

DECEMBER 2023

Philanthropy's Response to the Global Climate Crisis:

Unveiling Challenges and Charting a Strategic Path Forward



Table of Contents



- Ol Introduction
- 02 Climate Realities
- O4 Philanthropy's Role in the Climate Crisis
- 06 Key Case Studies
- 13 Barriers to Climate Philanthropy
- 15 Best Practices for Climate Philanthropy
- 17 A Path to Effective Climate Philanthropy
- 18 Works Cited

1 Introduction

In 2023, the world bore witness to Earth's hottest summer since global records began in 1880, according to scientists at NASA's Goddard Institute of Space Studies (NASA, 2023). This unprecedented milestone unfolded amidst a relentless wave of scorching heat that swept countless communities worldwide, exacerbating wildfires in Hawaii and Canada, worsening flooding in Europe and Asia, contributing to lethal heat waves in Japan, South America, Europe, and the United States. As our planet grapples with these urgent and formidable challenges, it has become increasingly evident that we must fundamental-ly reconsider our approach to addressing climate change on a global scale. this evolving landscape, philanthropy has emerged as a compelling and potentially transformative force.



While philanthropic support for climatefocused initiatives has substantially increased in recent years, it still falls short of the scale and urgency demanded by this critical challenge. In a recent survey, an overwhelming 85 percent of U.S. foundation funders prioritized climate change among their top three concerns (Morgan Stanley, 2023).

While 85% of U.S. foundation funders prioritized climate change among their top three concerns, only one-third expressed an openness to considering funding opportunities for climate change initiatives (Morgan Stanley, 2023).

Still, only one-third of these funders expressed an openness to considering funding opportunities for climate change initiatives. Surprisingly, despite the issue's magnitude, less than two percent of global philanthropic endeavors are currently dedicated to climate-related giving. This startling statistic highlights the disconnect between the recognized significance of climate change as a pressing global concern and the resources allocated to combat it, raising a pivotal question: How can philanthropy effectively be more leveraged to address this developing crisis?

Climate Realities

With global surface temperatures poised to breach the 1.5 degrees Celsius threshold established in the 2015 Paris Climate Agreement, the progression of climate change presents an imminent crisis (Weiss, This crisis is exerting, and will continue to exert, a profound impact on the causes and communities that philanthropies seek to support, underscoring the urgent need for their intervention.

The world is set to surpass the 1.5 degrees Celsius threshold established by scientists to avert progressively severe and irreversible consequences of climate change.

As global greenhouse emissions continue to rise, propelled by unsustainable energy use, land-use changes, and consumption patterns, widespread and rapid changes in the at-mosphere, oceans, cryosphere, and biosphere have ensued (AR6, 2023). The basic science behind this process is simple: burning fossil fuels generates greenhouse gasses like carbon dioxide (CO2) and methane, which trap the sun's energy as heat in Earth's atmosphere, leading to rising temperatures. This disruption in our climate systems yields increasingly severe storms, extended droughts, and widespread flooding. What's more intricate is how these impacts interact, creating a domino effect of environmental changes.

These phenomena, known as "feedback loops," amplify risks to nearly every sector philanthropic efforts touch (The Climate Reality Project, 2022).

Let's begin with global health, one of the philanthropic sectors most profoundly affected by these feedback loops. With a surge in heatwaves, communities worldwide face a heightened risk of heat-related illnesses, particularly elderly and vulnerable populations. By creating more hospitable environments for disease-carrying vectors, warmer temperatures also contribute to the spread of diseases such as malaria, dengue fever, and Zika virus. In addition to these immediate effects, climate change indirectly influences human health by amplifying food and water security concerns. Shifts in precipitation patterns can lead to droughts or floods, impacting crop yields and increasing the risk of malnutrition and food borne illnesses.



Changes in water availability and quality present further threats to human health, as compromised access to safe drinking water can lead to an increased incidence of waterborne diseases. These compounding effects of climate change add complexity and urgency to philanthropic efforts dedicated to addressing global health, necessitating immediate attention and concerted action.

