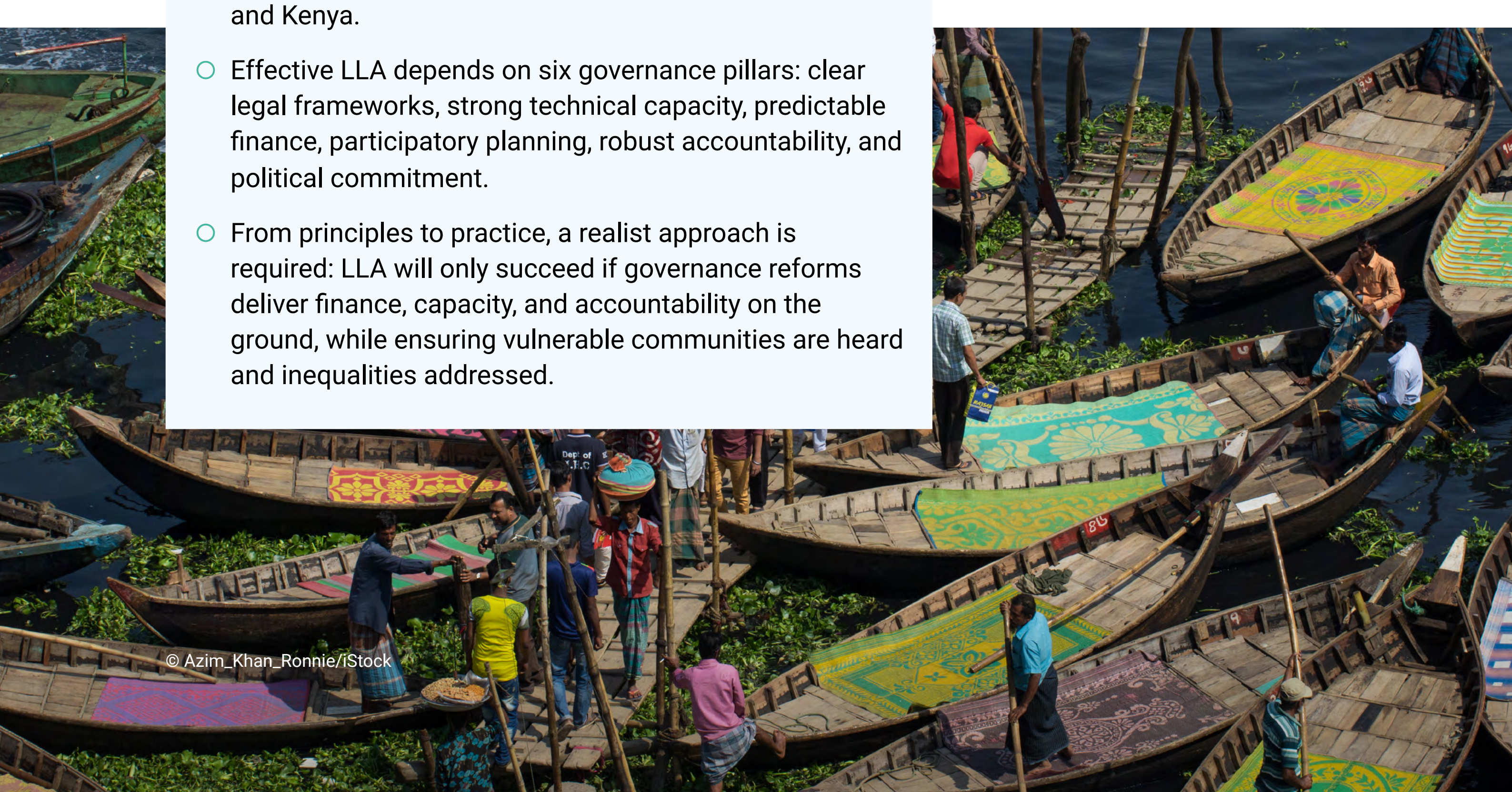
Patient, Predictable, Accessible Funding

Investing in Local Capacities

Transparency and Accountability

Collaborative Action and Investment

IN THIS CHAPTER



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WHEN GOVERNANCE SHIFTS, ADAPTATION THRIVES

Locally led adaptation is not just about climate responses; it is about changing governance itself.

