

Trends in climate philanthropy

Exploring the funding landscape in India



ABOUT



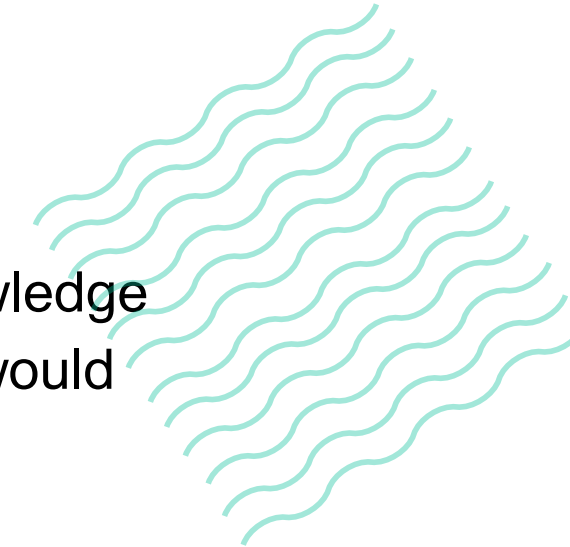
The India Climate Collaborative (ICC), founded in 2020 by philanthropists and industry leaders, is a first-of-its-kind collaborative committed to the climate ecosystem in India. It unlocks individual and corporate philanthropic capital, identifies catalytic climate priorities, and creates a connective infrastructure for impactful funding.

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This assessment is a first step towards building knowledge about the state of climate philanthropy in India. We would like to acknowledge the team that helped shape this:



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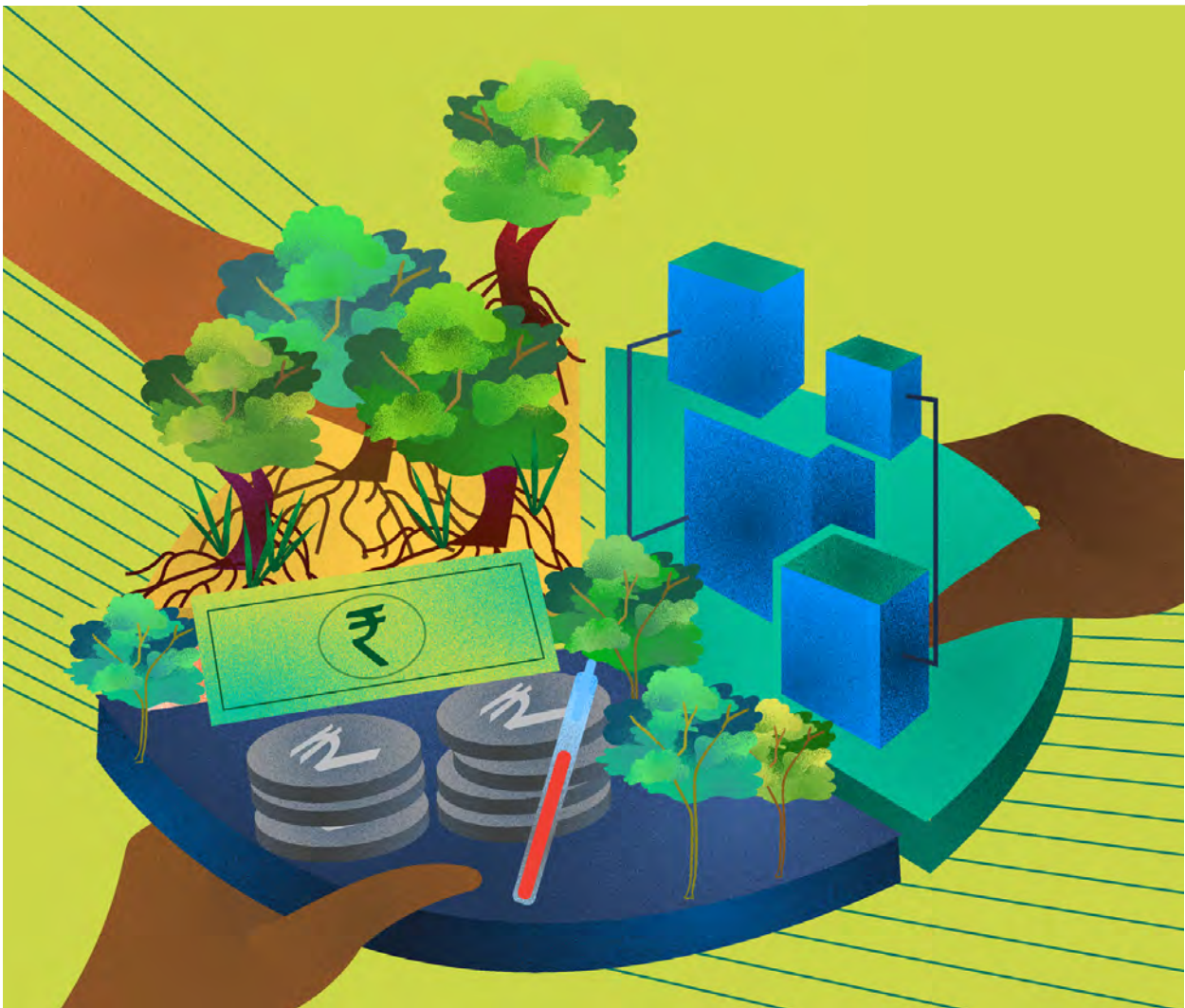
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SUMMARY

Collective momentum is rising in India to tackle the climate crisis and avert predicted losses to life and economy. Yet, available finance – public, private, and philanthropic – falls far short of what India needs to meet its international obligations and build resilience to adverse climate impacts. While philanthropic capital cannot fill this gap, it can play a catalytic role – for example, by testing and amplifying novel ideas, funding high-risk solutions, and unlocking additional private and public capital towards climate action.

However, effective and strategic climate philanthropy faces a key barrier – data on fund flows towards climate action remains fragmented and inaccessible in India. Drawing on data and observations collected by the India Climate Collaborative over the period 2018-2023, this assessment is an attempt to increase access to data and insights for funders and other ecosystem stakeholders.

Combining quantitative and qualitative insights gained through a series of conversations with and publicly available data from 65 funders (Corporate Social Responsibility, domestic, and international), this assessment identifies and analyses three prominent trends in strategies for climate philanthropy in India, and proposes effective approaches, summarised briefly here:

Where is the funding flowing?

Funders tended to focus on a subset of prominent solutions more commonly associated with climate action. A detailed assessment of India’s climate priorities can ensure effective use of philanthropic capital.

How is the funding being deployed?

Certain levers of impact remain underfunded across sectors. Guided by a systems change lens, it is crucial that funders combine different levers for long-term scalability and sustainability of climate solutions.

Which regions need attention?

Philanthropic capital flowed towards more ‘visible’ geographies in India, hindering climate action in other vulnerable regions. Informed by the latest data on local climate vulnerabilities, funders can better guide their investments towards regions that need capital most first.

Additionally, this assessment proposes **five high-level takeaways** for funders, reflecting the potential mandate, ambition, and qualities that India’s climate philanthropists can champion.

