Danish Support for C40 Cities - for "Resilient Urban Futures: Strengthened climate resilience for Global South cities to the impacts of coastal & urban flooding, droughts and extreme heat, while promoting nature-based solutions"

Key results:
- Increased knowledge capacity, ambition, and plans to implement effective climate resilience measures.
- Implemented equitable and inclusive high-impact adaptation actions, with a focus on nature-based solutions, protecting vulnerable communities and addressing the diverse needs of all communities.
- Improved equitable and inclusive urban climate resilience (governance/ecosystems), mainstreamed climate adaptation in financial and urban planning and strengthened partnerships for climate action.
- Increased mayoral commitment to climate resilience and leadership from mayors in regional and global fora.

Justification for support:
- Addresses urgent climate risks and urban adaptation challenges in African & Southeast Asian cities
- Directly aligns with Denmark's priorities for development cooperation, which commits to allocate 60% of its climate aid to climate adaptation in the world's poorest and most vulnerable countries.
- Addresses social inequities & disproportionate impacts of climate change by providing targeted support to marginalised communities, informal settlements, and low-income households
- Focus on capacity building and local ownership ensures the sustainability of interventions beyond the programme's lifespan.

Major risks and challenges:
- Political instability or changes in government priorities
- Funding constraints or delays
- Community resistance or lack of support
- Institutional fragmentation or lack of coordination
- Capacity constraints within local governments
- Data gaps or inaccuracies
- Delivery risks in the implementation of demonstration pilots with associated capital costs (e.g. managing ethics/corruption issues as well as internal expertise to judge EPC contracts, risks associated with procurement, risks associated with actual delivery and sign-off, inability to carry out operation and maintenance and meet associated costs for pilots.

File No.	24/42786						
Country	Interregional						
Responsible Unit	KLIMA						
Sector	43032, Urban Development						
DKK million	2025	2026	2027	2028	2029	2030	Total
Commitment	100						100
Projected Disbursement	11	21	28	25	13	2	100
Duration	June 2025 – May 2030						
Finance Act code.	06.34.01.35 - C40						
Head of unit	Karin Poulsen						
Desk officer	Henning Nøhr/Dorrit Skaarup						
Reviewed by CFO	YES: Jacob Strange-Thomsen/Karen-Marie Hansen						

Relevant SDGs *[Maximum 5 – highlight with grey]*

No Poverty	No Hunger	Good Health, Wellbeing	Quality Education	Gender Equality	Clean Water, Sanitation
Affordable Clean Energy	Decent Jobs, Econ. Growth	Industry, Innovation, Infrastructure	Reduced Inequalities	Sustainable Cities, Communities	Responsible Consumption & Production
Climate Action	Life below Water	Life on Land	Peace & Justice, strong Inst.	Partnerships for Goals	

Objectives for stand-alone programme:

Strengthened climate resilience for targeted cities in Africa and Southeast Asia to the impacts of urban flooding, droughts, and extreme heat while promoting nature-based solutions.

Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
Indicate 0, 50% or 100%	100%			
Total green budget (DKK)	DKK 100 million			

Budget

Workstream 1		35,217,324
Workstream 2		26,195,867
Workstream 3		12,385,726
Programme management (grant management and reporting)		8,753,894
Programme delivery support (recruitment, finance & procurement management, audit		10,148,692
Translation & interpretation		756,443
Overheads (7%)		6,542,056
	Total	DKK 100 million

Ministry of Foreign Affairs of Denmark support for

Resilient Urban Futures: Strengthened climate resilience for global South cities to the impacts of coastal & urban flooding, droughts and extreme heat, while promoting nature-based solutions

DRAFT PROGRAMME DOCUMENT

for
Public Consultation and Danida Programme Committee Discussion

8 October 2024

TABLE OF CONTENTS

1. INTRODUCTION

This draft programme document has been prepared by C40 for public consultations and discussions in the Programme Committee. Based on the proceedings of the public consultation and the subsequent meeting of the Programme Committee on 8 October 2024. The programme documents will be further developed in accordance with the Process Action Plan (PAP) included in Annex 2. This document outlines the context, objectives, and management arrangements for a DKK 100 million development cooperation grant to support the programme *"Resilient Urban Futures: Strengthened climate resilience for Global South cities to the impacts of coastal & urban flooding, droughts and extreme heat, while promoting nature-based solutions"* for targeted cities in Africa and Southeast Asia over the period 1 July 2025 - 31 June 2030 as agreed between the parties: (1) The implementing partner C40 Cities Leadership Climate Group (C40) and (2) the Danish Ministry of Foreign Affairs (DMFA).

2. CONTEXT, STRATEGIC CONSIDERATIONS RATIONALE, AND JUSTIFICATION

2.1 Context

Urbanisation is a key demographic trend, with more people living in cities than ever before. This shift presents numerous challenges and opportunities. Cities are crucial for economic growth and innovation, acting as engines of development and hubs of creativity. However, they also face significant issues such as infrastructure strain, inadequate housing, and increased climate impacts. C40's research shows that by 2050 over 1.6 billion people living in close to 1,000 cities will face regular, extreme heat waves. In addition, over 800 million people in 570 cities will be at risk from sea level rise and 685 million people in cities will face a decline in freshwater availability[1].

Addressing these challenges requires a comprehensive understanding of both global and regional contexts, as well as strategic opportunities for enhancing urban resilience through collaboration with cities.

Cities under pressure with more climate hazards, rapid urbanisation, and resource strain

Alongside facing the critical challenges associated with rapidly accelerating urbanisation worldwide, most cities continue to increasingly experience extreme weather events. Heat has been endangering lives across Southeast Asia, with reports this year that temperatures hit over 40°C in Thailand, Laos, Philippines, Myanmar and Indonesia.[2] Most recently, Typhoon Yagi, the strongest storm to hit VietNam in three decades, caused severe flooding and landslides, killing and injuring hundreds of people and destroying homes, schools, healthcare facilities and critical infrastructure.[3] In Africa, widespread floods and landslides have had fatal impacts. Dar Es Salaam, Tanzania is directly experiencing the impacts of El Niño. Heavy rains, flooding and landslides have destroyed critical infrastructure and homes, damaging habitats and lives, with more than 155 people reported dead.[4] In May 2024 in Nairobi, Kenya, even with mass evacuations to stop more lives from being lost, more than 200 people were reportedly killed by the flooding and over 200,000 people were displaced from their homes.[5] Recurring heat waves in South West Africa have been dangerous to health and livelihoods year after year, with temperatures in Burkina Faso reaching 45°C this year. These events don't impact everyone the same - for example the outdoor labourers and workers have been bearing the deadly brunt of this heat wave with 102 deaths recorded over a four day period in the region[6].

As these events increase in frequency and severity, cities are likely to see increases in food insecurity, water shortages, property insurance costs and more, with knock-on impacts on health, livelihoods, businesses, economies and more. By 2050, the global urban population is expected to reach 68%[7], leading to increased pressure on housing, infrastructure, and services. This rapid growth requires significant investments in sustainable infrastructure to ensure that cities can accommodate their expanding populations without exacerbating environmental degradation. Adapting to climate change and climate hazards delivers vastly better social and economic outcomes than solely dealing with the costs of disasters.

Urban areas consume vast amounts of natural resources including two-thirds of the world's energy, and 60% of water use, and produce 70% of global waste, creating challenges in water and energy supply, waste management,

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[1] https://www.c40.org/what-we-do/scaling-up-climate-action/adaptation-water/the-future-we-dont-want/

[2] https://www.telegraph.co.uk/global-health/climate-and-people/thailand-heatwave-asia-el-nino-climate-change-weather/

[3] https://www.bbc.co.uk/news/articles/c5yk131xd4lo

[4] https://www.bbc.co.uk/news/world-africa-68896454

[5] https://www.reuters.com/world/africa/death-toll-kenya-floods-rises-228-2024-05-05/

[6] https://www.worldweatherattribution.org/extreme-sahel-heatwave-that-hit-highly-vulnerable-population-at-the-end-of-ramadan-would-not-have-occurred-without-climate-change/

[7] UN-Habitat (2022). World Cities Report 2022, Envisaging the Future of Cities

and food security. Effective resource management is crucial to sustaining urban life and minimising environmental impact. Additionally, densely populated urban areas are vulnerable to health crises, such as heat stress and vector-borne diseases, and require robust public health infrastructure to protect residents. The COVID-19 pandemic has underscored the importance of resilient health systems and the ability of cities to respond swiftly to public health emergencies.

Extreme climate risks and infrastructure gaps for fast-growing cities in Africa and Southeast Asia
African and Southeast Asian cities face distinct and unique challenges due to this rapid urbanisation given specific regional contexts. 84 out of the world's 100 fastest growing cities are classified as at 'extreme' risk due to climate change, the majority located in these regions.

Across Africa, rapid urban growth, with 65 million new urban dwellers (CSIS) annually, strains already limited infrastructure and services. Issues like inadequate housing and energy access, informal settlements, and high levels of poverty are prevalent. Climate change exacerbates these challenges, with increased risks of droughts, floods, and heatwaves. These environmental stresses compound existing social and economic vulnerabilities, particularly for the poorest residents, making it even more difficult for cities to provide adequate services and infrastructure.

In Southeast Asia, cities experience significant economic growth but also face severe urban issues such as congestion, air pollution, inadequate public transportation as well as extreme heat and floods. Coastal cities in both these regions are also particularly vulnerable to sea-level rise and extreme weather events, posing risks to infrastructure and livelihoods. The economic development in these regions often prioritises immediate growth over environmental sustainability, resulting in degraded ecosystems, which in turn increases the regions' vulnerability to climate impacts. Without integrating sustainable practices, the rapid urbanisation and industrial activities contribute to the deterioration of natural resources, making communities more susceptible to the adverse effects of climate change. Addressing these issues requires innovative approaches that balance economic growth with environmental protection and social equity. It is particularly crucial to integrate climate adaptation into master plans and land use policies to regulate the urban growth of cities (both expansion and regeneration).

Cities face barriers to implement resilient
Cities face numerous barriers to implementing resilience actions, including inherent vulnerability due to increasing risks, poor planning, inadequate infrastructure, and limited capacity and resources. These challenges are exacerbated by the rapid pace of urbanisation, which often outstrips the ability of city governments to plan and build resilient infrastructure. Moreover, it is politically challenging to prioritise and allocate resources to implement adaptation measures, especially preventative and protective ones, due to the mismatch between short-term budgetary cycles and the long-term benefits obtained by adaptation action. Cities also lack information and data that are reliable and sufficiently detailed to inform planning and decision making. Additionally, financial constraints and a lack of technical expertise as well as effective partnerships with businesses hinder cities' abilities to develop and execute comprehensive resilience strategies. Overcoming these barriers requires robust support from international networks, innovative financing mechanisms, and enhanced local capacities to ensure sustainable and resilient urban development.

Cities can champion climate-resilient futures
Despite the challenges, cities offer numerous opportunities for impactful climate action. Cities can act quickly to implement innovative solutions for climate resilience and sustainability. Urban areas are hubs of technological advancement and policy experimentation, where new ideas can be tested and scaled. Cities provide a platform for engaging directly with local communities, fostering participation and ownership of climate initiatives to ensure inclusion and equity. This grassroots engagement is crucial for ensuring that climate actions are responsive to the needs and priorities of urban residents.

Successful city-level interventions can serve as models for regional and national policies, driving broader climate action. By demonstrating the effectiveness of sustainable practices and resilience strategies, cities can influence higher levels of government and inspire action beyond their boundaries. Moreover, cities have the potential to leverage their economic power and networks to mobilise resources and drive innovation in climate resilience.

2.2   Rationale and justification, including lessons learned from previous support

The proposed partnership with C40 directly aligns with the Danish Government's priorities for development cooperation. Denmark has committed to allocate 30% of its development assistance to climate aid in developing countries from 2024 to 2027. Moreover, 60% of this climate aid is earmarked for climate adaptation in the world's

poorest and most vulnerable countries. Extending contributions to C40 allows Denmark to enhance its leadership in global climate adaptation by supporting high-impact actions primarily in African cities and selected Southeast Asian cities. The programme integrates C40's cross-regional approach, as detailed in section 3.1, to connect Global South cities facing similar challenges, enabling climate adaptation solutions that work across regions.

Key programme alignments include contributions to several Sustainable Development Goals (SDGs) prioritised by Denmark, specifically SDGs 13 (Climate Action), 11 (Sustainable Cities and Communities), 1 (No Poverty), 6 (Clean Water and Sanitation), and 10 (Reduced Inequalities). The Danish International Development Cooperation Act and Denmark's strategy, "The World We Share," emphasise fighting poverty, involving vulnerable communities in project development, and advancing human rights, gender equality, and democratic participation whilst the new Danish Africa Strategy (launched August 2024) will be pivotal to guide the programme. C40's multidimensional understanding of poverty aligns with these priorities, addressing socio-economic inequalities to enhance urban resilience.

