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Thematic and Country Priorities

for the selection of projects under the German International Climate Initiative (IKI)

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List of abbrevations

ASEAN	Association of Southeast Asian Nations
BCG	Bio-Circular-Green
CBD	Convention on Biological Diversity
COP	Conference of the Parties
DNSH	Do No Significant Harm
EAF	Electric Arc Furnace
EbA	Ecosystem-based Adaptation
EnEff	Energy Efficiency
EPC	Energy Performance Certificate
ESCOs	Energy Service Companies
GBF	Kunming-Montreal Global Biodiversity Framework
GHG	Greenhouse Gas
GlobalABC	Global Alliance for Buildings and Construction
IDDI	Industrial Deep Decarbonisation Initiative
IKI	Deutsche Internationale Klimaschutzinitiative (German International Climate Initiative)
IPLCs	Indigenous Peoples and Local Communities
IRENA	International Renewable Energy Agency
LCA	Life-Cycle Assessment
MAF	Mitigation Action Facility
MRV	Measurement, Reporting, and Verification
NAPs	National Adaption Plans
NBSAPs	National Biodiversity Strategies and Action Plans
NDCs	Nationally Determined Contributions
NGO	Non-Governmental Organization
NZEB	Nearly Zero Energy Buildings
ODA	Official Development Assistance
RE	Renewable Energies
SMEs	Small and medium-sized enterprises
UNFCCC	United Nations Framework Convention on Climate Change
WLCA	Whole Life Carbon Assessment
YeS-TR	National Green Certification System in Türkiye

1. Accelerating the transformation of Türkiye's building sector through energy efficiency, renewable energy and circular, low-carbon construction

Initial situation/problem	Türkiye's expanding building stock offers significant potential for improving energy efficiency and accelerating the transition towards low-carbon, climate-resilient buildings in line with circular economy principles. Although Türkiye has established a comprehensive policy framework to improve building energy performance, the existing building stock remains the main challenge due to its high energy demand and low renovation rates. Existing buildings require energy performance assessments, Energy Performance Certificates (EPCs), deep renovation, electrification through greater integration of renewable energy. At the same time embodied carbon should be reduced through the application of Whole Life Carbon Assessment (WLCA) and circular construction approaches. These measures will support Türkiye's 2035 targets of more than 35% electrification and at least 25% reduction in energy intensity in the building sector, contributing to the country's 2053 Net-Zero Emissions Goal. Wider adoption of the Nearly Zero Energy Building (NZEB) concept, supported by the National Green Certification System (YeS-TR) and other sustainable construction practices, is essential to this transition. This aligns with Türkiye's COP31 Türkiye implementation agenda on climate finance and the built environment.
Intended overarching impact of the project	In the building sector, GHG emissions are significantly reduced by improving energy efficiency, increasing renewable energy share, electrifying buildings, and applying circular and low-carbon construction approaches.
Desired outcome objectives of the project	Required project objectives: - Regulatory framework and certification systems for green buildings are strengthened and effectively implemented for existing and new buildings through measurable performance targets. - Financial mechanisms for green buildings are established to leverage public and private finance, accelerating investments in the decarbonisation of the building sector. - Direct or indirect quantifiable greenhouse gas reduction has resulted from specific project activities. Possible further project objective: - Integrated pilot projects are implemented across representative provinces and building typologies, supporting national scale-up.
Possible target groups/sectors of the project	Target groups: - National government, regulatory authorities and municipalities - Companies in the building sector: certifiers, professional associations, architects, utilities/energy service providers (ESCOs), construction firms, consultants, start-ups, component and low-carbon material manufacturers, recycling companies, providers of Life-Cycle Assessment (LCA) services, building owners, facility managers, real estate agencies and tenants, urban planners - Banks, especially local banks and development banks - Universities, research and training organisations, think tanks and NGOs Target sector: - Buildings across the full building life cycle, covering existing and new buildings with a focus on public buildings and social housing and particular attention to gender equality and social inclusion

Project components/content of the project	**(1) Regulatory framework and certification:** The project may support further technical elaboration and implementation of the YeS-TR by developing incentives and implementation tools, identifying regulatory gaps, and promoting green certification and EPCs for existing buildings. It may advise on improving regulations on energy performance of existing buildings. It may also support improved regulations for energy efficiency, renewable energy integration, sustainable cooling solutions and low-carbon and circular construction practices. **(2) Policy incentives:** The project may support building retrofits and green-certified investments through targeted policy and market incentives (e.g., white certificates, serial renovation measures, circularity requirements in public tenders, digital material passports). **(3) Financial mechanisms:** The project may develop de-risking and blended finance instruments for deep renovation projects, circular business models and secondary construction markets including partial credit guarantees for SME construction firms, results-based financing, and support for green bond/sukuk issuance aligned with Türkiye's green finance taxonomy. Local and development banks may be engaged to support refinancing and standardised loans for green certified buildings. **(4) Capacity Building:** Together with existing training organisations, the project may implement training and awareness-raising tools on energy-efficient, circular and low-carbon building practices and finance across provinces (e.g., training of trainers, integration into university/vocational curricula) while strengthening coordination among target groups and private-sector linkages in green technologies. The project may also facilitate regional exchange and synergies with global initiatives, including GlobalABC and IDDI. **(5) Pilots:** The project may implement pilot projects in existing public buildings to demonstrate replicable approaches to energy efficient renovations, renewable energy integration, building electrification, sustainable cooling, water efficiency, and circular low-carbon construction and embodied carbon reduction. These pilots may also build capacity for the evaluation and certification of renovation works. It may engage with the private sector and ESCOs to support the replication and scale up pilot applications. **Cross-cutting**: Gender equality and social inclusion are integrated across all components through gender-responsive policy incentives, targeted equitable financial mechanisms that address barriers faced by women, young people and minorities and capacity-building activities that promote equal participation of all genders and youth. Where relevant, activities also integrate climate adaptation, resilience, nature-based solutions and biodiversity-friendly approaches, following an integrated whole-life approach combining energy efficiency, renewable energy, sustainable cooling, circularity and climate resilience.
Country and geographical focus	Türkiye
Funding volume	EUR 12–15 million

