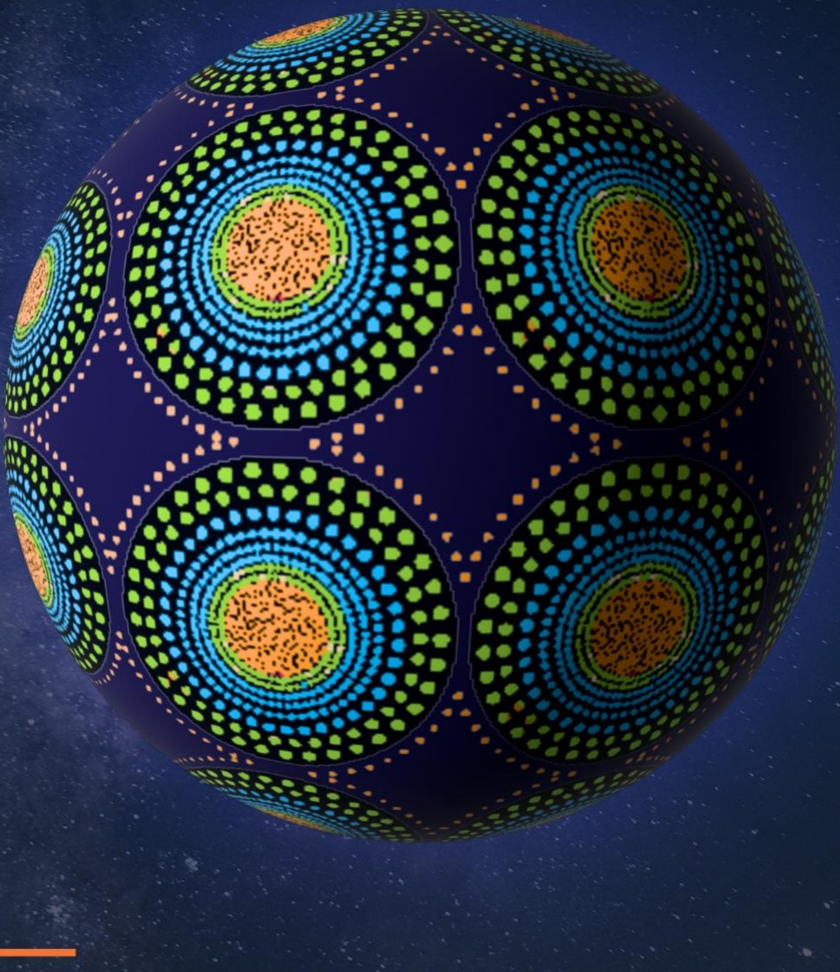
IPASA
INDEPENDENT PHILANTHROPY ASSOCIATION SOUTH AFRICA

CLIMATE CHANGE

A Series of Case Studies on South African Funders' Climate Journeys



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FOREWORD AND ACKNOWLEDGEMENTS

This is an initiative by the Independent Philanthropy Association of South Africa (IPASA), in partnership with the Lewis Foundation, the Hans Hoheisen Charitable Trust, and the Bill and Melinda Gates Foundation who funded the project; and the African Climate Foundation which provided technical support. This case study document marks a continuation of IPASA's previous publication – the *Climate Change: A Series of Case Studies on South African Funders' Climate Journeys (2022).*

We would like to acknowledge the participation of seven IPASA members, the DO MORE FOUNDATION, the Ford Foundation, the Grindrod Family Centenary Trust, Investec Philanthropy, the Oppenheimer Memorial Trust, the RAITH Foundation, and the Zenex Foundation in the development of these case studies.

The case studies were written by Carbon Trust Africa, following consultations with the above-mentioned IPASA members.

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EXECUTIVE SUMMARY

Introduction

Climate change is an increasingly pressing global issue that requires an immediate and concerted response to limit its most catastrophic consequences. Funders can play a key role in responding to climate change, however, funder responses to climate change have historically been relatively limited. That said, more funders are beginning to acknowledge the urgency with which climate change needs to be addressed and are increasingly seeing the impacts that climate change has on the often vulnerable communities that they serve. These climate change impacts have further implications for funders' work on other socio-economic challenges, with the communities that they serve facing additional challenges relating to food security, water scarcity, environmental damage, and heat waves.

Against this backdrop, the Independent Philanthropy Association of South Africa (IPASA) began a process of supporting South African philanthropic foundations on their climate change journeys. This process began in 2021, with the hosting of a series of workshops and the creation of the *IPASA Climate Crisis Toolkit and Resource Pack.* In 2022, IPASA's climate change initiative included one-on-one consultations with select IPASA members, which culminated in a series of case studies. IPASA also hosted another round of climate change workshops and conducted a revision of the IPASA Climate Change Toolkit and Resource Pack. This journey continued in 2023, with three more climate change workshops; updating the Climate Change Toolkit and Resource Pack and splitting it into two separate resources; seven one-on-one consultations with IPASA members; and the development of this case study document.

Approaches to climate change

There is no one-size-fits-all approach to climate action by funders. Some choose to be very explicit about taking climate action and centre climate change at the core of their funding and investment strategies. Others might choose to take a more indirect approach to climate action, but still explicitly apply a "climate lens" to their funding strategies to identify and act on "climate co-benefits/opportunities".

We have identified **five general approaches** to climate change that different funders might follow:

- **The aspiring climate funder:** Those who recognise the importance of addressing climate change but have yet to determine how climate intersects with their work, or how to start applying a climate lens / taking climate action.
- **The climate-lens funder**: Those whose core missions and activities do not directly focus on climate change issues but who are starting to apply a climate lens to their work to identify climate intersectionality, opportunities, and co-benefits.
- **The climate action integrator**: Those whose core missions and activities do not directly focus on climate change issues but who are starting to integrate explicate/targeted interventions in their existing work.
- **The climate action leader**: Those who fully embrace climate change as their core mission, have established explicit climate change strategies and provide long-term support for grantees and beneficiaries.
- **The climate investment funder**: Those who approach climate issues primarily through sustainable investments, by either investing their endowments in sustainable opportunities or through shareholder activism activities.

This is not intended to be a hierarchy of approaches or to say that one approach is better than another. Further, some funders might follow two or three approaches at the same time, depending on their specific context and strategy. Identifying funder responses to climate change within these approaches allows for positioning and thinking about how funders, working in different sectors and contexts, might start to approach climate change in a way that is most appropriate for them and their beneficiaries.

IPASA's Climate Change Initiative aims to support members on their climate journey and part of this programme is to highlight how some members are integrating a climate lens into their work. Accordingly, the intention of this year's case studies was not to provide a representative spread across different categories of climate funders within IPASA's membership but to rather highlight where selected funders are currently located on their climate journeys, to share their experiences, and to provide a space for follow-up on their journeys in the future.

Funders face several challenges in starting to think about and take climate action. The process can prove intimidating and overwhelming, especially in the context of the Global South where issues relating to poverty, health, economic opportunity, and social instability can be acute. Funders may hold the keys to unlocking the pace and scale required for climate action in this critical decade, regardless of the diversity of their fields of work and how they function.

To help support funders overcome challenges in applying a climate lens to their work, IPASA commissioned Carbon Trust Africa to conduct one-on-one consultations with seven selected IPASA members. The consultations informed this case study document, to enable knowledge sharing for other funders in South Africa. IPASA members consulted as part of this engagement included the DO MORE FOUNDATION, the Ford Foundation, the Grindrod Family Centenary Trust, Investec Philanthropy, the Oppenheimer Memorial Trust, the RAITH Foundation, and the Zenex Foundation.

These funders were selected for inclusion in IPASA's Climate Change case studies based on their recognition of the impacts of climate change on the communities that they serve, and the urgency with which climate change must be addressed, as well as their willingness to share their experiences on starting or enhancing their climate journeys.

As part of this series of consultations, Carbon Trust Africa provided IPASA members with additional **guidance** and suggestions on how they might kick-start or advance their climate response journeys. This guidance could be summarised as either identifying, connecting, or enhancing members' climate responses.

- **"Identifying**": Supporting members identifying intersectionality between climate change and their work, including interventions and opportunities for co-benefits that overlap between their core mandates and climate change. Here, Carbon Trust Africa helped members identify and understand how some of their existing interventions might already contribute to climate change mitigation, adaptation and/or ensuring a just transition.
- "**Connecting"**: Helping members build an evidence base and "connect the dots" between their work, climate change, and key stakeholders. The aim here was to help IPASA members bring their key stakeholders along the climate journey, by sharing knowledge, engagement, and enabling buy-in to climate interventions.
- **"Enhancing"**: Supporting members to advance their climate responses by scaling up climate ambition and interventions that contribute to their climate goals.

Within this case study document IPASA members have been allocated into **two broad groupings** according to where they are in terms of their climate change journeys. These groupings include IPASA members who are starting their climate journey; and those who are advancing their climate journey. It should be noted that, despite these two broad groupings, each funder is at a different stage of their climate journey, and approach climate change in different ways. This diversity in climate maturity and approach provides valuable insights and learnings for other funders who want to start or advance their thinking about climate change, and their climate journey.

Challenges and enablers for success

This series of consultations has highlighted several different **challenges** facing funders in the application of the climate lens to their work. This includes:

- Grappling with the complexities of the intersectionality of climate change with specific or sectoral funding focus areas is time-consuming, exhausting, and potentially overwhelming.
- Finding entry points, opportunities, and partnerships to incorporate climate considerations in their work without shifting the focus of their funding is not always easy for funders.
- Funders are acutely aware that they need a deeper understanding of how recipients and beneficiaries of funding and their communities, are experiencing, understanding, and responding to climate change.
- There is awareness that funders could intentionally or unintentionally stifle the agency of local organisations and communities to deal with climate change while at the same time being careful of not placing the burden of responding to climate change solely on the shoulders of communities.
- Funders are conscious that the solution is not to offer or impose out-of-context solutions in situations where funders themselves may not fully understand the day-to-day realities at the local level.
- Some funders doubt their ability to affect substantial and meaningful change through their climate initiatives, particularly if they are not able to contribute at a large scale to climate mitigation, adaptation, or investment.
- It is not uncommon for funders to be concerned that their responses may be too limited compared to the magnitude of the problem and that they may be seen as “greenwashing” or engaging in tick-box exercises without any significant impact.
- Funders may not be aware of how to access climate funding to supplement their limited resources.
- Some funders are uncertain about how to adapt their investment strategies to support a carbon-neutral future.

Despite these challenges, we have also learnt from our engagement with members that there are **common factors that promote and enable success** when funders commit to responding to climate change:

- While having up-front Board buy-in is not essential, having Board buy-in is a game-changer.
- Flexibility to fund disaster relief enables funders to make a difference in crises caused by climate change.
- It is important to be intentional about climate work, and this can be done by identifying what is possible, doing what is possible, and explicitly identifying co-benefits of integrating climate considerations into their work.
- Understanding the climate crisis better is an important building block for developing climate responses.
- It is possible to start small and build climate responses out incrementally, as funders gain confidence and insight into the nuances of climate change and climate responses.
- When funders cannot respond directly to climate change, they often can respond indirectly and still make an authentic and useful contribution where they work.
- Engaging with other stakeholders, and involving them, is essential.
- Learning from others assists funders to understand better what is possible and to identify relevant opportunities for appropriate climate responses.
- Building an evidence base is important and this requires integrating measurable targets into strategies for climate responses.

- Well-thought-out climate responses can be sustainable beyond the duration of funding for climate-related initiatives.

Additional learnings

Additional key learnings and highlights have been identified from this year's engagement. Responses from funders have shown that climate considerations can be integrated into existing strategy, focus areas, due diligence, investments, monitoring, evaluation, and learning. An integrated approach has the potential to enable impact and outcomes aligned to funders' core mandates, while simultaneously contributing to broader climate action, e.g., climate mitigation, adaptation, or enabling a just transition.

A key learning is that, as a thought leader,IPASA can play a role in shifting the narrative from one that sees climate threats, challenges, and crises, to one where the vision of a low-carbon future is energised by discovering possibilities and promoting innovation in all sectors of society.

