

Time to Act: How Philanthropy Must Address the Climate Crisis

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If the current climate crisis is not addressed urgently and effectively, progress in all other areas will be more difficult, if not impossible. Addressing the climate crisis is no longer the work of a few foundations or donors. We have arrived at a moment of urgency when we need an “all-of-philanthropy” level of engagement, expertise, and resources.

Currently, philanthropy’s contribution to addressing the climate crisis is woefully inadequate. According to 2019 data, less than 2% of all philanthropy dollars focused on climate mitigation and even less on climate adaptation and resilience.¹ The philanthropic sector has an immediate and critically important opportunity and responsibility to provide significantly more resources to address the climate crisis, especially to front-line communities leading the way toward climate justice.²

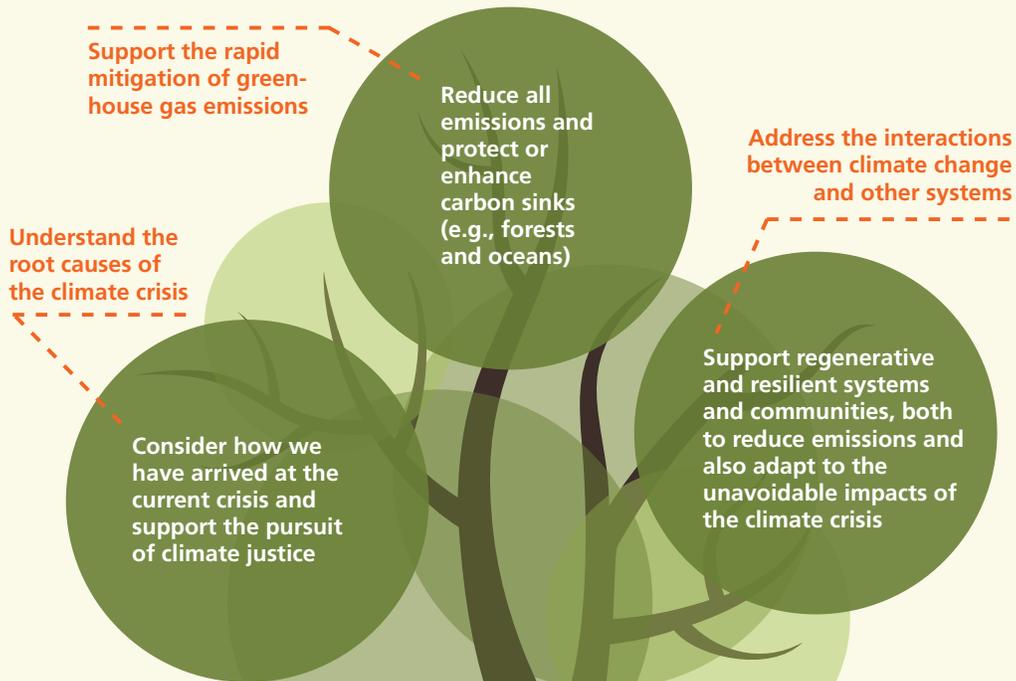
This report urges every funder to become a “climate funder” and to do so quickly, and we also invite a broader definition of what this means. For instance, a foundation dedicated to education may choose to overlay a climate lens on its work, adding or increasing support for girls’ education in the Global South as a climate solution.³ Another funder may choose to begin supporting grassroots efforts dedicated to climate mitigation because it dovetails with existing grants for civic engagement and voting rights. A place-based funder might choose to resource and convene front-line communities to adapt to the local realities of the climate crisis. As illustrated by these examples, there is a wide spectrum of potential action for foundations or donors that wish to become climate funders.

While funders can pursue many pathways to address the climate crisis, *how* funders go about this work is as important as what they choose to support. We encourage funders to directly support climate justice and ensure that front-line communities—especially efforts led by Black, Indigenous, and other people of color—in the Global North and the Global South are leading in the necessary economic, social, and environmental transitions. As part of considering root causes and supporting climate justice, climate funders must work to shift systems—in particular, moving away from extractive, harmful systems to healthy, regenerative systems.