On top of exacerbating health challenges, climate change is also inextricably tied to other pressing philanthropic causes. including poverty and displacement. The World Bank has projected that, by 2030, climate change could force over 100 million people into extreme poverty (Concern Worldwide US, 2022). Many of the world's most vulnerable populations rely on farming or subsistence hunting and gathering for their sustenance and livelihoods, climaterelated disasters like floods, extreme storms. and droughts leave these communities grappling with hunger. In Malawi, for instance, ongoing droughts in 2016 resulted in the country's worst crop failure in generation, leaving а approximately 4 million people in need of assistance. More recently, torrential rains across southeast Africa in 2019 affected

over 922,000 Malawians, decimating crops, and amplifying the impact of climate-related disasters (Concern Worldwide US, 2022).

As extreme weather events and environmental degradation intensify, communities are often forced to abandon their homes, becoming climate refugees. A study by the Institute for Environment and Human Security estimates that by 2050, we could witness the displacement of around 200 million people from cities in the Middle East and South Asia due to climate-related factors. The ripple effects of such mass displacement, from over-crowding gender-based violence, present profound challenges for philanthropic organizations seeking to alleviate human suffering and address the root causes of displacement.

The multifaceted challenge of addressing climate encompassing change, health, poverty, displacement, beyond, and highlights the pivotal role of philanthropic organizations in the global response. As extreme weather events and environmental degradation exacerbate these problems, philanthropy becomes a crucial driver of offering innovative solutions, change, funding critical initiatives, and building resilience.



Philanthropy's Role in the Climate Crisis

Philanthropic organizations are crucial in addressing climate change by leveraging their unique capacities and resources. They serve as catalysts for change, fostering policy environments dedicated to the fight against climate change. Key facets of philanthropy's role in combating climate change include:

Awareness Building and Advocacy

Philanthropy is vital in raising awareness about climate risks. By allocating resources to fund public awareness campaigns, philanthropic organizations enable dissemination of crucial information about climate risks and the urgent need for climate action. These campaigns engage people at all levels of society, from local communities to global audiences, fostering a sense of shared responsibility. In tandem awareness-building efforts, with philanthropy actively supports advocacy groups and partners with policymakers to drive political will. They ensure that the fight against climate change remains a top priority on the global agenda. Philanthropic organizations have the unique ability to leverage their resources and networks to influence and shape policies that promote sustainability, foster environmental incentivize protection, and innovative climate solutions.

Take the <u>Evergreen Collaborative</u>, for instance, a philanthropic entity composed of prominent scientists and policymakers

working to push for key climate legislation policies. Through extensive their experience, expertise, and influential connections, the organization has been at the forefront of advocating for critical climate legislation (Evergreen Action, 2023). Notably, their successful efforts played a pivotal role in advancing key legislation like the Infrastructure Investment and Jobs Act (IIJA), which included a substantial \$369 billion in climate-related provisions (Leber, 2022).

Investments in Climate Solutions



Philanthropic organizations provide crucial funding for climate solutions that might lack widespread market support. They finance research and development initiatives for decarbonization technologies, renewable energy projects, and sustainable agricultural practices. Their investments often serve as catalysts, sparking a chain reaction that leads to broader acceptance and implementation of climate solutions, ultimately advancing global efforts to mitigate and adapt to climate change.

For example, the Skoll Foundation's investments in initiatives like the Rights and Resources Initiative and the Tenure Facility support innovative solutions in land and resource rights, contributing to carbon sequestration and climate resilience (Skoll, n.d.). Additionally, their collaboration with Ceres mobilizes private sector action by advocating for climate risk and impact

disclosure, fostering innovation and accountability in the corporate world's response to climate change.