01 TAKE OWNERSHIP

02 TAKE IMMEDIATE ACTION

03 DEPLOY ‘CATALYTIC’ CAPITAL

04 PUT EQUITY AT THE CENTRE

05 COLLABORATE WITH THE ECOSYSTEM



SECTION 1 Introduction

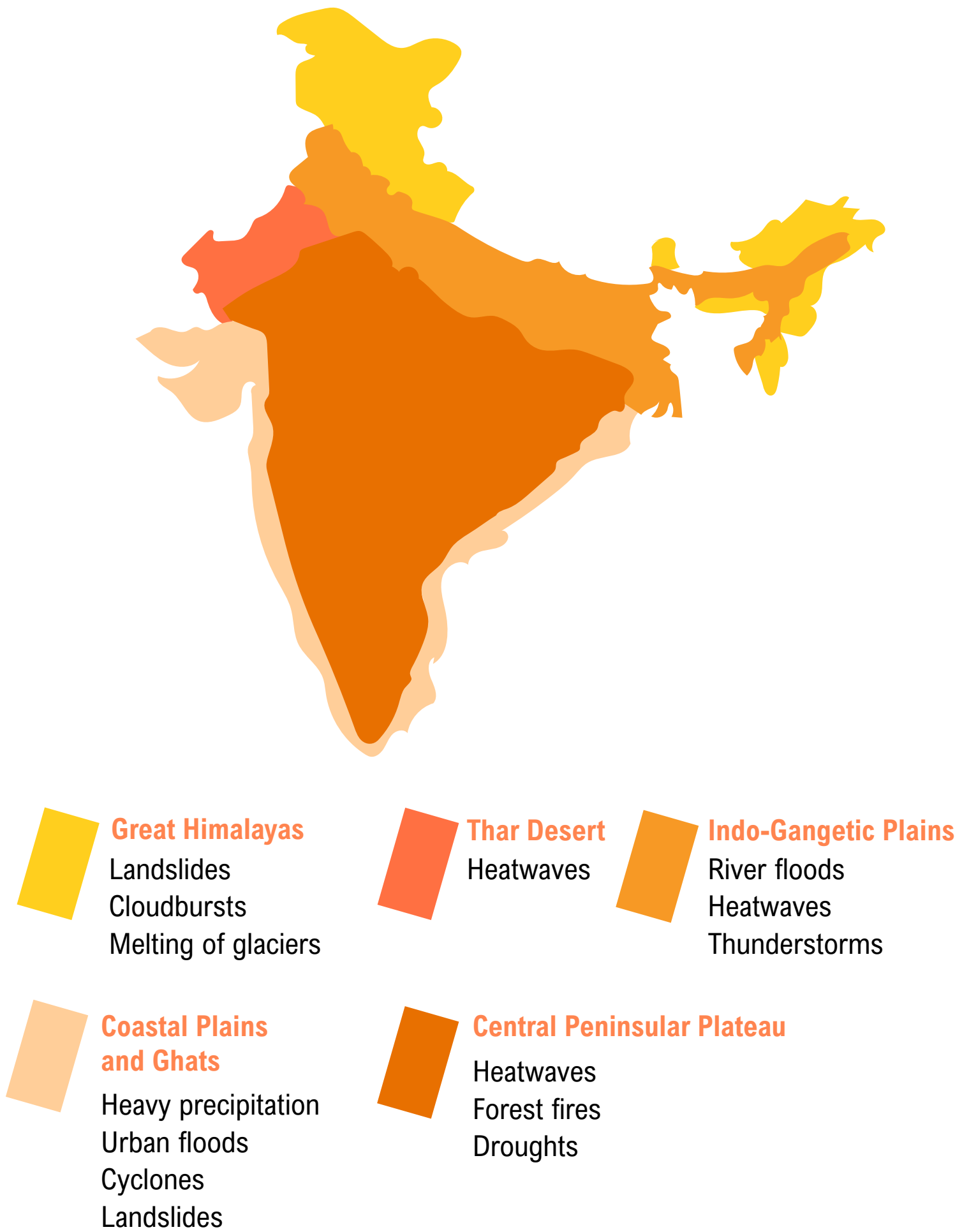
Introduction

India's climate challenge

The climate crisis poses an immense and complex challenge for India. Today, **3 in 4 districts** are vulnerable to floods, droughts, and cyclones; disasters related to floods alone cost India **more than USD 4.2 billion** in 2022. India could also become **one of the first places** to break records for extreme heat waves, potentially impacting **up to 4.5% of its GDP** and **380 million Indians**. These physical climate risks, among others, threaten India's agrarian-dependent economy and a wide variety of sectors, such as energy, transport, housing, etc.

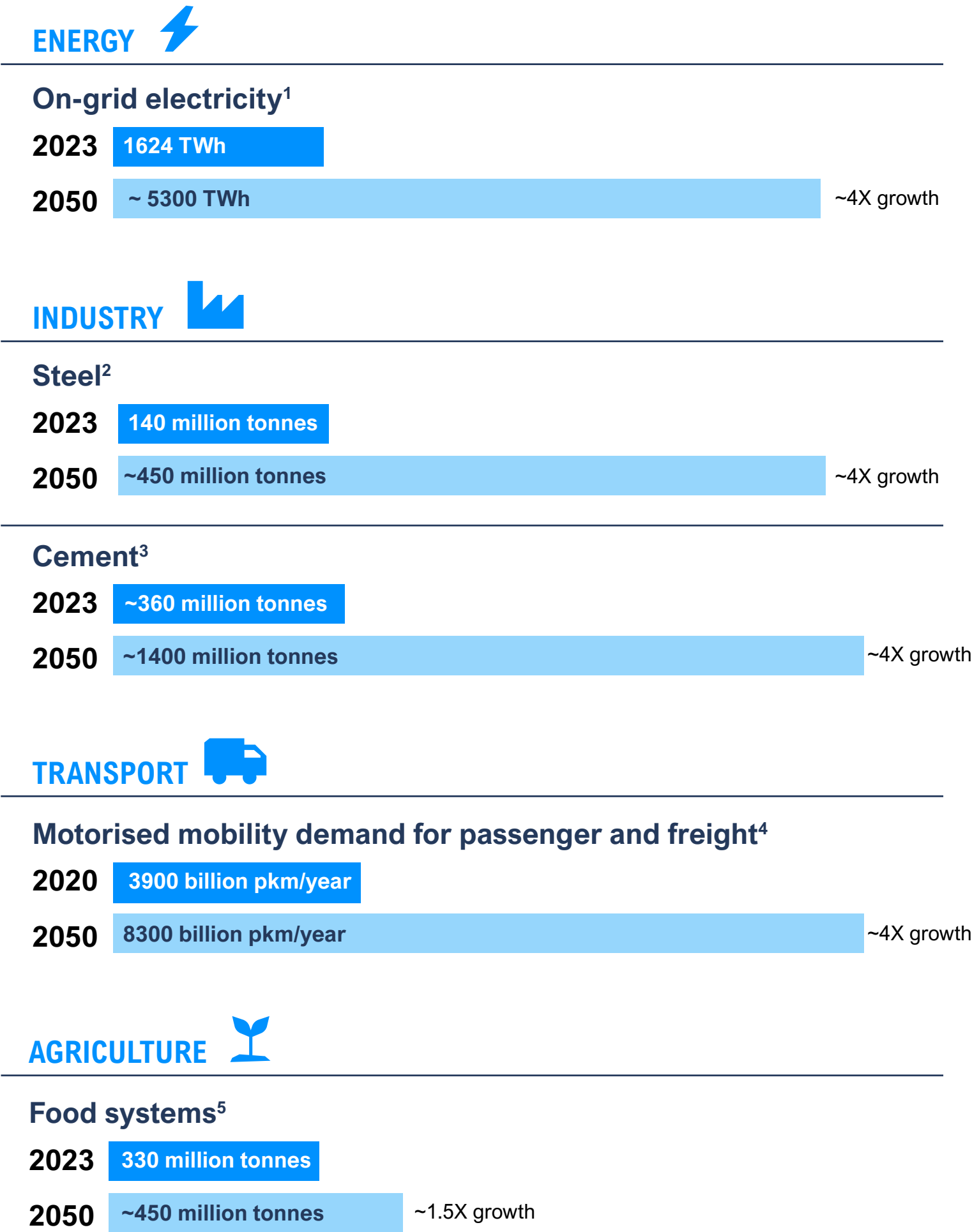
Their intensification is particularly threatening in an emerging economy like India, as these risks exacerbate pre-existing socio-economic vulnerabilities and inequality, and compound the nature and biodiversity crises. The climate crisis can thus undermine progress on interconnected Sustainable Development Goals like education, health, gender, and livelihoods.

Figure A — Risks emanating from climate change across geographical regions in India



Note: Map not to scale
Source: Macroeconomic effects of climate change in India

Figure B — Potential sectoral growth (2023 to 2050)



Note: Greenhouse gas emissions are likely to increase with expected sectoral growth.

¹ Ministry of Power, Gol (2023); British Petroleum, 2023
² Joint Plant Committee, 2024; The Climate Group, 2023
³ WBCSD, 2019; NCCBM, 2023

⁴ CEEW, 2022
⁵ Ministry of Agri. and FW, Gol, 2023; IARI

India, like many other emerging economies, faces a dual challenge: it must continue to develop, lift millions out of poverty, and meet their socio-economic needs, while simultaneously decarbonising to prevent future emissions and building adaptive capacity for its most vulnerable populations. This is a unique opportunity to solve the climate crisis with Sustainable Development Goals, chart India's trajectory as one of climate-integrated development, and impact global narratives around climate action.

Collective momentum has been growing in India to meet this opportunity, with rising inflow of public, private, and philanthropic capital. However, available finance still falls far short of India's requirements to meet its international climate obligations – or **Nationally Determined Contributions** (NDCs). There exist several estimates of the finance required, from multiple studies using varying methodology and assumptions; as per the Reserve Bank of India, for example, total financing requirements for a successful green transition **could be approximately 5-6% of India's annual GDP** at the lower end. Funding towards climate adaptation is further limited; cumulative total expenditure for adaptation is estimated to be **INR 85.6 lakh crore** (at 2011-12 prices) (approximately USD 1 trillion) by 2030.

Note: India submitted its **updated NDCs** to the United Nations Framework Convention on Climate Change in 2022. Among others, targets include reducing emissions intensity of its GDP by 45% by 2030 from 2005 levels and achieving 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030.

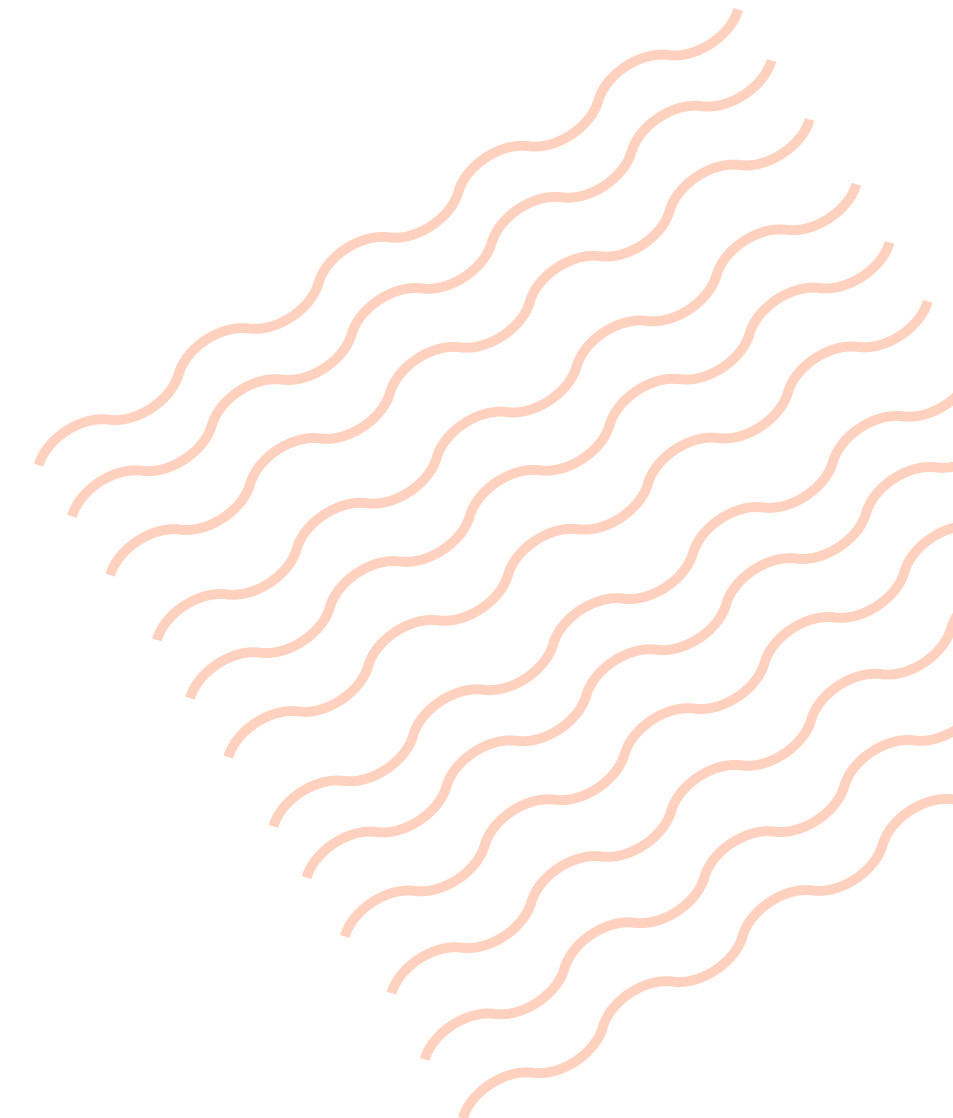
Philanthropy: A catalytic force for climate action

While philanthropic capital cannot fill this finance gap, it can play a pivotal role in accelerating India's climate progress.

