



CIF'S DEDICATED GRANT MECHANISM FOR INDIGENOUS PEOPLES AND LOCAL COMMUNITIES (DGM)

BRIEF



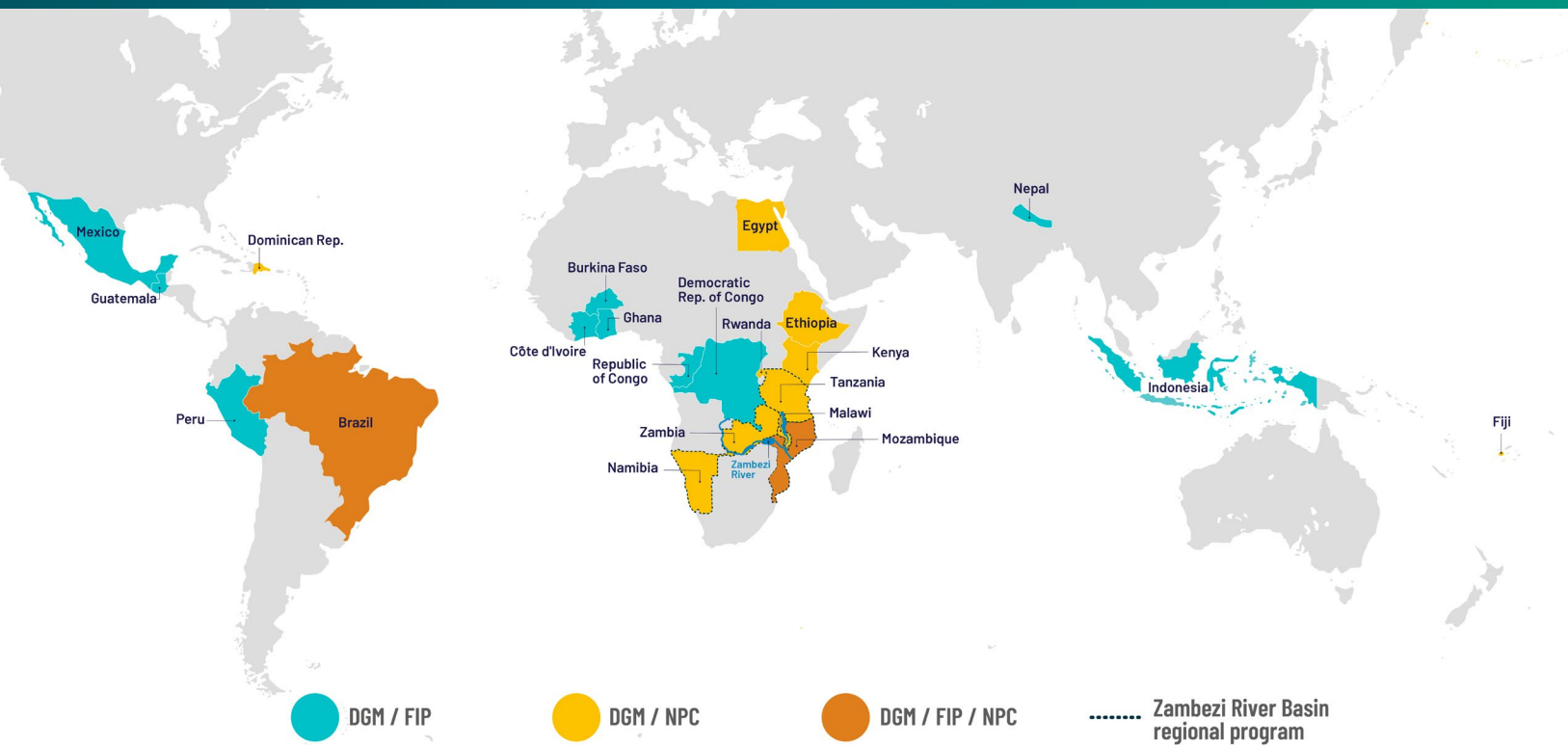


Fig. 1: DGM countries

DIRECT CLIMATE FINANCE FOR INDIGENOUS PEOPLES AND LOCAL COMMUNITIES

Indigenous Peoples (IPs) and Local Communities (LCs) manage one-third of the world's forests, yet they have historically received less than 1% of international climate finance. The Dedicated Grant Mechanism (DGM) was established to address this disparity by supporting communities with direct access to resources, decision-making authority, and global recognition for their leadership in climate and nature-based solutions.