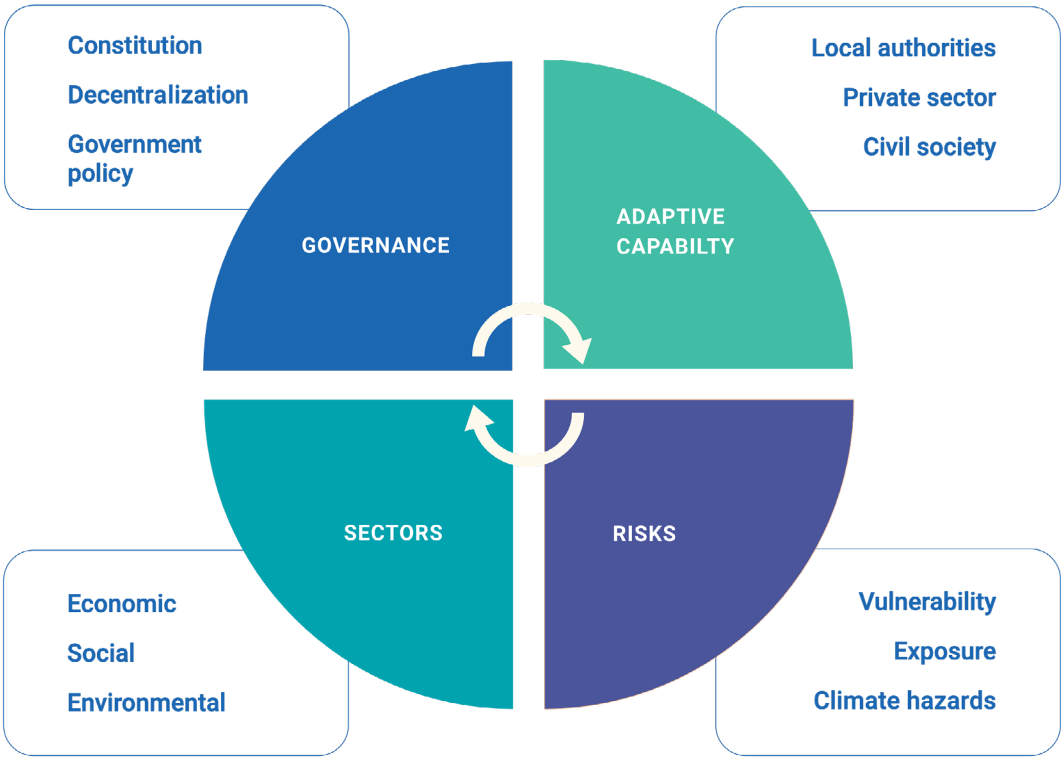
Around the world, climate change is forcing governments to rethink how climate adaptation investment decisions are made, who makes them, and at what level. As floods, droughts, and storms intensify, climate action at all levels, including local, is important for resilience.

But for local action to work, power must shift. Local governments, communities, and civil society need the authority, resources, and knowledge to plan and implement solutions that make sense for their unique environments. This process—described as locally led adaptation (LLA)—is not just about climate responses; it is about changing–often decentralizing–governance itself.

Governance is therefore a key determinant of the effectiveness of local adaptation action, a category that includes decentralization, constitutional frameworks and government development policies (see Figure 1). Other key determinant categories include: the adaptive capacity of local authorities, private sector actors, and civil society; climate risk factors such as vulnerability, exposure, and specific climate hazards; and sector-specific characteristics that shape adaptation outcomes.

Local governments, communities, and civil society need to be empowered to create solutions for their unique environments.

FIGURE 1. Determinants of Local Climate Change Adaptation Effectiveness



Source: Chapter Authors

Over the past decade, two countries, Nepal and Kenya, have undergone profound constitutional reforms, moving away from centralized control toward devolved systems of governance that allow local institutions to take charge of climate adaptation.

Today, Bangladesh stands at a similar crossroads. With political reforms underway and a new national LLA framework emerging, the country faces both opportunities and risks.

This chapter explores what Nepal and Kenya's experiences can teach Bangladesh—and the world—about how constitutional and governance reforms can unlock locally led climate adaptation.

WHY GOVERNANCE MATTERS

For years, decentralization has been championed as a tool to challenge authoritarian governance. It has also been advocated as a better way to address rural poverty through cooperative development that can draw upon the knowledge of local people. Yet, despite its democratic promise, decentralization has at times been co-opted by autocratic regimes—not to deepen democracy, but to divert attention from demands for national-level reform and democratization.[72]

Three broad types of decentralizations have been identified:

- **De-concentration** or administrative decentralization, whereby agency for development planning and implementation is devolved to local governments.
- **Fiscal decentralization**, where local levels of government receive and manage development budget from central government.
- **Devolution** or democratic decentralization, where regional governments are elected locally and have authority to define and operate legislation, regulation, and in some cases, raise taxes.