Having closely worked alongside philanthropy to mobilise capital for climate action in India since 2020, the India Climate Collaborative (ICC) has gathered detailed insights on India's climate philanthropy ecosystem. These insights indicate funders largely perceive climate change as a siloed sector. This means that it is challenging to arrive at a precise, shared definition or understanding of climate solutions, the breadth of what they cover, how they intersect with development priorities, and what best practices are. Additionally, data on climate giving remains highly fragmented, posing challenges in assessing funding trends and gaps. Despite these challenges, identifying trends in sectors, levers, geographies, and approaches that require funding remains essential. This can inform and support current, potential, and future funders deploying resources towards climate action.

Characteristics of philanthropic capital

Philanthropic capital is patient and flexible by nature and can be catalytic in deployment. Unlike traditional investments, philanthropic funding does not necessitate a financial return, offering a unique advantage in emerging fields – it can be nimbly and swiftly deployed, and meet funding for novel ideas and innovative solutions. It has a higher appetite for risk, allowing it to address bottlenecks, fund initiatives that traditional funders might be unwilling to, and adopt a more long-term and systemic approach to climate action. Leveraged strategically, it can catalyse follow-on capital from the public or private sectors.



Objective

The ICC presents this assessment as an important first step in filling the above knowledge gap, with a goal towards developing a nuanced understanding of the trends in climate philanthropy in India. Through this, the ICC hopes to build interest and opportunities for accelerated climate action in India, using philanthropy as a key lever.

While this section provides context for the assessment, the next section focuses on three key trends hindering climate philanthropy in India, based on the ICC's analysis for FYs 2018-19 to 2022-23. It also suggests approaches through which these challenges can be overcome. The final section highlights five key takeaways for funders, to harness climate philanthropy's true potential.

Methodology

Climate giving broadly refers to grant money going to projects, programmes, or initiatives, which have a climate lens or are in some way helping address the climate crisis.

Recognising this as a first-of-its-kind landscaping assessment for a nascent field, and the lack of a shared understanding around what constitutes climate giving, the ICC first developed a project classification framework to delineate the range of projects falling under different sectors and sub-sectors relevant to climate action.

Using a bottom-up analysis focused on projects and grants, the ICC then assessed publicly available data from 65 funders, focusing on grants by volume, sectors, and geographies within India. The ICC also obtained qualitative insights through extensive interviews and consultations (or expert elicitation interviews) with India's foremost climate funders. Learn more about our [methodology](#).



Table 1 — Climate project classification framework

<div>ENERGY ⚡</div> <div><ul style="list-style-type: none">▪ Renewable Energy, Distributed Generation, Renewables-Ready Network Infrastructure▪ Efficient Transmission, Distribution and Storage</div>	<div>BUILDINGS AND INFRASTRUCTURE 🏢</div> <div><ul style="list-style-type: none">▪ Low Carbon and Climate Resilient Infrastructure and Built Environment▪ Sustainable Construction Materials and Resource Efficiency▪ Deep Energy Retrofits, Energy Efficient HVAC, Low Energy and GWP Cooling Technologies</div>	<div>OCEAN AND WATER ECOSYSTEMS 💧</div> <div><ul style="list-style-type: none">▪ Conservation of Coastal, Freshwater and Ocean Ecosystems and Biodiversity Conservation▪ Sustainable Aquaculture and Supply Chain Management and Sustainable Livelihoods▪ Coastal protection, Flood Barriers, Storm Water Management</div>
<div>INDUSTRY 🏭</div> <div><ul style="list-style-type: none">▪ Low Carbon Energy, Energy Efficient Production and Low Carbon Technologies for Heavy and Light Industries▪ Carbon Capture Use, and Storage Facilities▪ Resource Efficiency, Sustainable Supply Chain and Circular Economy for Heavy and Light Industries▪ Low Carbon, Efficient Cold Chain, Low Energy and GWP Heating and Cooling Technologies for Heavy and Light Industries</div>	<div>AGRICULTURE, FORESTS AND LAND USE/ECOSYSTEM 🌱</div> <div><ul style="list-style-type: none">▪ Sustainable and Climate Resilient Agriculture▪ Efficient Livestock Management▪ Reduce Food Loss and Waste, Shift to Sustainable Diets▪ Reduce Deforestation and Forest Degradation, Conserve and Restore Forests, Grasslands, Wetlands, Mountain Ecosystems▪ Biodiversity Conservation</div>	<div>URBAN AND RURAL RESILIENCE 🏠</div> <div><ul style="list-style-type: none">▪ Resilient Infrastructure and Social Services▪ Early Disaster Warning Systems, Disaster Risk Preparedness and Resilience▪ Sustainable Land Use and Planning▪ Restoring, Conserving and Creating Green and Blue Spaces▪ Sustainable Urban and Rural Water Management</div>
<div>TRANSPORT 🚚</div> <div><ul style="list-style-type: none">▪ Electric Mobility and Infrastructure for Passenger and Freight Transport▪ Sustainable and Alternate Fuels for Passenger and Freight Transport▪ Low Carbon and Clean Public Transport System</div>	<div>WASTE MANAGEMENT ♻️</div> <div><ul style="list-style-type: none">▪ Sustainable Industrial Waste Management▪ Sustainable Municipal Waste Management▪ Waste Storage, Reuse and Repair Facilities▪ Landfill Gas Capture▪ Air Pollution</div>	<div>CROSS CUTTING SECTORS 📊</div> <div><ul style="list-style-type: none">▪ Finance▪ Education, Research and Advocacy▪ Jobs and Livelihood</div>

SECTION 2

Trends in India's climate philanthropy ecosystem



Trends in India's climate philanthropy ecosystem

Mapping India's climate philanthropy ecosystem

While ambitious NDCs have been outlined by the Government of India, the pathways to achieving them, as illustrated in India's Long-Term Low Emission Development Strategy (as submitted to the United Nations Framework Convention on Climate Change) or during India's G20 Presidency, need additional support. This demands an increase in philanthropic funding across sectors, along with public and private capital.

India's climate philanthropy ecosystem has been growing steadily, witnessing rising contributions from three main funder categories: (1) Corporate Social Responsibility (CSR) funders, (2) domestic funders like foundations and ultra-high net-worth individuals (UHNIs), and (3) international foundations.

Figure C — Three categories of funders



CSR funders



Domestic funders



International foundations

The ICC's primary research for the period 2018-2023 has shown a 2.2X increase in total philanthropic capital (across funder categories) towards climate-related action in India.

While this momentum is promising, the ICC's quantitative and qualitative analysis across 10 sectors and nine levers of impact helped identify ecosystem-level trends that are impeding the full potential of climate philanthropy in India.

This section delves into three key trends – including factors that influence the trend, consequences for fund flows, as well as potential ways in which funders can move towards more effective giving practices.

TREND 1 — SECTORS

Funders tended to focus on a subset of ‘prominent’ sectors and solutions more commonly associated with climate action.

A detailed assessment of India’s climate priorities can ensure effective use of philanthropic capital.

Many promising trends were identified. For example:

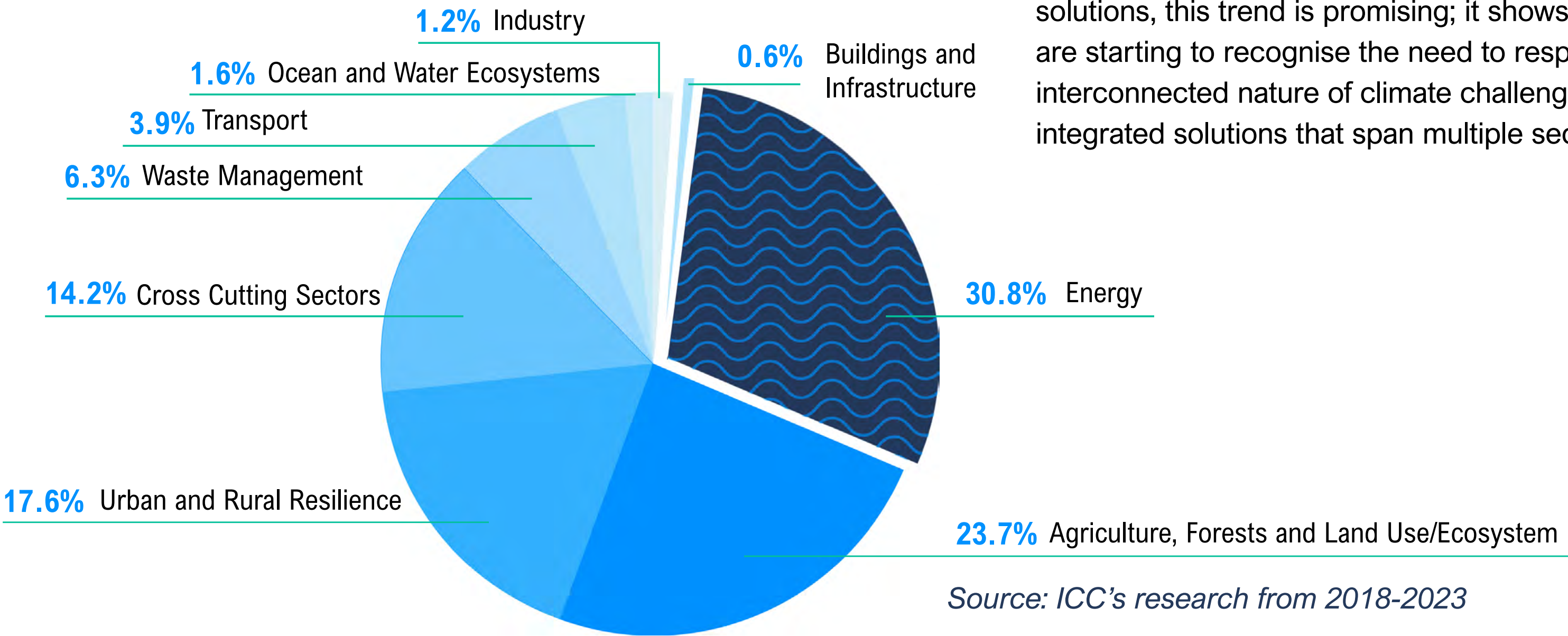
- Certain solution areas within sectors experienced consistent growth between 2018 and 2023, including renewable energy sources (energy), low-carbon electric mobility (transport), and climate resilient agriculture (agriculture, forests, and land use/ ecosystem).
- Funding towards solution areas including municipal solid waste management, biodiversity conservation, resilient infrastructure, and social services grew tremendously in this period, albeit from a low base.
- There was also a substantial growth trend in cross cutting initiatives, which grew by five times from 2018 to 2023. Coupled with a rising preference for holistic solutions, this trend is promising; it shows funders are starting to recognise the need to respond to the interconnected nature of climate challenges and adopt integrated solutions that span multiple sectors.

Where is capital going?

Over the past five years, the ICC has observed that climate-relevant sectors including clean energy, agriculture, and urban and rural resilience tended to receive the highest total funding, while sectors including transportation, and ocean and water ecosystems received comparatively less (Figure D).

Cross-cutting sectors, including finance, education, research and advocacy, jobs and livelihoods, and related projects, also received less funding.

Figure D — Most and least funded sectors from 2018-2023



Source: ICC’s research from 2018-2023



These 7 sub-sectors received nearly 70% of the total mapped funding.

Table 2 — Top funded sector-subsector combinations (2018-2023)

 Energy	<ul style="list-style-type: none">■ Renewable Energy, Distributed Generation, and Renewables-Ready Network Infrastructure
 Agriculture, Forests and Land Use/Ecosystem	<ul style="list-style-type: none">■ Sustainable and Climate Resilient Agriculture■ Reduce Deforestation and Forest Degradation, Conserve and Restore Forests, Grasslands, Wetlands, Mountain Ecosystems
 Urban and Rural Resilience	<ul style="list-style-type: none">■ Early Disaster Warning Systems, Disaster Risk Preparedness and Resilience■ Restoring, Conserving and Creating Green and Blue Spaces
 Cross Cutting Sectors	<ul style="list-style-type: none">■ Education, Research and Advocacy■ Jobs and Livelihood

Source: ICC’s research from 2018-2023, also reference [Table 1](#)

Table 3 — Key sub-sectors that received least funding (2018-2023)

 Energy	<ul style="list-style-type: none">■ Efficient Transmission, Distribution and Storage	 Agriculture, Forests and Land Use/Ecosystem	<ul style="list-style-type: none">■ Efficient Livestock Management■ Reduce Food Loss and Waste, Shift to Sustainable Diets
 Industry	<ul style="list-style-type: none">■ Low Carbon Energy, Energy Efficient Production and Low Carbon Technologies for Heavy and Light Industries■ Resource efficiency, Sustainable Supply Chain and Circular Economy for Heavy and Light Industries■ Low Carbon, Efficient Cold Chain, Low Energy and GWP Heating and Cooling Technologies for Heavy and Light Industries	 Waste Management	<ul style="list-style-type: none">■ Waste Storage, Reuse and Repair Facilities
 Transport	<ul style="list-style-type: none">■ Sustainable and Alternative Fuels for Passenger and Freight Transport	 Ocean and Water Ecosystems	<ul style="list-style-type: none">■ Sustainable Aquaculture and Supply Chain Management and Sustainable Livelihoods■ Coastal Protection, Flood Barriers, Storm Water Management
 Buildings and Infrastructure	<ul style="list-style-type: none">■ Low Carbon and Climate Resilient Infrastructure and Built Environment■ Sustainable Construction Materials and Resource Efficiency■ Deep Energy Retrofits, Energy Efficient HVAC, Low Energy and GWP Cooling Technologies	 Urban and Rural Resilience	<ul style="list-style-type: none">■ Resilient Infrastructure and Social Services■ Sustainable Land Use and Planning

Source: ICC’s research from 2018-2023, also reference [Table 1](#)

Several critical solution areas, however, received inadequate funding despite being aligned with G20 priorities and India’s NDCs.

What are funders thinking?

The ICC interviewed experts and funders in the ecosystem to collect insights on what they think they can do more of, or differently, going forward.

One insight that emerged is funders can develop a stronger understanding of the breadth of climate action to drive better efficiencies around philanthropic capital allocation.

For example, keeping India's national climate policy priorities across mitigation and adaptation in mind – including its NDCs, its Long-Term Low Emission Development Strategy, and developments under India's recently concluded G20 Presidency, funders can look at the breadth of climate action required in the country, and not restrict themselves to a few investment areas.

Another is that given rising momentum from various stakeholders in the climate ecosystem, philanthropists can, in addition to identifying India's current financing commitments and perceived funding needs, stay cognisant of ecosystem trends and adapt strategies to ecosystem needs.

On asking what this could look like, one suggestion the ICC heard was to diversify levers of impact in response to different sectors' needs and maturity.

Certain sectors, like energy, transport, and industry, offer a more immediate and discernible business case for different types of climate funders to invest, given alignment with

economic growth, and policy pushes to decarbonise. Within these, philanthropists can identify sub-sectoral and lever priorities that are not receiving sufficient private or public finance, while staying flexible. For example, over the last few decades, philanthropy has played a key role in enabling the renewable energy ecosystem, including through supporting research, on-ground pilots as well as enabling financing instruments like risk guarantees and subsidies. While funders can continue to fund this sector, as the sector matures, the solutions and levers of impact that need support will also evolve.

Despite rising interest, certain areas, like carbon dioxide removal solutions, received negligible funding in India, as

they are capital and energy intensive, with high costs relative to other abatement options and evolving science around storage.

The business case for investment in others like oceans and water ecosystems, biodiversity conservation, urban and rural resilience, waste management, and cross-cutting sectors is less developed. Funders can pay more attention to these sectors, given philanthropic capital's higher appetite for risk, and its ability to be nimbly and swiftly deployed, with a negligible requirement for returns.

Funding the energy sector - Project Vesta

Leveraging the power of philanthropy for groundbreaking research and implementation, Project Vesta is deploying a revolutionary approach towards carbon capture and storage, utilising natural processes to turn volcanic rock into a climate ally.

By accelerating the weathering process of volcanic rock, carbon dioxide is effectively trapped within stable minerals, offering a scalable and sustainable solution to combatting greenhouse gas emissions.

Note: Project Vesta is supported by grant capital from Spectrum Impact, a family office committed to solving large-scale societal problems with novel solutions.

Funding oceans and water ecosystems

VIKAS Centre for Development (VIKAS CFD) in partnership with Goodcarbon GmbH, Germany envision a Great Green Wall of Gujarat, a [multi-species bio-shield initiative](#) spanning 28,680 hectares of Gujarat's coast, covering 42 villages of 23 coastal talukas in South and Central Gujarat, as well as the Kachchh and Saurashtra regions.

Comprising multiple species of mangroves, this project aims to help mitigate and adapt to the climate crisis, conserve biodiversity, and enhance the livelihoods of individuals engaged in fisheries, livestock, and agriculture.

Supported by Earth Exponential, the ICC's climate solutions platform, MakeMyTrip Foundation, EY, DCM Shriram Foundation, Perstorp India Pvt. Ltd., are now funding VIKAS CFD's project.

TREND 2 — LEVERS OF IMPACT

Certain levers of impact remain underfunded across sectors.

Guided by a systems change lens, it is crucial that funders combine different levers for long-term scalability and sustainability of climate solutions.

What levers of impact are being utilised?

To further understand how capital was being deployed within different sectors, the ICC also looked at levers utilised by different types of funders.

1. **Core support:** Support for institution building and general operations
2. **Evidence building:** Academic and scientific research,

empirical research, knowledge creation, development of tools, implementation of innovative solutions through pilots

3. **Policy support:** Policy design, informing regulations and legal frameworks, engaging decision-makers, advocating for policy shifts
4. **Communications and knowledge sharing:** Raising awareness on climate change and related issues amongst the public, targeted communication strategies, media strategies campaigns

5. **Network building:** Engage diverse set of stakeholder groups, exchanging knowledge and best practices, coalition building, consensus building, strengthening collaborations amongst and across stakeholder groups
6. **Capacity building:** Technical training, technical assistance, skill building, education, support adoption of tools and solutions
7. **Innovative financing:** De-risking capital, financing facilities, financing instruments, pooled funds
8. **Grassroot support:** Empowering marginalised groups, direct support to communities and development institutions/NGOs for on-ground implementation, developing grassroots capacities
9. **Technology:** Innovation in technology, R&D

Implementation support (62%), evidence building (15%), and capacity building (12%) were considered key levers for climate action in India – capturing a total 89% of mapped capital.