This engagement has also brought to light that the intentions that underpin funders' climate responses are of the utmost importance and that funders should not fall into the "trap" of "greenwashing". It is therefore necessary for funders to understand their reactions to climate change and to be honest about their views on climate responses, and the limitations and challenges they experience. To be truly effective in integrating a climate lens and/or responding to climate change, some funders may need to work with other stakeholders.

Supporting future climate initiatives

A critical question for IPASA is how to support our members' climate initiatives going forward. IPASA is aware that this support has to be aligned to IPASA's mandate and vision, which is to influence and facilitate the transformation, promotion and growth of independent philanthropy in South Africa.

IPASA's strategy is to empower those who empower others, and therefore our future initiatives will be focused on assisting funders to respond to climate change, and to create an enabling environment in which they can network and find resources that will assist them in either starting to integrate climate considerations into their work, or to enhance and intensify their existing climate change initiatives. IPASA will continue to provide thought leadership in this very important focus area.

Focusing on funders in South Africa, IPASA's main climate initiative in 2024 will be to develop and promote a South African Funders Climate Pledge. This will provide local funders with an opportunity to commit to a context-sensitive climate pledge that will assist them to systematically integrate climate considerations into all aspects of their work.

Thus far, in the case studies featured in this publication and the 2022 case studies, most members have funded their own climate initiatives, sometimes from already stretched resources. For some of our members, especially those with limited resources, it is imperative that they are enabled to access additional climate funding so that they can do more and deeper work in the climate space. Through our mandate as a though leader that facilitates networking and creates an enabling environment for philanthropy, IPASA will continue to provide a platform for networking, information and knowledge sharing, which will assist funders to make the connections and identify the opportunities for collaboration they require to take their initiatives forward.

It is against this background that IPASA will continue to provide thought leadership and opportunities for our members to play an active role in addressing one of the most complex challenges of our time – a challenge that also holds immense potential for shaping the future.

1. INTRODUCTION

South Africa, like the rest of the world, is grappling with the impacts of climate change. These physical impacts are exacerbating social challenges, such as poverty, inequality, health care, food and water security, education, unemployment, and broader social justice. The science is clear: unless global greenhouse gas (GHG) emissions are drastically reduced, climate-induced disasters and extreme weather events (e.g., droughts, extreme weather, flooding, and sea level rise) are set to become more frequent and intense. Under existing policies and laws, global warming will likely exceed 1.5°C above pre-industrial levels in the 21st century.[1] Unless more is done to mitigate catastrophic climate change and limit global warming to 2°C above pre-industrial levels, the global economy will have to continually adapt to more severe impacts. Society must also adapt and build resilience to unavoidable climate change or continue to face increasing social and economic impacts and challenges.

Despite widespread concern about climate change, funders globally have generally provided limited support for climate action. However, funders are increasingly acknowledging the seriousness of climate change and have significantly boosted their contributions to address the crisis in recent years. However, climate change mitigation globally still accounts for less than 2% of overall funding — and the funding amounts are far short of the levels required[2] to effectively combat climate change. Funders must continue to build on the momentum to contribute to the collective efforts of responding to the climate crisis and enhancing society's climate resilience.

Funders often work with communities at the grassroots level and are increasingly seeing the effects of climate change. They observe its disproportionate impact on the most vulnerable and marginalised, their livelihoods, and the environment. Funders' work on other socio-economic challenges has been substantially impacted, and the communities that benefit from their funding are under increasing pressure because of, inter alia - droughts, water scarcity, food scarcity, habitat and biodiversity loss floods, and heat waves.

It is against this backdrop that IPASA began supporting South African philanthropic foundations on their climate change response journeys. This started in 2021 with a series of workshops and the creation of the IPASA Climate Crisis Toolkit and Resource Pack. In 2022, IPASA's climate change efforts included one-on-one consultations with select IPASA members, which culminated in a series of case studies. IPASA also hosted another round of climate change workshops and updated the IPASA Climate Change Toolkit and Resource Pack. This journey continued in 2023, with three more climate change workshops, updating the Climate Change Toolkit and Resource Pack, seven one-on-one consultations with IPASA members, and the development of this case study series document.

[1] IPCC. 2023. Summary for Policymakers: Climate Change 2023 Synthesis Report.

[2] Funding trends 2022: Climate change mitigation philanthropy.

1.1. HOW FUNDERS ARE TAKING CLIMATE ACTION

There is no one-size-fits-all approach to climate action by funders. Some choose to be very explicit about taking climate action and centre climate change at the core of their funding support and investment strategies. These funders generally take direct and targeted action to mitigate climate change and build climate resilience (e.g.funding climate-focused non-profit organisations , research and development, and education bursaries in climate-related fields). Additionally, these funders may focus only on funding issues related to biodiversity, conservation, and climate change.

Others might choose to take a more indirect approach to climate action, but still explicitly apply a “climate lens” to their funding support strategies to identify and act on “climate co-benefits / opportunities” (e.g.providing rainwater tanks for early childhood development centres to improve access to water and build resilience to droughts, or using climate-related stories and books for simultaneously improving literacy rates and climate awareness among young children).

There are five general approaches to climate change that different funders might follow, with a high-level overview of this provided in Figure 1.

- **The aspiring climate funder:** Those who recognise the importance of addressing climate change but have yet to determine how climate intersects with their work, or how to start applying a climate lens / taking climate action.
- **The climate-lens funder**: Those whose core missions and activities do not directly focus on climate change issues but who are starting to apply a climate lens to their work to identify climate intersectionality, opportunities, and co-benefits.
- **The climate action integrator**: Those whose core missions and activities do not directly focus on climate change issues but who are starting to integrate explicate/targeted interventions in their existing work.
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- **The climate investment funder**: Those who approach climate issues primarily through sustainable investments, by either investing their endowments in sustainable opportunities or through shareholder activism activities.

This is not intended to be a hierarchy of approaches or to say that one approach is better than another. Some funders might follow two or three approaches at the same time, depending on their specific context and strategy. For example, funders might follow the third and fifth approaches simultaneously by implementing climate interventions into their existing work while also shifting their endowments into sustainable investment opportunities. Therefore, Figure 1 is intended to provide a helpful framework for positioning and thinking about how funders, working in different sectors and contexts, might start to approach climate change in a way that is most appropriate for them and their beneficiaries.

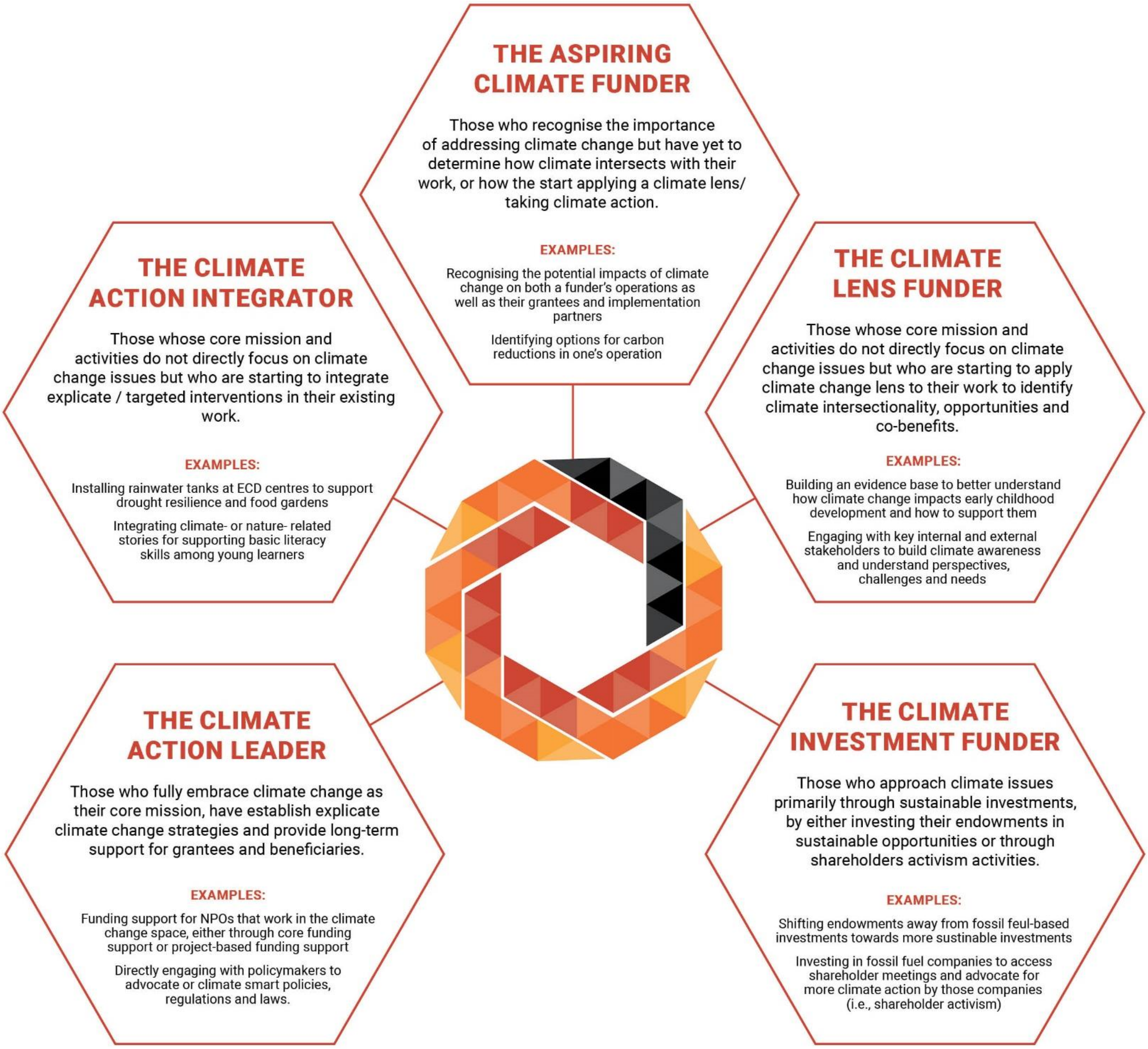

Figure 1: General approaches to climate action by funders[3]

Funders included in IPASA's Climate Change case studies are taking different approaches to their climate change journeys. This categorisation of stages is summarised as follows:

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[3] Figure 1 was developed by Carbon Trust for IPASA and based on Kempner. 2023. Funding Climate Action: A pathway to climate philanthropy and Morgan Stanley. 2023. Making a difference with climate philanthropy.

Funder	Aspiring Climate Funder	Climate Action Integrator	Climate Lens Funder	Climate Action Leader	Climate Investment Funder
Oppenheimer Memorial Trust					
Ford Foundation					
Zenex Foundation					
Investec Philanthropies					
The RAITH Foundation					
Grindrod Family Centenary Trust					
DO MORE FOUNDATION					

Funders included in this series of case studies largely fall within the ‘Aspiring Climate Funder’, the ‘Climate Action Integrator’ and the ‘Climate Lens Funder’ categories. The intention behind documenting these case studies was not to necessarily provide an even spread of different approaches from IPASA’s member base but rather to highlight where selected funders are on their climate journeys, and to provide a space for follow-up on their journeys in the future.

However, funders face several challenges in starting to think about and take climate action. The process can prove intimidating and overwhelming, especially in the context of the Global South where issues relating to poverty, health, economic opportunity, and social instability can be acute. Funders may hold the keys to unlocking the pace and scale required for climate action in this critical decade, regardless of the diversity of their fields of work and how they function.

For more information on how to start thinking about climate change, applying a climate lens to the work of your organisation, or advancing your climate action, please refer to the 2023 IPASA Climate Change Toolkit, and the 2023 IPASA Climate Change Resource Pack.

To help support funders overcome challenges in applying a climate lens to their work, IPASA commissioned Carbon Trust Africa to conduct seven one-on-one consultations with selected IPASA members. The consultations informed this case study document, to enable knowledge sharing for other funders in South Africa.