The engagement is coherent with Danish support to complementary programmes addressing climate adaptation, such as the African Development Bank's (AfDB) African Water Facility (AWF) and Urban and Municipal Development Fund (UMDF). Previous DMFA grants have strengthened C40's engagement with AfDB and UMDF, enabling additional staff capacity to help African cities mobilise and access finance. C40 will continue this collaboration to maintain strong ties with AfDB.

Additionally, the support furthers C40's alignment with Denmark's climate diplomacy efforts, such as DMFA's City Strategic Sector Cooperation (SSC) initiatives between Danish and South African municipalities. These partnerships promote Danish-supported climate solutions through knowledge dissemination, peer-to-peer exchanges, technical assistance, and funding opportunities across C40 networks.

Engaging the private sector is crucial for the success of the *Resilient Urban Futures* programme. By collaborating with private companies, the programme can leverage innovative technologies, financial resources, and expertise to enhance climate resilience and sustainability efforts. Partnerships with businesses can drive the implementation of energy-efficient solutions, renewable energy projects, and nature-based solutions (NbS), contributing to both adaptation and mitigation goals. Furthermore, private sector involvement can support economic growth and poverty reduction by creating green jobs and fostering sustainable business practices, aligning with DMFA's development cooperation objectives.

The proposed programme has been developed by C40, with the scope being informed by relevant C40 cities, relevant partners and stakeholders, including UMDF and relevant SSCs. It is based on robust science based evidence and C40 expertise built through almost 20 years of working with cities on tackling the climate crisis. In particular, the programme builds on activities and actions that were initiated in the previous phase of DMFA funding. The programme design reflects the lessons learned through the previous phase, alongside specific demands for support from C40 Global South cities. The current grant Mid-Term Review from 2023 emphasised the need for a stronger focus on Africa in the new grant and for direct support to cities, including concrete activities for African cities. This is central to the new programme, which also includes support to a select number of SEA cities to maximise reach and impact. Moreover, the Mid-Term review called for enhanced institutional capacity and skill-building among the executive directors in city administrations, which C40 has already advanced through initiatives like the C40 CFO Network for African Cities among others. The latest C40 City Satisfaction Survey highlights the demand for increased support for climate action implementation, especially in the Global South. This feedback underscores the value of C40's technical assistance, climate finance support, and knowledge sharing, all of which are central pillars of this new programme's approach.

Danish Contribution to C40 (2020-2024) has led to Major Climate Action Milestones in Global South Cities
Supported by Danish contributions, C40 has achieved significant progress in promoting urban resilience, equity, and climate action in Global South cities. All DMFA focus cities in Africa (Abidjan, Accra, Addis Ababa, Cape Town, Dakar, Dar es Salaam, Durban, Freetown, Johannesburg, Lagos, Nairobi, Tshwane), except for Ekurhuleni[8], now have approved CAPs with risk assessments and priority adaptation actions. Notable achievements include Mumbai's launch of a CAP aligned with the Paris Agreement, followed by Bengaluru and Chennai. In 2023, C40 cities implemented 86 new High Impact Actions, totaling 1,108 policy actions, and advanced 136 new policy actions[9]. The Water Safe Cities Accelerator (WSCA) and Urban Nature Accelerator (UNA) highlight cities' commitment to climate action, with 17 and 41 signatories respectively, nearly half from the Global South. African The Water Safe Cities Forum in April 2024, hosted in partnership with Tshwane, exemplified collaborative efforts

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[8] Ekurhuleni is currently finalising their CAP with expected adoption by council November 2024.
[9] For DMFA focus cities: 1 new actions in 2023, totalling 12 policy actions, and advanced 11 new policy actions

to address water security, facilitating knowledge exchange and identifying opportunities for tailored support and city-to-city collaboration.

Danish support has also bolstered regional climate actions, such as advancing water security in Africa and promoting low carbon construction in Southeast Asia. In Latin America, cities have pioneered green job creation and accessed finance for climate projects. The C40 Inclusive Water Resilience Accelerator Fund, starting in August 2024, will support African cities in addressing climate-induced water stress and is a model that will be continued in the new programme. C40 has enhanced partnerships and political advocacy, with Global South mayors engaging globally to inspire action and influence policies, e.g. at COP. DMFA support has also strengthened C40's regional business strategies and capacity, leading to significant progress in aligning local strategies with sustainable development goals.

Key Lessons Learned from 2020-2024 grant
Danish support has enhanced the technical and institutional capacity of city governments to plan and implement climate resilience measures. Knowledge sharing facilitated collaboration among cities, leading to the replication of best practices and fostering a global community of practice in urban resilience. The lessons learned from these activities inform the proposed *Resilient Urban Futures* programme, emphasising the importance of community engagement, integrated approaches combining mitigation and adaptation efforts, and scalability of successful interventions, including through business and financial sector engagement. Community engagement ensures that climate actions are grounded in local contexts and responsive to the needs of residents. Integrated approaches enhance overall urban resilience by addressing multiple dimensions of vulnerability. Scalability allows for successful interventions to be financed, replicated and adapted across different urban contexts.

**Box 1. Key Lessons Learned from DMFA Strategic Support, 2020-2024
built into programme design (source: 2023 annual report)**

City Leadership Changes: Shifts in city leadership continue to hinder timely climate action. Strengthened engagement with senior management and regional teams mitigates this risk but should remain a key focus for future implementation.
Increased Capacity: Expanded capacity in C40's Adaptation team and a focus on improving access to finance for Global South cities have secured additional funding, enabling alignment across cities and regions.
Global Visibility & Strategic Partnerships: Participation in events like COP28 has boosted cities influence, visibility, and political buy-in, accelerating local adaptation actions and mainstreaming adaptation across cities.
Finance in Africa: Targeted support for finance and water security, particularly through collaboration with the African Development Bank (AfDB), has led to increased support for resilience in six African cities and integration of climate risks into the UMDF.
Localised Approaches: Tailoring C40's offerings through regional business plans and local language translation of resources has increased relevance and impact for cities.
Increased Technical assistance (TA) and Direct implementation: Cities in Africa are demanding more support in this area including for development of small-scale scaleable pilots, influencing the activities C40 offers to our network.
Improved Work Plans: Better alignment and collaboration across C40 teams, particularly with regional teams, have enhanced programme delivery.
Enhanced Risk Management: Strengthened oversight and monitoring mechanisms have improved risk management and will be further refined for future collaboration phases.
Strategic Embassy Engagement: Coordination with Danish embassies has been valuable in leveraging local expertise for grant delivery, enhancing programme effectiveness.

Justification of the Programme Design Based on the Six DAC Intervention Evaluation Criteria
The below alignment with the 6 DAC criteria indicates the programme interventions are designed primarily to build climate resilience in cities while also addressing the barriers to implementing resilience actions mentioned earlier.
  a. Relevance: The programme addresses urgent climate risks and urban challenges, aligning with global, regional, and local priorities.Effectiveness: The programme's comprehensive approach, combining capacity building, technical assistance, and policy support, is designed to achieve meaningful outcomes.
  b. Efficiency: Leveraging existing networks and partnerships ensures efficient use of resources and maximises impact.
  c. Impact: The programme aims to create lasting improvements in urban resilience, benefiting millions of urban residents.
  d. Sustainability: Focus on capacity building and local ownership ensures the sustainability of interventions beyond the programme's lifespan.
  e. Coherence: The programme aligns with broader climate resilience frameworks and complements other ongoing initiatives.

2.3   Implementing partner and aid modalities

C40 Uniquely Positioned to Implement City-Led Climate Action Worldwide

In 2005, the then Mayor of London, Ken Livingstone, brought together leaders from 18 megacities to collaborate on reducing climate pollution. By 2006, the group expanded to 40 cities, with a focus on including cities from the Global South, giving rise to the name C40. Today, C40 is a global network of nearly 100 mayors of the world's leading cities with 1.5 °C aligned climate action plans that are united in action to confront the climate crisis. It is a demand driven and evidence-based city-led organisation that responds flexibly to evolving city priorities. It represents 1/4 of the global economy and at least 700 million people, and operates on performance-based requirements. Instead of a membership fee, cities earn their membership by meeting the minimum Leadership Standards established for C40 cities. These set the benchmarks for city performance and commitment within the network, ensuring consistent progress and accountability across member cities (see 2025-2030 draft leadership standards in Figure 1 below). Committed to promoting a just transition and inclusive climate action, C40 efforts are aligned with the Paris Agreement and the SDGs, engaging with several stakeholders - including vulnerable communities and business - in an empowering and inclusive way both locally and globally.
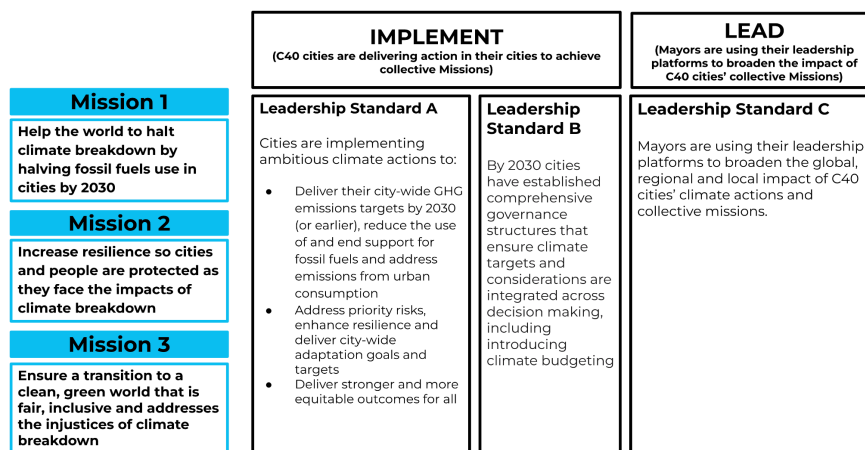
C40's focus has broadened from primarily supporting member cities in developing climate action plans to implementing them, encompassing adaptation efforts. Consequently, C40 is increasingly dedicating its resources to supporting and accelerating the implementation of inclusive climate actions at the city level through strong cooperation with technical level city staff. This support is provided through a comprehensive approach, including technical assistance, political guidance, research, partnerships, coalition building, and sectoral and thematic networks that facilitate peer-to-peer learning and collaboration among city officials across seven regions. These networks enable cities to share experiences, best practices, and lessons learned, engage the youth and the private sector, serve as powerful advocates in international climate negotiations and the multilateral finance agenda. C40 support also helps cities unlock investment and finance for climate projects and navigate implementation challenges. In response to growing demand from cities for direct implementation support, C40 is also facilitating pilot projects to demonstrate proof of concept, helping to build public support and awareness for climate action and support inclusion of youth in the development of inclusive co-design processes. Further, C40 is extending the reach of its network and cities' experience to build capacity, inform and influence non-member cities, particularly through close collaboration with the Global Covenant of Mayors (GCoM).

Resilience a Key Priority for 2025-2030 C40 Mission and Business Plan

C40 cities are actively advancing from planning to implementing climate actions. The DMFA contribution between 2020 and 2024 has been instrumental in delivering C40's Business Plan 2018 – 2020 and Business Plan 2021 – 2024. This support has been key to increase resources directed to Global South cities for adaptation actions and prioritising the resilience mission moving forward. The upcoming C40 Business Plan 2025-2030 will continue prioritising support for Global South cities, emphasising stronger strategic communications to help mayors advocate for climate action and enhancing public support. The new plan highlights the need for enhanced technical capacity, a stronger regional presence, and innovative delivery models to overcome implementation barriers.

While the final Business Plan 2025-2030 will be finalised in Quarter 4 of 2024, C40's guiding missions and Leadership Standards have already been approved. A key focus of the new business plan is building resilience within Mission 2. This mission strengthens cities' abilities to withstand and recover from climate impacts through strategies addressing immediate and long-term challenges. The focus is on integrating resilience into urban planning, enhancing city governments' capacities to manage climate risks, and promoting NbS. Prioritising resilience ensures cities are better prepared for climate disruptions, contributing to sustainable urban development.