Some funders showed agility in adapting their approaches to each sector's needs. For example, take the transport sector, where the two dominant levers were evidence building (~50%) and capacity building (~40%), reflecting emphasis on the early phases of adoption of electric vehicle (EV) technology in Indian states, and the subsequent rollout of supporting policy frameworks in the past five-six years. Similarly, most funding in the industry sector (~85%) went towards evidence building, seemingly with the focus on identifying India-focused technology and

policy pathways for a conventionally ‘hard-to-abate’ sector. The energy sector, which receives the bulk of most funding across sectors, seemed most focused on implementation – that is funding moved towards deployment of solutions for end-beneficiaries (~39% for grassroot support) and testing out innovations in financing solutions, instead of evidence building.

Leveraging multiple levers of impact for systems change

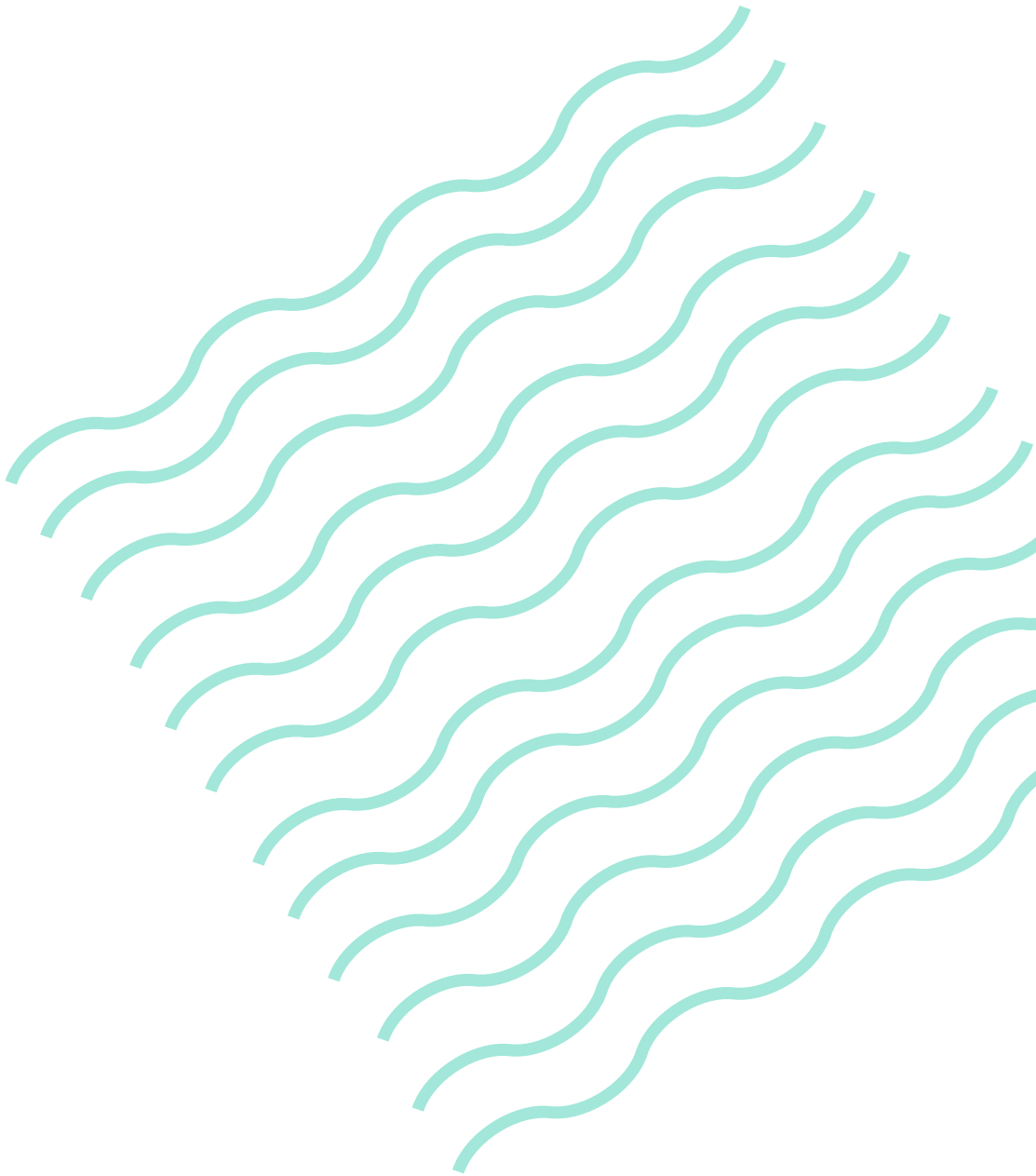
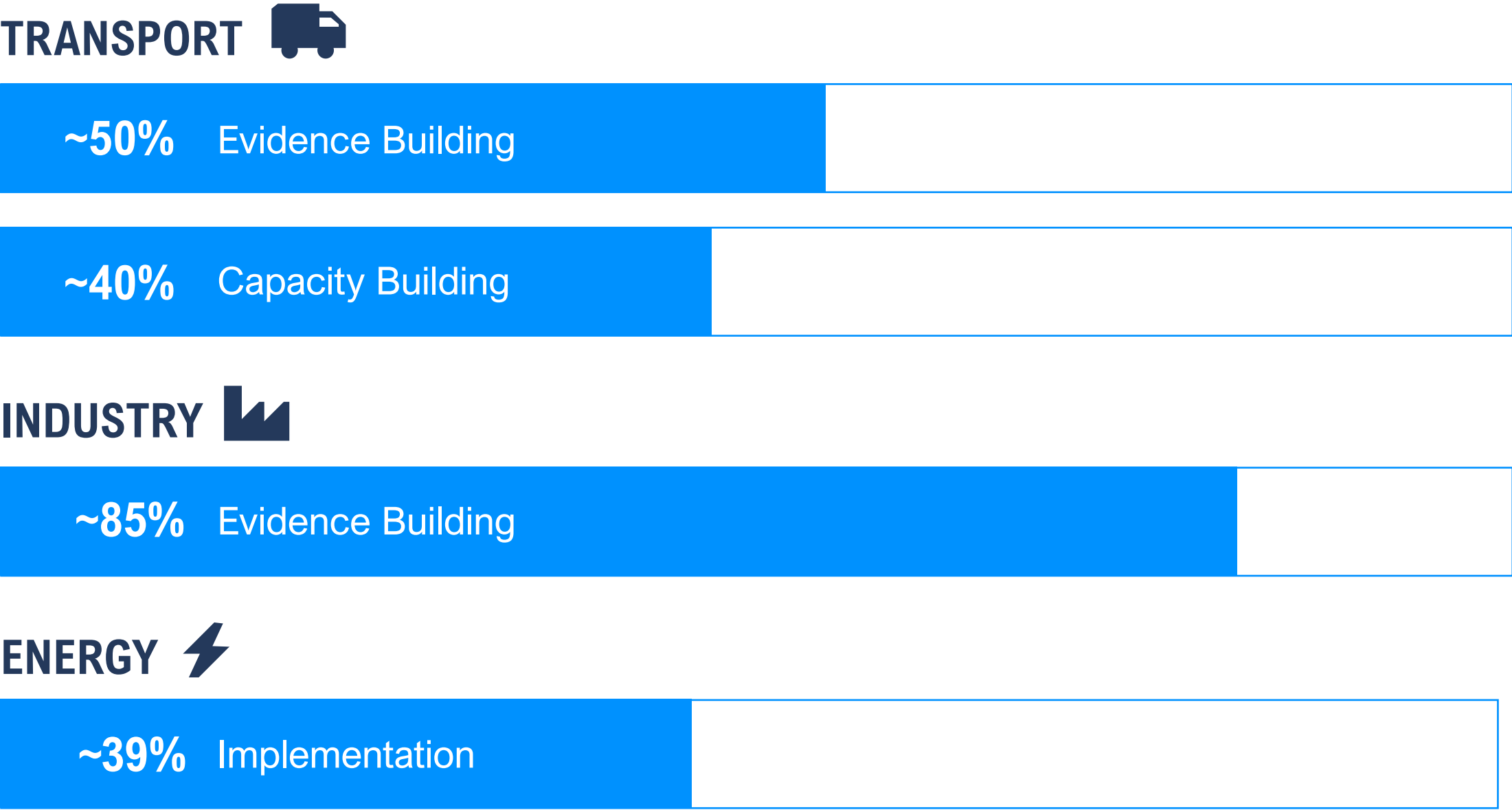
The ICC’s analysis shows that all funders were focused on utilising single levers. The choice of lever depended on several factors, including the maturity of the solution space (for example, nascent sectors might prompt evidence creation first), or the past approach of the funder.

To fuel a solution area, however, multiple levers across technology, policy, capacity building, etc., are required. Viewed together, these levers are complementary and offer a holistic vision for climate philanthropy – where diverse funding strategies can address multiple facets within a sector.

Given different priorities in solution areas, funders can embrace a systems change lens and collaborate, to ensure multiple levers are utilised.

However, other funders displayed limited variation in approaches across sectors. Their preferences emphasise support for on-ground implementation of projects, with a concentration in sectors including agriculture, forests, and land use/ecosystem, urban and rural resilience, energy, and waste management. Other levers like capacity building, evidence building, communications and knowledge sharing, and core support received little funding, with almost nil for policy advocacy and innovative financing.

