Water and Climate Coordination: Supporting the NDCs under the Paris Agreement
Webinar III: Climate Finance – Exploring Options for Funding Water & Climate
Some “Housekeeping Rules”

- The webinar is being **recorded and streamed live**, and we will upload the recording to the Cap-Net YouTube channel after the webinar.
- If you have **comments or questions**, use the chat function (see bottom of the page, click on the icon with a bubble)
- We’ll try to answer as many questions as we can, but we may not have time to reply to all questions
- You will be **MUTE** throughout the webinar (only speakers will speak).
- If facing problems with your **audio connection**, please check the “how to” guidelines on the Cap-Net website.
WEBINAR SERIES
WATER AND CLIMATE COORDINATION
Interactions between water and different sectors

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WATER AND CLIMATE COORDINATION
From Commitments to Implementation

WATER AND CLIMATE COORDINATION
Climate Finance - Exploring Options for Funding Water & Climate

Supporting the NDCs and future Implementation under the Paris Agreement
Webinar Programme

Climate Finance – Exploring Options for Funding Water & Climate

1. Introduction to Webinar and practicalities - Moderator: Marianne Kjellén, UNDP
5. Mobilising Change for Climate Resilient Water Investments: our impact 2010-2020– Alex Simalabwi, GWP S Af
6. Q&A: Moderated session, René Schieritz, GWP
7. Closing and next steps, Danielle Gaillard-Picher, GWP

Supporting the NDCs and future Implementation under the Paris Agreement
Where are you from? Tap on the map.
What is your level of knowledge/experience on climate finance?

- Limited knowledge or experience: 39%
- Theoretical knowledge, but no practical experience: 48%
- Previous experience with accessing climate finance: 9%
- Extensive experience on accessing and/or implementing climate finance: 4%

Total Results: 23
Have you had prior involvement with any international climate finance options such as GEF, GCF or Adaptation Fund or through Multilateral Development Banks?

- None thus far: 35%
- Some knowledge of one or more of these funds but no experience access/implementing climate finance projects funded by them: 45%
- Some limited exposure to these funds: 15%
- Extensive experience in accessing and or implementing finance from these funds: 5%

Total Results: 20
Have you had prior involvement with any State-led/State-initiated climate finance funds?

- None thus far: 70%
- Some knowledge of one or more of State-led/State-initiated instruments but no experience in accessing climate finance through them: 15%
- Some exposure to accessing State-led instruments: 10%
- Extensive experience in accessing and or implementing finance from State-led funds: 5%

Total Results: 20
Have you had prior involvement in preparing/implementing national climate finance strategies?

- None thus far: 59%
- Some knowledge of national climate finance strategies: 41%
- Extensive experience in preparing and using national climate finance strategies in my work: 0%
John Matthews - johoma@alliance4water.org
Alliance for Global Water Adaptation (AGWA)
“Climate Finance
A Watery Introduction”
Last October, ODI and WaterAid published a critical new water and climate finance report. It represents the first systematic study of how to think about the murky alignment between these areas.
What is “climate” finance?

Most of what we think of as climate finance, especially for loans, has several key shared qualities:

- “additionality” (which is formally tracked and reported)
- a distinct climate mitigation and/or adaptation component
- comes from a small set of institutions (e.g., MDBs, Adaptation Fund, GEF, GCF)
- Increasingly, climate finance needs to be tied to an NDC and/or NAP
What is additionality?

Additionality is typically the only part of a project that is actually funded by (most) sources of climate finance — especially for loans.

Ideally, adaptation additionality is the quantitative difference in design and implementation between a project with elements to address climate impacts and a project that exists in a theoretical world without climate change.

For instance, if floods are 5 cm higher because of climate change, that additional 5 cm of flood assurance is the part of a flood resilience project that can be funded via climate finance. The rest of the project needs additional financing (in most cases).
If you want climate finance, then you need to:

- Assess climate risk
- Use the potential funder’s risk assessment methodology (they vary a lot!)
- Calculate additionality using their preferred approach (this varies even more!)

In many cases, components of projects and traditional indicators for risk/resilience **do not qualify** for climate finance. Many policy and governance, no-regrets approaches, and interventions associated with large uncertainties are **difficult to translate as additionality**.