In some places, decentralization principles—particularly those related to fiscal governance—have been introduced and implemented to advance climate action. When viewed through the analytical framework of the LLA Principles, these decentralization approaches offer a pathway for integrating locally led adaptation into local development planning and service delivery, while also strengthening their effectiveness and reach, as outlined below:

- **Correspondence Principle**: Climate action should be managed by the level of government whose geographic jurisdiction aligns with the area benefiting from those actions.
- **Subsidiarity Principle**: Responsibilities for climate initiatives should be delegated to the lowest level of government that can effectively manage the services, based on the scale of the benefit area.
- **Benefit Principle**: Where feasible, adaptation services should be funded through progressive fee structures, ensuring that those with the capacity to pay contribute accordingly.
- **Affordability Principle**: Local and regional governments must be equipped with sufficient financial resources to fulfil their climate-related mandates and expenditures.
- **Capacity Principle**: Subnational authorities should possess the necessary administrative and technical capabilities to carry out their assigned climate action responsibilities effectively.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Decentralization addresses rural poverty through cooperative development, drawing on local knowledge.

As climate impacts intensify and mitigation efforts are sidelined by hydrocarbon-fueled national agendas, experiential and social learning about the diverse factors shaping effective local adaptation become increasingly vital. A realist approach is both necessary and appropriate—one that investigates the underlying causal mechanisms to understand how local adaptation functions and under what conditions it succeeds.

Crucially, the effectiveness of local adaptation must be assessed by its impact on the most vulnerable populations. This demands an analytical lens that not only captures their lived experiences but also ensures their voices are recognized and valued—a framework that enables "the subaltern to speak and be heard".[73]

The following sections are written by individuals directly engaged in advancing and implementing LLA. Their insights stem from lived experience, participant observation, and close collaboration with the communities at the heart of these climate resilience efforts.

NEPAL: FEDERALISM AND THE LAPA EXPERIMENT

Nepal's LLA journey started in 2010, when the government launched its National Adaptation Programme of Action (NAPA)—a US$ 350 million plan prioritizing nine adaptation sectors. Importantly, it committed 80% of resources to the local level, a bold promise that gave birth to the Local Adaptation Plans of Action (LAPAs).

The need for LAPAs arose from the acute sense of importance of village of origin in Nepal, and the huge social, cultural, and ecological diversity across the country. They were proposed to empower local communities to lead implementation of their own adaptation priorities. The Government of Nepal adopted the National Framework on LAPA in 2011, and the LAPA approach was formally recognized in the 2011 National Climate Change Policy.

By 2015, Nepal had developed over 700 LAPAs and 2,500 Community Adaptation Plans, covering sectors such as agriculture, forestry, water, health, and disaster risk reduction.[74]

Local adaptation must be assessed by its impact on the most vulnerable populations.

Women in Bethanchowk, Nepal, discussing their local adaptation priorities.

The Constitutional Turning Point

Climate adaptation was not happening in isolation however—it was unfolding alongside Nepal's historic constitutional transformation.

From 2006 to 2015, Nepal transitioned from a unitary monarchy to a federal democratic republic. This transition to federalism was complex and marked by political contestation, institutional challenges, and delayed implementation. The journey began with the 2006 Interim Constitution, which declared Nepal a federal republic and mandated a Constituent Assembly to draft a permanent constitution. However, the first Constituent Assembly was dissolved in 2012 without delivering—a reflection of the deep political divisions and elite power struggles at the time.

A second Constituent Assembly was elected in 2013 and eventually promulgated the Constitution of Nepal in September 2015, formally institutionalizing a federal democratic republic.[75] Delays in agreeing on federalism stemmed from the interplay of competing political parties, ruling elites, and civil society, coupled with resistance to devolution of power.

The new 2015 Constitution established three tiers of government—federal, provincial, and 753 local governments—with significant authority devolved to the local level.

The 2017 Local Government Operation Act empowered rural communities and urban municipalities in Nepal to develop annual and periodic plans that integrate cross-cutting themes such as climate change, disaster management, gender equality, social inclusion, and good governance.

Nepal's National Climate Change Policy and LAPA Framework were revised in 2019, to align with federalism and define the roles of local, provincial, and federal governments in adaptation planning and implementation.

