

CLIMATE FINANCE ACCESS AND MOBILIZATION STRATEGY FOR THE EAST AFRICAN COMMUNITY (2022/23–2031/32)

ANNEX 2

Final draft Implementation Plan



Adopted on 20 December 2022



United Nations
Framework Convention on
Climate Change





A. Background

The EAC Council of Ministers, at its 42nd Session in July 2022, adopted a Ten Year [Climate Finance Access and Mobilization Strategy](#) (the Strategy), developed under the support of the Needs Based Finance project¹ which was initiated in response to a mandate from the Conference of the Parties². The overarching objective of the Strategy is to ensure climate finance is effectively mobilized, accessed, utilized, and scaled up to contribute to the achievement of intended climate change goals and a low-emission development pathway in the East African Community. The Strategy intends to increase access to public international climate finance; mobilization of private sector climate finance; domestic investment in climate projects; and ensure a coordinated and sustainable regional climate finance framework.

This annex indicates when each proposed action in the Strategy will be initiated, the key institutional arrangements, and resources required by the Secretariat to successfully coordinate the Strategy implementation. It also highlights the review mechanisms and a stakeholder engagement plan.

B. Institutional arrangements

The Strategy will be included in the work programme of the various EAC Organs that will provide high level conceptualization of the priorities and monitor their implementation, from a more political perspective. Specifically, the Sectoral Council on Environment and Natural Resources Management will regularly review the progress on the implementation of the Strategy and approve annual priority projects and initiatives. The EAC Secretariat's Directorate of Productive Sectors, through its Environment and Natural Resources Department, with the support of the EAC Climate Change Technical Working Group, will lead; coordinate; and monitor the implementation of the Strategy.

Partner States will nominate focal points from the relevant Ministries or institutions who will be responsible for providing information and conducting national stakeholder consultations, when necessary.

C. Implementation costs

At the minimum, the EAC Secretariat requires **US\$ 0.5 million, annually**, for additional human resource and engagement with Partner States through trainings, validations, and knowledge sharing events. The EAC Secretariat will continuously communicate and mobilize Partner States and other stakeholders to solicit political support, technical expertise and funding for the coordination and project activities.

¹ See https://unfccc.int/NBF_Project

² Decision 6/CP.23, para. 10, reiterated in decision 4/CP.26, para. 22 and 13/CP.27, para 11

Table 1: EAC Climate Finance Strategy - Coordination Budget [US\$ 000]

No.	Activity	Unit	Quantum					Unit cost	Budget Estimate					Basis / assumptions	
			Y1	Y2	Y3	Y4	Y5		Y1	Y2	Y3	Y4	Y5		Total
1	Human resources (full time staff)	persons	2	2	3	3	3	80	160	160	240	240	240	1,040	Atleast three experts [Adaptation, Mitigation, and Project Development]
2	Human resources (short term consultants)	persons	3	3	3	3	3	15	45	45	45	45	45	225	One senior consultant needed to develop each idea in the pipeline into full a financiable proposal, the climate change unit will continuously coordinate development of a pipeline of initiatives as the strategic actions get initiated.
3	Project development workshops	workshops	3	3	3	3	3	60	180	180	180	180	180	900	Three workshops with Partner States for an Initial review meeting to guide and provide inputs to the consultant, review meeting to improve and own the proposal, and lastly validation and adoption of a full project document before its final submission. This include five experts from each partner states.
4	Investor or Implementation forum	Events		1		1		40	-	40	-	40	-	80	Once every two years to mobilise support for the regional pipeline as well as national ones, and facilitate south-south and south-north knowledge exchange on NDC implementation and Long-term programming.
5	Training of climate change programming and proposal development	Events	1		1			100	100	-	100	-	-	200	Necessary to increase number of individuals within relavant ministries and institutions who have the expertise to develop fundable transboundary initiatives. The first training to focus on access to public funds and the second on private finance. Participants will thereafter be engaged in project development workshops.
6	Administrative and other misc. costs	Lumpsum	1	1	1	1	1	20	20	20	20	20	20	100	Sfatt travel, contingencies, etc.
	Total								505	445	585	525	485	2,545	

D. Prioritization of actions

The method of prioritization is based on the ease of implementation of each action, and how it sets a foundation for other proposed actions. As the Implementation Plan is a living document, the prioritization can be subject to change, in response to the priorities, and opportunities for implementation.

The actions have been categorized into; **Short-term actions** – whose implementation will be initiated within the first year; **Intermediate actions** – whose implementation will be initiated within the second or third year, and **Medium-term** actions that can be initiated with three to five years.

