

EGYPT · CLIMATE FINANCE BRIEFING

# Challenges and Lessons Learned from the Implementation of NWFE

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*Egypt's Nexus of Water, Food & Energy Platform*

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Veredas Dialogue on art.  
2.1.c of the Paris  
Agreement

# What is NWFE?

## NWFE

A country-led climate platform translating Egypt's commitments into delivery.

Launched 2022

- Country-led platform launched by Egypt in 2022
- Translates climate commitments into real implementation
- Built around water security, food security, and energy transition
- Aligns national priorities with development partners and financiers
- Aims to mobilize climate finance and accelerate delivery

# Achievements to Date

01

## Partner Engagement

Strong engagement from MDBs, bilateral partners, and private investors

02

## Finance Mobilized

Significant financing commitments mobilized across pillars

03

## Global Recognition

Recognized internationally as a promising climate-finance model

04

## Energy Momentum

Energy pillar demonstrates rapid progress and strong partnerships

# Developing a Bankable Project Pipeline

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## 01

- Translating priorities into investment-ready projects is challenging
- Water and food sectors require deep feasibility and technical studies
- Early-stage technical assistance is essential
- Need stronger project preparation facilities

# Financial Structuring & Bankability

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## 02

- Renewable energy has clear revenue streams
- Adaptation projects lack predictable financial returns
- Requires blended finance: grants, concessional loans, guarantees
- Innovation in adaptation finance remains critical

# Access to Affordable Capital

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## 03

- Access to finance remains a major challenge
- High borrowing costs undermine project viability
- Particularly difficult for adaptation sectors
- Affordable and concessional finance is essential

# Mobilizing Private Sector Beyond Energy

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## 04

- Energy attracts private investment; water & food do not
- Higher perceived risks in agriculture and water management
- Returns are less predictable
- Need risk-sharing mechanisms and tailored financing models

# Balancing Mitigation & Adaptation

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## 05

- Energy (mitigation) progresses faster than water/food (adaptation)
- Reflects global imbalance in climate finance
- Adaptation is critical for Egypt's resilience
- Requires greater attention and support

# Coordination Across Stakeholders

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## 06

- NWFE involves ministries, MDBs, financiers, and private sector
- Coordination is complex and resource-intensive
- Processes have improved over time
- Continued support for coordination and capacity-building is needed

# Demonstrating Impact & Scaling Success

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## 07

- Focus shifting from finance mobilization to tangible results
- Success measured by water savings, productivity gains, resilience outcomes
- Stronger impact measurement needed
- Clear outcomes attract additional investment

# Key Takeaways

**01**

**Identifying priorities is not enough**

**02**

**Must convert priorities into investable projects**

**03**

**Affordable finance is essential**

**04**

**Private sector engagement must expand beyond energy**

**05**

**Adaptation needs greater focus**

**06**

**Coordination and impact measurement are central**

# Priorities for the next phase of NWFE

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**01**

## **Project Preparation**

Strengthen project preparation and feasibility pipelines

**02**

## **Adaptation Finance**

Expand innovative financing for adaptation

**03**

## **Private Sector**

Develop private-sector-friendly models for water & food

**04**

## **Coordination**

Enhance coordination mechanisms

**05**

## **Impact at Scale**

Demonstrate measurable, scalable impact