Venture Capital and Grants 🗓 🖗



Philanthropic actors play a pivotal role in the climate change battle by offering patient venture capital, low-cost financing, equity investments, loan guarantees, revenue guarantees, and deployment grants. Their patient venture capital enables long-term, high-risk climate projects to thrive. Lowcost financing options reduce the financial climate-focused burden on initiatives. promoting innovation and expedited progress. Equity investments align philanthropic interests with climate businesses, working jointly for financial returns and environmental impact. Loan quarantees encourage traditional lenders to support climate projects by mitigating financial risk, and revenue guarantees provide stability in income streams. Deployment grants facilitate the transition from prototypes to large-scale climate solution implementation. These financial mechanisms allow philanthropic actors to address critical funding gaps, fostering climate innovation and driving impactful change.

Research and Knowledge Sharing



The contributions of philanthropic actors to research and knowledge sharing integral to advancing our understanding of climate change and finding practical solutions. By funding research initiatives, data collection, technological development, and policy analysis, philanthropic actors expand the scientific knowledge base but also aid in communicating this knowledge to the broader public. Through strategic funding and collaboration with various

partners, the ClimateWorks Foundation has supported extensive research on climate mitigation, carbon reduction strategies, and climate policy analysis. CWF operates through a vast international network of affiliated organizations, focusing its efforts on advancing smart policies within key economic sectors and geographic regions with the greatest potential for reducing greenhouse gas emissions. This strategic approach exemplifies how philanthropic actors like CWF can play a pivotal role in driving climate action, sharing knowledge, and expanding the scientific understanding required to combat climate change.

Through their financial support, philanthropic entities spark and advance the implementation of climate solutions. mitigate financial risks, amplify the impact of climate initiatives, and enrich our understanding of climate risks through knowledge sharing.

As continue scrutinize the we to multifaceted role of philanthropy addressing climate change, it becomes increasingly apparent that they possess unique capacities and resources capable of driving significant change. These entities excel in raising awareness, influencing policies, and incentivizing innovative solutions. Through their financial support, they spark and advance the implementation of climate solutions, mitigate financial risks, and amplify the impact of climate projects. Moreover, their contributions to research and knowledge sharing further enrich our understanding of climate change.

1 Key Case Studies

Climate philanthropy plays a central role in addressing the complex challenge of climate change, with primary areas of impact falling into three key domains: decarbonization, adaptation, and climate These encompass diverse justice. approaches aimed at reducing greenhouse gas emissions, enhancing resilience to climate impacts, and promoting equity and justice in addressing the crisis. In pursuing a sustainable and climate-resilient future, philanthropic organizations have leveraged their resources, expertise, and networks to drive innovative solutions, facilitate transitions to low-carbon economies. bolster the capacity to adapt to a changing climate, and advocate for equitable climate policies. Each of these areas represents a critical piece of the puzzle in the broader climate change response, and philanthropy's contributions within these domains are instrumental in advancing our collective efforts to combat climate change.

Decarbonization is the systematic process of reducing carbon emissions, vital for mitigating climate change and transitioning to a sustainable, low-carbon economy.

Climate adaptation strategies aim to safeguard communities and systems from climate impacts through reduced exposure to threats, and risk management.

Climate justice initiatives address the disproportionate impact of climate change on vulnerable communities, acknowledging pre-existing inequalities and the greater vulnerability of these groups.

Decarbonization, the process of reducing carbon emissions and moving towards a low-carbon economy, is a critical effort in the fight against climate change. It encompasses transitioning from carbonintensive practices, such as fossil fuel consumption, to cleaner and more sustainable alternatives like renewable energy sources. This transition, however, requires substantial investments innovation. and research, sustainable technologies (Morgan Stanley, 2023). While commercial sectors often hesitate to



Launched in 2015 to help communities secure funding through the **POWER** initiative, the first federal program tasked with assisting those hardest hit by the decline of coal, the Just Transition Fund stands as a compelling example of philanthropy's impact on decarbonization (Just Transition Fund, 2023). Its focus extends beyond just economic transformation; it prioritizes an equitable, inclusive, and low-carbon approach to help resilience communities build sustainable futures. The Fund adheres to a comprehensive framework underpinned by several key principles:

- Promoting Economic Diversification: The Just Transition Fund supports projects in various low-carbon sectors, including those that generate jobs, build local wealth, and strengthen the local economy. By diversifying the economic base of affected communities, the Fund reduces their reliance on coal-related industries, fostering a more sustainable future.
- Expanding Workforce Development: One critical aspect of transitioning to a low-carbon economy is preparing the workforce for new employment opportunities. The Fund scales wraparound workforce development programs that train former coal workers and community members for jobs in emerging industries. This not only equips individuals with valuable skills but also contributes to the broader goal of creating a more resilient workforce.
- Improving Infrastructure: The Fund recognizes that essential infrastructure, such as broadband access, is a cornerstone of an inclusive economic transition. Therefore, it directs efforts toward improving and expanding infrastructure vital for these communities. This focus ensures these areas remain connected, competitive, and equipped to participate in the lowcarbon economy.

The Just Transition Fund employs a multifaceted approach, leveraging public and resources and private guiding policy changes to accelerate a just economic transition. Their methods range from connecting markets and stimulating entrepreneurship to preparing workers, expanding broadband, and advancing policy. The Just Transition Fund focuses on

coal-affected regions in the United States, particularly in the West, the Midwest, and Appalachia, prioritizing areas facing the most distress. By concentrating on the areas most severely impacted and considering socio-economic factors exacerbating the economic transition, the Fund ensures that its efforts address the communities that need support the most.



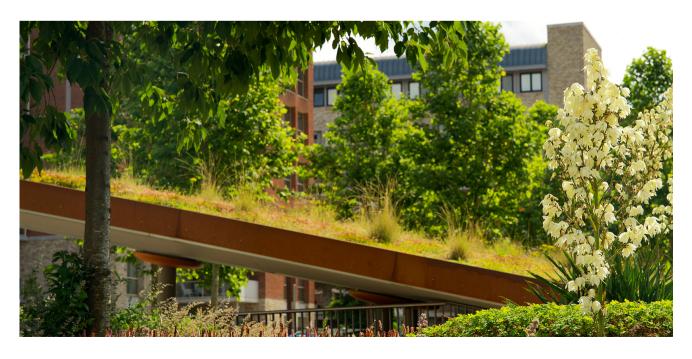
The proof of the Just Transition Fund's impact is in the numbers. Since its establishment in 2015, the Fund has leveraged over \$360 million in public and private funding through its \$15 million in grant investments, catalyzing a remarkable \$100+ billion in federal funding for coal community priorities as part of initiatives like the Infrastructure Investment and Jobs Act and the American Rescue Plan. Their work has also contributed to enacting three state-level transition funds, directing over \$57 million to local economic development and transition-related programs. In this time, the Just Transition Fund's efforts have led to the creation of 524 businesses, the generation of 2,739 jobs in areas with pressing employment needs, the training of 5,482 workers for employment in growing sectors, and the support of 5,725

entrepreneurs in communities, laying the groundwork for home-grown economic development (Just Transition Fund, 2023). These figures underscore the potential of leveraging philanthropy to drive transformative change in local economies and promote equitable transitions to low-carbon systems.

While decarbonization efforts focus on mitigating the root causes of climate change, adaptation strategies address the pressing need to protect communities and systems from the existing and future impacts of a changing climate. overarching goal of adaptation strategies is to enhance the resilience and robustness of communities and systems, reduce exposure to climate-related threats, and manage such risks through various mechanisms like insurance and financial tools. Climate adaptation is a crucial response to the ongoing and future impacts of climate change, especially given that further increases in physical climate hazards are already "locked in" due to greenhouse gasses in the atmosphere.

