GEF-8 REQUEST FOR MSP (1-STEP) CEO APPROVAL

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GENERAL PROJECT INFORMATION

Project Information

Project Title:	Financial Inclusion and Resilience (FIRE): Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation		
Region:	East Africa	GEF Project ID:	12119
Country(ies):	Uganda and Madagascar	Type of Project:	MSP
GEF Agency(ies):	WWF-US	GEF Agency Project ID:	G0071
Project Executing Entity(s) and Type:	Kiva Microfunds	CSO	
GEF Focal Area(s):	Climate Change	Submission Date:	TBD
Type of Trust Fund:	LDCF	Project Duration (Months)	36
GEF Project Grant: *(a)*	$1,601,376	GEF Project Non-Grant *(b)*	n/a
Agency Fee(s) Grant: *(c)*	$144,124	Agency Fee(s) Non-Grant: *(d)*	n/a
Total GEF Financing: *(a+b+c+d)*	$1,745,500	Total Co-financing:	$214,432
PPG Amount *(e)*:	$50,000	PPG Agency Fee(s) *(f)*:	$4,500
Total GEF Resources (a+b+c+d+e+f)	$1,800,000		
Project Tags:	☐ CBIT ☐ NGI ☐ SGP ☒ Innovation		
Project Sector (CCM only)	n/a		
Rio Markers			
- Climate Change Mitigation	☒ No Contribution (0) ☐ Significant Objective (1) ☐ Principal Objective (2)		
- Climate Change Adaptation	☐ No Contribution (0) ☐ Significant Objective (1) ☒ Principal Objective (2)		
- Biodiversity	☐ No Contribution (0) ☒ Significant Objective (1) ☐ Principal Objective (2)		
- Land Degradation	☒ No Contribution (0) ☐ Significant Objective (1) ☐ Principal Objective (2)		

Project Summary*

Communities in climate-affected regions increasingly face climate hazards such as droughts, floods, and storms, which raise credit risks and weaken their ability to access or repay financial services.[1] As a result, financial institutions are retreating from lending and avoiding high-risk, underserved areas. This threatens the stability of microfinance institutions (MFIs) and the livelihoods of 1.4 billion financially excluded adults.[2]

The project, called Financial Inclusion and Resilience Expansion (FIRE), will address these challenges in Uganda and Madagascar by innovating risk-tolerant crowdfunded capital to increase financial inclusion and support climate adaptation and resilience, particularly amongst communities in and around conserved areas. The project objective is to strengthen climate resilience of vulnerable communities by

[1] Dorfleitner, Forcella, and Gerckens (2025). *Climate Change in Microcredit Portfolios: Evidence on Vulnerability, Adaptation and Implications for Inclusive Finance.* Available online: https://onlinelibrary.wiley.com/doi/10.1002/bse.4178

[2] FSD Africa (2023). *Why financial inclusion remains crucial in Africa*. Available online: https://fsdafrica.org/why-financial-inclusion-remains-crucial-in-africa/#:~:text=According%20to%20data%20from%20the,or%20no%20financial%20literacy%20support

increasing their access to risk-tolerant, crowdfunded finance for climate adaptation. FIRE is selected through the 3rd round of the Challenge Program for Adaptation Innovation.

FIRE will survey or interview at least 500 borrowers and nine Kiva Lending Partners to assess climate risk and vulnerabilities (sub-indicator 3.8). Based on these assessments, the project will improve or create at least one financial product per country (three total), and develop a climate crisis support loan and a toolkit on best practices for MFIs in the region. FIRE will have at least 3,572 direct beneficiaries.

Key expected outcomes include increased resilience of financial institutions, access to climate-adaptive financial services, borrower capacity for risk management, and adaptation-focused lending amongst Lending Partners and the wider micro-finance sector.

Project Description Overview

Project Objective: To strengthen climate resilience of vulnerable communities by increasing their access to risk-tolerant, crowdfunded finance for climate adaptation.					
				(in $)	
Project Components	**Component Type**	**Project Outcomes**	**Project Outputs**	**GEF Project Financing**	**Co-financing**
Component 1 Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.	Technical Assistance (MFI level)	**Outcome 1.1** Improved climate smart financial products for Kiva Lending Partners and improved access for borrowers to new financial tools to combat climate risks, and finance to implement interventions that diversify and enhance their livelihoods, increasing their resilience to climate change.	**1.1.1** Launch and utilize the Climate Compass **1.1.2** Successful delivery of Technical Assistance to MFIs **1.1.3** Development and delivery of improved climate-smart financial products such as microloans, insurance, and savings.	564,383	1,565,037
Component 2 Increase resilience to climate change at the borrower level	Technical Assistance (borrower level)	**Outcome 2.1** Borrowers have a better understanding of climate impacts on their livelihoods, and solutions which increase their resilience to climate change	**2.1.1** Identification of climate vulnerabilities at the borrower level. **2.1.2** Co-development of adaptation interventions with borrowers.	383,151	422,217
Component 3 Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.	Technical Assistance (subsidized risk-tolerant capital)	**Outcome 3.1** Lending Partners have increased resilience to deploy capital even in a climate crisis.	**3.1.1** Development of a climate crisis support loan that shores up institutions in the event of a climate shock to de-risk other commercial lenders. **3.1.2.** Development of a toolkit of lessons and best practices for MFIs to decrease the climate risks of their whole portfolio and continue	162,758 -	115,426

			providing finance to high-risk communities.		
Component 4 Knowledge Management and Communications	Technical Assistance	**Outcome 4.1** Knowledge products inform future climate adaptation initiatives undertaken by lending partners and the broader ecosystem.	**4.1.1** Increased sector-wide knowledge sharing through dissemination of project lessons, including reports, case studies, webinars, and best practices.	272,594 -	106,456
M&E		M&E plan implemented for adaptive management.	A project-based monitoring and evaluation system.	80,190	31,289
Subtotal				1,463,076	2,240,425
Project Management Cost (PMC)				138,300 -	241,432 -
Total Project Cost				1,601,376	2,481,857

PROJECT OUTLINE

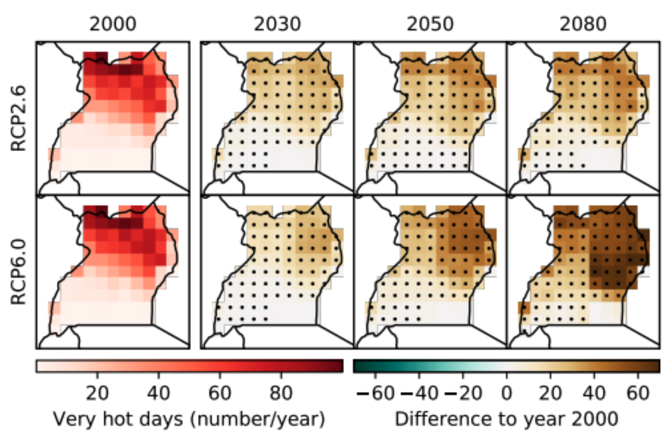
A. Project Rationale

Climate Change problems and threats

Communities in Uganda and Madagascar, are increasingly vulnerable to the accelerating impacts of climate change. Projections indicate that under high-emission scenarios, the frequency and intensity of extreme events such as droughts, heatwaves, and floods could rise by 20–50% by 2050.[3] These shifts are already evident in East Africa, where a growing number of regions are facing destructive cycles of drought and flash flooding. The resulting environmental instability is disrupting agriculture, livelihoods, and the broader sustainability of local economies.

In Uganda, environmental and climate change threats such as soil erosion, landslides, and shifting precipitation patterns are undermining a largely agrarian economy. For example, between late 2020 and early 2024, Uganda experienced a prolonged drought due to La Niña which affected crop yields in the region.[4] Agriculture accounts for 24% of GDP, employs 80% of the workforce, and represents 85% of exports.[5] These climate-induced disruptions jeopardize agricultural productivity, economic growth, and even political stability.[6]

Figure 1: Projections of the annual number of very hot days (daily maximum temperature above 35°C) for Uganda for different GHG emissions scenarios.[7]



[3] IPCC (2021). Climate Change 2021: The Physical Science Basis. Available online: https://www.ipcc.ch/report/ar6/wg1/

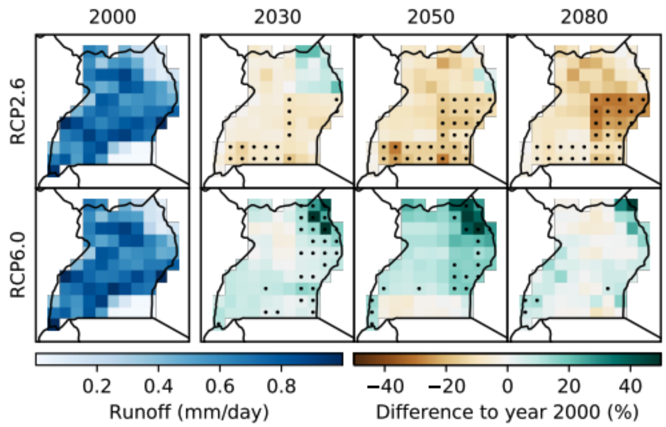
[4] World Meteorological Organization. (2025). *State of the Climate in Africa 2024.* Available online: https://library.wmo.int/viewer/69495/download?file=WMO-1370-2024_en.pdf&type=pdf&navigator=1

[5] UNFCCC (2023). Enabling Farmers to Adapt to Climate Change, Uganda. Available online: https://unfccc.int/climateaction/momentum-for-change/ict-solutions/enabling-farmers-to-adapt-to-climate-change

[6] Turyasingura, Banerjee, Ayiga, and Museo Nzau (2023). Effect of Climate Change on Soil and Water Resources in Uganda. A review. Available online: https://www.nilebasin-journal.com/pdf_ReadDownload.php?type=read&file=Paper-1-Effect-of-ClimateChange-in-Uganda-20240312.pdf

[7] GIZ (2021). *Climate Risk Profile: Uganda*. Available online: https://www.adaptationcommunity.net/wp-content/uploads/2021/02/GIZ_Climate-risk-profile-Uganda_EN_final.pdf

Figure 2: Water availability from precipitation (runoff) projections for Uganda for different GHG emissions scenarios.[8]



Madagascar's vulnerability is even more acute. The country has experienced increasingly variable rainfall, intensified cyclones, and prolonged droughts, all of which have reduced agricultural yields, damaged infrastructure, and worsened food insecurity.[9] Drier-than-normal conditions have persisted in Madagascar while there was excessive precipitation in the northeast of the country.[10] Coastal erosion and saltwater intrusion, driven by rising sea levels, further threaten the livelihoods of coastal populations.[11] In particular, cyclones are a significant risk to the country and are growing in intensity and frequency due to climate change. In 2024, cyclones in Madagascar caused localized floods, resulting in crop loss and infrastructure damage.[12]

[8] Ibid.

[9] Food and Agriculture Organization (2016). Climate Smart Agriculture in Madagascar. Available online: https://www.fao.org/familyfarming/detail/en/c/380445/

[10] World Meteorological Organization. (2025). *State of the Climate in Africa 2024.* Available online: https://library.wmo.int/viewer/69495/download?file=WMO-1370-2024_en.pdf&type=pdf&navigator=1

[11] World Bank (2011). Vulnerability, Risk Reduction, and Adaptation to Climate Change: Madagascar. Available online: https://climateknowledgeportal.worldbank.org/sites/default/files/2018- 10/wb_gfdrr_climate_change_country_profile_for_MDG.pdf

[12] World Meteorological Organization. (2025). *State of the Climate in Africa 2024.* Available online: https://library.wmo.int/viewer/69495/download?file=WMO-1370-2024_en.pdf&type=pdf&navigator=1

Figure 3: Water availability from precipitation (runoff) projections for Madagascar for different GHG emissions scenarios.[13]

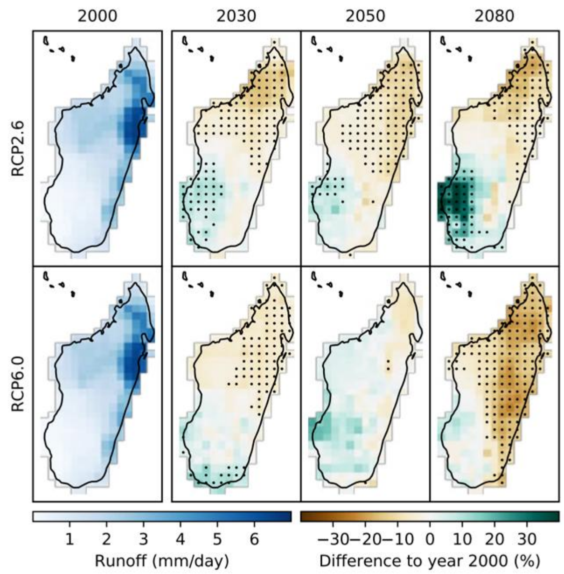
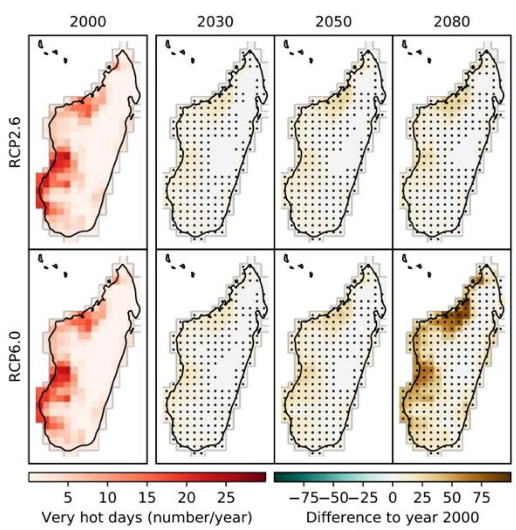


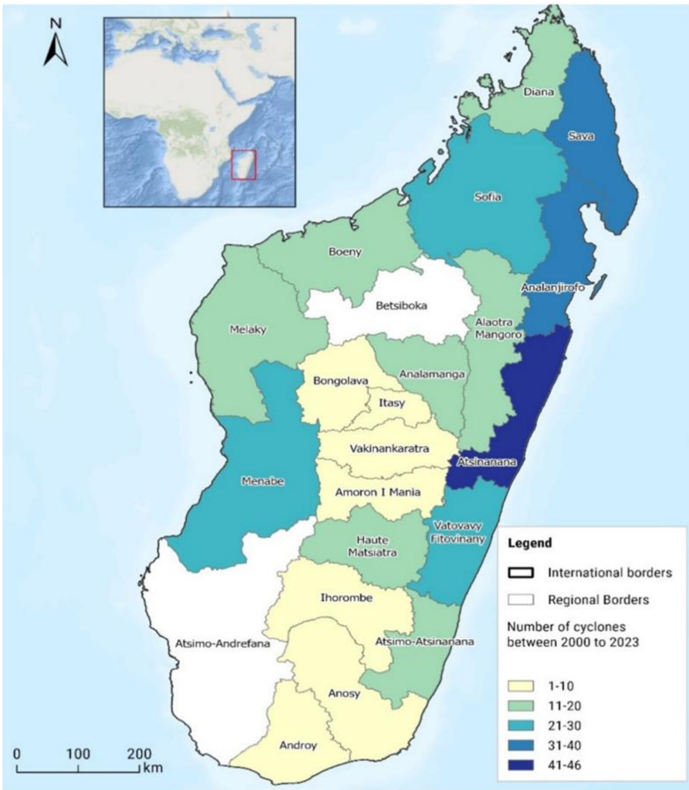
Figure 4: Projections of the annual number of very hot days (daily maximum temperature above 35°C) for Madagascar for different GHG emissions scenarios.[14]



[13] GIZ (2021). *Climate Risk Profile: Madagascar*. Available online: https://agrica.de/wp-content/uploads/2021/01/GIZ_Climate-Risk-Profile-Madagascar_EN_final.pdf

[14] Ibid.

Figure 5: Cyclone exposure in Madagascar[15]



Increased Credit Risk and Financial Exclusion

The economic consequences of climate change extend into the financial sector. Disruptions to agricultural productivity have made smallholder farmers and low-income borrowers more vulnerable, elevating their credit risk and reducing their ability to access financial services. Following extreme climate events, default rates in microfinance and rural banking sectors have been observed to rise by 20-30%, deterring further investment in high-risk regions.[16] The credit risks are amplified by a lack of financial buffers, limited access to insurance, and the absence of usable collateral. Even when assets like land or livestock can be used as collateral, their value often depreciates rapidly in climate-vulnerable regions.[17] As climate risks rise, so does the cost of lending to vulnerable populations, deepening exclusion and weakening local resilience.

[15] Ibid.

[16] Calice and Miguel (2021). Climate-Related and Environmental Risks for the Banking Sector in Latin America and the Caribbean. Available online: https://openknowledge.worldbank.org/server/api/core/bitstreams/3eef4394-f6ae-5ad4-99d3- 1486efebbc73/content

[17] Knaack and Zetterli (2023). Climate risk and financial inclusion: A regulatory perspective on risks and inclusion. Available online: https://www.cgap.org/sites/default/files/publications/WorkingPaper_Climate%20and%20Regulation.pdf

Underinvestment in Climate Adaptation Finance

Climate adaptation remains underfunded globally. The majority of finance is channeled into mitigation efforts, with only around 5-7% of global climate finance directed towards adaptation.[18] [19] East Africa has particularly limited access to adaptation funding, with a minority of countries receiving most of the available funds. Kenya, for instance, receives significantly more climate finance than its neighbors due to its more established policies and strategic and regulatory framework for climate finance access and mobilization.[20] Loans remain the dominant mechanism for channeling adaptation finance where 61% are concessional and 7% are non-concessional. Institutional loans increase the debt burden for national governments and reduce the effective value of the received funds to only 64% of its face value due to costs of servicing and managing loans.[21]

Equitable distribution of funds is challenging, and access is not always correlated to need. Globally, the 10 largest recipient countries received 54% of funds while the bottom 10 recipient countries received less than 1%.[22] There is an inverse correlation between emergency response funding and climate adaptation funding; countries that receive lower climate adaptation funding receive proportionately higher emergency response funding.[23] This is indicative of the higher complexity of accessing climate adaptation finance for states without high functioning public bodies for managing applications or national regulatory frameworks.

In addition to national-level financing challenges, the role of local financial institutions is increasingly recognized. Financial service providers (FSPs) for instance, are an important part of delivering financing directly to ground-level borrowers, both to support adaptation efforts and to act as a first line of assistance when climate shocks occur. Evidence on their impacts on perceived resilience suggests that FSPs can contribute to strengthening client preparedness for climate-related shocks, highlighting their potential role within broader adaptation finance systems. A 2024 study of FSPs found that two in five FSP clients affected by a climate event report feeling better prepared due to their association with the FSP. As seen in the chart below, longer client tenure, access to additional services, and group lending are key to maximizing clients' sense of preparedness.

[18] GEF (2021). New climate resilience fund brings private and public climate finance to vulnerable landscapes and farmers. Available online: https://www.thegef.org/newsroom/press-releases/new-climate-resilience-fund-brings-private-and-publicclimate-finance

[19] Global Centre on Adaptation (2024). State and Trends in Climate Adaptation Finance 2024. Available online: https://gca.org/reports/state-and-trends-in-climate-adaptation-finance-2024/

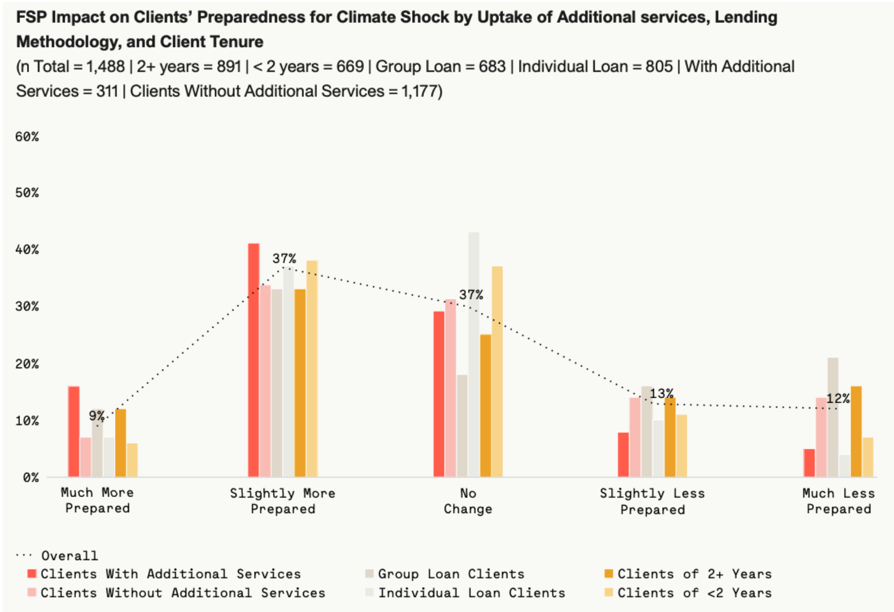
[20] Cherry-Virdee, Warunge, and Dejgaard (2024). Climate finance in East Africa. Available online: https://pure.diis.dk/ws/files/25239412/Climate_finance_in_East_Africa_DIIS_Working_Paper_2024_04.pdf

[21] Ibid

[22] Global Centre on Adaptation (2024). *State and Trends in Climate Adaptation Finance 2024*. Available online: https://gca.org/reports/state-and-trends-in-climate-adaptation-finance-2024/

[23] Global Centre on Adaptation (2024). *State and Trends in Climate Adaptation Finance 2024*. Available online: https://gca.org/reports/state-and-trends-in-climate-adaptation-finance-2024/

Figure 6: Financial Service Provider (FSP) Impact on Clients' Preparedness for Climate Shock by Uptake of Additional services, Lending Methodology, and Client Tenure[24]



Degradation of Natural Resource-Based Livelihoods

Climate change is degrading vital natural resources—such as soil, water, and fisheries—that underpin rural livelihoods across East Africa. This erosion of ecosystem services reduces agricultural productivity, increases food insecurity, and weakens community resilience.[25] In extreme cases, environmental shocks have led to climate-induced migration, adding stress to both origin and destination communities.[26]

In Uganda, smallholder agriculture constitutes 89% of farming activity but faces steep challenges: average landholding sizes are small (0.97 ha), irrigation is almost nonexistent (0.7%), and few use fertilizer or improved seeds.[27] Soil erosion alone costs the country an estimated 4-12% of GDP.[28] In Madagascar, agriculture and fishing employ 78% of the workforce and provide key subsistence and export earnings, but are highly sensitive to cyclones, pests, drought, and flooding.[29] The annual cost of land degradation in Madagascar is estimated at US$1.7 billion. This is equal to 23% of the country's GDP. As a result, ecosystem services are deteriorated including the deterioration of food availability, soil fertility, carbon sequestration capacity, wood production, and groundwater recharge. These incur

[24] 60 Decibels (2024). *60 Decibels Microfinance Index 2024*. Available online: https://60decibels.com/wp-content/uploads/2024/11/60dB-Microfinance-Index-2024-1.pdf

[25] ELD and UNEP (2015). The economics of land degradation in Africa. Available online: https://www.eldinitiative.org/fileadmin/pdf/ELD-unep-report_07_spec_72dpi.pdf

[26] Waters (2024). Preparing for climate migration and integration: a policy and research agenda. Available online: https://www.tandfonline.com/doi/full/10.1080/1369183X.2024.2438449#

[27] FAO (2018). Uganda factsheet. Available online: https://openknowledge.fao.org/server/api/core/bitstreams/cb10cbd0-a04f-4f18- 8bd1-e9dbdd38361f/content

[28] World Bank (2018). *Closing the Potential-Performance Divide in Ugandan Agriculture: Fact Sheet.* Available online: https://documents.worldbank.org/en/publication/documents-reports/documentdetail/996921529090717586/closing-thepotential-performance-divide-in-ugandan-agriculture

[29] Harvey, Rakotobe, Rao, and Dave (2014). *Extreme vulnerability of smallholder farmers to agricultural risks and climate change in Madagascar.* Available online: https://pmc.ncbi.nlm.nih.gov/articles/PMC3928894/

significant social and economic costs to the country.[30] An additional area of impact is the response of communities to the pressures of climate change. Coping strategies themselves can put additional stress on ecosystems and biodiversity through several impact pathways such as habitat encroachment, deforestation, ground water extraction, chemically intensive agriculture, and new migration patterns.[31]

Future narratives

FIRE's target countries, Uganda and Madagascar face a range of environmental threats as outlined above. However, when a vulnerability analysis combines the environmental threats with the countries' social and economic contexts, the countries are found to have some of the highest 'human vulnerability index' scores of the continent.[42] The following drivers of change could influence the effectiveness of project activities:

- **Climate change impacts:** Changes in precipitation patterns and increasing temperatures threaten agricultural systems, especially in East Africa where many rely on rain-fed farming. These disruptions jeopardize food security and strain water resources, which become scarcer in moderate to severe scenarios. In the worst case, agricultural collapse leads to widespread hunger and water shortages.
- **Social and political stability:** Rising internal displacement, disease outbreaks, and resource scarcity increase social friction and strain public services. In weaker adaptation scenarios, these pressures undermine democratic institutions and escalate unrest. The two target countries vary in political stability.[43] The current political situation in each country could worsen with upcoming elections and increasingly severe weather.
- **Economic stability:** Climate-induced agricultural losses and health crises hinder economic growth, leading to rising poverty and unemployment. Financial institutions could also be affected by a global recession which would decrease their risk appetite. In moderate scenarios, some economic functions persist with external support, but in the most severe scenario, economies collapse under the weight of climate shocks and dwindling international aid. This limits the ability of states to invest in long-term development and even the maintenance of basic services.

Future scenarios

Scenario 1 (Favorable Conditions Scenario): *Reduced global emissions and high national adaptation, stable economic growth, and stable political conditions.*

- In Scenario 1, collective action on climate mitigation as well as anticipatory adaptation plans mean that target countries have adapted well to the inevitable consequences of climate change, but the worst effects have been avoided.
- Climate adaptation has been integrated into the development pathways of the target countries, utilizing the triple dividend of avoided losses, positive economic gains, and enhanced social and environmental benefits.[44]
- While there are changes to precipitation patterns, agrarian economies in East Africa have been educating and preparing smallholders with technologies and farming methods to continue stable food production. Agricultural systems have been adapted so that fewer rely on rain-fed production.

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[30] UNCCD (2018). Country Profile of Madagascar. *Investing in Land Degradation Neutrality: Making the Case. An Overview of Indicators and Assessments.* Available online: https://www.unccd.int/sites/default/files/ldn_targets/2018-12/Madagascar.pdf

[31] ABCG (2018). *Sinking Deeper: Human Coping Responses to Climate Change Negatively Impacting Nature.* Available online: https://abcg.org/sinking-deeper-human-coping-responses-to-climate-change-negatively-impacting-nature/?utm_source=chatgpt.com

- The states have used their adaptation plans to increase their abilities to respond to climate disasters. By improving responses, the risk of malnutrition and loss of life is minimized.
- This has allowed stable economic growth, with unemployment and poverty rates gradually falling. Political systems remain broadly stable, with corruption being addressed and democracies remaining intact.
- Favorable economic and political conditions and strong national climate adaptation action would likely enable greater uptake of climate-smart financial products, strong borrower resilience, and lower default rates.

Scenario 2 (Balanced Progress Pathway): *Controlled global emissions and some national adaptation, generally stable economic and political conditions.*

- In Scenario 2, global collective action to mitigate climate change has resulted in the phase out of the most carbon intensive fuels such as coal. There have been some attempts to integrate adaptation strategies into national development plans, with access to funding being made easier. However, environmental changes have had adverse effects on agricultural output in East Africa. Some countries have been able to roll out widespread smallholder farmer climate adaptation programs, though these efforts have been concentrated in the most developed and accessible regions. Agricultural production is now concentrated in the least vulnerable areas.
- While production of certain 'cash crops' (such as coffee) has decreased, farmers have been assisted in finding alternatives better suited to the shifting climatic conditions. Agricultural exports remain an important economic sector in the target countries.
- Vulnerable communities in coastal and upland regions have been forcibly displaced, increasing the number of internally displaced persons (IDPs). This has made it increasingly difficult to implement effective climate adaptation programs and health interventions.
- While water resources are becoming scarcer, governments have prioritized the development of infrastructure to provide sufficient water to most of their populations.
- The incidence of epidemics increases as a direct result of climate change, acting as a further hindrance to economic growth. Poverty, malnutrition, and unemployment rates increase, requiring some countries to increasingly draw upon emergency response funding.
- The states remain functioning, and able to respond to disasters. Though this requires significant government resources and international support. Developing and implementing longer term development plans becomes less feasible.
- Under this scenario, climate change, and economic and political instability could negatively affect MFI's willingness to increase microfinance lending in the target countries. The resilience of borrowers may also be negatively affected, decreasing their *ability to repay their loans which could further reduce MFI's risk appetite.*

Scenario 3 (High-Risk Future): *High global emissions and limited national adaptation, social unrest, and economic instability.*

- In Scenario 3, global efforts to mitigate climate change have been minimal and national efforts to develop and implement adaptation plans have been limited. Most countries now focus on their immediate national interests, with reduced global funding for aid and development.

- Agricultural output for many global regions has become unstable. East Africa has been particularly affected, with food and water resources becoming increasingly scarce, the target country economies have faltered to the point of collapse.
- Increased frequency of shock events compromises the ability of the state to respond and the number of IDPs is causing increasing social friction within countries. International emergency disaster funds and assistance are reduced, meaning national governments struggle at best to provide basic amenities and at worst to provide food and water.
- Social unrest, resulting from increasing unemployment, poverty, disease burden, and malnutrition, threatens the democratic stability of the target countries.
- Severe climate impacts, collapsing public services, and high borrower vulnerability in one or all of the target countries would negatively affect FIRE's effectiveness, increasing loan defaults and limiting both the reach and sustainability of MFIs. Kiva Lending Partners would likely need to prioritize emergency needs and have limited institutional capacity to continue their participation in the project.

Conclusion

The future scenarios outlined above cover a broad spectrum of trajectories faced by the project's target countries. While significant external variables such as global emissions, economic conditions, and social and political stability are uncontrollable, the project's intended objective of expanding financial inclusion and resilience through leveraging risk-tolerant crowdfunded capital for climate adaptation will increase local resilience to these conditions. FIRE aims to increase borrowers' understanding of climate change on their livelihoods and uptake of solutions to increase their climate resilience as well as increasing knowledge of what climate adaptations are feasible to make and providing access to finance to implement them (Outcome 2.1). Achieving this will increase the effectiveness of local adaptation.

FIRE also seeks to increase Kiva Lending Partners' understanding of borrower climate vulnerabilities (Outcome 1.1), ability to deploy capital in the face of climate risks and the resilience of their portfolios (Outcome 3.1. These project interventions will allow MFIs to adapt to climate risks which will increase access to microfinance and thus increase borrowers' financial stability. The three drivers of change can have a significant impact on the project's success. However, FIRE aims to increase borrower climate resilience and financial stability, making project participants more resilient to potential changes.

Baseline scenario and barriers to project outcomes

Around 1.4 billion people are unbanked, without a safe way to save, borrow, or invest. When crises strike - whether a flood, drought, conflict, or economic shock - these individuals have no financial cushion or access to capital to recover. This lack of financial resilience perpetuates cycles of poverty and vulnerability, leaving communities especially exposed to the disruptions that are becoming more frequent with climate change, conflict, and economic volatility. Smallholder farmers, women, and small businesses often live one setback away from losing their livelihoods. A failed harvest, unexpected illness, or market disruption can trigger decisions with permanent consequences: selling off assets, pulling children out of school, or abandoning businesses altogether. For the unbanked, a single disruption can be devastating, erasing years of progress, deepening poverty and prolonging recovery.

At the same time, Kiva's research shows that even modest financial tools can transform this vulnerability into resilience. A small loan allows a farmer to invest in drought-resistant seeds before the rains fail, a shopkeeper to stock essential goods ahead of a supply chain breakdown, or a family to diversify income sources to withstand economic fluctuations. These interventions are preventive, enabling households to build resilience before emergencies escalate. Of the more than 5 million individuals Kiva has served in the past 20 years, over 80% have been women and agricultural businesses, reaching the very populations most impacted by a changing world.[32]

Kiva's climate resilience lending

Kiva operates as a global platform for financial inclusion, harnessing a network of over 300 "Lending Partners" — including microfinance institutions, social enterprises, NGOs, and other local financial service providers — to channel capital to underserved populations across more than 70 countries. Through its model, individual lenders (often contributing as little as USD 25) crowdfund loans that are aggregated and passed through these trusted intermediaries, which disburse and manage the loans directly to local borrowers. Borrowers often include micro-entrepreneurs (especially women), farmers, those affected by displacement, or enterprises in rural or marginalized settings who lack access to conventional banking.[33]

Kiva has been actively expanding its climate-resilience work by directing platform flows and partner support toward climate-vulnerable people and smallholder farmers. As part of its impact strategy, Kiva aims to support 1.1 million climate-threatened people by 2028.[34] To date, Kiva has reached 704,248 people with climate-smart loans and funded $116,987,935 in loans for climate-threatened communities. In 2024, Kiva lenders funded nearly $13M in loans to climate-vulnerable populations.[35] Kiva also publishes practical guidance on climate-smart lending for smallholders and water/energy projects.

Kiva partners with many institutions in developed and emerging markets (for example local chambers of commerce or financial inclusion networks) to extend zero-interest or low-interest loans in underserved communities.[36] FIRE will build on the existing relationships between Kiva and its Lending Partners in the target countries by partnering with selected MFIs to develop new financial products and adapt their portfolios to climate change and borrowers' needs.

Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.

Lending partners are largely ill-equipped to assess, manage, and respond to climate-related risks within their portfolios. Most MFIs currently lack the technical capacity, tools, and financial strategies needed to develop and deploy climate-smart financial products tailored to the needs of climate-vulnerable borrowers, such as smallholder farmers, informal workers, and women-led enterprises.