Figure 1 - Updated Missions and Leadership Standards (C40 Business Plan 2025-2030)

Mission 1	IMPLEMENT (C40 cities are delivering action in their cities to achieve collective Missions)		LEAD (Mayors are using their leadership platforms to broaden the impact of C40 cities' collective Missions)
Mission 1 Help the world to halt climate breakdown by halving fossil fuels use in cities by 2030	**Leadership Standard A** Cities are implementing ambitious climate actions to: • Deliver their city-wide GHG emissions targets by 2030 (or earlier), reduce the use of and end support for fossil fuels and address emissions from urban consumption • Address priority risks, enhance resilience and deliver city-wide adaptation goals and targets • Deliver stronger and more equitable outcomes for all	**Leadership Standard B** By 2030 cities have established comprehensive governance structures that ensure climate targets and considerations are integrated across decision making, including introducing climate budgeting	**Leadership Standard C** Mayors are using their leadership platforms to broaden the global, regional and local impact of C40 cities' climate actions and collective missions.
Mission 2 Increase resilience so cities and people are protected as they face the impacts of climate breakdown			
Mission 3 Ensure a transition to a clean, green world that is fair, inclusive and addresses the injustices of climate breakdown			

7

The programme will boost C40's climate resilience efforts through key partnerships and proven strategies
The *Resilient Urban Futures* programme aligns with and amplifies the impact of C40's broader efforts to enhance urban climate resilience. This includes activities supported by DMFA and other C40 programmes, such as Water Safe Cities (Grundfos Foundation), Urban Climate Resilience Programme (Z-Zurich) and the Heat & Health programme (Rockefeller Foundation), and strategic funding from Realdania. These existing and future global programmes will serve as a template for regionally devolved implementation within this programme. The programme also builds on C40s business engagement work through the City-Business Alliance programme, and leverages C40's climate finance initiatives like the C40 Cities Finance Facility (multi-donor facility operated jointly with GIZ), the Chief Financial Officer (CFO) Network for African Cities, the C40 Climate Budgeting programme, and its partnership with the GCoM. Extensive experience on equity and vulnerability through C40s Inclusive Climate Action (ICA) programme, including on livelihood and informality in Africa, will be a key input to supporting programme cities to work directly with vulnerable populations and implementation on loss and damage.

Synergies with the C40 Urban Planning Climate Lab will also be sought, as it provides support to cities to embed climate-resilience data and actions into masterplans, land use policies and regulations, as well as the C40 Land Use Planning Network that is currently actively engaging with nine C40 African cities on climate resilient urban planning. The Coalition for High Ambition Multilevel Partnerships (CHAMP), launched at COP28, aims to enhance cooperation between national and subnational governments for ambitious climate action plans; the proposed programme aligns with CHAMP's goals by emphasising increased financing for urban resilience, leveraging CHAMP to develop stronger multilevel partnerships and enhancing new avenues to unlock better financial support that is fit for purpose for urban climate action. Finally, by building on cities' Climate Action Plans (CAPs) and initiatives such as the WSC and UN Accelerators, the programme ensures its interventions are rooted in proven strategies and can benefit from the collective experience and insights of C40 member cities.

2.4 Poverty orientation and target group considerations

The proposed programme is fundamentally oriented toward poverty reduction by prioritising the needs of the most vulnerable populations, particularly in cities in Sub-Saharan Africa and Southeast Asia, which are disproportionately affected by climate change. C40's Inclusive Climate Action Programme and approach has been instrumental in ensuring that inequality reduction is factored into the design, implementation, and evaluation of all C40 programmes. By adopting a multidimensional approach to poverty, C40 goes beyond income-based measures, addressing access to public resources and services that are crucial for building resilience against climate shocks. It emphasises enhancing local capacity, fostering inclusive community engagement, and supporting vulnerable groups with tailored interventions such as early warning systems, and flood protection to directly benefit marginalised groups, including those living in poverty. This approach not only aligns with the principle of Leave No One Behind (LNOB) but also supports the primary objective of Denmark's international development policy, "The World We Share", which emphasises people and planet by both preventing and fighting poverty and inequality, whilst also leading the fight to stop climate change and restore balance to the planet. By addressing underlying socio-economic inequalities and focusing on inclusive climate action, the programme ensures that adaptation efforts contribute to both poverty reduction and the broader goals of sustainable development.

3. PROGRAMME OBJECTIVES

The *Resilient Urban Futures* programme aims to strengthen climate resilience for targeted cities in Africa and Southeast Asia (see section 3.1) to the impacts of urban flooding, droughts, and extreme heat while promoting NbS. This objective is achieved through targeted interventions and strategic partnerships and can be broken down into four sub-objectives to enhance climate resilience in cities detailed below; promoting NbS, prioritising vulnerable populations, integrating resilience into urban planning and finance, and building city leadership, public support and capacity for climate action. By bolstering urban resilience, cities will be better equipped to manage the adverse effects of climate change, ensuring the protection and sustainability of essential services and infrastructure. Enhancing climate resilience involves comprehensive strategies that encompass both immediate and long-term measures. This means not only improving physical infrastructure to withstand extreme weather events but also fostering adaptive conditions, capacities and processes within cities to respond proactively to climate challenges.

Promoting Nature-Based Solutions: The programme is dedicated to strengthening the ability of programme cities to withstand and recover from climate impacts. This includes focusing on critical infrastructure and urban ecosystems to ensure comprehensive resilience. Implementing green infrastructure projects such as urban forests, green roofs, and wetlands will mitigate climate risks and improve urban environments. NbS not only provides environmental benefits but also enhances the quality of life for urban residents by creating healthier and more sustainable urban spaces. These solutions contribute to biodiversity conservation, reduce urban heat islands, and improve air and water quality. By incorporating NbS, cities can create multifunctional landscapes that offer ecological, social, and economic benefits, making urban areas more resilient to climate impacts.

Prioritising the Most Vulnerable Populations: A core objective of the programme is to ensure that interventions benefit those most at risk from climate change. This involves addressing social inequities by providing targeted support to marginalised communities, informal settlements, and low-income households. By prioritising these vulnerable populations, the programme aims to mitigate the disproportionate impacts of climate change and promote social equity and inclusion in urban resilience efforts as well as support green jobs. Special attention is given to communities that are often overlooked in traditional urban planning processes, ensuring that resilience-building efforts are inclusive and equitable. The programme recognises that addressing the needs of the most vulnerable is essential for achieving overall urban resilience.

Integrating Resilience into Urban Planning and Financing: Mainstreaming climate resilience into governance, city planning and development processes, and financial systems is essential for fostering long-term sustainability and guarantee climate-proofing of investments. The programme encourages programme cities to adopt climate-responsive urban policies and regulations and embed climate risks into financial planning, including budgeting and capital planning, ensuring that climate resilience is a fundamental component of urban development strategies. This integration will help cities build adaptive capacities and reduce vulnerabilities to climate impacts. Urban planning must be forward-looking, incorporating climate projections and risk assessments to guide development and investment decisions. By embedding resilience into city budgeting and planning processes, cities can create robust frameworks that anticipate future challenges and build infrastructure that can withstand various climate scenarios. The programme also encourages cities to build sustainable partnerships with businesses and the private sector.

Building City Leadership, Public Support and Capacity for Climate Action: The programme focuses on enhancing the ability of city leaders and institutions to drive and sustain climate action. Providing training, technical assistance, and resources to city officials and staff is crucial for improving their capacity to manage and implement resilience projects. By strengthening local leadership and institutional capacities, the programme ensures that cities are well-prepared to tackle the challenges of climate change and lead the way in urban resilience efforts. Leadership development is key to fostering a culture of proactive climate action within city governments. The programme also aims to build networks of city leaders who can share best practices, collaborate on common challenges, and advocate for stronger climate policies at regional and national levels. In addition, the programme aims to ensure actions (e.g water management, coastal flooding improvements, NbS) have public support and buy-in from key stakeholders and communities. Building community support is essential to create ownership of activities, and help improve livelihoods.

3.1   Programmatic geographic focus

As mentioned above, *Resilient Urban Futures* aims to strengthen climate resilience in both African and Southeast Asian cities, but with a predominant focus on selected low and low-middle income African cities within the C40 network (Table 1 below). The programme proposed focuses on both low-middle income cities and low-income cities due to a number of reasons listed below:

- Many low-middle income cities face significant climate challenges due to rapid urbanisation, limited resources, and vulnerable populations. These cities often need support to enhance their resilience against climate impacts and achieve sustainable development goals.
- By including both low-middle income and low-income cities in its initiatives, C40 ensures that climate action is inclusive and reaches a broad spectrum of urban populations, particularly those most in need.
- C40 aims to represent cities worldwide, including diverse economic contexts. This approach allows for a more comprehensive understanding of urban climate challenges and solutions that can be scaled and replicated across different city types.
- Collaborating with a diverse range of cities, including low-middle income and low-income ones, fosters partnerships and knowledge-sharing that can accelerate climate action and innovation globally

- Addressing climate change in all cities, regardless of income level, aligns with principles of equity and social justice, ensuring that vulnerable communities are not left behind in the transition to a sustainable future.

Three upper-middle income cities in South Africa have also been proposed. This is due to the fact that this programme aims to also build on work initiated under previous DMFA grants to C40. These 3 cities have received deep-dive technical support under the current DMFA grant and it is envisaged that these will be strengthened and bolstered. In addition, these three cities are uniquely positioned to lead city-city knowledge sharing and collaboration activities.

The DMFA 2023 Mid-Term Review of Denmark's Strategic Support to C40: "Accelerating climate action in large cities in developing countries 2020-2024", recommended that future Danish support should focus on the African adaptation agenda to align with Denmark's current climate financing and adaptation priorities. While C40 agrees that sustaining a stronger focus on adaptation in Africa is essential, and therefore the primary focus of the programme, effective support for Africa also relies on a broader cross-regional approach. This includes integrating a select number of C40 cities in Southeast Asia, to foster knowledge-sharing, advocacy, and political engagement across both regions to strengthen climate resilience and adaptation efforts globally. This proven cross-regional model ensures that lessons learned and good practices benefit cities facing similar climate challenges.

Table 1 - 12 proposed programme cities		
Africa		Asia (Southeast)
Low income countries	Low-middle income countries	Low-middle income countries
Freetown **Dar es Salaam**	**Dakar** **Lagos** **Nairobi**	**Hanoi** **Ho Chi Minh City** **Jakarta** **Quezon city**
<u>Additional</u> (upper-middle income): **eThekwini** (Durban); **Johannesburg**; **Tshwane** (Pretoria)		

Box 2 - Justification for including low middle income Southeast Asian cities
Southeast Asia is one of the regions most vulnerable to climate change, with countries like the Philippines consistently ranked in the top 10 for impacts from extreme weather events, and Vietnam close behind.[10] Coastal flooding, rising sea levels, heat waves, and urban heat island effects are serious threats, particularly for densely populated coastal cities. The region's growing population, rapid urbanisation, and slow decarbonisation further compound the challenges. Climate change is closely linked to a substantial rise in mortality, with Southeast Asia expected to experience the largest increase in heat-related deaths. By 2100, heat-related mortality in the Philippines and Vietnam, and the broader Southeast Asian region is projected to rise sharply compared to 1980 levels.[11] Projections for sea level rise along Asia's coasts exceed the global average, and tropical cyclones pose significant risks to many Southeast Asian cities. Indonesia and Vietnam have some of the highest coastal populations exposed, making them particularly vulnerable to disaster-related mortality.[12] Despite understanding the need for climate adaptation, Southeast Asian cities often lack the capacity and evidence to secure necessary financing. Concrete studies and demonstration pilots are urgently needed to showcase successful adaptation measures, attract investment, and scale up climate resilience efforts. Including Southeast Asian cities in the proposed engagement will ensure that some of the world's most at-risk urban populations receive the support they need to protect their people and economies from escalating climate impacts. Jakarta, Hanoi, Ho Chi Minh City and Quezon are chosen due to its high risk profile, while Quezon city is also specifically chosen due to the city's high climate leadership in the region.

[10] https://www.germanwatch.org/sites/default/files/Global%20Climate%20Risk%20Index%202021_2.pdf
[11] https://www.ipcc.ch/report/ar6/wg2/chapter/chapter-10/
[12] https://www.ipcc.ch/report/ar6/wg2/chapter/chapter-10/

Selection of cities and levels of support

The suggested 12 cities in Africa and Southeast Asia (table 1) have been proposed to receive dedicated support based on a comprehensive assessment of several critical factors, each contributing to the city's readiness and urgency in tackling climate change impacts. All 12 cities proposed have been identified due to their clear needs and expressed demands for enhanced climate resilience measures. They have demonstrated robust commitment and initiative through well-developed CAPs which serve as foundational frameworks that outline specific strategies and goals aimed at mitigating and adapting to climate challenges. The selection process also considered the cities implementation principles that align closely with C40's mission and strategic objectives. These principles demonstrate leadership, equity, inclusivity, and innovation.