Philanthropy is uniquely positioned rapidly allocate unrestricted funds response urgent climate-related to challenges, provide critical support to highrisk ventures, convene diverse stakeholders foster collaboration, contribute to research, and engage in policy advocacy that supports the large-scale implementation of climate adaptation measures. The specific focus on adaptation stems from recognizing that climate change disproportionately affects underserved and vulnerable communities. Philanthropy's nimbleness and commitment to addressing urgent needs make it particularly effective in driving initiatives that enhance climate resilience and reduce the health and environmental risks brought about by a changing climate.

One compelling example of philanthropic efforts in climate adaptation is the <u>Climate Change</u>, <u>Health & Equity (CCHE)</u> initiative, spearheaded by the Kresge Foundation. This initiative is designed to mobilize equitable climate action, engaging healthcare institutions, health practitioners,



and community advocates to address the needs and priorities of low-income communities in American cities (Kresge Foundation, 2023). It recognizes the significant threats climate change poses to health and well-being, especially among marginalized communities, and seeks to reduce health disparities equitably. The CCHE initiative encompasses three key strategies to advance its goals:

Build the capacity of health institutions:

This approach focuses on strengthening the ability of hospitals, health care systems, and public health institutions to take a leadership role in promoting climate mitigation and adaptation while advocating for equitable climate policies.

Transforming public health and health practice: The initiative collaborates with professional health care and public health membership organizations to advance climate resilience policies and practices, not only within their organizations but also throughout their communities and networks. It supports healthcare and public health practitioners in incorporating climate-related health issues into their work and empowers them to influence public policy and advocacy efforts at various levels.

Strengthening community based **leadership:** This strategy enhances the leadership of community-based organizations to expedite the implementation of equitable policies and practices that advance climate resilience and reduce health risks. The projects funded under this strategy work to accelerate the adoption and implementation of climate adaptation policies and programs at the local, regional, and state levels, thereby improving public health outcomes

and enhancing the quality of life in low-income communities.



By supporting community based organizations, the initiative has accelerated the implementation of equitable policies and practices that promote climate resilience and reduce health risks. Through grantfunded projects, the initiative has facilitated the adoption and implementation of climate adaptation policies and programs at the local, regional, and state levels:

- The Medical Society Consortium's inaugural Climate, Health, and Equity Fellowship program (CHEF) empowered physicians of color to engage in climate action and pass climate health resolutions in their medical societies, significant step toward marking a climate's recognizing influence on health.
- Eastside Community Network secured \$1.7 million in ARPA funds to expand climate resilience hubs in Detroit, enhancing the city's capacity to respond to climate-related challenges.

The Environmental Health Coalition's 10
 Transit Lifelines campaign successfully influenced the regional transit authority to adopt nine of its ten priorities into the Regional Transportation Plan, improving transportation systems with health equity in mind.

These outcomes, and many more, exemplify the positive outcomes that philanthropic support, community-led initiatives, and partnerships can achieve in the context of climate adaptation and health equity (CCHE, 2023).

Climate justice, the last key area of climate philanthropy we will explore, is an area of ac-tion deeply rooted in the understanding that the impacts of climate change are not evenly distributed and often exacerbate pre-existing inequalities. Climate justice acknowledges that vulnerable marginalized communities. particularly those in low-income regions communities of color, typically contribute less to climate change while facing disproportionately severe impacts. These communities often have fewer resources to adapt to the changing climate, are more exposed to environmental hazards, and suffer from social, economic, and health disparities that render them more vulnerable.

Climate change exacerbates environmental factors linked to chronic illness and injury, leading to social and economic disruptions that disproportionately affect vulnerable communities (Public Health Institute).

Fundamentally, climate justice recognizes environmental health cannot achieved at the expense of social wellbeing. By exploring philanthropic efforts in climate justice, we can gain insights into how these organizations contribute to fair, inclusive, and sustainable climate solutions that uplift those most affected by the climate crisis. The CLIMA Fund is a prime example of these efforts. The Fund, a partnership between Global Green-grants Fund, Grassroots International, Thousand Currents, and Urgent Action Fund for Women's Human Rights, has developed a holistic approach to supporting climate movement-building on a global scale (CLIMA Fund, n.d.). The collaborative approach allows large funders to reach initiatives arassroots efficiently and effectively around the world.