Opportunities and Obstacles

Initially piloted by NGOs and funded by development partners, LAPAs were integrated into local government planning and budgeting processes through the updated LAPA Framework. The 2019 National Climate Change Policy (NCCP) gives local governments the responsibility for implementing the LAPAs. Local governments and communities are required, under this Policy, to formulate short- and long-term adaptation strategies; facilitate community-based adaptation; foster multi-stakeholder dialogue; and ensure consensus on climate adaptation, disaster risk reduction, and sustainable development.[76]

By 2024, nearly 250 local governments had developed and begun implementing LAPAs. This process served to increase public awareness of climate risks and enhance the capacity of community-based organizations, civil society groups, and public institutions. Close collaboration among development agencies, government bodies, and local stakeholders enabled the successful piloting, iteration, and scaling of LAPA initiatives.[77]

Communities in Nepal are developing plans that integrate cross-cutting themes such as climate change and disaster management.

In the context of climate finance localization, the NCCP provides 80% of external resources received for adaptation, which must be mobilized at the local level. The projects funded by development agencies, such as Nepal Climate Change Support Programme, Adapting to climate induced threats to food production and food security in the Karnali Region of Nepal, and Building Climate Resilience of Watersheds in Mountain Eco-Regions, have largely adhered to this policy, investing between two-thirds and nine-tenths of their project budget in supporting implementation of priorities identified in LAPAs. More specifically, these project initiatives invested 61.7%, 90%, and 66% respectively of the total climate funds at the local level.[78]

Despite these advances, significant challenges persist in the implementation of both federalism and the application of LAPAs.

Women in Humla, Nepal, using traditional methods of grinding grains.

The transition to federalism heralded the potential for more decentralized, accountable, and inclusive governance, but also posed daunting challenges. Overlapping jurisdictions, incoherent policies, duplication of efforts, limited government capacity, unclear division of powers, intragovernmental fiscal complexities, and persistent central control continue to obstruct effective federalism.[79]

Although the Constitution formally devolved power across three tiers of government, authority often remains concentrated among political elites and entrenched bureaucracies.[80] Electoral politics, identity-based divisions, and competing political interests further hinder genuine power-sharing and welfare-oriented governance.

The federal framework was designed to foster coexistence, coordination, and cooperation between government tiers. However, tensions persist due to fiscal dependency, vertical and horizontal imbalances, and bureaucratic resistance to decentralization. Local governments face a persistent gap between the authority granted to them and their actual institutional capacity to design and implement climate-related policies and actions.[81]

Moreover, a recentralization of decision-making power and financial control undermines the promise of federalism.[82] It restricts the flow of both knowledge and financial resources to the local level, reducing the effectiveness of local adaptation. While Nepal demonstrates a polycentric governance model at the national and provincial levels, local governments are often constrained by ineffective leadership and entrenched bureaucratic practices.[83]

LAPA implementation, meanwhile, continues to be externally funded, projectized, and inadequately resourced, resulting in limited local ownership.[84] Climate change remains a low priority in national and local planning: of the 5–6% of the national budget allocated to climate-relevant programs, less than 2% supports locally led adaptation initiatives. Wider uptake remains constrained by weak political will at both federal and local levels.

Multiple structural challenges hinder LAPA implementation, including lack of operational clarity and genuine devolution of authority, financial constraints, weak institutional capacity, insufficient recognition of local knowledge, and entrenched power asymmetries.[85] Further, institutional fragmentation, competing authority, and resource inequalities limit the effectiveness of LLA, while many responses focus narrowly on biophysical risks rather than addressing deeper social and structural vulnerabilities.[86]

In some contexts, elite capture and weak community participation have led to maladaptive outcomes, reinforcing existing inequalities and deepening marginalized groups' dependence on local elites.[87] Additionally, tensions have emerged between traditional community-based practices and externally imposed adaptation programs that, despite offering short-term benefits, have often disrupted social cohesion and exacerbated local vulnerabilities.[88]

Local governments in Nepal are driving community-led climate adaptation, fostering resilience, dialogue, and sustainable development.

Lessons from Nepal

Constitutional backing gave LAPAs legitimacy and longevity and supported the integration of adaptation into the plans and budgets of local governments.[89] Nepal's federal system, combined with decentralized climate policies, provides critical entry points for scaling up and mainstreaming the LAPAs. Without devolved funding and a stronger commitment to devolving decision-making in practice, however, effective LAPAs will remain aspirations.