Moreover, the selected cities are already active signatories of C40 Accelerators or have shown keen interest in joining UNA or WSC Accelerators. This proactive engagement signifies their readiness to leverage global expertise and resources for advancing climate adaptation efforts. In addition, most of these cities are active in relevant C40 networks or current projects. This provides a solid foundation for deeper collaboration and knowledge exchange as well as linking technical support to work already initiated. However, despite commendable efforts in resilience-building through these initiatives, these cities still face significant challenges that they have expressed to C40. These challenges underscore the critical need for targeted support and interventions to strengthen their adaptive capacities, infrastructure resilience and political will.

The 12 programme cities have then been divided into receiving two different levels of support, which will be allocated later while developing the programme further (Figure 2):

- deep *individual city support* to up to 7 cities (5 African and 2 SEA) and
- significant, but lighter *regional level support* to the 5 additional cities (3 African and 2 SEA).

Programme cities receiving deep individual support will benefit from activities under all workstreams whilst cities receiving regional level support will benefit from workstream 2 & 3 activities only. It is crucial to emphasise that this programme operates on a demand-driven basis, allowing cities the flexibility to choose from proposed activities offered under the various work streams, rather than receiving comprehensive support as a default. Therefore, while the 12 programme cities will have access to workstream 2 & 3 activities, their benefits will stem exclusively from activities chosen to align precisely with their unique needs and context.

Although 12 cities have been identified for direct support through this programme, it is important to note that C40 is also aiming for impact outside of this selected number and workstream 3 will benefit a much wider number of C40 and non-C40 cities in the Global South (to be defined in output indicator). The reach of the programme will further be extended through C40 network activities, with its 250+ active city officials, as well as through platforms such as the C40 Knowledge Hub, communication and scaling efforts and through various partnerships, including with GCoM reaching 1000's of cities globally.

Figure 2 - *Resilient Urban Futures* proposed levels of direct support and city numbers
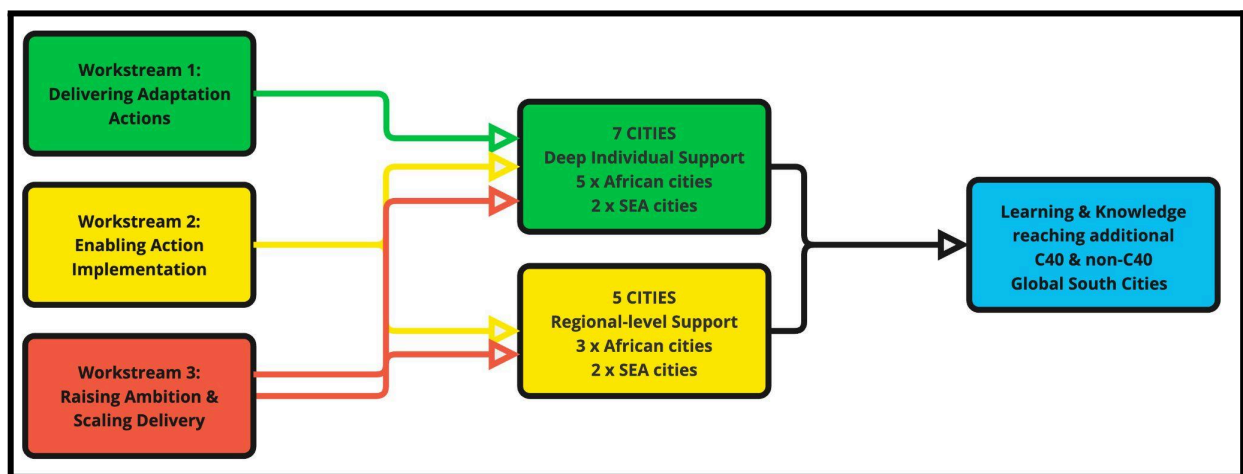
4. THEORY OF CHANGE AND KEY ASSUMPTIONS

The underlying theory of change (ToC) (see Figure 3) behind the programme is that:

> "The underlying ToC behind the programme is that *if* C40 provides direct support to African and Southeast Asian cities for enabling and implementing NbS and resilient urban infrastructure and high-impact adaptation projects supporting them in overcoming barriers to implementing adaptation action, *then* these cities will strengthen their resilience to climate impacts like flooding and extreme heat. *If* city leadership and public commitment are also strengthened, *then* overall commitment to climate adaptation finance and action will be sustained in the long term, *leading* to future resilient and equitable cities."

Figure 3: Diagrammatic representation of the Theory of Change (ToC)

Theory of Change for Strengthening Climate Resilience in Cities in Africa and Southeast Asia

IMPACT
Cities in Africa and Southeast Asia have strengthened climate resilience to address the impacts of urban flooding, droughts, and extreme heat, protect vulnerable communities, and implement nature-based solutions.

OUTCOMES
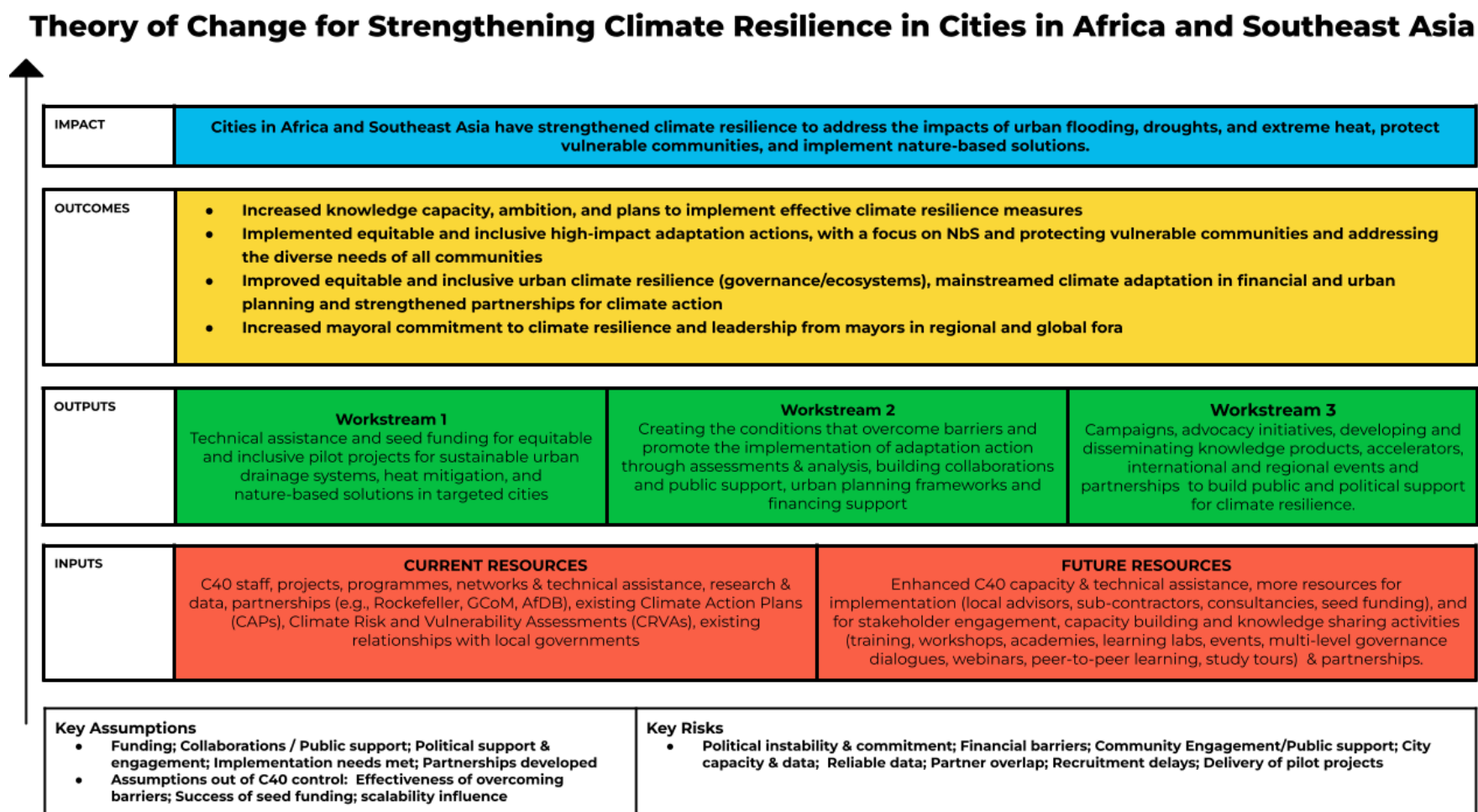- Increased knowledge capacity, ambition, and plans to implement effective climate resilience measures
- Implemented equitable and inclusive high-impact adaptation actions, with a focus on NbS and protecting vulnerable communities and addressing the diverse needs of all communities
- Improved equitable and inclusive urban climate resilience (governance/ecosystems), mainstreamed climate adaptation in financial and urban planning and strengthened partnerships for climate action
- Increased mayoral commitment to climate resilience and leadership from mayors in regional and global fora

OUTPUTS

Workstream 1	Workstream 2	Workstream 3
Technical assistance and seed funding for equitable and inclusive pilot projects for sustainable urban drainage systems, heat mitigation, and nature-based solutions in targeted cities	Creating the conditions that overcome barriers and promote the implementation of adaptation action through assessments & analysis, building collaborations and public support, urban planning frameworks and financing support	Campaigns, advocacy initiatives, developing and disseminating knowledge products, accelerators, international and regional events and partnerships to build public and political support for climate resilience.

INPUTS

CURRENT RESOURCES	FUTURE RESOURCES
C40 staff, projects, programmes, networks & technical assistance, research & data, partnerships (e.g., Rockefeller, GCoM, AfDB), existing Climate Action Plans (CAPs), Climate Risk and Vulnerability Assessments (CRVAs), existing relationships with local governments	Enhanced C40 capacity & technical assistance, more resources for implementation (local advisors, sub-contractors, consultancies, seed funding), and for stakeholder engagement, capacity building and knowledge sharing activities (training, workshops, academies, learning labs, events, multi-level governance dialogues, webinars, peer-to-peer learning, study tours) & partnerships.

Key Assumptions
- Funding; Collaborations / Public support; Political support & engagement; Implementation needs met; Partnerships developed
- Assumptions out of C40 control: Effectiveness of overcoming barriers; Success of seed funding; scalability influence

Key Risks
- Political instability & commitment; Financial barriers; Community Engagement/Public support; City capacity & data; Reliable data; Partner overlap; Recruitment delays; Delivery of pilot projects

4.1 Descriptions for the Context, Objectives, Inputs, Workstreams, and Impacts in the ToC

4.1.1 Context: The *Resilient Urban Futures* programme is designed to tackle the critical challenges posed by climate change in Africa and Southeast Asia cities. These urban areas are increasingly experiencing flooding, droughts, and extreme heat due to climate change and rapid urbanisation, which strain infrastructure and heighten vulnerabilities, especially among poorer populations. The programme seeks to integrate climate resilience into urban planning and governance, leveraging cities' roles as economic hubs to mitigate these risks and promote sustainable development.

4.1.2 Inputs: The programme relies on a combination of existing resources built through C40s work and new funding requested through this programme. Existing resources include staff and activities funded by DMFA in the current partnership, established CAPs, relationships with and resources from cities in the C40 network, and expertise from ongoing projects like Water Safe Cities and the Rockefeller Heat & Health initiative. Climate finance programmes, such as the C40s Cities Finance Facility (CFF) and the African Cities CFOs network. C40 partnerships with entities like the AfDB, UN Habitat and the GCoM, provide crucial financial and technical backing. Funding through the *Resilient Urban Futures* programme is sought to significantly enhance programme management, technical assistance, local coordination and delivery, project development, pilot implementation, and engagement activities, ensuring that cities have the resources needed to implement and sustain adaptation projects. Importantly, this programme will make use of C40s city based technical expert model, where cities who receive deep dive support will have either a city or regional advisor embedded to support implementation.

4.2.3 Three Workstreams for Programme Delivery - outcomes & outputs: The programme's activities are structured into three interrelated workstreams, each essential for achieving the programme's objectives and working towards the following overall programme outcomes:

- Increased knowledge capacity, ambition, and plans to implement effective climate resilience measures.
- Implemented equitable and inclusive high-impact adaptation actions, with a focus on NbS and protecting vulnerable communities and addressing the diverse needs of all communities.
- Improved equitable and inclusive urban climate resilience (governance/ecosystems), mainstreamed climate adaptation in financial and urban planning and strengthened partnerships for climate action.
- Increased mayoral commitment to climate resilience and leadership from mayors in regional and global fora.