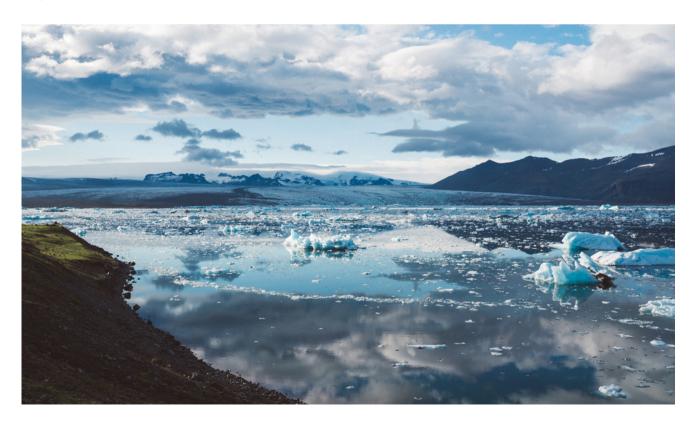


The CLIMA Fund recognizes that grassroots groups led by women, Indigenous communities, and youth are at the forefront of immediate, ambitious, and effective solutions to the climate crisis. To this end, the Fund supports "movement ecosystems", networks of grassroots actors working to advance systemic change, with seed funding, long-term funding, and security grants.

In a notable example of their impactful work, the CLIMA Fund disbursed \$80,000 to movement groups in Brazil during a critical period in 2019 (CLIMA Fund, n.d.). This support aimed to combat the surge in deforestation, devastating wildfires, and escalating threats to Indigenous and other defenders frontline of the Amazon rainforest. CLIMA funded various initiatives, from youth training in agroecology methods community garden projects safeguarding Amazonian Indigenous cultural diversity, establishing distributed community solar arids. and sharing resistance tactics against large hydroprojects that jeopardize community lives and lands. CLIMA also supported national movements engaged in battles against mining companies, the protection of fish-ing rights, the strengthening of Indigenous unity and political influence, the rescue and distribution of native seeds, and resistance against large hydropower dams. approach reflects the fund's commitment to

supporting various tactics and movements to amplify their collective strength.

by the As evidenced above cases, philanthropy has proven to be a powerful force in addressing the multifaceted challenges of climate change across three key areas: decarbonization, adaptation, and climate justice. The Just Transition Fund showcases how philanthropy can catalyze an equitable economic transition in coalaffected regions. At the same time, the CCHE initiative exemplifies the nimbleness of philanthropy in accelerating climate adaptation efforts. Additionally, the CLIMA Fund's approach reflects the significance of resources mobilizina philanthropic advance climate justice, support grassroots solutions, and advocate for equitable and inclusive climate solutions. These efforts underscore philanthropy's unique capacity to drive meaningful, direct impact.



05 Barriers to Climate Philanthropy

Despite growing awareness, the philanthropic community continues to grapple with several barriers that impede its effectively ability to address change. These issues extend beyond just scale of funding, encompassing resource allocation, coordination, impact measurement.

Global climate mitigation constituted only 1.75 percent of total global philanthropy in 2021 (McKinsey, 2021).

Comparatively, climate and adjacent fields within philanthropy receive a disproportionately low share of grant funding. Globally, climate mitigation funding constituted merely about 1.75 percent of total global philanthropy in 2021. Even in the United States, where climate philanthropy is gaining traction, McKinsey's estimations indicated that direct climate change giving accounted for only 0.5 percent of total giving in 2020 (McKinsey, 2021). So, why is this the case?

