Rwanda is among the seven countries from across the globe that will benefit from a $40 million grant financing project by the World Bank dedicated to empowering Indigenous and local communities to advance climate action.

Latest estimates by climate experts show that by living in harmony with nature, indigenous peoples help safeguard 80% of the world's biodiversity and hold many of the solutions to the climate crisis, despite constituting less than 5% of the global population.

It said that respecting the rights of indigenous peoples and enhancing their participation in climate policy is critical to achieving the Paris Agreement goals of limiting global temperature rise to 1.5°C above pre-industrial levels and fostering climate resilience.

According to an official statement released Tuesday, the allocation is part of the CIF's $370 million Nature, People, and Climate (CIF NPC) investment platform which was established last year to invest in nature-based solutions at scale across the Global South.

It is expected that the funding will be channeled through the CIF-supported Dedicated Grant Mechanism (DGM), which directly finances programs designed, implemented, and led by Indigenous peoples and local communities (IPLCs) where the grant to be distributed betwen low- and middle-income countries will allocate 4 million USD to Rwanda.

CIF had so far allocated to DGM more than $70 million to empower IPLCs to sustainably manage natural resources, restore land access through initiatives such as land titling programs, and fight climate change through the application of local and traditional knowledge.

Indigenous knowledge, accumulated over centuries, according to experts offers sustainable solutions to mitigate and adapt to climate change. About 90% of IPLC lands are carbon sinks, and Indigenous-managed lands have been shown to sequester over twice the amount of carbon than lands that aren't managed by them. IPLCs also protect around 80% of the world's remaining biodiversity and are crucial partners in safeguarding fragile ecosystems and preserving precious animal and plant species.

It is crucial to support and strengthen Indigenous stewardship in safeguarding the

integrity of the forest ecosystem and maintaining carbon stocks, the statement said.

An estimated 23% of total human-caused greenhouse gas emissions come from agriculture, forestry, and other land use.

Partnering with multilateral development banks, CIF NPC is deploying resources to de-risk and scale investments in sustainable land resources and ecosystems across key sectors and geographies, opting for a “systems-level” rather than project-by-project approach. By design it supports both climate adaptation and mitigation objectives, it said.

Commenting on the move, CEO of the Climate Investment Funds, Mafalda Duarte said: “I’m extremely proud of the work and results achieved through CIF’s Dedicated Grant Mechanism for Indigenous Peoples and local communities and hopeful about the impact that can be achieved with this additional funding allocation”

“We have much to learn from the wisdom and experience of IPLCs in terms of our connection with nature and our efforts to preserve our planet’s ecosystems, combat climate change, and secure a sustainable future for all,” she said.

Bharati Pathak, Co-Chair of the DGM Global Steering Committee pointed out that CIF’s support will enhance leadership in transferring knowledge, building capacity, and paving the way for transformative climate solutions that will resonate far beyond the borders of our ancestral lands.

“The Funds is a longstanding partner of local and Indigenous communities, women and youths in developing countries,” she said.

Investing in nature is fundamental to human existence and prosperity. Sustainable agriculture and forest management, including measures such as agroforestry, could deliver over $2 trillion per year in economic benefits, generate millions of jobs in developing countries, and improve food security. At the same time, the restoration of forests, degraded lands, and coastal zones can help strengthen resilience to climate impacts.