Workstream 1: Delivering Adaptation Actions
Workstream 1 is 'project-focused', to support cities in delivering significant, high-impact adaptation projects/actions, aligned with their CAP targets and goals and in response to direct requests for assistance from our Global South Cities. The focus here is direct support to assist city-led implementation. Apart from the immediate result of implementation of these actions, these projects will also serve as pilots that can generate political support and inform broader adaptation efforts in the city and across the region. The tangible results of these projects can demonstrate the effectiveness of climate resilience strategies, thereby encouraging other cities to adopt similar measures. The 7 cities (TBC) receiving deep individual support (see selection in above section 3.1 on geographic focus) will be assisted in addressing climate-induced resilience stress through this workstream.

This workstream will be implemented through **two critical pathways**, both supported by C40 regional technical experts, C40 technical staff and in collaboration with relevant local partners and stakeholders:

1. The first pathway is through **technical assistance (TA)** by expanding the C40 Inclusive Water Resilience Accelerator Fund, launched in August 2024. DMFA will contribute to this fund with the funding specifically allocated for its designated programme cities. The support will be determined through cities' demand and cities will be encouraged to submit proposals linked to building capacity; piloting new approaches; scaling work that is already underway; extending existing efforts to reach communities; or replicating high impact practices that have worked elsewhere. These proposals have to emphasise enhancing local capacity, fostering inclusive community engagement, and supporting vulnerable groups with tailored interventions linked to flooding, droughts, and extreme heat. The fund then awards cities with direct support valued between USD$70,000 and USD$80,000 to each grantee over a period of 12-18 months.[13] C40 then administers the support through procuring technical services for the specific awarded projects.

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[13] Funds will not be directly transferred to the cities, but C40 will fund activities, incl. procure the technical assistance awarded, following all applicable regulations.

C40 will directly pay (and support cities through the process) for any goods and services as part of the direct assistance. Some aspects of the proposals submitted by the city will also be supported internally through C40 staff time (where applicable).

2. The second pathway is through **seed funding for direct implementation** of 2-3 'quick win' demonstration pilots over the period of the programme (total of US$400,000). A "quick-win" project is defined as an intervention based on priority actions from a city's CAP. To qualify, the project should have the potential to: deliver impacts within two to three years with vulnerable communities as primary beneficiaries[14]; be implementable with relatively limited funding or investment; already be in the city's pipeline; and should be scalable and replicable across the select city and other cities. Such project implementation will yield insights on the techniques and interventions that work best in different operational contexts to inform successful scaling up of similar activities. These 'quick win' demonstration pilots will be supported through seed funding that takes advantage of the strengthened governance capacity and knowledge base (see workstream 2) in the selected cities and ensures that policies are translated into quick and easily implementable pilot projects on the ground. C40 would administer this support through a sub-grant to a trusted NGO partner with expertise in development and financing to undertake the pilot deployment. See box 3 for more information on the justification of this approach. The cities themselves will support these efforts through allocating staff time (including executive staff i.e CFOs) as well as support alignment to other projects and programmes for potential co-funding. If the proposed pathway on pilot projects is not accepted, we will allocate resources to focus on providing enhanced technical assistance under the first pathway, ensuring that cities still receive the support needed to advance their climate action goals.

Box 3 - Accelerating action implementation

<u>Why pilot projects?</u>
C40 cities, especially in Africa, need to demonstrate concrete progress through pilots that not only test and validate priority climate actions but also link to broader programmes for scaling and replication. Our network cities have identified that pilot projects are essential to:
- solidify political commitment by showcasing tangible progress;
- tailor climate solutions to local contexts;
- test and refine innovative approaches;
- ensure social inclusivity and community acceptance;
- attract investment for large-scale deployment; and
- address widespread concern that policies, programmes, and feasibility studies often fail to deliver tangible outcomes.

Driven by direct demand from Global South cities, demonstration pilots are powerful, locally-led solutions that catalyse tangible, context-specific climate action where it matters most.

<u>Why C40?</u>
As C40 continues to champion climate action and sustainable urban development, it has become increasingly clear that our cities are facing immediate and urgent needs for practical implementation support. While C40 has traditionally focused on technical assistance, capacity building, advocacy and collaboration, we are now in a unique position to pivot and in certain cases help directly address the implementation gaps identified by our member cities, including through partnerships for scalable impact.

Cities across our network have expressed a strong desire for assistance in turning ambitious climate strategies into tangible actions but face challenges in obtaining the necessary support. Cities are increasingly turning to C40 for help in meeting this demand. By setting aside a small direct implementation budget, we can enhance our role as facilitators and enablers of climate solutions. This budget would not only allow us to engage more deeply with local governments but also position C40 as a credible partner in discussions with other financial institutions, the private sector and other stakeholders. Because we acknowledge that we are not an implementation organisation, our approach would involve hiring subgrantees with proven expertise in various implementation strategies. This model will enable us to effectively allocate resources, ensuring that cities receive the tailored support they need, while maintaining C40's focus on capacity building, technical assistance, knowledge sharing and facilitating the much-needed collaboration across stakeholders to allow for scaling and replication. This represents a strategic evolution for C40, aligning our mission with the urgent needs of our cities and

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[14] Equity, inclusion, and job creation opportunities need to have been factored into the design and delivery of pilot projects, creating opportunities to improve livelihoods for diverse communities. Achievement will be measured by the proportion of cities evaluating inclusion, jobs and equity in the design, implementation, monitoring of their climate actions, and the number of jobs created from climate actions in target C40 cities, disaggregated by gender and vulnerable groups

reinforcing our commitment to driving real change. By investing in supporting direct implementation, we can better strengthen our partnerships, unlock additional funding opportunities, and ultimately help cities achieve their climate goals more effectively.

C40 has limited, but growing, prior experience funding or supporting pilots involving the procurement and management of tangible assets, starting with the purchase of low-cost air quality monitors for cities through its African Air Quality programme. Further, demonstration pilots are currently being implemented in the C40 cities of Lagos and Nairobi under **C40's UCAP Climate Action Implementation (CAI) Programme**, funded by the UK Foreign, Commonwealth and Development Office. In addition we are in current conversations with DMFA to support the purchasing of equipment in Johannesburg, Lagos and Freetown to support water monitoring stations in boreholes, commercial weather stations and rainwater harvesting systems respectively. Through these processes, C40 has developed a rigorous pilot selection criteria and engaged in significant consultations to develop guidance on fixed asset management (procurement, maintenance, inventory, transfer) as well as best practice for scaling and replication.

A well defined **monitoring and evaluation framework for implemented actions** (linked to these criteria and the programmes' ToC for both technical assistance and demonstration pilots (i.e. both pathways under this workstream)) will be developed and will guide project selection and impact monitoring. Moreover, this will be informed by learnings, examples and proof of concepts where seed funding for demonstration pilots and TA has worked well in the past. These include the C40s African Cities for Clean Air programme, C40s Transforming Waste Management programme, UCAP CAI and the Inclusive Climate Action (ICA) Fund.

There are numerous **examples of high-impact adaptation projects that may be supported by this workstream**. For instance, to increase urban water security, cities could be supported to implement sustainable urban drainage systems (SUDS), introduce water conservation measures, develop functional early warning systems, embark on a drought behaviour change campaign, improve water and sanitation access in informal settlements or incorporate climate resilience infrastructure like NbS into larger city infrastructure upgrade projects. To address extreme heat, cities could receive support for projects, such as installing cool roofs, using reflective pavements to mitigate heat, restore urban wetlands, embark on tree planting initiatives / develop green corridors or undertake heat risk mapping and community sensitisation. All interventions will be required to directly benefit most vulnerable groups, including those living in poverty.

Critical to ongoing success will be **scaling the adaptation actions and projects supported under this workstream**, via identifying co-funding and new partnerships including with potential financial providers to advance implementation, strong engagement with cities' chief financial officers to facilitate the access to finance, exploring the engagement of potential funders, engagement with public and private banks to enhance focus on urban resilience and seeking out business engagement / market opportunities.

This workstream will draw on the **C40 city advisor model for delivery,** involving seven advisors or experts (TBC), with one assigned to each city receiving deep dive individual support. These experts will provide specialised, on-the-ground assistance as cities develop and implement their technical assistance and "quick-win" projects. Positioned locally within the municipalities, these experts will spearhead stakeholder engagement, facilitate capacity building and knowledge exchange, and forge partnerships with businesses, NGOs, and community groups, ensuring a comprehensive approach to climate action and the sustainability of these projects.

The enabling conditions established by workstream 2 (described below) will be essential for guiding both the technical assistance and "quick-win" projects of this workstream. The city experts will also play a key role in sequencing and aligning activities across all workstreams to ensure cohesive and effective climate action as well as seeking opportunities for inclusion of some of the supported projects into the C40s CFF pipeline. C40s inclusive climate action approach will ensure all high-impact adaptation projects supported are comprehensive, equitable, and effective in addressing the diverse needs of all communities.

In sum, key expected outputs of workstream 1 will be technical assistance and seed funding for equitable and inclusive pilot projects for sustainable urban drainage systems, heat mitigation, and nature-based solutions in the 7 targeted cities.

Workstream 2: Enabling Action Implementation
Adopting a 'whole of city' approach, workstream 2 focuses on creating an enabling environment that supports effective and sustainable adaptation across all 12 programme cities (see above, table 1), by focusing on overcoming barriers and promoting the implementation of adaptation action. Key activities will be further specified and developed following DMFA Programme Committee feedback building on the following:

- Providing support to cities in the **development of assessments and analysis for improved governance**. Critical activities aimed at enhancing urban resilience and climate responsiveness may

include: supporting cities review and update their CCRAs to identify potential climate impacts; creating heat-vulnerability mapping to pinpoint areas most at risk from extreme heat events; undertaking needs assessments and developing research reports to understand and address specific urban challenges; developing equity assessments to ensure that climate adaptation strategies are inclusive and equitable; embed climate-resilient in land use policies, master plans, precinct or neighbourhood land use plan; and formulating adaptation implementation plans, including water strategy and action plans, to systematically address and mitigate identified risks and vulnerabilities and help guide the cities.

● Actively **developing strategic collaborations through fostering city-to-city collaborations** to enable shared learning and joint problem-solving; supporting national-level partnerships to align local initiatives with broader policy frameworks and resources; forming city-business adaptation alliances and supporting business engagement to integrate private sector innovation into climate strategies and activities; and leveraging strategic sector corporations to amplify the programme impact. Activities will build on C40s business engagement work through the City-Business Alliance programme.

● **Embed climate risks into financial planning, including budgeting and capital planning**. Activities may include enhancing the capacity of cities to develop adaptation projects[15] that are better aligned with financiers' expectations in order to help facilitate projects to access the finance required for implementation; early-stage engagement[16] with both public and private financial institutions and providers to work with them to develop adaptation projects and robust pipelines for funding; mainstreaming adaptation and resilience into city investments and budgeting processes, supporting cities in adopting the climate budgeting approach; and exploring innovative business models and funding opportunities to ensure effective implementation of adaptation actions. Activities will be very closely linked and leverage other C40 climate finance initiatives like the CFF, CFO Network, the C40 Climate Budgeting programme, and its partnership with the GCoM.

Support for all 12 programme cities under this workstream will be delivered by C40 city experts, C40 technical staff, and local consultants. This support will then be coordinated through a **series of interconnected capacity building and knowledge exchange initiatives which take the form of training, workshops, academies, learning labs, programme events, multi-level governance dialogues as well as webinars, peer-to-peer learning and study tours.** These capacity building and knowledge exchange initiatives closely align with activities in workstream 1. For instance, workshops designed to co-create technical assistance or "quick-win" projects will provide 'learning by doing' opportunities for building capacity and providing tools necessary for developing stronger project proposals before seeking funding. Activities that review and update CCVAs might integrate co-development and/or validation of heat risk mapping or adaptation plans. Incorporating climate-resilient strategies into land use plans may also align with the implementation of informal upgrading technical assistance projects. Multi-level governance dialogues will likely involve engagement with business and financial organisations to co-develop robust resource pipelines. The co-development of high-impact adaptation projects (workstream 1) presents the opportunity to bolster advocacy initiatives and public support efforts, detailed in workstream 3. Technical and policy training, knowledge and peer-to-peer sharing. learning labs etc., will enhance the technical and institutional capacities of city officials within the areas of water, heat and NbS. Cities can benefit from the experiences of peers in other C40 cities who have successfully implemented climate adaptation projects, thereby accelerating their own efforts, drawing on C40 networks, knowledge and expertise.

