

CLIMATE FINANCE FOR CHILDREN IN LATIN AMERICA AND THE CARIBBEAN



Climate finance is crucial for limiting temperature rises to 1.5°C and protecting communities from the consequences of climate change. However, climate finance is persistently falling short and are significantly insufficient, especially for children in developing countries. International adaptation flows are three to six times below estimated needs. **Urgent and effective investment is particularly critical for children, who are highly susceptible to the short and long-term impacts of climate change.**

CERI (2023), Falling short: Addressing the climate finance gap for children.

Children, especially during their first 1,000 days, are physically, physiologically, and mentally more vulnerable than adults to the impacts of the climate crisis, such as water and food scarcity, vector- and water-borne diseases, and physical and psychological trauma linked to both extreme weather events and slow-onset climate hazards. **In the Latin American and Caribbean (LAC) region, 169 million children (4 in 5 children) are living at high climate risk** and 10.9 million children face the triple burden of high climate risk, poverty, and conflict.¹

Climate change disrupts the availability of fundamental social services crucial for the development and wellbeing of children, including health care, education, access to food, safe drinking water, sanitation

and hygiene (WASH), clean energy, and child and social protection services. **The climate crisis also contributes to a rise in child labor, child marriage, and forced migration, exposing children to increased risks of human trafficking, gender-based violence, abuse, and exploitation.** The impacts are particularly severe for girls and children facing different forms of discrimination and inequality, such as indigenous and ethnic minority children, displaced or migrant children, and children with disabilities.

Fundamentally, **the climate crisis is a child rights crisis that requires targeted financial support for interventions that adequately address the unique and heightened climate challenges and risks faced by children.** Urgent and effective

55 million children are exposed to water scarcity;



60 million children are exposed to cyclones;



85 million children are exposed to Zika;



115 million children are exposed to Zika;



45 million children are exposed to heat waves;



105 million children are exposed to air pollution.



UNICEF (2021), Children's Climate Risk Index.

investment is crucial, especially for children who are highly vulnerable to both short and long-term impacts of climate change. Evidence shows that investing in children is not only cost-effective but also strengthens their rights, building human capital and resilience, and ultimately benefiting their communities and countries. For every \$1 invested in early childhood programs, there is an investment return of up to \$13.7.²

¹ Save the Children (2022). *Generation Hope: Responding to children's calls to tackle the climate and inequality crisis in Latin America and the Caribbean.*

² UNICEF (2023). *De los primeros 1000 días a un futuro resiliente: Educación ambiental y climática para la primera infancia de América Latina y el Caribe.*

It is also essential to recognize and harness the potential of children as agents of change and activists in the realm of climate action.

Children play a crucial role in advocating for environmental sustainability, demonstrating a remarkable capacity for understanding and acting in the face of complex issues. As young activists around the world have shown, they possess a unique ability to amplify the urgency of climate action and inspire positive change in their communities. Acknowledging children, adolescents and youth as active contributors to climate resilience not only aligns with the principles of child rights but also underscores the importance of empowering the next generation to actively participate in shaping a sustainable future.

LAC is currently experiencing some of the worst impacts of climate change, while the region produces less than 10% of world global GHG emissions.³

Thus, while recognizing that everyone has a shared but differentiated responsibility to care for our nature and climate, ensuring targeted climate finance towards children in the LAC region plays a double role in promoting both climate justice and intergenerational equity.

About the data

The present analysis provides the **first-ever child-focused review of international climate finance to the LAC region**, focusing on all approved projects and programmes funded by the key multilateral climate funds serving the UNFCCC and Paris Agreement (MCFs): the Adaptation Fund (AF), Green Climate Fund (GCF), and the Global Environment Facility's (GEF) Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF).

It builds upon the global report *Falling Short: Addressing the climate finance gap for children*, conducted by members of the Children's Environmental Rights Initiative (CERI) coalition including Save the Children, UNICEF and Plan International. The current report delves into climate finance data from LAC to understand the regional situation. For more information on the specific methodology to assess the child-responsiveness of the proposals, please see '[Falling short: Addressing The Climate Finance Gap For Children](#)'.

Of the 591 MCF projects approved globally, between 2006 to March 2023, 98 included LAC countries. Together these had a cumulative value of almost \$9.5 billion, including co-financing. 68 projects were country proposals, 17 were multi-country proposals within the LAC region, and 13 were multi-country and multi-regional proposals that included one or several LAC countries.