These funders were selected for inclusion in this climate change case study document based on their recognition of the impacts of climate change on the communities that they serve, and the urgency with which climate change must be addressed, as well as their willingness to share their experiences on starting or enhancing their climate journeys. How these funders applied a climate lens to their work is not necessarily representative of the overall response to climate change by funders in South Africa. Rather, the case studies included here provide insights into funders’ contexts and the application of the climate lens to their work as they've deemed appropriate to best serve their communities. However, the funders do represent the overall diversity of IPASA's membership body, with full and associate members of various sizes represented. Additionally, South African family foundations, foundations with a CSI history, international funders who invest in South Africa, and philanthropy advisory services are included.

During the consultations, Carbon Trust Africa provided IPASA members with additional guidance and suggestions on how they might kick-start or advance their climate response journeys.

The guidance provided to IPASA members by Carbon Trust Africa incorporated the guidance outlined in the Wings International Philanthropy Commitment on Climate Change: Implementation Guide (The Wings Seven Pillars), as well as the 2022 IPASA Climate Change Toolkit and the 2022 IPASA Climate Change Resource Pack.

This guidance could be summarised as either identifying, connecting, or enhancing members' climate responses.

- **"Identifying**": Supporting members identifying intersectionality between climate change and their work, including interventions and opportunities for co-benefits that overlap between their core mandates and climate change. Here, Carbon Trust also helped members identify and understand how some of their existing interventions might already contribute to climate change mitigation, adaptation and/or enable a just transition.
- "**Connecting"**: Helping members build an evidence base and "connect the dots" between their work, climate change and key stakeholders. The aim here was to help IPASA members bring their key stakeholders along the climate journey, by sharing knowledge, engaging with them, and enabling buy-in to climate interventions.
- **"Enhancing"**: Supporting members to advance their climate responses by scaling up climate ambition and interventions that contribute to their climate goals.

1.2. STRUCTURE OF THE CASE STUDY DOCUMENT

This case study document provides insights into the climate journeys of seven IPASA members. These insights are contained in two main sections, as follows:

- Section 2: "Funders starting their climate change response", and
- Section 3: "Funders advancing their climate change response".

It should be noted that, despite these two broad groupings, each funder is at a different stage of their climate journey, and approach climate change in different ways. This diversity in climate maturity and approach provides valuable insights and learnings for other funders who want to start or advance their response to climate change, and their climate journey. The two clusters of Case Studies each provide an overview of:

- Key focus areas and day-to-day activities of selected IPASA members.
- How climate change affects or could affect their work, implementing partners, and beneficiaries.
- Their perspectives on and approach to taking climate action.
- Challenges and difficulties they have experienced, both internally and externally, in applying a climate lens to their work and in taking explicate climate action, including how they overcome barriers.
- Key success factors and enablers for integrating a climate lens into their work and taking climate action.

2. FUNDERS STARTING THEIR CLIMATE JOURNEY

This first section looks at selected IPASA members who could be considered "aspiring climate funders" – those who recognise the importance of taking climate action but are still investigating how best to approach it in a meaningful way – or "climate-lens funders" - those whose core missions and activities do not directly focus on climate change issues but who are starting to apply a climate lens to their work to identify climate intersectionality, opportunities, and co-benefits. Funders who have the potential to become climate action integrators, or who are regarded as climate action integrators, are also included in this section.

Figure 2: General approaches to climate for IPASA members starting their climate journey: The aspiring climate funder and the climate-lens funder

2.1. The Oppenheimer Memorial Trust

KEY FOCUS AREAS AND DAY-TO-DAY ACTIVITIES

The Oppenheimer Memorial Trust (OMT) was founded in 1958 and has a long tradition of investing in education, public interest activities, and other philanthropic causes. OMT has five strategic focus areas and objectives:

- **Early Childhood and Youth Development:** OMT's focus is to attract youth to set up sustainable and viable Early Childhood Development (ECD) businesses to contribute to achieving universal ECD access. They advocate for the importance and value of ECD across society leading to more children being enrolled in early learning programmes and increasing the number of school-ready children while increasing funding to the sector and building a supportive regulatory environment.
- **Basic Education:** OMT's focus is to increase the quality, quantity, and retention of new foundation phase teachers via school-based initial teacher education programmes and universities that are innovating initial teacher education to meet the looming teacher retirements in 2030. The Trust aims to explore the potential of education technology programmes to improve learners' foundational literacy and numeracy outcomes.
- **Higher Education:** OMT funds and connects excellent individuals to rebuild and sustain South Africa's academic excellence through supporting honours (in partnership with Sol Plaatje University) and postgraduate (Masters, PhD, postdoctoral) scholarships and sabbatical grants. OMT has introduced the New Frontiers Research Award to support emerging researchers and continues to support established researchers through the Harry Oppenheimer Fellowship Award.
- **Social Justice:** OMT funds organisations that promote upholding the rule of law, and promote the advancement of human rights, so that South Africa's constitutional democracy is strengthened. Specifically supporting civil society organisations that are focusing on tackling the following issues:

    - Fighting corruption
    - Free and independent media
    - Effective delivery of education
    - Just energy transition
- **Arts and Culture**: OMT funds visual and performing arts initiatives that produce uniquely South African content that inspires audiences, develops young talent, and contributes to building a vibrant and thriving sector.

PERSPECTIVES AND APPROACH TO CLIMATE CHANGE ACTION

OMT has been supported by IPASA in incorporating a climate change lens into its strategy, particularly using IPASA's Climate Change Toolkit and Resource Pack. They have also hired an independent consultant to support them in applying a climate lens to their work. Their approach to climate change has progressed in recent years, and while their core mission/strategy remains unchanged, they have started to develop an explicit Just Energy Transition workstream as part of their social justice focus area. From an investment perspective, they are also investigating sustainable investment opportunities for their endowment.

Integrating climate into their funding philosophy

While the Trust is education-focused, it understands that climate change affects everything and that it needs to consider it in its funding strategy. Their climate journey began with internal discussions around climate change and evidence gathering to support their decision-making on their climate approach. This was done by reviewing their strategy, clearly stating their funding philosophy, and by extension, clearly identifying their views on climate change within their funding philosophy. The next step in fully incorporating climate change into their funding philosophy was to achieve Board buy-in and support.

They then engaged with their Board on the issue of climate change, and how they might incorporate it within their funding philosophy. The Board was very supportive of the suggestion to include a Just Energy Transition-focused workstream into their social justice focus area, understanding the inherent linkages between social and climate justice. Initiatives relating to the Just Energy Transition also fit well within the Sustainable Development Goals framework which helped get Board-level buy-in and support. ***In this context, OMT has the potential to become a climate action integrator, having established a climate-focused workstream without necessarily changing its core mission.***

Figure 3: OMT's climate approach: The aspiring climate funder, the climate-lens funder

Integrating climate action into its other four focus areas was somewhat more challenging. For example, while the Trust and its Board acknowledge the importance of funding climate-related education (and do provide significant funding for the sciences), the Board is hesitant to ringfence funding for climate education at the expense of other fields. The Board does not subscribe to the philosophy that one area of study is more important than another. However, going forward, the Trust intends to analyse the number of postgraduate scholarships across all disciplines which have a climate focus.

Given their education focus, OMT allocates about 85% of their funding support towards their education focus areas (including ECD), with the remaining 15% going towards social justice and the arts. Within this 15%, the Just Energy Transition workstream sits among other funding workstreams, such as investigative journalism. Therefore, the total allocation to the Just Energy Transition is a small portion of the Trust's overall funding strategy. They are also at the very early stages of their Just Energy Transition work and are still in the process of identifying opportunities for funding support in this space.

OMT is however expecting to spend between R2m to R4m per year on their climate initiative for 2024.

While climate change and emergency humanitarian relief might not be at the forefront of the Trust's strategy, they do respond to climate-related crises on an ad-hoc basis. For example, they made funding available for the 2022 KwaZulu-Natal flood relief efforts to their grantees who were affected by the floods.

ADAPTING ORGANISATIONAL GOVERNANCE AND MANAGEMENT

Due diligence

OMT has strategically decided not to include climate change questions in its grant applications. This is in line with OMT's grant-making approach to only ask for the data they need for due diligence purposes – currently, they are not assessing grantee organisations in terms of their internal climate change efforts.

Monitoring and evaluation

The Trust has a monitoring and evaluation (M&E) framework for the initiatives that it provides funding support to. An integral aspect of their funding philosophy is open, transparent, and flexible funding. Correspondingly, the Trust has tried to incorporate flexibility in its M&E system so that it's not overly onerous. They have three to five indicators per focus area, and the purpose of limiting the number of indicators within their M&E system is to avoid imposing a prescriptive and onerous system on grantees. The objective of the M&E system is to monitor performance – they want to know if they're making a difference and creating a positive impact, without the process being onerous for their grantees. At this initial stage of their climate journey, OMT is investigating how to best integrate climate considerations into their M&E framework.

Investing sustainably

OMT is considering ways to further incorporate climate change considerations within its overall investment strategy. They are looking at it from a sustainable Environmental, Social, and Governance (ESG) perspective and how they could invest their endowment in more sustainability-linked opportunities; at a local level there are limited opportunities. The Trust invests in several index-traded funds, so it's difficult for it to avoid investing in companies with high environmental or climate impact and it has little opportunity for shareholder activism initiatives. The Trust has, however, invested in other asset classes in South Africa with a sustainability focus.

Reflecting on their operations

The Trust is looking to incorporate more climate change considerations at an operations level. This includes developing an ESG / environmental policy and implementing activities such as recycling at the office. They have not started measuring their emissions, and do not have a specific plan to begin doing so just yet, but this is also under consideration.

CHALLENGES IN APPLYING A CLIMATE LENS TO THEIR WORK

At this point in its climate journey, OMT is grappling with the challenges it encountered when it started to apply a climate lens to its work. To advance its commitment to climate action, OMT has strategically decided to include the Just Energy Transition as part of its social justice focus area. At this stage, they are still investigating Just Energy Transition opportunities to channel funding into.

- **Finding sustainable investment opportunities:** OMT recognises the importance of investing its endowment into sustainable investment opportunities, however, it faces the challenge of finding such opportunities domestically. In addition, given the structure of index-based investments, it is difficult to avoid investing in polluting companies.
- **Ring-fencing funds for climate-related education bursaries:** Strategically, the OMT Board has decided not to ringfence funding for climate-related education bursaries which could limit its impact in this space. However, they intend to analyse how much of their scholarship funding across all disciplines is supporting climate-related studies.
- **Incorporating climate change considerations within their M&E framework without risking greenwashing:** OMT is concerned that including climate change questions in their general funding application form could be construed as greenwashing. However, grantees awarded Just Energy Transition funding will be expected to report against appropriate climate-related indicators.

KEY SUCCESS FACTORS AND ENABLERS FOR INTEGRATING A CLIMATE LENS INTO THEIR WORK

OMT has identified three factors that have enabled it to integrate a climate lens into its work:

- **Board buy-in and strategic support:** OMT was able to build an evidence base, host internal discussions and then systematically engage with their Board so that they were able to obtain buy-in and support for their Just Energy Transition aspirations.
- **Recognising the need for sustainable investing:** By simply recognising and acknowledging the importance of investing its endowment sustainably, OMT has already taken an important step forward in supporting climate action via its investments.
- **Flexibility to fund disaster relief:** OMT is very responsive to disasters and unforeseen crises such as Covid-19 and the recent floods in KwaZulu-Natal. Building some flexibility into their funding strategy means they can respond and support those who are negatively impacted by climate change-related disasters.

RECOMMENDATIONS FOR STRENGTHENING CLIMATE RESPONSES

Advice given to OMT focused on the themes of “identification” and “enhancement”. Carbon Trust Africa advised that OMT could further integrate the climate lens into its operations, by identifying ways in which it could reduce emissions resulting from its operations. This could include interventions such as reducing business travel and further developing waste management reduction strategies. Further advice was provided to OMT on ways in which it could enhance its climate change strategy. This included identifying further opportunities in the Just Energy Transition which they could fund.