Without targeted support, lending partners are likely to continue only offering conventional credit products that do not account for borrowers' exposure to climate risks such as droughts, floods, and shifting growing seasons. Lending Partners could also stop lending to climate-vulnerable populations altogether due to perceived default risk. This mismatch increases the likelihood of loan defaults in the face of climate shocks, weakening the financial sustainability of the MFIs themselves. During the project development phase, Kiva developed a diagnostic tool, the Climate Compass, to assess Lending Partners' climate vulnerabilities in their portfolios and identify areas for targeted adaptation finance. The Climate

[32] Redmond (2024). *Beyond inclusion: Institutionalizing gender equity in microfinance.* Available online: https://www.kiva.org/blog/institutionalizing-gender-equity

[33] Kiva (n.d.) *Partnerships.* Available online: https://www.kiva.org/about/partner-with-us

[34] Kiva (n.d.) *Reducing vulnerability for climate-threatened people.* Available online: https://www.kiva.org/impact/climate-affected-people#climate-page-content-group-6-reducing-climate-vulnerability

[35] Titulaer (2025). *You asked. We heard. Now you can do more to fight climate change on Kiva.org.* Available online: https://www.kiva.org/blog/do-more-to-fight-climate-change-on-kiva

[36] Kiva (n.d.) *Partnerships.* Available online: https://www.kiva.org/about/partner-with-us

Compass aims to identify climate-related challenges organizations are facing and to help identify how Kiva can support Lending Partners and their clients in adapting and building resilience to climate change. Kiva has already begun assessments of MFIs in the target countries using the Climate Compass. Through the results of the Climate Compass survey,[37] Kiva has found that MFIs often lack access to climate risk data or analytical capacity to integrate climate considerations into credit risk assessment, portfolio management, or loan structuring. As a result, their exposure to climate-related financial risks remains hidden or underestimated, leaving them vulnerable to systemic shocks and portfolio losses.

Increase resilience to climate change at the borrower level

The baseline scenario relating to Component 2 is that borrowers in climate-vulnerable communities are largely excluded from financial products that support adaptation and resilience. The survey of MFIs' borrowers by 60 Decibels has already found that borrowers of Kiva Lending Partners are often accessing loans for the first time and could not easily find a good alternative source of finance. Findings from WWF's Climate Crowd initiative reinforce this: in Uganda and Madagascar, communities coping with drought, erratic rainfall, and income loss frequently resorted to borrowing. In Madagascar, for example, 26% of respondents reported increasingly taking loans, and in Uganda, 9% of respondents had borrowed to cope with crop losses. Yet only 1-2% of respondents reported direct access to formal microfinance services, while many relied instead on informal savings groups.[38] Borrowers are thus often inexperienced in accessing microfinance and have limited borrowing options. Microfinance borrowers in the target countries already face challenges in accessing finance, and this is expected to worsen due to environmental shocks. As climate risks intensify, borrowers in high-risk areas are more likely to experience income shocks that lead to loan defaults. This increases their perceived credit risk, discouraging financial institutions from serving these communities. As a result, access to finance becomes even more limited in precisely the areas that need it most.

This cycle of financial exclusion could increase vulnerability, limit opportunities for livelihood improvement, and undermine the capacity of households to cope with or adapt to climate impacts. Without targeted support, these communities will face escalating risks and declining resilience, further entrenching poverty and inequality.

Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.

Efforts to integrate adaptation finance into microfinance are fragmented and small in scale. Most MFIs lack access to concessional capital, technical support, or market incentives to prioritize climate adaptation within their lending portfolios or offer climate-smart financial products. Climate Crowd interviews highlight that in the absence of structured financial products, households already resort to ad hoc coping strategies such as borrowing from neighbors, joining small savings groups, or taking informal loans to cover income shortfalls.[39] Without a proven model for transforming MFI portfolios toward climate-smart lending, broader uptake across the sector will likely remain limited.

The microfinance sector in East Africa also lacks sufficient experience on how climate-smart financial products can improve borrower resilience and institutional sustainability. This limits the ability of MFIs, investors, and regulators to make informed decisions about integrating adaptation strategies into financial systems, and hinders the development of scalable, replicable solutions.

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[37] The Climate Compass survey is described in more detail in the "project logic and components" sub-section.

[38] WWF (2025). *Climate Crowd*.

[39] Ibid.

Without Kiva's capital and support, there will be no structured mechanism to build on initial successes and expand adaptation finance across the MFI sector in the target countries. This represents a missed opportunity to demonstrate impact at scale, crowd in additional investment, and drive a sector-wide shift toward climate-resilient financial inclusion.

Knowledge Management and Communications

Knowledge Management and Communications focus on the broader MFI sector, and is siloed with limited experience sharing. Without FIRE, there will be limited documentation, analysis, or dissemination of lessons learned related to climate-smart financial products within the MFI sector. MFIs and their partners would continue to operate within local contexts, and successful innovations or failures are rarely shared in ways that inform broader practice or policy.

Without a structured approach to knowledge management, valuable insights from pilot initiatives will remain isolated and underutilized. This limits opportunities for replication, scaling, or adaptation to different contexts and geographies.

Table 1: Barriers, baseline, and project actions

Key barriers	Baseline scenario	Project actions to address the baseline and barriers
Limited knowledge of and experience in developing climate-risk resilient financial products within Kiva's lending partners. A limited capacity for assessing and managing climate risks in MFI portfolios.	While risks vary depending on locations and portfolio diversity, they are likely to increase as the climate and environmental threats outlined above intensify. Without accurate understanding and assessment of climate impacts, risk can reach a critical level in portfolios. This could threaten the future of over-exposed MFIs in the case of an extreme event.	Providing MFIs with structured technical assistance and practical tools like the **Climate Compass*** will enable them to better understand and respond to climate-related risks. For MFIs, this support helps integrate climate considerations into lending practices, product development, and risk management. Alongside this, technical assistance will be made available for designing, deploying, and de-risking climate-smart financial products so that they are accessible to men, women, youths, and marginalized communities.
Perceived borrower vulnerability and limited adaptive capacity. MFIs can view smallholders in climate-vulnerable areas as high-risk due to the volatility of their incomes and heightened exposure to climate-related shocks.	This perception can lead to restrictive lending practices, such as higher interest rates, tighter credit terms, or complete exclusion from financial services. Without targeted efforts to reduce this perceived risk (such as through guarantees, improved borrower profiling, climate-resilient loan designs, or subsidized capital) MFIs may be unwilling to scale up lending. The financial exclusion experienced by many communities in the target countries would continue or potentially worsen.	The development of climate-smart financial products that will be better suited to borrowers in vulnerable communities (including women, youths, and minority groups) helps to reduce their vulnerability. MFIs will also gain a clearer understanding of loans to higher and lower risk clients, allowing them to balance portfolio risk. Finally, Kiva will offer financial backing to financial products and will provide risk-tolerant financing, helping to de-risk loans for MFIs and allow them to fund riskier products and populations.

Limited knowledge of climate risks among borrowers. Borrowers in many target areas do not have access to sufficient information regarding climate risks and adaptation opportunities. This issue disproportionately affects women, youths, and marginalized groups.	A lack of awareness and understanding among borrowers about climate risks, available adaptation practices, and how financial tools can support their resilience may result in low uptake or misapplication of these resources. If smallholders are not equipped with the knowledge to make informed decisions, they may continue with vulnerable farming practices, misuse financial products, or fail to recognize the value of climate insurance and savings mechanisms. This weakens the effectiveness of resilience-building efforts	Targeted technical assistance for borrowers will be provided alongside the climate-smart financial products developed during the project. This will equip borrowers (including men, women, youths, and marginalized groups) with knowledge of risks that are being faced and simultaneously facilitate their access to financial products to enable suitable adaptive strategies. The proposed participatory approach is better aligned with borrower realities, increasing the effectiveness of both financial products and on-the-ground adaptation efforts.
Limited access to finance for some communities, especially in and around conservation areas. Communities in the target countries, particularly those living in and around conservation areas, face difficulties in accessing financing due to geographic isolation.	Communities in the target countries, particularly those living in and around conservation areas, face significant challenges in accessing finance. Geographic isolation makes these communities difficult and costly for MFIs to reach, leading to limited presence of loan officers and higher operational costs. As a result, MFIs are less likely to serve these populations, leaving households and smallholders without access to credit or savings mechanisms. This financial exclusion constrains opportunities for investment in climate adaptation, sustainable livelihoods, and resilience-building practices.	The project will expand financial inclusion in remote and conservation-area communities by reducing the costs and risks for MFIs to serve these populations. This will be achieved through tailored, accessible financial products that minimize the need for costly physical outreach. FIRE will also provide technical assistance to MFIs, supporting them to extend services to harder-to-reach clients without compromising portfolio stability.
Extreme weather events. Severe weather events and climate-driven disruptions such as droughts and floods can devastate smallholder incomes and directly affect their ability to repay loans.	MFIs may face operational challenges such as reduced liquidity, increased default rates, and damaged infrastructure. Without mechanisms to manage these shocks (such as emergency credit lines, risk-pooling mechanisms, or adaptive business continuity planning) both borrowers and MFIs remain vulnerable to systemic setbacks.	Access to subsidized, risk-tolerant capital that helps MFIs continue lending during climate disruptions will be critical. Risk-tolerant capital acts as a buffer for MFIs facing heightened default risk during climate shocks. In this context, risk-tolerant capital refers to financing that is deliberately structured to absorb higher credit risk, delayed repayment, or temporary losses, enabling financial institutions to continue lending in climate-vulnerable areas where conventional commercial capital would typically withdraw. It enables them to continue lending when traditional capital sources may withdraw or tighten terms due to increased uncertainty. This ensures continuity of services for vulnerable communities when they need support most, preserving trust in the financial system and preventing long-term setbacks.
Risk of gender-based backlash (GBV and social resistance) linked to women's empowerment and increased access to finance.	In many communities, women's growing economic empowerment and financial independence may challenge existing gender norms. Women who access credit	FIRE will integrate a GBV-sensitive risk-mitigation approach within its Gender Action Plan and borrower engagement activities. The PMU may conduct

Women who experience improved livelihood opportunities and better decision-making power as a result of better access to credit could experience “backlash” & GBV from their intimate partners, family and community members.	and improve their livelihoods may face backlash—including domestic or community-level gender-based violence (GBV), restrictions on mobility, or social stigma—from intimate partners, family members, or community leaders. These risks can discourage women and girls from applying for or fully utilizing loans, reducing their participation and benefit from financial inclusion programs.	awareness-raising and gender-transformative training with MFIs, communities, and borrowers to address harmful gender norms and promote shared decision-making around income and assets. Loan officers and partner staff may receive training on GBV risk identification, referral pathways, and safe communication with borrowers.

*The Climate Compass is a tool developed for this project designed to help Kiva understand how partner organizations are responding to the effects of climate change. First, it aims to identify what climate-related challenges an organization and its clients face. Second, it aims to help identify how Kiva can support partner organizations and their clients in adapting and building resilience to climate change.

Project approach to overcome Barriers and Build resilience

FIRE targets two interlinked drivers of climate vulnerability: (1) increasing climate threats such as droughts and floods, and (2) financial exclusion of climate-affected populations. These drivers reinforce one another. As climate shocks reduce agricultural yields and household incomes, borrowers become more likely to default on their loans, thus leading MFIs to withdraw from high-risk areas. This withdrawal further limits access to financial tools needed to invest in adaptation. Withdrawal from lending disproportionately affects women and youth more than other demographic groups. FIRE intends to break this cycle by enhancing MFIs’ capacity to respond to the climate crisis with capital and tools to maintain lending in high-risk regions while also enabling borrowers to access adaptation finance.

Specifically, the project addresses these drivers through interventions at both the borrower and institutional levels. At the borrower level, gender-sensitive climate vulnerability assessments (Output 2.1.1), the identification and (co)development of adaptation interventions (Output 2.1.2), improved access to climate-smart financial products (Output 2.2.1), and interventions for diversifying and enhancing livelihoods (Output 2.1.2) combine to build an understanding of borrower contexts and provide a range of suitable options to reduce climate vulnerability. Research relating to Component 2 will be conducted through a bottom-up community driven approach, the guidelines for which are outlined in WWF’s Climate Crowd tools.[40] Key informant interviews are the primary research method, which has been designed to be sensitive towards communities yet producing valuable insights.

Collaboratively designing adaptation strategies and financial tools with borrowers ensures that solutions are gender responsive, locally relevant, practical, and more likely to be adopted. This participatory approach is better aligned with borrower realities, increasing the effectiveness of both financial products and on-the-ground adaptation efforts. Tailored solutions help borrowers to manage risks, stabilize incomes, and repay loans reliably. Outcome 2.1 will be realized through the support of Kiva and NGOs in building the capacity of borrowers to recognize climate risks and connect them with viable adaptation solutions. This represents a shift from the baseline scenario where borrowers often lack awareness of climate risks or the tools to respond.

Outputs at the MFI level are designed to increase institutional capacity for supporting borrowers’ adaptation and institutional stability during extreme events. This supports the gradual reduction of climate vulnerabilities through increased insights into risks (Output 1.1.1) and the offering of climate-

[40] WWF (2025). *Community-based Research and Climate Crowd Tools*. Available online: https://wwfclimatecrowd.org/data-collection/

smart financial products (Output 1.1.3). Outcome 1.1 will shift the baseline by equipping MFIs with the capacity, tools, and financial innovation support needed to design and scale climate-smart financial products. As a result, borrowers in vulnerable regions in which the lending partners operate will gain access to financial services that directly support adaptation and diversification of livelihoods.

The practical results of the outputs will generate in a range of positive environmental and social benefits such as:

- Strengthening food production systems through diversification and innovation;
- Enabling adoption of clean energy and energy-efficient solutions;
- Improving water security and climate-resilient agriculture; and
- Enhancing local ecosystem resilience through sustainable land and resource use.

The risks outlined in the future scenarios pose a challenging context for FIRE to operate in. Such hazards include the intensification of climate-related risks in MFI portfolios and their inability to provide emergency financial support during extreme events. Project outputs have been designed to be resilient to these risks. By fostering an emphasis on building an understanding of risks through the Climate Compass tool alongside collaborative bottom-up approaches to intervention and product design, all products and interventions will be context specific and therefore more effective.

Outputs at the MFI level have also been designed to improve FIRE's resilience. For instance, the availability of a climate crisis support loan that shores up institutions in the event of a climate shock. This would allow the continuation of services and a wider climate-smart variety of products being offered, helping to decouple financial exclusion and climate induced pressures. Outcome 3.1 will build MFIs' capacity to assess and manage climate risks within their portfolios, and by leveraging Kiva's capital to de-risk early investments, the project will support a structural shift in how lending partners operate under climate stress. Instead of retreating from high-risk regions, MFIs will be better positioned to continue lending during or after climate shocks. This is a significant departure from the baseline, where lack of climate data and financial buffers makes MFIs risk averse.

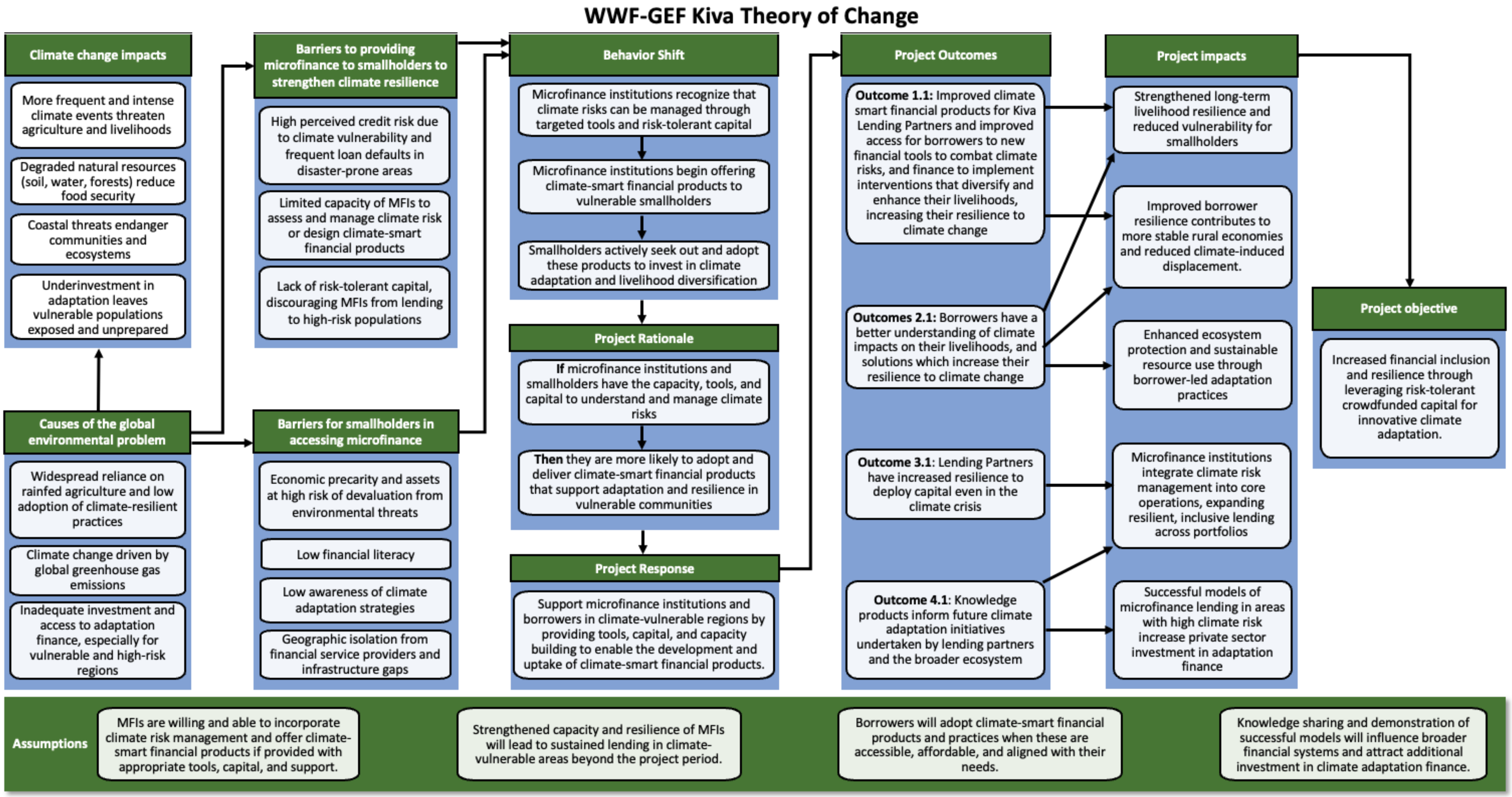
An additional area of complexity that the project's outcomes must address involves systemic barriers to financial inclusion in the target countries. Financial literacy and gender inequality are two areas of concern. Financial literacy consideration will inform the design of climate smart financial products, ensuring that product terms are simple, transparent, and easy to understand. MFIs will provide additional support as needed. Barriers for financial inclusion of women represent a significant challenge and are addressed by the Gender Mainstreaming Plan. This plan guides efforts to promote equitable access and participation across all project components. Additionally, FIRE seeks to support resilience in the wider microfinance sector through knowledge sharing. Outcome 4 will produce, package, and disseminate practical, evidence-based knowledge drawn from the implementation process, pilot results, and borrower outcomes. This will change the baseline of isolated practice and limited cross-sector learning that is currently the status quo across much of the MFI sector.

Kiva has extensive experience in delivering increased financial inclusion to vulnerable and marginalized groups, who were widely considered to carry high financial risk. Since 2021, Kiva has worked with refugees and displaced persons, reaching 228,000 people with US$144,500,000 of loans, and achieving a 96.3% payback rate.[41] The internal capacity and expertise to manage this program will be valuable in addressing the potential complex drivers of change in the future narratives.

[41] Kiva (2025). *Refugee and displaced person loans*. Available online: https://www.kiva.org/impact/refugees

B. Project Description

Project Objective, Theory of Change and Project Components



The following text describes the Theory of Change:

Climate change is increasing the frequency and severity of shocks—such as droughts, floods, and erratic rainfall—particularly in Uganda and Madagascar. These events, compounded by ecosystem degradation and underinvestment in adaptation, disproportionately affect rural women, youth, and agriculture-dependent communities, undermining natural resources, food systems, and livelihoods.

Financial exclusion in these high-risk areas persists due to elevated credit risks, low financial literacy, and geographic isolation. Smallholders face barriers to accessing financial services, including limited awareness of climate risks, low financial literacy, and poor access to formal institutions. Simultaneously, MFIs lack the tools and capacity to assess and manage climate risks, leading to reduced lending or restrictive terms in vulnerable regions.

This project aims to shift behaviors on both the supply and demand sides. MFIs will be equipped with tools, technical assistance, and risk-tolerant capital to assess climate risks and offer climate-smart financial products. In this context, risk-tolerant capital refers to financing deliberately structured to absorb higher credit risk, delayed repayment, or temporary losses, enabling financial institutions to continue lending in climate-vulnerable areas where conventional commercial capital would typically withdraw. Smallholders, especially those near conserved areas, will be empowered to adopt these products to build resilience and diversify livelihoods.

FIRE will support communities through participatory vulnerability assessments and co-development of locally appropriate adaptation interventions, financed via tailored financial products. Knowledge generated will be shared to promote broader uptake across the finance sector.

The project strategy makes the follow assumptions:

- MFIs will adopt climate risk management and offer tailored products with adequate support.
- Strengthened MFI capacity will sustain lending in vulnerable areas post-project.
- Borrowers will adopt climate-smart products if they are accessible, affordable, and relevant.
- Demonstrated success will influence broader financial systems and attract investment.

The expected project impacts for borrowers include strengthened long-term resilience, improved borrower incomes and reduced climate-induced displacement. In the long-term, there will likely be enhanced ecosystem protection and sustainable resource management through borrower-led adaptation practices as a result of support from the project in co-developing adaptation interventions. For MFIs, project support will allow these organizations to integrate climate risk management into their operations, expanding inclusive and resilient lending. In the long term, demonstration of successful climate finance models is expected to catalyze broader sectoral investment and contribute to more equitable and sustainable climate adaptation across East Africa.

PROJECT LOGIC AND COMPONENTS

Component 1 - Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.

This component focuses on strengthening the capacity of selected Kiva Lending Partners to assess, manage, and respond to climate-related risks. It introduces tools and technical assistance to enable the development and delivery of new financial products that support borrowers in implementing climate adaptation strategies.

- **Outcome 1.1** - Improved climate smart financial products for Kiva Lending Partners and improved access for borrowers to new financial tools to combat climate risks, and finance to implement interventions that diversify and enhance their livelihoods, increasing their resilience to climate change.

This outcome focuses on enhancing the ability of Lending Partners to offer targeted climate adaptation finance to their borrowers. Equipping MFIs with tools to manage and adapt to climate risk will help reduce loan default rates and improve institutional resilience, even as weather shocks and borrower vulnerability increase. Improvements in product design and risk analysis can support MFIs in maintaining financial service provision under increasingly difficult conditions. By improving product design and increasing the availability of tools such as loans, insurance, and savings specifically geared toward climate resilience, borrowers will be better equipped to manage climate risks and invest in sustainable livelihoods.

In developing and piloting climate-smart financial products, the project will apply a gender-responsive lens to ensure that product features, delivery mechanisms, and risk assessments reflect the constraints and priorities of women borrowers, who are disproportionately represented among climate-vulnerable micro-entrepreneurs and smallholder farmers. This includes consideration of women's access to assets, income stability, caregiving responsibilities, and exposure to climate-related shocks.

The development of appropriate financial products paired with technical assistance is expected to improve institutional and borrower resilience in the long-term. The project will support at least one Lending Partner from each of the target countries. Kiva will select partners from its existing Lending Partner network in each country. Selection criteria will include whether partners already serve target populations such as smallholder farmers, as well as their interest and capacity to expand into climate-focused work. To assess readiness, Kiva will review partners' Climate Compass survey responses, hold follow-up discussions on capacity-building opportunities, and invite proposals. This process will identify the partners best positioned to implement successful projects. The selected Lending Partner in each country will be the one engaged in each MFI-related output.

  - **Output 1.1.1** - Launch and utilize the Climate Compass

The Climate Compass is a diagnostic tool developed by Kiva to assess Lending Partners' climate vulnerabilities in their portfolios and identify areas for targeted adaptation finance. It aims to identify climate-related challenges organizations are facing and to help identify how Kiva can support Lending Partners and their clients in adapting and building resilience to climate change. The survey asks organizations about their goals, organizational practices, staff training, strategies, client vulnerabilities, financial products, and services related to climate. FIRE will use the results of the Climate Compass to identify and co-develop interventions for institutions to manage climate risks (Output 2.1.2).

  - **Output 1.1.2 -** Delivery of Technical Assistance to MFIs

This output will deliver capacity-building support tailored to each Lending Partner's context, including training, peer learning sessions, and advisory services on climate risk management, product innovation, and portfolio resilience. Technical Assistance will be provided to selected Lending Partners by dedicated providers, Kiva and potential non-profit partners such as JuST Institute and Spindle

Design.[42] Technical Assistance will support each organization in adapting their portfolios to climate change and developing financial products that respond to borrowers' needs.

- **Output 1.1.3** - Development and delivery of improved climate-smart financial products such as microloans, insurance, and savings

Lending Partners will be supported to design, pilot, and scale financial products that address the needs of borrowers in climate-exposed areas. Financial products supported by the project will focus on reducing vulnerability to climate shocks, strengthening adaptive capacity, and enabling livelihood continuity in climate-affected contexts. Examples of what the finance support include are water security and irrigation solutions, climate-resilient agricultural inputs, livestock and fisheries adapted to changing climatic conditions, resilience to extreme weather events, and financial instruments (loans, savings, insurance) designed to help households and micro-entrepreneurs absorb and recover from climate impacts.

Potential products include microloans, insurance, and savings specifically designed to facilitate the purchase of climate-resilient technologies and practices. Eligible investments under these loan products include:

- Improved water and sanitation products (e.g. clean water filters, water storage tanks, private toilet);
- Sustainable agriculture products (e.g. drought resistant crops, greenhouses, organic fertilizers, organic pesticides, crop rotation, drip irrigation, rainwater reservoirs, soil drainage systems, soil restoration, and wind & fire protection);
- Sustainable animal breeding or fishery products (e.g. aquaculture, managed grazing, improved animal varieties);
- Technologies that build resilience against extreme weather (e.g. solar water pumps for irrigation, biodigesters, solar lamps, solar home systems, solar refrigerators); and
- Housing improvements (e.g. insulation, roof improvements).

These investments support adaptive capacity by enabling households to anticipate, absorb, and recover from climate impacts, while contributing to more resilient livelihood systems, improved public health outcomes, and sustainable water resource management in line with LDCF adaptation objectives. For example, Improved water and sanitation products contribute to climate adaptation by strengthening water security, reducing climate-related health risks, and enhancing the resilience of vulnerable households and livelihoods. Through access to climate-smart financial products, beneficiaries can invest in technologies such as water filters, storage systems, and improved sanitation infrastructure, which help manage increasing variability in water availability and reduce exposure to contamination during climate shocks such as floods and droughts. Specific loan products will be developed to respond to the needs identified during Lending Partners' and borrowers' climate vulnerability assessments.

Component 2 - **Increase resilience to climate change at the borrower level**

This component aims to strengthen the adaptive capacity of borrowers (selected Lending Partners' clients) by increasing their understanding of climate risks and supporting the adoption of context-specific adaptation strategies. Lending Partners will prioritize clients in areas most affected by climate change and in regions where there is demand for climate-smart products. Kiva will provide additional

[42] Please see the Stakeholder Engagement Plan for more information on potential partners.

guidance on geographic priorities, for example encouraging a focus on areas near protected ecosystems where these align with the partner's criteria. Interventions will be co-developed with borrowers and the project team and supported by appropriate financing mechanisms.

- **Outcome 2.1** - Borrowers have a better understanding of climate impacts on their livelihoods, and solutions which increase their resilience to climate change.

This outcome aims to build borrower awareness of climate threats and enhance their capacity to respond effectively. Through participatory and gender sensitive vulnerability assessments and the co-design of adaptation solutions, borrowers will be empowered to implement practical strategies for building resilience. This may include shifts in agricultural practices, energy use, water management, or livelihood diversification, supported by relevant financial products.

Success will be measured through surveys of borrowers involved in adaptation planning. A baseline survey—currently underway via 60 Decibels—will assess initial vulnerability and awareness, and endline results will be compared to track progress. Long-term impacts include stronger livelihood resilience, reduced vulnerability, more stable rural economies, and better ecosystem stewardship.

  - **Output 2.1.1** - Identification of climate vulnerabilities at the borrower level.

Borrowers' climate vulnerabilities will be identified through surveys and consultations conducted by Kiva and NGO partners. Kiva has already begun surveying borrowers using a survey administered by 60 decibels. This survey assesses customers of selected Lending Partners for demographic information (e.g. gender, age, household size, education level, and income) and borrower sentiments on the selected Lending Partner's services, value for money, and accessibility. The survey also measures borrowers' climate resilience, including questions related to their adaptive practices knowledge, perceived shock preparedness, and perceived recovery time from potential environmental shocks. Kiva will use the 60 Decibels survey to understand the impact of microfinance on its selected Lending Partners' customers and use this data to co-develop adaptation interventions with borrowers.

Kiva will also assess communities in the target countries through the WWF's Climate Crowd tool to assess how climate change affects livelihoods, natural resources, agricultural practices, wildlife, and weather patterns. This data will be used to understand the climate realities communities face and identify possible interventions that can support these communities in improving their resilience to climate impacts while conserving the natural environment, particularly around conservation areas.

Surveys and workshops will capture the gender of participants and ensure that women's opinions are collected and used to inform project activities.

  - **Output 2.1.2** - Co-development of adaptation interventions with borrowers.

Adaptation strategies (e.g. switching to drought-resistant crops, diversifying income sources, or adopting clean energy) will be co-developed by Lending Partners and borrowers collaboratively to reflect local conditions and borrower preferences. Co-development between Lending Partners and borrowers will be facilitated by a TA provider such as Spindle Design, that uses human-centered design principles to ensure financial products are effective, relevant, inclusive, and responsive to user needs. The PMU will ensure that borrower engagement is transparent and inclusive, with stakeholder consultations that promote equitable benefits for participating borrowers. These interventions will be linked to financial products offered by Lending Partners. FIRE aims to have at least 3,572 borrowers that have accessed financial products from Lending Partners involved in project, of which 40% are women. The target number of borrowers was estimated by the amount lent by Lending Partners in 2025 divided by average loan size (i.e. Uganda: \$1,000,000 / \$636 = 1,572 borrowers; Madagascar: \$500,000 / \$250 = 2,000 borrowers).

Component 3 - Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.

This component leverages Kiva's risk-tolerant capital to support broader deployment of climate-smart lending. It aims to strengthen Lending Partner resilience during periods of climate stress and to institutionalize climate adaptation across MFI portfolios.

- <u>**Outcome 3.1** - Lending Partners have increased resilience to deploy capital even in a climate crisis.</u>

This outcome seeks to ensure that Lending Partners can continue to operate and serve borrowers during and after climate shocks. By deploying flexible, risk-absorbing capital and developing crisis support products, FIRE will help stabilize institutional operations and maintain financial flows to vulnerable borrowers. It will also create a platform for longer-term integration of climate resilience into lending practices.

By supporting MFIs to continue lending during climate shocks, the climate crisis support loan will help prevent the exclusion of women borrowers during periods of heightened risk, when women are often the first to lose access to formal finance. Maintaining continuity of services during crises is a critical pathway for protecting women's livelihoods and economic agency.

  - <u>**Output 3.1.1** - Development of a climate crisis support loan that shores up institutions in the event of a climate shock to de-risk other commercial lenders.</u>

This loan product will function as a financial shock absorber for microfinance institutions (MFIs) facing acute disruption from climate events such as floods, droughts, and extreme storms. Building on Kiva's experience with its COVID-19 Crisis Support Loan,[43] the product will be designed through consultation with lending partners to address the operational, liquidity, and portfolio stresses that arise during climate emergencies. By offering rapid, flexible capital with tailored terms—such as grace periods or extended tenors, the loan will enable MFIs to maintain essential operations, retain staff, and continue serving vulnerable clients at a time when revenue may be destabilized and default risk elevated. This continuity is critical to ensuring that communities reliant on microfinance are not cut off from credit precisely when they need it most to rebuild and adapt.

Beyond providing immediate liquidity, the Climate Crisis Support Loan is intended to shore up institutional resilience and reinforce confidence among other capital providers. By bolstering MFIs' balance sheets during crisis periods, it reduces perceived risk and helps prevent the withdrawal of commercial lenders or investors. FIRE will develop this loan product ahead of any specific emergency so that it is ready for deployment when needed.

The loan would be activated following defined climate-related shock events (e.g. droughts, floods, cyclones) that disrupt household incomes and livelihoods. Trigger mechanisms will be developed during implementation and may combine external data (such as meteorological alerts or disaster declarations) with partner-level indicators of localized portfolio stress.

The product will be designed as a short-term liquidity instrument, deployed at limited scale relative to partners' overall portfolios, with eligibility focused on climate-affected borrowers facing temporary

[43] Miller (2020). *Introducing Crisis Support Loans, how we can support our Field Partners*. Available online: https://www.kiva.org/blog/introducing-crisis-support-loans-how-we-can-support-our-field-partners

income disruptions. Risk management will rely on conservative exposure limits, time-bound deployment, and alignment with partners' existing credit and risk management frameworks.

In addition to post-shock liquidity support, the Climate Crisis Support Loan may include a pre-event deployment window to finance small-scale capital investments that reduce exposure to climate risks and strengthen resilience ahead of anticipated climate shocks.

- **Output 3.1.2** - Development of a toolkit of lessons and best practices for MFIs to decrease the climate risks of their whole portfolio and continue providing finance to high-risk communities.