Child-responsive climate finance supports interventions that uphold the rights of children (anyone younger than 18 years) in all their diversity, including by:

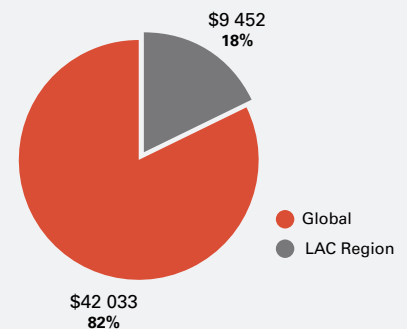


- Addressing the distinct and heightened susceptibility of children to climate change-related impacts, and the importance of essential social services most vital for their survival, development and health.



- Empowering children as agents of change and facilitating their meaningful participation.

LAC share of global Multilateral Climate Finance 2006 - 2023 (million USD)



³ CEPAL (2018). *Economics of climate change in Latin America and the Caribbean*.

Findings

The analysis shows that of the global multilateral climate funds (MCFs) approved during the last 17 years, 18% has been allocated to the LAC region. Most of these funds target adaptation activities (61%), and the rest were focused on mitigation initiatives. The GCF was the primary financier of climate funds to the region at 93.2%

Only 3.4% of the LAC climate funding is child-responsive.

Despite being particularly vulnerable to the impacts of the climate crisis, only 6 projects and about \$305 million of the regional MCFs have been assigned to projects that consider the specific needs of children. Annually, that would amount to an investment of less than \$18 million – across the region. Another \$360 million (3,8% of total MCFs) have been invested in projects that include some child-responsive features. Expanding the analysis to also including interventions focusing on youth, 16 projects are identified, providing some \$743 million to meet the needs and perspectives of children and/or youth.

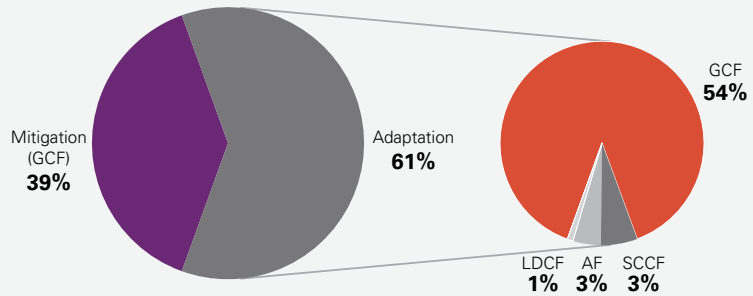
Child-responsive climate funds only reach children in six of the LAC countries.

While climate funds have been invested in 31 of the region's 41 countries, child-responsive MCF funds are limited to Brazil, Cuba, Guatemala, Haiti, Trinidad and Tobago and Uruguay. Of these projects, two thirds of the child-responsive funds are channelled to children through a project focused on climate resilient agriculture in Northeastern Brazil. Moreover, **among the three LAC countries with the most projects, namely Colombia, Ecuador and Costa Rica, none is child-responsive.**

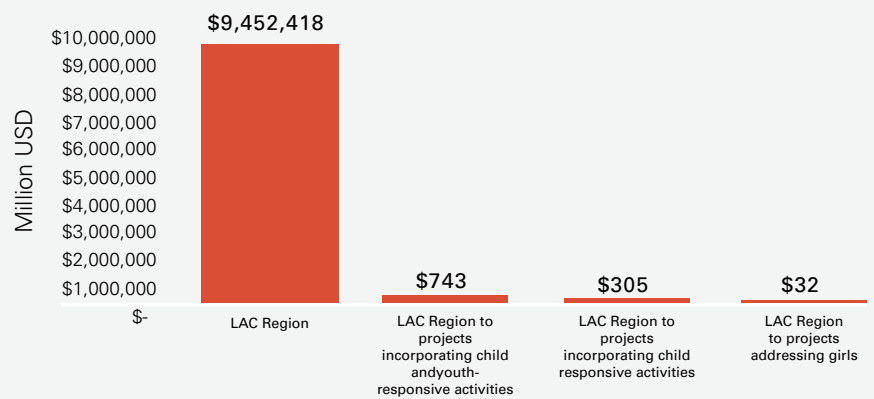
Children's role as active stakeholders or agents of change is largely overlooked. When they are considered, they are generally addressed as a vulnerable group.