2. Accelerating Thailand's transition to carbon-neutral and circular steel production

Initial situation/problem	Thailand is committed to cutting its net greenhouse gas (GHG) emissions by 47% by 2035 (vs. 2019) and reach net-zero by 2050. Expanding renewable energy (RE), promoting energy efficiency (EnEff) and advancing industrial decarbonisation are focus areas of Thailand's 2025 Nationally Determined Contribution (NDC) 3.0, alongside broader efforts to promote circular economy approaches under Thailand's Bio-Circular-Green (BCG) Economy Model. Thailand's predominantly electric arc furnace (EAF)-based steel sector already provides a comparatively low-emission production platform relative to blast furnace-based production. Given the sector's reliance on electricity, achieving carbon neutrality depends largely on reducing the carbon intensity of the electricity supply through grid decarbonisation and increased RE use. At the same time, strengthening circularity across the steel value chain represents a major opportunity. Thailand currently relies on imported scrap and semi-finished steel products due to the limited availability of high-quality domestic scrap, resulting in additional upstream emissions. Improving domestic scrap collection, sorting and recycling of construction-demolition waste, together with digital scrap marketplaces, industrial symbiosis and higher material efficiency, can cut import dependence and lifecycle emissions. Complementary demand-side tools are required to strengthen market demand for carbon-neutral, circular steel and to support local value creation, thereby enhancing the entire supply chain.
Intended overarching impact of the project	An accelerated and socially inclusive shift to carbon-neutral, circular steel production contributes significantly to long term GHG reductions.
Desired outcome objectives of the project	Required project objectives: - Market shift: A measurable increase in national and/or regional demand for carbon-neutral, circular steel produced with renewable energy has been supported. - Financing transformation: Enhanced investment conditions or a shift in investment patterns towards carbon-neutral, circular steel-supporting technology can be observed (and measured through IKI standard indicator 5). - Circular value-chain development: Circular economy approaches have been embedded throughout the steel value chain (upstream and downstream), while ensuring that biodiversity considerations are systematically integrated.
Possible target groups/sectors of the project	- Industry (e.g. steel producers, scrap recyclers, raw material suppliers, major off-takers, small and medium-sized enterprises (SMEs), and industry associations), infrastructure developers - Energy providers and utilities - Financial institutions, development banks and investors - National and subnational governments and regulatory authorities - Providers of digital MRV, standards and accreditation and certification (supporting carbon accounting, emissions monitoring, product carbon footprint methodologies and steel certification) - Workers and trade unions - Civil society organisations, vocational and research institutions, international organizations, development partners, and relevant networks and initiatives

Project components/content of the project	**(1) Financing:** The project may strengthen the enabling environment for investments in carbon-neutral and circular steel production by improving access to finance, mobilising public and private investment, facilitating the development of a pipeline of bankable projects, and enhancing the capacity of financial institutions and relevant stakeholders to support the transition. Climate adaptation, environmental safeguards and Do No Significant Harm (DNSH) principles should be considered where appropriate. **(2) Demand creation:** The project has to strengthen market demand for carbon-neutral and circular steel, which may be achieved by promoting enabling frameworks, market transparency and stakeholder cooperation. This may include support for standards, certification and carbon accounting approaches, as well as demand-side measures and market incentives. The aim should be to encourage the uptake of carbon-neutral and circular steel by public and private actors. Relevant approaches may include, for example, sustainable public procurement, embodied carbon requirements or voluntary procurement commitments by major steel users. **(3) Framework conditions:** The project may support the development and implementation of enabling policies, regulatory frameworks, strategies, and standards that facilitate the transition towards carbon-neutral and circular steel production. This may include consideration of circular economy approaches, renewable energy integration, and water reuse/recycling systems. **(4) Circular economy:** The project should promote circular economy practices across the steel value chain to improve material efficiency, increase the availability and quality of secondary materials, and reduce lifecycle emissions. This may include pilot projects with private-sector participation, as well as approaches such as resource recovery, recycling, industrial symbiosis and circular business models, while integrating biodiversity-friendly practices to protect ecosystems and their functions. Where feasible, the project may support the development of eco-industrial zones that leverage symbiotic effects. **(5) Capacity building:** The project may strengthen the capacities of relevant public and private stakeholders to support the transition towards carbon-neutral and circular steel production. This may include knowledge exchange, institutional strengthening and skills development. **(6) Regional replication:** Where appropriate, the project may facilitate knowledge exchange and regional cooperation to support the replication and scaling of successful approaches for carbon-neutral and circular steel production in ASEAN. Networks and connections to relevant initiatives (e.g. Climate Club, Industrial Deep Decarbonisation Initiative (IDDI)) may be established. **Cross-cutting:** Just transition principles and gender equality are reflected across all project components, promoting and achieving increased participation of women, young people, marginalised, and/or impoverished communities in the steel value chain. The project should strengthen the climate resilience of the steel value chain by integrating adaptation and risk management, environmental safeguards and biodiversity protection, as well as the application of DNSH principles in relevant project activities.
Country and geographical focus	Thailand
Funding volume	EUR 12–15 million

