Subject: Submission of the UNFCCC Farmers' Constituency on the Baku-to-Belém Roadmap to 1.3T

The UNFCCC Farmers' Constituency represents farmers worldwide,[1] in all their diversity producing food, fibre, fuel[2] and ecosystem services for the global population.

We welcome the opportunity to share our views on the development of the "Baku-to-Belém Roadmap to 1.3T".

We emphasize the importance of ensuring that climate finance is effectively mobilized and delivered in ways that support all farmers—particularly in developing countries and those countries with the most vulnerable contexts—in adapting to and recovering from the impact of climate change, while also supporting broader mitigation efforts.

In response to the guiding questions, we offer the following perspectives:

(a) Overall Expectations for the "Baku-to-Belém Roadmap to 1.3T"

The Constituency expects the Roadmap to prioritize making climate finance **readily available, easily accessible, and highly predictable** for farmers, who stand on the frontlines of climate change while contributing to the wellbeing of local communities, the development of rural economies and the achievement of global food security and the Sustainable Development Goals.

Existing gaps should be addressed by increasing both the quantity and quality of finance available at the farm-level, strengthening the **role and engagement of farmer organisations and cooperatives** to ensure finance reaches all farmers, including in small-scale contexts, and resources are allocated where they are most needed. The complexity of the agricultural sector requires a diverse array of financial tools and mechanisms to cater to the different types of farmers and the diverse circumstances where each farmer operates. Special attention should be given to women and young farmers, who face additional obstacles to accessing finance and collaterals.

While acknowledging the importance of leveraging private sector investments to scale up resources and diversifying financial tools, the Constituency stresses that grants, concessional funding and non-debt creating instruments must remain a cornerstone of climate finance to support farmers in developing countries, especially farmers engaged in adaptation and recovery efforts in the most vulnerable contexts. Targeted mechanisms must be put in place to recognize the crucial role played by women and young farmers in enhancing the resilience of the farming communities and the intergenerational sustainability of food production.

[1] A global community of crop and livestock farmers, horticultural growers, pastoralists, foresters, ranchers, aqua-culturists, farmers organisations and co-operatives, farm workers, family farmers and businesses, women farmers, young farmers, indigenous farmers, landowners, and tenants.
[2] Alongside other agricultural outputs including medicinal or ornamental plants.

(b) Topics and Thematic Issues to be Explored

Key areas to be considered in the Roadmap include:

1. **Scaling up adaptation finance:** Easy access to sufficient adaptation finance in a timely manner is critical to minimizing losses while enhancing farm resilience, protect yields, and secure farmers' livelihoods, thus supporting countries in achieving their climate, biodiversity, food security and development goals. In line with the ambition of the COP30 Presidency,[3] it is absolutely critical that the Roadmap commits to a clear strategy for closing the adaptation finance gap in the agricultural sector.[4]
2. **Ensuring direct access to finance:** A significant challenge farmers face is their limited ability to access finance directly. Alongside recognizing the need to improve the enabling environment (*see below*) and increase financial literacy and technical assistance, the Roadmap should promote farmer-centered financial delivery mechanisms, including direct access models that strengthen the role and engagement of farmers' organised structures, rather than solely relying on third-party intermediaries.
3. **Diversifying financial instruments:** While concessional finance and non-debt-creating instruments are critical and should remain a cornerstone of every intervention, the Roadmap should also explore blended finance models, risk-sharing mechanisms, and insurance schemes tailored to the needs of farmers.
4. **Strengthening financial incentives:** The Roadmap should promote adequate financial incentives for farmers who implement sustainable agricultural practices and fair prices for farm products to sustain investments at the farm-level.
5. **Enhancing the enabling environment:** Strengthening national and international financial infrastructures, reducing bureaucratic barriers, and promoting transparent monitoring mechanisms will help ensure that climate finance reaches the intended beneficiaries.
6. **Combining climate and development funding**: This approach can lead to more effective resilience-building while avoiding overly stringent reporting burdens that limit access for farmers.

[3] See COP30 President Designate's letter to Parties and Observers dated 10 March 2025: "Governments, businesses, subnational stakeholders, financial institutions, and universities need to put adaptation at the same level of engagement and centrality as mitigation." "Climate realism requires adaptation to be at the forefront and center of everything we do."

[4] Total adaptation finance provided and mobilized by developed countries under the previous $100 billion goal increased over the years, reaching USD 32.4 billion in 2022,[4] with agriculture, forestry and fisheries accounting for less than a fifth of adaptation finance (that would be less than 6 billion applied to the 2022 figure!). This is even though the Green Climate Fund acknowledged that "The cost of adaptation in agriculture alone will be more than USD100 billion per year"[4] and the FAO quantified agriculture losses from disasters in an average $13 billion/year.

(c) Country Experiences, Best Practices, and Lessons Learned

Several barriers hinder farmers' access to climate finance, especially in many developing countries, including **weak financial infrastructure, high transaction costs, and lack of credit history or collateral requirements**. The diversity of experiences across the Constituency shows that overcoming these barriers and scaling up financing for climate action in the farming sector requires leveraging opportunities – and mitigating risks – linked to:

- **Direct-to-Farmer financing models** that reduce reliance on intermediaries, such as community-based finance schemes or dedicated windows for farmers organisations and cooperatives in national and multilateral climate funds.
- **Public-Private Partnerships (PPPs)**, including blended finance models that leverage government grants and/or philanthropic capital with private sector investments to mobilize significant resources while de-risking investments.
- **Value-chain approaches** equitably redistributing the cost and responsibility of the transition across the agri-food value chain while ensuring farmers receive fair compensation for their work.
- **Innovative financial instruments** such as risk-sharing mechanisms, climate insurance or weather-indexed financial products.
- **High-integrity carbon markets** that accommodate the diversity of farm systems, safeguarding farmers' rights and provide tangible and stable benefits for them and their communities.[5]
- **Financial and policy incentives** designed in collaboration with farmers and their organized structures to align with farmers' ambitions, viability requirements, and countries' commitments under the UNFCCC and other relevant multilateral agreements.
- **Targeted initiatives and mechanisms** for the financial inclusion for women and young farmers, such as tailored financial products, flexible lending terms, and targeted grants, in recognition of the additional obstacles they face in accessing credit, land ownership and participating in decision-making.

