

When Power Centralises, Adaptation Suffers

Central–local government relations and climate adaptation finance in Tanzania

By Dr. Beatrice Sumari, 24th February 2026

Summary

Effective climate change adaptation depends not only on the availability of finance, but also on how power, authority, and decision-making are distributed across levels of government. In many developing countries, climate adaptation finance is formally decentralised in policy, yet remains highly centralised in practice. This disconnect has significant implications for the effectiveness and equity of adaptation outcomes at the local level. This brief draws on qualitative research from Tanzania to examine how central–local governmental power relations shape climate change adaptation financing at the local level. While Tanzania has adopted decentralisation reforms, most notably Decentralisation by Devolution ("D-by-D"), local governments continue to operate with limited financial autonomy and weak decision-making authority. As a result, local actors often hold formal adaptation mandates without the resources or power to implement them. The study responds to a critical gap in climate finance research by focusing explicitly on how intergovernmental power struggles influence local adaptation finance, project selection, and implementation. Understanding these dynamics is essential for advancing locally led adaptation, strengthening local institutions, and ensuring that climate finance reaches those most exposed to climate risks.

Approach and methods

The study adopts a qualitative case study approach, combining structuration theory and multilevel governance perspectives to analyse how institutional structures and actor agency interact in shaping adaptation finance. Data were collected through 36 semi-structured interviews, document analysis, and field observations conducted between March 2022 and March 2023. Interviews involved central government officials from the Ministry of Finance, Vice President's Office, and President's Office–Regional Administration and Local Government, as well as local government officials, councillors, implementing partners, and project beneficiaries. Two local government authorities in Arusha Region were selected as case studies: Arusha City Council (urban) and Meru District Council (rural). These cases allowed comparison across administrative and spatial contexts while highlighting common governance constraints. The analysis focused on how power, resources, and political dynamics shape adaptation finance through three analytical themes: structural dominance, local political agency, and multilevel governance coordination gaps.

Key findings

- **Centralised structures limit local governments to act effectively:** Despite formal decentralisation, climate adaptation finance in Tanzania remains tightly controlled by the central government. Local governments hold implementation responsibilities but lack control over financial resources, revenue collection, and borrowing. This imbalance leaves local government authorities (LGAs) with “teeth that cannot bite,” formal authority without the power to act. Key financial decisions, project approvals, and fund disbursements are routed through central agencies, often circumventing local structures altogether.
- **Power is exercised through rules, guidelines, and bypassing:** The central government maintains control through detailed guidelines, budget ceilings, and direct project supervision. Funds intended for local adaptation are frequently transferred between central agencies rather than devolved to LGAs. In some cases, central government ministries implement projects directly at the local level, undermining local ownership and accountability. Recent re-centralisation of agencies responsible for roads and water further consolidates central authority.
- **Local politics distort adaptation priorities:** At the local level, elected councillors wield significant power over budget approval and project prioritisation. Political incentives favour visible, short-term projects over long-term, preventive adaptation measures such as ecosystem protection or climate-resilient infrastructure. Local officials often comply with politically driven decisions to avoid sanctions or job insecurity, even when projects are technically weak or maladaptive.

- **Capacity constraints reinforce centralisation:** Limited technical capacity at the local level is frequently cited by central government actors to justify retaining control over adaptation finance. However, the study shows that these capacity gaps are themselves produced by structural exclusion: central government agencies dominate donor negotiations, training opportunities, and international engagement, while local officials experience frequent reshuffles that undermine learning and continuity. Capacity building without fiscal and decision-making authority yields limited impact.
- **Project outcomes reflect power asymmetries:** Evidence from adaptation projects in Meru District, including vanilla farming, a warehouse, and power tillers, demonstrates how centralised decision-making leads to poor alignment with local conditions. Projects bypassed community-led planning processes, resulting in unused or failed investments. These outcomes illustrate how adaptation effectiveness is compromised when local agency is marginalised.

Insights and interpretation

The findings highlight that climate adaptation finance in Tanzania operates within a symbolically decentralised but substantively centralised governance system. Using structuration theory, the study shows how central government actors reproduce dominance through institutional structures, while local actors simultaneously adapt to and reinforce these constraints. From a multilevel governance perspective, decentralisation without fiscal autonomy reduces local governments to administrative extensions of the centre. While local actors exercise agency—through negotiation, compliance, or preference for top-down systems—this agency is constrained and often defensive. Over time, such dynamics normalise centralisation and weaken incentives for locally led adaptation. These governance patterns help explain why adaptation finance often prioritises politically attractive projects over locally informed resilience needs, and why donor-funded initiatives struggle to scale or sustain impact.

Recommendations

To strengthen the effectiveness and equity of climate adaptation finance, the study proposes the following:

- **Devolve fiscal authority alongside mandates**, ensuring LGAs have direct access to adaptation finance and discretion over its use.
- **Clarify and rebalance central–local roles**, reducing bypassing of LGAs in project design, approval, and supervision.
- **Strengthen local institutional capacity through authority**, not training alone, enabling learning by doing and long-term retention of skills.
- **Build councillors’ climate literacy**, addressing political incentives that undermine long-term adaptation planning.
- **Align donor finance with local planning systems**, avoiding parallel structures that reinforce central dominance.
- **Adopt flexible, devolved finance instruments**, such as performance based grants and locally managed adaptation funds.

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