3. Electrifying industrial processes and improving energy efficiency in industrial clusters and parks

Initial situation/problem	In order to limit the global temperature rise to 1.5°C, electricity must account for 35% of global energy consumption by 2035 according to the International Renewable Energy Agency (IRENA). To this end, industrial processes and the industrial sector must be increasingly electrified, whilst at the same time energy efficiency must be improved. Industrial parks and clusters offer considerable potential for industrial electrification and improved efficiency. They bring together interconnected industrial companies, suppliers, and research institutions in a single location. This enables infrastructure, energy supply, regulatory innovation, and investment to be addressed in a coordinated manner. However, there is currently a lack of holistic approaches to systematically decarbonise them. Against this backdrop, it is important to establish sustainable infrastructure concepts for industrial parks in order to accelerate industrial transformation. Industrial clusters can be comprehensively decarbonised through the electrification of industrial processes combined with the expansion of renewable energy (RE), the implementation of energy efficiency measures, and the integrated use of infrastructure, material flows, and waste heat.
Intended overarching impact of the project	Industrial parks contribute to greenhouse gas neutrality by integrating renewable energy, energy efficiency, and decarbonisation measures.
Desired outcome objectives of the project	Required project objectives: - Specific project activities result in quantifiable greenhouse gas reductions or foreseeable reduction effects in industrial parks and clusters. - Regulatory and market-based frameworks for greenhouse gas-neutral industrial parks and clusters have been adopted. - Investment in industrial electrification and energy efficiency measures as well as renewable industrial energy supply has been mobilised.
Possible target groups/sectors of the project	- Private sector: Industrial parks and clusters, trade associations, chambers of commerce and industry, energy service companies (ESCOs) - Financial institutions - National and sub-national governments - National/regional standardisation bodies - Science, education: Universities as well as further education and training institutions
Project components/content of the project	**(1) Electrification and transformation strategies for industrial parks and clusters:** Development of strategies within existing industrial parks and clusters (e.g. integrated approaches to the electrification of industrial processes and industrial heat, energy efficiency, shared use of infrastructure and/or waste heat utilisation, 100% renewable energy, storage, grid connections). Replicable approaches for implementing measures should be developed. **(2) Framework conditions and incentives:** Improving regulatory and market-based frameworks for electricity-based industrial production processes and integrating renewable energy and waste heat recovery. The project should support the scaling up of standardised energy efficiency measures in industry (e.g. energy efficiency requirements, white certificates, strengthening of ESCOs, and large-scale tenders) and make renewable electricity and heat more attractive

	(e.g. through carbon pricing, electricity price incentives relative to fossil fuels, long-term power purchase agreements for renewable energy, standardised approval procedures for industrial electrification, and zero-carbon standards for new heating systems). **(3) Financial mechanisms**: Appropriate financing instruments should be developed in collaboration with national and international financial institutions in order to promote relevant investment in industrial parks (energy efficiency, electrification, transition to renewable energy). Measures may include blended finance models and risk-mitigation instruments such as interest rate subsidies. The project may develop mechanisms to aggregate demand at industrial park level to make investments more attractive and enable shared electricity supply solutions. **(4) Skill building:** Measures to build skills should be developed and implemented in collaboration with existing local organisations. Knowledge of technical solutions, financing, and skills relating to electrification and energy efficiency should be strengthened (e.g. through *training of trainers*, the integration of these topics into university curricula, or the organisation of training courses). Women, young people, and other under-represented groups should be given special consideration in such measures in order to promote equal access to economic opportunities. Cross-border and/or peer-to-peer knowledge sharing should be supported (e.g. through communities of practice). **(5) Pilot schemes:** Pilot projects for industrial electrification measures and the integration of renewable energy into existing industrial park and clusters may be prepared or implemented. The demonstration activities are intended primarily to promote replicability, market uptake, and knowledge generation and shall not account for the majority of the funding (max. 30%). **General:** Project outlines are expected to include a description of the existing industrial parks or clusters in the partner country or countries as well as the potential technological options for decarbonisation. The project is not intended to focus on energy access for off-grid communities or the development of new industrial estates. Duplication with IKI or Mitigation Action Facility (MAF) projects must be avoided.
Geographical approach and focus	The envisioned project has to pursue a bilateral or regional approach (in up to two countries) and be implemented in Africa or Asia. The project countries should have relevant industrial clusters or l parks as well as a growing share of renewable energy. When selecting countries, particular consideration should be given to IKI priority countries or members of the Climate Club.
Funding volume	EUR 7–10 million