The Climate-Smart Lending Toolkit will consolidate learning from FIRE and other initiatives, offering MFIs practical guidance on designing climate-resilient financial strategies and maintaining services during environmental shocks. Developed by the Kiva Impact Team, this resource will provide Lending Partners with evidence-backed solutions to their biggest climate-related challenges.

Initiatives that will inform the Toolkit include:

1. Partner-Level Feedback - Kiva will collect partner-level feedback using the Climate Compass. This data will enable us to understand the types of climate-related challenges facing our partners, and where there are commonalities across the portfolio.
2. Borrower-Level Feedback - A summary of needs facing clients. Using 60 Decibels' Climate Module, Kiva will collect data from selected lending partners, in order to understand the specific needs and areas of concern of clients. In addition, the project will leverage other borrower-level data sets to identify the top trends of needs facing borrowers.
3. A summary of research of evidence-based climate-smart solutions: Carry out an extensive literature and online research review to identify the top climate-smart solutions related to regenerative/sustainable agriculture, climate-smart finance, climate insurance, sustainable housing, water management, and renewable energy.

Component 4 - Knowledge Management and Communications

The final component supports the development and dissemination of knowledge products to enable replication and broader sectoral change. It focuses on documenting lessons, sharing experiences, and influencing financial institutions and adaptation policy across the region. Communications activities under Component 4 include (i) a press release at the start of the project; (ii) blog posts documenting lessons learned ongoing during the project, including efforts to increase understanding of observed adaptation challenges and responses on the ground; and (iii) a partner webinar to share project learnings and implementation experience.

In addition, FIRE will actively exchange experience and learning with other financial inclusion and inclusive microfinance initiatives, particularly those supported under the GEF Challenge Program for Adaptation Innovation. This includes structured knowledge sharing with projects implemented by Gawa Capital (GEF ID: 12118), WOCCU (GEF ID: 12011), AECF (GEF ID: 12013), Farm Africa (GEF ID: 11979), and REDCAMIF (GEF ID: 10434). FIRE will also collaborate with UNIDO's Climate Adaptation and Innovation Lab (CAIL) project (GEF ID: 11303), which supports learning and knowledge management across the Challenge Program portfolio, to ensure alignment of methodologies, dissemination of lessons learned, and amplification of successful models across regions and institutions.

- **Outcome 4.1** - Knowledge products inform future climate adaptation initiatives undertaken by lending partners and the broader ecosystem.

This outcome aims to capture and share practical insights, case studies, and tools to FIRE will contribute to more informed climate adaptation efforts across the microfinance and development finance sectors, leading to integrated climate risk management and expanded resilient, inclusive lending across MFIs' portfolios. Successful models of microfinance lending in areas with high climate risk could also increase investment in adaptation finance in the long-term. In particular, knowledge products generated under the project will incorporate gender-differentiated insights and case studies, including lessons on designing and scaling climate-smart financial products that effectively serve women borrowers and women-led enterprises in climate-vulnerable contexts.

  - **Output 4.1.1** - Increased sector-wide knowledge sharing through dissemination of project lessons, including reports, case studies, webinars, and best practices.

These materials will capture learning from the design, implementation, and outcomes of project activities and will be shared with Kiva's global partner network and the wider microfinance community to promote uptake and scale.

Knowledge management

FIRE will develop a knowledge management strategy to ensure that learnings and best practices for MFIs are effectively captured, analyzed, and shared. Component 4 of the project is dedicated to knowledge management and communications, with the goal of facilitating broader sector-wide change and informing future climate adaptation initiatives. Output 4.1.1 will focus on synthesizing and disseminating findings through reports, case studies, and webinars tailored to the wider micro-finance sector.

Kiva and its network of over 200 global lending partners bring extensive institutional experience in financing underserved and high-risk populations. Tools such as the Climate Compass (Output 1.1.1) and borrower-level vulnerability assessments (Output 2.1.1) will provide a baseline for understanding borrowers' and MFIs' needs and will serve as a foundation for new learning throughout the project. In addition, the project will review and build upon existing literature, tools, and data generated by other climate adaptation finance initiatives in the East Africa region, including past and ongoing GEF-funded projects.

FIRE will generate new knowledge products to support MFIs in building climate resilient portfolios. These will include gender sensitive case studies, webinars, and a toolkit. The project will also share information with communities via WhatsApp and will hold community consultation meetings to present data and co-develop interventions. All stakeholders, including MFIs, borrowers, and technical experts, will contribute to and benefit from an iterative learning process. These knowledge products will be distributed to Kiva's global partner network.

In parallel, the project is well-positioned to support the development and alignment of national policy frameworks in Uganda and Madagascar. The two countries emphasize financial inclusion and climate adaptation as central to their development strategies, though coordination between financial and environmental policy domains remains limited. In Uganda, the Parish Development Model (PDM) launched in 2022 promotes decentralized support to increase food security and incomes at the community level, with a strong focus on financial inclusion.[44] Madagascar's National Climate Change

[44] Ministry of Gender, Labour, and Social Development (2022). *Simplified guide on the Parish Development Model*. Available online; https://www.kamuli.go.ug/sites/files/The%20Parish%20Development%20Model%20-%20Revised%20Simplified%20Guide-April%202022.pdf

Adaptation Plan (2021) seeks to integrate climate change issues into national sectoral plans and prioritizes local adaptation to climate change.[45]

FIRE will provide evidence on how inclusive financial tools can support national adaptation priorities such as livelihood diversification, clean energy access, and climate-resilient agriculture. By documenting and sharing these findings, the project aims to support the evolution of a more resilient and inclusive financial ecosystem across the region.

Innovation and scaling up

FIRE uses an innovative and scalable approach to addressing the interconnected challenges of climate vulnerability and financial exclusion, particularly in climate-risk regions. The project operates directly within three of the five domains of innovation that are highlighted by the Scientific and Technical Advisory Panel.

- *Innovative financing.* This project will deploy novel financial products to underserved communities through the deployment of risk-tolerant crowdfunded capital to unlock finance for early-stage, locally tailored adaptation solutions that are often considered too risky for conventional funding. The financial products themselves are also innovative and will be designed to be accompanied by educating clients about environmental threats and adaptation strategies. The specific types of financial products to be developed will be determined during project implementation through consultations with MFIs and borrowers to assess financial needs and address market gaps. Potential products that may be created or improved by the project include the following:
    - Energy efficient products (examples include improved cooking stoves, biodigesters, energy efficient refrigerators, etc.)
    - Improved water and sanitation products (examples include clean water filters, water storage tanks, private toilet)
    - Sustainable agriculture products (examples include drought resistant crops, greenhouses, organic fertilizers, organic pesticides, crop rotation, drip irrigation, rainwater reservoirs, soil drainage systems, soil restoration, wind & fire protection, etc.)
    - Sustainable animal breeding or fishery products (examples include aquaculture, managed grazing, improved animal varieties, etc.)
    - Solar energy products (examples include solar water pumps, solar lamps, solar home systems, solar refrigerators, etc.
    - Housing improvements (examples include insulation, roof improvements, etc.)
- *Business model innovation.* Financial products will provide seed financing and early-stage capital to support business models in conventionally high-risk settings. For example, business loans for clean energy, and loans for agricultural technologies will support recipients to improve their resilience, secure financial returns, and generate environmental and social benefits.
- *Institutional innovation.* Kiva's lending partners (MFIs) will be supported in enhancing their institutional capacity to better support vulnerable clients in building their climate resilience. By

[45] UNFCCC (2021). *National Adaptation Plan of Madagascar*. Available online: https://unfccc.int/documents/488094

increasing awareness of portfolio risks, as well as capacity to offer additional products and support to clients, the project is innovating what an MFI model can achieve.

Sustainability

Sustainability of FIRE's outcomes is embedded through institutional strengthening, catalytic finance, and knowledge dissemination. At the institutional level, the project builds durable capacity within Kiva Lending Partners to assess and manage climate risk through tools and practices that are intended to persist beyond the project period. Outputs such as the Climate Compass (Output 1.1.1) and tailored technical assistance for MFIs (Output 1.1.2) are designed to be integrated into partners' core operations, enabling continued development and deployment of climate-smart financial products after project completion.

Financial sustainability is supported through the use of Kiva's risk-tolerant crowdfunded capital as a catalytic instrument rather than a temporary subsidy. By de-risking early-stage climate-smart products and piloting a Climate Crisis Support Loan (Output 3.1.1), the project is expected to strengthen Lending Partners' confidence in serving climate-vulnerable borrowers and improve their ability to attract additional concessional and commercial capital over time. These mechanisms reduce the likelihood of lending withdrawal during climate shocks and support ongoing financial inclusion in high-risk contexts.

Scaling Up

Building on Kiva's global reach and its successful partnerships in over 75 countries, the project is well-positioned for scaling and replication. FIRE is explicitly designed as a pilot within Kiva's global lending network. Lessons learned from implementation, including product design, portfolio risk management, and borrower outcomes, will be synthesized and shared through the Climate-Smart Lending Toolkit and other knowledge products (Output 3.1.2 and Output 4.1.1). Kiva will disseminate these learnings across its broader network of Lending Partners and use the evidence generated to mobilize additional funding to replicate and expand similar activities with other partners in climate-vulnerable regions.

Additionally, lessons learned from the project, including case studies, webinars, and an MFI toolkit will be shared publicly, ensuring that successful models are accessible to a broad range of stakeholders. Over time, successful implementation of this project can serve as proof-of-concept to demonstrate the viability of crowd-sourced adaptation finance. Documented outcomes on borrower resilience, institutional stability, and product performance can reduce perceived risks and catalyze greater participation by other financial actors.

Additionality

FIRE generates adaptation benefits for communities across the two target countries. As highlighted in the Theory of Change, financial exclusion is a driver of climate vulnerability, especially for communities in areas that are exposed to extreme weather and rely on agriculture for their livelihoods.

Although extensive research identifies financial exclusion as a major contributor to vulnerability and limited livelihood opportunities, and despite its prominent recognition in national policy frameworks, there are still too few projects actively addressing this issue. As shown in Table 2, which situates this project within the broader climate adaptation landscape, financial inclusion remains an underexplored approach to climate adaptation.

FIRE will develop new financial products (Output 1.1.3) to be offered to communities across the target countries, which are suited for borrowers in traditionally higher risk contexts. These financial products likely would not be created without support from the project due to limited capacity within MFIs to develop and implement new financial products focused on climate adaptation. MFIs will also receive technical assistance (Output 1.1.2) to support them in implementing these new financial products and adapting their portfolios to climate risk and ensuring that lending can continue even in climate crisis (Outcome 3.1).

Without GEF funding, Kiva would not be able to support its lending partners in expanding their financial products to communities in the target countries to improve climate adaptation and financial inclusion.

The project will also contribute to knowledge sharing in the broader finance sector, by sharing best practices for MFIs on creating a climate resilient portfolio (Output 3.2.1). This will facilitate additional financial inclusion for communities outside the reach of Kiva's immediate network of lending partners.

By enabling loans for borrowers to adopt sustainable practices (e.g. clean energy use and sustainable agriculture), the project is expected to generate indirect environmental benefits.

Relevant stakeholders and private sector engagement

This project will bring together a diverse set of stakeholders to co-develop and deliver inclusive, climate-resilient financial solutions. Each plays a role in achieving the project's objectives and contributing to GEBs and adaptation benefits.

It should be noted that MFI borrowers and local communities could not be engaged at the proposal stage, as they will only be identified once Kiva's Lending Partners have been selected and the project is underway. However, the project's core approach is to co-develop climate-smart loan products in collaboration with these borrowers and communities. In its initial phase, the project will engage them directly to assess their vulnerability to climate risks and capture their insights on the financial products that would best strengthen their resilience to climate change.

A formal validation workshop was not held during project development as only a small number of Kiva Lending Partners will ultimately be selected for participation in the project, and partners are not known at time of project development. Given Kiva's long-term relationships with Lending Partners, it would be premature and potentially damaging to introduce a project and associated funding that may not involve them. However, Lending Partners did participate in the Stakeholder Convening Event described above, and the goals of the validation workshop will be addressed during the inception workshop. At that stage, Kiva Lending Partners will be selected and assured of their involvement in the project.

Additionally, the project is intentionally partner-led, so not all details have been defined during the project development phase. Partners with the greatest potential to design and deliver effective solutions for their customers will be selected in the early implementation phase. Once selected, these partners will identify the borrowers and communities to engage. From there, Kiva will work with them to understand the climate threats they face and co-develop appropriate financial solutions.

Kiva

Kiva is the Executing Agency for this project. It is the central coordinating institution and crowdfunding platform. It provides lines of credit to vetted Lending Partners. These are typically MFIs who will operate in the target countries. Kiva's role will be to conduct due diligence on their lending partners and engaged MFIs. Due diligence will ensure partners meet standards for impact, financial performance, and legal compliance. Kiva's Lending Partners are also assigned a credit tier, which determines the amount of finance available.[46] Kiva will also work directly with lending partners to collaboratively develop climate-

[46] Kiva (n.d.) *Due diligence for Lending Partner loans.* Available online: https://www.kiva.org/about/due-diligence/lending-partner-role

smart financial products and support institutional capacity building (Output 1.1.1 and Output 1.1.2). Finally, Kiva will take the leading role in coordinating lesson-sharing and knowledge dissemination (Output 4.1.1). By facilitating access to risk-tolerant capital, Kiva enables MFIs to innovate and scale products that support renewable energy access, water access, climate-smart agriculture, and livelihood diversification (Output 2.2.1 and Output 2.2.2). Therefore, directly contributing to emissions reductions and increased community resilience.

Lending partners

Private Sector Stakeholders include Kiva Lending Partners, which are Financial Service Providers (FSPs). They are direct beneficiaries of the project to offer new or improved climate smart loan products to climate affected communities/customers. Kiva will work with selected Kiva partners to implement the project by providing capacity building funds to create new climate smart loan products, improve existing ones, and/or reach new climate affected communities. They will also receive additional Kiva financing or lower cost Kiva financing for climate smart loan products.

Borrowers (end-users)

Borrowers are the primary project beneficiaries. FIRE will work with both underserved communities and microfinance customers affected by climate change in Uganda and Madagascar. While these groups may overlap, the project intentionally works with both, that lack access to financial services to expand financial inclusion for climate-affected populations. As direct beneficiaries, they are already experiencing the impacts of climate change and stand to gain from access to climate-smart financial products provided by MFI partners.

FIRE will conduct key informant interviews with at least 500 microfinance borrowers and community members who are most vulnerable to climate change. Borrowers will engage in need assessments with lending partners and NGO partners to co-identify climate risks and financial needs (Output 2.1.1). These interviews will capture their experiences with shifting weather patterns, the impacts on their livelihoods, the coping strategies they employ, and their resulting needs. Once the data has been analyzed, findings will be presented back to the communities, and finance-ready project ideas will be co-developed with at least 250 individuals. Adaptation strategies will be co-developed based on need and context, with examples such as agricultural technology, diversified livelihoods, or clean energy access (Output 2.1.2). Accessing and using climate-smart financial products (Output 2.2.1) is the primary related outcome. By adopting climate-resilient practices and technologies, borrowers will contribute directly to ecosystem services, reduced emissions, and enhanced local climate resilience.

To ensure inclusivity, the interviews and consultations will be conducted with a strong emphasis on gender balance, aiming for equal participation of men and women. Special effort will also be made to include marginalized groups and the youths. The one-on-one interview format further ensures that community members can speak openly and honestly about the challenges they face.

Central Banks of Madagascar and Uganda

Ministries within the two governments that will be involved in this project include the Ministry of Finance's National Coordination of Microfinance (CNMF) in Madagascar, and The Uganda Microfinance Regulatory Authority (UMRA). They must be consulted in order to request approval to increase a Kiva credit line or introduce new loan products.

NGOs

The non-governmental organizations that have been identified as stakeholders in this project include the European Microfinance Platform (e-MFP) Green Inclusive and Climate Smart Finance Action Group, Mercy Corps, VisionFund International Climate SMART Project Team, Umoja Wildlife Conservancies of Uganda. NGOs will be consulted, given their expertise in subject matter and/or hired to provide capacity building support to Kiva Lending Partners or local communities involved in the project. These actors may be engaged to address specific risks or to provide technical or educational based support. This could be providing insurance and risk-sharing tools to support financial resilience, contributing technical expertise and community engagement, or implementing complementary activities. These organizations will extend the project's reach, helping integrate ecosystem services, insurance coverage, and knowledge-sharing that reinforce both adaptation and global environmental goals.

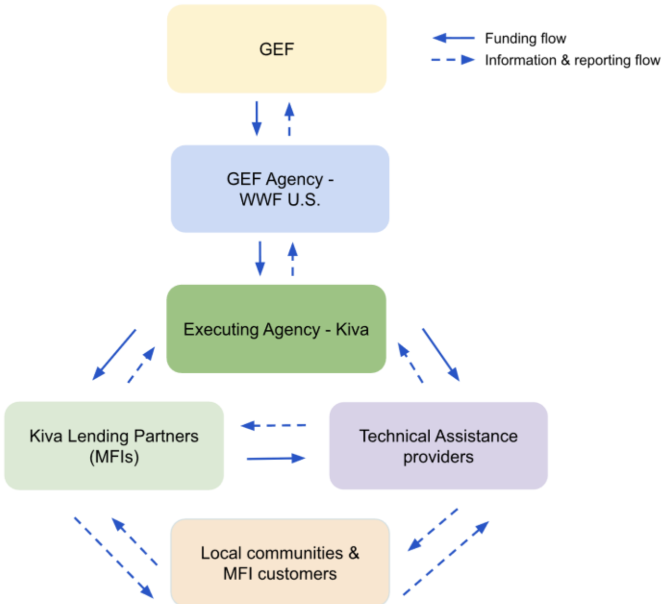
Indigenous Peoples and Local Communities

FIRE will work with local communities and microfinance customers affected by climate change in Uganda and Madagascar. Note that these could be two distinct groups given that the project will likely work with both existing microfinance customers and local communities that do not have access to microfinance products as the project aims to expand financial inclusion for climate affected communities. They are direct beneficiaries of the project as they are affected by climate change and could benefit from access to climate-smart financial products from MFI partners. They will be invited to participate in surveys or consultations to identify local climate hazards and co-develop new or improved financial product solutions. From there, they may be involved in workshops or trainings on the new or improved financial products, and offered access to them.

Institutional Arrangement and Coordination with Ongoing Initiatives and Projects

Please describe the Institutional Arrangements for the execution of this project, including financial management and procurement. If possible, please summarize the flow of funds (diagram), accountabilities for project management and financial reporting (organogram), including audit, and staffing plans. (*max. 500 words, approximately 1 page)*

Flow of Funds



The diagram illustrates the flow of funding, information, and reporting of the key project participants as follows. Note that Kiva will pay both TA providers directly (for the borrower level TA) but also pay through the MFIs (as often for TA it works better when the MFI is the client).

- GEF Agency: WWF-US
    - Provides support and oversight to ensure the project's objective and results are achieved, while also offering additional assistance as requested by the EA.
    - Liaises between the EA and the GEF Secretariat, facilitating reporting and ensuring compliance with GEF and WWF policies and standards. Responsibilities include approving annual work plans and budgets, overseeing the transfer and appropriate use of GEF funds, coordinating the final evaluation, reviewing project audits, certifying operational and financial completion, and arbitrating or resolving conflicts that cannot be settled by the EA.
- The Executing Agency (EA): Kiva
    - Responsible for the implementation of the project, including day-to-day project management and oversight, and all project impact monitoring and reporting.
    - Leads the overall project strategy, coordination, management and execution, including stakeholder management and communication.
    - Serves as the primary liaison with all project bodies, ensuring accurate reporting to the GEF Agency, and facilitating the effective execution of the project's objectives and components.
    - Develops the project components through a collaborative, bottom-up approach, thus ensuring the project meets the needs and expectations of key stakeholders.
    - Ensures the perspectives of stakeholders are integrated and considered in the project's components.

    - Facilitates knowledge sharing, collaboration and best practices to strengthen the project's impact.

- Kiva Lending Partners (MFIs): To be determined during the beginning of project implementation. The following partners have already been identified as potential project partners: Baobab+ Madagascar, Crédit Epargne Formation (CEFOR), Cycle Connect, EBO SACCO, FINCA Uganda, Mountain Harvest, Opportunity Bank Uganda, UGAFODE Microfinance, Vahatra, and VisionFund Uganda. Partners will be selected based on the needs assessment (i.e. Climate Compass) and capacity building project proposals that the MFIs will be asked to submit to Kiva.
    - Provides information about climate challenges that customers and MFIs face, barriers to address those challenges, and opportunities to create solutions with project capacity building funds.
    - Serves as key implementing partner for MFI capacity building to create new climate smart loan products, improve existing ones, and/or reach new climate affected communities.
- Technical Assistance providers: local NGOs in each country; to be determined during project implementation based on needs assessments and selected projects. Kiva's external capacity-building partnerships will focus on two levels: 1) Borrower level: Deepening understanding of borrower experiences and needs, and increasing borrower awareness of climate risks and solutions, and 2)MFI level: Using borrower insights to inform, test, and launch new product designs, as well as improve marketing and customer engagement.
    - Works with local communities to better understand changes in climate they are experiencing, impacts to livelihoods, and coping mechanisms.
    - Co-develops adaptation strategies with local communities that increase their resilience to climate change.
- Local Communities and MFI customers: Beneficiaries of the project, not involved in project management.

Lending Partner Selection Process

Kiva has undertaken advanced screening and engagement with potential Lending Partners during project preparation and is confident that the institutions identified are well aligned with the project's objectives. At the same time, given the short project duration, uncertainty around the timing of GEF approval and incoming funding, and dynamic country contexts, Kiva has intentionally progressed partner engagement to the furthest stage that is appropriate prior to project effective start date.

This selection process included reviewing which existing partners in the target countries currently serve smallholder farmers and have both the interest and capacity to expand into climate-focused programming. Kiva then reviewed these partners' Climate Compass survey responses and conducted follow-up discussions with select organizations to assess capacity-building opportunities.

In Uganda, Kiva plans to work with Ebo Sacco as our primary partner, given their target populations and interest in climate work. Following the CEO endorsement and Agency approval, Kiva will request a formal capacity-building proposal from Ebo Sacco. In parallel, Kiva will pick up discussions with two potential secondary partners, including UGAFODE Microfinance and VisionFund Uganda. Both MFIs sent representatives to the project's climate workshop in March 2025 and they are aware of the potential capacity-building opportunity. Kiva anticipates that it will take approximately six weeks to request and review capacity-building proposals and select a second partner in Uganda.

In Madagascar, the project is considering three potential Lending Partners: Baobab+ Madagascar, Crédit Épargne Formation (CEFOR), and Vahatra. Given recent political uncertainty in Madagascar and the timing of GEF funding, Kiva has paused short of formal commitments. Partner selection will be finalized within approximately eight weeks following the project's effective start date, once operating conditions are confirmed.

Will the GEF Agency play an execution role on this project?
☐ Yes ☒ No

If so, please describe that role here and the justification.

Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing *(max. 500 words, approximately 1 page)*

This proposed project will likely focus on western and/or central Uganda and will aim to coordinate closely with the recently submitted WWF GEF project "Promoting climate-resilient ecosystems and livelihoods in the landscapes of Greater Virunga (with focus on Kisoro and Rubanda Districts) and Lake Kyoga (Serere District)".

During project implementation, Kiva will coordinate with the UNDP GEF project in Madagascar titled, "Enhancing the adaptation capacities and resilience to climate change in rural communities in Analamanga, Atsinanana, Androy, Anosy and Atsimo Andrefana in Madagascar."

The project will be implemented in close coordination with other GEF-funded initiatives under the Challenge Program for Adaptation Innovation, including projects implemented by Gawa Capital (GEF ID: 12118), WOCCU (GEF ID: 12011), AECF (GEF ID: 12013), Farm Africa (GEF ID: 11979), and REDCAMIF (GEF ID: 10434). FIRE will participate in program-level learning events, joint knowledge products, and peer exchange activities facilitated by UNIDO's Climate Adaptation and Innovation Lab (CAIL) project (GEF ID: 11303). This coordination will ensure consistency of approaches, accelerate uptake of best practices, avoid duplication of effort, and maximize the global impact of GEF investments in climate-resilient financial inclusion.

Meta Information - LDCF

LDCF (**true** / false)
SCCF-B (Window B) on technology transfer (true / **false**)
SCCF-A (Window-A) on climate Change adaptation (true / **false**)

Is this project LDCF SCCF challenge program?
(**true** / false).
This Project involves at least one small island developing State(SIDS). (true / **false**)

This Project involves at least one fragile and conflict affected state. (true / **false**)

This Project will provide direct adaptation benefits to the private sector. (**true** / false)

This Project is explicitly related to the formulation and/or implementation of national adaptation plans (NAPs). (true / **false**)

This project will collaborate with activities begin supported by other adaptation funds. If yes, please select below
Green Climate Fund (true / **false**)
Adaptation Fund (true / **false**)
Pilot Program for Climate Resilience (PPCR) (true / **false**)

This Project has an urban focus. (true / **false**)

This project will directly engage local communities in project design and implementation (**true** / false)

This project will support South-South knowledge exchange (**true** / false)

This Project covers the following sector(s)[the total should be 100%]:*

Agriculture	**80%**
Nature-based solutions	
Climate information services	
Coastal zone management	
Water resources management	**10%**
Disaster risk management	
Other infrastructure	
Tourism	
Health	
Other (Please specify comments) (clean energy)	**10%**
Total	**100%**

This Project targets the following Climate change Exacerbated/introduced challenges:*

Sea level rise (**true** / false)

Change in mean temperature (**true** / false)

Increased climatic variability (**true** / false)

Natural hazards (**true** / false)

Land degradation (**true** / false)

Coastal and/or Coral reef degradation (**true** / false)

Groundwater quality/quantity (**true** / false)

How the project fits within the current landscape of projects

Existing GEF projects within target countries

Table 2 below identifies forthcoming, ongoing, or completed GEF projects in the target countries that are thematically similar to the Kiva project. These projects focus on climate adaptation in agriculture, financial inclusion, ecosystem-based adaptation, and/or rural resilience. Most existing GEF projects focus on public sector-led infrastructure, watershed management, or ecosystem restoration. The Kiva project is distinctive in its private-sector delivery model and focuses on unlocking climate finance at the micro level. The project management team will seek out lessons learned from ongoing and completed GEF projects in the target countries to inform project activities. In turn, as the Kiva project generates borrower- and MFI-level data on climate vulnerabilities and adaptation finance, it can provide valuable insights to inform the scaling and targeting of broader resilience efforts across the region.

Table 2: Related GEF projects in the target countries

Uganda	
Project	**Fostering water security and catchment resilience in Uganda's Cattle Corridor** [47]
Status	Concept approved
GEF Agency	Conservation International
Executing Agencies	Ugandan Ministry of Water and Environment and the Africa Innovations Institute
Key themes	Water security; agriculture; climate adaptation
Description	The project will promote sustainable and climate-resilient land and water management by enhancing access to safe and clean water, resilient and sustainable alternative livelihoods, fostering policy coherence and local level climate adaptation, strengthening coordination and knowledge management, and deploying a gender sensitive monitoring and evaluation system.
Project	**Strengthening the adaptive capacity and resilience of communities in Uganda's watersheds**[48]
Status	Project approved
GEF Agency	African Development Bank
Executing Agency	Ministry of Agriculture, Animal Husbandry and Fisheries
Key themes	Infrastructure development; water management
Description	The project aims to build the adaptive capacity of rural communities and reduce their vulnerability to climate change and variability through integrated watershed management, climate-resilient infrastructure, and sustainable agriculture. The GEF Agency for this project is the African Development Bank.

[47] GEF (2025). *Fostering water security and catchment resilience in Uganda's Cattle Corridor.* Available online: https://www.thegef.org/projects-operations/projects/11696

[48] GEF (2025). *Strengthening the Adaptive Capacity and Resilience of Communities in Uganda's watersheds.* Available online: https://www.thegef.org/projects-operations/projects/10203

Project	**Integrating climate resilience into agricultural and pastoral production in Uganda, through a farmer/agro-pastoralist field school approach**[49]
Status	Project approved
GEF Agency	United Nations Environment Programme
Executing Agency	Ministry of Water and Environment
Key themes	Climate adaptation; agriculture; education
Description	The adaptation objective of this project is to build climate resilience in the agricultural sector as an effective means of reducing vulnerability and disseminating community-level adaptation measures. Climate change resilient agriculture and livestock practices in Uganda will be disseminated at the household, farm and community levels through existing structures, and through a larger-scale of agro-ecological/ watershed (catchment) management approaches to building resilience and increasing productivity.
Project	**Reducing the climate change vulnerability of local communities in Uganda through EbA in forest and wetland ecosystems** [50]
Status	Project approved
GEF Agency	Food and Agriculture Organization
Executing Agency	Ministry of Agriculture, Animal Industry and Fisheries
Key themes	Climate adaptation; livelihoods
Description	The project aims to strengthen the capacity of communities and government to implement Ecosystem-based Adaptation (EbA) interventions in forest and wetland ecosystems in Uganda. EbA interventions will be used in pilot sites around forests and wetlands, and training will be provided to local and national government to implement EbA as a tool to adapt to climate change.
Project	The African Nature-Based Tourism Platform – a response to COVID-19
Status	Project approved
GEF Agency	WWF-US
Executing Agency	WWF-US
Key themes	Conservation, eco-tourism, COVID recovery
Description	The African Nature-Based Tourism Platform will connect funders to the communities and small and medium enterprises (SMEs) most in need of funding support, with a goal of mobilizing at least $15 million to support communities and SMEs in COVID-19 recovery efforts and to build greater resilience into the nature-based tourism business model into the future.
Madagascar	
Project	**Upscaling ecosystem-based adaptation for Madagascar's coastal zones**[51]
Status	Concept approved
GEF Agency	Food and Agriculture Organization
Executing Agency	Ministry of Agriculture, Animal Industry and Fisheries
Key themes	Climate adaptation; livelihoods
Description	The project aims to upscale some of the best practices identified by the first stage of the project, specifically in the areas of ecosystem (mangrove) rehabilitation, and livelihood diversification.

[49] GEF (2025). *Integrating Climate Resilience into Agricultural and Pastoral Production in Uganda, through a Farmer/Agro-Pastoralist Field School Approach*. Available online: https://www.thegef.org/projects-operations/projects/7997

[50] GEF (2025). *Reducing the Climate Change Vulnerability of Local Communities in Uganda through EbA in Forest and Wetland Ecosystems.* Available online: https://www.thegef.org/projects-operations/projects/8035

[51] GEF (2025). *Upscaling Ecosystem-based Adaptation for Madagascar's Coastal Zones*. Available online: https://www.thegef.org/projects-operations/projects/10939

Project	**Promoting climate adaptation and resilience through innovation and entrepreneurship for green jobs in Madagascar**[52]
Status	Project approved
GEF Agency	United Nations Industrial Development Organization
Executing Agency	Ministry of Environment and Sustainable Development
Key themes	No documents or descriptions are currently available for this project.
Description	No documents or descriptions are currently available for this project.
Project	**Enhancing the Adaptation Capacities and Resilience to Climate Change in Rural Communities in Analamanga, Atsinanana, Androy, Anosy, and Atsimo Andrefana'**[53]
Status	Project completed
GEF Agency	United Nations Development Program
Executing Agency	National Climate Change Coordination Office
Key themes	Community adaptation; financial inclusion
Description	The project aims to strengthen the capacities of five vulnerable communities to cope with the additional risks posed by climate change and variability for livelihood opportunities. One element of this is to provide financial credit products to local communities.
Project	**Enabling climate resilience in the agriculture sector in the Southwest region of Madagascar**[54]
Status	Project completed
GEF Agency	African Development Bank
Executing Agencies	Ministry of Agriculture and the Ministry of Environment and Forests
Key themes	Water security; infrastructure development; climate adaptation
Description	The project aimed to promote adaptation in Madagascar by ensuring that agricultural water infrastructure planned under a business-as-usual scenario is modified so as to be resilient in the face of climate change; that the vulnerability of the catchment to cyclones and flooding is reduced, and that local agricultural livelihoods are adapted to climate change through water management and health interventions.

Related non-GEF projects in Africa

The table below lists non-GEF projects aligned with the Kiva project's focus on climate adaptation through financial inclusion, rural resilience, and climate-smart agriculture in Africa. For example, the Africa Rural Climate Adaptation Finance Mechanism and the Project for Financial Inclusion in Rural Areas share strong thematic alignment with the Kiva project, in their focus on expanding access to finance for vulnerable populations and using concessional or de-risked capital to enable adaptation. There is potential for cross-learning on financial product design, borrower engagement strategies, and results measurement approaches with these projects. The Kiva project could also benefit from accessing the technical resources, networks, or lessons learned from these programs in order to enhance project interventions.