Partnership building, community and stakeholder engagement will then be embedded in all capacity building and knowledge activities ensuring that climate solutions are comprehensive, equitable, and effective in addressing the diverse needs of all communities. Different levels of government, the private sector as well as civil society (including vulnerable groups) will participate in engagements. This is critical for climate action, helping build a consensus on the need for resilience measures and ensuring that various stakeholders are aligned in their efforts. National and global political support for climate action often depends on having strong local and national level buy-in (worksteam 3). Mayors who secure robust support at the community level can act as more powerful advocates at the national and international levels. Capacity-building activities and community workshops can further educate stakeholders about the impacts of climate action, foster dialogue, mitigate opposition, and ultimately build strong local support for sustainable climate actions.

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[15] Providing city officials with the knowledge and tools for developing better projects in advance of applying for finance is still the best cost-effective action to overcome the barriers that hinder resilient investments.

[16] Building connections between cities and finance providers, especially Development Financial Institutions (DFIs), can help promote financial instruments better aligned with local needs. Also, promoting early involvement by capital providers ensures necessary buy-in and offers relevant stakeholders opportunities to influence project development. Cities, working collaboratively with public and private institutions, can catalyse innovative adaptation solutions that can foster innovative business models to leverage private sector involvement.

Capacity building and knowledge activities under this grant will also **align with knowledge sharing activities carried out by C40 networks** that create communities of practice including C40's [Land Use Planning Network](), [Urban Flooding Network](), [Water Security Network](), [Cool Cities Network]() and [Connecting Delta Cities Network]() . This will create opportunities for city-to-city collaborations and increase the impact of this programme to many more cities in the global south. This non-attributable impact outside of the 12 programme cities supported by this workstream will be reported on an annual basis (as dependent on supporting activities), thereby increasing the number of cities referenced in the workstream outcome below.

In sum, key expected outputs of workstream 2 will be to create the conditions that overcome barriers and promote the implementation of adaptation action through assessments & analysis, building collaborations and public support, urban planning frameworks and financing support, in all 12 cities (including the 7 cities supported in workstream 1).

Workstream 3: Raising Ambition and Scaling Delivery

Workstream 3 is a 'global, political and public support effort' aimed at **increasing political commitment and amplifying the impact of urban climate resilience initiatives by engaging political leaders and communities as well as disseminating knowledge and learnings to build robust support for climate resilience.** By creating a conducive political environment and ensuring actions (e.g water management, coastal flooding improvements, NbS) have public support and buy in from key stakeholders and communities, this workstream ensures that the programme's interventions are sustainable and replicable, ultimately contributing to a resilient, sustainable, and inclusive urban future. Communicating and showcasing the programme's knowledge, learnings and activities will help to underpin the efforts to build local support and raise the profile regionally/internationally.

As is the case of workstream 2, activities under this workstream will also align with other opportunities created by C40 networks, increasing city-to-city collaborations and building a community of practice. Further, this workstream aims to extend the reach of the programme cities' experience to build capacity, inform and influence non-member cities, particularly through close collaboration with the GCoM and through the Coalition for High Ambition Multilevel Partnerships (CHAMP), launched at COP28. We will utilise global platforms such as CoP, Adaptation Futures as well as regional ones such as Urban Shift Forum in Africa, to raise our cities' voice on climate resilience.

This workstream is essential for driving systemic change and ensuring that local actions are supported by robust global collaboration. Support to cities include:
- Launching **global and regional public awareness campaigns and delivering advocacy initiatives**. These highlight the importance of climate action and encourage youth, businesses, communities and leaders to prioritise resilience in their policies and practices.
- Developing and disseminating **best practice guides, case studies, and policy briefs.** This enables cities to learn from each other's experiences and replicate successful strategies. This exchange of knowledge accelerates the adoption of effective resilience measures and builds a community of practice among cities.
- Increasing commitments to the **C40 Water Safe Cities and Urban Nature Accelerators to show regional political commitment to the global agendas**.
- Supporting participation of Mayors and senior technical staff at relevant regional and **international events, convenings and fora**.
- Engage other C40 and non-C40 cities in order to **replicate and scale across other cities in the country/region through leveraging C40 networking activities and its partnership with GCoM**. Efforts will also be made to align with CHAMP's goals by emphasising increased financing for urban resilience and leveraging CHAMP to develop stronger multilevel partnerships.

In sum, key expected outputs of workstream 3 will be facilitation of campaigns & advocacy initiatives, developing and disseminating knowledge products, accelerators, international and regional events and partnerships to build public and political support for climate resilience.

4.1.3   Impacts: The impacts of the programme are envisioned to flow from the activities of the workstreams, leading to both short-term and long-term benefits. In the short term, the programme aims to increase knowledge, capacity, and ambition among cities to implement effective climate resilience measures. In the medium term, it seeks to enhance urban ecosystems and strengthen partnerships for climate action, providing benefits like flood reduction and cooling. In the long term, the goal is to significantly increase urban climate resilience, protecting vulnerable communities and embedding climate adaptation in urban planning and budgeting.

4.3 Key assumptions for success based on Theory of Change

This ToC contains several key assumptions. The success of this programme assumes the continued availability of funding and resources, along with accessible finance for implementation. It relies on effective collaboration among stakeholders, including local communities, international development finance organisations, and strategic partners across sectors. A supportive policy and regulatory environment is crucial, as is the commitment of C40 member cities to sustained engagement, contributing staff time and in-kind resources. Additionally, the program assumes that implementation funds and demonstration pilots will effectively address city demands, and that key partners, including funders, national governments, and the private sector, will be actively engaged in building and sustaining the programme.

C40 also acknowledges that several key assumptions are beyond our control. While the programme helps identify and promote strategies to overcome existing barriers for resilience action, the effectiveness of these efforts depends on external factors, such as local governance, community engagement, and socioeconomic conditions. The success of the seed funding (see pathway 2, workstream 1) support hinges on the availability of technical assistance, existing projects, expertise of stakeholders and additional external partnerships and resources. While C40 aims to support the development of scalable and replicable implementation strategies, the adoption of these approaches is influenced by local contexts and capacities. Variations in political will, community readiness, and additional resource availability can impact their broader application. Likewise building strong partnerships and securing access to additional finance are critical for unlocking transformative change.

5. DRAFT RESULTS FRAMEWORK

A Preliminary Results Framework is presented in Table 2 below and will be further refined as the final version of the Programme Document is developed with output indicators also being developed per workstream. C40 will collaborate with DMFA to refine these indicators, noting that they are preliminary and will be adjusted to ensure they are verifiable and meet DMFA requirements. Through the Danish contribution to C40, DMFA will have a strategic focus on implementation of climate resilience actions, delivering tangible results on the ground, corresponding to the impact indicator in Table 2 below. Indicators have been selected to adequately capture urban resilience that leads to reduced vulnerability to climate change impacts, improved public health and sustainable development through the integration of NbS.

In addition to the impact and outcome indicators outlined below, namely, *the number of beneficiaries of C40's resilience programme,* the Danish contribution to C40 will also have a strategic contribution to other C40 indicators. C40 is in the process of finalising the 2025-2030 Business Plan including the results framework. The respective C40 outcomes and indicators as well as the baselines for 2025 and targets for 2025 will be set in the coming months. Following approval by the DMFA Programme Committee these will be integrated into future programme documents.

Table 2 - Preliminary Results framework for *Resilient Urban Futures*

Programme	Resilient Urban Futures: Strengthened climate resilience for Global South cities to the impacts of coastal & urban flooding, droughts and extreme heat, while promoting nature-based solutions.
Programme Objective	The overall goal of the programme is to strengthen climate resilience for cities in Africa and Southeast Asia to the impacts of urban flooding, droughts and extreme heat, while promoting nature-based solutions. Underpinning this are 5 specific sub-goals: 1. Ensure cities can withstand impacts of increased flooding, droughts, and heat. 2. Prioritise the most vulnerable groups that are worst affected by climate impacts. 3. Promote the use of nature-based solutions. 4. Promote effective and context-based means to mainstream climate resilience. 5. Enhance city leadership and capacity.
Impact Indicator	The overarching impact indicator for the programme should align with C40's Business Plan 2025-2030 and will be developed in collaboration with DMFA. Benefits of adaptation are complex and difficult to estimate numerically, therefore often tracked

	qualitatively. An indicator that C40 has used to assess the benefits of resilience actions in cities is to estimate the "number of beneficiaries" of actions from C40 resilience programmes and activities. This indicator translates individual activities carried out under DMFA-funded projects and programmes into estimates of populations benefited by those activities. If this indicator is chosen, population numbers for 2023 suggest a preliminary estimated target of 180 million beneficiaries (subject to change in the development of the final program documents and will be complemented by a verification approach).

Due to the nature of *Resilient Urban Futures*, the components cannot be broken down into smaller projects. However, four indicators have been suggested for DMFA, aligned with the four overall programme outcomes. These will be the metrics for assessing the number of beneficiaries indicated above.

Outcome 1	Increased knowledge capacity, ambition, and plans to implement effective climate resilience measures
Outcome indicator 1	Number of cities progressing towards their cities adaptation goals & targets, based on evidence of reduction of risk and impact (this indicator is still to be confirmed, as it is part of tracking outcomes for the C40 2025-2030 business plan. Baseline and targets tbc)

Outcome 2	Implemented equitable and inclusive high-impact adaptation actions, with a focus on nature-based solutions, protecting vulnerable communities and addressing the diverse needs of all communities.
Outcome indicator 2	Number of high-impact resilience actions implemented by C40 cities in each region (baseline and targets tbc)

Outcome 3	Improved equitable and inclusive urban climate resilience (governance/ecosystems), mainstreamed climate adaptation in financial and urban planning and strengthened partnerships for climate action.
Outcome indicator 3	Number of C40 cities with a plan to include climate adaptation in their budgets, capital planning, infrastructure investments, land use policies/plans/processes or decision making processes (baseline and targets tbc)

Outcome 4	Increased mayoral commitment to climate resilience and leadership from mayors in regional and global fora.
Outcome Indicator 4	Number of cities committed and reporting to resilience accelerators: Urban Nature Accelerator (UNA), Water Safe Cities Accelerator (WSCA) (baseline and targets tbc at start of programme)

Outputs will likewise be tracked in the logframe with a set of indicators to be defined in collaboration with DMFA, including number of projects supported and number of capacity building and knowledge exchange initiative's delivered to support cities implement equitable and inclusive high impact resilience actions, including the delivery of wider health, social and economic benefits.

6. BUDGET

The anticipated Danish contribution is DKK 100 million (approximately USD 14,5 million), preliminarily distributed as follows:

Indicative Programme Budget (DKK)

Outputs per Workstream	2025	2026	2027	2028	2029	2030	TOTAL
Workstream 1 - Technical assistance and seed funding for equitable and inclusive pilot projects for sustainable urban drainage systems, heat mitigation, and nature-based solutions in targeted cities							
Technical assistance & implementation funds	515,756	1,547,269	5,501,401	3,850,981	0	0	11,415,407
C40 City experts, regional technical oversight & support, C40 sectoral technical capacity	2,013,028	5,666,412	6,006,396	6,366,780	3,544,390	203,071	23,801,917
Total WS1							*35,217,324*
Workstream 2 - Creating the conditions that overcome barriers and promote the implementation of adaptation action through assessments & analysis, building collaborations and public support, urban planning frameworks and financing support							
Consultants, technical assistance, risk & equity assessments	893,978	1,375,350	2,406,863	1,375,350	0	0	6,051,541
Workshops, events & travel	857,875	1,181,082	1,181,082	1,263,603	268,193	0	4,751,835
C40 Policy, finance, business engagement, equity & inclusion expert capacity	1,695,255	3,672,599	3,733,408	3,673,992	2,617,237	0	15,392,491
Total WS2							*26,195,867*
Workstream 3 - Campaigns, advocacy initiatives, developing and disseminating knowledge products, Accelerators, international and regional events and partnerships to build public and political support for climate resilience							
Communications	0	206,303	206,303	378,221	378,221	68,768	1,237,815
C40 comms, knowledge sharing, political & public advocacy, youth engagement staff capacity	1,196,133	1,995,440	2,025,652	1,901,746	1,539,542	134,111	8,792,623
Events & travel	508,880	557,017	557,017	598,277	134,097	0	2,355,287
Total WS3							*12,385,726*
Programme management (grant management & reporting)	1,271,606	1,744,801	1,693,761	1,706,475	1,808,864	528,387	8,753,894
Programme delivery support across workstreams (recruitment, finance & procurement management, audit)	1,143,864	1,783,982	2,200,206	1,874,355	1,980,077	1,166,208	10,148,692
Translation & interpretation	34,384	206,303	206,303	206,303	68,768	34,384	756,443
TOTAL direct costs	10,130,757	19,936,556	25,718,393	23,196,083	12,339,388	2,134,928	93,457,945
Overhead (7%)	709,153	1,395,559	1,800,287	1,623,726	863,757	149,445	6,542,056
TOTAL	10,839,910	21,332,115	27,518,680	24,819,809	13,203,145	2,284,372	100,000,001

The transfer of funds should follow the plan outlined on the cover page but will be subject to evaluation of the spending of funds. C40 will be responsible for submitting requests for disbursement and should confirm receipt of funds at the very latest 14 days after funds have been registered on the account.