Devolution promotes equitable development, enhances public participation, and addresses marginalization.

KENYA: DEVOLUTION AND THE COUNTY CLIMATE CHANGE FUNDS

Kenya's arid and semi-arid lands (ASALs) are both ecologically and economically significant. Covering over 80% of the country's land area, they are home to 40% of the population, three-quarters of the national livestock herd, and nearly 90% of Kenya's wildlife that supports the country's tourism industry.[90] Despite this importance, ASALs remain highly vulnerable to droughts and floods and have long suffered from inadequate, inappropriate investment and systematic marginalization.

Like Nepal, Kenya has experienced a historical constitutional transformation in favor of devolution in recent decades. A new Constitution, adopted in 2010, introduced one of the most ambitious devolution frameworks in Africa, fundamentally transforming governance, resource allocation, and service delivery.

Devolution established a two-tier governance system, comprising the national government and 47 county governments, each with distinct political, administrative, and fiscal powers. The reform aimed to bring government closer to the people, promote equitable development, enhance public participation, and address long-standing marginalization, particularly in ASALs.

Counties were granted significant financial autonomy through direct transfers from the national equitable share, guaranteed at a minimum of 15% of national revenue, alongside powers to raise local revenue. The Constitution also mandated citizen participation in planning and budgeting processes, creating mechanisms for inclusive and accountable governance at the subnational level.

Following the adoption of the new Constitution, Kenya's 2013 devolution framework was operationalized through the 2012 County Governments Act, which transferred significant political, administrative, and fiscal powers from the national government to the 47 county governments. Counties were given autonomy to prepare County

Integrated Development Plans (CIDPs), manage local resources, and directly receive a guaranteed minimum of 15% of national revenue. The framework also institutionalized public participation in planning and budgeting, empowering communities to influence development priorities.

Two ASAL-specific policies were adopted in 2012: the National Policy for the Sustainable Development of Northern Kenya and Other Arid Lands; and Vision 2030 Development Strategy for Northern Kenya and Other Arid Lands. Concurrently, growing recognition of climate risks spurred development of three key national climate frameworks:

- The 2010 National Climate Change Response Strategy
- The 2013–2017 National Climate Change Action Plan
- The 2016 Climate Change Act

These instruments created opportunities to embed climate resilience into county-level planning and budgeting systems.

Reform in Kenya aimed to bring government closer to the people, particularly in ASALs.

Piloting Fiscal Devolution for Adaptation

In anticipation of devolved governance under the new Constitution, the Ministry of State for Development of Northern Kenya and Other Arid Lands (MDNKOAL) launched a pilot initiative to address climate and development challenges in Kenya's ASALs. Driven by then-Minister Mohammed Ibrahim Elmi, the pilot aimed to address climate vulnerabilities hhead-on, so that local development budgets would not be routinely diverted to drought and flood response.[91]

MDNKOAL, along with its partners, conducted a diagnostic assessment of governance factors that influence local development effectiveness. The assessment revealed several systemic weaknesses:

- **Disconnect between government and community planning**: Traditional community institutions were rarely consulted and often excluded from formal processes.
- **Mutual misunderstanding**: Government planners and customary leaders lacked familiarity with each other's systems.
- **Limited community capacity**: Community groups struggled to engage with government budgeting and planning mechanisms.
- **Rigid budgeting processes**: Centrally determined budget guidelines prioritized national service delivery criteria (e.g., population size, poverty levels) over local economic realities and livelihood priorities.
- **Inefficient procurement**: Government procurement and investment delivery were slow, lacked community oversight, and rarely aligned with urgent local needs.
- **Climate blindness in planning**: Despite escalating climate risks, annual budgets assumed "normal" conditions and rarely integrated climate risk information into planning.

This assessment contributed to the design of a pilot County Climate Change Fund (CCCF) in three arid districts, which later became Isiolo County. The pilot aimed to mainstream climate change into county planning; channel climate finance to vulnerable communities through existing government systems; enable counties to access and manage climate finance directly; and strengthen existing planning institutions while establishing inclusive, accountable governance structures.

Operationalizing the devolved governance principles of the Constitution and the 2012 County Governments Bill, the pilot comprised four interlinked components:

1. **A county-managed fund** to finance community-prioritized climate actions.
2. **Climate change planning committees** at county and ward levels to facilitate participation.
3. **Climate information services** and resilience planning tools to inform decision-making.
4. **A monitoring, learning, and evaluation** framework to track progress and improve governance.