According to the <u>Center for Effective Philanthropy</u>, funders have identified three key reasons for their lack of action: (1) climate change is not part of the foundation's mission, (2) the board has limited interest in addressing the crisis, and (3) the problem is too vast (Morgan Stanley, 2023). These challenges do not exist in

isolation, rather they are com-pounded by broader uncertainties in the philanthropic community, including resource allocation, coordination, and impact measurement. Addressing these interconnected challenges is vital to overcoming philanthropy's obstacles in responding effectively to climate change. Key issues include:

Resource Allocation Uncertainty

Philanthropic organizations often wrestle with the question of how best to allocate their resources for maximum impact. The climate crisis requires targeted investments in various areas, from decarbonization to climate adaptation. Deciding how to invest resources effectively among these diverse interventions can be daunting. Moreover, the climate landscape is dynamic, with technologies, evolving policies, and scientific discoveries. This dynamism means that the most effective approaches may shift over time. Deciding where to allocate resources is further complicated by the need to adapt to changing circumstances, making long-term planning challenging.



Coordination Challenges:

Effective collaboration between philanthropic organizations, governments, businesses, and civil society is essential for addressing the multifaceted nature of climate change. However, coordinating efforts across these diverse sectors can be challenging. Misalignment of goals, lack of shared data and metrics, and priority variations can impede coordinated action. Only 11 percent of Foundation executives who took a CEP survey thought their own foundation's strategy to address climate change was very effective, and only 4 thought percent that efforts by philanthropic foundations broadly were very effective (Morgan Stanley, 2023). This lack enthusiasm reflects the existing difficulties in achieving meaningful coordination and impact across the philanthropic landscape.

Impact Measurement Complexity:

Assessing the true impact of climate philanthropy is a complex task. Climate outcomes often take years or decades to

manifest fully, making it challenging to measure progress and success accurately. Traditional impact assessment models may not capture the long-term and systemic changes required to combat climate change effectively. Funders also often seek clear, quantifiable evidence of impact to justify their investments. The long-term and interconnected nature of climate change makes it challenging to provide immediate, concrete results. This uncertainty can be perceived as risky, and some funders may prefer to allocate their resources to initiatives with more immediate, measurable outcomes.

These interlinked challenges underscore the need for innovative strategies, coordinated efforts, and clear impact measurement frameworks to bolster the philanthropic community's role in addressing climate change effectively. By addressing these issues holistically, philanthropy can contribute significantly to the urgent global efforts to combat the climate crisis.



06 Best Practices for Climate Philanthropy

Addressing the multifaceted challenges faced by philanthropy in responding to climate change requires a proactive approach with strategies and best practices that maximize the effectiveness of philanthropic efforts. Key approaches to mitigate these challenges include:

Collaborative Philanthropy



To address the complexity of climate change, philan-thropic organizations should consider collaborating, governments, businesses, and civil society. By forming partnerships and networks, they can pool resources, share knowledge, and align goals more effectively. Collaborative philanthropy en-hances the impact of individual organizations and fosters a sense of shared re-sponsibility. These collaborations may involve joint funding commitments for climate initiatives, information exchange, and shared expertise. For example, philanthropic organizations can collaborate on research projects to collectively identify effective climate interventions, invest in clean energy startups, or support regional climate adaptation efforts. They can also engage in public-private partnerships with governments and businesses to mobilize additional resources and promote climatefriendly policies and practices. Initiatives like the Global Climate Action Summit, which saw 39 foundations committing \$6 billion to climate solutions by 2025, demonstrate the potential of collective action.

Data-Driven Decision-Making



Philanthropic organizations can benefit from em-ploying data-driven decision-making processes. By collecting and analyzing relevant data, they can gain insights into the most pressing climate issues and the interventions that offer the greatest potential for impact. Data can inform resource allocation, helping philanthropists target their investments more effectively. Moreover, it enables organizations to track progress and make informed adjust-ments as circumstances change. To achieve this, entities can philanthropic estab-lish collaborative partnerships with research institutions, leveraging the expertise and resources required for data collection and analysis. Technological tools like remote sensing, big data analytics, and artificial intelligence can also be harnessed to gather and interpret relevant climate data.

