

AFRICA

CLIMATE CHANGE FUND

SUPPORTING AFRICAN COUNTRIES TO ACCESS INTERNATIONAL CLIMATE FINANCE

ENABLING A TRANSITION TOWARDS CLIMATE RESILIENT, LOW-CARBON DEVELOPMENT





CLIMATE FINANCE IN AFRICA

African countries have outlined bold aspirations to build climate resilient and low-carbon economies in their Nationally Determined Contributions (NDCs) under the Paris Agreement, along with considerable financing needs to meet these objectives. Progress is being made globally towards mobilising and scaling up climate finance – notably with the recent establishment of the Green Climate Fund (GCF). However, the amount of climate finance flowing to the African continent remains below the estimated needs. Several factors contribute to African countries' limited access to climate finance to date, including a weak enabling environment to attract climate investment; limited institutional capacity to access and manage finance and to develop bankable climate projects; as well as cumbersome processes and requirements of international funds and institutions. In recent years, there has been growing recognition of the importance of preparatory or “readiness” activities that help countries to strengthen their capacities and enabling environment to access and mobilise climate finance.

Africa Climate Change Fund

The Africa Climate Change Fund (ACCF) supports African countries in building their resilience to the negative impacts of climate change and transitioning to sustainable low-carbon growth, in line with their Nationally Determined Contributions (NDCs). Established in 2014 as a bilateral thematic trust fund with an initial contribution of EUR 4.725 million from Germany, the ACCF was converted to a multi-donor trust fund in early 2017 with new contributions of EUR 4.7 million from Italy and EUR 2 million from Flanders, Belgium. It is hosted and managed by the Climate Change and Green Growth Department of the African Development Bank (AfDB), and implemented in collaboration with other Bank departments.

The AfDB has undertaken a number of initiatives to support African countries to strengthen climate resilience and enable a transition to low-carbon, green growth. Its strategy for the period 2013 – 2022 emphasises the twin goals of inclusive growth and a transition towards green growth, while its Climate Change Action Plan 2016-2020 seeks to promote low carbon development and climate change adaptation and mitigation.

As an implementing agency of other climate-related multilateral funds such as Climate Investment Funds (CIF), the Global Environment Facility (GEF), and more recently, the GCF, the AfDB has already financed numerous climate resilient and low-carbon activities in Africa. The ACCF complements existing resources and trust funds and aims to scale-up mobilization of international climate finance dedicated to support African countries to transition towards climate-resilient, low carbon economies and green growth, including through readiness activities.



The ACCF plays an important role in supporting African countries to scale up their access to climate finance to advance the ambitious targets they have set in their Nationally Determined Contributions (NDCs)

Anthony Nyong, Director of the AfDB's Climate Change and Green Growth Department



Africa Climate Change Fund

The ACCF was established to:

- Support regional member countries (RMCs) prepare to access greater amounts of climate finance and use the funds received more efficiently and effectively;
- Support RMCs to systematically address climate change in their development strategies and policies in order to promote low carbon development, resource use efficiency and resilience building;
- Support RMCs in developing climate-resilient and low-carbon investment plans and projects;
- Co-finance climate-resilient and low-carbon projects and programs;
- Support capacity building of RMCs and national and regional stakeholders for climate change, climate finance and green growth;
- Support the implementation of the Bank's climate change and green growth priorities.

Beneficiaries

ACCF grant recipients may include: African governments, non-governmental organisations (NGOs), funds, research institutions, and regional institutions (jointly referred to as “external recipients”), as well as the AfDB. The eligibility of NGOs and research institutions depends on their credibility and track record in climate change, among other criteria. Furthermore, such institutions must be based in Africa.

Eligibility

Eligible areas of intervention include:

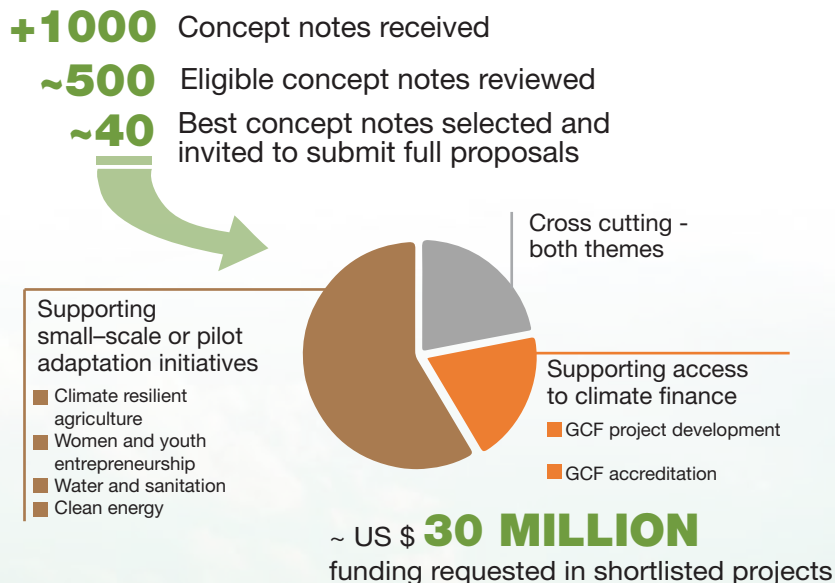
- Climate finance readiness and preparatory activities
- Mainstreaming climate change and green growth into development
- Preparation and financing of adaptation and mitigation projects in the context of the NDCs
- Capacity building and institutional strengthening
- Preparation of climate resilient and low-carbon strategies and policies
- Analytical work related to green growth

Eligible activities to be funded include :

- Recruitment of national and international consultants
- Trainings
- Consultation and validation workshops
- Regional and international meetings
- Communication and outreach
- Advocacy
- Translation services
- Preparation of studies, strategies and analytical pieces
- Office equipment and transportation
- Certain administrative costs and fees

Call for proposals

The ACCF launched a call for proposals in July 2017 open to all eligible beneficiaries for innovative and impactful proposals that will support African countries to transition to climate resilient, low carbon development, and scale-up access to climate finance, in line with their NDCs.



Supporting direct access to climate finance

The ACCF has, over the past years, supported the convening of a Community of Practice of African institutions accredited to the GCF in close coordination with the GCF Secretariat and the Adaptation Fund Secretariat.



We are delighted and privileged to have this opportunity of working with the Bank to advance Kenya's climate change response. This project will provide a strong pipeline of projects to potential financiers, thereby bolstering the realization of our aspirations of sustainable development as set out in Kenya's Vision, 2030

Catherine Ndegwa, CEO of Kenya's National Environment Trust Fund



Achievements to Date

Since its inception, the ACCF has:

- Attracted two new donors, Italy and Flanders, and scaled-up to a multi-donor trust fund.
- Launched two calls for proposals in 2014 and 2017 to solicit innovative and impactful climate finance projects.
- Appraised and approved eight projects for a total of USD3.3 million that will advance climate finance readiness across six African countries – Cape Verde, Côte d'Ivoire, Mali, Swaziland, Kenya and Tanzania (Zanzibar)– as well as two multi-national projects.
- Convened and co-organised several outreach and learning events on accessing climate finance and developing projects for the GCF, for African institutions in partnership with the World Resources Institute, the Centre de Suivi Ecologique of Senegal, the Kenyan National Environmental Management Authority, the Global Water Partnership, the African Water Facility, and other partners.
- Through two multi-national projects, supported the roll-out of training programmes for African civil servants on i) integrating climate information into planning and ii) designing climate-informed infrastructure projects.



Looking ahead

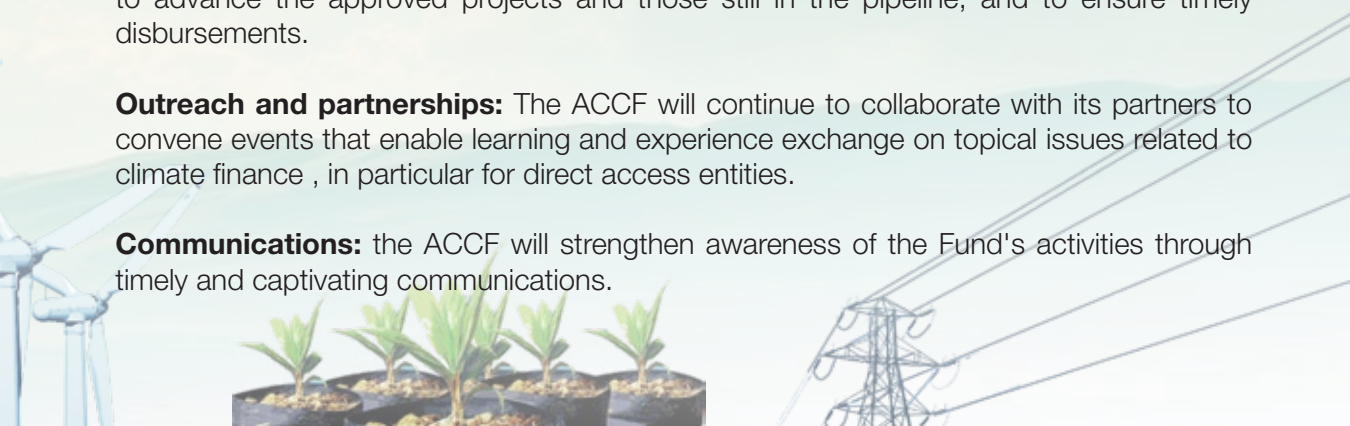
Growing the project portfolio: Following the second call for proposals, ACCF plans to approve 5 to 10 innovative new projects that will advance climate finance readiness in Africa.