In conclusion, OMT has taken explicit initial steps to review and update its funding strategy to include climate change elements in a way that works best for it and its beneficiaries. This includes a Just Energy Transition workstream within their social justice focus area and investigating sustainable finance opportunities for its endowment. ***Therefore, one might consider OMT to be both an “aspiring climate funder” and a “climate-lens funder” having integrated, but not yet implemented, a Just Transition workstream and investigating investment opportunities without necessarily changing their core mission.***

OMT is in the beginning of their climate journey, and their diverse and extensive funding portfolio holds promise for deepening their efforts to integrate a climate lens into their work. The inclusion of the Just Energy Transition workstream in their strategy is an important development.

2.2. The Ford Foundation

KEY FOCUS AREAS AND DAY-TO-DAY ACTIVITIES

The Ford Foundation is dedicated to addressing the underlying drivers of inequality by tackling entrenched cultural narratives, underinvestment in public goods, economic and social policy, and social discrimination. It has increasingly been involved in providing grants to support activities in civic engagement; governance creativity and free expression; disability rights; future of work; gender, racial, and ethnic justice; international cooperation; natural resource protection and climate change; mission investments; and technology and society – these are the nine areas of focus to challenge inequality globally.

In South Africa, the Foundation mainly focuses on natural resources and climate change, as well as on gender and social justice. It includes climate-responsive activities under the natural resources and climate change focus area, as it believes that inequality and climate change are inextricably bound to how natural resources are governed. ***Therefore, one might see the Ford Foundation's approach to climate change as being a "climate action integrator" approach***.

Figure 4: The Ford Foundation's climate approach: The climate action integrator

PERSPECTIVES AND APPROACH TO CLIMATE CHANGE ACTION

The Ford Foundation believes that as natural resource extraction expands in the Global South, private interests often outweigh opportunities for enhancement of the public good, driving inequality, injustice, and climate change. It is against this backdrop that the Foundation has created natural resources and climate change as a thematic focus area since 2020. They aim to ensure that the governance of natural resources serves the public interest and reflects the aspirations of rural, low-income, and indigenous communities in the Global South.

The Foundation's work relating to natural resources and climate change puts the people most affected by the extraction of natural resources in South Africa at the centre of solutions. This is done by developing effective leaders, building networks, strengthening positive narratives, and mobilising resources.

Under its Building Institutions and Networks (BUILD) initiative, indigenous peoples and local communities are capacitated to become effective leaders, communicators, and organisers who can shape decisions that affect their land and rights. Indigenous communities and local communities are also aided in building strategic narratives around natural resources with the support of think tanks, legal groups, scientists, and researchers.

Furthermore, the Ford Foundation also focuses on the mobilisation of resources to curb climate change through a network of funder organisations as well as bilateral and multilateral organisations that they build to leverage international finance. Under their flagship Climate and Land Use Alliance collaborative fund, the Foundation leverages an additional US$5 for every US$1 it contributes to the alliance.

Lastly, the Foundation has now set a target of ensuring that the needs of rural, low-income, and Indigenous communities are reflected in policies and practices related to natural resources in South

Africa and the rest of the Global South by 2030. This will be achieved through supporting indigenous peoples and local communities in securing land rights, amplifying their voices, promoting equitable benefits from natural resource extraction, and preventing illicit financial flows, corruption, tax evasion, and environmental crimes associated with the extraction of natural resources in their communities.

CHALLENGES IN APPLYING A CLIMATE LENS TO THEIR WORK.

There are two main challenges that the Ford Foundation is encountering:

- **Competition for funding:** Since the Ford Foundation tries to ensure that all its programme's focus areas are equally mainstreamed, some of the resources must equitably be directed towards other thematic areas, such as gender and social justice, which may lead to a scramble for the resources available or budgetary limitations.
- **Access to climate finance:** Due to funding needs from other thematic areas of focus in the South African branch (such as gender and social justice), the Foundation needs robust mobilisation of resources to achieve their climate action goals since access to climate finance is always a common constraint.

KEY SUCCESS FACTORS AND ENABLERS FOR INTEGRATING CLIMATE ACTION INTO THEIR WORK.

The Ford Foundation has been able to integrate climate action into its work, through two key actions:

- **Explicitly identifying climate co-benefits and intersections in their work:** The Ford Foundation was quick to understand that fair governance relating to natural resources and their extraction could simultaneously contribute to reducing inequality while providing solutions to climate change. By securing land rights for indigenous and local communities, livelihoods are protected, rates of deforestation are lower, forests are protected, there is less conflict and women are safer. Further, The Ford Foundation claims that by protecting forests, they prevent roughly 300 billion metric tons of carbon from being released into the atmosphere globally.
- **Building intentionality:** The Ford Foundation does not see its programme areas as silos. It believes that all nine programmes which are implemented globally are interconnected. This means that civic engagement and governance, creativity and free expression, disability rights, future of work(ers), gender, racial, and ethnic justice, international cooperation, natural resources and climate change, mission investments, and technology and society are all interconnected and interlinked. Therefore, natural resources and climate change are mainstreamed in relatively equal measure like the rest of the other programmes.

RECOMMENDATIONS FOR STRENGTHENING CLIMATE RESPONSES.

The advice given to the Ford Foundation fell under the theme of "enhancement". Recognising that the Foundation has already made great strides in integrating climate change into its work, and that, while not explicit, has begun to respond and contribute to the Just Transition, this contribution could be further enhanced. This could be through further use of the Foundation's recognition of intersectionality as a way of addressing issues – that in recognising the social justice, climate change and resource use contextual intersections of the just transition, effectively responding to these issues could be strengthened.

The Foundation is acutely aware of the impacts that climate change, and the intersections between climate change and its work. Furthermore, the Foundation notes that in driving fair governance principles relating to natural resource extraction and management, co-benefits regarding effectively combatting climate change and reducing inequality can be achieved. The Foundation notes that recognising the intersectionality of different socio-economic, political, and environmental issues is key to addressing them. It believes that combatting climate change should be given considerable prominence. However, effective responses to climate change also require the recognition of its' intersectionality with other key issues that face global society.

The Ford Foundation's work relating to natural resources and climate change puts the people most affected by the extraction of natural resources in South Africa at the centre of solutions. This is done by developing effective leaders, building networks, strengthening positive narratives, and mobilizing resources.

2.3. The Zenex Foundation

KEY FOCUS AREAS AND DAY-TO-DAY ACTIVITIES.

The Zenex Foundation is primarily focused on education, and in particular, the improvement of educational outcomes in mathematics and languages. The Foundation has two primary focus areas – the early grades (Grades R - 4) and early high school (Grades 8 and 9), as this is where education backlogs are most prevalent. The Foundation works primarily in four provinces – KwaZulu-Natal, the Eastern Cape, Gauteng, and the Western Cape. The Foundation is committed to projects that can be scaled up for impact and that will result in systemic change in education.

The Foundation also focuses on thought leadership and partnering with other organisations, such as IPASA, the National Association for Social Change in Entities in Education (NASCEE), and the International Education Funders Group (IEFG), to promote the development of an enabling education ecosystem. They focus on initiatives that provide evidence of success, i.e., initiatives that can prove that they are effective in improving education outcomes.

Zenex has a focus on improving education outcomes through support for initiatives such as training in African languages and offers significant support relating to this however, in some instances, they will support the funding of infrastructure. For instance, the Foundation has funded some education technology programmes which have required investments in educational infrastructure. They are also responding to the impacts on education from load shedding and are considering how they can assist with, for example, solar installations at schools, though this is at an early stage of development.

PERSPECTIVES AND APPROACH TO CLIMATE CHANGE ACTION.

The Zenex Foundation is cognisant of the impacts of climate change on the beneficiaries they support and has identified the 2022 KwaZulu-Natal floods and the resultant damage to school infrastructure and disruption to schooling programmes, as an example of this. They are also aware of the continued adverse effects of climate change on the food security of their beneficiaries which is aggravated by the prevailing conditions of poverty in which they often exist.

In terms of applying a climate lens to their work, the Foundation notes that they are at the formative stages of their journey. However, aspects of their work can be considered as indirect responses to climate change. This includes the aspiration to install solar panels in schools, which, while a more direct response to load shedding, is allowing schools to generate clean energy and diversify from fossil fuel-based electricity. ***As the Foundation is at the formative stages of its climate change journey, it may be considered as an "aspiring climate funder"***.

Figure 5: Zenex Foundation's climate approach: The aspiring climate funder

The Foundation has also adopted some operational policies that indirectly respond to climate change. This includes the rollout of a hybrid working environment for their employees, which has helped reduce employee commuting-related emissions. Again, the shift to a hybrid working environment was not necessarily driven by a desire to reduce emissions, thus the reduction in emissions associated with less employee commuting is essentially a co-benefit of this shift. While this move is likely to not significantly reduce the emissions associated with Zenex, it can be seen as a demonstration of certain principles which, if adopted by a critical mass in this sector, can make a more noticeable difference.

Perhaps the most significant opportunity to start implementing climate consideration into its existing work would be the Vula Bula Initiative which the Zenex Foundation developed in partnership with the Molteno Institute for Language and Literacy. This initiative allows for the inclusion of nature- or climate-related stories in children's books written in indigenous languages. The Foundation notes that reading in one's mother tongue is essential for the development of literacy and further educational achievement. These books cover a range of subject matters but could more explicitly incorporate topics such as the water cycle, which are important building blocks for understanding climate science and climate change later in their education journey.

CHALLENGES IN APPLYING A CLIMATE LENS TO THEIR WORK

The Zenex Foundation's challenges with applying a climate lens in their organisation, and in their core focus areas, are as follows:

- **Operationalising a climate change lens:** The Zenex Foundation is considering ways to further incorporate a climate lens within its operations. They have acknowledged that they could take small steps to reduce their overall footprint but are concerned that deepening a hybrid work environment to reduce employee commuting, may impede their ability to provide in-person mentoring to their junior staff.
- **Hesitancy to shift its core focus:** While the Foundation acknowledges the impacts that climate change may have on their beneficiaries, they are limited in their ability to reallocate funds to specific climate change initiatives as these funds are earmarked for education as part of their core strategy. There is concern that incorporating climate change into their strategy may shift their core mandate away from education.

KEY SUCCESS FACTORS AND ENABLERS FOR INTEGRATING A CLIMATE LENS INTO THEIR WORK

Despite the challenges encountered, the Zenex Foundation is recognising some success factors and enablers for integrating climate into their work:

- **Responding to climate change indirectly:** The Zenex Foundation has acknowledged that it could indirectly apply a climate change lens to some aspects of its work. This includes considering providing support for the roll-out of solar panels in its beneficiary schools, which provides dual benefits of limiting the impacts of load shedding on teaching while also increasing the generation of renewable electricity. Furthermore, by incorporating science and environment-related content into home language education materials, the Foundation may stimulate greater awareness of the environment and climate change among its grantees.

- **Understanding the climate change crisis:** The Zenex Foundation is aware of the significant task of improving education for children but acknowledges that their interventions are greatly affected by climate-induced disasters. They see an opportunity for using education to synthesize solutions that can tackle the climate change crisis as they believe better-educated people will be in a better position to think about climate change and respond to it.

RECOMMENDATIONS FOR STRENGTHENING CLIMATE RESPONSES

The advice given to the Zenex Foundation fell under the theme of “identify.” It was noted that there may be additional ways in which the Zenex Foundation could operationalise carbon reduction initiatives in its organisation. This could be achieved by measuring its carbon footprint and reducing energy use in its operations. Carbon Trust Africa also noted opportunities to further integrate climate change education within the Ulwazi Lwethu Initiative – by incorporating climate change and broader sustainability / environmental protection stories into the materials they use for supporting and enhancing mathematics and reading literacy. This presents a very material co-benefit opportunity to enhance literacy rates while building climate awareness in young children.