Any unspent funds will be returned to the DMFA following the closure of the programme including any interests earned. The DMFA might conduct a financial monitoring visit during the programme period to get an insight of the spending procedures and adherence to financial policies and procedures.

7. INSTITUTIONAL AND MANAGEMENT ARRANGEMENTS

The *Resilient Urban Futures* programme's institutional and management arrangements are designed to ensure effective governance, coordination, and implementation of programme activities. These arrangements facilitate collaboration among various stakeholders, including C40, the DMFA, local governments, and other relevant partners, as mentioned in the documents.

Organisational Structure, roles and responsibilities
The programme's organisational structure is built on a multi-tiered approach, involving key actors at different levels to ensure comprehensive oversight and management within C40. Programme management and oversight sits in C40's Climate Action Implementation team.

C40 will act as the primary implementing agency, responsible for the overall coordination, technical assistance, and support to participating cities. C40's responsibilities include:

- Responsibility for all deliverables of the programme.
- Providing technical assistance and capacity building to city governments.
- Facilitating knowledge exchange and peer-to-peer learning among cities.
- Monitoring and evaluating programme progress against the results framework and impact and reporting to the DMFA annually.
- Financial management and financial audited reporting.

DMFA will provide strategic guidance, funding, and oversight to the programme. Responsibilities include:

- Ensuring alignment with Denmark's development cooperation objectives and priorities.
- Monitoring the programme's progress and ensuring accountability through regular reporting received from C40, including meetings with C40 in the Advisory Group (see below) and as per request.
- Facilitating coordination with other international donors and partners.

Local governments in participating cities are crucial for the on-the-ground implementation of programme activities. Their responsibilities include:

- Political ambition and leadership.
- Developing and implementing city-level CAPs and adaptation strategies.
- Involving the relevant city departments, including environment and sustainability, urban planning and finance and supporting cross-departmental work.
- Engaging with local stakeholders, including communities and the private sector, including to create public support.
- Providing local data and information necessary for programme planning and monitoring; and ensuring the sustainability of programme interventions through local ownership and integration into municipal plans.

Coordination Mechanisms
As part of the overall programme governance structure, a programme **Advisory Group** will be created and including select DMFA representatives (tbc), as well as C40 programme leadership. Relevant external partners and organisations can be invited to participate. The group will meet 1-2 times a year (tbc) to:

- Track the programme progress, advise strategic direction and alignment with external initiatives; and review and monitor risks.

A **Programme Steering Group** will be established internally in C40 - this model mirrors the governance structure we have successfully established for other large, government-funded programmes. The Steering Group

includes relevant global policy teams, regional management and C40 leadership. The group will meet quarterly and responsibilities include:

- Overseeing the implementation of the programme globally.
- Ensuring alignment of regional activities with the overall programme objectives.
- Providing technical and strategic support to regional coordination hubs and city governments.
- Facilitating communication and collaboration among all stakeholders.
- Managing global partnerships and leveraging additional resources.

A **Technical Advisory Group**, consisting of C40 experts in urban resilience, climate adaptation, and sustainable development, will be established to provide technical support and advice. The group will meet quarterly in advance of the Steering Group offer guidance on the design and implementation of technical interventions; review technical reports and documentation; and support capacity-building efforts by sharing expertise and best practices.

A **Regional Coordination Capacity team** will be set up to facilitate regional collaboration and knowledge sharing. These hubs will meet as needed and coordinate activities among cities within the same region, organise regional workshops and training sessions, and foster regional networks and partnerships for climate resilience.

Reporting Mechanisms

Regular reporting mechanisms will be established to ensure transparency and accountability. This includes the following reports to the DMFA:

- Quarterly Reports: Summary activity reports submitted one month after the end of each quarter.
- Annual Reports: Comprehensive reports summarising yearly outcomes and achievements, challenges, and lessons learned no later than 3 months after year-end.
- Annual Audited Financial Reports: C40 will provide annual audited financial statements within 6 months of each financial year.
- Final Report: An end-of-programme report evaluating overall performance and impact 3 months after the end of the grant.

The responsible DMFA unit shall have the right to carry out any technical or financial mission that is considered necessary to monitor the implementation of the programme. After the termination of the programme support, the Green Diplomacy and Climate (KLIMA) reserves the right to carry out evaluation in accordance with this article.

Financial Management

C40 has comprehensive financial management policies in place. Multi-year Business Plans and budgets are approved by the C40 Steering Committee and Board, with annual consolidated financial statements audited by external auditors. C40 follows strict procurement, safeguarding, and anti-corruption policies to ensure transparency, value for money, and compliance with standards as a charitable organisation. C40 has a Whistleblowing Policy to address reports of misconduct, fraud and corruption wherever it occurs. Additionally, C40 has a Travel & Expense Policy that promotes cost efficiency and sustainability.

Implementation plan and closure

A draft implementation plan has been added as Annex 4 detailing the envisioned steps of the implementation, including the planned closure of the programme. The programme is planned to deliver outcomes in cooperation with the cities of the programme, including much emphasis on local stakeholder engagement. The programme is adding local capacity, increasing city resources (city experts, TA, seed funding etc) and unlocking critical systematic barriers (see workstream 2), ensuring sustainability of the results following closure of the programme.

8. RISK MANAGEMENT

Annex 3 provides an overview of the main main risks that may affect the programme delivery. The final programme document will include a comprehensive risk management matrix with further details on all of the different risks identified. The risk matrix will be monitored, reviewed and updated by the Programme Management Team on a continuous basis. By addressing the programmatic risks with targeted mitigation strategies, we aim to ensure effective programme implementation and maintain momentum on climate action across the selected programme cities. In addition, C40 will adopt a flexible programme design to ensure we can effectively respond to contextual risks posed to the programme, which are out of C40's direct control.

ANNEXES

Annex 1: Partner Assessment

C40 Cities is the implementing partner for Denmark's support. This annex summarises a brief assessment of C40 Cities as the implementing partner for the Danish grant.

C40 is a global network of large cities that have committed to ambitious leadership and action on addressing climate change. It started in 2005 when representatives from the world's megacities forged an agreement to cooperate to reduce climate pollution and halve the emissions of its member cities within a decade, while improving equity, building resilience, and creating the conditions for urban dwellers to thrive. Today the C40 network consists of close to 100 cities across the world. The network of C40 member cities represents 1/4 of the global economy and at least 700 million people, of which more than 2/3 live in the global South. The Mayors of C40 cities are committed to using an inclusive, science-based, and collaborative approach to cut their emissions in half by 2030, and helping the world limit the global heating to 1.5C.

A distinguishing feature is that the C40 network operates on performance-based requirements. There is no membership fee and cities earn their membership through meeting the set minimum Leadership Standards for C40 cities. At the organisational level, C40 is incorporated as a non-stock, non-profit corporation in the State of Delaware in the USA, under the name C40 Cities Climate Leadership Group Inc. The organisation C40 also has registered offices in the UK, Belgium, Denmark, South Africa, India and China. The governance structure consists of a Steering Committee (SC) with 17 C40 member city mayors elected by and among the mayors of the C40 members, and a Board of Directors elected by the C40 SC, consisting of 10 members, 4 representing C40's member cities, 5 representing the strategic funders, and one independent member. The SC, , currently co-chaired by the Mayor of London, Sadiq Khan and the Mayor of Freetown, Yvonne Aki-Sawyerr, sets the strategic direction of the organisation and the leadership standards that cities must comply with to maintain membership of C40. The former three-term mayor of New York City, Michael R. Bloomberg, serves as President of the C40 Board of Directors, responsible for operational oversight. The core functions of the Board are appointment of the Executive Director, approval of the annual budget and financial accounts, approval of delegation of authority, and creation and dissolution of subsidiaries. C40's work is supported through philanthropic, corporate and government funding. C40 is funded by a large variety of donors, including three core strategic donors: Bloomberg Philanthropies, the Children's Investment Fund Foundation (CIFF), and Realdania. The remaining part of the funding is provided by more than 30 different organisations and partners, including Denmark, providing an array of both unrestricted and restricted funding.

C40 has identified four sub-missions that are critical to be able to deliver its two main missions:

- Winning the case that fossil gas is nearly as bad as coal
- Delivery of low or zero transport emission areas in cities
- Unlock investment and finance for city climate projects
- Advance delivery of 50 million good, green jobs by 2030

The critical work that C40 does in support of science-based, urban climate action is broader than these sub-missions. But they help define the main cross-organisational focus for a given period to leverage policy and advocacy resources across C40 to build public support and social acceptance for local climate action. These four sub-missions will likely evolve in time, while the two main missions will remain until they are achieved and will serve as the key building blocks of the new Business Plan 2025 - 2030 which C40 is finalising this year.

The focus of C40 has expanded from mitigation, primarily assisting member cities in developing climate action plans, towards adaptation, including assistance to update climate action plans and implementation of city climate actions. Thus, C40's resources are increasingly focused on supporting and accelerating implementation of inclusive climate action at city level. Further, the Regional Sectoral Programmes are introduced as key vehicles for acceleration of implementation, with emphasis on the highest priority and highest impact climate actions in each region.

Summary of key partner features (DMFA Template)

Name of Partner	Core business	Importance	Influence	Contribution	Capacity	Exit strategy
What is the main business, interest and goal of the partner?	*How important is the project/programme for the partner's activity-level (Low, medium high)?*	*How much influence does the partner have over the project/programme (low, medium, high)?*	*What will be the partner's main contribution?*	*What are the main issues emerging from the assessment of the partner's capacity?*	*What is the strategy for exiting the partnership?*
C40 Cities	C40 focuses its work strategically around two main missions (to be updated to three in the next business plan): - Help get the world off of fossil fuels to halt climate breakdown, in particular by halving fossil fuel use in cities by 2030. - Address the impacts and injustices of climate breakdown, focusing on increasing equity and climate resilience in cities.	Denmark's proposed contribution of DKK 100 million corresponds to about USD 15 million.	C40 Cities' influence is high, and C40 is fully accountable to Denmark for progress and results.	C40's main contributions include expertise, experience, knowledge, data and information, convening power, communications and outreach, leverage through C40 networks, cities, and programmes.	During the mid-term review of current contributions from DMFA it was requested that less budget was spent on staff time and more on workshops and on the ground support.	Denmark has supported C40 Cities since 2017 and this support has consistently been considered relevant and impactful. Current contributions come to an end by December 2024, with a no cost extension having been requested to 31 March 2024. A new phase of support through 2030 is now proposed. However, in the unlikely event of an exit, this would be communicated well ahead giving C40 Cities ample time to consider the implications.