> **By adopting a participatory action-research approach, the pilot County Climate Change Fund (CCCF) strengthened institutional capacity, improved community engagement in decision-making, and tested devolved climate governance principles. Its success in Isiolo provided a model for scaling up the CCCF mechanism to other counties across Kenya.**

Piloting CCCFs Within National Systems

In 2013, Kenya's newly formed National Drought Management Authority (NDMA) established an Adaptation Consortium—a partnership between national government institutions and non-state actors— to support scaling up of the CCCFs to four other counties: Kitui, Garissa, Makueni, and Wajir. Together, these counties cover nearly one-third of Kenya's land area and serve a population of about 3.3 million.

Community planning session in Kinna, Isiolo, Kenya, in 2012.

The scaling up, which took place between 2013 and 2018, in close collaboration with county governments, focused on:

- Integrating climate priorities into CIDPs.
- Enacting county-level legislation to formalize CCCF governance.
- Developing County Climate Information Service (CIS) plans.
- Testing resilience planning tools, such as participatory Geographic Information Systems (GIS) mapping, vulnerability assessments, and inclusive targeting methods.[92]

County governments played a central role by enacting climate-specific legislation, which required counties to allocate at least 1.5% of their development budgets to climate-related actions. This commitment, though modest, enabled predictable annual financing for climate adaptation, and leveraging of co-financing from national government and development partners. It also ensured that planning was realistic and aligned with known budgets, instead of generating unrealistic wish lists.

The CCCF governance structure operated at both ward and county levels:

- **Ward Climate Change Planning Committees (WCCPCs)**: Elected community representatives who mobilize and prioritize local adaptation needs.
- **County Climate Change Planning Committees (CCCPCs)**: County technical experts, national agencies (such as the National Environment Management Authority (NDMA) and the Kenya Meteorological Department), and WCCPC representatives. The CCCPCs helped refine proposals from WCCPCs and ensure alignment with broader county and national strategies.

While the process created opportunities to influence planning, it also revealed capacity gaps, such as frequent transfers of technical officers and weak interdepartmental coordination in institutionalizing CCCF within county governance systems. Power dynamics between county executive and county assembly, and between counties and national government, contributed to delays in implementation.

Locally led climate resilience action is needed to strengthen capacities for managing climate risks, such as the threat to food security.

National Scale-Up

After successfully piloting the CCCFs in five counties, the next step involved scaling up to all 47 counties. The Government of Kenya, through the National Treasury, and with support from the World Bank and development partners, launched the Financing Locally Led Climate Action (FLLoCA) program in 2020 (see also page 57 in Chapter 3 of the *2024 Stories of Resilience*).

The FLLoCA program aims to deliver locally led climate resilience actions, strengthen both county and national capacities for climate risk management and bridge the policy-financing gap at subnational levels. It uses two key financing instruments:

- **Readiness Grants** as initial seed funds to help counties prepare for effective climate action (including strengthening the capacity of county-level institutions; development of County Climate Change Investment Plans; formation of County Climate Change Committees and other local coordination bodies; and training and awareness).
- **Climate Resilience Investment Grants**, which become available to counties once they meet certain performance benchmarks, to support actual implementation of climate projects.

Since its launch in 2021, FLLoCA has supported 609 climate projects nationwide at approximately US$ 59.2 million with readiness grants of US$ 11 million, fostering inclusive planning, strengthening county-level climate governance, and enhancing transparency and accountability in public expenditure.

Communities in Kenya are now backed by the FLLoCA program—channeling local voices and national financing into climate resilience projects across all 47 counties.

Lessons from Kenya

Institutionalizing the CCCF through county climate change policies and legislation in Kenya has anchored the mechanism within formal governance systems, ensuring its continuity beyond individual leadership transitions, and reducing reliance on political goodwill. Counties enacted climate-specific laws to institutionalize adaptation, which will drive continuity.

By providing a small proportion of finance from their own budgets, counties were able to unlock co-financing from national and international partners.

Inclusive governance structures that included representatives from government, NGOs, the private sector, and local communities enhanced political buy-in, improved coordination, reduced duplication, and helped limit adaptation costs. Collaborations with credible local organizations built trust between communities and government institutions, easing CCCF establishment.

Training in governance, financial management, and reporting was essential to enhance the ability of communities to access and manage funds transparently.