In conclusion, the Foundation is at the formative stages of its climate change journey, thus it may be considered as an “aspiring climate funder”.

Perhaps the most significant opportunity to start implementing climate consideration into its existing work, would be the Vula Bula Initiative which the Zenex Foundation developed in partnership with the Molteno Institute for Language and Literacy. This initiative allows for inclusion of nature- or climate-related stories for children’s books written in indigenous languages. The Foundation notes that reading in one’s mother tongue is essential for the development of literacy and further educational achievement. These books cover a range of subject matters but could more explicitly incorporate topics such as the water cycle, which are important building blocks for understand climate science and climate change later in their education journey.

2.4. Investec Philanthropy

KEY FOCUS AREAS AND DAY-TO-DAY ACTIVITIES

As part of Investec’s suite of financial services, the company offers strategic and financial services to philanthropy. These services are provided to family trusts, high-net-worth individuals, and ultra-high-net-worth individuals. Strategic philanthropy is typically achieved through a charitable foundation, which is set up as a public benefit organisation (PBO) with the South African Revenue Service (SARS). Donations into the foundation are exempt from capital gains tax, donations tax, securities transfer tax and estate duty.

Within the 2022 annual funding cycle, funds were allocated to six main sectors:

- **Education:** Investec Philanthropy funds various programmes - to provide bursaries, psychosocial support, teacher development, and academic, sports and cultural development, amongst other education initiatives. Approximately 41% of funding goes to education.
- **Welfare and humanitarian:** This area of focus aims to strengthen the realisation of human rights within South African communities, by supporting various focus areas including skills development, greater access to safe drinking water, and promotion of food security. Approximately 22% of funding goes to wealth and humanitarian causes.
- **Healthcare:** This focus area prioritises the strengthening of public health outcomes and providing support to healthcare workers. One of Investec's focus areas in the healthcare sector is providing psychosocial support to children battling cancer. 17% of funding is allocated towards healthcare.
- **Social Justice:** This area of focus aims to provide support for reducing inequality in South Africa. An example of a focus area within the social justice sector is investigative journalism, which is seen as a way of shedding light on injustices to catalyse change and uphold our constitution. 12% of funding is allocated towards social justice.
- **Food Security:** 6% of funds are allocated to food security causes.
- **Animal Welfare:** 2% of funding is allocated to animal welfare causes.

As an organisation that manages funds and administers foundations on behalf of trustees, and as one who is beginning to integrate climate change considerations into its due diligence process for the trusts and foundations it administers, ***Investec Philanthropy can be considered a "climate action integrator".***

Figure 6: Investec Philanthropy's approach. The Climate Action Integrator

PERSPECTIVES AND APPROACH TO CLIMATE CHANGE ACTION

As part of the company's overall sustainability strategy, Investec has identified two core Sustainable Development Goals (SDGs) which inform its specific response. These are SDG 10: Reduced Inequality; and SDG 13: Climate Action. Investec believes that combatting climate change is core to preserving the ecosystem within which it operates and is essential to keeping its business alive. The company has an additional core philosophy of stimulating economic prosperity through skills development and investing in education, and this is where it aims to reduce inequality.

Investec has integrated Environmental, Social, and Governance (ESG) considerations into its investment processes, which is in turn integrated into the money management of its charitable foundations. Integrating these considerations, particularly climate change, to drive awareness and consideration of the associated impacts among the beneficiaries of the various trusts and foundations that it manages and administers, has been a focus. As well as advancing awareness and understanding among the trustees of these trusts and foundations, an avenue for advancing this awareness has been through incorporating climate change into Investec Philanthropy's due diligence processes for trusts and foundations. Specifically, Investec Philanthropy includes the following question as part of their due diligence process: *"How does your organisation think about, mitigate and integrate these two core challenges[4] within the team as well as through programmes and activities performed by the organisation?"*

The rationale for including this question has been to catalyse more thought and consideration regarding climate change among the beneficiaries of the distributions from the trusts and foundations that Investec Philanthropy administers, including their grantees and implementing partners. This extends to considerations on how climate change may impact the operations and grantees, as well as how they can respond or adapt to these climate change impacts.

As part of its due diligence questionnaire, an additional question posed to grantees and implementing partners relates to mental health. Investec Philanthropy has noted that the question regarding mental health tends to garner more responses from grantees and implementing partners than the question regarding climate change. This may be because some grantees and implementing partners feel that climate change does not affect them, while others believe that climate change is a more global and systemic issue and that issues relating to poverty, inequality, hunger, health, and education are more immediate concerns that take precedence over considerations of climate change. There is a sense among grantees and implementing partners that climate change is a more distant consideration and that there is limited scope for integrating climate change considerations into the work that they do.

Investec does not provide direct climate change funding via their private clients' foundations, whose main area of interest is in Education and other key sectors. Investec does not cost the inclusion of a question on climate change in their due diligence process. By integrating climate considerations in their due diligence process, they aim to raise awareness within their beneficiary base to start considering the impacts of climate change on their work and the communities in which they operate and how they may need to respond or adapt accordingly.

Investec Philanthropy notes that there is space for some form of basic education on climate change among the trusts that it administers and the beneficiaries who receive funding. This form of basic education could be aimed at trustees, to help them understand how funds could be invested in more sustainable assets, as well as on the potential climate risks and opportunities which impact them, and ESG requirements etc. Training would also be provided to beneficiaries for them to understand the potential impacts that climate change may have on the communities they serve and to demystify climate change and thus reduce the sense of being overwhelmed by the need to fully understand climate change that communities may feel.

CHALLENGES IN APPLYING A CLIMATE LENS TO THEIR WORK.

There are two main challenges that Investec Philanthropy faces in their endeavours to integrate climate considerations into their work:

- **Stakeholder awareness:** Climate change is seen as a more systemic, global, and distant issue for beneficiaries, with more immediate, on-the-ground concerns relating to poverty, inequality, hunger, health, and education taking precedence over concerns regarding climate change. Further, understanding of the potential impacts of climate change on beneficiaries appears to be lacking in some areas, with the need for greater education on climate change, its impacts, and potential avenues for adaptation.
- **Hesitancy to shift core focus:** Linked to a lack of awareness regarding the impacts of climate change on their beneficiaries, many trusts and foundations appear apprehensive about shifting the

[4] One of the two challenges is climate change, the other is mental health.

focus of their funding from responding to immediate issues relating to poverty and inequality, to more long-term issues related to climate change.

KEY SUCCESS FACTORS AND ENABLERS FOR INTEGRATING A CLIMATE LENS INTO THEIR WORK

- **Continuing their efforts** to integrate a climate lens irrespective of the challenges experienced has paid off for Investec Philanthropy, and it is this persistence that has become a success factor.
- **Incremental integration** of the climate change lens. While Investec Philanthropy has noted that integration of the climate change lens among their beneficiaries has been slow, there has been some uptake. Some beneficiaries are beginning to operationalise climate change, by undertaking waste reduction initiatives, and by considering other ways to reduce their footprint.

RECOMMENDATIONS FOR STRENGTHENING CLIMATE RESPONSES

The advice provided to Investec Philanthropy fell under the themes of "identify" and "connect". Within these themes, climate change may appear to some to be a global and systemic issue which may seem somewhat removed from the lived experiences of beneficiaries. However, by identifying more localised impacts of climate change that are relevant to the individual contexts of beneficiaries, greater connections, and awareness of the realities of climate change can be made in the minds of beneficiaries and trustees. This in turn could stimulate greater programmatic action among the trusts and foundations that Investec manages, thus adding to a more concerted response to climate change from funders.

As a manager of funds and trusts, Investec has begun the process of driving awareness of climate change among these funds and trusts, by incorporating climate change requirements into its due diligence process, in line with the company's broader sustainability ambitions. Investec Philanthropy has noted that awareness regarding climate change and how climate change may impact the beneficiaries of the trusts and foundations that it manages is at a nascent stage. However, the integration of the climate change lens among these trusts and foundations is seeing incremental progress and by asking the questions in a due diligence process, conversations and deeper considerations of these challenges are taking place.

The inclusion of a question related to climate change in Investec Philanthropy's due diligence questionnaire is a unique approach, that serves a specific purpose for Investec Philanthropy. It holds potential for gathering data over time on how organisations on the ground respond to climate change. If more funders follow this approach, the data obtained from due diligence processes could be utilised to gain a better understanding of the needs, challenges, and initiatives of recipients of funding in relation to climate change.

INSIGHTS ABOUT FUNDERS STARTING THEIR CLIMATE JOURNEYS

These three funders are all at different phases of the journey, even though they are all at the nascent stage of applying a climate lens. However, regardless of their size, methods, or strategies, they recognise that climate affects their beneficiaries and their work. Thus, they have leveraged resources by incorporating a climate lens while maintaining focus in their core areas.

3. FUNDERS ADVANCING THEIR CLIMATE JOURNEY

This section looks at selected IPASA members who have already started their climate journeys and are looking to advance it. They can be generally grouped into either "climate action integrators", "climate action leaders", and/or "climate investment funders".

Figure 7: General approaches to climate for IPASA members advancing their climate journeys: The climate action integrator; leader and investment funder

3.1. The RAITH Foundation

KEY FOCUS AREAS AND DAY-TO-DAY ACTIVITIES

The RAITH Foundation has been in existence since 2001 and is dedicated to promoting social justice in South Africa. The Foundation believes that systemic injustice and inequality still prevail in South Africa and that combatting this requires lasting solutions that can address the root causes of the issues.

Through its flagship social justice programme, RAITH empowers and provides access to justice for marginalised groups, aims to improve governance at the local level, and promotes transparency through media and community participation through its grantees. Since 2010, the Foundation has increasingly responded to the climate crisis as an integral part of its social justice programme.

The Foundation does not fund service delivery projects unless these are linked to systemic change. RAITH generally provides core funding support to social and environmental justice organisations. The RAITH Foundation's climate initiatives were first captured in the 2022 edition of IPASA's Climate Change Case Studies. ***The Foundation could be regarded as a "climate action leader" and a "climate investment funder"***.

Figure 8: RAITH Foundation's climate approach: The climate action leader and a climate investment funder

PERSPECTIVES AND APPROACH TO CLIMATE CHANGE ACTION

The RAITH Foundation's approach to climate change, and environmental sustainability more broadly, has centred around environmental justice. Since the launch of its social justice programme in 2010, RAITH has always seen climate action as an inherent part of its work, through the environmental justice lens[5]. It is also worth noting that the Foundation's intervention strategy initially placed a significant emphasis on funding policy, research, and advocacy work to influence decision-makers and make progress in the field.

That experience showed RAITH that this focus remained very high-level, in often far-removed national circles. The Foundation subsequently noticed a tremendous gap regarding the actual (and very limited) availability of funding on the ground for communities to build their resilience against the overwhelming number of challenges they are facing. This realisation resulted in RAITH including in its funding model the provision of more support towards community-based organisations.

Since then, RAITH has been funding various projects and initiatives at a community level. On the one hand, the Foundation leveraged its grants – which target cross-interventions – to support several mining-affected communities in their standoff against mining companies. Among others, the Foundation funded organisations such as the Global Environmental Trust, groundWork, the Centre for Environmental Rights, and the Mining Affected Communities United in Action. The Foundation supported community objectives, for example, to challenge extractive industries to comply with the South African Constitution and environmental legislation and thereby promote environmental, social and climate justice for communities.

RAITH also leveraged its core funding to support the establishment of community-based funding mechanisms. This led to the creation of a community funding facility in the form of the Environmental Justice Fund (EJF) with the support of groundwork. This funding approach provides core funding to community-based environmental justice organisations to enable them to foster systemic change through their day-to-day activities. The RAITH Foundation was also instrumental in establishing JustShare – a non-profit shareholder activism organisation using responsible investment to drive climate action and reduce inequality.

The RAITH Foundation has allocated grants with a total value of R60m over the past three years to initiatives that exclusively promote or have a significant focus on environmental justice. This figure *excludes* the funding the foundation provides to other initiatives that may integrate aspects of environmental justice or climate change, or smaller grants that promote environmental justice. This is an average spend of R20m per year on environmental justice projects, and it represents roughly 25% of the RAITH Foundation's annual grant expenditure.