Capacity building and technical assistance, including through training, extension services and technology access, are critical to unlock many of these opportunities and effectively utilize climate finance.

Farmers' organizations and cooperatives play a crucial role as key partners in project development and implementation and trusted intermediaries for finance mobilization, working closely with relevant actors to facilitate access for farmers to credit and other

[5] Aside few attempts of establishing voluntary carbon markets catering to the needs of farmers in developing countries, more need to be done to ensure these work in practice and at scale. The experience of the Cambodian Farmer Federation Association of Agricultural Producers (CFAP), a WFO-member, for instance, shows the importance to engage farmers early on in the development of the markets and the need for a dedicated program and budget to strengthen the knowledge component, including technical aspects of carbon markets and agroforestry.

financial opportunities, ensuring resource mobilization efforts are aligned with local agricultural priorities, and making investments more scalable and cost-effective.

For instance,[6]

The **Kenya National Farmers' Federation (KENAFF)**, a member-based organisation representing 1.237 million farmers in Kenya, developed the Farm Pass platform in partnership with Mastercard Community Pass, Shell Foundation, African Development Bank (AfDB) and Co-operative Bank, with a view to digitize transactions within the food system, creating an integrated marketplace where agricultural actors can trade and access essential services.[7] This initiative was complemented by work within the MADE Alliance, in partnership with AfDB, to build cooperatives' digital capacity and with Microsoft Airband to provide internet connectivity for cooperatives.

- The **Confédération des Associations des Producteurs Agricoles pour le Développement (CAPAD)**, a member-based organisation representing 153,164 farming households in Burundi, was directly engaged in the EU-funded Tubungabunge Isi Ndimwa (TIN) Project ("Supporting the Adoption and Implementation of Sustainable Agricultural Practices to Restore and Improve Soil Fertility", 2019-2024), thanks also to the support of the Belgian agri-agency CSA. CAPAD's localized membership and service provision enabled the project to reach 392 hills across five vulnerable provinces, directly benefiting 87,056 farming households and indirectly impacting 435,280 residents. 6,931 pilot farmers were trained to master sustainable soil fertility techniques and played a key role in disseminating knowledge, in coordination local cooperatives, who also helped farmers access micro-loans.

(d) Relevant Multilateral Initiatives

The Farmers' Constituency recognizes the importance of streamlining and improving existing multilateral initiatives to ensure they are easily accessible for farmers organisations and cooperatives and responsive to the needs and priorities of farmers, considering also the specific challenges faced by women and youth:

- **The Green Environment Facility (GEF) and the Green Climate Fund (GCF)**, alongside the Special Funds, fulfill an essential function in the UNFCCC system, however, their ability to deliver concrete results at the farm level depends on a greater involvement of farmers in their governance mechanisms, simplified

[6] While these two examples have been highlighted by Constituency members at the time of the preparation of this document, the membership of the Constituency include also other farmer organisations and cooperatives active at the national (e.g. Asociacion Argentina de Productores en Siembra Directa (AAPRESID)), regional (e.g. Asian Farmers' Association) and global level (e.g. World Rural Forum). KENAFF and CAPAD are members of the World Farmers' Organisation.
[7] https://www.kenaff.org/programme-details.php?pid=ODE=

access requirements and procedures for Farmer Organisations and Cooperatives and shorter project approval times.[8]

- **The Fund for Responding to Loss and Damage (FRLD):** The recent establishment and operationalization of this fund was welcomed by the Constituency, particularly the recognition of farmers among the most vulnerable communities. As the Fund is becoming operational and pledges are turned into support, the involvement of Farmers as active observers to its Board is critical to ensuring that access and resource allocation align with effective needs and complement other initiatives for disaster risk reduction.

- **World Bank and other Multilateral Development Banks (MDBs)**: Farmers and their organizations struggle with complex eligibility requirements and lengthy processes. Programs like the Global Agriculture and Food Security Program (GAFSP)'s special window should be replicated to facilitate direct access to climate finance for farmer organisations and cooperatives. Expanding technical assistance and capacity-building programs will also help farmers better navigate these financing opportunities.

The Farmers' Constituency recognize the need to strengthen the role and engagement of farmers as key agents of change in climate action and urges the COP29 and COP30 Presidencies to integrate their needs and priorities into this Roadmap.

We remain committed to engaging in this process and look forward to further consultations.

Thank you for your consideration.

Sincerely,

The UNFCCC Farmers' Constituency

Cc: Constituency Focal Points

- Dr Ceris Jones (ceris.jones@nfu.org.uk)
- Mr Francesco Brusaporco (francesco.brusaporco@wfo-oma.org)

[8] Sometimes the funds are channeled to national agricultural banks, who then provided concessional interest rate credits for farmers and cooperatives for adaptation. An interesting example of such financing is GCF financed iGreenFin program in West Africa, in which IFAD, the regional and national farmers' organizations, supported by the Senegalese agri-agency Asprodeb, a member of AgriCord, and national agricultural banks have been designing a financing stream with technical assistance for agricultural loans, targeting smallholder farmers and agri-food SMEs with climate impacts.