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1. Hannah Roeyer, Muniba Ahmad, Meagan Fox, and Surabi Menon, Funding Trends: Climate Change Mitigation Philanthropy (ClimateWorks Foundation: September 2020), <https://www.climateworks.org/report/funding-trends-climate-change-mitigation-philanthropy/>.
 2. A note on language: Throughout this report we use the term “front-line communities” to encompass the range of people and places most impacted by the climate crisis. Understanding front-line communities in a particular place or context is critical to effective climate philanthropy. Each funder can look at data, reflect on historical context, and talk with members of the community to understand who constitutes local front-line communities and the root causes of their vulnerability.
 3. According to an analysis conducted by nonprofit [Project Drawdown](#), educating girls globally is not only a human right but also an important pathway to reduce greenhouse gas emissions between 2020 and 2050.

The Climate Crisis: Contributing Factors and Philanthropy's Role

THE ROLE OF PHILANTHROPY



CLIMATE CRISIS

Human-caused increase in greenhouse gas emissions, driving climate change at a catastrophic pace and scale

Interactions between changing climate and other systems, including food and agriculture, energy, economy, housing, democracy, and education

MECHANISMS

Fossil fuels

Economic growth-at-all-costs mentality

Extractive resource use

Extractive capitalism

White supremacy

Colonialism

Patriarchy

ROOT CAUSES

This report provides a set of **five recommendations for funders**, especially those who may not have previously engaged in climate-related grantmaking or investments:

 <p>Learn about climate and climate justice</p>	<ul style="list-style-type: none"> • Investigate how the climate crisis affects the issues, populations, and places aligned with the mission • Take a broad and inclusive lens to what constitutes climate-related work, as stakeholders may use different language or approach climate from a range of perspectives • Actively listen to front-line communities, expanding the definition of who is a “climate expert” to include those most affected
 <p>Reckon with and change internal practices</p>	<ul style="list-style-type: none"> • Reflect internally to understand how biases, assumptions, policies, practices, and cultural norms may inhibit the impact you seek or cause harm • Assess and remedy any gaps in capacity and expertise among staff and trustees, such as familiarity with grassroots efforts
 <p>Build political and economic power in front-line communities</p>	<ul style="list-style-type: none"> • Support grassroots efforts, i.e., those that are led by and accountable to the community and often address multiple social issues at once • Include attention to economic power, so front-line communities in the Global North and Global South control and benefit from the necessary economic transition
 <p>Expand the funder toolbox</p>	<ul style="list-style-type: none"> • Consider approaches or tools such as convening, advocacy, and narrative change • Use platforms and relationships to shift public perception, influence policy, and engage peer funders in climate action
 <p>Utilize foundation investment and operations as levers for change</p>	<ul style="list-style-type: none"> • Align investment practices with climate goals or environmental, social, and governance (ESG) metrics • Align operations with sustainable practices (e.g., energy efficiency upgrades or installing solar panels) and support grantees to do the same, both to save money and reduce emissions⁴

4. While a single organization’s operational footprint is too small to have a material impact on global greenhouse gas emissions, operational changes may bring local health benefits, save grantees money, and/or signal commitment to addressing the climate crisis.

To illustrate the many ways to be a climate funder, the full report highlights the journeys and experiences of a range of U.S.-based private foundations—including community foundations; large, multi-issue foundations; and family foundations.

Philanthropy must play an active role in ensuring that solutions to the climate crisis and the accompanying social, economic, and political transitions build toward a more just, regenerative, and healthy world. This journey starts with an honest examination of organizational responsibility, accountability, and the root causes of this crisis. As funders embark on this journey to address the climate crisis, program staff, executives, and trustees can reflect on these questions to get started:

- **In what ways does the climate crisis threaten the social impact your foundation seeks to have at a local, regional, national, or global scale? How severely and how fast will those threats occur?**
- **What is at stake for you as an individual, as a fiduciary, as an organization, and as a community in the climate crisis? What are the consequences of *inaction*?**
- **After listening to the most impacted communities, what do you and your colleagues believe are the root causes of the climate crisis? How might your foundation address these root causes directly, indirectly, and/or in partnership with others?**
- **Based on your foundation's resources, expertise, and relationships, which tools should you use in facing the climate crisis?**

This resource is a point of departure, and we urge every philanthropic funder and donor to step up to the challenge of creating a livable future.



Download the full report at www.fsg.org/publications/time-to-act

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Our teams work across all sectors by partnering with leading foundations, businesses, non-profits, and governments in every region of the globe. We seek to reimagine social change by identifying ways to maximize the impact of existing resources, amplifying the work of others to help advance knowledge and practice, and inspiring change agents around the world to achieve greater impact.

As part of our nonprofit mission, FSG also directly supports learning communities, such as the Collective Impact Forum, Shared Value Initiative, and Talent Rewire, to provide the tools and relationships that change agents need to be successful.

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