Scaling up the ACCF for enhanced impact: Given the strong demand for ACCF resources, the Bank will continue to engage with potential donors with the aim of securing additional funding.

Advancing approved projects: The ACCF will strengthen its staffing and continue to work to advance the approved projects and those still in the pipeline, and to ensure timely disbursements.

Outreach and partnerships: The ACCF will continue to collaborate with its partners to convene events that enable learning and experience exchange on topical issues related to climate finance, in particular for direct access entities.

Communications: the ACCF will strengthen awareness of the Fund's activities through timely and captivating communications.



Approved Projects

Advancing clean energy projects

CAPE VERDE - USD 495,037

The project, executed by the National Directorate of Environment, is supporting the government of Cape Verde to access climate finance, from the GCF and other sources, in support of the ambitious climate change commitments made in its NDC. The project is supporting the development of climate change projects in the key strategic sectors of energy and waste, as well as supporting capacity building on climate finance.

Supporting the Transition to a Climate Resilient Green Economy

MALI - USD 404,000

The project, executed by the Agency for Environment and Sustainable Development (AEDD), is supporting the Government of Mali to develop two strategic programs for a climate resilient and green economy: one in renewable energy and one focused on adaptation in the agriculture sector. It's also supporting Mali to create a strategy for financing its transition to green and climate resilient growth and to attract private sector investment in this transition.

Support to Advance Low-carbon, Climate Resilient Development

SWAZILAND - USD 305,000

The project is enhancing Swaziland's readiness for investment in low-carbon and climate resilient development pathway. It provides support to the Ministry of Tourism and Environment Affairs to assess and prioritise adaptation and mitigation actions, and develop proposals for submission to climate finance sources such as GCF. It contributes to training of key project managers and coordinators in different institutions on project development and management.

Advancing Kenya's Green Growth Agenda

KENYA - USD 550,603

The project is supporting the Kenyan National Environment Trust Fund to develop project proposals in the forestry, green growth and agro-forestry sectors that will advance the country's transition towards a green economy. It contributes to enhancing the capacity of key stakeholders in project development and mobilising climate finance.

Enhancing climate finance readiness

COTE D'IVOIRE - USD 429,422

The project, which is implemented by the Ministry of Environment and Sustainable Development, contributes to enhance the country's capacity to mobilize international resources for climate resilient development. Specifically, it supports development of project proposals for the GCF and the Adaptation Fund; training of national stakeholders in the development of climate change projects; and evaluating capacities of a national institution for accreditation to the GCF.

Enhancing national capacity for mainstreaming climate resilience

TANZANIA - USD 361,515

The project is supporting the Government of Zanzibar to strengthen national capacities on climate change and to integrate climate resilience into development planning in four critical sectors: agriculture, fisheries, infrastructure and tourism, at the national, local and municipal levels. Furthermore, it supports development of project concept notes in order to mobilize additional climate finance to build the resilience of these sectors.

Enhancing access to climate information in Africa

MULTINATIONAL - USD 420,000

The project, which was completed in 2018, developed up-to-date information on climate change vulnerabilities, greenhouse gas emissions, and opportunities for climate change adaptation and mitigation for 25 African countries, tailored to the specific information needs of each country. It further provided training for staff of economic and planning departments in African countries to understand and apply the data; to equip African countries with strengthened data capacity to strategically plan for long-term climate change interventions and to access international climate finance.

Building climate resilience into transboundary infrastructure projects

MULTINATIONAL - USD 346,600

The project provided knowledge and capacity and facilitated partnerships for climate-proofing African infrastructure projects, using the cases of two transboundary infrastructure projects: The Togo and Benin section of the Abidjan-Lagos Coastal Corridor road infrastructure project; and the Batoka Gorge Hydropower project in Zambia and Zimbabwe. It further developed concept notes for the GCF.

AFRICA

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