WHAT IS THE DGM?

DGM is a groundbreaking mechanism, designed and managed by IPs and LCs leaders, that puts decision-making ownership and resources directly into the hands of communities. It is a CIF financing window that provides grant support through two CIF programs: the [Forest Investment Program \(FIP\)](#) and the [Nature, People, and Climate \(NPC\) program](#).

A UNIQUE VALUE PROPOSITION

In DGM, IPs & LCs, as those with the closest connection to the land and biodiversity, fully determine the procurement, selection, and grant funding of the local projects. Multilateral development banks (MDBs) and nongovernmental organizations (NGOs) provide fiduciary safeguards and operational support, while ensuring that decision-making and implementation remain in the hands of IPs and LCs (see Figure 2).



DGM in Indonesia

Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM)



Fig. 2: DGM governance model

KEY FEATURES

- **IP & LC self-determination** is upheld within a trusted MDB safeguards framework, ensuring that accountability and environmental standards are being met.
- The IP & LC-led governance model is the **first of its kind** and has a proven track record spanning over a decade.
- DGM aggregates funds and **manages high volumes of small grants** to achieve community impact at scale. With an average grant size of USD 30,000, DGM has supported hundreds of projects in 12 countries through CIF's Forest Investment Program (FIP).
- Local IP & LC -led projects, through DGM—and under CIF's FIP and NPC—enhance and **complement government investments at the landscape level.**
- DGM helps build an IP & LC national and global leadership **mechanism that can operate independently**, extending beyond CIF's programs.

DGM in the Democratic Republic of the Congo



RESULTS

- To date, **USD 70 million of climate finance has reached communities through the DGM** under the CIF's Forest Investment Program (FIP). Furthermore, USD 40 million has been allocated to DGM through CIF's NPC program.
- DGM strengthens the rights and self-determination of IPs & LCs by supporting community-led decision-making through direct access to funding and, in turn, **enhancing their representation and governance over natural resources**.
- **Women's empowerment** is a key outcome of DGM, which promotes income generation and increases women's participation in community-level decision-making.
- **DGM has filled an international gap in direct forest finance for IPs & LCs** and has delivered stronger forest protection outcomes compared to other management systems, according to an independent evaluation of the FIP-DGM.



DGM in Papua, Indonesia

DGM IN THE DEMOCRATIC REPUBLIC OF THE CONGO

- Allocated USD 5.3 million in funding to communities in the Congo Basin;
- Supported DRC's first law on protecting and promoting the rights of the Indigenous Pygmy Peoples;
- Obtained land titles for IPs on 252,000 ha of forest lands;
- Enabled projects that led to increased yields of rice, cassava, maize, vegetables, potatoes, and peanuts;
- Planted 400,000 productive tree species across 400 ha through subgrants.

DGM IN BRAZIL

- Allocated USD 6.5 million in funding to IPs and the Quilombola communities of the Cerrado;
- Supported 64 sub-projects for communities in the Cerrado Biome;
- Promoted the replenishment of native species and the restoration of degraded forest;
- Increased water availability from rejuvenating natural springs;
- Supported IPs' efforts to contribute to the new Jurisdictional REDD+ approach in the Amazon;
- Delivered livelihood co-benefits to more than 420,000 people.

FIND OUT MORE

[Forest Investment Program Design Document](#)

[Midterm Evaluation of the Forest Investment Program](#)

DGM in Nepal



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