RAITH's stewardship model and shareholder activism

The RAITH Foundation has adopted a stewardship model that aimed to focus on ensuring corporate consideration for ESG (Environmental, Social and Governance) but, due to capacity constraints, mostly focused on only corporate governance, which includes considerations for auditors, remuneration policies, etc.

Instead of a more substantive consideration of environmental and social components by the stewardship model that the Foundation adopted, the RAITH Foundation dedicated a fair amount of its funding to shareholder activism, and the JustShare initiative. In essence, the organisation, with the support of JustShare and more high-profile Board members has met with companies they are invested in and attended company AGMs to ask questions of the company relating to aspects of social and environmental justice, and how these companies are responding to such issues.

The RAITH Foundation has noted that this can be a highly effective way of achieving social justice goals, with companies being more willing to engage through this line of communication, rather than directly with activists. At the beginning of the responsible investment journey, the RAITH Foundation also wrote articles for mainstream media on the importance of responsible investment and activism in the fight for

[5] Please refer to Case Study 1 and Case Study 4 of the 2022 IPASA Case Study document

environmental and social justice. This was also a highly effective way of bringing attention to the issues of philanthropy and climate justice. The RAITH Foundation has gone further to limit its partnerships with companies that are seen as not responding adequately to ESG concerns and continues to seek to align some of these companies with their financial sustainability mission.

Investing sustainably

The RAITH Foundation maintains its endowment by investing in various mechanisms and acknowledges the importance of investing sustainably so as not to contribute to the climate crisis via its investments. They have also considered and attempted to align their investments with their mission while maintaining their financial sustainability. The Foundation had some investments in fossil fuel companies, but they maintained these investments as part of their shareholder activism efforts.

The Foundation anticipates that they will be closing around 2035 and as such, longer-term investments are not appropriate for the Foundation. The Foundation has started to expand some of its investments outward and away from these types of investments, to include ESG Funds. However, the disadvantage of a more diversified investment approach is that it essentially holds a smaller proportion of company shares, meaning this could lead to less influence in AGMs and access to corporate Boardrooms where they can influence ESG policies and plans. However, JustShare has shown that with a limited number of shares, there can still be an impact as a shareholder activist.

While 2035 will see the closure of the RAITH Foundation and its grant-making, they see JustShare as a legacy of the Foundation and one of its greatest successes. JustShare is now fully independent and no longer requires support from the RAITH Foundation.

RECOMMENDATIONS FOR ENSURING SUSTAINABILITY.

The advice given to the RAITH Foundation fell under the theme of “enhancement”. Noting that the Foundation will be winding down its operations over the next 11 years, up to 2035, there is still space to enhance the long-term sustainability of the Foundation’s grantees and their work. This will enable the grantees that are currently dependent on funding, to continue to operate without funding support from RAITH. This will ensure that the Foundation will have a lasting legacy which will continue to grow the impact of its funding in the climate and social justice space. Establishing and supporting organisations that become sustainable creates value that far surpasses the value of a funder’s initial investment. The RAITH Foundation can further magnify their impact by sharing their practices, experiences, and achievements with other funders to inspire and motivate them to enhance their climate responses.

CHALLENGES IN ADVANCING THEIR CLIMATE ACTION

The RAITH Foundation is faced with two unique challenges:

- **Refocusing their priorities:** Since the Foundation will be winding down its activities in 2035, they have had to prioritise the sustainability of their grant-making support. The Foundation notes that, because of their focus on grant-making and sustainability, as well as the success and autonomy of JustShare, they were unsure about the best way to move forward, or if there was a role to play.
- **RAITH is currently undergoing a spend-down period:** This means that RAITH has limited longer-term opportunities to increase financial support to climate change initiatives. However, this spend-down period should not affect RAITH’s support to start-ups such as JustShare as they are now more financially sustainable and have multiple funding streams that can support them beyond RAITH’s closure.

KEY SUCCESS FACTORS AND ENABLERS FOR INTEGRATING A CLIMATE LENS INTO THEIR WORK

The RAITH Foundation has learnt what enabled their success with their climate initiatives:

- **Building intentionality and strategy:** Since 2010, the RAITH Foundation has been channelling funding to build community resilience. Convinced that a community response is needed to achieve climate justice, the Foundation has been supporting the work of community-based organisations through a combination of core funding and project grants for more than 12 years. This includes the MACUA/WAMUA Advice Office (MWAO), the Masifundise Community Trust, the Rural Democracy Trust, and the Social Change Assistance.
- **Prioritising climate change as a key strategic focus area:** Integrating a climate lens into funder work is often reported as a barrier since most funders view their primary areas of focus as irreducible minimums. RAITH on the other hand, believes that climate action is an inherent part of their work since the launch of its social justice programme in 2010. This allowed them to place climate change (and climate justice) as the centre of their funding strategy.

The Foundation has noted that they are preparing to wind down operations in 2035, and as such have limited space to further expand their shareholder activism and funding support. That said, the Foundation has consolidated and, in places, expanded its grant funding for organisations committed to combating climate change. Grant funding has continued for community-based work and community funders such as the Environmental Justice Fund (EJF), while funding has also been maintained for larger NGOs like the Centre for Environmental Rights (CER) and groundWork in 2023. The key outcome here is ensuring the sustainability of these organisations so that RAITH can continue having a positive impact post-2035.

In conclusion, the RAITH Foundation has a long history of enabling and supporting climate action through its philanthropic activities. They acknowledged the inherent interlinkages between climate and social justice, which allowed them to prioritise and explicitly include climate change as a key strategic focus area. Through their responsive grant-making at a community level, establishing JustShare and supporting the Centre for Environmental Rights, and their shareholder activism activities, ***the RAITH Foundation could be understood as a "climate action leader" and a "climate investment funder.*** However, they face one more critical challenge in continuing to drive responsible investment while slowly winding down towards 2035.

The RAITH Foundation's approach of funding and supporting organisations that have the potential to leverage systemic change in two critical areas, namely climate justice, and responsible investment, demonstrates the potential of independent funding to catalyse sustainable change that lasts far beyond the lifespan of the funder. In this way, the RAITH Foundation has ensured that it will have a lasting legacy, even though it is a spend-down foundation with a limited lifespan.

3.2. THE GRINDROD FAMILY CENTENARY TRUST

KEY FOCUS AREAS AND DAY-TO-DAY ACTIVITIES

The Grindrod Family Centenary Trust (GFCT) is a family trust established in 2008 and is a separate entity from Grindrod Limited. It is an endowed trust with a broad mandate but a strong focus on education, with 12 years of grant-making in the sector and has a relatively conservative disbursement. The Trust focuses primarily on KwaZulu-Natal (KZN) and is leanly resourced. They have been providing grants to Non-Profit Organisations (NPOs), primarily in the Early Childhood Development (ECD) sector, with some teacher training grants having been allocated in the past.

Regarding existing funding by the Trust, allocations are made primarily to organisations that are engaged in research and training within the ECD sector. Allocations are limited to tax-exempt NPOs. While there is a general focus on allocating funding to research and training organisations within the ECD space, the allocation of funding is still relatively open-ended. NPOs will approach the Trust with requests for funding for different requirements, such as new vehicles, roof leaks, programmatic support, etc., with allocations being approved based on alignment with the Trust's strategic priorities. The Trust does not have stringent goals or targets related to funding allocations but rather reacts to what is required by NPOs. However, this may change in the future.

PERSPECTIVES AND APPROACH TO CLIMATE CHANGE ACTION

Climate change is a recent addition to the Trust's focus, with the commitment to adding a climate lens to the Trust's work being approved by the Trust's Board in 2021. In 2022, the Trust's journey was documented in the 2022 edition of IPASA's Climate Change Case Studies.

The Trust is currently developing a climate change strategy to better support climate vulnerabilities in the ECD sector and in the communities they support. The *Climate Crisis: A Toolkit and Resource Pack for Funders in South Africa* developed by IPASA was extremely helpful in thinking about and developing their climate change strategy.

They have identified three focus areas within their new strategy:

- Climate change considerations must be **focused on minimising the impact of climate change on children.**
- Discussions around climate change are new to the KZN ECD community and stakeholders. Their **approach and communications around climate change need to leverage accessible language** to foster greater awareness, understanding and buy-in to climate action by key stakeholders.
- They need to take a "**partnership and consensus building approach**" to their climate journey with stakeholders. This includes building an evidence base to support and enable the first two priority areas above.

Therefore, ***the Trust's approach to climate change could be understood as moving from a "climate-lens" approach to a "climate action integrator" approach***. However, they are taking a very explicit approach to integrating climate action into their ECD work.

Figure 9: Grindrod Family Centenary Trust's climate approach

The Trust believes that the process of pivoting its strategy to include climate change more explicitly will take time. But they have a clear roadmap to its development and eventual implementation. The priority is to build their evidence base on how climate change impacts and intersects with the ECD sector, in KZN specifically. This evidence base will help foster awareness, understanding and buy-in from key internal and external stakeholders -the second priority area. This is primarily to address challenges around limited awareness or acceptance that climate change is a threat to the ECD sector, particularly among external stakeholders. Stakeholder awareness and buy-in were identified as critical parts of their climate strategy since climate action largely depends on collaborative partnerships.

The final priority area in developing their climate strategy is to understand and map the most appropriate interventions for implementing their strategy. This will include engaging with key stakeholders to better understand their vulnerabilities to climate change and their needs and requirements for adapting and building their climate resilience.

Another aspect of their climate strategy will be to consider building climate change into school curricula. This is both in the hopes of driving awareness of climate change and supporting children in pursuing careers in the climate change space. While the Trust is pursuing further integration of climate change into its strategy, it notes that this will not detract from other aspects of its strategy, such as its focus on early childhood development or its geographic focus.

However, developing their strategy was not without its challenges. Concern was raised over the potential for imposing world views over the communities that they serve that might not resonate or serve these communities. The complexity of climate change and how a small funder like the Grindrod Family Centenary Trust could enter the climate change space and make a tangible difference was also of concern.

The Grindrod Family Centenary Trust's strategy shift involved step-by-step re-alignment over a period of three years:

- In 2021, when discussions started about integrating climate change into the Trust's ECD focus areas, a decision was taken to explicitly follow the WINGS Pillars in building a new strategy for the Trust, which spent approximately R2m in 2021.
- During 2022 the Trust had to explain their strategic shift to grantees and inform some of them they would receive one- or two-year exit grants. In 2022, the Trust's total spend was approximately R2,2m.
- In 2023, the Grindrod Family Centenary Trust spent a total of approximately R2.3 million on eight projects, of which half were exit projects. Three of the remaining four were ECD projects with a specific climate focus. The expenditure on these projects, which focus on publishing children's books with climate and environment related stories, supporting food gardens at ECD centres, and developing and training on an ECD curriculum that incorporates aspects around nature and food gardens, was just under R1m.

The Grindrod Family Centenary Trust has moved from zero spend on climate change related initiative in 2021 to 43% of their total spend in 2023. The Trust is planning to increase this to 100% in 2024, when they will continue to focus on the abovementioned projects, as well as research and an awareness building campaign.

CHALLENGES IN APPLYING A CLIMATE LENS TO THEIR WORK

The Trust has persevered with its efforts to integrate climate considerations into its work, despite the following challenges:

- **Limited awareness and buy-in from stakeholders:** The Trust noted that climate awareness and buy-in is often a challenge, particularly among stakeholders within the communities they serve. They often see climate change as this distant, global challenge that does not apply to them and are therefore uncertain or reluctant to take any climate action.
- **Self-doubt:** The Trust has acknowledged that they experienced self-doubt in the process of developing their strategy. This related to the appropriateness of applying a climate lens to their specific area of focus; whether this application would be considered an imposition of Western world views on largely poor and rural communities; and whether a trust with limited scale such as the GFCT could create tangible impacts.
- **Limited resources:** The GFCT highlights that practitioners and communities within the ECD sector operate with limited budgets and limited resources. Therefore, there could be resource challenges in implementing climate adaptation interventions in the communities where GFCT works.