- In the words of the GCF, you need to engage with the climate science to make a good climate project. The “climate narrative” is **arguably the most critical part of a successful project**. What are you adapting to? And how much adaptation is required?
Are you worried?

Groups such as GCF and ADB often offer concessional grants/technical support and assistance (TAs) to develop the climate narrative. For water projects, this probably means hiring a hydrologist, including for NbS and WASH projects.

Ultimately, you need to show that your project is quantitatively different because of climate change, with evidence from climate science or climate impacts studies.
Other options!

Some forms of climate finance are not well tracked or reported but represent significant/growing sources of funds:

- **intra-national** funding sources (e.g., national, city, agency budgets) — currently the largest source of climate finance of any kind
- green and climate bonds (national/international investors, certified/non-certified) — the fastest growing form of climate finance
- bilateral & philanthropic grants — LDCs, potentially declining

Additionality is typically **not** important for these instruments.
Where are we headed?

- Climate finance is not yet a complete solution to climate funding gaps
- NAPs are already seen as a donor and investor shopping list, but not NDCs. Will NDCs become linked to project and finance pipelines?
- Most water projects should receive a climate risk assessment. Risk assessment is quite advanced in some institutions and absolutely missing in many others. Consolidation in CRA is occurring, especially for water projects.
- Some groups are beginning to distinguish between climate proofing (with an additionality component) and adaptation projects (in which the whole project would qualify for climate finance)
- Tracking and reporting mechanisms diverge wildly. Unclear what will happen here.
Raoudha Gafrej
Water Resources and Adaptation Expert – Tunisia
“NDC Financing Strategy – Tunisia”
Tunisia climate change projections

Increase in annual temperature:
1°C and 1.8°C by 2050 on average for the set of studied models and between 2°C and 3°C at the end of the century, with the RCP 4.5 scenario.
For the RCP 8.5 scenario, this increase ranges between 2°C and 2.3°C by 2050 on average for the set of studied models and between 4.1°C and 5.2°C at the end of the century.

Changes in mean annual temperature (in °C) by 2050 (A) and by 2100 (B) under the RCP 8.5 scenario.
NDC mitigation funding needs

Around 85 per cent of the funding needs would have to be mobilized for the energy sector: 40 per cent for energy efficiency and 45 per cent for renewable energies.

The national effort is estimated at around 10 per cent of the total mitigation investment needs (exclusively concerns the energy sector).

International support should focus on funding the 90 per cent of investment needs (concessional lines of credit, donations, direct investment, integration into carbon markets, etc.).

In the energy sector, some of the international financial support should serve to bolster the Energy Transition Fund (FTE).

Finally, the international effort will also focus on the funding of capacity building and technology transfer programs.

<table>
<thead>
<tr>
<th>SECTORS/FIELDS</th>
<th>Total</th>
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<tbody>
<tr>
<td>Energy</td>
<td>14,917</td>
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<td>Energy efficiency</td>
<td>6,991</td>
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<td>Renewable energy</td>
<td>7,926</td>
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<tr>
<td>Agriculture, forestry and other land use (AFOLU)</td>
<td>1,533</td>
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<tr>
<td>Agriculture</td>
<td>967</td>
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<tr>
<td>Forestry and other land use</td>
<td>566</td>
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<tr>
<td>Waste</td>
<td>972</td>
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<td>Solid waste</td>
<td>70</td>
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<td>Sanitation</td>
<td>902</td>
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<tr>
<td>TOTAL</td>
<td>17,422</td>
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</table>
NDC Adaptation Objectives

No quantified objectives but programs should reduce the vulnerabilities of 6 main sectors

1. Water resources (decrease in conventional water resources estimated at about 28 per cent by 2030. The decline in surface waters would be approaching 5 per cent by the same year)

2. Agriculture (Agricultural GDP would fall by 5 to 10 per cent by 2030)

3. Coasline (The loss of productive capital caused by this damage is in the order of 2 billion US dollars. Losses in annual production are estimated at approximately 0.5 per cent of current GDP, mainly in the areas of tourism (55 per cent) and agriculture (45 per cent). An estimated 36,000 job losses, mainly in agriculture and tourism)

4. Ecosystems

5. Health

6. Tourism (Concerning coastal erosion, the annual losses to the tourist sector resulting from the retreat of the beaches due to the rising sea level are estimated at around 5 per cent of the sector’s added value)
NDC Adaptation funding needs

The total funding needs for adaptation to climate change would stand at about 1.9 billion US dollars for the period 2015-2030. Besides a number of physical investments, these are mostly intangible investments to support and popularize new practices (institutional support, capacity building, research and development, etc.).