Figure E — Dominant levers in transport, industry, and energy sectors





Sustainable and affordable cooling for farmers

Decentralised, renewable energy-based micro-cold storages (MCS) (5-20 MT) can be deployed near farms to reduce post-harvest losses and enhance farmer incomes. Despite their potential, the market share for these solutions remains small, and no single player has achieved scale.

In partnership with the [Clean Cooling Collaborative](#), the India Climate Collaborative has supported SUGAM CSS (Scaling Up of Green Agri-focused Micro Cold Storage Solutions), a multi-cluster programme to develop business models and scale on-farm/near-farm cooling infrastructure for the fruits and vegetables value chain.

Launched in 2024, SUGAM CSS aims to pilot 150-200 micro-cold storage units across multiple agri-clusters in two-three Indian states. The programme will test various business models and financing structures and build policy and market linkages over the next three years.

This comprehensive approach aims to establish the business case for MCS and facilitate its market acceleration among farmers.

Adopting strategic levers of impact

According to the ICC's analysis, the following levers can benefit most from philanthropic capital across sectors:

Core Support

To build self-reliance, it is crucial that funders, in addition to funding on-ground support for projects, also fund levers with a long-term lens – such as core support to bolster institutions and operations, and capacity building. This can ensure organisations sustain themselves while addressing the climate crisis. For this, organisations need access to unrestricted, flexible capital, over multiple years.

Coalition building

As philanthropy integrates systems thinking into funding strategies, coalition building is emerging as another powerful lever. Through this, philanthropy can act as a binding force, bringing diverse stakeholders – government authorities, technical partners, research organisations, and civil society – together, to build holistic solutions towards a common vision. This also ties into rising consensus in the climate ecosystem – that no one actor can solve the crisis, and that collective action is the way forward.



Evidence building

To unlock capital and accelerate climate action, evidence building needs further attention as a lever. This includes supporting academic, scientific or empirical research and building knowledge products around nascent solutions, implementing innovative pilots where other funders are risk-averse, and developing tools that can be scaled.



Strategic communications

Funders and civil society are starting to articulate the urgent need to invest in strategic communications. Moving beyond seeing communication as a tool for movement-building alone, properly and clearly aligned messaging can attract finance and collaborations from public and private stakeholders.

- **Building India-focused climate stories:** Stories that reflect national or subnational climate challenges and solutions, that have integrated perspectives and available knowledge – whether from government authorities, experts or even traditional or intergenerational knowledge from local communities can speak to the unique challenges and opportunities in India. This also includes building synergies in these stories – among public, private, and philanthropic stakeholders – to better integrate different facets of climate solutions at the programme level and facilitate collaboration among funders or even sub-national bodies.

- **Building a shared understanding of the climate crisis:** Several stakeholders face other challenges that can be addressed through strategic communications.

For example:

- Funders often find it difficult to understand the complex nature of India's climate challenge, the breadth of climate action required, and the different types of solutions that exist. Making technical knowledge accessible and easy-to-understand is crucial to support funders' individual journeys as they climatise their portfolios and fund scientifically planned holistic climate solutions. Another urgent need is to increase visibility for [climate adjacencies](#), or how the climate crisis intersects with other development priorities – like health, food systems, and livelihoods. This can help identify priority areas for civil society, funders, and government to align on.
- Civil society organisations also need capacity building support with communications, to better communicate climate impacts and co-benefits, to both communities and funders, amplify their positive and potential-laden solutions in the ecosystem, and benefit from existing government welfare schemes and collaborations. This is particularly challenging for organisations that work with multiple languages and dialects.

- **Moving from doom and gloom, to embracing the potential:** While global narratives seeking urgent action have often been gloomy, prompting feelings of helplessness and demotivation, there is a growing realisation that solution-focused narratives might be more effective. Narratives that highlight the way forward, as well as stories of hope and success, may spur behavioural change faster. The Government of India's [Mission Lifestyle for Environment \(LiFE\)](#), launched at COP26, is one example; this hopes to nudge individuals to confront the 'use and dispose' economy, and undertake simple acts in their daily lives – which can contribute significantly to climate action when embraced around the world.

Another key aspect is creating visual narratives that showcase local climate urgencies and solutions, to humanise climate science, data, and risks, and increase access to knowledge.

Making the climate crisis more tangible

In partnership with the ICC, [EdelGive Foundation](#), and [Drokpa Films](#), CEEW has produced the multi-award-winning documentary series '[Faces of Climate Resilience](#)'. This captures 16 stories of individuals and communities from some of India's most climate vulnerable regions, such as Kerala, Maharashtra, Odisha, Rajasthan, and Uttarakhand, and how they are adapting to the climate crisis and building resilience. This series is now streaming on Disney+ Hotstar.

How are newer funders approaching climate action?

To augment the above quantitative analysis, the ICC gathered qualitative insights from interviews and interactions with newer domestic funders. A rising determination was noticed among domestic philanthropy, particularly foundations, that, **in addition to funding traditional project-based models, they are keen to invest in global solutions, position India as an innovation hub for climate solutions in the Global South, and, eventually, pave the way for greater South x South collaboration with other emerging economies.**

This stems from a growing willingness to use scarce philanthropic capital for newer levers expressed across contexts – from funding innovative pilots till they can be brought to market, to partnering with start-ups to provide capital, thought leadership, and visibility, to supporting research in areas or sectors emerging from climate tipping points. The latter was cited in response to a need to pre-empt India's challenges – for example, to help nascent climate technology developments survive and move through critical bottlenecks, especially where other funders are unwilling to come in.

Next-gen philanthropists

The emergence of a new category of funders – already being referred to as 'next-gen philanthropists' – is promising.

Highly conscious of the scale and urgency of India's climate challenge, and undeterred by its complexity, these new-age philanthropists are willing to experiment with levers, capital, and sectors to find solutions that work. This flexibility provides an opportunity to break traditional siloes for family offices – between grant and returnable capital – and move beyond the need for returns, allowing the use of multiple financing instruments to 'solve the problem'.

This experimental mindset also opens doors for more collaboration and knowledge sharing – with other types of funders, including more experienced philanthropists in the development sector, as well as technical partners, civil society, and governments.



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TREND 3 — GEOGRAPHY

Philanthropic capital flowed towards more ‘visible’ geographies in India, hindering climate action in other vulnerable regions.

Informed by the latest data on local climate vulnerabilities, funders can better guide their investments towards regions that need capital most first.

Research shows that sudden onset events like floods, cyclones, wildfires, and slow-onset events like droughts and extreme heat are rising in frequency and intensity and becoming more unpredictable. Given India’s diverse topography, these climate vulnerabilities vary by geography. Many hotspot districts are also increasingly susceptible to more than one disaster, aggravating uncertainties in forecasting and risk assessments. These vulnerabilities are further compounded by each community’s/state’s/region’s development needs, and access to finance at the state-level.

The ICC, however, found limited correlation between climate vulnerability and funding in India. For example, according to CEEW’s [2021 report](#), India’s most vulnerable state is Assam, with several of India’s most vulnerable districts and low adaptive capacity. Comparing state-wise vulnerability indices with available state-wise fund flows, it was observed that Assam received less than 2% of mapped CSR spending between 2018 and 2023, while Andhra Pradesh, Karnataka, Rajasthan, Maharashtra, and Uttar Pradesh accounted for approximately one-third of total CSR spending.

Other states like Jammu and Kashmir, Nagaland, Arunachal Pradesh, Himachal Pradesh, and Kerala also received negligible funding – less than 1% each.

This can be due to a few reasons, such as:

- CSR funders tend to focus their grants on geographies where their head offices or key company operations, including factories, are located.
- Funders also often have lower visibility of the climate risks, urgency, and needs of geographies that are less accessible, or have historically received lower funding.
- Civil society organisations face challenges in accessing funding, if they are unable to speak the same language or communicate with funders in expected formats. This impacts their ability to absorb required capital, perpetuating these accessibility barriers.

Overcoming geographical bias

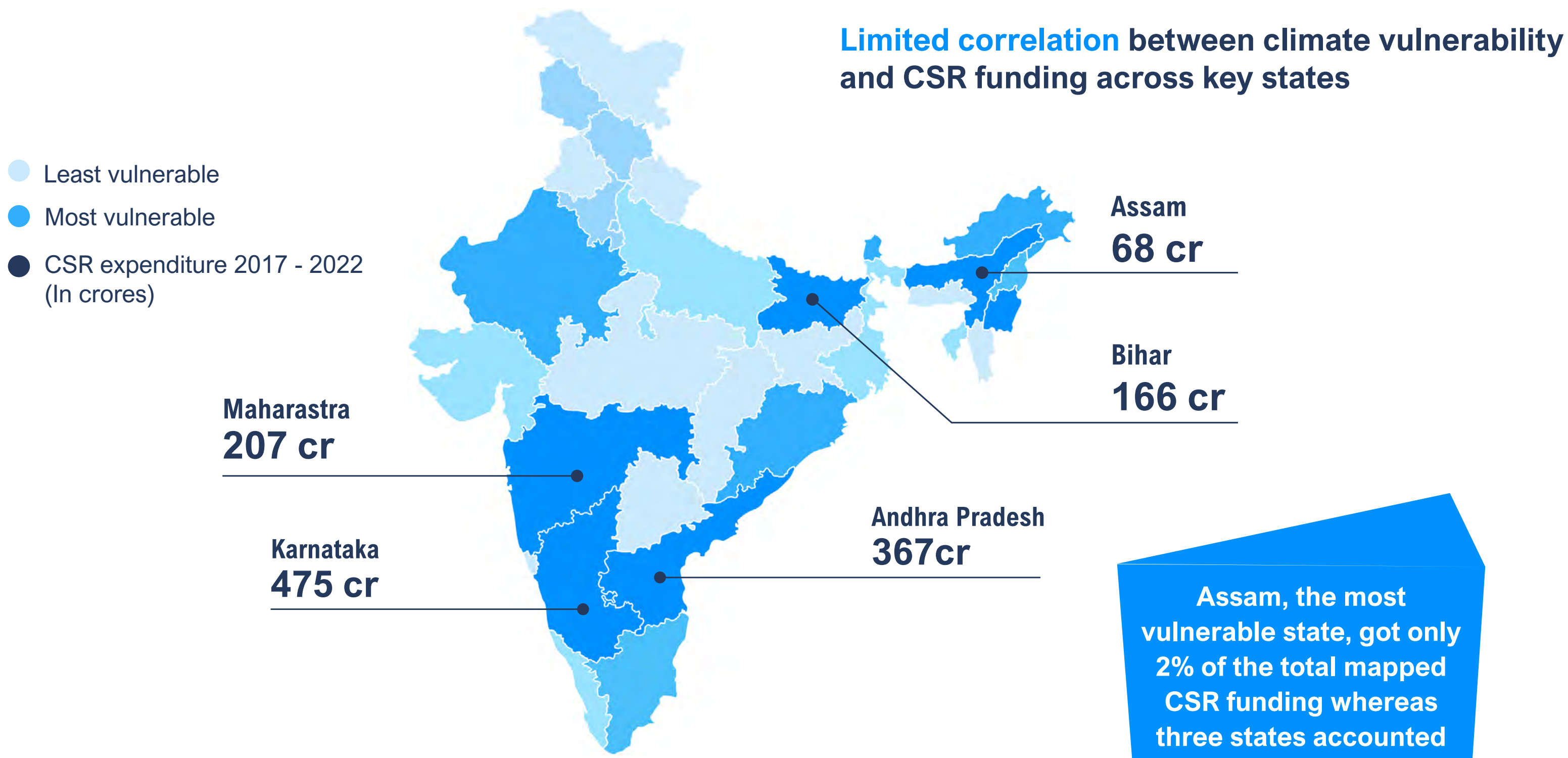
To address these challenges, funders can:

- **Support and increase access to granular data** that captures local climate vulnerabilities, as well as data that maps fund flows, geography-wise. Together, this can help funders identify regions that need most funding, and support states in implementing local climate action plans.

- **Boost subnational capacity building** to enable climate action at the city and state levels. This includes supporting climate-friendly policy reform and providing technical assistance for implementation, by bringing relevant stakeholders together.

- **Invest in capacity building of civil society organisations** in underserved geographies – whether by bolstering communications capacity or improving their monitoring and evaluation frameworks to track climate impacts of projects.

Figure F — Climate vulnerability overlay with states getting most and least funding



Source: ICC’s research from 2018-2023

SECTION 3 Future Forward



Future forward

Having detailed specific approaches in Section 2, the ICC proposes five high-level takeaways for climate philanthropists. The ICC hopes these together act as an urgent call to action to India’s funders to rapidly accelerate intelligent, strategic funding in the climate ecosystem – by India, for India.

01
TAKE OWNERSHIP

02
TAKE IMMEDIATE ACTION

03
DEPLOY ‘CATALYTIC’ CAPITAL

04
PUT EQUITY AT THE CENTRE

05
COLLABORATE WITH THE ECOSYSTEM

01

Take ownership

Risk perceptions associated with climate action can hinder buy-in from key stakeholders on funding, such as boards and top management. Given the urgency of the climate crisis, this is a critical leadership opportunity for funders – to think of themselves as climate funders, embrace systems thinking, and take ownership of India’s climate mandate.



02

Take immediate action

It is also critical to move from research and planning to action this decade, whether by adopting a portfolio approach to climate action, or applying a climate lens to their existing work in climate-adjacent sectors like health, livelihoods or education, and deploy committed capital.

Lifting rural farmers out of poverty in Central India

Lakhpati Kisan Programme, a community-led, women-led initiative by Tata Trusts and its associate organisation **Collectives for Integrated Livelihood Incentives** (CInI), strives to bring households out of poverty irreversibly with increased life choices.

A 'Lakhpati Kisan' is one who earns over Rs. 100,000 per annum. To propel this mission, CInI promotes layered livelihood prototypes of agriculture, livestock and non-timber forest produce, and water resource development.

Through innovative interventions across market linkages, technology, sustainable and renewable resources and community-owned infrastructure, this initiative aims to bolster the value chains in rural areas, and diversify farmers' yields and sources of revenue – particularly significant as the climate crisis worsens.





03

Deploy ‘catalytic’ capital

In addition to adopting different levers of impact across required sectors, philanthropy must embrace its catalytic role in the ecosystem. This includes enabling the climate solution ecosystem for private sector-financing in the medium term, and by drawing clear linkages between investments and returns. For example, **philanthropy can fund lighthouse initiatives that create important proof points – this can help establish new markets, and de-risk solutions, spaces or technologies for follow-on capital.**

Catalysing innovative solutions for loss and damage finance

The ICC seed funded Akshvi, India’s digital platform for climate resilience, in partnership with **SEEDS** to quantify and report household-level loss and damage by creating disaster e-wallets. Real-time, self-reported, disaster-specific loss and damage data will then be aggregated to calculate state-level and national-level losses, a first for India.

The effort will eventually serve as an online Digital Public Infrastructure platform, developed with **Societal Thinking** and **Ashoka’s Aspire Programme**. It has already attracted the attention of many stakeholders, including private actors like Amazon India, which has partnered with SEEDS to further develop this unique platform.