Table 3. Overview of non-GEF projects in Africa

Project	Rural Integrated Climate Adaptation and Resilience Building Project [55]

[52] GEF (2025). *Promoting climate adaptation and resilience through innovation and entrepreneurship for green jobs in Madagascar*. Available online: https://www.thegef.org/projects-operations/projects/11710

[55] Adaptation Fund (2025). *Project description*. Available online: https://www.adaptation-fund.org/project/rural-integrated-climate-adaptation-and-resilience-building-project-ricar-2/

Target country / region	The Gambia
Project leader	Ministry of Environment, Climate Change and Natural Resources
Donor / lender	UN World Food Program
Project value	US$10,000,000
Implementation period	2022 - 2027
Description	The project's aim is to enhance adaptive capacity of rural populations through support to climate-resilient and diversified livelihoods. Smallholder farmers are identified as a key vulnerable rural group, though the project is not solely targeting smallholder farmers. One project outcome is that 45,000 of the direct beneficiaries will benefit from activities to increase access to financial services (financial literacy, savings, micro-finance and micro insurance) to enhance investments in climate-resilient agriculture.
Project	Africa Rural Climate Adaptation Finance Mechanism.[56]
Target country / region	Kenya, Uganda, Tanzania, and Rwanda
Project leader	Green Climate Fund, IFAD, Local Financial Institutions
Donor / lender	Green Climate Fund, IFAD
Project value	US$200,000,000
Implementation period	2023 - ongoing
Description	The project aims to enhance the resilience of farmers and businesses in rural areas across the four target countries. GCF will provide concessional financing to local lending partners, who in turn will provide access to finance to rural borrowers. GCF will therefore de-risk loans to rural borrowers. There will also be grant funding available to local financial institutions so that they are able to build capacity and offerings in line with the program.
Project	Project for Financial Inclusion in Rural Areas.[57]
Target country / region	Uganda
Project leader	Government of Uganda and IFAD
Donor / lender	IFAD
Project value	US$29,000,000
Implementation period	2013 – 2022
Description	The goal of this project was to sustainably increase access to, and use of, financial services by the rural population in Uganda. The project held a focus on supporting rural women and community-based savings and credit cooperatives. Ongoing work to scale up community-based savings and credit groups to ensure inclusion of communities that are currently not served by financial service providers.
Project	Upscaling Climate-smart Agriculture via Micro Finance.[58]
Target country / region	Tanzania
Project leader	Wageningen Economic Research, CARE International, and Sokoine University of Agriculture

[54] GEF (2025). *Enabling climate resilience in the agriculture sector in the Southwest region of Madagascar*. Available online: https://www.thegef.org/projects-operations/projects/5233

[55] Adaptation Fund (2025). *Project description*. Available online: https://www.adaptation-fund.org/project/rural-integrated-climate-adaptation-and-resilience-building-project-ricar-2/

[56] Green Climate Fund (2025). *Project description*. Available online: https://www.greenclimate.fund/project/fp220

[57] IFAD (2025). *Project description*. Available online: https://www.ifad.org/en/w/projects/1100001630

[58] CCAFS (2025). *Project description*. Available online: https://ccafs.cgiar.org/index.php/research/projects/upscaling-climate-smart-agriculture-micro-finance-tanzania-global-challenges-programme-project

Donor / lender	CARE (research project)
Project value	Not specified
Implementation period	2018 – 2020
Description	The project aimed to provide practical and conceptual insight through business training and financial services (through village savings and loans associations). These initiatives will support community-based adaptation action plans helping to empower communities and aid climate change mitigation. The project emphasizes social and gender inclusiveness.
Project	Strengthening Climate Resilience and Adaptation through Financial Services: Research for CGAP's Climate Resilience.[59]
Target country / region	Nigeria
Project leader	CGAP (Consultative Group to Assist the Poor)
Donor / lender	FCDO
Project value	US$325,900
Implementation period	2022 – 2023
Description	CGAP's climate resilience project aimed to offer guidance to financial inclusion stakeholders on the role that financial services can play in helping the vulnerable to reduce the impact of and adapt to specific climate risks. The project included the creation and testing of a conceptual framework and research methodology for describing, understanding, and researching the nexus between climate and financial inclusion.
Project	Financial Inclusion and Entrepreneurship Scaling Project.[60]
Target country / region	Malawi
Project leader	Ministry of Industry and Trade, Reserve Bank of Malawi
Donor / lender	World Bank
Project value	US$86,000,000
Implementation period	2020 – 2025
Description	The project consists of the following components; liquidity enhancement for MSMEs, de-risking/risk capital support, scaling of entrepreneurship and building firm capabilities, enhancement of the enabling environment for supporting the financial inclusion and growth of entrepreneurs, and project implementation support.

[59] FSD Africa (2023). *Project description*. Available online: https://fsdafrica.org/projects/strengthening-climate-resilience-and-adaptation-through-financial-services-research-for-cgaps-climate-resilience-project/

[60] World Bank Group (2025). *Project description*. Available online: https://projects.worldbank.org/en/projects-operations/project-detail/P168577

Core Indicators LDCF

The system will not automate the calculation of core indicators from the sub indicators. Please enter the core indicator and sub indicator values.

Core indicators (used at PIF, CER, MTR, TE stages)	Sub-indicators (to be used as relevant for each project at CER, MTR, TE stages)	Total
1. Number of direct beneficiaries (sex disaggregated)		0
1.1 Number of direct beneficiaries from more resilient physical and natural assets (sex disaggregated)		
	1.2 Number of direct beneficiaries with diversified and strengthened livelihoods and sources of income (sex disaggregated)	
	1.3 Number of direct beneficiaries from the new or improved climate information services including early warning systems (sex disaggregated)	
	1.4 Number of youth (15 to 24 years of age) benefitting from the project (sex disaggregated)	
	1.5 Number of elderly (over 60 years of age) benefitting from the project (sex disaggregated)	
	1.6 Increased income, or avoided decrease in income (per capita in $ across all relevant beneficiaries)	
2. (a) area of land managed for climate resilience (hectares) (b) coastal and marine area managed for climate resilience (hectares)		
	2.1 Hectares of agricultural land	
	2.2 Hectares of urban landscape	
	2.3 Hectares of rural landscape	
	2.4 Hectares of forests	
	2.5 Hectares of marine area	
	2.6 Hectares of freshwater area	
	2.7 Number of residential houses	
	2.8 Number of public buildings	
	2.9 Number of irrigation or water structures	
	2.10 Number of fishery or aquaculture ponds or cages	
	2.11 Number of ports or landing sites	
	2.12 Km of road	
	2.13 Km of riverbank	
	2.14 Km of coast	
	2.15 Km of stormwater drainage	
	2.16 Number of new adaptation technologies supported	
3. Number of policies/plans/frameworks/institutions to strengthen climate adaptation		0
	3.1 Number of policies/plans developed and strengthened that will mainstream climate resilience (regional, national, sub-national)	

	3.2 Number of systems and frameworks established for continuous monitoring, reporting and review of climate adaptation impacts	
	3.3 Number of national climate policies nad plans enabled, including national adaptation planning purposes	
	3.4 Number of institutional partnerships or coordination mechanisms established or strengthened	
	3.5 Number of institutions with increased capacity to plan, implement, monitor, and report for climate adaptation	
	3.6 Number of institutions with increased capacity to attract and manage climate adaptation finance	
	3.7 Number of local community organizations benefitting from and/or engaged in institution strengthening, partnerships or financing	
	3.8 Number of climate risk and vulnerability assessments conducted	
4. Number of people trained or with awareness raised (sex disaggregated)		0
	4.1 Number of people trained or made aware of climate change impacts and appropriate adaptation responses (sex disaggregated) at: *National government (sex disaggregated) *local government (sex disaggregated) *local community organizations (sex disaggregated) *Extension services (sex disaggregated) *Hydromet and disaster risk management agencies (sex disaggregated) *School children, university students, and teachers (sex disaggregated) *Youth (15 to 24 years of age)	
5. Number of private sector enterprises engaged in climate change adaptation and resilience action		0
	5.1 Amount of investment mobilized (US$) from private sector sources	
	5.2 Number of entrepreneurs supported for climate adaptation and resilience (Sex disaggregated)	
	5.3 Total financial value of lines of credit and/or investment funds	
	5.4 Number of MSMEs incubated/accelerated with technical assistance, financial matchmaking and/or direct financing	

CORE INDICATOR 1
Total number of direct beneficiaries
Total: 3572
Male: 2143
Female: 1429
% for Women: 40%

- Sub indicator 1.2: Number of direct beneficiaries with diversified and strengthened livelihoods and sources of income (sex disaggregated)
    - Target: 3,572 borrowers that have accessed financial products from Lending Partners involved in project, of which 40% are women. The target number of borrowers was estimated by the amount lent by Lending Partners in 2025 divided by average loan

size (i.e. Uganda: $1,000,000 / $636 = 1,572 borrowers; Madagascar: $500,000 / $250 = 2,000 borrowers).

CORE INDICATOR 2
(a) Area of land managed for climate resilience (ha)
(b) Coastal and marine area managed for climate resilience (ha)

CORE INDICATOR 3
Number of policies/plans/ frameworks/institutions for to strengthen climate adaptation

- Sub indicator 3.5: Number of institutions with increased capacity to plan, implement, monitor, and report for climate adaptation
    - Target: 3 Lending Partner institutions (number of survey respondents indicating increased capacity to decrease climate risks in their portfolios)
- Sub indicator 3.8: Number of climate risk and vulnerability assessments conducted (Climate Compass surveys completed by Lending Partners)
    - 9 Kiva Lending Partners completed the Climate Compass survey
- Sub indicator 3.8: Number of climate risk and vulnerability assessments conducted (Interviews or surveys of borrowers aimed at understanding borrowers' vulnerabilities to climate change)
    - 500 borrowers surveyed or interviewed

CORE INDICATOR 4
Number of people trained or with awareness raised
Total: 45
Male: 27
Female: 18
% for Women: 40%

An estimated 45 Lending Partner personnel members will be trained through technical assistance, workshops, and advisory support to strengthen institutional capacity for climate-smart lending. This figure was determined based on a conservative estimate of 15 staff per Lending Partner trained, including loan officers, risk teams, and managers. There are three participating Lending Partners, bringing the target to 45 personnel, of which 18 (40%) will be women.

CORE INDICATOR 5
Number of private sector enterprises engaged in climate change adaptation and resilience
- 3 Lending Partner institutions (number of survey respondents indicating increased capacity to decrease climate risks in their portfolios)

FIRE aims to have at least 3,572 direct beneficiaries, of which 40% are women. For this project, Kiva consider beneficiaries to be borrowers accessing financial products from Lending Partners involved in the project. The target number of borrowers was estimated by the amount lent by Lending Partners in 2025 divided by average loan size (i.e. Uganda: $1,000,000 / $636 = 1,572 borrowers; Madagascar: $500,000 / $250 = 2,000 borrowers).

FIRE contributes to two of the sub indicators under Core Indicator 3. For sub indicator 3.5 (number of institutions with increased capacity to plan, implement, monitor, and report for climate adaptation), FIRE will support at least three Lending Partners, with at least one per target country, to increase their capacity to decrease climate risks in their portfolios. For sub indicator 3.8 (number of climate risk and vulnerability assessments conducted), the project will assess vulnerabilities for borrowers and MFIs. FIRE aims for nine Kiva Lending Partners and 500 borrowers to complete climate risk and vulnerability assessments.

Risks to Achieving Project Outcomes

Summarize risks that might affect the achievement of project outcomes and the mitigation measures which are planned or already undertaken to address these. The risk rating should reflect the *residual* risk to achieving project outcomes after considering the implementation of mitigation measures. The rating scale is: High, Substantial, Moderate, Low. See the *GEF Risk Appetite* document (GEF/C.66/13) for more information and its Annex B for a description of each risk category. Note that the rating for the "Environment and Social" category should be the same as the risk rating for Safeguards.

RISK CATEGORIES	RATINGS	ASSESSMENT AND MITIGATION MEASURES
	CONTEXT	
Climate	Moderate	Assessment: Each of the two target countries is vulnerable to climate change and is already experiencing increasing frequency and intensity of climate shocks. Projections suggest that future scenarios of recurrent droughts and natural disasters will be severe, resulting in more frequent crop failures and higher rates of internally displaced persons. For certain financial products developed under the project (e.g. crop insurance), repeated failures will render the product unsustainable at considerable cost to MFIs and Kiva. Mitigation: By improving risk awareness across portfolios and diversifying exposure, MFIs will reduce vulnerability to localized shocks. However, if major climate events still occur, Kiva and its Lending Partners will activate adaptive response mechanisms. In such cases, lending may pivot temporarily toward recovery and resilience loans (e.g., restocking, livelihood restoration), and the Climate Crisis Support Loan will provide short-term liquidity to MFIs facing repayment disruption. Kiva's flexible crowdfunding model also allows reallocation of capital to maintain lending continuity in affected regions. Residual risk remains moderate, given potential systemic shocks beyond the control of MFIs or the project.
Environment and Social	Low	Assessment: As discussed in the Gender Mainstreaming Plan, women are disproportionately excluded from financial offerings and products. There is a risk that the work of this project will perpetuate this exclusion.

		Mitigation: Kiva's record in improving women's financial inclusion is strong, with 80% of loans offered to female clients. This is in direct contrast to statistics from conventional loan offerings. Therefore, Kiva can reach women and will continue its efforts with this project. The Gender Mainstreaming Plan offers additional guidance on ensuring strong female representation by addressing a lack of technology access, financial illiteracy, and cultural barriers. Additionally, Kiva lending policies prohibit Field Partners from extending credits or loans to Kiva borrowers who are in any way engaged in (i) prostitution, (ii) the sale or trafficking of adult or child pornography, (iii) lethal weapons, including but not limited to, firearms (iv) narcotics or illicit drugs, the offer or sale of which are illegal or otherwise prohibited in the Field Partner's country, or who (v) who are otherwise engaged in criminal activities, including activities that could be related to terrorism. This exclusion applies to loans displaying evidence of harmful child labor, as defined by the International Labor Organization. If participation data or monitoring reveals persistent gender or social exclusion, Kiva will apply adaptive management measures such as targeted outreach campaigns, revising product design, or introducing incentive structures for female borrowers to rebalance uptake.
Political and Governance	Moderate	Assessment: On 12 January 2026, Uganda will hold national elections. Political violence due to the elections is becoming more likely due to pre-election crackdowns on opposition parties and growing tension. While the project activities are not dependent on government cooperation, political instability could compromise the ability of MFIs to continue normal operations. Additionally, the October 2025 coup in Madagascar underscores the broader regional volatility that could have indirect effects on investor confidence and cross-border financial flows within East Africa. Mitigation: The situation will be continually monitored by Kiva, who are already working in Uganda and Madagascar. Kiva has experience navigating emergency political situations. In such cases, Kiva collaborates closely with partners unable to meet repayment terms, helping to delay repayment requirements and support the implementation of their business continuity plans. For example, in 2024, Kiva's two partners in the Democratic Republic of the Congo

		were forced to temporarily suspend operations due to a political coup. Kiva worked alongside them to safely resume operations as conditions stabilized. Kiva will continue to monitor political developments closely through its in-country networks. If unrest disrupts lending, Kiva will temporarily suspend or adapt operations to ensure staff and borrower safety, extend grace periods on repayments, and activate its business continuity framework used in past crises.
INNOVATION		
Institutional and Policy	Low	Assessment: FIRE will contribute to existing policy directions and focuses of the two target countries.[61] There will be some institutional shifts for lending partners as they aim to expand offerings and deepen their understanding of portfolio risks. MFIs could struggle to implement these new offerings, especially in cases where there are limited resources and capacity within the MFI. Mitigation: Kiva and technical assistance providers will work directly with MFIs in workshops to develop a clear understanding of their needs and potential opportunities for support. Kiva will develop strategies that are tailored to each Lending Partners' capabilities, thus mitigating the risk of Lending Partners developing strategies that are not achievable. FIRE is fully aligned with national adaptation and financial inclusion priorities, and Kiva has established working relationships with relevant regulatory authorities. If approval delays or policy shifts occur, the PMU will engage national regulators through WWF country offices and adapt timelines or product terms as needed to maintain compliance.
Technological	Low	Assessment: Project activities are only reliant on basic technology (i.e. readily available and dependable online software for video conferencing, mobile banking technology, document drafting, and desktop research). Mitigation: Kiva and Lending Partners will combine digital tools with in-person engagement to ensure inclusion of borrowers with limited connectivity. If technology access remains a barrier, the project will deploy offline-compatible tools and community-based data collection, or adapt delivery through intermediary organizations (e.g., savings

[61] Relevant national policies supported by the project are outlined in the 'Knowledge Management' section.

		groups). Residual risk is low as hybrid engagement models are already built into the project approach.
Financial and Business Model	Moderate	Assessment: Providing loans and financial products to underserved and vulnerable communities has traditionally been seen as high-risk by MFIs and financial institutions. The risk of defaults, loss of collateral, and high insurance payouts are risks undermining the business model. Mitigation: FIRE provides risk-tolerant capital to buffer Lending Partners during shocks, complemented by the Climate Crisis Support Loan to stabilize liquidity. If systemic defaults occur despite these measures, Kiva can reallocate capital from its broader crowdfunding platform, introduce repayment restructuring, and mobilize co-financing from aligned investors to preserve continuity.
EXECUTION		
Capacity for Implementation	Low	Assessment: Kiva will work with 2-3 lending partners per country, with whom there is already a strong business relationship. All lending partners must work through a due diligence process to ensure financial stability and social and environmental safeguards. All MFIs participating in the project are doing so on a voluntary basis and likely have capacity to participate. Mitigation: The project provides targeted technical assistance to Lending Partners to build capacity on climate risk assessment, product innovation, and portfolio resilience. If capacity gaps persist during implementation, Kiva will adjust TA delivery (e.g., extending support duration, pairing weaker partners with higher-capacity peers, or deploying additional short-term advisors). The PMU will also track institutional readiness through semi-annual reviews to ensure adaptive reallocation of TA resources.
Fiduciary	Low	Assessment: The risk of mismanagement of project funds or non-compliance with fiduciary responsibilities is low given the established %governance structure, due diligence assessments, and oversight mechanisms. Mitigation: Kiva’s track record of finding and working with trusted partners is strong, indicated through its high loan repayment rate (96%). The stringent due diligence processes that have been developed over several years will continue to be used and enhanced. However, if any irregularities or deviations are detected, Kiva will suspend disbursements to the

		affected partner, conduct an immediate audit review, and implement corrective measures before resuming funding.
Stakeholder - MFIs	Low	Assessment: Although the success of the project is dependent on collaboration with MFIs, these relationships are already established. Participating MFIs wish to work on the project and expand their operations. There is the possibility that loan recipients are unable to repay loans, though Kiva has established guidelines that will be used to ensure borrowers are not financially stricken in this case. The risk that participation will negatively affect MFIs and other stakeholders is minimal. Mitigation: The project includes structured engagement processes at all stages, with a Stakeholder Engagement Plan outlining roles and feedback mechanisms. If stakeholder participation declines or conflicts arise, the PMU will hold targeted consultations to realign expectations, reinforce communication through focal points, and adjust engagement formats (e.g., virtual sessions, smaller working groups) to maintain inclusivity and momentum. Residual risk is low due to proactive engagement and inclusive governance design.
Stakeholder - Borrowers	Low	Assessment: Borrowers in climate-vulnerable contexts face heightened risks from climate shocks, income volatility, limited financial literacy, and social exclusion. These factors, which especially affect women, youth, and marginalized groups, may constrain adoption of climate-smart financial products, limit participation in adaptation activities, and increase repayment risk during periods of environmental stress. Social norms, mobility constraints, and unequal access to information may further reduce inclusive engagement if not addressed. Mitigation: Risks are mitigated through a participatory, inclusive borrower-level design approach. Gender-sensitive and community-based climate vulnerability and needs assessments (Output 2.1.1) ensure borrower priorities and constraints inform adaptation interventions and financial product design. Adaptation strategies and associated financial products are co-developed with borrowers (Output 2.1.2), enhancing relevance, uptake, and ownership. Targeted technical assistance improves borrower understanding of climate risks, financial terms, and adaptation options, while Lending Partners are encouraged to apply inclusive outreach and product features aligned with the Gender Action Plan, reducing

		default risk and supporting equitable access to climate adaptation finance.
Other	Low	Assessment: Potential unforeseen risks such as geopolitical instability or economic downturns could impact investment flows and project uptake. This is a risk for the wider impact of the project but is not within the project scope during implementation. Mitigation: The project will maintain flexibility and adaptive management strategies to respond to emerging risks, ensuring resilience in implementation. If global disruptions reduce lending flows or borrower repayment capacity, Kiva can temporarily shift disbursements toward stabilization and recovery products, activate the Climate Crisis Support Loan for institutional liquidity, and engage its broader network of investors for rapid capital mobilization.
Overall Risk Rating	Low	While several risks exist, the project has built-in mitigation measures that reduce the likelihood and impact of major obstacles. As the project builds on Kiva's experience and network, the risks can be managed effectively.

Safeguards Rating (endorsement level)

Category C

C. Alignment with GEF-8 Programming strategies and country/regional priorities

Alignment with LDCF Programming Strategy

This project is fully aligned with the GEF-8 Least Developed Countries Fund (LDCF) programming strategy[62], specifically Priority Area 1: Scaling Up Adaptation Finance and Priority Area 2: Strengthening Innovation and Private Sector Engagement. As an LDCF-funded intervention, the project applies catalytic grant finance to address systemic barriers that limit the scale, effectiveness, and inclusiveness of climate adaptation finance in Least Developed Countries.

Alignment with Priority Area 1: Scaling Up Adaptation Finance

The project directly supports Priority Area 1 by strengthening the institutional and operational conditions required for effective mobilization, deployment, and tracking of adaptation finance. It addresses key barriers identified in the LDCF strategy, including limited institutional capacity to integrate climate risk into financial decision-making and constrained access to finance for locally led adaptation actions.

Through targeted technical assistance and capacity building, the project enhances the ability of financial institutions and relevant stakeholders to incorporate climate risk considerations into lending and investment processes, and to improve monitoring of adaptation outcomes. These interventions contribute to greater policy and investment coherence and support alignment between national adaptation priorities and financial flows, thereby strengthening the enabling environment for scaling up adaptation finance.

Alignment with Priority Area 2: Strengthening Innovation and Private Sector Engagement

The project strongly aligns with Priority Area 2 by catalyzing private sector-led adaptation solutions by supporting microfinance institutions. LDCF grant resources are used to reduce risk, address capacity constraints, and enable the development and uptake of adaptation-oriented financial products and business models.

The project strengthens financial institutions' capacity to use climate information in credit and risk assessment, expand access to finance for climate-vulnerable MSMEs and local producers, and support innovation in climate-resilient practices. By improving the commercial viability and scalability of adaptation investments, the project helps build a pipeline of bankable opportunities and strengthens the business case for private sector engagement in climate adaptation.

Alignment with national priorities

FIRE aligns with key national priorities expressed in the national policies of Uganda and Madagascar, all of which emphasize adaptation in agriculture, water security, and financial inclusion.[63] [64] [65]

[62] GEF (2022). *GEF Programming Strategy on Adaptation to Climate Change for the Least Developed Countries Fund and the Special Climate Change Fund for the GEF-8 Period Of July 1, 2022, To June 30, 2026 and Operational Improvements*. Available online: https://www.thegef.org/sites/default/files/documents/2022-06/EN_GEF.LDCF_.SCCF_.32.04.Rev_.01_GEF%20Programming_Strategy_Adaptation_Climate_Change_LDCF_SCCF_GEF8_July_2022_June%202026_Operational_Improvements.pdf

[63] UNEP (2023). *Uganda to Tackle Climate Crisis with National Adaptation Plan*. Available online: https://www.unep.org/gan/news/press-release/uganda-tackle-climate-crisis-national-adaptation-plan

[64] UNFCCC (2021). *National Adaptation Plan of Madagascar*. Available online: https://unfccc.int/documents/488094

[65] Climate Change Laws (2021) *National Climate Change Response Strategy 2021-2026*. Available online: https://climate-laws.org/document/national-climate-change-response-strategy-2021-2026_6154

Uganda

In Uganda, there is a wide array of relevant climate change and economic national strategies, many of which are currently being consolidated into a more cohesive national framework. The project's aims are closely tied to Ugandan national strategies and the country's priorities, including the following frameworks:

- Uganda's National Adaptation Plan (NAP), launched in 2023 with support from UNEP and the Green Climate Fund, aims to shift from project-based interventions to a coordinated, long-term adaptation strategy.[66] The NAP emphasizes building a shared national understanding of climate scenarios, conducting district-level climate risk assessments, and strengthening institutional capacity for adaptation planning. The project's focus on climate vulnerability assessment and local-level resilience will support these objectives.
- Uganda's National Climate Change Policy (NCCP), approved in 2015, is the country's primary climate policy framework.[67] It prioritizes reducing vulnerability to climate impacts, addressing extreme weather, building resilience across the economy, and setting up institutional mechanisms to coordinate the national climate response. These objectives strongly align with the project's efforts to increase resilience among MFIs and borrowers, improve access to adaptation finance, and integrate climate risk into financial systems.
- Uganda Vision 2040 is a national development strategy that envisions a transition from a subsistence to a modern, prosperous society.[68] Vision 2040 identifies the need for greater investment in adaptation and mitigation, especially through private sector engagement, an area where the Kiva project directly contributes.
- The Ugandan Green Growth Development Strategy (UGGDS) promotes inclusive green growth, income and livelihood enhancement, resource efficiency, and climate-smart development.[69]
- The Parish Development Model (PDM) is a 2022 strategy that aims to bring subsistence households into the formal economy by decentralizing planning and funding to the parish level.[70] By broadening access to climate-smart financial products and working through community-level lending partners, the project supports the core goals of the PDM: increased household incomes, food security, and local ownership of development solutions.

Madagascar

In Madagascar, the project is well aligned with the country's National Climate Change Adaptation Plan (2021), which serves as its primary framework for adaptation.[71] The plan sets out three overarching

[66] UNEP (2023). *Uganda to Tackle Climate Crisis with National Adaptation Plan*. Available online: https://www.unep.org/gan/news/press-release/uganda-tackle-climate-crisis-national-adaptation-plan

[67] Ministry of the Environment and Water (Uganda) (2015). *National Climate Change Policy.* Available online: https://www.mwe.go.ug/sites/default/files/library/National%20Climate%20Change%20Policy%20April%202015%20final.pdf

[68] Green Policy Platform (2007). *Vision 2040*. Available online: https://www.greenpolicyplatform.org/sites/default/files/downloads/policy-database/UGANDA)%20Vision%202040.pdf

[69] Global Green Growth Institute (2017). *Uganda's GGDS*. Available online; https://gggi.org/wp-content/uploads/2019/03/Uganda-Green-Growth-Development-Strategy-20171204.pdf

[70] Ministry of Gender, Labour, and Social Development (2022). *Simplified guide on the Parish Development Model*. Available online; https://www.kamuli.go.ug/sites/files/The%20Parish%20Development%20Model%20-%20Revised%20Simplified%20Guide-April%202022.pdf

[71] UNFCCC (2021). *National Adaptation Plan of Madagascar*. Available online: https://unfccc.int/documents/488094

priorities: strengthening governance for adaptation, implementing sectoral programs, and financing adaptation actions. It outlines specific goals that closely mirror the aims of the Kiva project such as enhancing the resilience of rural populations and the agricultural sector (especially in the drought-prone south), building climate-resilient livelihoods in the fisheries sector, and supporting innovation and technological uptake to achieve adaptation outcomes. By expanding access to financial tools that enable adoption of resilient practices and technologies, the project supports both rural and sectoral resilience priorities. Its borrower-led, bottom-up design also complements the Plan's emphasis on localized, need-driven interventions.

D. Policy requirements

Gender Equality and Women's Empowerment*:

We confirm that gender dimensions relevant to the project have been addressed during Project Preparation as per GEF Policy and are clearly articulated in the Project Description (Section B).
☒ Yes ☐ No (If –and only if— NO is selected, a pop-up field should open for the Agency to provide an explanation)

1)Does the project expect to include any gender-responsive-measures to address gender gaps or promote gender equality and women's empowerment?
☒ Yes ☐ No

If the project expects to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment, please indicate in which results area(s) the project is expected to contribute to gender equality:

☐ closing gender gaps in access to and control over natural resources;
☒ improving women's participation and decision-making; and/or
☒ generating socio-economic benefits or services for women.

2)Does the project's results framework or logical framework include gender-sensitive indicators?
☒ Yes ☐ No ☐ tbd

Stakeholder Engagement*

We confirm that key stakeholders were consulted during Project Preparation as required per GEF policy, their relevant roles to project outcomes has been clearly articulated in the Project Description (Section B) and that a Stakeholder Engagement Plan has been developed before CEO endorsement.
☒ Yes ☐ No (If –and only if— NO is selected, a pop-up field should open for the Agency to provide an explanation)

Select what role civil society will play in the project:
Consulted only; ☐ Yes ☒ No
Member of Advisory Body; Contractor; ☒ Yes ☐ No
Co-financier; ☐ Yes ☒ No
Member of project steering committee or equivalent decision-making body; ☒ Yes ☐ No
Executor or co-executor; ☐ Yes ☒ No
Other (Please explain) ☐ Yes ☐ No

Private Sector

Will there be private sector engagement in the project?
☒ Yes ☐ No

And if so, has its role been described and justified in the section B project description?
☒ Yes ☐ No

Environmental and Social Safeguards

We confirm that we have provided information regarding Environmental and Social risks associated with the proposed project or program, including risk screenings/ assessments and, if applicable, management plans or other measures to address identified risks and impacts (this information should be presented in Annex E).
☒ Yes ☐ No (If –and only if— NO is selected, a pop-up field should open for the Agency to provide an explanation)

Please provide overall Project/Program Risk Classification

Overall Project/Program Risk Classification*

PIF	CEO Endorsement/Approval	MTR	TE
	Low		

E. Other requirements

Knowledge management*

We confirm that an approach to Knowledge Management and Learning has been clearly described during Project Preparation in the Project Description and that these activities have been budgeted.
☒ Yes

Please see GEF/C.48/07/Rev.01, GEF Knowledge Management Approach, June 2015, for guidance on what this should include.

Socio-economic Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate and how these benefits translate in supporting the achievement of global environmental benefits (GEF Trust Fund) or adaptation benefits (LDCF, SCCF). This section identifies the direct beneficiaries from the project. (500 words maximum)

FIRE will deliver substantial socioeconomic benefits at both national and local levels by increasing access to climate-adaptive finance for vulnerable populations in Uganda and Madagascar. At the local level, FIRE enables a range of borrowers, including smallholder farmers, women-led enterprises, and informal workers, who are often excluded from formal financial systems to access tailored financial products such as microloans, insurance, and savings products. These products will be co-developed with borrowers to support locally relevant adaptation practices, including climate-resilient agriculture, clean energy, and diversified livelihoods. Enhanced access to finance supports communities to invest in adaptation strategies that increase their income stability, reduce exposure to climate shocks, and improve food and water security.

At the national level, FIRE strengthens the capacity of selected Kiva Lending Partners, to assess and manage climate risks. Through technical assistance from the project, MFIs will be better equipped to integrate climate risk management into their portfolios and sustain lending during and after climate shocks. This strengthens the financial ecosystem's resilience and supports broader economic stability in the face of increasing climate volatility.

These socioeconomic benefits directly support adaptation by increasing financial inclusion in high-risk areas, thereby breaking the cycle of exclusion and vulnerability. Borrowers equipped with financial tools and climate knowledge are better able to anticipate, absorb, and recover from climate shocks, leading to greater long-term resilience. MFIs that are more resilient can maintain service continuity in crises, ensuring that capital continues to flow to the most vulnerable when it is most needed.

The direct beneficiaries of the project include:

- At least 3572 borrowers, 40% of whom will be women, will co-develop and adopt climate adaptation strategies financed by new or improved loan products. These borrowers will benefit from increased awareness of climate risks and improved capacity to implement adaptive measures; and
- At least three Kiva Lending Partners, who will receive technical assistance to develop and deliver climate-smart financial products, and to integrate climate risk into portfolio management.

We confirm that the project design has considered socio-economic benefits to be delivered by the project and these have been clearly described in the Project Description and will be monitored and reported on during project implementation (at MTR and TER).

☒ Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in $)			
					GEF Project Grant (a)	GEF Project Non-Grant (for NGI only) (b)	Agency Fee (c)	Total GEF Financing (a+b+c)
WWF-US	LDCF	regional	CCA	LDCF-2	1,601,376		144,124	1,745,500
Total GEF Resources								**1,745,500**

Project Preparation Grant (PPG)

Is Project Preparation Grant requested? ☒ Yes ☐ No

If yes[72]: fill in PPG table (incl. PPG fee)

GEF Agency	Trust Fund	Country/ Regional/Global	Focal Area	Programming of Funds	(in $)		
					PPG	Agency Fee	Total PPG Funding
					50,000	4,500	54,500
Total PPG Amount							**54,500**

Sources of Funds for Country STAR Allocation

GFEF Agency	Trust Fund	Country/ Regional/Global	Focal Area	Source of Funds	Total
Total GEF Resources					

Focal Area Elements

Programming Directions	Trust Fund	(in $)	
		GEF Project Financing	Co-financing
LDCF-2	LDCF	1,601,376	$2,481,857
Total Project Cost		**1,601,376**	**$2,481,857**

Confirmed Co-financing for the project, by name and type

Please include evidence for each co-financing source for this project in the tab of the portal

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount ($)
Kiva	Kiva	In-kind	Recurrent Expenditure	$2,481,857
Total Co-financing				$2,481,857

Please describe the investment mobilized portion of the co-financing

[72] *Note: Make this into a "pop-up" which appears only if PPG was selected, and if amount requested is above limits, they have to justify it*

ANNEX B: ENDORSEMENTS

Name of GEF Agency Coordinator	GEF Agency Coordinator Contact Information
Renae Stenhouse	Renae.Stenhouse@wwfus.org
Name of Agency Project Coordinator	**Agency Project Coordinator Contact Information**
Heike Lingertat	Heike.Lingertat@wwfus.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name of GEF OFP	Position	Ministry	Date *(MM/dd/yyyy)*
Patrick Ocailap	Deputy Secretary to the Treasury / GEF Operational Focal Point	Ministry of Finance, Planning, and Economic Development (Uganda)	08/12/2025
Dr Hery A. Rokotondravony	GEF Operational Focal Point	Ministere de l'Environnement et du Developpement Durable	08/13/2025
Signature			
<<additional fields to be added for regional projects or global projects with on the ground investments>>			

NGIs do not require a Letter of Endorsement if beneficiaries are: i) exclusively private sector actors, or ii) public sector entities in more than one country. However, for NGI projects please confirm that the agency has informed the OFP of the project to be submitted for Council Approval ☐ YES

Compilation of Letters of Endorsement
Please attach the Operational Focal Point endorsement letter(s) in this Annex. For SGP, use the SGP OFP endorsement letter format. For regional and global projects (as appropriate): please include a compilation of the signed LOEs in <u>one</u> PDF file in this annex.