<table>
<thead>
<tr>
<th>SECTORS/FIELDS</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Water resources</td>
<td>533</td>
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<tr>
<td>Coastline</td>
<td>556</td>
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<tr>
<td>Agriculture</td>
<td>21</td>
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<tr>
<td>Ecosystems</td>
<td>782</td>
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<tr>
<td>Health</td>
<td>7</td>
</tr>
<tr>
<td>Tourism</td>
<td>17</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,916</strong></td>
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Tunisia is appealing for international support to cover all of the additional costs for the adaptation of these sectors and fields.
The Tunisian Government has set in place initiatives to lead the NDC implementation process, and the NDC Support Program will complement these efforts. They include:

- In 2017 and 2018 UNDP Tunisia supported two action plans to accelerate energy transition.

- The recently established “Management Unit for Climate Change” within the Ministry of Local Affairs and Environment, will be responsible for inter-ministerial and multi-stakeholder coordination to implement Tunisia’s NDC. Supported by Giz Adap-CC program

- The Energy Transition Fund, reformed in 2017 and currently under operationalization, is a key instrument in the implementation of the energy transition, the implementation of the NDC, and the achievement of low carbon development through smart subsidies, loans, and equity.

- A GHG national inventory system was developed under the supervision of the Ministry in charge of the environment and with the technical coordination of the National Agency for Energy Conservation (ANME), which led to the elaboration of the 1st and 2nd Biennial Update Reports and the 1st, 2nd, and 3rd National Communications.

- The energy-saving action plan for 2017-2030 represents a total investment of 27.1 billion dinars, equivalent to 11.3 billion US dollars. The measures of this Action Plan address energy efficiency (EE), renewable energy (RE) development, and energy efficiency for the following sectors: industries, tertiary and residential buildings, transportation, public lighting and agriculture and fisheries.
Climate change adaptation strategies

- A strategy related to the adaptation of the agricultural sector and ecosystems to climate change, elaborated with GIZ support (2007).
- Vulnerability assessment of water resources to climate change, with support from the Global Water Partnership (2016)
- Study of the environmental and socio-economic vulnerability of the Tunisian littoral in the face of an accelerated rise of sea levels (2008),
- Study of the vulnerability map of the Tunisian coastline to sea level rise due to climate change, with UNDP support (2012).
- Adaptation Strategy for health sector to climate change, with GIZ support (2010).
- Adaptation Strategy for the tourism sector to climate change, with GIZ support (2010).
- Study on an early warning system for the management of risks related to climate extremes and climate change in Tunisia, with GIZ support (2009).
- A strategy related to the adaptation of the littoral with UNDP support (2012)
Adaptation in water, and soil and irrigation strategies

Since Tunisia rate of conventional water resources mobilized reaches 92%, various adaptation measures have already been implemented.

- Investments for a greater mobilization of unconventional water. For instance, the seawater desalination plant in Djerba is operational since May 2019 and the desalination plants in Sfax, Zarrat and Sousse should be operational by 2021-2025. These investments should allow securing the supply of drinking water until 2030.
- The potential reuse of wastewater, estimated at 300 Mm3, is also an ongoing adaptation measure in Tunisia. A REUSE master plan is being prepared.
- The possibility of transferring a part of the surplus water from the extreme north, estimated at 400 Mm3 / year, to the center of the country in the area of Kairouan, is currently under study. This would be done through the reinforcement of infrastructures: connection of dams, doubling of transfer lines, building of new storage facilities.
- A national program for artificial groundwater recharge, by surface water or treated wastewater, is also initiated.

Estimated potential of water resources (surface water, groundwater and deep aquifers - 2016)
Adaptation in water, and soil and irrigation strategies

• Water and soil conservation are part of a new strategy integrating the impact of climate change on the national territory.

• Adaptation measures are also initiated in the agricultural sector to reduce the water demand, such as the use of conservation agriculture. A national water saving strategy in the agricultural sector implemented since 1995 led to the equipment of more than 80% of irrigated perimeters with water saving techniques, which reduced the water demand in some of these areas.