4. Strengthening energy security by transitioning away from fossil fuels

Initial situation/problem	At COP28, an agreement to transition away from fossil fuels was reached for the first time. However, efforts to date are not sufficient to keep the 1.5°C target within reach. Although renewable energy, combined with storage systems, is already the most cost-effective option for new electricity generation in many countries, the phase-out of fossil fuel-based energy systems is progressing too slowly. As a result, the energy supply in many countries remains heavily dependent on centralised fossil-fuel infrastructure, particularly coal-fired power stations. This creates dependencies on international commodity markets and results in a poorly diversified energy system that is highly vulnerable to price fluctuations and supply bottlenecks. Long-term investments in fossil fuels and power purchase agreements are also exacerbating existing and future lock-in effects. This makes it more difficult to achieve a socio-economically viable and orderly phase-out and increases the risk of new fossil-fuel infrastructure and further path dependencies on fossil fuels. A successful transformation often lacks sound analyses and policy strategies that also ensure security of supply and social cohesion.
Intended overarching impact of the project	The energy system is diversified and decarbonised, resulting in reduced greenhouse gas emissions and strengthened energy sovereignty.
Desired outcome objectives of the project	Required project objectives: - Policy-makers are implementing an actively managed, economically viable, and socially just phase-out of coal-based energy supply. - Policy-makers are promoting the expansion of the renewable energy system through ambitious strategies. - Funding is being mobilised for the phase-out of coal-based energy supply. Possible further project objective: - Pilot schemes involving the private sector enable a quantifiable reduction in greenhouse gas emissions.
Possible target groups/sectors of the project	- National governments - Energy sector (including the coal sector with public and private power plants as well as coal mining, processing, and transport) - Permitting authorities, planning authorities, regulatory authorities, and electricity grid operators - Private and public financial institutions - Private sector - Civil society - Research institutions
Project components/content of the project	**(1) Strategy development**: The project may analyse existing fossil-fuel infrastructure and power plants, assess existing risks to security of supply and lock-ins, and identify opportunities for reduction. Policy-makers and stakeholders in the energy sector may be empowered to identify and remove barriers to phasing out coal (e.g. fiscal dependencies). Plans for dismantling fossil fuel infrastructure (decommissioning strategies and site repurposing) may be implemented alongside measures for a socially and industrially acceptable phase-out of subsidies, electricity tariffs, the renegotiation of power plant contracts, and the financial restructuring of state-owned energy utilities with coal-fired power plant fleets.

	At the same time, ambitious strategies for expanding renewable energy can be implemented to enhance energy security. This strategy development can be incorporated into national energy planning and should be methodologically compatible with the process for Nationally Determined Contributions (NDCs). Measures may also be implemented to substantially reduce further lock-in effects and investment in fossil fuel infrastructure. **(2) Funding**: In addition, governments and financial actors may develop appropriate transition-finance instruments and deploy them in collaboration with the private sector (e.g. de-risking or blended finance approaches) in order to mobilise socially just funding, including adaptation of direct and indirect taxes and subsidies. **(3) Pilot scheme**: Measures based on national plans to reduce fossil fuel infrastructure may be piloted and implemented with the private sector while best-practice solutions for continuing the coal phase-out may be demonstrated and synergies for biodiversity harnessed. Pilot initiatives that support the phase-out are possible (e.g. site-specific studies and regional structural change projects) as are initiatives to facilitate the transition (e.g. expanding renewable energy, strengthening the local value chain in the renewable energy sector, and increasing the flexibility of demand management, grids and storage). **(4) Networking and exchange**: A positive narrative of energy sovereignty based on a decarbonised energy system may be established among the general public and in the private sector. To this end, campaigns and initiatives aimed at bringing about a change in attitudes may be implemented. A regional knowledge hub supported by a community of practice can ensure sustainability and promote knowledge sharing. The envisioned project shall focus on the phase-out of coal as its central priority and address this within the framework of a systemic approach (phase-out of fossil fuels, expansion of renewable energies, energy planning). It shall go beyond measures limited solely to the expansion of renewable energy, grids, or storage facilities.
Geographical approach and focus	The following options are available: 1) A bilateral project in an ODA recipient country in South Asia or South-East Asia; 2) A regional project in two ODA countries in South Asia and/or South-East Asia, at least one of which must be an IKI priority country.
Funding volume	EUR 7–10 million