Legend

Short-term activities to be initiated in the first year	
Intermediate activities to be initiated within two to three years	
Medium term activities to be initiated within three to five years	

Table 2 (Strategic area 1): Strengthening capacity-building to enhance national and regional climate finance skills

Strategy Area ref.	Action	Immediate results (* means included in the pipeline)	Time
SA1. (a)	Build technical capacity through partnerships with technical training institutions and Organisations with expertise in international climate finance which can provide training to national and regional stakeholders.	<ul style="list-style-type: none"> - Framework Agreements established with institutions and development partners that can offer capacity building on climate finance. - At least fifty delegates receive hands-on advanced training on pipeline development, project design and financing* - At least one in-person regional workshop on sharing best practices, and two workshops in the subsequent years. 	
SA1. (b)	Identify national, regional and global institutions that can provide technical assistance and training on climate financing for national and regional stakeholders to improve their understanding of the operational procedures of financial institutions, including procedures relating to financial instruments and to meeting monitoring and evaluation requirements, in order to enable them to design, implement and coordinate climate adaptation and mitigation initiatives that have an impact at the community level;		
SA1. (d)	Enable peer-to-peer learning and sharing of best practice in climate finance access through preparing policy briefs, conducting training, and developing project pipelines and concept notes, as a learning-by-doing approach.		
SA1. (c)	Enhance public and professional education related to climate change at all levels, including by fostering short term and long-term masters and doctorate programmes and by improving management of information on available educational opportunities such as by maintaining an inventory of and exploring online courses developed by climate funds, training institutions, financial institutions, United Nations agencies and other organizations;		
		<ul style="list-style-type: none"> - An online one-stop site for climate change related courses. - A sustainable sponsorship mechanism for government officials and students in place 	

Table 2 (Strategic area 2): Enhancing capacity and establishing mechanisms for developing and implementing mitigation and adaptation projects, and development projects with climate change co-benefits, at the national and regional level

Strategy Area ref.	Action	Immediate results (* means included in the pipeline)	Time
SA2. (a)	Strengthen the capacity of the EAC secretariat in: Facilitating partner States in coordinating their development of climate change projects, programmes and plans; Improving partner States' capacity to develop and fund regional and transboundary climate change programmes; Strengthen the capacity of in-house	<ul style="list-style-type: none"> - At least two additional staff or long-term consultants hired to support the EAC Climate Change Unit - Additional funds to support coordination of climate change activities 	

Strategy Area ref.	Action	Immediate results (* means included in the pipeline)	Time
	technical expertise regarding climate finance; and Monitoring and assessing implementation of the Climate Finance Access and Mobilization Strategy;		
SA2. (b)	Establish a regional platform under the EAC secretariat for coordination, engagement, and tracking implementation, partnerships, and financial flows:	- An interactive web Tool	
	(i) developing and tracking projects, programmes and plans	- A biennial report on climate change projects financed, the pipeline, matchmaking made, policy development and alignment	
	(vi) tracking climate finance flows and offering matchmaking and coordination support between project developers and funding sources		
	(iii) tracking the alignment of policies and markets with the Sustainable Development Goals and climate goals;		
	(iv) exchanging knowledge and building technical capacity through an online climate information and knowledge hub for partner States	- Online Information Repository	
	(v) bringing key multilateral organisations together with central banks, finance ministries and systemically important financial institutions to finance mitigation and adaptation projects and programmes	- At least one roundtable held every two years.	
	(ii) developing, in a coordinated manner, an investor engagement guide	- A guidebook with key NDC Investment opportunities, incentives, investor mapping.	
SA2. (c)	Strengthen domestic institutional arrangements within relevant line ministries to address climate change related issues in a coordinated manner and enable effective participation in the implementation of the Strategy.	- Regular meetings of climate change committees and climate change units discussing the strategic outputs	
SA2. (d)	Establish a participatory multi-stakeholder and cross-sectoral approach for developing EAC regional climate change programmes and initiatives that ensure positive impacts at the community level;	- A process guide to developing a regional pipeline. - A comprehensive pipeline of projects	
SA2. (e)	Mobilize resources for improving the quality, accessibility and use of climate data and information for adaptation investments; and	- A comprehensive regional baseline database and Early Warning Systems*	
SA2. (f)	Establish and equip new and existing regional and national centres of excellence in climate change response initiatives and disaster risk reduction.	- At least one regional and six national Centres of excellence supported.	