REPOBLIKAN'I MADAGASIKARA
Fitiavana - Tanindrazana - Fandrosoana

MINISTERE DE L'ENVIRONNEMENT
ET DU DEVELOPPEMENT DURABLE

Antananarivo, 13 August 2025

Dr Hery A. Rakotondravony
GEF Operational Focal Point

To

Renae Stenhouse
World Wildlife Fund GEF Agency
1250 24th St NW, Washington, DC 20037

No. 18 /2025/MEDD/Mi/GEF OFP.

Subject: **Endorsement for Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation.**

Dear M. Stenhouse,

In my capacity as GEF Operational Focal Point for Madagascar, I confirm that the above project proposal (a) is in accordance with my government's national priorities and our commitment to the relevant global environmental conventions; and (b) was discussed with relevant stakeholders, including the global environmental convention focal points.

I am pleased to endorse the preparation of the above project proposal with the support of World Wildlife Fund (WWF-US Chapter) as GEF Implementing Agency. If approved, the preparation of the proposal will be supported by and the project executed by Kiva[1]. I request the GEF Implementing Agency to provide a copy of the project document before it is submitted to the GEF Secretariat for CEO Endorsement / Approval.

The total financing from the LDCF being requested for this project is US$1,800,000, inclusive of project preparation grant (PPG), and Agency fees for project cycle management services associated with the total GEF Project Financing. The financing requested for Madagascar (Tanzania and Uganda) is detailed in the table below.

Source of Funds	GEF Agency	Focal Area Source	Amount (in US$)				
			GEF Project Financing	GEF Project Financing Agency Fee	Project Preparation Grant (PPG)	Project Preparation Grant (PPG) Agency Fee	Total
LDCF (Adaptation Challenge Fund)	WWF-US	CC	1,601,376	144,124	50,000	4,500	1,800,000
Total GEF Resources			**1,601,376**	**144,124**	**50,000**	**4,500**	**1,800,000**

Antananarivo, 13 AOUT 2025

Dr Hery A. RAKOTONDRAVONY

[1] Subject to the capacity assessment carried out by the GEF Implementing Agency, as appropriate.

BP 3948 Rue Toto RADOLA, Antsahavola, Antananarivo 101, http://www.environnement.mg

o
Telephone : 256 41 4341305/230487
Fax : 256 41 4233524
Email : finance@finance.go.ug
Website : www.finance.go.ug
Plot No. 2-8 Apollo Kaggwa Road
In any correspondence on
ThissubjectpleasequoteNo. DARC 204/244/01

Ministry of Finance,
Planning & Economic
Development,
P.O Box 8147
Kampala, Uganda

12th August, 2025

Renae Stenhouse,
World Wildlife Fund GEF Agency,
1250 24th St NW,
WASHINGTON, DC 20037.

ENDORSEMENT LETTER FOR "EXPANDING FINANCIAL INCLUSION AND RESILIENCE: LEVERAGING RISK-TOLERANT CROWDFUNDED CAPITAL FOR INNOVATIVE CLIMATE ADAPTATION"

In my capacity as GEF Operational Focal Point for Uganda, I confirm that the above project proposal

a) Is in accordance with my government's national priorities including, if available, the priorities identified in the National Adaptation Plan of Action and/ or the National Capacity Self-Assessment, and our commitment to the relevant global environmental convention;

b) Was discussed with relevant stakeholders, including the global environmental convention focal points.

I am pleased to endorse the preparation of the above project proposal with the support of the GEF Implementing Agency listed below. If approved, the preparation of the proposal will be supported by and the project executed by Kiva[1]. I request the GEF Implementing Agency to provide a copy of the project document before it is submitted to the GEF Secretarariat for CEO endorsement/Approval.

The total financing from the LDCF being requested for this project is US$1,800,000, inclusive of project preparation grant (PPG), if any, and Agency fees for project cycle management services associated with the total GEF Project Financing. The financing requested for Uganda, Tanzania, and Madagascar is detailed in the table below.

[1] Subject to the capacity assessment carried out by the GEF Implementing Agency, as appropriate.

Mission
"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"

Source of Funds	GEF Agency	Focal Area Source	Amount (in US$)				
			GEF Project Financing	GEF Project Financing Agency Fee	Project Preparation Grant (PPG)	Project Preparation Grant (PPG) Agency Fee	Total
LDCF (Adaptation Challenge Fund)	WWF-US	CC	1,601,376	144,124	50,000	4,500	1,800,000
Total GEF Resources			**1,601,376**	**144,124**	**50,000**	**4,500**	**1,800,000**

Patrick Ocailap
DEPUTY SECRETARY TO THE TREASURY/GEF OPERATIONAL FOCAL POINT

Copy to: Convention Focal Point, UNFCCC
Country Manager, World Wildlife Fund Uganda

ANNEX C: PROJECT RESULTS FRAMEWORK*

Please indicate the page number in the Project Document where the project results and M&E frameworks can be found. Please also paste below the Project Results Framework from the Agency document.

Definitions for the Results Framework:

Term	Definitions
Financial inclusion	The provision and accessibility of affordable, appropriate financial services to individuals and businesses, particularly those underserved by traditional financial institutions.
Risk-tolerant	Willing to accept higher levels of uncertainty or potential loss in pursuit of impact, particularly in early-stage, unproven, or innovative contexts.
Crowdfunded capital	Financial resources raised from a large number of individual contributors who each invest small amounts to collectively support a project or cause.
Climate adaptation	The process of adjusting systems, practices, and behaviors to minimize the harmful effects of climate change and take advantage of potential opportunities.
Climate smart	Designed to address climate-related risks by integrating climate resilience and adaptation considerations into the financial products.
Kiva Lending Partners	Financial Service Providers that offer products such as savings, insurance, and adaptation loans to borrowers. Kiva channels financing to borrowers through these Lending Partners, who can also access Kiva funding to develop new financial products.
Borrowers	Individuals, businesses, or organizations that receive funds from Kiva Lending Partners with the obligation to repay the amount under agreed terms.
Solutions	Practical measures or approaches that help individuals or communities adapt to climate impacts and strengthen their resilience, such as improved farming practices, water management, diversified livelihood options, or access to climate-responsive finance.
Increased resilience	Enhanced ability to anticipate, withstand, and adapt to climate-related shocks or stresses.
Capital	Financial resources such as funds or assets used to support investment, operations, or growth.
Climate crisis	The urgent and escalating global challenge caused by climate change, characterized by increasingly severe weather events, environmental degradation, and social and economic impacts that threaten ecosystems, livelihoods, and human well-being.
Knowledge products	Tangible or digital resources, such as toolkits, presentations, or case studies, designed to capture, share, and apply knowledge for informed decision-making and action.

The broader ecosystem	The wider network of microfinance institutions, stakeholders, and supporting entities globally that influence financial inclusion for individual borrowers.
Adaptive project management	A flexible and iterative approach to managing projects that emphasizes continuous learning, feedback, and adjustments to improve effectiveness and respond to changing conditions.
Monitoring and evaluation system	A structured framework for tracking progress, assessing performance, and measuring the impact of the project in line with WWF-GEF Agency requirements.

RESULTS FRAMEWORK PRODOC – Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation

Objective/Outcome	Indicator / unit (LDCF Core Indicators)	Method/ source	Frequency	Responsible	Disaggregation	Baseline	YR1	YR2	YR3
Project Objective: To strengthen climate resilience of vulnerable communities by increasing their access to risk-tolerant, crowdfunded finance for climate adaptation	1.2 Number of direct beneficiaries with diversified and strengthened livelihoods and sources of income (sex disaggregated)[73]	Review of Kiva Lending Partners' lending activity, i.e. number of borrowers accessing financial products from Lending Partners involved in project	Close	Kiva	Men and women	0 (no borrowers have accessed financial products from Lending Partners involved in project			3,572 borrowers that have accessed financial products from Lending Partners involved in project, of which 40% are women[74]
	3.5 Number of institutions with increased capacity to plan, implement, monitor, and report for climate adaptation	Survey of Kiva Lending Partners that received technical assistance from the project. Gender of survey participants will be captured. Number of respondents saying that their ability to decrease risk in their portfolios has 'somewhat increased', or 'significantly increased' due to project support.	Close	Kiva		Survey to be administered to Lending Partners at the beginning of project implementation to understand Lending Partners' capacity to decrease climate risks in their portfolios.			3 Lending Partner institutions (number of survey respondents indicating increased capacity to decrease climate risks in their portfolios)

[73] For this project, Kiva interprets this indicator to be borrowers accessing financial products from Lending Partners involved in project.
[74] The target number of borrowers was estimated by the amount lent by Lending Partners in 2025 divided by average loan size (i.e. Uganda: $1,000,000 / $636 = 1,572 borrowers; Madagascar: $500,000 / $250 = 2,000 borrowers).

	4: Number of people trained or with awareness raised	Number of Kiva Lending Partner personnel members that received training from the project through technical assistance, workshops, and advisory support to strengthen institutional capacity for climate-smart lending.	Close	Kiv a	Men and wo men	0 (no Lending Partner personnel members have been trained by the project)			45 personnel members, of which 18 (40%) are women.[75]
Outcome 1.1: Improved climate smart financial products for Kiva Lending Partners and improved access for borrowers to new financial tools to combat climate risks, and finance to implement interventions that diversify and enhance their livelihoods, increasing their resilience to climate change.	3.8 Number of climate risk and vulnerability assessments conducted (Climate Compass surveys completed by Lending Partners).	Review of Climate Compass survey results	Close	Kiv a	N/A	9 Kiva Lending Partners have completed the climate compass during the project proposal period	9 Kiva Lending Partners in the target countries completed the Climate Compass survey		
	Number of climate-smart financial products developed or improved by Kiva Lending Partners as a result of project activities	Review of Kiva Lending Partners' climate-smart financial products	Close	Kiv a	N/A	0 (no existing climate-smart financial products as a result of project activities)			3 financial products, at least one per country
Outcome 2.1: Borrowers have a better understanding of climate impacts on their livelihoods, and solutions which increase their resilience to climate change	3.8 Number of climate risk and vulnerability assessments conducted (Interviews or surveys of borrowers aimed at understanding borrowers' vulnerabilities to climate change)	Conduct key informant interviews using the Climate Crowd tool, analysis of data, presentation of data back to communities, and consultation to develop a pipeline of finance-ready projects Gender of survey participants will be captured.	Close	Kiv a	Men and wo men	0 (no borrowers have been engaged by the project)	500 borrowers surveyed and/or interviewed, of which at least 40% will be women. 250 borrowers engaged to develop finance-ready projects, of which at least 40% will be women.		

[75] An estimated 45 Lending Partner personnel members will be trained through technical assistance, workshops, and advisory support to strengthen institutional capacity for climate-smart lending. This figure was determined based on a conservative estimate of 15 staff per Lending Partner trained, including loan officers, risk teams, and managers. There are three participating Lending Partners, bringing the target to 45 personnel, of which 18 (40%) will be women.

Objective/Outcome	Indicator / unit (LDCF Core Indicators)	Method/ source	Frequency	Responsible	Disaggregation	Baseline	YR1	YR2	YR3
Outcome 3.1: Lending Partners have increased resilience to deploy capital even in climate crisis.	Number of climate crisis support loans	Review of climate crisis support loan	Close	Kiva	N/A	0 (no existing climate crisis support loan being disbursed by Kiva Lending Partners as a result of project activities)			1 climate crisis support loan developed
	Number of toolkits of lessons and best practices for MFIs to decrease the climate risks of their whole portfolio and continue providing finance to high-risk communities	Review of toolkit	Close	Kiva	N/A	0 (no existing toolkit)			1 toolkit developed and shared with MFIs
Outcome 4.1: Knowledge products inform future climate adaptation initiatives undertaken by lending partners and the broader ecosystem.	Number of knowledge products with best practices, lessons learned, and guidance aimed at supporting MFIs in increasing climate resilience published and disseminated	Review of knowledge products	Close	Kiva	N/A	0 (no existing knowledge products developed by the project)	1 press release		1 webinar 1 report with project lessons and case studies
M&E plan implemented for adaptive management	Number of Executing Agency (EA) planning meetings or workshops held where M&E data (including RF indicators) were discussed and used for adapting the annual workplan and budget	Summaries of EA planning meetings and workshops and adapted workplans and budgets sent to the PSC	Annual	Kiva/ M&E Officer	N/A	No planning meetings or workshops held	1 EA planning meeting/workshop where M&E data was discussed and used for adapting annual workplan and budget	1 EA planning meeting/ workshop where M&E data was discussed and used for adapting annual workplan and budget	1 EA planning meeting/workshop where M&E data was discussed and used for adapting annual workplan and budget

Annex D: Status Of Utilization Of Project Preparation Grant (PPG)

Provide detailed funding amount of the PPG activities financing status in the table below:

Project Preparation Activities Implemented	*GETF/LDCF/SCCF Amount ($)*		
	Budgeted Amount	***Amount Spent To date***	***Amount Committed***
International Consultancies (drafting the project document, safeguards, gender)	50,000	50,000	
Total	**50,000**	**50,000**	

ANNEX E: PROJECT MAP AND COORDINATES*

Please provide geo-referenced information and map where the project interventions will take place.

The Location Name, Latitude and Longitude are required fields insofar as an Agency chooses to enter a project location under the set format. The Geo Name ID is required in instances where the location is not exact, such as in the case of a city, as opposed to the exact site of a physical infrastructure. The Location & Activity Description fields are optional. Project longitude and latitude must follow the Decimal Degrees WGS84 format and Agencies are encouraged to use at least four decimal points for greater accuracy. Users may add as many locations as appropriate. Web mapping applications such as OpenStreetMap or GeoNames use this format. Consider using a conversion tool as needed, such as: https://coordinates-converter.com Please see the Geocoding User Guide by clicking here.

Geo Name ID *Required field if the location is not an exact site*	**Location Name** *Required field*	**Latitude** *Required field*	**Longitude** *Required field*	**Location Description** *Optional text field*	**Activity Description** *Optional text field*
Madagascar		18.7669° S	46.8691° E		
Uganda		1.3733° N	32.2903° E		

Please provide any further geo-referenced information and map where project interventions are taking place as appropriate.

ANNEX F: BUDGET TABLE

Please upload the budget table here*

Please explain any aspects of the budget as needed here

ANNEX G: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

Attach agency safeguard screening/assessment report(s), including ratings of risk types and overall project/program risk classification as well as any management plans or measures to address identified risks and impacts.

WWF Environmental and Social Safeguards Prescreen for PIF Stage Submissions

Please provide indicative answers based on potential sites and project activities. This screen provides an initial review of potential social and environmental impacts based on available information. ESSF categorization and findings are subject to revision and refinement as further details become available in ProDoc development.

Project Information

Project Title	Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation
Country	Global, multi-country with countries to be determined during PPG phase
Partner Agencies	Kiva Microfunds
Total Project Cost	$1,800,000

Project Overview

The project aims to expand financial inclusion and resilience by leveraging risk-tolerant, crowdfunded capital to support innovative climate adaptation initiatives for vulnerable populations. It addresses the pressing need to build climate resilience among communities historically underserved by traditional finance, including smallholder farmers, women entrepreneurs, and refugees. This project aligns with global goals for climate adaptation and inclusive development and supports the transformation of microfinance institutions (MFIs) into climate-smart lenders.

The project consists of five components:

Component 1: Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.
This component focuses on strengthening the ability of MFIs to respond to climate risks and develop tailored financial products that address the specific needs of vulnerable communities. Through tools such as the Climate Compass—Kiva's climate vulnerability assessment tool—partners will be equipped to evaluate their climate-related risks and identify appropriate adaptation strategies. Outputs under this component include the development and deployment of Climate Compass, targeted technical assistance, and the design and roll-out of new climate-smart loan products.

Component 2: Increase resilience to climate change at the borrower level
To complement institutional efforts, this component centers on empowering communities to understand and respond to climate-related challenges. Borrowers will participate in identifying local vulnerabilities and co-developing adaptation interventions. The component will also increase access to financial tools such as microloans, savings, and insurance to support climate-resilient livelihoods. Key

outcomes include improved financial literacy around climate adaptation, greater adoption of climate-smart practices, and diversified income streams for participating households.

Component 3: Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.
This component aims to leverage Kiva's risk-tolerant capital to transform MFI lending portfolios at scale. By funding innovative products and de-risking climate adaptation investments, Kiva will support MFIs in continuing to deploy capital during a climate crisis. Kiva will also work to provide Lending Partners with the tools and information they need to understand how to make their portfolios more resilient. Outputs include the creation of a climate crisis support loan and the development of a best-practices toolkit for MFIs.

Component 4: Knowledge Management and Communications
This component ensures the continuous learning and dissemination of lessons learned throughout the project. Kiva will develop and share knowledge products such as case studies, webinars, and information on best practices with Lending Partners and the broader ecosystem to inform future climate adaptation initiatives.

Component 5: Monitoring and Evaluation
To ensure accountability and continuous improvement, Component 5 will establish a robust M&E system to track progress and facilitate adaptive management. The M&E system will comply with WWF-GEF M&E requirements and will facilitate adaptive management of the project.

Project Activities

Component 1: Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.

- Stakeholder engagement: Engage MFIs through consultations and workshops to understand their capacity needs.
- Climate Compass development and deployment: Design, test, and launch the Climate Compass climate vulnerability assessment tool tailored for MFIs and social enterprises. This tool will help institutions evaluate climate risks, identify gaps, and prioritize actions.
- MFI capacity building: Deliver structured training sessions, workshops, and one-on-one coaching to MFIs on using the Climate Compass and developing climate-resilient business strategies.
- Product co-development: Collaborate with MFIs to design and pilot new climate-smart financial products aligned with borrower climate needs and local contexts.

Component 2: Increase resilience to climate change at the borrower level

- Vulnerability assessment at the community level: Identify climate-related risks and adaptation needs through participatory assessments with borrower communities in target countries.
- Adaptation co-design with communities: Facilitate co-development workshops between MFIs, borrowers, and technical partners (e.g., WWF) to design locally relevant climate adaptation interventions.
- Capacity building at the borrower-level: Support borrowers in accessing financial tools and implementing interventions that diversify and enhance their livelihoods.

Component 3: Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.

- Design of climate crisis support loan: Develop and operationalize an emergency loan mechanism that MFIs can access during climate shocks to maintain liquidity and service continuity for vulnerable borrowers.
- Toolkit development: Create a best-practices toolkit for MFIs that includes strategies, case studies, and actionable guidance for reducing portfolio-level climate risk while serving vulnerable populations.

Component 4: Knowledge Management and Communications

- Development of knowledge products: Produce and disseminate a series of outputs—including reports, case studies, webinars, and policy briefs—highlighting lessons learned during project implementation.
- Communications strategy execution: Share project outcomes across Kiva's global network and broader financial inclusion community via online platforms, events, and strategic partnerships.

Project Site(s)

This project proposes a multi-country approach, targeting implementation and capacity building for existing partners within Kiva's network and across WWF's areas of expertise and capacity. Specific countries will be chosen during the project development stage based on a structured selection process. Countries currently under consideration with strategic opportunities for this project's implementation include Uganda and Madagascar.

While the project will work with MFIs in the designated geographies, the project focuses on non-geographic specific activities such as capacity building, developing and deploying financial products, and knowledge management.

Fragile, Conflict, Violent State

[Yes/**No**; High Intensity Conflict/Medium Intensity Conflict/High Institutional and Social Fragility]

Excluded Activities

Weapons and Munitions	No
Military Activities	No
Activities involving forms of forced labour/child labour	No
Procurement/use of formulated products in the WHO Classes IA, IB or II	No
Procurement/use of pesticides & other chemicals specified as persistent organic pollutants under the Stockholm Convention	No
Conversion or degradation of critical natural habitats	No
Introduction of species known to be invasive into the new environment	No

Category C Activities

[Will project activities be limited to Category C activities? If yes, explain.]

Policy reform – N/A
Natural resource assessments and monitoring – N/A
Monitoring and evaluation exercises – Yes Component 5 of the project focuses on Monitoring & Evaluation in line with GEF reporting requirements.
Desk studies, workshops, meetings - Yes The project includes desk studies, workshops, and meetings to guide the development and implementation of climate-resilient financial products. As part of Component 1, Kiva will conduct desk-based research and consultations to inform the development of the Climate Compass—a diagnostic tool to assess their Lending Partners' needs, issues, interests, and vulnerability to climate related risks. Under Component 2, project partners will conduct desk-based research and facilitate consultations and workshops to identify climate vulnerabilities at the borrower-level and co-design adaptation interventions.
Scientific research and field surveys – N/A
Research and extension in agriculture, forestry, fisheries and natural resource management – N/A
Remote sensing and geospatial analysis – N/A
Capacity development, communication and outreach programs, including training - Yes Under Component 1, Kiva will deliver targeted training programs and technical assistance to MFIs to strengthen their ability to assess climate risks and develop climate-smart financial products. As part of Component 2, the project will conduct outreach to borrowers to identify climate vulnerabilities and their capacity needs. Kiva will develop a toolkit of learnings and best practices for MFIs to decrease the climate risks in their portfolios. The project will also develop knowledge products such as webinars, case studies, and reports to disseminate best practices and lessons learned.
Are the activities mentioned in this section the only activities the project will undertake? Yes

Cross-Cutting Principles

Human Rights (Including relevant history of Human Rights Violations impacting the project, threats to access to state services, activities that undermine rightsholders, or actions that would prevent representative participation including from the most vulnerable)	There is no relevant history of Human Rights Violations impacting the project since the project has a multi-country approach and will be limited to Category C activities.	[Concern Y/N]
Gender Equity (Including potential negative impacts on rights and treatment of women and girls, threat of	Women represent about 70% of global microfinance clients[1] and are therefore more likely to be affected by project outcomes. The project will complete a Gender Analysis and Action Plan to avoid and mitigate any	[Concern Y/N]

Gender-based Violence and Sexual Exploitation and Abuse)	potential negative impacts on the rights and treatment of women and girls or the threat of Gender-based Violence and Sexual Exploitation and Abuse. The Gender Action Plan will guide the mainstreaming of gender equality in all activities of the project including ensuring that communication, education materials are gender sensitive and that there is gender equity in consultations, representation and participation in project meetings and workshops.	
Children's Rights (Including potential negative impacts on children and adolescents in potentially affected communities)	No children or adolescents will be included in or directly affected by the project activities.	[Concern Y/N]
Conflict Sensitivity (Are there existing conflicts in the landscape/site? Could project activities worsen conflict, insight violence, or create new conflicts within communities?)	The project is limited to Category C activities and is therefore not expected to worsen conflict, insight violence, or create new conflicts within communities. The project will ensure any conflicts or concerns that may arise from the project stakeholders are proactively managed through the stakeholder engagement plan and the project grievance mechanism.	[Concern Y/N]
Climate Change (Have potential impacts from climate change been considered?)	The project seeks to address potential climate impacts on borrowers' livelihoods and increase their resilience to climate change. While climate impacts may influence the loan products offered by Kiva Lending Partners through this initiative, the project's success will be measured by improvements in borrower resilience rather than direct environmental outcomes. This focus ensures that the project remains achievable, even in the face of extreme weather events. Project activities are mostly contained to desk studies, workshops, and meetings. In the event of extreme weather events, in-person activities (workshops, meetings, presentations, etc.) will be moved online or rescheduled.	[Concern Y/N]

ESSF Substantive Standards

Involuntary Resettlement and Restriction of Access (Are there project activities that could lead directly or indirectly to involuntary resettlement? Will project activities lead to restriction of access to natural	There are no project activities that could directly or indirectly lead to involuntary resettlement. The project will not restrict access to natural resources or economic displacement within communities.	[Concern Y/N]

resources or economic displacement within communities?		
Indigenous Peoples (Are there indigenous communities present in or proximate to potential project sites? Please identify these indigenous groups and explain if any are uncontacted peoples. Describe any potential negative impacts to Indigenous Peoples including, but not limited to, restriction of access.)	The project will not target to work with the Indigenous Peoples and tribal groups in the participating countries and therefore it is not anticipated that their collective rights will not be impacted by the project activities. This is a category C project and the SEP will provide the details and the levels of consultation and engagement with the participating community stakeholders.	[Concern Y/N]
Community Health and Security (Please describe any potential adverse impacts on communities including, but not limited to, increased potential for human wildlife conflict, risk of introduction of disease, water contamination, and support for law enforcement that could lead to abuse)	Because project activities are limited to capacity development, training, desk studies, workshops, and meetings, there is no risk of adverse impacts on communities.	[Concern Y/N]
Natural Habitats (Are there any potential environmental impacts not limited to but especially from construction, small scale infrastructure, and promotion of economic activities?)	There are no potential environmental impacts on natural habitats since project activities are limited to capacity development, training, desk studies, workshops, and meetings.	[Concern Y/N]
Pest Management (Will this project include the purchasing, procurement, or use of pesticides or other relevant chemicals?)	The project will not purchase, procure, or use pesticides or any chemicals.	[Concern Y/N]
Cultural Resources (Do project risk impacting physical cultural resources? Does the project potentially impact intangible cultural resources? Could the project exploit cultural resources of potential project affected	The project does not risk impacting physical or intangible cultural resources since there will be no field-based activities.	[Concern Y/N]

peoples for commercial or other purposes?)		

Summary Findings

Potentially Triggered Standards	
Involuntary Resettlement and Restriction of Access	**No**
Indigenous Peoples	**No**
Community Health and Security	**No**
Natural Habitats	**No**
Pest Management	**No**
Cultural Resources	**No**

Indicative Categorization	
Special Considerations	
Category A	
Category B	
Category C	**Yes**

Prepared by:

Edmond Odaba, Senior Program Officer, WWF-US	21 July 2025
Heike Lingertat, Director, WWF GEF Agency	

WWF Environmental and Social Safeguards Categorization Memorandum

<table>
<tr><td>Project Title: Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation</td><td>Date: 4th Sept. 2025</td></tr>
<tr><td>Project Location and salient physical characteristics relevant to the safeguard analysis:

Communities in climate-affected regions increasingly face exposure to climate hazards such as droughts, floods, and erratic rainfall, which raises credit risks and weakens their ability to access or repay financial services. As a result, financial institutions are retreating from lending and hesitating to expand operations into high-risk, underserved areas. This poses a threat to both the stability of microfinance institutions (MFIs) and the livelihoods of 1.4 billion financially excluded adults.2 Financial Inclusion and Resilience Expansion (FIRE) seeks to address these challenges in Uganda, Tanzania, and Madagascar by innovating the use of risk-tolerant crowdfunded capital to increase financial inclusion and support climate adaptation and resilience.

Communities in Uganda and Madagascar are increasingly vulnerable to the accelerating impacts of climate change. Projections indicate that under high-emission scenarios, the frequency and intensity of extreme events such as droughts, heatwaves, and floods could rise by 20–50% by 2050.3 These shifts are already evident in East Africa, where a growing number of regions are facing destructive cycles of drought and flash flooding. The resulting environmental instability is disrupting agriculture, livelihoods, and the broader sustainability of local economies.</td><td>Project Categorization (A,B,C): C</td></tr>
<tr><td colspan="2">Project Description:

Key expected outcomes include strengthened resilience of financial institutions, increased access to climate-adaptive financial services, improved borrower capacity for risk management, and scaling up of adaptation-focused lending. Sharing findings and knowledge to the wider MFI network will also aim to support a wider shift within the micro-finance sector. The project will have 303 direct beneficiaries (300 borrowers and 3 MFIs). FIRE will support at least 300 borrowers, of which at least 30% will be women, to develop climate adaptation interventions. Beneficiaries also include at least three Kiva Lending Partners who will receive technical support to build their capacity to decrease climate risk in their portfolios and continue lending in the climate crisis.

Component 1 - Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.
This component focuses on strengthening the capacity of selected Kiva Lending Partners to assess, manage, and respond to climate-related risks. It introduces tools and technical assistance to enable the development and delivery of new financial products that support borrowers in implementing climate adaptation strategies. The development of appropriate financial products paired with technical assistance is expected to improve institutional and borrower resilience in the long-term. Financial Inclusion and Resilience Expansion (FIRE). Success of this outcome will be determined by a survey administered to Lending Partners that have received technical assistance from the project. The project aims to have at least three Lending Partners indicate in the survey that they have increased capacity to decrease climate risks in their portfolios.

Component 2 - Increase resilience to climate change at the borrower level
This Component aims to strengthen the adaptive capacity of borrowers (selected Lending Partners' clients) by increasing their understanding of climate risks and supporting the adoption of context-specific adaptation strategies. Interventions will be co-developed with borrowers and the project team and supported by appropriate financing mechanisms. The expected outcome is to build borrower awareness of climate threats and enhance their capacity to respond effectively. Through participatory vulnerability assessments and the co-design of adaptation solutions, borrowers will be empowered to implement practical strategies for building resilience. This may include shifts in agricultural practices, energy use, water management, or livelihood diversification, supported by relevant financial</td></tr>
</table>

WWF Environmental and Social Safeguards Categorization Memorandum

products. Success and the expected outcome of this component will be determined by a survey administered to borrowers that have co-developed adaptation interventions with the project. The project aims to have at least 600 borrowers indicate in the survey that they have increased awareness of and likelihood of adopting climate adaptation interventions. The potential long-term impacts of this outcome include strengthened long-term livelihood resilience and reduced vulnerability for smallholders, improved stability of rural economies, and enhanced ecosystem protection and sustainable resource use through borrower-led practices.

Component 3 - Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.
This component leverages Kiva's risk-tolerant capital to support broader deployment of climate-smart lending. It aims to strengthen Lending Partner resilience during periods of climate stress and to institutionalize climate adaptation across MFI portfolios. The expected outcome under this component is that the Lending Partners can continue to operate and serve borrowers during and after climate shocks. By deploying flexible, risk-absorbing capital and developing crisis support products, FIRE will help stabilize institutional operations and maintain financial flows to vulnerable borrowers. It will also create a platform for longer-term integration of climate resilience into lending practices

Component 4 - Knowledge Management and Communications
The final component supports the development and dissemination of knowledge products to enable replication and broader sectoral change. It focuses on documenting lessons, sharing experiences, and influencing financial institutions and adaptation policy across the region. The expected outcome for this component is to capture and share practical insights, case studies, and tools to the project will contribute to more informed climate adaptation efforts across the microfinance and development finance sectors, leading to integrated climate risk management and expanded resilient, inclusive lending across MFIs' portfolios. Successful models of microfinance lending in areas with high climate risk could also increase investment in adaptation finance in the long-term

Safeguard Policies Triggered	**Yes**	**No**
Environment and Social Risk Management	**Yes**	
Natural Habitats		**No**
Pest Management		**No**
Indigenous Peoples		**No**
Involuntary Resettlement		**No**

Summary of Key Safeguard Issues:
Component 1: Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.

Under this component, the following activities will be implemented

- Stakeholder engagement: Engage MFIs through consultations and workshops to understand their capacity needs.
- Climate Compass development and deployment: Design, test, and launch the Climate Compass climate vulnerability assessment tool tailored for MFIs and social enterprises. This tool will help institutions evaluate climate risks, identify gaps, and prioritize actions.
- MFI capacity building: Deliver structured training sessions, workshops, and one-on-one coaching to MFIs on using the Climate Compass and developing climate-resilient business strategies.

WWF Environmental and Social Safeguards Categorization Memorandum

- Product co-development: Collaborate with MFIs to design and pilot new climate-smart financial products aligned with borrower climate needs and local contexts.

These activities are considered to have low risk for environmental and social impact without any on ground activities. Key safeguards and gender equality issues related to this component are ensuring social inclusion and effective stakeholder engagement in all the activities under this component. A GRM system will be critical in ensuring that the stakeholders have a access to a grievance and redress mechanism

Component 2: Increase resilience to climate change at the borrower level
Under this component, the following activities will be implemented

- Vulnerability assessment at the community level: Identify climate-related risks and adaptation needs through participatory assessments with borrower communities in target countries.
- Adaptation co-design with communities: Facilitate co-development workshops between MFIs, borrowers, and technical partners (e.g., WWF) to design locally relevant climate adaptation interventions.
- Capacity building at the borrower-level: Support borrowers in accessing financial tools and implementing interventions that diversify and enhance their livelihoods.

The stakeholder engagements under this component will need to be socially inclusive and the governance structures for the project will be transparent and accountable in line with the requirements in the SEP and the GAP and a GRM to receive, process and address complaints from the stakeholders will be required

Component 3: Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.
Under this component, the following activities will be implemented

- Design of climate crisis support loan: Develop and operationalize an emergency loan mechanism that MFIs can access during climate shocks to maintain liquidity and service continuity for vulnerable borrowers.
- Toolkit development: Create a best-practices toolkit for MFIs that includes strategies, case studies, and actionable guidance for reducing portfolio-level climate risk while serving vulnerable populations.

The design of the loan facilities and the mechanisms for delivering the loan products to the communities, should be responsive to the needs and aspiration men and women and the vulnerable groups.

Component 4: Knowledge Management and Communications
Under this component, the following activities will be implemented

- Development of knowledge products: Produce and disseminate a series of outputs—including reports, case studies, webinars, and policy briefs—highlighting lessons learned during project implementation.
- Communications strategy execution: Share project outcomes across Kiva's global network and broader financial inclusion community via online platforms, events, and strategic partnerships.

The peer to peer exchanges and knowledge and learning related products and activities will need to be gender sensitive and respond to the needs of women and other marginalized groups such as IPLC, the persons with disabilities and the elderly.

Component 5: Monitoring and Evaluation
Under this component, the following activities will be implemented

- Monitoring and evaluation: Establish a comprehensive system for monitoring and evaluating project progress, including the preparation of regular progress reports, midterm evaluations, and a terminal evaluation.