5. Mobilising the private sector for climate adaptation

Initial situation/problem	Effective adaptation to the dramatic impacts of climate change requires collective action across all stakeholders and sectors, including strong commitment from the private sector. National adaptation plans and strategies are increasingly involving private individuals and businesses. This highlights the need for coordinated measures and targeted support to effectively strengthen local climate resilience. At the same time, functioning ecosystem services form a key foundation for economic activity and the profitability of local enterprises. To date, the potential of the private sector as a partner in financing, innovation, and the implementation of ecosystem-based adaptation (EbA) in suitable sectors has not been sufficiently harnessed. At the local level, where adaptation measures are implemented and take effect, small and medium-sized enterprises (SMEs) can play a key role. They are closely integrated into local value chains and can make important contributions to the provision of materials as well as the implementation, monitoring, and maintenance of EbA measures. These adaptation measures not only help safeguard the businesses' own existence but also strengthen the resilience of affected communities and local ecosystems as well as international supply chains. The capacity for proactive adaptation is constrained by several barriers, including a lack of knowledge and data for evidence-based decisions on strengthening resilience, limited access to funding, and unclear regulatory frameworks. At the same time and on several levels, there is a lack of institutional and technical expertise to assess risks, apply appropriate technologies, and establish effective public-private cooperation structures.
Internded overarching impact of the project	Private-sector actors strengthen the resilience of local communities and ecosystems with a focus on EbA.
Desired outcome objectives of the project	Required project objectives: - Improved policy and regulatory frameworks and incentive schemes foster greater private-sector engagement in EbA. - Funding from public and/or private sources is available for the long-term, local implementation of EbA. - Private-sector stakeholders are piloting and integrating EbA measures into local value chains. Possible further project objectives: - Local climate resilience is strengthened through the equitable inclusion of women in decision-making processes, access to funding, and the professional implementation of ecosystem-based adaptation measures. - Private-sector stakeholders prioritise adaptation measures that have been demonstrated to reduce greenhouse gas emissions and/or promote biodiversity conservation.
Possiblel target groups/sectors of the project	- Private sector, including local and national businesses (particularly small and medium-sized enterprises (SMEs)), cooperatives, associations, and production networks - National governments and public authorities, including relevant sectoral ministries and agencies, ministries of finance and economic affairs, and regulatory authorities

	- Financial institutions, including banks, microfinance institutions, and insurance companies - Municipal and local stakeholders, including local councils, local authorities, multi-stakeholder networks, and municipal committees
Project components/content of the project	With scientific support, the project shall address gaps in knowledge and implementation concerning private-sector involvement in climate change adaptation. **(1) Knowledge generation:** Drawing on existing and new data and analyses, the vulnerabilities, needs, potential, barriers, and limitations of relevant sectors (e.g. agriculture, infrastructure, water, tourism) and stakeholder groups are analysed and examined with regard to the private-sector contribution to (ecosystem-based) adaptation. The qualitative and quantitative knowledge generated also strengthens the evidence base for the cost-effectiveness of EbA options, provides a basis for project implementation, and contributes to the development of best-practice examples and potential replication models. **(2) Capacity building and cooperation:** The capacities of relevant private- and public-sector actors, including financial service providers and, where appropriate, regulatory authorities, to jointly develop and implement local adaptation measures are strengthened. Private stakeholders receive technical advice aimed at promoting their own resilience and that of society as a whole and at developing business models for adaptation to the impacts of climate change. With a view to vertical integration and a multi-level approach, cooperation between relevant stakeholders is strengthened (e.g. peer-to-peer knowledge-sharing formats, multi-stakeholder networks, governance structures, supply-chain partnerships, and the implementation and further development of relevant regulations and standards). **(3) Pilot phase and implementation:** In line with national policies (National Adaptation Plans (NAPs), Nationally Determined Contributions (NDCs) and National Biodiversity Strategy and Action Plans (NBSAPs)) and to support specific Private Sector Engagement Strategies, potential sectors, areas of implementation, and private stakeholders are prioritised jointly with policy partners in order to pilot selected approaches and assess the effectiveness of national support programmes. Cooperation models (e.g. inclusive value chains, community-based partnerships) and other support approaches (e.g. co-financing, cost-recovery models) are being (further) developed, and local stakeholders are being supported in accessing sources of funding. Both established and new approaches are being piloted locally in partnership with the private sector with a focus on EbA measures.
Geographical approach and focus	The envisioned project has to pursue a regional approach and be implemented in two ODA countries.
Funding volume	EUR 7–10 million

6. Strengthening climate resilience and promoting peace[1]

Initial situation/problem	In the Central Sahel and the Gulf of Guinea, climate impacts such as prolonged droughts, floods, and flash floods coincide with limited institutional and individual coping capacities, particularly in fragile and conflict-affected regions. They lead to the loss of livelihoods and thus pose an additional threat to peace and security. Conflicts also exacerbate the vulnerability of people to the adverse effects of climate change and hamper the planning and implementation of adaptation measures in both rural and urban areas. Different groups (e.g. women, children, and young people) are affected to varying degrees by climate change and conflicts. To date, only a small proportion of international adaptation funding has been channelled into these regions. Furthermore, climate, biodiversity, and conflict risks – which reinforce one another – are often analysed and addressed separately. Integrated approaches in the Central Sahel and the Gulf of Guinea can help strengthen the long-term resilience of communities to the effects of climate change while preventing conflicts and promoting peace. Local, national, regional and international organisations working at the interface between humanitarian assistance, development cooperation, and peacebuilding (the Humanitarian-Development-Peace Nexus) play a key role in piloting and scaling up approaches that combine climate change adaptation and peacebuilding.
Intended overarching impact of the project	The resilience of vulnerable groups to the effects of climate change is strengthened, and the causes of conflict are sustainably reduced.
Desired outcome objectives of the project	Required project objectives: - Context-specific adaptation measures strengthen climate-resilient livelihoods in rural or urban areas and support conflict prevention and, where appropriate, peace processes. - Participatory and inclusive governance structures and relevant capacities that address the root causes of conflict and climate vulnerability are sustainably strengthened at the local, national, and regional levels. - The participation of women, youth, and marginalised groups in decision-making processes and their access to resources are strengthened. - Peace-promoting climate change adaptation is integrated into policy strategies and planning processes. Access to funding for implementation is improved for public and private actors. Possible further project objective: - The measures and lessons learnt support relevant policy processes/dialogues at the national and international level.
Possible target groups/sectors of the project	- Local communities that have come together through conflict prevention or peace processes or that have the potential for rapprochement - Relevant local, sub-national, and/or national authorities, institutions and governments as well as regional organisations - Local/national civil society organisations working in the humanitarian-development-peace nexus - Private sector (micro, small and medium-sized enterprises, agricultural and fisheries groups/co-operatives, local small-scale savings groups)