Long-Term Commitment



Recognizing the enduring nature of climate change, philanthropic organizations should adopt a long-term commitment to their initia-tives. Climate outcomes often take years or even decades to manifest fully, so pa-tience is a virtue in this context. By committing to the sustained support of climate-related programs and acknowledging that the path to meaningful change is an extended journey, philanthropists ensure that their contributions lead to lasting impact. This long-term perspective is particularly vital for addressing systemic and structural changes required to combat

climate change effectively. Strategies to cultivate long-term climate commitment might include providing multi-year grants, being adaptable in funding, investing in the capacity-building of partners, and establishing endowment funds dedicated to climate action.

Climate outcomes can take years or even decades to manifest, necessitating philanthropist's long-term commitment.

Innovation and Adaptation



Given the dynamic nature of the climate organizations landscape. philanthropic should be open to innovation adaptability. The climate crisis continually evolves with new technologies, scientific discoveries, and policy shifts. Philanthropy must be nimble and willing to pivot its strategies as the most effective approaches change over time. This commitment to innovation extends to impact evaluation and measurement. Customized metrics. modeling, predictive and collaborative impact evaluation are emerging as key tools to assess the effectiveness of philanthropic efforts. These approaches enable the measurement of nuanced, interconnected outcomes. Transparency in reporting and engaging stakeholders, especially affected communities, are crucial aspects of innovative impact evaluation. By embracing creative approaches to assessing the impact of their initiatives, philanthropic organizations can more effectively address the multifaceted challenges of climate change and contribute to long-term, sustainable solutions.

Transparency and Accountability



Ensuring transparency and accountability in climate philanthropy requires a multifaceted approach. Philanthropic organizations prioritize transparent should communication οf climate-related objectives. activities. strategies, achievements. This communication should encompass both quantitative data and qualitative insights, offering comprehensive view of their work in addressing climate change. Engaging with stakeholders, including grantees, partners, affected communities, and field experts, ensures that philanthropic efforts are wellinformed and responsive to real-world needs. Providing regular updates to donors partners is essential to convey successes and challenges, demonstrating a commitment to transparency and continuous improvement in climate philanthropy. Independent third-party evaluations offer an objective perspective on the effectiveness and impact of climate initiatives, further enhancing accountability. Involving local communities and vulnerable populations in decision-making processes helps tailor climate philanthropy efforts to address specific requirements and promote equitable outcomes. Incorporating these best practices into philanthropic efforts can help overcome the barriers and challenges faced by philanthropy in responding to climate change. By adopting a collaborative, data-driven, long-term, and adaptable approach, philanthropy will be better equipped to harness its capabilities and resources effectively.

7 A Path to Effective Climate Philanthropy

Philanthropy, indeed, plays a pivotal role in the global response to climate change, raising awareness, advocating for climate action, funding critical climate solutions, and supporting climate adaptation efforts. While philanthropy has made remarkable strides, it is also crucial to recognize the significant barriers it faces, such as resource allocation uncertainties, coordination challenges, and the complexity of impact measurement. These interconnected challenges necessitate innovative strategies for philanthropy make meaningful to contributions to addressing climate change effectively. Collaborative philanthropy, data-driven decision-making, long-term commitment, innovation, and transparent accountability are paramount among these strategies.

Looking ahead, the collaborative efforts of philanthropy, government, and the private sector are essential for a sustainable future. By pooling resources, knowledge, and networks, these sectors can foster collective responsibility in the fight against climate change. Philanthropy's role is to lead by example, push for innovative solutions, and advocate for inclusive policies. By maintaining a commitment to transparency and accountability, philanthropic organizations can ensure their initiatives are well-informed, adaptable, and responsive to the evolving challenges of climate change.

In the face of the urgent and pressing climate challenge, philanthropic organizations must acknowledge that they cannot simply stand by and rely solely on governments and corporations to address the crisis. The time for action is now, and the stakes are high. The window of opportunity to stabilize the climate may be narrow. Still, with strategic, innovative, and coordinated efforts, philanthropy can make a significant and lasting contribution to the future of our planet.



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