BANGLADESH: AT A CROSSROADS

Bangladesh's National Adaptation Plan (NAP) mandates the creation of a framework for climate action that is participatory, locally led, and gender, disability, youth and socially inclusive. In alignment with this, the Asian Development Bank (ADB) provided technical assistance to the Ministry of Environment, Forests and Climate Change in Bangladesh to undertake an assessment to develop a national LLA framework and action plan. The World Bank and United Nations Development Program also provided technical support to the LLA framework development process. The initial vision and leadership of this initiative was provided by Dr Saleemul Huq, who sadly passed away in 2024. The LLA Framework was completed in 2025 and was approved by the Government Cabinet Division in July that year. The Bangladesh Local Government Division approved a climate vulnerability index that supports allocation of resources to localities and subregions.[93]

Bangladesh is currently governed by an interim administration that has conducted 11 reform commissions. These areas of reform could lay the ground for the future development of Bangladesh, and importantly from the perspective of this analysis, could shift the determinants of local adaptation effectiveness from a centralized context to one that empowers local people.

To prepare the LLA Framework, a diagnostic approach was used, and feasibility assessment undertaken, to examine:

- How well climate adaptation actions are supported by local and national governments.
- Availability, access, and management of finance and other resources for climate adaptation.
- Current practices and alternatives for climate action at local levels.
- Local capacity for planning, implementation, monitoring, and scaling climate adaptation activities, interventions, and projects.

The key findings by an ADB technical assistance team and a technical assessment team commissioned by the World Bank are summarized in Table 1.

TABLE 1. Findings from a Diagnostic Assessment of Decentralization and Governance for LLA in Bangladesh

DECENTRALIZATION PRINCIPLES	FINDINGS FROM LOCAL (UNION PARISHAD) AND LOWER TIERS (UPAZILA PARISHAD) OF GOVERNMENT
Correspondence	The various scales of prevalent climate risks indicate that different levels of government should coordinate different types of climate action. For example, vulnerability assessments should be coordinated by the Union Parishad, while *bamdha* (embankment) establishment and maintenance should be an Upazila Parishad responsibility.
Subsidiarity	Local government authorities do not have subsidiarity from central government for climate action.
Benefit	Local government does recognize the potential for local tax raising to fund climate action; however, careful design and testing are required.
Affordability	No designated budget so far is available to local governments for climate action.
Capacity	All local government officials recognize the need for greater technical and administrative capacity to be able to deliver climate action.
Vertical and Horizontal Coordination	At the national level, the Bangladesh Climate Development Partnership is a coordination mechanism among government and development partners. However, there is little to no evidence of coordination with subnational actors for climate action. Good communications between departments at local government level on climate need to be established.

Source: ADB (2025). *Draft National Locally Led Adaptation Framework and Action Plan*. Asian Development Bank, Manila.

The assessment reveals, among other issues, the need for LLA that implements a bottom-up approach that can capitalize upon improvements in local democracy and more locally accountable government. The reviews showed that it is necessary to avoid the risk of adaptation happening through small, fragmented investments that may not solve the wider problems or aggregate into effective adaptation. While interactive participatory climate risk assessments and resilience planning processes should be used at the local level to support communities in identifying climate risks and resilience priorities, technical specialists and local government should go back to the communities to explain which risks will need to be dealt with at a higher level (across upazila, district or national level for example). This will ensure that the decentralization principles of correspondence and subsidiarity are emulated through the move to LLA.

LESSONS FOR BANGLADESH

The experiences of Nepal and Kenya over the past 10 to 15 years highlight the critical role of constitutional change and decentralization in fostering local climate adaptation.

In Nepal, the process of constitutional reform was lengthy and faced significant contestation in its early stages. Experience since has shown that a critical governance condition for mainstreaming local adaptation is inclusive devolution that empowers local institutions and communities to make independent decisions. Mandatory legal provisions for citizen-centric, participatory, and bottom-up policymaking are needed to ensure that adaptation directly benefits vulnerable households and communities.[94] Also, the sustainability of adaptation practices in Nepal will be ensured only if robust institutional mechanisms are in place for implementing and monitoring local adaptation activities.[95]

Climate action in Bangladesh faces gaps in funding, coordination, and local government capacity, despite urgent risks.

Bangladesh's reform process is opening doors for more locally driven adaptation and community empowerment.