[1] The Federal Foreign Office is responsible for coordinating this priority area.

	- Women and young people as change agents for adapting to the impacts of climate change and promoting peace
Project components/content of the project	**(1) Planning and implementation of adaptation measures that promote peace:** Climate change adaptation, conflict prevention, and peacebuilding should be planned and implemented in an integrated approach. The measures are developed in collaboration with the affected rural or urban communities based on an analysis of potential sources of conflict and conflict dynamics and how these interact with climate change. The activities should a) preserve and improve local livelihoods through conflict-sensitive adaptation measures, b) promote inclusive and sustainable resource management, and c) establish or support peacebuilding structures. Where possible, nature-based solutions and traditional forms of using ecosystem services that promote biodiversity are supported. In addition, replicable approaches for the sustainable financing of local, peace-promoting adaptation measures may be developed and piloted. **(2) Inclusive decision-making processes and conflict resolution mechanisms:** The project aims to identify needs and priorities in a gender-responsive manner and to support equal participation in and shaping of (political) decision-making processes, particularly for women, indigenous peoples, local communities, and youth. In addition, the project should develop inclusive conflict resolution mechanisms (e.g. dialogue processes and platforms, peace mediation) or expand existing mechanisms and strengthen them with regard to climate risks and their potential impacts on conflict dynamics. **(3) Promoting skills and the dissemination of knowledge:** The project should strengthen the skills of local or national actors working within the Humanitarian-Development-Peace Nexus to enable them to implement and finance peace-promoting adaptation measures (e.g. by incorporating civil peacebuilding instruments into ecosystem-based adaptation measures). Where possible, these stakeholders may be supported in piloting measures in hard-to-reach areas. Lessons learnt may be prepared and disseminated for use in relevant policy processes or dialogues.
Geographical approach and focus	The envisioned project has to pursue a regional approach and be implemented in up to three neighbouring ODA countries in the Central Sahel or the Gulf of Guinea. Cross-border approaches are possible.
Funding volume	EUR 7–10 million

7. Strengthening legal certainty and action against illegal deforestation – uncovering environmental crime

Initial situation/problem	In Latin America, illegal deforestation exacerbates the negative effects of climate change and biodiversity loss, thereby destroying the livelihoods of many Indigenous Peoples and Local Communities (IPLCs). Illegal deforestation and land-use change are increasingly linked to cross-border environmental crime, human rights abuses, and security issues. The judiciary, police, and financial, environmental, and forestry authorities often lack effective coordination and have limited human and technical resources. The absence of or gaps in regulatory frameworks make it difficult to adopt a consistent approach. Without innovative, interoperable systems that aggregate data across different authorities, it is not possible to ensure the rapid monitoring and detection of illegal deforestation. Furthermore, there is a lack of effective mechanisms for cross-border monitoring of timber supply chains and tracking of illegal financial flows. As a result, products and proceeds from illegal activities enter legal markets and cannot be traced.
Intended overarching impact of the project	Reducing illegal deforestation helps to preserve carbon sinks and biodiversity while improving the livelihoods and security of IPLCs.
Desired outcome objectives of the project	Required project objectives: - Key stakeholders involved in combating and preventing environmental crime and in protecting IPLCs collaborate effectively across borders and sectors. - Illegal deforestation is demonstrably detected through improved interoperable systems, and the chances of successfully investigating criminal offences are enhanced. - Political strategies and regulatory frameworks relating to environmental crime and deforestation have been improved. - There is evidence that IPLCs and forest conservation stakeholders are better protected. Possible further project objective: - The participation of women in project activities ensures monitoring and sustainable use of near-natural forests and strengthens their economic base and involvement in decision-making processes.
Possible target groups/sectors of the project	- National and sub-national governments and public authorities, e.g. tax and forestry authorities - Judiciary - Public and private financial institutions - National and international organisations, environmental organisations, human rights organisations - Enterprises and local producers - IPLCs, particularly women and marginalised groups - Civil society, in particular environmental rights campaigners and forest conservationists
Project components/content of the project	**(1) Skills development and networking:** Targeted skills-building and networking measures should facilitate cross-border and participatory exchange among all relevant actors involved in preventing and combating environmental crime. This should involve the local, sub-national, national, and regional levels. The involvement of women is essential because they are particularly affected by

