

**Session 7: Possible Elements of an Eastern African
Climate Finance Mobilization and Access Strategy
- Group 1 : Burundi, Kenya, Uganda**

1. What will be the main aim (goal, objective) of the strategy?

- inward-looking strategy enabling partner states to take the lead in mobilizing CF which will promote ownership by EAC partner states.
- Leverage international, regional, national CF to implement national and regional strategies (including carbon market activities);
- Fill the existing CF gap in EAC partner states, matching the national deficits and needs;
- Enhance CF access in the region;
- Tangible impact to communities with the aim of reducing GHGs and supporting national mitigation action and promotion of NDC implementation;
- More effective and strong CF architecture within the region that allows flows to national, sector levels and ensuring transparency and cost effectiveness;
- Well-informed, organized, engaged EAC member states on CF mobilization;
- Mitigation and Adaptation co-benefits in order to promote climate resilience and carbon neutrality;
- *Discussion:* Member states could make a contribution to the initial funding of a regional climate fund (strategy cannot commit partner states to make a contribution; current contributions to EAC are not foreseen for CC activities); Resource mobilization nationally, regionally for the CC fund;

2. What will be the key principles of the strategy?

- **Ownership/Leadership** by EAC partner states;
- **Alignment** with partner states strategies and regional EAC CC Master Plan;
- **Sustainability** of funding and resource mobilization
- **Environmental integrity** to ensure avoiding double-counting during the transfer of mitigation outcomes; Proper architecture and infrastructure for tracking flows (use agreed EAC principles on information sharing, wealth creation and food security;)
- **Localizing CBDR** at the regional level;
- **Multi-stakeholder approach**; stakeholder engagement;
- **Transparency, accountability, effectiveness**, integration into major dev finance, **governance**.
- **Responsiveness**: Actions responding to CC risks and causes; Quick intervention/ disaster response; fast distribution of funds;
- **Transboundary** approach (seeing EAC as one ecosystem)
- Benchmarking to adopt **best practices** (peer-to-peer learning)
- **Integrated cross-sectoral** approach;
- **Adaptability** of the strategy to different national contexts (respective CF architecture, integration, existing policies,...)

3. What will be the scope of the strategy? (sectors, policies, financial instruments, provider types)

- Common **priority sectors** (as reflected in NDCs):
 - Mitigation: Agriculture, energy, forestry, industry & waste, wetlands, transport
 - Adaptation: Agriculture, water, infrastructure (housing, building, roads), health, wetlands
- Landscape approach/nature-based solutions
- Mainstreaming gender and indigenous issues
- Engaging private sector;
- Encourage countries to consider developing CC laws (Common guidelines to enforce CC laws and laws in related areas);
- Strategy should inform national financial laws;
- **Financial instruments:** carbon pricing (markets, tax), payments for ecosystem services, performance-based grant systems, small grants programmes, fiscal incentives (tariffs, taxes), green and blue bonds, risk guarantees, insurance, concessional funding;
- **Sources:** UNFCCC climate funds, MDBs, commercial banks, CIF, private sector, public-private partnerships, CSOs, UN agencies, development partners (bilateral, dev. Funds), government expenditure/domestic CF, regional bodies (continental)

4. What will be the timeframe of the strategy? (duration of strategy, timeframe of development)

- Long-term approach: **10 years** to ensure implementation (incl revision and update)
- Internal **review after 5 years**;
- Long-term strategy broken down into short term, medium term

- Consider timelines of African Agenda 2063, NDCs, EAC vision, SDGs, ...

- **2020**: Strategy development will be finalized
- **2021- 2026**: short term, medium term
- Until **2031**: long term

5. How can national and regional strategies and priorities be integrated into the strategy and vice versa?

- **Alignment** with regional and national strategies;
- **Build-up from national strategies** to facilitate mainstreaming/implementation
- **Bottom-up approach** – collecting national input, considering national contexts;
- **Transboundary** programs (e.g. for water)

6. Will there be indicators/a process to monitor progress and assess results? How should that process look?

- Establish **common targets**, building on existing national targets (amount to be mobilized short term/long term), **review flows** (for adaptation/mitigation)
- Resources mobilized into and disbursed via **regional climate fund** (as one element/as a long-term goal)
- Capitalize on existing **resource mobilization strategies** in partner states – **monitor** amount mobilized under the strategy
- **Regional CF framework** for EAC (incl initiatives at national level) with broad indicators, review what partner states have contributed on different indicators
- Continuous development of **pipeline** of bankable projects
- Periodic **review of indicators**. Reporting medium term (after 5 years)
- **Review of domestic expenditures/** climate finance governance?
- Develop concrete **outcome indicators** once strategy is drafted;
- **Embed strategy in work of ministries of finances** responsible for resource mobilization, encourage national reporting;

7. How can the implementation of the strategy be ensured?

- **Alignment** with existing national strategies and plans/frameworks
- Establish **CF platform** (led by EAC, stakeholder engagement, networking and exchange)
- Work with/integrate in **existing frameworks** on national and regional level where possible (e.g. technical expert group, annual stakeholder forum on environment, EAC CC platform being developed);
- Strategy should exhibit **relevance** (through developing pipeline of bankable projects, action points)
- Political will, **high level political endorsement** (heads of state of EAC), commitment to implementation of strategy