• The water strategy “Eau 2050 in progress : identification of new orientations of the water sector by 2050 taking into account the issues related to climate change, the needs of decentralization, the right to water as defined by the Tunisian constitution and sustainable development goals.
New legal framework for water resources management

The water code has been revised and a draft water code has been submitted to the assembly of people's representatives for adoption in 2021: The draft water code has integrated adaptation to climate change as a basis for ensuring water security and access to drinking water as a fundamental right.

- The creation of a regulatory body for water services, independent of the MARHP, involving the different categories of stakeholders, which will be among other things responsible for the pricing of water;

- The creation of a national water agency for the protection of public hydraulic resources (domaine publique hydraulique (DPH);)

- The realization of the decentralization of water management in the regions (including the formal establishment of regional water councils);

- The introduction by the MARHP of accountability mechanisms to ensure transparency and efficiency in water management, and

- Imposing heavier sanctions and introducing repressive measures while taking into account the fragile social context.
Adaptation in water: a national saving program

At farm level, a national water saving program between 1995 and 2015 made it possible to equip around 79% of irrigated areas (public and private) at the end of 2015, i.e. 389 ha for an overall budget of 1190 MTD including 600 MTD in the form of subsidies ranging from 40% to 60% depending on the category of farmers.
Adaptation/Mitigation in water: energy efficiency

As the water sector is the largest consumer of electrical energy, an energy management department has been created within SONEDE. The sector will benefit from the FTE SONEDE:

- Energy efficiency: a 15% reduction in energy consumption by 2030
- Renewable energies: meeting 30% of their energy needs by 2030
- Establish an energy management system (ISO50001) by 2030
## Water Sector Investments (TND Million)

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<tbody>
<tr>
<td><strong>SONEDE: Drinking water</strong></td>
<td>91.8</td>
<td>94.1</td>
<td>80.0</td>
<td>65.0</td>
<td>85.4</td>
<td>112.9</td>
<td>153.6</td>
<td>165.6</td>
<td>80.40</td>
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<tr>
<td><strong>MARHP: water sector</strong></td>
<td>213.55</td>
<td>250.94</td>
<td>265.68</td>
<td>366.47</td>
<td>270.06</td>
<td>228.68</td>
<td>307.49</td>
<td>279.59</td>
<td>30.92</td>
</tr>
<tr>
<td><strong>ONAS: Sanitation and purification</strong></td>
<td>108</td>
<td>147</td>
<td>107</td>
<td>88.77</td>
<td>94.1</td>
<td>113.6</td>
<td>135</td>
<td>186.1</td>
<td>72.31</td>
</tr>
<tr>
<td><strong>Total-Water Sector Investments spending</strong></td>
<td>413.35</td>
<td>492.04</td>
<td>452.68</td>
<td>520.24</td>
<td>449.56</td>
<td>455.18</td>
<td>596.09</td>
<td>631.30</td>
<td>52.73</td>
</tr>
<tr>
<td><strong>Tunisia public investments</strong></td>
<td>2747.1</td>
<td>2906.9</td>
<td>3041.9</td>
<td>3291</td>
<td>3037.4</td>
<td>3311.9</td>
<td>3676.8</td>
<td>4155.8</td>
<td>49.82</td>
</tr>
<tr>
<td><strong>Water investments (% of Tunisia public investments)</strong></td>
<td>15.05%</td>
<td>16.93%</td>
<td>14.88%</td>
<td>15.81%</td>
<td>14.80%</td>
<td>13.74%</td>
<td>16.21%</td>
<td>15.34%</td>
<td>3.12</td>
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<tr>
<td><strong>Current GDP</strong></td>
<td>58677.2</td>
<td>63054.6</td>
<td>64492.4</td>
<td>70354.4</td>
<td>75144.1</td>
<td>80790.0</td>
<td>84656.2</td>
<td>90350.4</td>
<td>53.98</td>
</tr>
<tr>
<td><strong>Water investments (% of GDP)</strong></td>
<td>0.70%</td>
<td>0.78%</td>
<td>0.70%</td>
<td>0.74%</td>
<td>0.60%</td>
<td>0.56%</td>
<td>0.70%</td>
<td>0.70%</td>
<td>1.4</td>
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*Source: MAHRP, SONEDE, ONAS and authors’ compilation.*
Bilateral and multilateral partners play an important financing role in the sector. Between 2009 and 2016, external loans have financed 40.3 percent of the investments in the water sector, the state budget 46.3 percent, and 13.4 percent from the SONEDE’s own funds (operating revenues).