Participatory monitoring and evaluation will be required to ensure that voices of the project stakeholders at different levels are heard and considered in the decision making. A GRM system will be critical in ensuring that the stakeholders have a access to a grievance and redress mechanism

Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

WWF Environmental and Social Safeguards Categorization Memorandum

<table>
<tr><td colspan="2">
The following are important safeguards that will need to be structured in the loan design and the loan products to ensure that the project does not cause any adverse impacts on the community. The SEP will have provisions on how to address them

The financial products should be made available following proper training and instruction to avoid the risk of exploitation. This is because a third of mobile money account holders in Sub-Saharan Africa struggle to use their mobile money account without help from a family member or an agent and women are 5% more likely to have trouble when using the mobile money services. This risk would be higher for women in vulnerable situations.
Women who realize improved livelihoods opportunities, a greater voice and better decision-making power, could experience “backlash” from their intimate partners as well as family and community members. Even though GBV is already inherent in these communities, the project will need to ensure that proper training and sensitization is provided to both men, women and the community or traditional leadership structures who are the custodian of culture
Defaulting on loans exposes borrowers to increased debt costs and potential loss of collateral. The risk for women is potentially higher here due to lower literacy rates. The project will need to ensure that the Lending Partners do not require collateral, but instead rely on group lending models to de-risk payment. In addition, Kiva will need to assess and continuously monitor client protection practices with each partner to help ensure that lending remains responsible and safeguards borrower well-being
Selection of beneficiaries for the loan products has the potential to cause conflicts. Conflict sensitivity should be a cross-cutting issue in all the project activities and the stakeholder engagement plan and the gender action should inform the development of the beneficiary engagement and selection plan

</td></tr>
<tr><td>
Required actions: (type of ESIA, ESMP, IPP, IPMP, RAP, consultations, disclosure)

Considering that this project will not be directly involved in place-based activities in the participating countries and that the activities to be carried out fall in the list of the those considered to be at low risk for environmental and social impacts, there is no need to develop an ESIA or ESMP or IPP or IPMP or RAP. However, the project will need to ensure the following
a) Develop a GAP and SEP that conforms with WWF and GEF requirements, including GBV/SEAH considerations.
b) The SEP will make special provision on how to engage with Indigenous Peoples and vulnerable groups incase they impacted by the project activities
c) Develop a grievance mechanism that conforms to the WWF and GEF requirements and is aligned with its Stakeholder Engagement Plan and the Gender Action Plan
</td><td>
Signed by: Edmond Odaba 10/20/2025
Edmond ODABA
Senior Programme Officer, Safeguards and Gender - WWF U

Signed by: Brent Nordstrom 10/20/2025
Brent Nordstrom,
VP, Conservation Program Management
WWF US
</td></tr>
</table>

ANNEX H: ENVIRONMENTAL AND SOCIAL SAFEGUARDS DOCUMENTS (ESMP, SEP, IPP, ETC.)

Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation (GEF Agency Project ID: G0071)

STAKEHOLDER ENGAGEMENT PLAN

August 22, 2025
GEF Agency: WWF US
Lead Executing Agency: Kiva

1. INTRODUCTION (1 PAGE)

The global climate crisis disproportionately affects vulnerable communities, who often rely on agriculture and have limited access to microfinance. Climate hazards, such as changing seasonality of rainfall, droughts, floods, and other extreme weather events, raise the credit risks of these communities. Vulnerable communities have fewer resources to recover from climate impacts and a greater need for financial services, especially in agriculture—a sector seen as high-risk by financial institutions.
Financial inclusion is fundamental for reducing vulnerability, enabling climate adaptation and building resilience, helping communities manage and recover from climate-related changes. Kiva Lending Partners, which are Financial Service Providers (FSPs) offer vital services like savings, insurance, and adaptation loans, acting as lifelines for risk management across various climate hazards. However, climate change poses significant challenges that threaten the stability and expansion of financial inclusion.
This project aims to expand financial inclusion and resilience by leveraging Kiva's risk-tolerant crowd-funded capital and capacity building for Lending Partners in Uganda and Madagascar to devise tailored climate adaptation strategies. Lending Partners will be selected amongst the Kiva Lending Partners in each country (see Appendix 1), and whomever is selected will determine the particular geographies and borrowers/communities involved. This project will be accomplished through five components.

Component 1: Strengthening Lending Partner Resilience and Capacity for Climate-Smart Financing
The first component will work at the Lending Partner level, increasing their resilience to climate change and capacity to provide climate-smart financing to borrowers. While Lending Partners possess the

systems and experience necessary to serve populations most exposed to climate risks, they often lack the tools and insights required to integrate climate adaptation into their financial offerings effectively. The objective of this component is to provide Lending Partners with a greater understanding of the strengths and weaknesses of their climate-smart practices and products, as well as borrower climate vulnerabilities, enabling the development of climate-smart financial products. To address this, Kiva will develop and deploy a climate assessment tool—referred to as the “Climate Compass”—that will enable Lending Partners to assess the strengths and weaknesses of their current climate-smart practices and products. This diagnostic tool will also help identify the climate vulnerabilities faced by their borrower communities. Through the Climate Compass, Lending Partners will gain actionable insights into their climate adaptation strategies, climate risk exposure, and specific capacity-building needs. These insights will inform the design and improvement of climate-smart financial products that increase borrowers’ resilience to climate shocks.

Component 2: Enhancing Borrower and Community Resilience to Climate Change
This component will strengthen borrower resilience by assessing climate vulnerability of borrowers, co-developing adaptation solutions, and improving access to climate-smart financial products. In partnership with Kiva, WWF will conduct climate vulnerability assessments and engage borrowers through surveys, workshops, and trainings to identify practical, locally appropriate solutions. Based on these insights, interventions will be implemented to diversify and strengthen livelihoods, supported by expanded access to financial products that enable investment in adaptation strategies and reduce climate vulnerability.

Component 3: Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts
Component three will focus on ensuring that MFIs do not lose access to funding or the ability to deploy capital because of a climate crisis, and providing the tools and information to MFIs to understand how to make their portfolios more resilient without stopping lending to high-risk populations. Kiva will improve financial resilience of MFIs through a climate crisis support loan that shores up institutions in the event of a climate shock to de-risk other commercial lenders. The project will also strengthen institutional capacity to manage climate risks through a toolkit of learnings and best practices for MFIs to decrease the climate risks of their whole portfolio. These learnings and best practices will come out of component one and two.

Components 4 & 5: Knowledge Management and Communications; Monitoring & Evaluation
Components four and five include plans for effective project communications, knowledge sharing and management, rigorous monitoring and evaluation to capture lessons learned, measure impact, and inform future climate resilience and adaptation strategies. This will be delivered via one webinar and one report with project lessons and case studies. Kiva Lending Partners that receive capacity building funds will be featured in case studies and invited to speak at the webinar to share learnings with the global Kiva Lending Partner network. They will benefit from this involvement through increased visibility and networking opportunities.

0. Regulations and Requirements (1/2 page)

WWF Standard on Stakeholder Engagement

The WWF GEF Agency requires all GEF projects comply with GEF and WWF standards on Stakeholder Engagement, specifically the WWF Standard on Stakeholder Engagement and the associated Procedures for Implementation of the Standard on Stakeholder Engagement. Stakeholder engagement is an overarching term that encompasses a range of activities and interactions with stakeholders throughout the project cycle and is an essential aspect of good project management.

The WWF Standard on Stakeholder Engagement requires the Executing Agency to engage stakeholders throughout the life of the project; communicate significant changes to project stakeholders and consult on potential risks and impacts; establish a grievance redress mechanism and register and respond to grievances throughout project execution, and; disseminate information in a way that is relevant, transparent, objective, meaningful, easily accessible. The Standard on Stakeholder Engagement promotes an inclusive process to support the development of strong, constructive and responsive relationships that help to identify and manage risks, and which encourage positive outcomes for stakeholders and project activities.

The project will also comply with any national government policies on stakeholder engagement.

0. PROJECT STAKEHOLDERS (2 PAGES)

Central Banks of Madagascar and Uganda

Central Banks that will be involved in this project include the Ministry of Finance's National Coordination of Microfinance (CNMF) in Madagascar, and The Uganda Microfinance Regulatory Authority (UMRA). They must be consulted in order to request approval to increase a Kiva credit line or introduce new loan products. Central Banks will likely be consulted in the second or third year of the project if the PMU wants to increase any partner credit lines for additional funding for new financial products and services developed by the project.

NGOs

The non-governmental organizations that have been identified as stakeholders in this project include the European Microfinance Platform (e-MFP) Green Inclusive and Climate Smart Finance Action Group, Mercy Corps, VisionFund International Climate SMART Project Team, Umoja Wildlife Conservancies of Uganda, WWF Uganda, WWF Madagascar, and WWF U.S. NGOs will be consulted given their expertise in subject matter and/or hired to provide capacity building support to Kiva Lending Partners or local communities involved in the project.

Indigenous Peoples and Local Communities

The project will work with local communities and microfinance customers affected by climate change in Uganda and Madagascar. These groups may overlap, but the project will intentionally work with both existing microfinance clients and communities that currently lack access to financial services, in order to expand financial inclusion for climate-affected populations. As direct beneficiaries, they are already experiencing the impacts of climate change and stand to gain from access to climate-smart financial products provided by MFI partners.

The project will conduct key informant interviews with at least 500 microfinance borrowers and community members who are most vulnerable to climate change. These interviews will capture their experiences with shifting weather patterns, the impacts on their livelihoods, the coping strategies they employ, and their resulting needs. Once the data has been analyzed, findings will be presented back to the communities, and finance-ready project ideas will be co-developed with at least 250 individuals.

To ensure inclusivity, the interviews and consultations will be conducted with a strong emphasis on gender balance, aiming for equal participation of men and women. Special effort will also be made to include marginalized groups. The one-on-one interview format further ensures that community members can speak openly and honestly about the challenges they face.

Women and Youth

Women and youth are key stakeholders and priority beneficiaries of the project, as they are disproportionately affected by climate change, financial exclusion, and livelihood insecurity in Uganda and Madagascar. Women account for a significant share of Kiva-supported borrowers and are often engaged in climate-sensitive livelihoods such as smallholder agriculture and micro-enterprises, while youth face heightened barriers to accessing finance, employment, and productive assets. The project will engage women and youth through gender-sensitive and participatory climate vulnerability assessments, co-development of adaptation interventions, and improved access to climate-smart financial products tailored to their needs and capacities. Kiva will encourage Lending Partners to actively include youth borrowers in surveys, consultations, and pilot activities, and to ensure that financial products developed under the project explicitly consider and address common barriers to youth access to finance, such as limited credit histories, collateral constraints, and lower financial literacy. Targeted technical assistance and borrower engagement activities will strengthen women's and youth's understanding of climate risks, support livelihood diversification, and enhance resilience, while measures within the Gender Action Plan will address structural barriers and mitigate risks such as gender-based backlash.

Private Sector

Private Sector Stakeholders include Kiva Lending Partners, which are FSPs, including Baobab+ Madagascar, Crédit Epargne Formation (CEFOR), Cycle Connect, EBO SACCO, FINCA Uganda, Mountain Harvest, Opportunity Bank Uganda, UGAFODE Microfinance, Vahatra, Victoria Finance Plc, and VisionFund Uganda. They are direct beneficiaries of the project as a Kiva Lending Partner that can offer new or improved climate smart loan products to climate affected communities/customers. Kiva will work with selected Kiva partners to implement the project by providing capacity building funds to create new climate smart loan products, improve existing ones, and/or reach new climate affected communities. They will also receive additional Kiva financing or lower cost Kiva financing for climate smart loan products.

0. SUMMARY OF ANY PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES (2-3 PAGES)

The project development team has engaged in a series of in-person and online (zoom and email) information sharing and consultation activities with a range of stakeholders throughout the project development phase, including Kiva Lending Partners. Those consultations that took place starting in May 2025 and the stakeholders involved are summarized below.

Initial one-to-one consultations and Climate Compass Assessments

A series of climate assessments were completed in May-June 2025 across 9 partner MFIs: Baobab+ Madagascar, CEFOR, Ebo Sacco, FINCA Uganda, Opportunity Bank Uganda, UGAFODE, Vahatra, Victoria Finance, and VisionFund Uganda. These assessments represent the first step toward equipping financial institutions with the tools and frameworks needed to respond to climate risks affecting their clients. Some of the Ugandan assessments were conducted in-person by a Kiva Investment Manager, while others were completed by the partners on their own after initial conversations with the Investment Manager explaining the purpose and process. Note that the Investment Manager was onsite with some partners to conduct Kiva's standard annual monitoring, which includes financial and impact monitoring.

The assessments provide baseline insights into each institution's current understanding of climate-related risks, existing products and practices supporting resilience, and priority areas for capacity building. This process has helped surface immediate needs, such as improved staff training on climate-smart finance, better climate data integration, and the development of tailored lending products for smallholder farmers.

This early engagement confirms strong partner interest in expanding climate-responsive services and highlights the opportunity for targeted investment and technical support to accelerate climate adaptation through inclusive finance. In the Climate Compass, all 9 potential Kiva Lending partners for this project indicated that they have climate-related priorities during the next year, and each provided multiple types of climate-related capacity-building support that would be useful.

Stakeholder Convening Event

Kiva and the World Wildlife Fund (WWF) co-hosted a workshop in Kampala, Uganda on June 12, 2025 that brought together Kiva Lending Partners and representatives from conservancies to explore pathways for strengthening climate resilience through inclusive finance. See list of attendees in Table 1. The workshop aimed to bridge the gap between financial service providers and conservation actors, surface operational and strategic barriers, and co-design solutions tailored to vulnerable communities living in and around conservancy lands.

It should be noted that MFI borrowers and local communities could not be included at the proposal stage, as they will only be identified once Kiva's Lending Partners have been selected and the project is underway. However, the project's core approach is to co-develop climate-smart loan products in collaboration with these borrowers and communities. In its initial phase, the project will engage them directly to assess their vulnerability to climate risks and capture their insights on the financial products that would best strengthen their resilience to climate change.

Key Findings and Themes

MFIs, including FINCA, Opportunity Bank Uganda, Vision Fund Uganda, Ebo SACCO, UGAFODE, confirmed that climate-related risks—especially rainfall variability, drought, and flooding—are already materially impacting their portfolios and client livelihoods. The sector is at an inflection point. While the risk of retreat from high-risk geographies or sectors remains, Kiva's partner MFIs are showing a commitment to adaptation over withdrawal. They are implementing cautious lending practices, driving product innovation (such as loans for renewable energy and irrigation), and piloting emerging tools like climate risk assessments and adaptation planning requirements for borrowers. However, to maintain and accelerate this adaptive approach, MFIs require targeted support. Dedicated technical assistance, concessional finance, and capacity-building are essential to help these institutions manage increased climate risks and continue to invest in vulnerable communities on the frontlines of climate change.

Several institutions have piloted crop insurance—with mixed success—underscoring challenges in uptake, accuracy of weather indices, and delays in claims disbursement. A recurring theme was the mismatch between conservation timelines (e.g., long-term ecotourism investments) and the short-term financial models of MFIs, which often depend on rapid loan turnover and scale.

Priority Actions Identified

- **Product Innovation:** Development of climate-smart financial products, including bundled insurance (crop, life, disability), adaptation-linked agricultural loans, and incentives for behavior change.
- **Capacity Building:** Staff and client training in climate resilience strategies, insurance literacy, and value chain transitions.
- **Data and Risk Management:** Investment in early warning systems, ESG tools, and benchmarking mechanisms to support risk-based underwriting and climate-smart lending.
- **Partnerships:** Strong interest in collaborations with organizations like Kiva, aBi Trust, and WWF to co-develop solutions and access subsidized capital and technical support.
- **Client-Centered Design:** Emphasis on understanding local decision-making processes and peer learning as key drivers of behavioral shifts among farmers.

Conclusion

The workshop illuminated both the readiness and constraints faced by financial service providers in integrating climate resilience into their operations. Addressing these barriers will require catalytic funding, cross-sector partnerships, and sustained investment in knowledge-sharing platforms. By aligning financial incentives with conservation and resilience goals, stakeholders can unlock new pathways for inclusive adaptation at scale.

Table 1: June 2025 Stakeholder Workshop Participants

Organization	First Name	Last Name	Title
Ebo Sacco	Joseph	Mugume	CEO
Ebo Sacco	Herbert	Rusa	GMP
FINCA Uganda	Irene	Mbusa	Ag.Channels Business Manager
FINCA Uganda	Abraham	Arimo	Program Associate
Kiva	Michelle	Schenck	Senior Grant Project Manager
Kiva	Kathy	Guis	Executive Vice President of Investments
Kiva	Beth	Kinyanjui	Impact Manager

Opportunity Bank Uganda	Amos	Bonna	Chief Relationship Officer
Opportunity Bank Uganda	Farooq	Ssekamatte	Agriculture and MicroFinance Manager
UGAFODE Microfinance	Keneth	Kisekka	Head of Risk
UGAFODE Microfinance	Phenehas	Kabwengye	Credit Analyst
Umoja Conservancies	Walter	Odokorwot	CEO
Umoja Conservancies	Gloria	Amito	Monitoring and Evaluation Officer
Rurambira Conservancy	Wycliff	Namanywa	Publicity Secretary
Vision Fund Uganda	Michael	Lugalambi	Credit Risk Manager
Vision Fund Uganda	Audrey	Byarugaba	Agriculture Specialist
WWF Uganda	Ivan	Tumuhimbise	Country Director
WWF Uganda	Benjamin	Ojelel Etubi	Project manager - Climate Change & NBS
WWF US	Nikhil	Advani	Senior Director, Wildlife and Climate Resilience

Validation Workshop

The project is intentionally partner-led, which means not all details can be defined during the proposal phase. Our first step is to identify the partners with the greatest potential to design and deliver effective solutions for their customers. Once selected, these partners will identify the borrowers and communities to engage. From there, Kiva will work collaboratively to understand the climate threats they face and co-develop appropriate financial solutions. Because the project is grounded in stakeholder engagement and local needs—rather than a predetermined approach from Kiva—it was not feasible to conduct a validation workshop prior to selecting both partners and borrowers.

For this reason, no validation workshop was held during project development. Only a small number of Kiva Lending Partners will ultimately participate, and those partners have not yet been determined. Given Kiva's long-term relationships with Lending Partners, introducing a project and associated funding before confirming participation could be premature and potentially damaging. That said, Lending Partners were actively engaged in the Stakeholder Convening Event described above, and the objectives of the validation workshop will be addressed during the inception workshop. By that stage, participating Lending Partners will have been selected and assured of their involvement in the project.

Potential Technical Assistance Providers

Stakeholder discussions with groups like 60 Decibels (an impact measurement company) and Spindle Design (a technical assistance provider) underscored the need for service providers who specialize in client insights and product development for base-of-the-pyramid markets. As MFIs seek to adapt, partnerships with such organizations will be important to ensure new financial products are designed around the real needs and preferences of low-income clients.

0. STAKEHOLDER ENGAGEMENT PLAN (2 PAGES)

Copy paste from ProDoc the participation explanation- who will participate in national hubs, summarize this information and include frequency of engagement

The purpose of this Stakeholder Engagement Plan is to ensure appropriate and consistent involvement of project stakeholders in every stage of the project implementation, supporting effective communication and working relationships. The Project Management Unit (PMU) will ensure that the views and inputs of stakeholders are taken into consideration throughout project implementation.

This project will bring together a diverse set of stakeholders to co-develop and deliver inclusive, climate-resilient financial solutions. Each plays a role in achieving the project's objectives and contributing to GEBs and adaptation benefits.

Kiva

Kiva is the central coordinating institution and crowdfunding platform. It provides lines of credit to vetted Lending Partners. These are typically MFIs who will operate in the target countries. Kiva's role will be to conduct due diligence on their lending partners and engaged MFIs. Due diligence will ensure partners meet standards for impact, financial performance, and legal compliance. Kiva's Lending Partners are also assigned a credit tier, which determines the amount of finance available.[1] Kiva will also work directly with lending partners to collaboratively develop climate-smart financial products and support institutional capacity building (Output 1.1.1 and Output 1.1.2). Finally, Kiva will take the leading role in coordinating lesson-sharing and knowledge dissemination (Output 4.1.1). By facilitating access to risk-tolerant capital, Kiva enables MFIs to innovate and scale products that support renewable energy access, water access, climate-smart agriculture, and livelihood diversification (Output 2.2.1 and Output 2.2.2). Therefore, directly contributing to emissions reductions and increased community resilience.

Lending partners

Private Sector Stakeholders include Kiva Lending Partners, which are FSPs, including Baobab+ Madagascar, Crédit Epargne Formation (CEFOR), Cycle Connect, EBO SACCO, FINCA Uganda, Mountain Harvest, Opportunity Bank Uganda, UGAFODE Microfinance, Vahatra, and VisionFund Uganda. They are direct beneficiaries of the project as a Kiva Lending Partner that can offer new or improved climate smart loan products to climate affected communities/customers. Kiva will work with selected Kiva partners to implement the project by utilizing the Climate Compass to assess their unique challenges and opportunities(Output 1.1.1), and then providing capacity building funds to create new climate smart loan products, improve existing ones, and/or reach new climate affected communities (Outputs 1.1.2 and Output 1.1.3). They will receive additional Kiva financing or lower cost Kiva financing for climate smart loan products. Kiva partners will also provide access to borrowers that will help identify climate vulnerabilities and co-develop adaptation interventions (Outputs 2.1.1 and 2.1.2). Kiva partners will be involved throughout the entire project as we will also gather lessons and best practices learned from them for the toolkit (Output 3.2.1).

Borrowers (end-users)

Borrowers are the primary beneficiaries. Borrowers will engage in need assessments with lending partners and WWF-US to co-identify climate risks and financial needs (Output 2.1.1). Adaptation strategies will be co-developed based on need and context, with examples such as agricultural technology, diversified livelihoods, or clean energy access (Output 2.1.2). Accessing and using climate-smart financial products

(Output 1.1.3) is the primary related outcome. By adopting climate-resilient practices and technologies, borrowers will contribute directly to ecosystem services, reduced emissions, and enhanced local climate resilience.

Indigenous Peoples and Local Communities

The project will work with selected local communities and microfinance customers affected by climate change in Uganda and Madagascar. Note that these could be two distinct groups given that the project will likely work with both existing microfinance customers and local communities that do not have access to microfinance products as the project aims to expand financial inclusion for climate affected communities. They are direct beneficiaries of the project as they are affected by climate change and could benefit from access to climate-smart financial products from MFI partners. They will be invited to participate in surveys or consultations to identify local climate hazards and co-develop new or improved financial product solutions (Output 2.1.1 and 2.1.2). From there, they may be involved in workshops or trainings on the new or improved financial products, and offered access to them.

Women and Youths

Women and youth are direct beneficiaries of the project as they are affected by climate change and could benefit from access to climate-smart financial products from MFI partners. They will be invited to participate in surveys or consultations to identify local climate hazards and co-develop new or improved financial product solutions (Output 2.1.1 and 2.1.2). From there, they may be involved in workshops or trainings on the new or improved financial products, and offered access to them.

WWF-US

WWF-US plays a technical and facilitative role in understanding local adaptation needs and shaping solutions. It will conduct participatory assessments of climate impacts and community needs, collaborate with MFIs to co-design tailored adaptation solutions, and ensure that the voices of vulnerable populations are integrated into financial product design (Outputs 2.1.1 and 2.1.2). WWF helps align financial solutions with environmental priorities and supports integration of nature-based approaches that protect ecosystems and enhance adaptive capacity.

Central Banks of Madagascar and Uganda

Ministries and Divisions within the two governments that will be involved in this project include the Ministry of Finance's National Coordination of Microfinance (CNMF) in Madagascar and The Uganda Microfinance Regulatory Authority (UMRA). They must be consulted in order to request approval to increase a Kiva credit line or introduce new loan products (Output 1.1.3 and 3.1.1). Kiva partners would contact the Central Banks directly and request approval for any new loan products or increases to their Kiva credit line.

NGOs

The non-governmental organizations that have been identified as stakeholders in this project include the European Microfinance Platform (e-MFP) Green Inclusive and Climate Smart Finance Action Group, Mercy Corps, VisionFund International Climate SMART Project Team, and Umoja Wildlife Conservancies of Uganda, WWF Uganda, WWF Madagascar, and WWF U.S. NGOs will be consulted given their expertise in subject matter and/or hired to provide capacity building support to Kiva Lending Partners or local communities involved in the project (Outputs 1.1.2, 2.1.1 and 2.1.2). These actors may be engaged to address specific risks or to provide technical or educational based support. This could be providing insurance and risk-sharing tools to support financial resilience, contributing technical expertise and community engagement, or implementing complementary activities. These organizations will extend the project's reach, helping integrate ecosystem services, insurance coverage, and knowledge-sharing that reinforce both adaptation and global environmental goals.

[1] Kiva (n.d.) *Due diligence for Lending Partner loans.* Available online: https://www.kiva.org/about/due-diligence/lending-partner-role

Stakeholder Type	Name (see Appendix 1 for detailed stakeholders)	Frequency of Engagement/ Project Years	Engagement During Project Implementation
Central Banks of Madagascar and Uganda	National Coordination of Microfinance (CNMF), Ministry of Finance	As needed	All Kiva Lending Partners already have regulatory approval from the relevant Central Bank for their Kiva credit lines. If the project seeks to increase any of the credit lines, the PMU would need to consult with the Central Banks.
	The Uganda Microfinance Regulatory Authority (UMRA)		
Communities and Indigenous People	Local communities affected by climate change in Uganda and Madagascar. Community selection is dependent on the MFIs and their overlap with conservation priorities in target countries. Note that they differ from the group below as they are not existing MFI customers and will likely be involved through WWF and other partners.	Ongoing	They are direct beneficiaries of the project as they are affected by climate change and could benefit from access to climate-smart financial products from MFI partners. They will be invited to participate in surveys or consultations to identify local climate hazards and co-develop new or improved financial product solutions. From there, they may be involved in workshops or trainings on the new or improved financial products, and offered access to them.
	Microfinance customers affected by climate change in Uganda and Madagascar		
Community Based Organizations	Umoja Wildlife Conservancies of Uganda	Ongoing	Working with communities to help understand their climate vulnerability, and helping to develop finance-ready interventions
	Fanamby Madagascar		
NGOs	European Microfinance Platform (e-MFP) Green Inclusive and Climate Smart Finance Action Groups	Ongoing	Consulting on climate-smart financial products development.
	VisionFund International Climate SMART Project Team	Ongoing	Consulting on crop insurance development.
	Mercy Corps	Ongoing	Potential TA provider
	WWF Uganda	Ongoing	Supporting stakeholder engagement, identifying target geographies, and
	WWF Madagascar		
	WWF US		

			sharing lessons learned from other thematically similar GEF projects. Working with communities to help understand their climate vulnerability, and helping to develop finance-ready interventions
Private Sector (Kiva Lending Partners / FSPs)	Baobab+ Madagascar Crédit Epargne Formation (CEFOR) Cycle Connect EBO SACCO FINCA UGANDA Mountain Harvest Opportunity Bank Uganda UGAFODE Microfinance Vahatra VisionFund Uganda	Ongoing	They are potential beneficiaries of the project as recipients of TA and Kiva support, and will also be intermediaries between Kiva and borrowers.
Ongoing GEF projects	WWF GEF LDCF project: Enhancing the Community and Ecosystem Resilience of Greater Virunga Landscape (GVL) and Lake Kyoga Basin through Nature-based and Clean Energy Solutions	Ongoing	Sharing information and lessons learned with each other based on similarities of projects.

The project places a strong emphasis on the equitable inclusion of women through specific strategies, such as integrating gender considerations into financial product development and ensuring at least 30% female participation in trainings, workshops, and product uptake. By engaging with women borrowers directly and consulting local gender-focused organizations, the project seeks to identify and address the unique barriers women face, including limited financial literacy, lower mobile phone access, and social norms that restrict participation. Additionally, the use of tools like Kiva's Gender Equity Assessment Rating (GEAR) will guide Financial Service Providers in tailoring their offerings and institutional practices to be more inclusive. The project has also identified potential risks such as gender-based violence or financial exploitation and will mitigate these risks by ensuring training accompanies financial access and by involving women in decision-making roles.

- Outline methods to receive feedback and to ensure ongoing communications with stakeholders (outside of a formal consultation meeting).

0. Resources and Responsibilities (1-2 paragraphs)

- Indicate who will be responsible for carrying out the stakeholder engagement activities.
- Specify the budget and other resources allocated toward these activities.

The WWF GEF Project Agency is responsible for oversight. The lead Executing Agency is responsible for executing the Stakeholder Engagement Plan and overall compliance with the WWF Standard on Stakeholder Engagement.

The EA (Kiva) leads the GEF Project Execution in close coordination with the Project Committee (PC). The EA also Leads the engagement of stakeholders throughout the project via the Stakeholder Engagement Plan (SEP), thus being responsible for the overall compliance with the WWF Standard on Stakeholder Engagement. The EA will ensure that stakeholders' views and inputs will be taken into consideration as early as possible and throughout implementation of the project. As the EA, the Kiva will also ensure that the information disclosed, the format, language, and methods used to communicate the information will be tailored to each stakeholder group. Furthermore, the EA oversees all aspects of the project, including both managerial and technical dimensions. It is accountable for ensuring the project's successful implementation and leads the subject integration under the finance for nature positive framework.

The Project Steering Committee will be compromised by the GEF Agency, Kiva, WWF-US and WWF Uganda, WWF Madagascar, one Kiva Lending Partner from Uganda, and one Kiva Lending Partner from Madagascar. The PSC will oversee the deliverables and overall project management.

0. Grievances Mechanism (2-3 paragraphs)

The grievance redress mechanism is designed to enable the receipt of complaints of affected women and men and public concerns regarding the environmental and social performance of the project. In short, the aim of the mechanism is to provide people fearing, or suffering, adverse impacts with the opportunity to be heard and assisted. It is designed to address the concerns of the community(ies) with a particular project, identify the root causes of the conflicts, and find options for the resolution of grievances. Therefore, it is an essential tool to foster good cooperation with project stakeholders and ensure adequate delivery of previously agreed-upon results.

This mechanism is designed to:

- Address potential breaches of WWF’s policies and procedures;
- Be independent, transparent, and effective;
- Be accessible to project-affected people;
- Keep complainants abreast of progress of cases brought forward; and
- Maintain records on all cases and issues brought forward for review.

The PMU will be responsible for informing project-affected parties about the grievance mechanisms. Contact information of the staff member responsible for the grievance mechanism in the PMU will be made publicly available.

WWF GEF Agency Grievance Mechanism

Project-affected communities and other interested stakeholders may raise a grievance at any time to the WWF GEF Agency. Contact information of the WWF GEF Agency will be made publicly available.

A grievance can be filed with the Project Complaints Officer (PCO), a WWF staff member fully independent from the WWF GEF Agency, who is responsible for the WWF Accountability and Grievance Mechanism and who can be reached at: Email: SafeguardsComplaint@wwfus.org.

Mailing address:
Project Complaints Officer Safeguards Complaints,
World Wildlife Fund
1250 24th Street NW
Washington, DC 20037

Complaints may be submitted in the Affected Party's native language and should include the following information:

- Complainant's name and contact information;
- If not filed directly by the complainant, proof that those representing the affected people have authority to do so;
- The specific project or program of concern;
- The harm that is or may be resulting from the project;
- The relevant Environmental and Social Safeguards policy or provision (if known);
- Any other relevant information or documents;
- Any actions taken so far to resolve the problem, including contacting WWF;
- Proposed solutions; and
- Whether confidentiality is requested (stating reasons).

The PCO will respond within 10 business days of receipt, and claims will be filed and included in project monitoring.

Stakeholders may also submit a complaint online or over the phone through an independent third-party platform at https://secure.ethicspoint.com/domain/media/en/gui/59041/index.html or https://report.whistleb.com/en/wwf.

Erika to update this section with phone numbers for each country

0. Monitoring and Reporting (1-2 paragraphs)

Progress against the Stakeholder Engagement Plan will be monitored and reported on throughout implementation.

The following comprises the monitoring and reporting activities to be undertaken with respect to stakeholder engagement **by the PMU**:

- The SEP will be periodically reviewed and updated as necessary at an annual Reflection Workshop. The review will ensure that the list of project stakeholders and methods of engagement remain appropriate.
- Activities related to stakeholder engagement will be documented and reported by the PMU every 6 months in a Project Progress Report (as part of regular reporting). The project Results Framework and Annual Work Plan and Budget will track beneficiaries of the project and activities related to the Stakeholder Engagement Plan.
- Stakeholder Engagement activities and progress will be monitored through the following indicators [select relevant indicators]:

- GEF Core Indicator 11: Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment
- Indicator SEP 1: Number of government agencies, civil society organizations, private sector, indigenous peoples and other stakeholder groups that have been involved in the project implementation phase on an annual basis
- Indicator SEP 2: Number persons (sex disaggregated) that have been involved in project implementation phase (on an annual basis)
- Indicator SEP 3: Number of engagements (e.g. meeting, workshops, consultations) with stakeholders during the project implementation phase (on an annual basis)

Stakeholder Engagement will be evaluated by **independent consultants** recruited for the project midterm (if a full-sized project) and terminal evaluation.

The **WWF GEF Agency** will undertake annual supervision missions to ensure compliance, and report on progress against the Stakeholder Engagement Plan annually to the GEF through Project Implementation Reports.