Annex 2: Process Action Plan

PROCESS ACTION PLAN		
Activity	**Timing/deadline** *[month or quarter]*	**Responsible**
Deadline for submission of draft programme document to Programme Committee	26 September 2024	KLIMA
Programme Committee Meeting	8 October 2024	KLIMA
Revise programme document following Programme Committee meeting	October-December 2024	KLIMA/C40
Appraisal	January/February 2025 (3 weeks)	KLIMA/LÆRING
Revise programme document following appraisal recommendations	February/March 2025	C40
Deadline for submission of full set of programme documents to the Council for Development Policy (UPR)	March 2025	KLIMA
Presentation for UPR	April 2025	KLIMA
Approval by the Danish Minister for Development Cooperation and Global Climate Policy	May 2025	LÆRING
Approval of by C40 Board	May 2025	C40
Signing of Grant Agreement with C40 Cities	June 2025	KLIMA/C40
Register commitment	June 2025	KLIMA
Implementation (For more detail information about implementation, see project schedule below)	Q3 2025-2029	C40
Mid-Term Review	Mid-2027	MFA

Annex 3: Risk Register

Contextual risks					
Risk Factor	*Likelihood*	*Impact*	*Risk response*	*Residual risk*	*Background to assessment*
Political					
Political commitment to climate action undermined due to changes of C40 city Mayor/city government and/or changes of political priorities.	Possible	Major	Strengthening engagement with senior city management and cross-departmental teams; managing & engaging with election timeframes (developing political resilience strategies for programme cities 6 months in advance of mayoral elections); rely on the immense experience and lessons of C40 staff who partner with leading Mayors; develop flexible and adaptive plans annually.	Medium	C40 City action is driven by highly committed and ambitious political leadership, which can of course change with local elections etc. Engagement with city staff, at high as well as technical level, contributes to creating sustainable ownership within city administration.
Policy framework at national/regional level in C40 City countries restricting city climate action.	Likely	Medium	C40 cities are ambitious and continue to lead climate action even if the national enabling environment is not supportive. Collectively C40 cities have high convening power and political influence and can rally support from business communities and advocacy groups. C40 will also seek to influence international fora and collaborations, including through CHAMP (Coalition for High Ambition Multilevel Partnerships).	Medium	Potential slow-down in international political commitment to deliver on the Paris Agreement and the SDGs. NDCs, SDGs and national sectoral policies and strategies with which City climate action and C40 support will align, prove to be vague and unambitious or are not enacted. The risk is difficult to mitigate for C40 and can affect the programme delivery.
Effective collaboration among different government levels.	Likely	High	Establish clear coordination mechanisms; set up regional coordination hubs	Medium	Institutional fragmentation or lack of coordination
Mandate limitations at the municipal level	High	High	Support actions only for which cities have the mandate to take the lead in implementation; support cities only that have mandate and financial health status allowing them to borrow; consult coordinating agencies and key partners for agreement on implementation; mobilise business alliances/partnerships to support sustainable, community-rooted projects beyond programme closure.	Medium	Some cities do not have the mandate to implement specific climate actions and/or access certain types of financing (e.g. not able to borrow directly from MDBs).
Financial					
Financial barriers to implementing adaptation actions effectively.	Likely	High	Allocating budget to technical assistance and demonstration pilots (funding to catalyse actions through pilots); early stage engagement with MDBs; building in activities to help secure diverse funding sources and build partnerships; C40 support for integration of climate action plans into city sector plans and investment programmes; C40 support for identification of possible bankable project ideas that could be further developed and supported by IFIs and other development partners.	Medium	Inadequate financial resources to implement identified and prioritised climate action effectively. Funding constraints or delays.
Societal					

Inequities and injustices in vulnerable communities.	Low but not impossible	Major	Prioritising actions that benefit the most at-risk populations; supporting city administration to communicate via appropriate means; ensuring adequate processes for community engagement and public support	Medium	Existing policies, strategies, and frameworks related to climate actions might not adequately address inclusivity and equity.
Benefits, or perceived benefits, of the climate actions are not distributed in line with inclusive principles.	Low	Major	C40 has significant experience in supporting cities in delivering climate action in an inclusive way and this will be built into programme design and outcomes. However, the city is the sole owner of the climate action and therefore there remains a residual risk.	Low	
Civil unrest, undermining engagement and commitment of stakeholders to climate action.	Possible	High	C40 continues to demonstrate the urgency and importance of climate action and its side benefits, including to marginalised populations particularly exposed to climate hazards.	Medium	Unrest has been seen in cities in the Global North and South for instance over fossil fuel subsidy reform. Frustration over major climate events such as hurricanes and flooding can create civil unrest. Other issues related to ethnic unrest, disease outbreaks, unemployment etc. can take decision-maker focus away from climate action.
C40 cities' failure to engage effectively with citizens, private sector, and civil society groups resulting in lack of inclusiveness and insufficient public support for climate action.	Possible	Medium	C40 has developed tools for stakeholder engagement, but as attention is shifting from planning to implementation, stakeholder engagement will be even more critically important to ensure wide ownership and support. Reliable documentation and effective communication of results and side benefits of climate action will be important; involve local communities in planning and implementation; conduct public awareness campaigns	Medium	Stakeholder ownership is key to sustainable climate adaptation solutions that will affect citizens' daily lives, jobs and business activities, requiring behavioural change. Inclusiveness is key.
Programmatic risks					
Internal financial and budget management	Likely	Major	Establish contingency funds to cover unexpected costs.	Medium	C40 budgets are in USD while funding from Danish MFA is in DKK and therefore currency exchange rates may impact budget spend.
C40 cities' governance and technical/administrative capacity constraints and/or insufficient inter-departmental coordination at city level.	Likely	Major	Sustained capacity development support; peer-to-peer learning and replication of proven solutions; Embedded city advisors and consultants help add capacity (but note, cannot replace core C40 staff).	Medium	C40 Cities have high climate ambitions when committing to C40 membership, C40 accelerators, network activities etc. but particularly in the global South there are often critical capacity constraints. Also, effective urban climate action requires coordination across sectors and departments.
Cities currently lack quality data and lack the capacity to collect it.	Likely	Medium	C40 support for C40 city capacity to collect and process data; C40 focuses on data as part of improving MEL and reporting on BP KPIs.; implement robust data collection and analysis systems; use technology to improve data reliability	Low	As cities pursue bold policies, they need the data to design them and justify them: whether on GHGs, jobs, air quality, equality or vulnerability. Cities currently lack data and lack the capacity to collect it. Many data gaps or inaccuracies exist.
Overlaps with other development partner support for city climate action.	Likely	Medium	Embedded city advisors and C40 regional outreach and delivery channels should be particularly mindful of the need for coordination at city level. C40 partnering and coordination with other development partners at international and strategic level can also facilitate synergies and mitigate risks of duplication.	Medium	C40 Cities are places with high ambitions and often strong outreach to the international development community – and different bilateral donor organisations may have strong interest in getting involved in supporting climate action using their national expertise, experience and solutions.

Delays in hiring C40 city advisors and/or engaging external consultant support.	Possible	High	Framework contracts for consultants; early action to assess needs and identify city advisors	Medium	Recruitment delays in hiring city advisors and procurement delays in consultant inputs were mentioned as issues in the progress reporting to MFA on the CAP programme as well as the previous grant agreement.
Delivery risks in the implementation of demonstration pilots with associated capital costs	Possible	High	Following internal legal and financial advice, a key mitigation strategy would be to sub grant a trusted NGO partner with expertise in development and financing to undertake the pilot deployment. Additional mitigation strategies include: ● Ensuring short- and long-term clarity over potential liabilities with respect to capital costs. ● Site visits from staff for routine check up and sign-offs. ● NOT putting C40 or DMFA in a position to be a lender/debt provider/loan administrator in any capacity. ● NOT directly providing money to city governments. ● Support in building technical capacity and adoption of efficient and effective business models. ● Build conditions into precedent for a continuity plan and subsequent follow up period. ● Include the financing of maintenance and employment costs ● Engage with other similar organisations for lesson sharing. ● Not be tied into implementing pilots in each project city and rather basing spend on the learnings and context which unfolds during project implementation.	Medium	The shift to implementation support places new demands on C40 staffing, skills, outreach and delivery channels as well as risks to C40 and programme spend of activities such as capital costs.
Institutional risks					
Technical capacity of city officials	Medium	Low	Invest in capacity building and training programmes for local officials (workstream 2)	Low	Capacity constraints within local governments
Reputational risk to C40, city, and/or DMFA in the delivery of demonstration pilots	Medium	High	Mitigation strategies include: ● Actively involve local communities, businesses, and other stakeholders in the planning and implementation phases to ensure their input is valued and addressed. ● Maintain transparent and consistent communication about project goals, processes, and outcomes. Provide regular updates to keep all stakeholders informed. ● Develop and use clear, measurable performance metrics to assess the success of demonstration pilots. Share results openly, including both successes and areas for improvement. ● Running robust transparent procurement processes and closely	Medium	If demonstration pilots fail to deliver expected results or are perceived as ineffective, it could damage the credibility of C40, DMFA and the participating cities, leading to scepticism about future initiatives. Poor communication or lack of community involvement can lead to backlash from local residents. If communities feel excluded or adversely affected by pilots, it can result in negative media coverage and public protests. Political shifts or changes in policy can affect the perception and support for demonstration pilots. If pilots are seen as politically motivated rather than genuinely beneficial, it can lead to distrust.

			monitoring delivery. Ensure transparency in funding sources, partnerships, and decision-making processes. Being open about potential conflicts of interest can build trust. ● Create a proactive crisis management strategy to address any negative feedback or unforeseen issues quickly and effectively, minimising damage to reputation. ● Foster a culture of learning by openly discussing lessons learned from pilot projects, even if they did not meet expectations. This shows a commitment to improvement. ● Study and adopt best practices from other successful initiatives and cities. Sharing these insights can enhance credibility and demonstrate commitment to excellence. ● Ensure that pilot projects provide tangible benefits to local communities, such as job creation, improved services, or enhanced public spaces. Highlight these benefits in communications. ● Implement a system of accountability, where project leaders regularly report on progress and challenges, reinforcing a commitment to transparency and responsibility. ● Pilots are not seen as standalone activities but part of a coherent plan that can be scaled and replicated to deliver impact. Managing that perception both with the city officials and stakeholders is critical.		

Annex 4: Draft Five-Year Project Implementation Schedule for Resilient Urban Futures Programme

Year	Q1 (Jan - Mar)	Q2 (Apr - Jun)	Q3 (Jul - Sep)	Q4 (Oct - Dec)
2025			**Kickoff and Planning** • Recruitment & onboarding of new staff • Establish governance and management structures • Programme launch event • Finalise detailed work plans and schedules for year 1 Undertake detailed partner and stakeholder mapping in each city to ensure alignment with other projects and partners **Initial Assessments and Data Collection** • Launch update of climate risk and vulnerability assessments (throughout programme) • Start baseline data collection for impact and outcome indicators	**Stakeholder Engagement / Capacity Building Initiatives** • Initial stakeholder workshops and community engagement sessions (throughout programme) • Establish local teams • Begin training workshops for city officials on climate resilience (throughout programme) • Initiate peer-to-peer learning activities (throughout programme)
2026	**Policy Integration and Planning** • Start integrating climate resilience into urban planning processes (throughout programme) • Start developing climate-responsive policies and regulations (throughout programme)	**Pilot Projects Implementation** • Launch first round of pilot projects and C40 Inclusive Water Resilience Accelerator Fund on urban water management and heat mitigation • Monitor and document pilot project progress	**Financing and Budgeting Support** • Begin engagement with financial institutions for funding (throughout programme) • Initiate training on climate budgeting and financing options (throughout programme) **Planning** • Finalise detailed work plans and schedules for year 2	**Monitoring and Evaluation** • Conduct initial evaluations of pilot projects • Adjust strategies and plans based on evaluation results
2027	**Scaling Up Successful Pilots** • Second round of pilot projects and C40 Inclusive Water Resilience Accelerator Fund on urban water management and heat mitigation • Expand successful pilot projects • Increase the scale of ongoing projects	**Midpoint Review Preparation** • Collect data and prepare reports for the midpoint review • Organise stakeholder consultations to gather feedback	**Midpoint Review and KPI Evaluation** • Conduct the midpoint review to assess progress • Evaluate the KPI (see below and the results framework) • Submit progress report to unlock additional funds **Planning**	**Monitoring and Documentation** • Revise work plans based on midpoint review feedback • Plan for the next phase of project implementation

			• Finalise detailed work plans and schedules for year 3	
2028	**Enhanced Implementation** • Third round of pilot projects and C40 Inclusive Water Resilience Accelerator Fund on urban water management and heat mitigation • Continue and expand on climate adaptation project • Increase support for high-impact resilience actions	**Capacity Building and Knowledge Sharing** • Conduct advanced training sessions and workshops • Facilitate international knowledge-sharing	**Community Engagement and Advocacy** • Launch public awareness campaigns • Engage with local communities to strengthen support for climate actions **Planning** • Finalise detailed work plans and schedules for year 4 & 5	**Monitoring and Documentation** • Monitor ongoing projects and document outcomes • Prepare interim reports on project impact and progress
2029	**Finalising Long-term Plans** • Develop long-term sustainability plans for ongoing projects • Secure commitments from local governments for continued support	**Final Phase of Implementation** • Complete remaining high-impact projects • Ensure all projects are on track for successful completion	**Final Phase of Implementation** • Complete remaining high-impact projects • Ensure all projects are on track for successful completion • Complete all support activities initiated	**Impact Assessment** • Conduct comprehensive impact assessments for all project activities • Prepare final reports documenting achievements and lessons learned
2030	**Programme Closure and Handover** • Plan and execute formal programme closure activities • Handover responsibilities to local governments and stakeholders • Conduct final evaluation and share results with funders and partners	**Programme Closure and Handover** • Plan and execute formal programme closure activities • Handover responsibilities to local governments and stakeholders • Conduct final evaluation and share results with funders and partners		