### Evolution of WATER investments undertaken by the MARHP (TND millions)

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<tbody>
<tr>
<td>Major hydraulic works</td>
<td>99.92</td>
<td>91.4</td>
<td>79.81</td>
<td>43.44</td>
<td>40.89</td>
<td>31.97</td>
<td>34.84</td>
<td>20.47</td>
<td>-77.6</td>
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<tr>
<td>Groundwater resources</td>
<td>2.1</td>
<td>5.62</td>
<td>4.25</td>
<td>8.34</td>
<td>3.4</td>
<td>2.43</td>
<td>5.37</td>
<td>8.29</td>
<td>47.52</td>
</tr>
<tr>
<td>Irrigation</td>
<td>38.76</td>
<td>63.45</td>
<td>76.28</td>
<td>141.38</td>
<td>91.99</td>
<td>63.09</td>
<td>96.66</td>
<td>99.22</td>
<td>56.38</td>
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<tr>
<td>Rural drinking water supply (DGRE and SONEDE)</td>
<td>25.66</td>
<td>46.75</td>
<td>37.91</td>
<td>97.71</td>
<td>56.9</td>
<td>60.72</td>
<td>91.8</td>
<td>88.99</td>
<td>90.37</td>
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<tr>
<td>Water sector total investments</td>
<td>213.55</td>
<td>250.94</td>
<td>265.68</td>
<td>366.47</td>
<td>270.06</td>
<td>228.68</td>
<td>307.49</td>
<td>279.59</td>
<td>11.42</td>
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<tr>
<td>Ministry of Agriculture total Investments (all activities)</td>
<td>466.2</td>
<td>473.9</td>
<td>537.9</td>
<td>629.1</td>
<td>480.3</td>
<td>462.1</td>
<td>597.9</td>
<td>596.7</td>
<td>25.91</td>
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<tr>
<td>Water investments (% of Agriculture investments)</td>
<td>45.8%</td>
<td>53%</td>
<td>49.4%</td>
<td>58.3%</td>
<td>56.2%</td>
<td>49.5%</td>
<td>51.4%</td>
<td>46.9%</td>
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Source: MARHP, SONEDE and authors’ compilation.

Supporting the NDCs and future Implementation under the Paris Agreement
Evolution of SONEDE’s sources of investments financing

Over the 2009-2016 period investments averaged TND 118.8 million dinars. On average 27 percent come from SONEDE’s own resources, 17 percent come from the state transfers, 22 percent from external loans, 5 percent from donations, and 32 percent from the payments of projects executed for other institutions or the private sector (e.g. investors requiring ONAS services, other ministries, or regional authorities).

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<tr>
<td>State contribution</td>
<td>12%</td>
<td>17%</td>
<td>14%</td>
<td>14%</td>
<td>29%</td>
<td>12%</td>
<td>15%</td>
<td>20%</td>
<td>20%</td>
<td>22%</td>
<td>22%</td>
<td>14%</td>
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<tr>
<td>External loans</td>
<td>48%</td>
<td>19%</td>
<td>27%</td>
<td>11%</td>
<td>28%</td>
<td>26%</td>
<td>23%</td>
<td>7%</td>
<td>8%</td>
<td>26%</td>
<td>27%</td>
<td>33%</td>
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<tr>
<td>Shareholder equity</td>
<td>26%</td>
<td>36%</td>
<td>39%</td>
<td>33%</td>
<td>34%</td>
<td>25%</td>
<td>24%</td>
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<td>20%</td>
<td>24%</td>
<td>26%</td>
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<tr>
<td>Grants</td>
<td>0%</td>
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<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>12%</td>
<td>11%</td>
<td>3%</td>
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<tr>
<td>Third Parties</td>
<td>15%</td>
<td>28%</td>
<td>21%</td>
<td>27%</td>
<td>32%</td>
<td>37%</td>
<td>38%</td>
<td>41%</td>
<td>30%</td>
<td>25%</td>
<td>29%</td>
<td>21%</td>
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Source: SONEDE
Evolution of the sanitation office (ONAS) sources of investments financing

Approximately 36 percent of ONAS’ investments are financed by the state budget and the rest is financed with credits and grants.