Decentralization without improvements in local democracy is insufficient. Community or local institution focused adaptation led by local government and community organizations often benefits only selected institutions and individuals, sidelining the most vulnerable.[96] To ensure equitable and effective LLA, there must be:

- Clearly defined roles and responsibilities.
- Strong institutional capacity.
- Devolved financial resources.
- A dedicated focus on social and climate vulnerability.

In contrast, Kenya implemented its new Constitution more swiftly, enabling the decentralization of climate finance to reach local communities and support adaptation efforts. The devolution process in Kenya enabled counties to address service delivery deficits in ASALs and to tailor investments to local climate adaptation needs. It also introduced potential governance mechanisms for the development of adaptation strategies to confront future climate extremes. The transfer of discretionary authority and financial resources empowered counties to drive their own development agendas within a participatory constitutional framework.

Six Ways Bangladesh Can Strengthen LLA

As shown in this analysis, improvements in governance and the mandates and allocation of business are needed to bring about the advent of governance structures and mechanisms that are capable of fostering locally led adaptation.

Drawing from the experiences of Nepal and Kenya, Bangladesh's success in implementing LLA hinges on six areas:

- **Clear coherent legal framework**. Bangladesh already has a National Adaptation Plan, Nationally Determined Contribution and other national policy frameworks that support local adaptation. The national LLA framework is now in place. Policy guidance and legal instruments for local authorities to develop LLA will be necessary, along with clearly defined roles and responsibilities across government levels. The elected members of local government need technical support and financial resources to plan and implement local adaptation plans.
- **Subsidiarity and technical capacity across governance levels**. This can help ensure that adaptation decisions of different scales are taken at the right level of devolved governance. Political willingness is important at higher levels of government to acknowledge and empower lower levels of government to become the main coordinators of LLA. Hence, the technical and administrative capacity of local governments needs to be in place to take up the duties that subsidiarity brings.
- **Finance flows**. National and international finance for climate action, including for LLA, is available. The recently established Bangladesh Climate Development Partnership represents a route for the government's Economic Relations Division to negotiate and leverage international financial and technical support to advance LLA in Bangladesh. Direct, predictable channels for local adaptation funding to middle and local tiers of government need to be established. Climate budget codes for local action and allocation of dedicated funding is a priority. Performance-based grants to get finance to middle and local tiers fit uncomfortably with the LLA principle of patient and predictable funding.

Lessons from Nepal show that true impact depends on devolved finance, capacity, and accountability.

LLA requires power shifts and accumulation of agency at local levels. This includes access to flexible funding, so that the empowerment of local authorities is genuine, they can innovate in response to local needs, and the criteria for performance assessment derive from their downward accountability to the climate-vulnerable population and not to some fund holder at a central level.
So, set out in the decentralization principles of benefits and affordability, local and regional governments must be equipped with sufficient financial resources to fulfil their climate-related mandates and expenditures. In addition, progressive fee structures and local tax revenue from those with the capacity to pay can fund local adaptation.

- **Institutional capacity**. Technical and administrative skills will need to be strengthened at the local level. While awareness of LLA and systematized experiences in implementation are emerging, the current knowledge and capacity is very shallow in the local authorities where it is needed. Despite the reform changes, there is likely to be significant inertia in the ways that local authorities operate. The scale of changes required for LLA to be effectively implemented across the country means that the incoming central government needs to set out clear expectations of local government in terms of delivering LLA.
- **Participatory planning**. Inclusive planning processes to identify climate risks and solutions will be necessary. Bangladesh already has some good practice cases to draw from and scale. Climate risk management in public bodies will need strengthening. Protocols for mandatory consultation of local people in local project design are necessary. As illustrated in Kenya, it is possible to use climate change as a lever to enhance local development planning.
- **Accountability systems**. Robust monitoring, learning, and grievance mechanisms will be necessary to strengthen social learning and improve practice, and engender transparency and accountability. LLA advocates will need to invest in "learning by doing", on adaptation monitoring, evaluation, and learning. For LLA processes to gain public support, local authorities will need to use existing, or establish new, mechanisms for local people to be able to express their grievances.

FROM PRINCIPLES TO PRACTICE

LLA thrives when constitutional reform, decentralization, and predictable finance come together. But this is not automatic. The solution lies in:

- Linking policy aspirations with practical governance reforms.
- Strengthening local institutions to manage climate finance transparently.
- Ensuring that the most vulnerable voices are heard in decision-making.

Kenya and Nepal's stories demonstrate that constitutional change can trigger governance structures and mechanisms that are capable of fostering LLA—but only when local governments are trusted, resourced, and accountable.