04

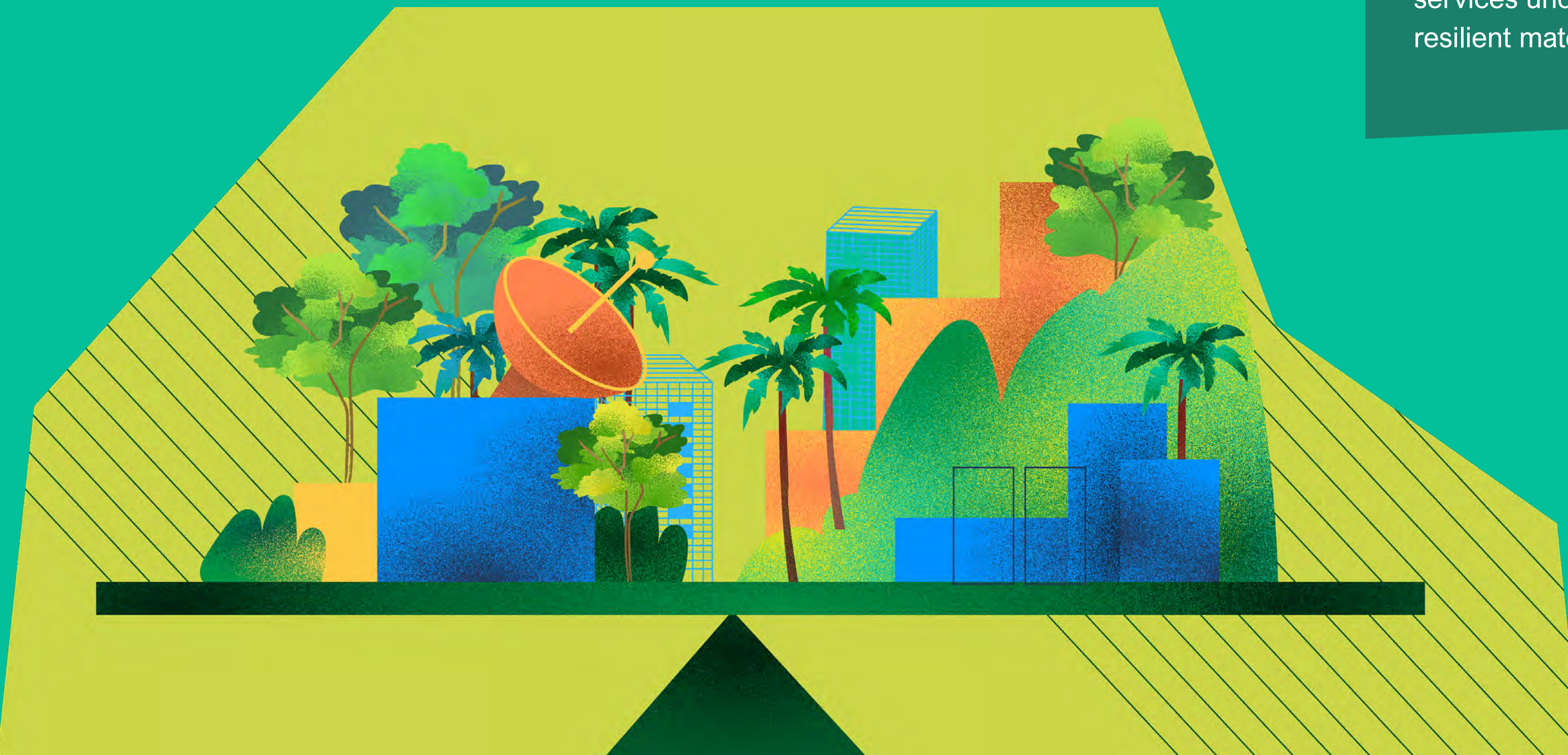
Put equity at the centre

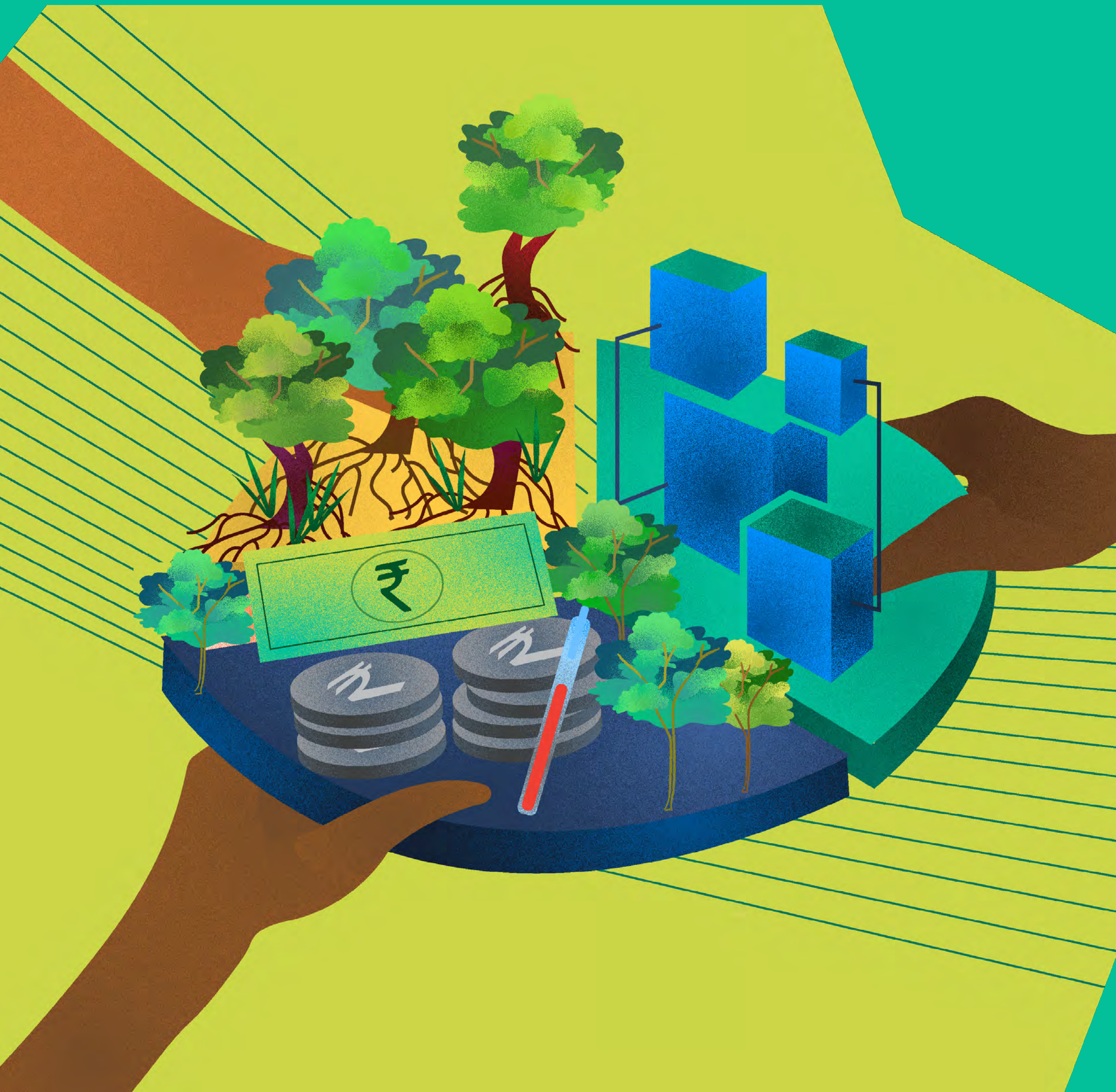
The climate crisis disproportionately affects low-income and marginalised communities. Funders therefore must intentionally place equity at the centre of their climate funding strategies – with a focus on solving challenges with stakeholders who are often overlooked.

Building climate resilience for urban street vendors

Vital to India's urban retail and distribution system, street vendors face several pre-existing socio-economic challenges like poverty, lack of education, and inadequate access to productive assets. They are also increasingly exposed to climate and environment-related challenges like heat waves, waterlogging, and air pollution with grave consequences for health and livelihood.

Hunnarshala Foundation is integrating urban livelihood and climate priorities by **building resilience of 400 street vendors** in Bhuj, Gujarat. This includes implementing demarcated street vending zones, providing access to essential services under the Street Vendors Act, 2014, and using low-carbon, climate-resilient materials, techniques, and innovation for their infrastructure.





05

Collaborate with the ecosystem

To harness the power of collective action, funders must, to start with, increase collaborative action at three levels.

- a. By identifying, developing, and co-creating interventions that can achieve scale with technical partners and civil society organisations. This can also ensure climate action is ground-up, by consulting and co-designing solutions with communities most affected.
- b. By initiating co-funding arrangements with other funders. This is a key path to sustaining larger, long-term climate projects and can mitigate risks associated with entering nascent sectors. An anchor funder can also help bring in smaller donors interested in supporting climate projects but lack the budget to do so.
- c. By growing new and existing collaborations for India – like public-private-philanthropic partnerships (4Ps), along the lines of World Economic Forum-led [Giving to Amplify Earth Action \(GAEA\)](#).

METHODOLOGY

A. Multi-pronged analysis

To ensure this assessment captures prominent trends in India's climate philanthropy ecosystem in a holistic manner, the ICC employed a multi-pronged approach. While this will evolve to reflect stakeholder priorities as the climate philanthropy ecosystem matures and with emerging government-led climate frameworks, the present approach and related challenges are detailed below.

The analysis consisted of three steps. The ICC:

1. Created a project classification framework

As a first-of-its kind assessment aimed at tagging philanthropic fund flows to climate outcomes in India, this effort required a unique project classification framework. Pending clarity in emerging national or regional climate 'taxonomies', the ICC designed its own project classification framework across 10 sectors (based on existing frameworks), to tag identified climate-related projects to a range of key sectors and sub-sectors. Under this, most projects were tagged under the dominant sector and a corresponding sub-sector.

2. Identified levers of impact utilised by funders

As the climate crisis impacts a diverse array of sectors and geographies in India, it was observed that funders use a range of approaches for grant making and project support. The ICC identified nine such levers of impact utilised to tackle the climate crisis for this analysis.

3. Collected and analysed data

The ICC then collected data pertaining to 65 funders, across different categories, as follows:

- **Corporate Social Responsibility funders:** Publicly available data from websites and CSR annual reports of 46 companies, with high spending in areas like environmental sustainability, rural development, and other climate-aligned priorities;
- **Domestic foundations:** A combination of proprietary data collected from partnerships with four foundations, supplemented with data from the website of one foundation. This dataset includes major foundations directing philanthropic capital towards climate issues;
- **International foundations:** Publicly available data from websites and annual reports of 14 major international foundations;
- **Family offices**

The data was checked for consistency and accuracy; data gaps and inconsistencies were corrected, where possible, through supplementary research and/or best knowledge available with the ICC. Using the project classification framework, the ICC then tagged each climate project to a specific sector and sub-sector, and lever of impact. This helped identify trends laid down in this assessment.

To augment the above quantitative analysis, the ICC also conducted primary qualitative research. This included surveys and consultations with 10 organisations with a high volume and a significant number of transactions in climate philanthropy in India. Interviews were conducted with civil society organisations associated with nine of these organisations to sketch a qualitative picture of the philanthropic capital market. The questions focused on themes such as the current state of India's climate landscape, sector-wise insights, challenges faced, and the future of climate philanthropy. The insights in this assessment draw on both quantitative and qualitative analyses.

METHODOLOGY

B. Assumptions underlying the analysis

Given that available data on climate philanthropy in India is fragmented and difficult to access, the ICC made the following assumptions where complete data or information was not available.

1. CSR funders

For CSR projects, the present analysis considers only year-wise disbursement of money. Projects that followed certain themes such as those outlined below were excluded:

- Projects that contribute money to a fund (for example, PM Cares Fund, Swachh Bharat Kosh, etc.), as there is no publicly available data on fund utilisation, making it challenging to align them with the present project classification framework;
- Sanitation projects under Swachh Bharat, unless explicitly mentioned as part of waste management;
- All projects pertaining to access to safe drinking water, as there is no means to verify if sustainable processes were undertaken or if the project contributed to drought resilience or water conservation;
- Projects mentioning rural community development, as they are ambiguous about sustainable programming.

2. International funders

The following assumptions were made:

- The analysis is based only on the grant amount committed and allocated, not disbursed, or spent. Recent announcements or pledges for funding were excluded unless there were specific programmatic allocations associated with the announcements. Further, only global grants that have been deployed in India or had a clearly demarcated share for India in the project description were included. For some global grants, with significant ticket-sizes that indicated India as a geography alongside other countries, an average amount was assumed (based on the number of countries indicated), or a proportion used (if clearly indicated).
- In cases where grant duration was not mentioned, the analysis assumed a duration of one or three years depending on the size of the grants. Years and months were rounded off to the closest whole number for ease of analysis.
- While multiple levers could potentially be allocated to a single project, the most appropriate lever tag was assigned based on the project description for ease of analysis.
- In cases of grants supporting general operations or institution building, sectors were assigned based on the primary focus areas of the organisation receiving the grant.

C. Limitations of/challenges to data

There arose multiple issues related to the quality, availability, and accessibility of data on foundations, with implications for the robustness of the present and future analysis of India's climate philanthropy landscape.

These include:

- **Double-counting:** While significant measures were taken to avoid double-counting, some unavoidable overlaps may exist due to the presence of re-granting programmes. The ICC does not anticipate any double counting will materially shift the classification.
- **Granularity:** While some foundations provided a relatively comprehensive overview of their grants, generally, available information was found insufficient – for example, related to the description of the projects, its target beneficiaries, and the target geographies at the sub-national level. More such publicly available information can help improve future trends and analysis.
- **Transparency/disclosure:** This assessment could not capture the grant-giving data for some key foundations (international and domestic) that have supported climate action, as there is no publicly available data. The ICC hopes that this effort will pave the way for more active sharing of data by foundations, on an annual basis.

Trends in climate philanthropy

Exploring the funding landscape in India



Disclaimer: The views/analyses expressed in this document do not necessarily reflect views of the India Climate Collaborative (legally registered as Council of Philanthropies for Climate Action). Given the factors/qualifications mentioned in the methodology, the ICC doesn't guarantee the accuracy of data herein and absolves itself of any responsibility for the consequences of its use.

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