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<tr>
<td>State Budget</td>
<td>34.4</td>
<td>36.2</td>
<td>32</td>
<td>37.8</td>
<td>41.2</td>
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<td>47.7</td>
<td>48</td>
<td>58</td>
<td>51.8</td>
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<tr>
<td>Loans and Grants</td>
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<td>70.2</td>
<td>105.8</td>
<td>63.1</td>
<td>57.7</td>
<td>56.5</td>
<td>65.9</td>
<td>87</td>
<td>128.1</td>
<td>110.2</td>
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<td>Self-financing</td>
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<tr>
<td>Total</td>
<td>111</td>
<td>86.1</td>
<td>91.4</td>
<td>108</td>
<td>147</td>
<td>107</td>
<td>88.7</td>
<td>94.1</td>
<td>113</td>
<td>135</td>
<td>186.1</td>
<td>162</td>
</tr>
<tr>
<td>Investments (% of State budget)</td>
<td>31%</td>
<td>42%</td>
<td>35%</td>
<td>35%</td>
<td>28%</td>
<td>41%</td>
<td>35%</td>
<td>40%</td>
<td>42%</td>
<td>36%</td>
<td>31%</td>
<td>32%</td>
</tr>
</tbody>
</table>

Source: ONAS.
Nathalie Mutalikanwa
FONERWA – Rwanda
Experiences in implementing the Rwanda Green Fund – building success locally
Rwanda Green Fund – Introduction

Who We Are

• The Rwanda Green Fund - is a ground-breaking environment & climate change investment fund established by the Rwandan Government in 2012 to implement the Green Growth and Climate Resilience Strategy adopted in 2011.

• Recognized globally - as leaders in attracting climate investment, providing an important example of what's possible - in Africa and around the world

• An engine for green growth - operating with a mandate to mobilize, blend, and co-ordinate finance to support delivery of a green economy

What We Do

• Invest in public and private projects - with the potential to stimulate transformative change in Rwanda and the East African region

• Proactively create an ecosystem - of institutions, companies, and financing vehicles to incubate, accelerate and provide growth capital to high-impact green ventures

• Provide expert technical assistance - to ensure the success of our investments

As we look forward to development, we are not making a choice between environment and prosperity. We are rather looking at how we combine both, because one supports the other...

Paul Kagame
President of Rwanda

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Rwanda Green Fund – Achievements

- **USD 188 Million** mobilized
- 10 Calls for Proposal rounds completed
- 37 resilience and environmental projects funded
- 21,914 ha of land secured against erosion.
- 43,154 ha of forest and agro-forest cover.
- 27,984 ha of protected watershed.
- 73,251 number of households with access to clean energy.
- 93,604 tonnes of CO2 emissions avoided.
- 111,323 people supported to cope with effects of climate change.
- 14 programmes of action in Rwanda’s Green Growth and Climate Resilience Strategy supported.
- 145,256 green jobs created as a result of the Fund, of which 60% for women.
Rwanda Green Fund – Lessons Learned

- National funds are critical to green economy transition
- Develop and maintain standards - a key success factor
- Strong technical skills and capacity critical to successful resources mobilization
- Fiduciary standards: aligned to international standards to assure investor/contributor confidence
- Develop frameworks necessary for resource mobilization (ie. Gender Action Plan, Environmental and Social Management Framework)
- Sinking funds are un-sustainable
- Donor landscapes are changing – need to diversify donor base

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Rwanda Green Fund – Future Plans

• The Fund is revising its business model and adopting key design changes, transforming the original demand-led fund to a more strategic, impactful and sustainable Green Finance Facility.

• The Facility will become more strategic by operating a hybrid fund (part demand-led, part supply-led). On a rolling, demand-led basis, a goal of 30% of total funds targeting innovative private sector.

• To ensure the Fund, through its Green Finance Facility, can achieve its objective of becoming the leading enabler of Rwanda’s green vision, it will need to expand not only the volume of funding available for green projects, but also the diversity of financing to best match initiatives across sectors and themes.

• A key component of the Fund’s mandate is to promote and support private sector climate mitigation and adaptation projects in line with the national green growth strategy and, recently, the updated NDC. We aim to have a minimum of 30% of total fund commitments target the private sector.