Children are recognized as a vulnerable group in 9.2% of the projects, but explicitly and meaningfully considered as agents of change only in 5.1% of projects. However, 23.5% of projects include adolescents and youth as active participants and 10.2% of the projects involve children, adolescents and youth groups in the design and monitoring.

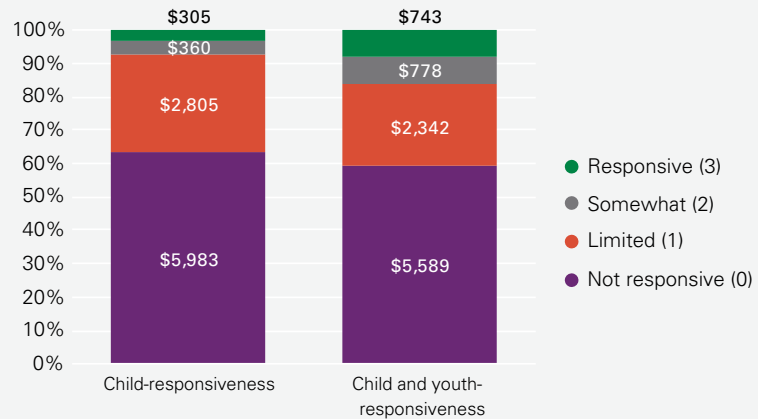
Distribution of funds in LAC region by main purpose and per finance source



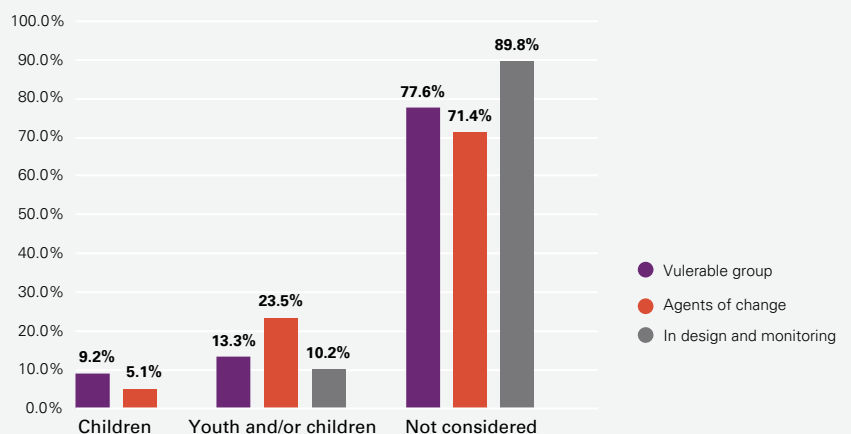
Multilateral Climate Finance allocation to child, youth and girl sensitive projects in LAC (million USD)



Child and/or youth-responsiveness of LAC MCF projects and funds (million USD)



Inclusion of children and/or in LAC MCFs

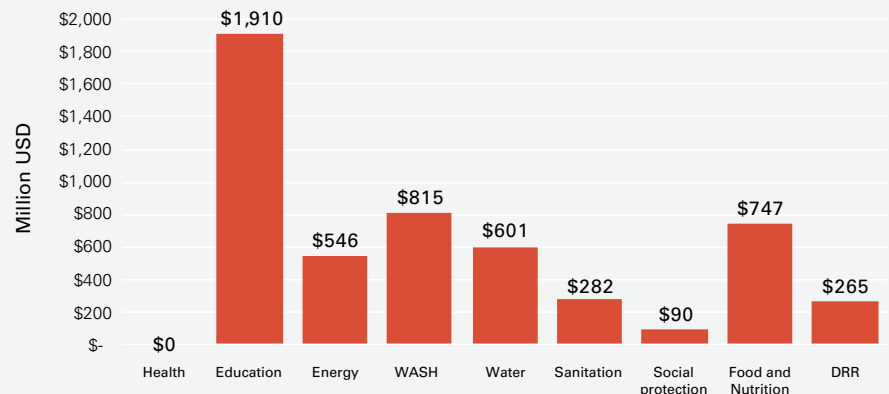


40.8% of the projects finance essential basic services in a way that is sensitive to children, but the distribution between sectors does not correspond to children's needs. 21.4% of the proposals intend to improve the resilience of LAC primary and secondary education, making it the sector that receives the most climate financing. In total the MCF investment amounts to about \$1.9 billion, or \$112,3 million per year for the whole region. At the same time, even though it is estimated that up to 88% of the additional disease burden from climate change will fall on children under the age of 5 years⁴, no funds are allocated to improve the resilience of health services in a child-responsive way.