Table 4 (Strategic area 3): Enhancing enabling environments for mobilizing funding and catalyzing public and private investment

Strategy Area ref.	Action	Immediate results (* means included in the pipeline)	TIME
SA3. (a)	Promote favorable and targeted fiscal, investment and regulatory policies on: Public spending and investment; Carbon pricing; Public–private partnerships; Climate quantitative easing; and Integration of climate risk analysis into collateral frameworks and central bank portfolio management;	New policy frameworks and market practices that promote enhanced climate change related investments	
SA3. (e)	Advocate for favorable conditions for competitive markets;		
SA3. (b)	Development of EAC partner States’ policy and regulatory frameworks with harmonized regional guidelines for public–private partnerships to promote fiscal and operational accountability, transparency, appropriate pricing, quality of service and enhanced private sector engagement;		
SA3. (c)	Mobilize adequate catalytic capital that can bear higher risk and/or lower returns than the market would accept in order to attract private sector investment;	- New high-risk projects financed by private investors.	
SA3. (f)	Mobilize technical assistance or grants for pre-investment work for projects and programmes.	- A project preparation facility that will support the advancement of priority project ideas into bankable proposals	
SA3. (g)	Support investment funds, credit lines for adaptation investments, insurance mechanisms and climate risk management schemes	- Increased availability, accessibility, and adequacy of innovative financial products and instruments to support NDC sectors.	
SA3. (d)	Use centres of excellence to develop and promote adaptation and mitigation technologies through relevant projects, <i>[related to SA2. (f)]</i>	- New cost-effective technologies tested and upscaled.	
SA3. (h)	Promote compliance and voluntary domestic and international carbon markets.	- At least 100% increase in the volume of credits sold in the voluntary and compliance markets.	
SA3. (i)	Establish regional and national monitoring systems to effectively measure, report and verify public and private climate finance flows and mitigation and adaptation action. <i>[related to SA2. (b)]</i>	- A comprehensive regional climate finance tracking system.	

Table 5 (Strategic area 4): Identifying and mobilizing effective, innovative and appropriate additional finance for priority actions

Strategy Area ref.	Action	Immediate results (* means included in the pipeline)	TIME
SA4. (a)	Explore, identify, establish, promote and support the development of innovative financing mechanisms or instruments and their coordination, including but not limited to: Specialized lending facilities or funds; Green credit lines in commercial or development banks; Green bonds; Payments for ecosystem services; REDD4+ programme; Blue economy' programmes; Debt for climate swaps; Payment systems for off-grid energy users; and Insurance mechanisms;	- Increased utilization of seemingly new mechanisms and financial instruments.	
SA4. (b)	Support credit enhancement for strategic public and private entities;	- Strategically important entities attain a better credit rating and outlook to attract lower cost long-term capital.	
SA4. (c)	Operationalize the EAC Climate Fund through capitalization and facilitate donor and multinational support to meet its objectives;	- EAC Climate Fund capitalized and fully operational.	
SA4. (d)	Support innovative climate technologies and business incubators;	- Increased number (pipeline) of scalable innovations and initiatives to address the impacts of climate change impacts.	
SA4. (e)	Support locally led climate initiatives; and <i>[related to SA3. (d)]</i>		
SA4. (f)	Encourage national development banks and related funds to finance local adaptation and mitigation projects and programmes with significant mitigation and adaptation potential <i>[related to SA3. (g)]</i>		

E. Stakeholder Engagement

Table 5 classifies stakeholders into four categories and their potential contribution to the implementation of the Strategy actions. EAC organs and Partner States are excluded from the categorization since their roles and responsibilities are specified under the EAC protocol, and institutional arrangements (section B of the Implementation Plan Annex). Likewise, the impacted communities are not included below, as their engagement will be addressed by EAC’s participatory multi-stakeholder approach to programming.

The EAC secretariat will organize a launch event and an open call for partnerships and collaboration in the implementation of the Strategy. Annual roundtables and progress reports will also be used to keep stakeholders updated and to solicit their support. The Secretariat will continuously identify strategic partners and engage them on a one-on-one basis to establish long-term cooperation framework agreements.

Table 6: Stakeholder analysis and roles

Category	Multilateral Climate Funds <i>(e.g. GCF, AF, GEF, LDCF, etc)</i>	Regional and Multilateral Development Banks <i>(EADB, AfDB, The World Bank Group)</i>	Development Partners <i>(Bilateral, UN agencies, and International organizations, etc)</i>	Private sector <i>(Financial Institutions, Corporations, National Development Banks, research and thinktanks, consultants, etc)</i>
Potential contribution	<ul style="list-style-type: none"> - Providing guidance to, and co-designing, regional project pipeline and appropriate financing instruments. - Funding preparation and project costs. - Providing a direct access accreditation to key institutions - Funding Projects and Programmes 	<ul style="list-style-type: none"> - Providing guidance to, and co-designing, regional project pipeline and appropriate financing instruments. - Administering established funding facilities, including mobilizing donors to capitalize such facilities. - Funding preparation and project costs. 	<ul style="list-style-type: none"> - Co-designing and implementation of programmes - Funding programmes, tracking and monitoring the impact of the climate finance provide. 	<ul style="list-style-type: none"> - Providing co-financing to relevant projects and unconditional contributions to EAC and established initiatives. - Capacity building on the application of private sector led financial instruments, green bonds. - Mobilization of international and local private capital key priority adaptation and mitigation projects.