• In order to address the specific challenges faced by the private sector, and deliver on our commitment, we are developing a number of bespoke instruments, mechanisms, and platforms.
Rwanda Green Fund – Future Plans

Incubator and Accelerator: Support innovative early stage Green SMEs in strategic priority sectors that have the potential to contribute to climate change mitigation and adaptation.

Green Guarantee: De-risk green investments in incentivizing financial institutions to increase lending to green enterprises and projects.

Green Leasing: Increase accessibility of green assets and equipment by mitigating high up-front costs through affordable leasing schemes.

Green Bond: Bespoke instrument for application

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• Both the country and the Fund have set very ambitious climate action targets, and the involvement of the private sector is paramount to achieve them

• National climate investment needs have been costed at $11 billion for the course of the next decade

• The Rwanda Green Fund, in collaboration with the Rwanda Development Bank, is setting up a Green Investment Facility to meet the present and growing private sector needs for climate finance

• The investment facility will use a blended finance approach to leverage private investment

• A preliminary assessment identified a project pipeline in the Water & Sanitation + Sustainable Waste Management - $504M investments needed between 2018-2030 in waste management, $440M planned investment by 2022 in Water & Sanitation. Urbanization is causing more demand for water & sanitation services

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Rwanda Green Fund – Water Related Projects

To date, the Fund has managed to support the protection of 27,984 ha of watersheds and waterbodies.

Additionally, the following water related program and projects are ambitioned in the short to medium term:

- Water Security for All Investment Program under the SPCR
- Upper Nyabarongo Catchment Restoration Project
- Flood Control in the Volcano Region Project
- Raiwater Harvesting Project
Alex Simalabwi
GWPSA Executive Secretary, Global Head-Climate Resilience, GWP
“Mobilising Change for Climate Resilient Water Investments: our impact 2010-2020”
Mobilising Change for Climate Resilient Water Investments: our impact 2010-2020

- Supported water resource and climate investments worth more than **EUR1.5 billion**
- Water and Climate incorporated into **more than 50 formally approved policies, plans, and strategies**
- **Water security and climate resilience** improved in over **30 countries**
- Influenced **over 30 investment plans, strategies, and budget commitments**
- **Capacity built in over 60 countries**
Enhancing Resilience of Communities to Climate Change through Catchment Based Integrated Management of Water and Related Resources in Uganda

EUR 6.5million
Adaptation Fund

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Enhancing Resilience of Communities to Climate Change through Catchment Based Integrated Management of Water and Related Resources – EURECCCA

- GWP worked with the Sahara and Sahel Observatory and the Uganda Ministry of Water to develop the EURECCA project proposal, which integrated climate change adaptation in the management plans for three catchment areas.

- The project received support from the Adaptation Fund for EUR6.5million over 4 years (2017 – 2021).

- The programme is designed to facilitate engagement among the Ministry of Water and Environment, Ministry of Agriculture, Animal Industry and Fisheries, local government staff, catchment management committees, communities, civil society organisations, and the private sector.

- Impact includes better control of floods and landslides across agricultural landscapes and diversification of livelihood strategies; and building capacities of extension services and institutions at different levels, including sub-catchment, catchment, water management zone, and national.

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White Volta Basin IWRM Investment Plan in Ghana

Estimated EUR 7 million Adaptation Fund

Supporting the NDCs and future Implementation under the Paris Agreement
White Volta Basin IWRM Investment Plan

• GWP worked to include climate resilience in the Basin Water Charter, which was approved in May 2019 by the Volta Basin Ministerial Council.

• GWP's partnership with the World Meteorological Organisation to produce an assessment of flood management strategies and measures, as well as institutional, technical, and organisational needs in the Basin led to the award of an Adaptation Fund grant of €6.7 million.

• The grant was to support the Volta Basin Authority and the six riparian countries to integrate flood and drought management and to develop early warning systems.

• GWP supported the Ghana National Development Planning Commission, Water Resources Commission, and CWP- Ghana to review the country’s water sector Strategic Environmental Assessment tools to incorporate climate change.
Climate Resilient Water Resources
Investment strategy in the Orange-Senqu Basin
EUR 50million
GEF and multiple sources

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Climate Resilient Water Resources Investment strategy in the Orange-Senqu Basin

• GWP supported the helped Orange Senqu River Commission to prepare for development of a climate resilient water resources investment strategy and helped to identify funding opportunities to pitch the idea to the African Water Facility.