APPENDIX 1: STAKEHOLDER ANALYSIS

Stakeholder Type	Stakeholder Name	Interest/Involvement in the Project	Project Effect on Stakeholder / Stakeholder Influence on the Project
Central Banks of Madagascar and Uganda	National Coordination of Microfinance (CNMF), Ministry of Finance, Madagascar The Uganda Microfinance Regulatory Authority (UMRA)	To be consulted in order to request approval to increase Kiva credit lines.	All Kiva Lending Partners already have regulatory approval from the relevant Central Bank for their Kiva credit lines. If the project want to increase any of the credit lines, the PMU would need to consult with the Central Banks.
Communities and Indigenous People	Local communities affected by climate change in Uganda and Madagascar Note that they differ from the group below as they are not existing MFI customers and will likely be involved through WWF.	Direct beneficiaries of the project as they are affected by climate change and could benefit from access to climate-smart financial products from MFI partners. They will be invited to participate in surveys or consultations to identify local climate hazards and discuss new or improved financial product solutions. From there, they may be involved in workshops or trainings on the new or improved financial products, and offered access to them.	Project effect: potential to benefit from increased climate resilience and access to new or improved financial products. Influence on project: input is vital to understand impact of climate change locally and solutions from a client centric perspective.

Stakeholder Type	Stakeholder Name	Interest/Involvement in the Project	Project Effect on Stakeholder / Stakeholder Influence on the Project
		The project will employ a gender-sensitive approach for all community consultations.	
	Microfinance customers affected by climate change in Uganda and Madagascar	Direct beneficiaries of the project as they are affected by climate change and already accessing financial products from MFI partners. They will be invited to participate in surveys or consultations to identify local climate hazards and discuss new or improved financial product solutions. From there, they may be involved in workshops or trainings on the new or improved financial products, and offered access to it. The project will employ a gender-sensitive approach for all community consultations.	Project effect: potential to benefit from increased climate resilience and access to new or improved financial products. Influence on project: their input is vital to understand impact of climate change locally and solutions from a client centric perspective.
Private Sector (Kiva Lending Partners / FSPs)	Baobab+ Madagascar Crédit Epargne Formation (CEFOR) Cycle Connect EBO SACCO FINCA UGANDA Mountain Harvest Opportunity Bank Uganda UGAFODE Microfinance Vahatra VisionFund Uganda	Direct beneficiary of the project as a Kiva Lending Partner that can offer new or improved climate smart loan products to climate affected communities/customers. Kiva will work with selected Kiva partners to implement the project by providing capacity building funds to create new climate smart loan products, improve existing ones, and/or reach new climate affected communities. They will also receive additional Kiva financing or lower cost Kiva financing for climate smart loan products.	Project effects/benefits: - Climate Compass assessment that helps institutions evaluate climate risks, identify gaps, and prioritize actions - Capacity building project to develop climate-resilient business strategies and new or improved loan products Influence on project: their willingness to invest in climate resilience and create/improve and offer climate-smart loan products and services for customers is vital to the success of the project. They will also have influence as an intermediary betweenKiva borrowers, so they'll be crucial in providing borrower data and connecting Kiva or TA providers with borrowers for consultations.
NGOs	European Microfinance Platform (e-MFP)	The e-MFP Green Inclusive and Climate Smart Finance Action Group	Influence or advise on what climate-smart financial

Stakeholder Type	Stakeholder Name	Interest/Involvement in the Project	Project Effect on Stakeholder / Stakeholder Influence on the Project
	Green Inclusive and Climate Smart Finance Action Groups	has expertise in Green Financial & Non-financial Products & Services.	products the project co-develops with MFI partners.
	Just Sustainability Transitions Institute (JuST Institute)	JuST Institute has expertise in catalyzing market development towards Climate, Biodiversity, and Inclusive Finance, producing state of the art methods and providing products & services to mainstream investments & capacity building.	Potential capacity building provider
	Mercy Corps	Mercy Corps has expertise in building local capacity and promoting sustainable change. They are currently conducting a capacity building project with VisionFund Uganda - a market assessment for their agricultural portfolio, which could show potential gaps and opportunities that they could further support.	Potential capacity building provider
	Spindle Design	Spindle Design has expertise in developing innovative solutions for financial inclusion through human-centered design.	Potential capacity building provider
	VisionFund International Climate SMART Project Team	VisionFund's Climate Team has expertise in crop insurance and is currently building a product for VisionFund. There is potential to collaborate and support this initiative.	Advice on what climate-smart financial products, and specifically crop insurance, the project co-develops with MFI partners
	WWF Uganda, Madagascar and U.S.	WWF has expertise in conservation and working with local communities to understand the impacts of climate change and co-develop solutions.	Supporting proposal development, for example, can provide data on climate threats to local communities from Climate Crowd work.
	Umoja Wildlife Conservancies of Uganda	Umoja supports 18 community conservancies in Uganda. Umoja will identify suitable beneficiaries within their network, work to understand their climate vulnerability, and help develop lending proposals to the MFIs.	Supporting borrower resilience component and capacity building provider
GEF Multilaterals	WWF GEF LDCF project: Enhancing the Community and Ecosystem Resilience of Greater Virunga	The WWF GEF LDCF project is working to build resilience to climate change in Uganda similar to our GEF project.	Sharing of information on climate threats and potential interventions due to similar project focused

Stakeholder Type	Stakeholder Name	Interest/Involvement in the Project	Project Effect on Stakeholder / Stakeholder Influence on the Project
	Landscape (GVL) and Lake Kyoga Basin through Nature-based and Clean Energy Solutions		on climate resilience in Uganda.
	UNDP GEF project: Enhancing the adaptation capacities and resilience to climate change in rural communities in Analamanga, Atsinanana, Androy, Anosy and Atsimo Andrefana in Madagascar.	This UNDP GEF project is working to build community resilience in Madagascar similar to our GEF project.	Sharing of information on climate threats and potential interventions due to similar project focus on climate resilience in Madagascar.

APPENDIX 2: SYSTEMATIC DOCUMENTATION OF STAKEHOLDER CONSULTATIONS

Date	Description of Consultation	Venue	Objective of the Consultation	Summary of Meeting Outcomes	Participants
	[e.g. inception workshop, community consultation workshop, etc.)				
Feb 20, 2025	In-person meeting with GEF NBT project lead	In-person meeting at Kiva Nairobi office	To better understand GEF proposal development and learnings from the NBT project	To stay in touch as proposal develops and consider any opportunities for collaboration	Michelle Schenck, Kiva, Senior Grant Project Manager; Rachel Lewis, Kiva, Senior Director of Impact Investments; Nikhil Advani, WWF U.S., Senior Director Wildlife and Climate Resilience
April 24, 2025	Meeting with GEF LCDF project lead	Zoom call	To introduce projects and assess opportunities to learn from each other and collaborate	Will connect again once Kiva project is more fully developed to share learnings and	Michelle Schenck, Kiva, Senior Grant Project Manager; Yonah Turinayo, WWF International, Coordinator -

				opportunities to collaborate or introduce partners	Energy, Climate and Extractives Programme
May 5-9, 2025	Meetings with Kiva Lending Partners	Partner offices	To introduce and/or complete Kiva's new climate assessment tool, discuss where they're at in terms of thinking about climate resilience, and invite to upcoming climate workshop and discuss	See detailed summary in Section 4 above	Kiva Lending Partner senior leaders, Kiva Investment Manager
June 11, 2025	Meeting with Spindle Design	Zoom call	To learn about what they offer in terms of product development for climate-smart loan products.	Human centered design approach + work across all GEF countries, so potential research projects	Rachel Lewis, Kiva, Senior Director of Investments; Maureen Macharia, CEO, Spindle Design
June 12, 2025	Uganda Climate Workshop	Four Points by Sheraton Kampala, Uganda	To meet with potential project partners and representatives of local communities	See detailed summary in Section 4 above	Kiva, WWF US, WWF Uganda, Umoja Wildlife Conservancies of Uganda, Ugandan MFIs
July 7, 2025	Meeting with WWF Uganda Director	Zoom call	To discuss WWF Uganda's perspective on best opportunity for this project to have impact in Uganda	To stay in touch as proposal develops and consider any opportunities for collaboration	Michelle Schenck, Kiva; Ivan Tumuhimbise, WWF Uganda Country Director
July 17, 2025	Meeting with JuST Institute	Zoom call	To learn about their previous GEF project and discuss what they offer in terms of product development for climate-smart loan products.	Shared information on what they offer and plan to have follow-up call as the project progresses.	Michelle Schenck, Kiva; Rachel Lewis, Kiva; Davide Forcella, JuST Institute Director

ANNEX I: GENDER ANALYSIS/ GENDER ACTION PLAN

Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation (GEF ID)

GENDER MAINSTREAMING ACTION PLAN

17 October 2025

GEF Agency: WWF US

Lead Executing Agency: Kiva

1. **Brief Project introduction, its main goal and objectives:**

The overall objective of the project is to strengthen climate resilience of vulnerable communities by increasing their access to risk-tolerant, crowdfunded finance for climate adaptation. The project will operate in Uganda and Madagascar. The project's objective will be achieved through building the resilience and capacity of Kiva's Lending Partners, building climate resilience of borrowers through increased financial inclusion, and catalyzing the inclusiveness and effectiveness of additional MFI portfolios through technical assistance. Knowledge and experience generated over the course of the project will be shared with Lending Partners and the broader sector with a view to supporting future climate adaptation initiatives.

The project's operations range from the borrower level through to sector-wide engagement. Component 1 focuses on supporting Lending Partners to build resilience to climate change and capacity to provide climate-smart financing to borrowers. Kiva's Climate Compass tool will be utilized to better understand Lending Partners' climate adaptation strategies and their knowledge of risk. Following this analysis, climate-smart financial products will be co-developed tailored to specific contexts. Kiva will also de-risk portfolios by providing access to capital for Lending Partners. The broader scale objectives of the project will be fulfilled through strengthening institutional resilience to climate risks through risk understanding and knowledge sharing. By disseminating knowledge across the sector, the project aims to catalyze a broader shift to further improve financial inclusion as an innovative climate adaptation. The Kiva Lending Partners under consideration for FIRE support are listed in the table below, along with data on the number of female employees at each MFI, including representation in executive roles and on boards. In all cases, these proportions fall below the global average, highlighting the need to strengthen gender equality within these institutions.

Table 1: Kiva Lending Partners in the target countries' female employees and board members

Kiva Lending Partner	% of female employees	% of female board members	Reporting Period End Date
Uganda MFI #1	51%	33%	12/2024
Uganda MFI #2	54%	43%	12/2023
Uganda MFI #3	60%	40%	12/2021
Uganda MFI #4	54%	40%	12/2024
Uganda MFI #5	39%	29%	12/2023
Madagascar MFI #1	34%	40%	12/2023
Madagascar MFI #2	30%	0%	12/2023
Madagascar MFI #3	58%	40%	12/2023

At the borrower level, project activities are clustered under Component 2: increasing resilience to climate change at the borrower level. Kiva will assess the climate vulnerability of borrowers, providing a clearer understanding of context and risk through surveys and workshops. Kiva will use surveys conducted by 60 Decibels to understand the impact of microfinance on its selected Lending Partners' customers. Kiva will also assess communities in the target countries through the WWF's Climate Crowd tool to assess how climate change affects livelihoods, natural resources, agricultural practices, wildlife, and weather patterns. Surveys and workshops will capture the gender of participants and ensure that women's opinions are collected and used to inform project activities. Adaptation interventions will then be identified and co-developed with borrowers, the financing of which will be developed through cooperation with MFIs.

The project's target countries, Uganda and Madagascar are highly vulnerable to climate change and its associated environmental and socioeconomic impacts. They are found to have some of the highest 'human vulnerability index' (an index combining several metrics to provide an indication of vulnerability) scores on the continent.[1] By expanding financial inclusion and facilitating climate adaptation, the project will operate within an area that is repeatedly highlighted in research and national policies as being critically important to reducing the vulnerability of rural communities.[2] [3] [4] [5] The expansion of financial inclusion allows more people to access financial instruments and invest in their livelihoods. These investments can facilitate the preparation for, response to, and recovery from climate-related shocks, therefore reducing climate vulnerability.[6]

Increased financial inclusion could benefit women and the marginalized groups across the target countries. The project's target groups include rural households, which are disproportionately vulnerable to climate related shocks.[7] 70-80% of rural households in the target countries are involved in subsistence and/or small-holder agriculture, where women contribute 60-80% of the labor for farm activities in East Africa.[8] As women contribute most of the labor for household agriculture, they will stand to benefit from potential investments which improve the security of agricultural output. Women are also disproportionately represented across other sectors which would benefit from increased financial inclusion.

Women are highly engaged in entrepreneurial activities across the target countries. Africa achieves the highest rates of female entrepreneurial activity globally, with an estimated 24% of women engaged in business ventures.[9] In Uganda, while women own around 30% of businesses, female owned businesses are on average smaller and less profitable than those owned by men.[10] Difficulties in accessing suitable financial products is an area that's highlighted as preventing equitable business opportunities. Kiva is already a leader in working towards gender equity, with 80% of its loans (globally) provided to female clients.[11] The distribution of loans to females within the project's target countries is provided in Table 2. These proportions are lower than the global average, indicative of a more challenging environment for gender equality.

Table 2: Kiva's distribution of loans to female clients in the target countries

Kiva Lending Partner	Percentage of female recipients	Data collection date
Uganda MFI #1	30%	12.2024
Uganda MFI #2	43%	12.2023
Uganda MFI #3	41%	12.2021
Uganda MFI #4	34%	12.2024
Uganda MFI #5	57%	12.2023
Madagascar MFI #1	70%	12.2023
Madagascar MFI #2	50%	12.2023
Madagascar MFI #3	84%	12.2023

This project will build on this history of successful engagement to utilize similar gender equality and social inclusion strategies for new financial products. Many of these strategies are based around information and data obtained through Kiva's holistic gender lens rating tool, which can be used by FSPs and other industry stakeholders to assess how an organization considers gender across its operations.

Through the tool, Kiva aims to provide the financial services industry with a quantitative way to holistically assess the gendered impact of organizations. The results of the analysis provided by the tool can be used to initiate dialogues that drive gender and social inclusion-forward transformation, reform company policies related to women's leadership, shift power and resources into the hands of women around the world, and ultimately advance gender equity.

The desired gender impacts of the project are:

- Financial products are made available to women and the marginalized groups who were previously financially excluded
- Financial products offered to women improve agency and financial decision-making abilities
- Engagement of women improves their business confidence
- Kiva Lending Partners are trained on improving gender and social inclusivity in their lending activities
- Trainings are provided to female borrowers in a variety of subject areas such as budgeting, business innovation, goal setting, and agricultural skills

2. General gender equality and social inclusion conditions in the Project country/countries or region:

Introduction

The project will operate in a region of high gender disparities in education rates, literacy, economic opportunity, financial inclusion, and the 'hidden burden' of cultural expectations around domestic tasks and childcare.[12] Within the project's target countries, rural areas in particular (the focus of this project's actions) are often found to have higher rates of gender disparity when research is available (see country profiles below for country-specific statistics). The average gender pay-gap across the region is 21%,[13] and the labor force participation gap is around 12%.[14] Gender-based violence is also a very concerning and prevalent issue in all the target countries as shown in the country-specific profiles below.

This section uses the following metrics to build a picture of gender inequality in the three target countries.

- Education completion rates - These refer to primary (up to 11 years), secondary (11 to 18), and tertiary (university) levels. The completion rate is used as opposed to the attendance rate.
- Literacy rates.
- Metrics for financial inclusion vary depending on available data - Generally, the percentage of women who hold bank accounts is used to reflect financial inclusion, alongside other metrics such as use of mobile money services where possible.
- Data on the participation in the labor market is also used to reflect economic opportunity.
- Gender pay gap - The average difference between the remuneration for men and women who are employed. This is adjusted for education level and type of employment.
- The gender unemployment gap - The average difference between employment rates for men and women.
- Women's involvement in entrepreneurial activities, employment in banking sectors, and national politics.

- Rates of gender-based violence - Though metrics for measuring this vary between countries depending on availability.

National policies which are in place to address gender inequalities are also included. Availability of data and statistics varies between target countries. Therefore, when directly comparable statistics have not been available, similar statistics have been included when possible.

Uganda

Gender disparities in Uganda are significant. While primary education rates are comparable between women and men, the completion rate for secondary education of women falls to 23% (26% for men) and to 4% for tertiary education (6% for men).[15] The literacy rate is around 77% for women and 85% for men, both rates have seen a consistent and comparable increase since 1991.[16] Poverty rates also exhibit gender disparities, with women facing higher poverty levels due to limited access to economic resources and opportunities. This is shown through a government analysis that female-headed households have higher rates of multidimensional poverty (49%) compared to 39% for male-headed households.[17] These are found to be higher in rural areas than urban areas.[18] Financial inclusion remains a challenge, as women are 40% less likely to hold a bank account than men, and only 25% utilize mobile money services. In the labor market, women represent 49% of the labor force, with a participation rate of 67%, slightly lower than the male participation rate of 72%.[19] In terms of economic opportunity, Uganda's gender pay gap is above the regional average at 32.3% and the unemployment gap between women and men is 6.8%.[20] Similar social and economic disparities are reflected in the conditions facing the vulnerable and marginalized groups such as the elderly, persons with disabilities, Indigenous People

The National Financial Inclusion Strategy (2023 – 2028)[21] acknowledges the disparity of access between women and men and includes objectives to help address the situation including the reducing of access barriers, strengthening financial literacy, and promoting gender-inclusive finance. Aside from disparity in education and economic inclusion, women in Uganda face a significant risk of experiencing gender-based violence. There are several national policies and laws which target forms of gender-based violence. They include the Anti-Female Genital Mutilation (FGM) Act 2010, the Domestic Violence Act 2010, the Computer Misuse Act 2023, the Employment (Amendment) Act 2023, and the Succession (Amendment) Act 2023.[22] However, despite national efforts, the 2021 National Survey on Violence in Uganda reported that 95% of Ugandan women had experienced physical and/or sexual violence.[23] Rates of violence and abuse were found to be higher in rural areas, further adding to the difficulties associated with increased poverty and low education rates.

The banking sector in Uganda employs more women (52%) than men (48%), as found by the Uganda Banking Association's 2022 Annual Report.[24] However, the representation of women declines through levels of seniority. It reaches just 34% at the executive director level. The proportion of seats held by women in the national parliament is 34%.[25] While there was a rapid rise in this proportion from 2000 to 2010, from 2010 to present the proportion has remained consistent.

Madagascar

Madagascar's gender equality and social inclusivity varies significantly across the metrics explored in this section. Education and literacy rates are broadly comparable between men and women. Primary, secondary and tertiary levels of education are 60%, 32%, and 6% respectively for both women and men.[26] However, metrics of economic participation between men and women and the vulnerable groups show a clear disparity between genders. A World Bank study found that young women's ability to complete secondary and tertiary education is hindered by high involvement in domestic chores, gender-based violence in schools, limited agency, and child marriage and early pregnancy.[27]

The study also found that Malagasy women and girls also face challenges in access to maternal, sexual, and reproductive health services, as seen by a low share of professionally assisted births (46%) and a high unmet need for contraception (15%). Malagasy women are less likely than men to participate in the labor market (71% versus 82% respectively. Financial inclusion of women in Madagascar is also low. Only 25% of women have bank accounts (as opposed to 27% of men).[28] Beyond account access, it was found that 41% of women were 'fully financially excluded', without access to formal or informal credit and without basic financial understanding.[29] [30], the gender-pay gap in Madagascar is significant, with men earning on average 37% more than women.[31]

Gender-based violence and abuse is a widespread issue in Madagascar. 41% of married women have experienced physical or sexual violence in their relationship and 39% of women were married by the age of 18.[32] Around one in three women under the age of 49 has experienced a form of sexual violence.[33]

There is no data available on the proportion of women employed in the banking sector in Madagascar. The closest available data set is on the 'services' industry, where 18.3% of employees are women.[34] There is no data available on the seniority of the positions held by women. The proportion of seats held by women in the national parliament is 16%. This is down from a peak of 21% in 2016.[35] While this is the lowest proportion of the three target countries, there is an improvement since 1997 where the proportion stood at 4%.

Conclusion

The gender gap in education rates, literacy, economic opportunity, and financial inclusion varies considerably between the target countries. However, the additional burdens of domestic work and childcare alongside prevalent gender-based violence are consistent, creating an additional barrier against equal livelihood opportunities.

The main factors contributing to disparity in financial inclusion are financial literacy, technology access, cultural factors, perceived low credit worthiness[36], and exclusion from the formal economy (such as insufficient forms of identification). All three countries have policies and strategies in place which focus on gender disparities. The effectiveness of individual policies is difficult to evaluate in the absence of reviews, but the general trends of increasing education access, employment opportunities, and even political engagement would suggest that there has been progress even if there is much further to go.

Summary of how the project will engage stakeholders

The project will engage with Financial Service Providers (FSPs) who are already working with Kiva. Much of this engagement will be based on Kiva's Climate Compass climate assessment tool used during interviews and workshops. FSPs will also be supported in de-risking their portfolios and strengthening institutional capacity to manage climate risks.

Male and female borrowers will also be engaged through surveys, workshops, and trainings to develop a clear understanding of climate risks, co-developing adaptation solutions, and improving access to climate-smart financial products. The project will engage both women and men through one-on-one key informant interviews. Consultations with the project development team for the African Nature-Based Tourism Platform (a GEF project in East Africa) highlighted that this approach is particularly effective in creating a safe space for women, enabling them to feel more comfortable and confident in sharing their perspectives.

The project will also aim to share findings across the sector to relevant stakeholders through a project communication strategy.

The project will ensure that benefits are shared equitably between men and women and the vulnerable groups. As women are already identified as being more often financially excluded, the development of new financial products from the FSPs will address the disparity and offer more inclusive products that creates equity among the various social groups. Gender equality and social inclusion considerations will be included in trainings and workshops with FSPs.

3. **Project-specific gender information and considerations:**

- How women and men may be impacted (positively or negatively) by project activities? Will the project have different impacts on men's and women's livelihoods?

Both women and men and the marginalized groups stand to benefit from the project's activities. However, it is important to consider potential unintended consequences of the project's activities on women.

- If financial products are made available without proper training and instruction, there is a risk of exploitation. A third of mobile money account holders in Sub-Saharan Africa struggle to use their mobile money account without help from a family member or an agent and women are 5% more likely to have trouble when using the mobile money services.[37] This risk would be higher for women in vulnerable situations.

- While most research indicates an inverse relationship between financial inclusion and gender-based violence, there are examples of a positive relationship. A gender-based violence risk assessment for a project in Nigeria found that women who realize improved livelihoods opportunities, a greater voice and better decision-making power, could experience "backlash" from their intimate partners as well as family and community members.[38] An additional study in Uganda reiterated these findings, with community members reporting that equality and shifting gender norms could expose women to adverse consequences such as violence.[39]

- Loan default risks are significant not just for FSPs, but also for borrowers. The microfinance market in Uganda, for instance, is found to lack a strong legal, regulatory, and credit reporting framework. This can develop into a 'spiral of low trust' leading in turn to harsher measures, inflexibility, and opportunistic behavior.[40] While Kiva works with trusted and reputable FSPs, there is a risk as products are extended to the wider microfinance sector that provides products without borrowers fully understanding the associated risks and responsibilities. Defaulting on loans exposes borrowers to increased debt costs and potential loss of collateral. The risk for women is potentially higher here due to lower literacy rates. However, most Kiva Lending Partners do not require collateral, relying instead on group lending models to de-risk payment. In addition, Kiva assesses and continuously monitors client protection practices with each partner to help ensure that lending remains responsible and safeguards borrower well-being.[41]

- Selection of beneficiaries for the loan products has the potential to cause inter and intra community conflicts that may disproportionately effect women and the marginalized groups. Conflict sensitivity should be a cross-cutting issue in all the project activities. The stakeholder engagement plan and the gender action should inform the development of the benefits sharing plans.

The intended positive impacts of the project are numerous for all members of the community. However, the following points explore how women in particular could benefit from the project's activities.

Women are often underserved by traditional financial institutions for the reasons outlined in the general gender conditions above. As FSPs develop their knowledge and climate risks and have improved access to capital, more women borrowers in vulnerable communities could be offered financial products. The development of new financial products which account for gender disparities and leverage more risk-tolerant capital would improve women's access thus reducing financial exclusion.

As women provide most of the labor to smallholder and subsistence agriculture across the target countries, access to climate-smart financial products for smallholders would have a disproportionate benefit for women. For instance, a loan to provide irrigation for crops would reduce dependence on potentially unreliable rainfall and reduce the labor requirements of manual watering during dry periods. This would improve food and economic security with a more reliable crop yield while also reducing the required working hours. Without the knowledge of appropriate interventions of the borrower, or the ability to gauge or accept risks of the FSP, the loan may not be provided.

Aside from agricultural activities, women run most of the entrepreneurial and micro-businesses in the target countries of the project.[42][43] Therefore, increasing financial inclusion will help businesses to adapt to environmental pressures and navigate shocks, leading to more secure incomes for business owners.

- How project activities may create opportunities for women or widen further inequalities?

Financial inclusion supports women's autonomy and decision-making power in households and communities.[44] The opportunities that stem from increased financial inclusion are numerous and ultimately context dependent. However, some examples include;

- Women gaining control over their earnings, allowing for reinvestment in businesses, homes, or education;
- Reduced dependency on spouses or male relatives and improved bargaining power within households;
- Allows women to build savings to deal with unexpected shocks, such as illness, crop failure, or school fees;
- Allows female farmers to invest in higher-yield or climate-resilient farming methods;
- Women are more likely to prioritize spending on children's health, education, and nutrition more than men when they control income;[45]
- Participating in financial services could give women a greater sense of agency and confidence; and
- Financial inclusion (through mobile accounts or bank accounts) improves women's access to other services and formal employment.

However, there is also a risk that if gender considerations are not prioritized, project activities could unintentionally reinforce existing inequalities, as decision-making in these sectors is predominantly male dominated. The risks of women's engagement with the project's activities are introduced above and can be summarized as; increased financial exploitation, exposure to gender-based violence, and the risks associated with loan defaults. All three of these risks have the potential to widen existing inequalities.

To mitigate this, the project will ensure gender equality and social inclusivity at all stages, from development of workshops and trainings, through to financial product offerings, and the communication strategy.

The project has already begun an analysis of project's operating within the target countries, and as the project begins this will be utilized to include gender-specific projects who will be invited to contribute to the development of trainings and financial product offerings. This will allow the project to utilize the valuable experience and knowledge of organizations working on gender issues and ultimately facilitate more effective interventions. Importantly, the project must gain a context specific understanding of the barriers that women face to participating. These insights will be integrated into the design of financial products, helping to reduce gender-related barriers to uptake.

- How gender-related barriers may affect the project's success or may limit men's or women's participation, decision-making influence or benefit sharing?

As women are already a financially excluded group, any new financial offering associated with the project must address the barriers to previous financial products or risk maintaining the disparity. Low financial literacy of women and demands of domestic tasks are two potential barriers to the inclusion of women in the project's activities. As described below, the project will undertake a range of approaches to limit the impact of this imbalance on women's participation, decision-making influence and benefit sharing within the project.

In the general gender conditions outlined for each target country in section 2, statistics on women's involvement in the banking sector were included where possible. It was a consistent finding that women have decreased representation at decision making positions, suggestive that this underrepresentation could lead to male-centered decisions across the banking sector including MFIs. By including gender-specific elements to workshops and trainings held with MFIs, the project aims to build awareness amongst MFI staff and encourage more gender-balanced decision making.

As gender equality and social inclusion related barriers are context specific, the project may not have enough localized data from this country level analysis to effectively design trainings and financial products. Without tailoring these designs to address the barriers, women and marginalized groups' participation could be curtailed. Engaging organizations who are already active in the field would give valuable local insights to make trainings and products more suitable for women. By working with organizations in the target countries who are already active in gender and social inclusion-related issues, the project will gain valuable insight into the nuances of cultural barriers to uptake and therefore be equipped to address them.

Depending on the design of financial products, technology access is a potential barrier to the equitable engagement of women and men and the marginalized groups. On the one hand, digital financial services (including mobile banking) have rapidly increased financial inclusion. On the other, reduced safeguards have exposed some clients to digital fraud and has excluded people who do not have access to mobile phones.[46] As women and the marginalized groups have a lower proportion of phone ownership in the target countries, digital-only products would exclude them. The project will consider this barrier when supporting MFIs in designing their product offerings. It may be feasible to offer products through agents and through technology, ensuring that no group is excluded.

4. **Describe Project-specific strategies and opportunities for gender mainstreaming and desired impact**

The plan's overall strategy is to encourage the equal participation of and access to benefits for women during project implementation of GEF-funded activities, with the support of the gender specialists and the collection of detailed sex-disaggregated data on project participants and beneficiaries and monitoring of progress on gender-specific indicators.

Three specific gender considerations have been identified with relation to the proposed GEF project: (i) women are a financially excluded group across the target countries, (ii) gaining access to women's voices in male-dominated cultures will require specific actions during stakeholder engagement, and (iii) monitoring and evaluation of financial inclusion and its impacts will collect data and be shared to enhance gender equity for initiatives. The Gender Action Plan sets out specific activities within the GEF-funded project, designed to ensure the mainstreaming of gender into project outputs and activities, including key actions to maximize equal participation in and benefits with the following as some of the most relevant activities.

a. Active participation of women and the marginalized groups in the strategy development, monitoring and sharing of lessons learned across all the project's components;

b. Consultation of organizations who are already active in gender-related issues in the target countries;

c. New financial products that are developed through the project account for the cultural, economic, and historical factors that have resulted in the financial exclusion of women to date;

d. Use of specific channels to reach more women and the marginalized groups with information about the financial products are used, as well as support in applying for and using products as required;

e. Sharing of gender-sensitive best practices for knowledge management purposes through the communication strategy; and

f. Ensuring women benefit equally from increased knowledge of and capacity to make climate-related adaptations.

All lending partners who participate in the project will have been through Kiva's due-diligence process as well as the assessment of Kiva's Gender Equity Assessment Rating (GEAR) tool.[47] The GEAR tool is an important element of the project's gender strategy. It evaluates five components which will be valuable to the activities outlined above:

1. Representation of women clients
2. Provision of tailored financial products and services for women
3. Efforts taken to understand gender-disaggregated client needs
4. Integration of gender considerations across workplace policies and practices
5. Representation of women in the workforce and leadership positions

The results from the components are scored, which provides clear insight into areas where lending partners can improve processes for gender equality. All the software required for the GEAR tool is publicly available to facilitate the participation of MFIs.

5. **Monitoring and evaluation of gender-responsive activities**

The project will engage stakeholders through workshops, interviews, trainings, and surveys. The project will ensure that a minimum participation of women across all stakeholder engagement will be 30%.

While working with MFIs, the project will actively encourage women's participation in decision-making processes. However, the project cannot commit to a specific target for women's participation in consultations with MFIs, as Kiva does not control which employees Lending Partners designate for engagement. During the co-development of financial products with MFIs, the PMU will ensure that gender-related barriers to uptake are identified, openly discussed, and that potential solutions are explored in collaboration with MFIs.

Component 4 of the project focuses on knowledge management and sharing lessons learned from the project's outcomes. By having gender-specific sections in the communication strategy, the project will be able to contribute to the broader understanding of gender issues in the target countries. Organizations who are active in the field will not only be consulted during the project as stakeholders but also have access to key findings to continue their work towards gender equality.

Based on the gender analysis and gender data indicators collected from Kiva's Lending Partners, the project team has developed the following gender specific actions for the project and the resulting indicators and targets.