	illegal deforestation in their roles as smallholder farmers and custodians of local resources. **(2) Interoperable systems:** Systems for the timely monitoring and detection of environmental crime and for tracking illegal financial and commercial transactions should be improved or developed. This includes, amongst other things, the integration and expansion of existing systems and data platforms (Copernicus Sentinel satellite data, AI-based early warnings for forest changes, and open-source tools for automated analysis). Faster provision of forensic and other evidence and stronger laboratory capacity in the implementing countries also improve the detection of illegal deforestation. Training programmes and effective measures to prevent and combat corruption for professionals in the judiciary, law enforcement, customs, forestry, and finance sectors ensure effective action against illegal deforestation and strengthen cooperation. The private sector should be involved in implementing traceable timber supply chain, e.g. through the introduction and/or strengthening of effective certification and verification systems. **(3) Protection of civil society actors:** Strategies should be developed and implemented to provide substantial protection for civil society actors who uncover or report illegal deforestation or are at risk due to their efforts to protect forests. Comprehensive analyses, strategies, and measures are required to protect the relevant target groups and prevent conflicts. Particular attention should be placed on women, young people, and marginalised groups. **(4) Governance:** Where possible, a governance framework that sets out binding requirements for transparent timber supply chains and implements mechanisms to monitor illegal financial flows may be developed. This may be achieved, amongst other things, through automated transaction analyses and centralised reporting platforms. In this regard, best-practice examples of transparent supply chains should be drawn upon, and the private sector should be involved. Political strategies, legal frameworks, and institutional structures for preventing and combating environmental crime should be improved.
Geographical approach and focus	The envisioned project has to pursue a regional approach and be implemented in up to four ODA countries in Latin America.
Funding volume	EUR 7–10 million

8. Advancing integrated biodiversity and climate action through coordinated governance and finance

Initial situation/problem	The separate implementation of national biodiversity and climate plans (National Biodiversity Strategy and Action Plans (NBSAPs), Nationally Determined Contributions (NDCs), and National Adaptation Plans (NAPs)) leads to inefficiencies, conflicting objectives, and reduced effectiveness. Measures with similar objectives are often planned, funded, and implemented in parallel without systematically harnessing existing synergies between biodiversity conservation, climate change mitigation, and adaptation to the impacts of climate change. Separate planning and implementation also result in less efficient use of limited financial resources and hinder integrated financing approaches. The potential for integrated measures that contribute simultaneously to climate change mitigation and adaptation, and biodiversity conservation thus remains untapped. Conflicting priorities can also cause climate change mitigation measures to increase biodiversity loss and exacerbate habitat destruction. Furthermore, insufficient consideration of biodiversity and a lack of climate risk and vulnerability assessments can undermine the long-term effectiveness of climate change mitigation and adaptation measures and weaken the resilience of ecosystems and societies. The greatest challenge often lies less in defining integrated objectives than in the lack of institutional, financial, and technical capacity to implement them jointly. Closer integration of biodiversity conservation, climate change mitigation, and climate change adaptation at all levels is therefore crucial to systematically harness synergies, avoid conflicting objectives, and use limited resources effectively.
Intended overarching impact of the project	National biodiversity and climate plans (NBSAPs, NDCs, NAPs) are implemented in an integrated manner, harnessing synergies and contributing to the achievement of global biodiversity and climate targets.
Desired outcome objectives of the project	Required project objectives: - Institutional cooperation as well as planning, monitoring and reporting systems for the implementation of national biodiversity and climate plans are more closely integrated at the national and subnational levels. - Synergies between measures to protect biodiversity, adapt to the impacts of climate change, and mitigate climate change are systematically harnessed, and duplication of structures in planning, implementation, and monitoring is reduced. - Harmonised financing strategies that simultaneously deliver benefits for biodiversity, and climate change mitigation and adaptation pool public funds for the efficient implementation of investment priorities. Possible further project objective: - Additional private funding has been mobilised for climate change mitigation, climate change adaptation, and biodiversity objectives.
Possible target groups/sectors of the project	- National ministries responsible for the environment, agriculture, climate, energy, finance and the economy, and, where applicable, other ministries and their implementing agencies or subordinate authorities - Subnational environmental and climate authorities - Civil society (non-governmental organizations (NGOs), Indigenous Peoples and Local Communities (IPLCs), women, youth) - Scientific and research institutions

	- Financial and private sector (e.g. agriculture, forestry, energy)
Project components/content of the project	**(1) Political and institutional coherence:** The project may support countries in better integrating biodiversity and climate change mitigation and adaptation policies by analysing synergies, conflicting objectives, and duplications in national biodiversity and climate plans and by developing approaches for integrated implementation. In addition, approaches aimed at promoting integrated planning and implementation at the national and subnational levels may be supported. This may also involve examining the legal, political, and institutional framework as well as identifying obstacles to the joint implementation of biodiversity, climate change adaptation, and climate change mitigation targets. **(2) Integrated funding:** A further focus can be placed on strengthening integrated financing approaches and analysing the existing funding landscape in terms of available funding flows, funding gaps, and inefficiencies. In doing so, existing financing strategies and investment priorities in the areas of biodiversity, climate change mitigation and adaptation may be better aligned, and opportunities for the more efficient use of public and private funds can be identified. In addition, tried-and-tested approaches to mobilising additional sources of funding and creating supportive incentive structures for measures with multiple benefits (e.g. nature-based solutions) may be supported. Measures to phase out subsidies that harm biodiversity and the climate and to create positive incentive systems may also make an important contribution in this regard. **(3) Capacity development and piloting:** Capacity developing measures for integrated planning, implementation, monitoring, reporting, and financing may help to ensure that integrated approaches are firmly established. In addition, specific measures with multiple benefits may be identified and piloted in order to demonstrate the positive effects arising from synergies between biodiversity, climate change adaptation and mitigation. **(4) Participation and gender justice**: The local population and relevant stakeholder groups (particularly women and youth) should be appropriately involved in project planning and implementation so that activities and outcomes meet their needs. Particular attention should be paid to relevant synergies between the Lima Work Programme on Gender, the Belém Gender Action Plan under the UNFCCC, and the Gender Plan of Action under the Convention on Biological Diversity (CBD).
Geographical approach and focus	The envisioned project has to pursue a global or regional approach and be implemented in two to three ODA countries.
Funding volume	EUR 7–10 million