KEY SUCCESS FACTORS AND ENABLERS FOR INTEGRATING A CLIMATE LENS INTO THEIR WORK

Following a step-by-step approach and building iteratively on to “small wins”. the Trust has been able to identify what helped them to move forward:

- **Building an evidence base:** Building an evidence base will help foster awareness, understanding and buy-in from key internal and external stakeholders.
- **Fostering stakeholder buy-in and bringing them along on the journey:** Stakeholder awareness and buy-in were identified as a critical part of their climate strategy since climate action largely depends on collaborative partnerships. Therefore, engaging with key stakeholders and bringing them along on your climate journey is a key success factor.
- **Identifying climate change opportunities**: Understanding and mapping the most appropriate climate interventions for implementing your strategy is critical. If interventions are not fit for purpose, they will not succeed. Therefore, engaging with key stakeholders to better understand their vulnerabilities to climate change and their needs and requirements for adapting and building their climate resilience is critical.
- **Building intentionality:** Encouragingly, the Grindrod Family Centenary Trust has decided to develop an explicate climate change strategy. This is not intended to replace their core mission of supporting ECD but will go a long way in strengthening their approach to climate change and building climate resilience across the communities in which they work.

RECOMMENDATIONS FOR STRENGTHENING CLIMATE RESPONSES

While the Grindrod Family Centenary Trust has made great strides in integrating the climate lens into its strategy and the work that it does, it is still looking at ways in which it could further enhance this. The advice provided to the Trust fell under the themes of “connecting” and “enhancing”. Regarding the theme of connecting, Carbon Trust Africa advised the Trust that it is important to continue building an evidence base which identifies the intersectionality between climate change and ECD and that this could allow for greater stakeholder buy-in for joining the Trust on their climate change journey.

What stands out about the climate journey of the Grindrod Family Centenary Trust is the thoughtful yet enthusiastic approach to the commitment to integrate climate considerations into their work. This Trust does so in an intentional manner that continuously reflects on contextual nuances and sensitivities of the environment in which they work. They are also aware that they need to be on the lookout for conscious of potential negative unintended consequences of their climate initiatives. While progress with such an approach could be slow at times, it is set to deliver valuable insights, that could be of great value to other funders.

3.3. The DO MORE FOUNDATION

KEY FOCUS AREAS AND DAY-TO-DAY ACTIVITIES

The DO MORE FOUNDATION was founded by RCL FOODS Ltd in 2017 and focuses on supporting young children and Early Childhood Development (ECD). The Foundation identified early childhood (conception to age 6) as a critical developmental period for children, and one that does not receive appropriate levels of attention by government, business, and society in South Africa. This inadequate allocation of resources is leading to poor performance in primary and secondary schooling. The investment into ECD is significant in terms of the country's future workforce and the ability to have a nation of individuals that develops to its full potential. To change the prevailing poverty-based trajectory of South African society, more needs to be done to support early childhood development in the country.

The work of the DO MORE FOUNDATION is based on the three principles of Scaling Up, Scaling Out and Scaling Deep:

- **Scaling Up** relates to advocacy for young children at a local, provincial, and national level.
- **Scaling Deep** refers to convening partners to catalyse ECD in communities to support young children and families.
- **Scaling Out** refers to scaling early learning, parent support and food resourcing beyond the “deep” communities.

The result of these actions aims to create a better future for young children through partnerships-partnerships and collaboration fuelling the system. The Foundation aims to mobilise the comprehensive basket of services outlined in the Government’s National Integrated ECD Policy (2015) in the different strategic areas’ communities. The Foundation also works with the three spheres of government: local, provincial, and national to advocate for young children.

The DO MORE FOUNDATION’s work is also based on its model of collective impact and partnerships drive their initiatives at scale. The DO MORE model of collective impact places the young child at the centre and acknowledges households and communities as spheres of influence and impact. The Foundation seeks to mobilise communities to realise the rights and needs of young children. Using a stakeholder engagement process they catalyse resources to meet these needs.

The Foundation has a range of programmes operating at a national level and a strategic local community development level. The purpose of the Foundation's National Programmes is to deliver resources and capacity building in the fields of nutrition, early learning, and parent support at scale through various partners in ECD. For example, one of their early learning programmes – called DoMorePlay – uses waste materials (such as wood offcuts from wood pallets) to make educational toys. Further, the toys are assembled by differently-abled youth, thereby having a dual positive impact on young children and differently-abled youth. Another example is Repurpose4Purpose, a programme supported by DO MORE and Barrows Global which repurposes excess business inventory (waste offcuts) to create 2D card games and posters by printing educational materials on cardboard which are distributed to ECD centres. These programmes are also involved in the training and capacitation of communities through partners to facilitate the success of these programmes. This recycling initiative is part of a climate resilience strategy.

DO MORE's community development initiative (Everyone Gets To PLAY), aims to drive deep systemic change by catalysing resources to implement the Integrated ECD policy (2015) in the following areas: Nkomazi, Bushbuckridge, uPhongolo, Hammarsdale, Molteno, Worcester, Rustenburg, and Randfontein.

The policy is brought to life through a responsive basket of services tailored to communities' needs, which include services areas of nurturing care such as food security and nutrition; parent and caregiver support; maternal and child health; early learning through play; child safety and protection; infrastructure and services; the first 1000 days; and enterprise development. Advocating for young children at local and provincial levels also forms part of the Foundation's work.

PERSPECTIVES AND APPROACH TO CLIMATE CHANGE ACTION

The DO MORE FOUNDATION acknowledges the importance of taking climate action and applying a climate lens to their work. However, conscious that they do not want to move away from their core mission of supporting ECD. Since engaging with IPASA, and applying a climate lens to their work, it was evident that the Foundation already implements various climate change interventions across their projects at a community level, albeit more implicitly or indirectly. DO MORE believes that interventions supporting young children are a future-focused opportunity to support climate-resilient communities. ***Therefore, one might understand DO MORE FOUNDATION's approach as either being a "climate-lens funder" or a "climate action integrator"***.

Figure 10: DO MORE FOUNDATION's climate approach

The DO MORE FOUNDATION's climate journey started with a very insightful exercise of understanding the intersectionality of climate change within its portfolios, with support from IPASA. Through this exercise, the Foundation was able to identify and understand how certain aspects of its work already contribute to increasing the resilience of communities to the effects of climate change. This could be seen as having "indirect climate co-benefits" associated with their core funding activities, whereby certain interventions were implemented for one reason, but also happened to provide climate opportunities or co-benefits. The Foundation is now looking to be more explicate in how it incorporates these climate co-benefits into its work and to begin implementing more explicit climate interventions through its existing programmes.

For example, from a selection of 11 of their flagship projects, DO MORE identified four existing activities that contribute to building communities' climate resilience. When considering these under a climate lens, it becomes easier to identify opportunities for advancing their impact and more explicitly targeting similar interventions elsewhere in DO MORE's portfolio. These four activities include:

- **Subsistence farming for supporting access to food and nutrition:** Foundations often implement food gardens and small-scale farming initiatives as part of their food security programmes. They primarily do so to safeguard access to food, increase affordability and promote a more diversified diet. While food gardens and subsistence farming can constitute a climate response by building community resilience to climate change, it is also directly impacted by it. The increased occurrence of droughts and floods, changes in rainfall, insect invasions, etc. can reduce food garden productivity and crop yields. Integrating a climate lens into such activities – through the introduction of, for example, permaculture, composting, rainwater harvesting and simple irrigation practices – can consequently climate-proof impacts and provide both a socio-economic and climate response to the above-mentioned challenges. Further, exposing young children to nature through active participation in food gardens could also help build their appreciation for nature from an early age.
- **Water-wise systems to support access to water and drought resilience:** Similarly, water insecurity has been an ongoing challenge in a water-stressed country like South Africa. It will only get worse with the impact of climate change. Consequently, some of DO MORE's programmes already constitute a climate response, such as integrating water harvesting systems, water-saving campaigns, installation of water tanks and water recycling processes. The Foundation implements these initiatives at community-based ECD centres across different communities.
- **Upcycling practices to reduce waste and introduce children to the circular economy:** Reducing, reusing, and upcycling strategies are integral pillars of the circular economy. Such practices are therefore an adaptation to the resource-constrained context but also support efforts to reduce waste, pollution, and GHG emissions. The DO MORE FOUNDATION, in partnership with other businesses, upcycles waste/unused materials to create early learning resources that support learning through play, problem-solving and the cognitive development of young children.
- **Nutrition programmes**. Climate change lessens the diversity of seeds available for farming, which in turn reduces diet diversity at the community level and lowers the nutrients necessary for child development. The DO MORE FOUNDATION's parent engagement programmes integrate nutrition education with responsive caregiving and learning through language and play in the home, thus building resilience and strengthening parents' involvement in their young children's well-being. Building such nutrition programmes and ecosystems once again helps to build community resilience. It could be an interesting entry point to bring the language of climate change to the grassroots level.

The DO MORE FOUNDATION's efforts in applying a climate lens to their work were documented in IPASA's 2022 edition of IPASA's Climate Change Case Studies. Since the publication of the document, the DO MORE FOUNDATION has further strengthened its efforts in improving early childhood development while continuing to integrate a climate lens into the work that they do. This has included further development of school-based food gardens and rainwater harvesting systems in the communities in which they operate.

The DO MORE FOUNDATION has almost doubled their spend on climate related initiatives between 2021 (R6,2m), and 2023 (R11,8m). The DO MORE FOUNDATION forecasts that they will spend R15m on climate related initiatives in 2024, through a suite of 8 programmes that consist of: a national food garden initiative; a water harvesting project; feeding schemes; play and learning programmes; and advocacy in young child forums.

Since 2023 the Foundation has stepped up their networking with international stakeholders in space where funding of early years initiatives and climate change intersects, and they will elevate these initiatives in 2024 to fulfil a thought leadership role within IPASA's ECD initiative, and the broader ECD funders community in South Africa.

CHALLENGES IN APPLYING A CLIMATE LENS TO THEIR WORK AND ADVANCING THEIR CLIMATE ACTION

While the Foundation has been able to strengthen its climate responses, it has not been without challenges. They had to work around the following issues:

- **Limited stakeholder awareness:** Limited stakeholder awareness of climate change and how it intersects with the ECD sector can be a challenge. It is important to bring stakeholders along the climate journey with you to improve awareness and foster buy-in.
- **ECD not viewed as a priority for big corporates:** What the Foundation has noted is that climate change is on the agenda of every company Board. ECD on the other hand, is not a major consideration, partly because it is misunderstood but also because it requires long-term investment. What is apparent is that there is a strong intersection between climate change and ECD, particularly adaptation and climate resilience. Recognising this intersection, and framing ECD within the context of climate change, could help put ECD and climate adaptation on the radar for more corporates.
- **Funding and partnerships to scale up climate interventions:** Each project has its challenges, the least of which is the ability to scale up interventions for greater impact. With anything, scaling up requires additional funding support, collaboration, and partnerships. Access to funding and finding the right partners for scaling up different interventions is often a challenge faced by the DO MORE FOUNDATION.

KEY SUCCESS FACTORS AND ENABLERS FOR INTEGRATING A CLIMATE LENS INTO THEIR WORK

The Foundation has also been able to learn about what promotes success in their initiatives regarding climate change:

- **Building intentionality:** In the early stages of applying a climate lens in their work, the DO MORE FOUNDATION was very intentional in understanding the intersectionality of climate change and ECD. This enabled the Foundation to scale and advance its climate responsiveness by developing cross-cutting interventions that increase the resilience of local communities to the effects of climate change while ensuring that they have food and water security. This is also done without neglecting other areas of focus such as maternal and child health, early learning, child safety and protection, infrastructure and services, and enterprise development etc.
- **Incorporating sustainability, with measurable targets, into your strategy:** The Foundation has tried to incorporate sustainability into its strategy with measurable targets against sustainability criteria embedded in the strategy. These targets can be assessed by corporates whom they look to for funding to align the aims of both corporates and the foundation. This can help "connect the dots" for corporations and encourage them to provide funding support for ECD and climate adaptation activities through foundations like the DO MORE FOUNDATION.