Gender Action Plan Table:

Output	Project Activities	Gender specific action	Responsible	Indicators and Targets	Timeline	Budget
Component 1: Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers.						
Outcome 1.1: Improved climate smart financial products for Kiva Lending Partners and improved access for borrowers to new financial tools to combat climate risks, and finance to implement interventions that diversify and enhance their livelihoods, increasing their resilience to climate change.						
Output 1.1.1 Develop and launch the Climate Compass	**Activity 1.1.1.1:** Climate Compass Survey administered to Kiva Lending Partners	N/A				Output budget covered by Kiva co-financing
Output 1.1.2: Successful delivery of Technical Assistance to MFIs	**Activity 1.1.2.1:** Survey to be administered to Lending Partners selected to receive technical assistance at the beginning of project implementation to understand their capacity to decrease climate risks in their portfolios.	a) Include in the survey questions about Lending Partner's awareness of issues related to lending to women and the marginalized groups and their capacity to address these issues to expand inclusive lending b) Record the gender of survey participants	PMU	a) <u>Indicator:</u> Presence of questions about Lending Partner's awareness of issues related to lending to women and the marginalized groups and their capacity to address these issues to expand inclusive lending in the survey of Kiva Lending Partners selected to receive technical assistance <u>Target:</u> One survey containing questions about Lending Partner's awareness of issues related to lending to women and the marginalized groups and their capacity to address these issues to expand inclusive lending b) <u>Indicator:</u> Percentage of survey	Year 1	

				participants who identify as women Target: At least 30% of survey participants identify as women		
	Activity 1.1.2.2: Develop terms of reference for technical assistance providers	Include in the ToR a preference for providers with experience delivering TA that responds to women's financial needs	PMU	Indicator: Presence of text in the Terms of Reference for technical assistance providers that indicates a preference for providers with experience delivering TA that responds to women's financial needs Target: One Terms of Reference for technical assistance providers that that indicates a preference for providers with experience delivering TA that responds to women's financial needs	Year 1	
	Activity 1.1.2.3: Kiva Lending Partners selected to receive technical assistance	Consider Lending Partners' employment rates of women during the selection process	PMU	Indicator: Presence of a criterion assessing Kiva Lending Partner institutions' gender data (percentage of female employees, percentage of female board members, percentage of women in the executive management team) to receive TA Target: 1 criterion assessing Kiva Lending Partner institutions' gender data (percentage of female employees, percentage of female board members, percentage of women in the executive management team) to receive TA	Year 1	
Output 1.1.3: Development and delivery of improved climate-smart financial products such as microloans, insurance, and savings	**Activity 1.1.3.1:** Develop climate-smart financial products specific to selected Kiva Lending Partners	N/A				

Component 2: Increase resilience to climate change at the borrower level						
Outcome 2.1: Borrowers have a better understanding of climate impacts on their livelihoods, and solutions which increase their resilience to climate change						
Output 2.1.1 Identification of climate vulnerabilities at the borrower level.	**Activity 2.1.1.1:** Conduct key informant interviews using the Climate Crowd tool	Ensure at least 30% of borrower interview and survey participants are women and the marginalized groups	PMU	Indicator: Percentage of women in the total number of borrowers surveyed and/or interviewed Target: At least 30% of borrower surveyed and/or interviewed are women and the marginalized groups	Year 1	
Output 2.1.2: Co-development of adaptation interventions with borrowers.	**Activity 2.1.2.1:** Engage borrowers to develop finance-ready projects	Ensure that at least 30% of the borrowers engaged to develop finance-ready projects are women	PMU	Indicator: Percentage of women in the total number of borrowers who were engaged to develop finance-ready projects Target: At least 30% of borrowers engaged to develop finance-ready projects are women	Year 1	Output budget covered by Kiva co-financing
Component 3: Scaling Up of Adaptation Finance: using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts.						
Outcome 3.1: Lending Partners have increased resilience to deploy capital even in a climate crisis.						
Output 3.1.1 Development of a climate crisis support loan that shores up institutions in the event of a climate shock to de-risk other commercial lenders.	**Activity 3.1.1.1:** Consultations with MFIs to develop the climate crisis support loan	N/A				
Output 3.1.2: Development of a toolkit of lessons and best practices for MFIs to decrease the climate risks of their whole portfolio and continue providing finance to high-risk communities.	**Activity 3.1.2.1:** Develop a toolkit with best practices, lessons learned, and guidance aimed at supporting MFIs in increasing climate resilience	Include information on how MFIs can support female borrowers and project case studies featuring female borrowers in the toolkit developed	PMU	Indicator: Percentage of knowledge products in the toolkit that contain information on how MFIs can support female borrowers Target: 100% of knowledge products containing information on how MFIs can support female borrowers and project case studies featuring female borrowers	Year 3	$207,587
Component 4: Knowledge Management and Communications						
Outcome 4.1: Knowledge products inform future climate adaptation initiatives undertaken by lending partners and the broader ecosystem.						
Output 4.1.1 Increased sector-wide knowledge sharing through dissemination of	**Activity 4.1.1.1:** Develop project lessons (reports, case studies, webinars, and best practices)	Include information on how the project benefitted female other marginalized borrowers in the report with project lessons and case studies	PMU	Indicator: Number of reports with project lessons and case studies that contain information on female	Year 3	$354,442

project lessons, including reports, case studies, webinars, and best practices.				and marginalized beneficiaries Target: 1 report with project lessons and case studies that contain information on female beneficiaries		
	Activity 4.1.1.2:	N/A				
	Activity 4.1.1.3: Disseminate the project lessons, reports, case studies, webinars, and best practices through newsletters, mailing lists, and social media channels to ensure wide reach.	N/A				

Annex J: TORs for Key Project Staff Funded by GEF Grant and/or Co-Finance

Project Manager

Role Summary

This is a full-time role that will spend 100% FTE on FIRE. The Project Manager will oversee the day-to-day implementation, coordination, and reporting of the FIRE project. This role is responsible for ensuring that all project activities are delivered on time, within scope, and in compliance with GEF requirements.

Key Responsibilities

Project Coordination and Implementation Oversight

- Lead overall coordination of project activities across Kiva teams, Lending Partners, and Technical Assistance providers
- Maintain and track project workplans, timelines, milestones, and deliverables
- Ensure alignment across all project stakeholders and facilitate regular coordination meetings
- Identify and proactively manage risks, bottlenecks, and implementation challenges

Grant Management and Compliance

- Ensure compliance with GEF requirements, including adherence to approved project plans, budgets, and reporting standards
- Track progress against project indicators, deliverables, and milestones
- Maintain comprehensive documentation of project activities, decisions, risks, and lessons learned
- Support preparation of high-quality donor reports in coordination with relevant teams

Stakeholder Coordination

- Implement the Stakeholder Engagement Plan and coordinate communication across key stakeholders, including Kiva teams, GEF, Lending Partners, and Technical Assistance providers
- Ensure clear and consistent information flow across all parties
- Support alignment between technical, investment, and impact functions

Financial Oversight and Budget Tracking

- Work closely with Finance to monitor project budgets and expenditures
- Track spending against approved budgets and flag risks or discrepancies
- Ensure financial activities align with project implementation and donor requirements

Internal Systems and Process Management

- Establish and maintain project management systems, tools, and processes to support effective implementation

- Facilitate internal coordination across teams to ensure timely execution and alignment
- Support continuous improvement of project management practices and documentation

IMPACT MANAGER

ROLE SUMMARY

This is a full-time role that will spend 70% FTE on FIRE. The Impact Manager will lead the design and implementation of technical assistance (TA) and evidence-building activities under the FIRE project. This role is responsible for translating partner needs into structured interventions and generating actionable insights to inform climate resilience strategies.

KEY RESPONSIBILITIES

Technical Assistance Design and Implementation

- Lead the design of capacity building and technical assistance (TA) projects based on needs identified through Climate Compass and partner engagement
- Define scopes of work, objectives, and expected outcomes for TA engagements
- Identify and manage technical assistance providers
- Oversee implementation of TA projects to ensure alignment with project objectives and delivery of results

Evidence Building and Learning

- Operationalize the project learning agenda by collecting and analyzing data from TA engagements and partner activities
- Synthesize findings into actionable insights, reports, and knowledge products
- Develop and disseminate a toolkit of lessons learned and best practices to support MFIs in reducing climate risk across their portfolios

Results Monitoring and Quality Assurance

- Track outcomes of TA engagements and assess effectiveness against project goals
- Ensure consistency and quality of methodologies used in data collection and analysis
- Contribute to reporting on project outcomes and impact

Coordination

- Work closely with the Africa Investment Manager to incorporate partner needs and feedback into TA design

- Coordinate with the Project Manager to ensure alignment with timelines, deliverables, and reporting requirements

Africa Investment Manager

Role Summary

This is a full-time role that will spend 45% FTE on FIRE. The Africa Investment Manager will lead engagement with Lending Partners participating in the FIRE project. This role is responsible for managing partner relationships, identifying needs, and ensuring effective coordination to support project implementation.

Key Responsibilities

Lending Partner Engagement and Relationship Management

- Serve as the primary point of contact for all Lending Partners participating in the project
- Develop and maintain strong, trust-based relationships with partner institutions
- Facilitate regular communication and manage expectations throughout project implementation

Climate Compass Implementation and Needs Identification

- Introduce the Climate Compass assessment tool to Lending Partners
- Support partners in completing the assessment and ensure data quality
- Review assessment outputs with partners to identify priority areas for support

Coordination and Project Support

- Coordinate with the Impact Manager and Project Manager to support delivery of technical assistance and project activities
- Ensure partner needs and feedback are effectively communicated to internal teams
- Support the integration of partner insights into project learning and outputs

Investment Oversight

- Monitor partner performance, including financial, operational, and social metrics, as relevant to project implementation
- Provide input into investment-related decisions where relevant to project objectives

Investment Director

Role Summary

This is a full-time role that will spend 55% FTE on FIRE. The Investment Director will lead the investment strategy and portfolio oversight for the FIRE project, ensuring alignment between capital deployment, climate resilience objectives, and risk management. This role will be responsible for structuring innovative financial solutions, including a climate crisis support loan, and guiding investment decisions to maximize impact and sustainability.

Key Responsibilities

Investment Strategy and Product Development

- Define and lead the investment strategy for the FIRE project, ensuring alignment with climate resilience objectives and GEF priorities
- Lead the development and implementation of innovative financial instruments, including a climate crisis support loan designed to stabilize partner institutions in the event of climate shocks and de-risk participation from commercial lenders
- Provide strategic guidance on capital deployment to ensure effective use of funds across Lending Partners
- Integrate climate risk considerations into investment strategy and product design

Portfolio Oversight and Investment Decision-Making

- Oversee the performance of the project's investment portfolio, ensuring alignment with impact, financial, and risk targets
- Serve as a key decision-maker in investment approvals, including reviewing and approving Lending Partner participation
- Ensure robust portfolio monitoring frameworks are in place and functioning effectively
- Provide guidance on restructuring or adjustments to investments in response to climate-related risks or shocks

Market Leadership and Strategic Partnerships

- Provide expert insight on market conditions, particularly in Africa, to inform investment strategy and risk management
- Engage with funders and financial institutions to support co-financing and risk-sharing opportunities

Team Leadership and Internal Alignment

- Provide strategic oversight and guidance to investment team members supporting the project
- Ensure alignment between investment strategy and project implementation through coordination with the Project Manager and Impact Director
- Contribute to cross-functional planning to ensure investment activities support overall project objectives

IMPACT DIRECTOR

ROLE SUMMARY

This is a full-time role that will spend 25% FTE on FIRE. The Impact Director will lead the overall impact strategy, measurement framework, and learning agenda for the FIRE project. This role is responsible for ensuring methodological rigor, generating high-quality evidence, and promoting sector-wide knowledge sharing to advance climate resilience in financial inclusion.

KEY RESPONSIBILITIES

Impact Strategy and Framework Development

- Define and oversee the project's impact framework, ensuring alignment with GEF priorities and international best practices in impact measurement
- Establish key indicators, methodologies, and tools to assess climate resilience, institutional performance, and outcomes for end clients
- Ensure integration of impact considerations across investment and technical assistance activities

Learning Agenda and Evidence Oversight

- Lead the design and oversight of the project's learning agenda, including priority research questions and areas of inquiry
- Ensure that data collected through project activities is rigorously analyzed and translated into actionable insights
- Oversee the development of a robust evidence base to inform decision-making and future programming

Knowledge Sharing and Sector Engagement

- Lead sector-wide knowledge sharing through dissemination of project lessons, including the development of reports, case studies, webinars, and best practices
- Position the project as a contributor to global learning on climate resilience and financial inclusion
- Engage with research institutions, funders, and sector stakeholders to share insights and promote adoption of effective approaches

Oversight of Impact Implementation

- Provide strategic oversight and guidance to the Impact Manager to ensure high-quality implementation of technical assistance and learning activities
- Ensure consistency, quality, and alignment of methodologies across all project components
- Review and validate key outputs, including toolkits, reports, and learning products

Cross-Functional Leadership and Alignment

- Work closely with the Investment Director to ensure alignment between impact objectives and investment strategy
- Coordinate with the Project Manager to ensure impact-related deliverables are integrated into project reporting and timelines
- Support alignment across teams to ensure that impact considerations are embedded throughout project implementation

TERMS OF REFERENCE FOR CONSULTANCY SERVICE FOR GEF PROJECT: FINANCIAL INCLUSION AND RESILIENCE EXPANSION (FIRE)

Background

Kiva is a nonprofit organization with a mission to expand financial access, helping underserved communities thrive. In partnership with the GEF, Kiva is implementing a three-year project aimed at expanding financial inclusion and resilience: Leveraging risk-tolerant crowdfunded capital for innovative climate adaptation. The project will be implemented in communities across Uganda and Madagascar, where the climate crisis is exacerbating financial exclusion among vulnerable populations, particularly those reliant on agriculture in climate-affected regions.

These communities face increasing exposure to climate hazards such as droughts, floods, and erratic rainfall, which raises credit risks and weakens their ability to access or repay financial services. As a result, financial institutions are retreating from lending and hesitating to expand operations into high-risk, underserved areas. This poses a threat to both the stability of microfinance institutions (MFIs) and the livelihoods of 1.4 billion financially excluded adults, 80% of whom live in climate-vulnerable countries.

This project seeks to address these challenges by innovating the use of risk-tolerant, crowdfunded capital to increase financial inclusion and support climate adaptation and resilience. Building on Kiva's successful track record of facilitating inclusive finance through its global network of over 200 partners, the project aims to strengthen the ability of MFIs in Uganda and Madagascar to serve communities impacted by climate change.

Project objective

To strengthen climate resilience of vulnerable communities by increasing their access to risk-tolerant, crowdfunded finance for climate adaptation. This will be achieved by reducing credit risks, expanding access, deepening understandings of risks, and equipping both institutions and communities with climate-relevant tools and knowledge.

Further, the project objective will be achieved through four components:

- Component 1: Increase Lending Partner resilience to climate change and capacity to provide climate-smart financing to borrowers
- Component 2: Increase resilience to climate change at the borrower level
- Component 3: Scaling Up of Adaptation Finance - using Kiva's capital as a catalyst to transform entire MFI loan portfolios and enhance adaptation efforts

- Component 4: Knowledge Management and Communications

Key expected outcomes

1. Strengthened the resilience of financial institutions,
2. Increased access to climate-adaptive financial services,
3. Improved borrower capacity for risk management, and
4. A scaling up of adaptation-focused lending.

Ultimately, the project will encourage the sharing of findings and knowledge to the wider MFI network with an aim to support a wider shift within the micro-finance sector.

Objective of the Assignment

Kiva is seeking a consultant to work closely with the Grant Manager, Impact Manager, and selected lending partners in Uganda and Madagascar to lead the development of climate-smart financial products based on borrower experiences and needs.

Scope of the assignment

The scope and focus of the assignment are to provide technical, strategic, and operational support to enable the development of climate-smart financial products based on borrower experiences and needs.

The Consultant's tasks will focus on two levels:

1. Borrower level: Deepening understanding of borrower experiences and needs, increasing borrower awareness of climate risks and solutions, and
2. MFI level: Using borrower insights to inform, test, and launch new product designs, as well as improve marketing and customer engagement.

Specific activities will include:

1. Work with local communities to better understand the changes in climate they are experiencing, impacts to livelihoods, and coping mechanisms.
2. Co-develops adaptation strategies with local communities that increase their resilience to climate change.
3. Support Kiva’s lending partners (MFIs) in enhancing their institutional capacity to better support vulnerable clients in building their climate resilience.
4. Develop a comprehensive knowledge management strategy to ensure that learnings and best practices for MFIs are effectively captured, analyzed, and shared.
5. Generate new knowledge products to support MFIs in building climate-resilient portfolios, including case studies, webinars, and a toolkit.

(Note: *All reports, analyses, metrics, and strategic documents developed under this assignment will be the sole property of Kiva.)*

Qualifications

A master's degree in strategic management or equivalent, with a minimum of 10 years of relevant experience. Demonstrated expertise in formulating strategic plans is essential. The experts will liaise with the grant and Impact manager and the Impact subcommittee to prepare and develop capacity-building initiatives. The expert will also facilitate the stakeholders' workshops. The expert(s) must submit three references from clients for similar work completed in the last three years, including contact details.

Experience

The ideal Consultant or Consultancy Firm should possess the following experience:

- Strategic Planning Expertise: Proven experience in strategic planning for organizations with regional and international affiliations. Familiarity with the MFI systems and experience with diverse stakeholders is highly desirable.
- Sector Expertise: In-depth knowledge of climate, financial inclusion, smallholder farmers and sustainable development. Experience in relevant thematic areas is advantageous.
- Regional experience: Proof of experience working in the rural and underserved communities in Uganda and Madagascar.
- Facilitation and Engagement Skills: Strong facilitation skills and the ability to engage effectively with a diverse range of stakeholders, including MFI staff and partners.
- Analytical and Synthesis Skills: Proven ability to conduct stakeholder consultations, synthesize complex inputs, and translate them into coherent, actionable strategic documents.
- Communication Skills: Excellent written and verbal communication skills, with the capacity to present ideas clearly to diverse audiences. Working knowledge of French would be a significant advantage to engage French-speaking stakeholders, i.e., in Madagascar.
- Team Composition: A team with diverse expertise relevant to the scope of work and representatives based in strategic countries or regions will be highly advantageous for addressing multilingual needs within the African context.
- Report Writing and Deliverables: Exceptional skills in analysis, synthesis, and drafting high-quality reports and knowledge documents that align with project objectives.

Duration of the assignment

The assignment is expected to last for a 12 month period.

Request for expression of interest

Interested experts are required to submit the following documents: i

- A cover letter introducing the submission.
- Evidence of experience in similar assignments.
- Proposed Technical and Financial Proposal.

Application process

To apply, please submit a Technical Proposal and Financial Proposal containing the above specifications to xx by xx. The subject of the email submission should be xx.

Only shortlisted candidates will be contacted. If you do not receive a response by xx please consider your application unsuccessful. We appreciate your understanding and thank all applicants for their interest in this opportunity.

ANNEX K: TOR FOR PROJECT STEERING COMMITTEE

Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation

GEF Agency Project ID: G0071

Draft Project Steering Committee Terms of Reference

Background and context

The GEF Project Steering Committee (PSC) is the main high-level decision making body for the project, that provides overall strategic and management direction for the GEF-funded project, advises on and helps resolve any internal project conflicts, oversees technical and financial execution of the project and reviews and approves project plans and budgets, project reports, and any other adaptive management measure required during project execution, undertaken by the Project Management Unit (PMU) and project partners.

The GEF Project Steering Committee will be composed of government representatives and other key project partners relevant to the project strategy, and the WWF GEF Agency as observer.[76] The GEF Project Steering Committee guides and advises the Project Management Unit (PMU), which directly executes the project.

Composition

PSC Role	Organization	Name, Title
(Member, Chair,[77] Observer)	TBD	TBD
Member	Representative from Kiva Lending Partner in Uganda	TBD upon selecting partner to work with on project
Member	Representative from Kiva Lending Partner in Madagascar	TBD upon selecting partner to work with on project
Member	WWF Uganda	TBD upon determining the specific project in Uganda
Member	WWF Madagascar	TBD upon determining the specific project in Madagascar
Member	WWF U.S.	Nikhil Advani, WWF Senior Director, Wildlife and Climate Resilience

[76] The WWF GEF Agency represents the donor – the Global Environment Facility (GEF). In some cases, the GEF may wish to participate in project PSCs directly, via the Program Manager. Alternatively, the GEF Agency or the GEF Secretariat may be a member with voting rights, to discuss on a case-by-case basis.

[77] The Chair is usually a high-level representative related to the project topic (political figure or highly recognized individual) but is not part of the PMU.

Secretariat	Executing Agency (PMU) - Kiva	Michelle Schenck, Kiva, Senior Grant Project Manager
Observer	WWF GEF Agency	Heike Lingertat, Project Manager

PSC Responsibilities

1. The PSC is active throughout the project period and its composition may be adapted as needed until the GEF project closure.
2. The PSC is the main oversight and high-level decision-making body for the Project that provides strategic direction to achieve the Project's objectives.
3. The PSC will provide strategic leadership, advice and guidance to the Project Management Unit (PMU) and project partners and will ensure effective project execution oversight through regular review, monitoring and approval of project reporting and progress.
4. PSC representatives should provide an institutional view and representation above the project technical working level. They will remain up-to-date on progress, results, and challenges encountered by the PMU, as well as other related work that could influence the Project.
5. The PSC will support the PMU in project execution by: reviewing and approving annual work plans and budgets; reviewing and approving project progress reports and key project outputs (e.g. policies, legislations, action plans), with OFPs when relevant; and enabling informed decision-making by considering diverse perspectives from project stakeholders regarding planning and development of actions during the project, aligned to the approved Project Document and to relevant National Policies and Plans.
6. The PSC will have virtual/in-person meetings on a semi-annual or annual basis (recommended at least twice in the first year, and yearly thereafter) timed to approve the AWPB and make necessary adjustments in the inception phase.
7. Prior to Project Progress Report (PPR) reporting and the creation of a new annual work plan, the PMU will annually reflect on the theory of change and results chains (if relevant) and will assess whether or not changes are needed to the Project's strategies or activities. If adaptive management measures are requested, these will be reviewed by WWF GEF Agency for no-objection and presented to the PSC for discussion and approval.
8. Provide guidance on interactions and partnerships with other relevant bodies and networks.
9. Appoint a Chair
10. Approve these TOR
11. The Chair will coordinate with the PMU the date of meetings, agenda and invites to the members of the PSC.

PSC Operational guidelines

1. *Meetings*: The PSC shall meet at the invitation of the Chair/PMU and is proposed to meet biannually in the first year, and annually thereafter for the duration of the project (TBC at first

meeting). Extraordinary meetings might be convened if necessary. Any member of the PSC may request that an extraordinary meeting be convened to the PMU, stating the reason for such request. Members must be aware that time will be required for reviewing documentation prior to meetings.

2. *Chair*:[78] it is proposed that meetings are chaired by Kiva representative, Michelle Schenck (TBC at first meeting).
3. *Member*:[79] PSCs should aim to have an odd number of members to help with voting and decision-making. To promote agile and effective group decision-making, it is recommended that PSCs include the minimum possible number of members (e.g., 5-9). Each organization represented in the PSC (voting members) will appoint a primary representative and an alternate to ensure that each partner is represented appropriately.
4. *Convening*: PSC meeting invitations, materials and agenda will be issued by the PMU at least fourteen (14) calendar days before the meeting. New items can be added to the agenda at the request of any member of the PSC on the condition that it is informed before the meeting to the other members.
5. *Quorum*: the quorum of the PSC will be 60% of the member institutions (TBC at first meeting).
6. *Decision making*: Unanimity in decision making shall generally be strived for, however, in the case that unanimity cannot be reached, the PSC will take decisions by a simple majority of votes. In the event of a tie, the Chairperson will have a casting vote (TBC at first meeting).
7. *Protocol*: The PMU will act as the secretary of the PSC and will coordinate with the PSC Chair to set the date of meetings, agenda, and invitation to PSC members, will be responsible for presenting the decisions to be made by the PSC and provide secretariat support services to the PSC.
8. *Meeting minutes*: the PMU will provide PSC meeting minutes (including summary of decisions and agreements) and share with all PSC members no later than fourteen (14) calendar days after the meeting is held.
9. *Amendments to the PSC TOR*: Any changes to the TOR, including its membership, must be greenlighted by the GEF Agency and approved by the PSC following the decision-making clause above.

Contact Information

Executing Agency (PMU)

WWF GEF (GEF Agency)

- Project Manager, Heike.Lingertat@wwfus.org

[78] Depending on what works best for the project context Chairs could be selected for the duration of the project or could be rotated annually (e.g. for global projects with several governments/donors).

[79] In an effort to promote inclusive PSCs, please consider membership from Civil Society Organizations (CSOs), Community-Based Organizations (CBOs), private sector, academia, other.

ANNEX L: HIGH-LEVEL WORK SCHEDULE

kiva

Dr. Renae Stenhouse
Executive Coordinator, WWF GEF Agency
World Wildlife Fund, Inc.
1250 24th Street NW
Washington, DC, 20037

January 22, 2026

Re: Co-financing Support for WWF GEF Project: 'Expanding Financial Inclusion and Resilience: Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation' GEF ID: G0071

Dear Dr. Stenhouse,

I am pleased to inform you that **Kiva** will provide co-financing to the above-mentioned project through its 3-year implementation period from 2026-2028.

The co-financing will support the project execution and objective of Expanding Financial Inclusion and Resilience (FIRE): Leveraging Risk-Tolerant Crowdfunded Capital for Innovative Climate Adaptation.

The in-kind contributions of approximately USD $2,481,857 will cover recurrent expenditures such as personal emoluments (salary), travel and subsistence, materials and supplies, operating costs, maintenance costs, training, public utilities, on-lending financing facility, contracts and consultancy and rents and leases. The following table provides a detailed breakdown of the co-financing provided by **Kiva**.

Name of Partner	Type of co-financing	Type of Investment	Amount ($US)
Kiva	In-Kind	Recurrent Expenditure	$2,481,857

Sincerely,

Kathy Guis
EVP, Investments
Kiva

kiva.org | (828) 479 5482 | 182 Howard Street, Suite 414, San Francisco, CA 94105

ANNEX N: TAXONOMY WORKSHEET

GEF 8 TAXONOMY

Please identify the taxonomic information required in Part I, by ticking the most relevant keywords/ topics/themes that best describe the project.

Level 1	Level 2	Level 3	Level 4
☐**Focal Areas/Theme**			
	☒**Biodiversity**		
		☒Protected Areas and Landscapes	
			☐Productive Seascapes
			☐Productive Landscapes
			☐Coastal and Marine Protected Areas
			☒Community Based Natural Resource Management
			☐Terrestrial Protected Areas
		☐Species	
			☐Livestock Wild Relatives
			☐Threatened Species
			☐Plant Genetic Resources
			☐Wildlife for Sustainable Development
			☐Animal Genetic Resources
			☐Illegal Wildlife Trade
			☐Invasive Alien Species (IAS)
			☐Crop Wild Relatives
		☐Supplementary Protocol to the CBD	
			☐Access to Genetic Resources Benefit Sharing
			☐Biosafety
		☐Financial and Accounting	
			☐Payment for Ecosystem Services
			☐Conservation Finance
			☐Conservation Trust Funds
			☐Natural Capital Assessment and Accounting
		☐Mainstreaming	
			☐Agriculture & agrobiodiversity
			☐Certification (National Standards)
			☐Tourism
			☐Certification (International Standards)
			☐Infrastructure
			☐Fisheries
			☐Extractive Industries (oil, gas, mining)
			☐Forestry (Including HCVF and REDD+)
		☐Biomes	
			☐Mangroves
			☐Sea Grasses
			☐Tropical Dry Forests

			☐Paramo
			☐Rivers
			☐Lakes
			☐Coral Reefs
			☐Temperate Forests
			☐Tropical Rain Forests
			☐Grasslands
			☐Wetlands
			☐Desert
	☐Forest		
		☐Forest	
			☐Amazon
			☐Congo
			☐Drylands
		☐Forest and Landscape Restoration	
			☐REDD/REDD+
	☐International Waters		
		☐Fisheries	
		☐Ship	
		☐Freshwater	
			☐Aquifer
			☐Lake Basin
			☐River Basin
		☐Pollution	
			☐Persistent toxic substances
			☐Plastics
			☐Nutrient pollution from wastewater
			☐Nutrient pollution from all sectors except Wastewater
		☐Transboundary Diagnostic Analysis and Strategic Action Plan preparation	
		☐Areas Beyond National Jurisdiction	
		☐Strategic Action Plan Implementation	
		☐Coastal	
		☐Biomes	
			☐Polar Ecosystems
			☐Coral Reefs
			☐Mangrove
			☐Seagrasses
			☐Constructed Wetlands
		☐Marine Protected Area	
		☐Aquaculture	
		☐Learning	
		☐SIDS : Small Island Dev States	
		☐Large Marine Ecosystems	
	☒Climate Change		
		☐United Nations Framework Convention on Climate Change	
			☐Enabling Activities
			☐Paris Agreement

			☐Nationally Determined Contribution
			☐Capacity Building Initiative for Transparency
		☒Climate Change Adaptation	
			☒Private Sector
			☒Community-based Adaptation
			☒Livelihoods
			☒Disaster Risk Management
			☒Least Developed Countries
			☐Adaptation Tech Transfer
			☒Sea-level rise
			☐Climate information
			☐National Adaptation Plan
			☒Innovation
			☒Climate Finance
			☐ Small Island Developing States
			☐National Adaptation Programme of Action
			☐Ecosystem-based Adaptation
			☐Complementarity
			☒Climate Resilience
			☒Mainstreaming Adaptation
		☐Climate Change Mitigation	
			☐Agriculture, Forestry, and other Land Use
			☐Sustainable Urban Systems and Transport
			☐Energy Efficiency
			☐Technology Transfer
			☐Renewable Energy
			☐Financing
	☐**Land Degradation**		
		☐Land Degradation Neutrality	
			☐Land Cover and Land cover change
			☐Land Productivity
			☐Carbon stocks above or below ground
		☐Sustainable Land Management	
			☐Ecosystem Approach
			☐Sustainable Fire Management
			☐Income Generating Activities
			☐Sustainable Forest
			☐Drought Mitigation
			☐Sustainable Pasture Management
			☐Integrated and Cross-sectoral approach
			☐Restoration and Rehabilitation of Degraded Lands
			☐Improved Soil and Water Management Techniques

			☐Community-Based Natural Resource Management
			☐Sustainable Livelihoods
			☐Sustainable Agriculture
		☐Food Security	
	☐Sustainable Development Goals		
	☐Chemicals and Waste		
		☐Open Burning	
		☐Eco-Efficiency	
		☐Waste Management	
			☐e-Waste
			☐Industrial Waste
			☐Hazardous Waste Management
		☐Emissions	
		☐Pesticides	
			☐DDT - Other
			☐DDT - Vector Management
		☐Ozone	
		☐Persistent Organic Pollutants	
			☐Polychlorinated Biphenyls
			☐Unintentional Persistent Organic Pollutants
			☐New Persistent Organic Pollutants
		☐Disposal	
		☐Sound Management of chemicals and Waste	
		☐Plastics	
		☐Best Available Technology / Best Environmental Practices	
		☐Green Chemistry	
		☐Industrial Emissions	
		☐Mercury	
			☐Cement
			☐Artisanal and Scale Gold Mining
			☐Coal Fired Power Plants
			☐Non-Ferrous Metals Production
			☐Coal Fired Industrial Boilers
☒Influencing models			
	☐Transform policy and regulatory environments		
	☒Deploy innovative financial instruments		
	☒Strengthen institutional capacity and decision-making		
	☐Convene multi-stakeholder alliances		
	☒Demonstrate innovative approaches		
☒Stakeholders			
	☒ Private Sector		

		☐SMEs	
		☒Financial intermediaries and market facilitators	
		☒Capital providers	
		☒Individuals/Entrepreneurs	
		☐Large corporations	
		☐Non-Grant Pilot	
		☐Project Reflow	
	☒Type of Engagement		
		☒Partnership	
		☒Participation	
		☒Consultation	
		☒Information Dissemination	
	☒Civil Society		
		☒Community Based Organization	
		☒Non-Governmental Organization	
		☐Trade Unions and Workers Unions	
		☐Academia	
	☒Communications		
		☒Awareness Raising	
		☐Strategic Communications	
		☐Education	
		☐Behavior Change	
		☐Public Campaigns	
	☐Indigenous Peoples		
	☒Beneficiaries		
	☒Local Communities		
☒Gender Equality			
	☒Gender Mainstreaming		
		☐Women groups	
		☒Sex-disaggregated indicators	
		☒Gender-sensitive indicators	
		☒Beneficiaries	
	☒Gender results areas		
		☒Capacity development	
		☐Access and control over natural resources	
		☐Awareness raising	
		☒Access to benefits and services	
		☐Participation and leadership	
		☐Knowledge generation and exchange	
	☐Food Security in Sub-Sahara Africa		
		☐Small and Medium Enterprises	
		☐Integrated Land and Water Management	
		☐Diversified Farming	
		☐Crop Genetic Diversity	
		☐Gender Dimensions	

		☐Land and Soil Health	
		☐Multi-stakeholder Platforms	
		☐Food Value Chains	
		☐Resilience to climate and shocks	
		☐Sustainable Production Systems	
		☐Agroecosystems	
		☐Smallholder Farming	
	☐Food Systems, Land Use and Restoration		
		☐Integrated Landscapes	
		☐Sustainable Food Systems	
		☐Food Value Chains	
		☐Sustainable Commodity Production	
		☐Comprehensive Land Use Planning	
		☐Smallholder Farming	
		☐Landscape Restoration	
		☐Deforestation-free Sourcing	
	☐**Sustainable Cities**		
		☐Transport and Mobility	
		☐Integrated urban planning	
		☐Green space	
		☐Urban sustainability framework	
		☐Buildings	
		☐Global Platform for Sustainable Cities	
		☐Urban Food Systems	
		☐Energy efficiency	
		☐Urban Resilience	
		☐Municipal Financing	
		☐Municipal waste management	
		☐Urban Biodiversity	
	☐**Commodity Supply Chains**		
		☐Deforestion-free Sourcing	
		☐Adaptive Management	
		☐Sustainable Commodities Production	
		☐High Conservation Value Forests	
		☐Financial Screening Tools	
		☐Oil Palm Supply Chain	
		☐Beef Supply Chain	
		☐Soybean Supply Chain	
		☐High Carbon Stocks Forests	
		☐Smallholder Farmers	
☐**Capacity, Knowledge and Research**			
	☐**Enabling Activities**		
	☐**Learning**		
		☐Adaptive Management	

		☐Indicators to Measure Change	
		☐Theory of Change	
	☐**Knowledge Generation**		
		☐Professional Development	
		☐Master Classes	
		☐Training	
		☐Workshop	
		☐Course	
		☐Seminar	
	☒**Innovation**		
	☒ **Capacity Development**		
	☒**Knowledge Exchange**		
		☐Twinning	
		☐Conference	
		☒Field Visit	
		☐Exhibit	
		☒Peer-to-Peer	
		☐North-South	
		☒South-South	
	☐**Targeted Research**		

Annex O: Acronyms And Abbreviations

CBD - Convention on Biological Diversity

CCM - Climate Change Mitigation

CGAP - Consultative Group to Assist the Poor

CSO - Civil Society Organization

ESMP - Environmental and Social Management Plan

ESSF - Environmental and Social Safeguards Framework

FCDO - Foreign, Commonwealth & Development Office (UK)

FIRE - Financial Inclusion and Resilience Expansion

GEF - Global Environment Facility

IDP - Internally Displaced Persons

IPP - Indigenous Peoples Plan

KM - Knowledge Management

LDCF - Least Developed Countries Fund

LOEs - Letters of Endorsement

MFIs - Microfinance Institutions

MSMEs - Micro, Small and Medium Enterprises

MSP - Medium-Sized Project

MTR - Mid-term Review

M&E - Monitoring and Evaluation

NAPs - National Adaptation Plans

NCCP - Uganda's National Climate Change Policy

NGI - Non-Grant Instrument

OFP - Operational Focal Point

PDM - Parish Development Model

PPG - Project Preparation Grant

REDD+ - Reducing Emissions from Deforestation and Forest Degradation

SCCF - Special Climate Change Fund

SEP -
t Plan

SIDS - Small Island Developing States

STAR - System for Transparent Allocation of Resources

TA - Technical Assistance

TER - Terminal Evaluation Review

TOR - Terms of Reference

UGGDS - Ugandan Green Growth Development Strategy