• The goal of the strategy was to prioritise actions that would enhance resilience in the Orange-Senqu River Basin system, which serves 19 million people in Lesotho, South Africa, Botswana, and Namibia.

• Funding was leveraged from the Global Environment Fund, The African Water Facility (AWF) and New Partnership for Africa's Development Infrastructure Project Preparation Facility (NEPAD-IPPF), the Climate Resilient Infrastructure Development Facility (CRIDF), the Stockholm International Water Institute (SIWI) and other partners.

• GWP further facilitated support through the New Partnership for Africa’s Development Infrastructure Project Preparation Facility to develop the Climate Resilient Water Resources Investment Strategy and Multipurpose Project Preparation for the Orange-Senqu River Basin.
Climate Resilient Water Resources
Investment strategy in the Orange-Senqu Basin

Slovak Action Plan for Drought
Estimated EUR 140million
Multiple sources

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Slovak Action Plan for Drought

- World Meteorological Organization (WMO) and GWP establish the Integrated Drought Management Programme (IDMP) in Central and Eastern Europe in 2013.

- **EUR140 million** was leveraged from DANIDA, Environment Canada, Agencia Estatal da Meteorologia, and Conagua.

- **Slovakia** was selected by the programme partners to provide a case study on developing drought risk management guidelines that could be used by the entire region.

- In partnership with the IDMP CEE, in 2017, an inter-ministerial working group that included stakeholders from relevant sectors was tasked to prepare the region's first country-level Drought Action Plan.

- **In 2018, the Slovak action plan was launched to regional acclaim.** Focused on anticipation, prevention, and action, the plan has the potential to lead the way in mitigating the effects of Europe's new climate.

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Dominican Republic, Paraguay, Ecuador, Sudan Nationally Determined Contributions

Estimated EUR1
NDC Partnership Capacity Assessment Enhancement Programme

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Dominican Republic, Paraguay, Equador, and Sudan Nationally Determined Contributions

- In 2020, GWP and the Governments of the Dominican Republic, Paraguay, Equador, and Sudan entered into agreements to develop estimates of increased risk of flooding and landslides due to rainfall projections under climate change scenarios to inform the preparation of the country’s submission for the second round of Nationally Determined Contributions.

- Approximately EUR1 million
Zambian National Adaptation Plan

USD 2.2 million
Green Climate Fund

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Zambian National Adaptation Plan

• GWP, acting as an accredited Green Climate Fund (GCF) Delivery Partner, supported the Ministry of Lands and Natural Resources in Zambia to mobilise USD2.2 million from the GCF for Readiness Support to the Zambia National Adaptation Plan (NAP) on Climate Resilience.

• The grant will be implemented 36 months (2020 – 2023) under the coordination of the Ministry of Lands and Natural Resources. Global Water Partnership will support the implementation of the project.

• The Readiness Programme is key towards the support that the GCF is providing to countries and it is cemented by the government instruments to ensure that institutional capacity, governance mechanisms and planning programme frameworks are strengthened.
Moving forward: GWP Strategy-2020-2025

We will significantly advance water-related SDGs in 60 countries and 20 transboundary basins, with a combined population of over 4 billion people.

We will influence €10 billion+ in water-related investments from government and private sources.
3 Elements & Lessons Key to Success

**Clear Strategy**
- Financing gap
- Additionality
- Financing review
- Govt ownership

**Ambition**
- Increased ambition for climate action
- Align with national priorities: NDCs, NAPs, development plans
- Additionality of climate finance

**Mobilisation**
- Mobilize partners, funders
- Consultation with stakeholders
- Gender, social safeguards
- Funding agencies: GCF, GEF, AF and others

Private sector finance need stronger business case. More work required

E.g: GWP 2025 target: Euro 1 Billion
30 countries access climate finance

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The AIP was adopted by Heads of State from the African Union in February 2021, as part of the Programme for Infrastructure Development in Africa (PIDA) Priority Action Plan.
The webinar series

Check out all the recordings and download material: cap-net.org/waterandclimate

Stay connected: Webinars in different languages are coming.

Join the UNECE Global workshop on building climate resilience through improving water management and sanitation at national and transboundary levels (29 - 31 March 2021) – Link on the chat

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