RECOMMENDATIONS FOR STRENGTHENING CLIMATE RESPONSES

Advice to the Foundation fell under the themes of "identify" and "connect". Regarding identification, the Foundation could consider applying the climate lens more explicitly to identify climate adaptation co-benefits that be captured in their evidence base. Furthermore, building greater climate change resilience in grassroots communities is a key step in further equipping communities to respond to the impacts of climate change.

Through their existing initiatives, such as food gardens, rainwater tanks and upcycling waste for toys, the DO MORE FOUNDATION was already contributing to community climate resilience, albeit from a different departure point. After engaging with IPASA, the DO MORE FOUNDATION has been progressively more explicit in how it addresses the issue of climate change through its existing initiatives, without changing its core mission. The DO MORE FOUNDATION has demonstrated how an open mind, and the will to find ways of integrating climate considerations in a funder’s work, coupled with strong leadership can open up work opportunities that can be strengthened and deepened as the funder gains confidence and enhance their understanding of possibilities.

INSIGHTS ABOUT FUNDERS STARTING THEIR CLIMATE JOURNEYS

Beyond finding opportunities in the climate crisis, these three funders have demonstrated that obtaining buy-in within your ecosystem and building cross interventions that integrate climate action with other societal interventions are critical to promoting the use of a climate lens. Each foundation's climate journey is unique, but the key similarity is that foundations must capitalise on their strengths and discover what works best for them and their beneficiaries.

4. LEARNINGS

4.1. The Value Of Climate Consultations For Funders

This case study initiative has demonstrated that IPASA members are increasingly aware of the importance of understanding climate change better and actively responding to it. It is clear that funders can respond to climate change and include a climate lens into their work, even if they do not initially know exactly how. While consultations with members who are interested in being or enhancing their climate responses is a time-intensive and relatively slow process, it remains a useful initiative which assists funders with thinking through options, identifying opportunities, and increasing their sense of agency regarding climate responses.

There is no one-size-fits-all solution for funders to respond to climate change. On the one hand, this realisation is encouraging, because it provides a wide range of options. On the other hand, its open-endedness is daunting. It requires dedication to find the appropriate responses when there are no ready-made packaged solutions for funders. This, however, does not mean that funders cannot learn from one another. Sharing of experiences in this space is essential to build and maintain momentum.

An encouraging aspect of this year's initiative is that it is evident that once funders have started to integrate climate considerations into their work, they learn from their experiences, they can conquer their initial fears of engaging with a potentially overwhelming issue, and they can move forward with more and deeper initiatives. We can safely say that responding to climate change is an iterative process, even for those funders who are far advanced in their responses. We have seen how carefully thought-through climate responses can spark initiatives that are sustainable and can outlive the lifespan of a grant and even a funder.

In the span of a year, we have seen how funders who started their climate initiatives only a year ago moved from aspiring climate funders to climate action integrators, and how some with mature climate responses are now focusing on ensuring that they leave a lasting and sustainable legacy.

4.2. Common challenges

Through the case study development process and consultations with selected IPASA members, IPASA has learned more about the challenges that funders whose primary focus is not on biodiversity, the environment and climate change, are experiencing with coming to terms with climate change and its impact on their work. Funders who focus on sectors such as ECD, education, skills development, employment, entrepreneurship, mental health, gender equality and social justice are often experiencing one or more of the 10 challenges highlighted below.

Challenges:

1. Grappling with the complexities of the intersectionality of climate change with specific or sectoral funding focus areas is time-consuming, exhausting and potentially overwhelming.
2. Finding entry points, opportunities, and partnerships to incorporate climate considerations in their work without shifting the focus of their funding is not always easy for funders.

3. Funders are acutely aware that they need a deeper understanding of how recipients and beneficiaries of funding and their communities, are experiencing, understanding, and responding to climate change.
4. There is awareness that funders could intentionally or unintentionally stifle the agency of local organisations and communities to deal with climate change while at the same time being careful not to place the burden of responding to climate change solely on the shoulders of communities.
5. Funders are conscious that the solution is not to offer or impose out-of-context solutions in situations where funders themselves may not fully understand the day-to-day realities at the local level.
6. Some funders doubt their ability to affect substantial and meaningful change through their climate initiatives, particularly if they are not able to contribute at a large scale to climate mitigation, adaptation, or investment.
7. It is not uncommon for funders to be concerned that their responses may be too limited compared to the magnitude of the problem and that they may be seen as "greenwashing" or engaging in tick-box exercises without any significant impact.
8. Funders may not be aware of how to access climate funding to supplement their limited resources.
9. Some funders are uncertain about how to adapt their investment strategies to support a carbon-neutral future.
10. Integrating climate considerations into their own operations and organisational governance processes may be a challenge for some funders.

Many of these challenges are not unique to South African philanthropy, and being aware of challenges could be a first step to finding innovative solutions for these hurdles that exist. Philosophically, every problem contains within itself the seeds of its solution, provided that the problem is understood comprehensively.

4.3. Enablers for success

Despite these challenges, we have also learnt from our engagement with members that there are 10 common factors that promote and enable success when funders commit to responding to climate change:

1. While having up-front Board buy-in is not essential, having Board buy-in is a game-changer.
2. Flexibility to fund disaster relief enables funders to make a difference in crises.
3. It is important to be intentional about climate work, and this can be done by identifying what is possible, doing what is possible, and explicitly identifying co-benefits of integrating climate considerations into their work.
4. Understanding the climate crisis better is an important building block for developing climate responses.
5. It is possible to start small and build climate responses out incrementally, as funders gain confidence and insight into the nuances of climate change and climate responses.
6. When funders cannot respond directly to climate change, they often can respond indirectly and still make an authentic and useful contribution where they work.
7. Engaging with other stakeholders, and involving them, is essential.
8. Learning from others assists funders in understanding better what is possible and identifying relevant opportunities for appropriate climate responses.

9. Building an evidence base is important and this requires integrating measurable targets into strategies for climate responses.
10. Well-thought-through climate responses can be sustainable beyond the duration of funding for climate-related initiatives.

4.4. IPASA's learning journey

As a philanthropy infrastructure organisation, IPASA is also learning from our climate initiatives, and we remain committed to using our unique positioning to catalyse climate action amongst our members, and in the philanthropy sector in general.

An interesting aspect of this year's case studies is that it shows that when funders integrate climate considerations into their work, it can be integrated into existing strategy, focus areas, due diligence, investments, monitoring, evaluation, and learning. An integrated approach has the potential to enable impact and outcomes aligned to funders' core mandates, while simultaneously contributing to broader climate action, e.g., climate mitigation, adaptation, or a just transition.

We have learned that funders do not necessarily record their spend on initiatives where climate is integrated as climate spend, and there may be a need for further deliberation on what could or should be reported as climate funding. When funders integrate climate change into their strategies it takes time and allocation of resources to exit projects that are not climate related, when there is a shift in strategy. It may appear counter-intuitive, but sometimes, when projects that do not align to climate inclusive strategies are exited, a funder may have to temporarily increase funding for such projects that are not climate-related, to ensure a fair exit process that will enable the funder to increase spend on climate-related initiatives in future years.

It is also clear that the total annual spend on climate funding varies considerably between IPASA members, simply because of the diversity of our membership which include smaller and larger funders. Therefore, while actual spend can be a useful indicator, the proportion of climate funding spend in relation to a funders' total spend is another useful indicator. It must also be taken into account that funders may not track actual spend when they integrate climate considerations in their operations, and that some funders may also not record initiatives that apply a climate lens or that integrate climate considerations into existing initiatives as climate change funding. There may thus be a need for further deliberation on tracking climate spend to develop a common understanding regarding reporting on spend on climate initiatives.

A key learning during this year has been that as a thought leader, IPASA can play a role in shifting the narrative from a focus on climate threats, challenges, and crisis to one where the vision of a low carbon future is energised by discovering possibilities and promoting innovation in all sectors of society.

We have also become aware that the intent that underpins funders' climate responses is of the utmost importance, and that funders should not fall into the "trap" of "greenwashing". It is therefore necessary for funders to understand their reactions to climate change and to be honest about their views on climate responses, and the limitations and challenges they experience. To be truly effective in integrating a climate lens and/or responding to climate change, some funders may need to work with other stakeholders.

5. SUPPORTING FUTURE CLIMATE INITIATIVES

A critical question for IPASA is how to support our members' climate initiatives going forward. IPASA is aware that this support has to be aligned to IPASA's mandate and vision, which is to influence and facilitate the transformation, promotion and growth of independent philanthropy in South Africa. IPASA's strategy is to empower those who empower others, and therefore our future initiatives will be focused on assisting funders to respond to climate change, and to create an enabling environment in which they can network and find resources that will assist them in either starting to integrate climate considerations into their work, or to enhance and intensify their existing climate change initiatives.

IPASA will continue to provide thought leadership in this very important focus area. Through our continued relationship with WINGS, and the role of the IPASA Executive Director as a WINGS Climate Ambassador and member of the WINGS Philanthropy Enabling Environment Working Group, IPASA is well-positioned to fulfil this role, and to ensure that our members' progress on their climate journeys is shared wider in the global philanthropy community.

Within the African philanthropy community, IPASA's well-established networks with other philanthropy associations and academic institutions have already been used to share our climate initiatives. IPASA is planning to actively promote information sharing on various topical issues between different philanthropy stakeholders on the continent and specifically in Southern Africa in the short to medium term. Climate change is one of the focus areas that IPASA has identified for knowledge sharing in this context.

Focusing on funders in South Africa, IPASA's main climate initiative in 2024 will be to develop and promote a South African Funders Climate Pledge. This will provide local funders with an opportunity to commit to a context-sensitive climate pledge that will assist them to systematically integrate climate considerations into all aspects of their work. A integral aspect of our planned work regarding the development of a South African pledge would be the promotion of the pledge which will create greater awareness amongst funders about what this work entails and why it is important, while simultaneously providing opportunities for IPASA to further support our members and other funders to start integrating climate considerations into their work, or to enhance their existing climate responses.

Thus far, in the case studies featured in this publication and the 2022 case studies, most members have funded their own climate initiatives, sometimes from already stretched resources. For some of our members, especially those with limited resources, it is imperative that they are enabled to access additional climate funding so that they can do more and deeper work in the climate space. Through our mandate as a though leader that facilitates networking and creates an enabling environment for philanthropy, IPASA will continue to provide a platform for networking, information and knowledge sharing, which will assist funders to make the connections and identify the opportunities for collaboration they require to take their initiatives forward.

A notable development in breaking down siloed approaches to climate change is that IPASA's 2023 to 2025 ECD initiative includes the establishment of member-led Dialogue Circles, and that the DO MORE FOUNDATION has volunteered to lead a Dialogue Circle, *Investing for Impact at the Intersection of Climate Change and Early Childhood Development*. The aim of this Dialogue Circle is to explore the potential synergies between the development and wellbeing of young children and climate resilience as a catalyst for multi-sector collaboration.

In addition to advising our members on how to use their resources, IPASA would also like to look at creating awareness amongst our members regarding accessing funding from the Global North to enhance local climate responses that can support adaptation, build resilience, and mitigate loss and damage. This is a focus area that could be explored through the relationships we have established with the Presidential Climate Commission, and through engagements with our members and other funders who are grappling with, for example, how to engage with the South African Just Energy Transition Investment Plan and accessing funding that becomes available through the Just Energy Transition Partnership that emanated from the commitment to mobilise financing to support the Just Energy Transition in South Africa.

It is against this background that IPASA will continue to provide thought leadership and opportunities for our members to play an active role in addressing one of the most complex challenges of our time – a challenge that also holds immense potential for shaping the future.