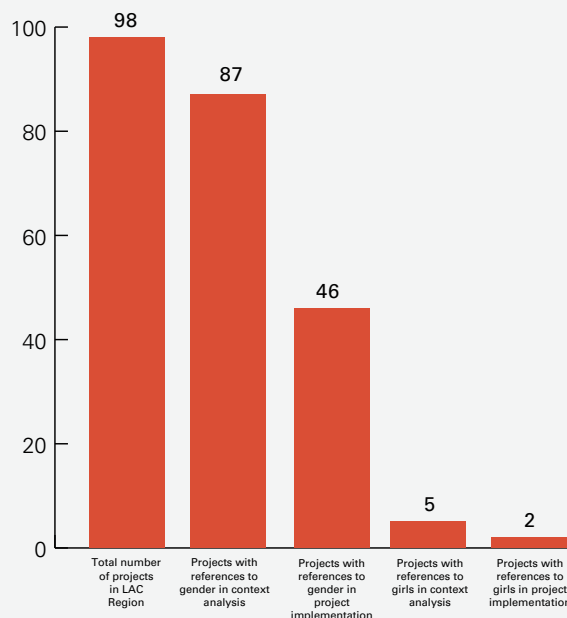
According to the United Nations Environment Programme, an estimated 80 % of people displaced by climate change are women and girls⁵. They often bear a disproportionate responsibility for securing food, water and fuel for their families. Recognizing this, the great majority (88.8%) of MCF projects in LAC take gender differentiated impacts by climate change into consideration in their contextual analysis. However, **less than half (46.9%) ensure gender considerations in the implementation of the MCF projects.**

At the same time, while girls face disproportionate impacts on their rights from climate change their specific needs are almost invisible in LAC MCF finance allocation. In times of crisis, girls are often the first to drop out of school to help their families earn money, do household chores or care for siblings.

Projects incorporating interventions to strengthen the climate and disaster resilience of child-essential social services



Projects with gender inclusion



The current climate crisis also exposes them more to the risks of child marriage, violence, and exploitation, including sexual and physical abuse, and trafficking⁶. Yet, of the 98 LAC MCF projects, only 5 mention girls' particular climate vulnerability and 2 consider girls in the implementation. Moreover, **just about 0.5% of the funds are directed towards increasing girl's resilience**, amounting to a total of \$31,8 million or \$1,9 million of annual investment in girl's resilience during the last 17 years.

Recommendations



1. Scale up child- and gender-responsive climate finance.

- Prioritize child and adolescent sensitive interventions and investments to strengthen the climate resilience of child-critical social services, considering the full range of climate impacts on children's wellbeing and rights, particularly the differentiated risks faced by girls.
- Ensure targeted investments for girls following a gender-sensitive approach in the allocation of funds, as well as an intersectionality approach which protects the different vulnerable groups in the region – indigenous peoples, children with disabilities and children on the move or displaced.
- Advocate for the incorporation of a specific funding windows dedicated to delivering child and gender-responsive outcomes as part of the New Collective Quantified Goal on climate finance and the Loss and Damage Fund.



2. Bolster child-responsive approaches in climate finance policies, strategies, plans and guidance.

- Integrate child-responsive approaches into climate finance policies, strategies, plans, and guidance. This involves mainstreaming considerations for children's specific vulnerabilities, particularly girls, and ensuring that climate finance initiatives contribute to building resilience in child-critical sectors.



3. Increase child-responsive climate finance capacity-building, coordination and partnerships.

- Invest in capacity-building initiatives to enhance the understanding and implementation of child-responsive climate finance. This can involve training for stakeholders involved in the design, implementation, and monitoring of climate finance projects to ensure a nuanced understanding of children's needs.
- Facilitate coordination and partnerships among relevant stakeholders, including governments, NGOs, and international organizations. Collaboration is essential to pool resources, share expertise, and ensure that child-responsive climate finance efforts are comprehensive, impactful, and well-coordinated.

⁴ Philipsborn RP. & K. Chan (2018). *Climate Change and Global Child Health*. DOI: 10.1542/peds.2017-3774

⁵ OHCHR (2022). *Climate change exacerbates violence against women and girls*.

⁶ Plan International. Effects of climate change on girls' rights, accessed November 23, 2023