9. Carbon tides: Protecting and restoring natural marine carbon sinks for biodiversity and climate action

Initial situation/problem	Marine and coastal ecosystems such as mangroves, kelp forests, seagrass meadows, and salt marshes are characterised by a high level of biodiversity. They enhance the resilience of coastal areas (and communities) to the effects of climate change and are among the world's most significant natural carbon sinks (blue carbon ecosystems). In line with the Kunming–Montreal Global Biodiversity Framework (GBF), particularly its targets 2 and 3, it is therefore crucial to effectively restore and protect coastal and marine ecosystems. Coastal erosion and pressures from fishing, tourism, agriculture, and coastal development disrupt key ecosystem functions. Furthermore, spatial planning and management do not sufficiently account for the contributions these ecosystems make to biodiversity, climate change mitigation, and coastal resilience. This hinders the development and implementation of integrated approaches to their conservation and restoration that align with climate, biodiversity, and development objectives. Increasing uncertainty and shifting conditions due to climate change further exacerbate these challenges and require adaptive planning and management approaches. The causes of the degradation of marine and coastal ecosystems often lie outside the protected areas themselves. Among other things, they are influenced by decisions taken in various economic sectors. Limited understanding of the diverse ecosystem services provided by blue carbon ecosystems, conflicts over resource use, insufficient involvement of local communities and relevant economic stakeholders, and the absence of long-term funding mechanisms hinder the development and implementation of effective, integrated approaches to conservation, restoration, and management.
Intended overarching impact of the project	Restored and protected carbon-rich marine and coastal ecosystems strengthen biodiversity, climate action, and coastal resilience. In this way, they contribute to achieving global biodiversity and climate goals.
Desired outcome objectives of the project	Required project objectives: - Carbon-rich coastal and marine ecosystems are protected, restored, and sustainably managed and used so that their biodiversity and climate-related ecosystem services are demonstrably maintained or enhanced. - Adaptive marine spatial planning and management approaches account for the contributions of carbon-rich coastal and marine ecosystems to biodiversity, climate change mitigation, and coastal resilience, and enable their long-term protection and sustainable use under changing climatic conditions. - Local communities and stakeholders from relevant sectors actively support and help shape conservation, management, and restoration measures and promote their long-term effectiveness. Possible further project objective: - Stakeholders at the local, national, and regional levels are working collectively to consolidate and disseminate successful conservation, management, and restoration measures for carbon-rich coastal and marine ecosystems.

Possible target groups/sectors of the project	- National ministries, in particular those responsible for the environment, agriculture, tourism and fisheries - Sub-national authorities/ministries, coastguards - Civil society (in particular NGOs, Indigenous Peoples and Local Communities (IPLCs), young people and women) - Private sector (agriculture, tourism and fisheries) - Science and research institutions
Project components/content of the project	**(1) Planning and management:** Marine spatial planning and management approaches should systematically integrate considerations for carbon-rich and biodiverse coastal and marine ecosystems, incorporate adaptive strategies to adjust management measures in response to shifting conditions caused by climate change, and promote ecological connectivity. The zoning of areas with varying intensities of use should safeguard both biodiversity and carbon sink ecosystem functions while enabling sustainable use. **(2) Participation and acceptance:** The focus should be on the capacity of local communities and sectoral stakeholders to take action and participate, and their involvement in conservation, management, and restoration measures should be supported. Efforts to engage sectors whose activities contribute to ecosystem degradation in planning and management processes are particularly encouraged. The private sector should be involved as far as possible in the design and implementation of economically viable approaches for the protection and restoration of biodiverse and carbon-rich coastal and marine ecosystems. **(3) Use of proven, successful approaches:** An integrated, cross-sectoral approach should be adopted that combines measures to adapt to climate change and protect biodiversity with efforts to safeguard sustainable livelihoods. **(4) Local resources:** Restoration measures should prioritise native, diverse, and resilient species. Particular attention should be paid to the specific knowledge, needs, and vulnerabilities of women during the planning and implementation stages. Projects that encourage and support the active participation of young people are also particularly welcome.
Geographical approach and focus	The envisioned project has to pursue a regional approach and be implemented in up to three ODA countries in a marine and coastal region of Central America (including Mexico) and/or the Caribbean.
Funding volume	EUR 7–10 million