

**Inception Workshop:  
A Needs-based Climate Finance Strategy for East Africa**

**Summary of discussions**

Technical workshop, 19-20 February 2020

Zanzibar



## **Broad objectives/directions**

- Increase access to international climate finance
- Increase mobilization of private sector climate projects
- Increase domestic investment in climate projects
- Ensure sustainability of climate finance projects - involve communities
- Focus on transboundary opportunities – projects
- Focus on nature-based solutions
- Consider carbon pricing/markets/finance
- Consider gender aspects of finance
- Consider the roles of reserve banks



## Broad needs

- Priority sectors: energy, agriculture, water, health, landscapes/natural resources
- Priority actions in NDCs (unimplemented due to lack of funding, capacity, technology etc.)
- Implementation of existing national climate policies and strategies
- Community level finance: improve access for vulnerable communities

### Capacity building:

- on institutional and community/stakeholder level
- for understanding available sources and tools
- for developing bankable proposals
- on access requirements of climate funds
- common understanding of climate finance across & between ministries and institutions (environment, planning, finance etc.)

### Monitoring and reporting:

- Common climate finance definition
- Climate finance tracking
- Climate finance budget and procurement tagging
- Adaptation indicators
- Harmonization of accounting systems in different countries
- Systems and processes for climate finance data (received and disbursed)



## Broad recommendations for policies

- Mainstream climate into development planning and policies
- Collaborative alignment across environment and finance ministries
- Long-term sustainability of climate finance projects: consultation with and involvement of local, traditional, and indigenous communities, ensuring community ownership;
- Gender: strengthening women's roles in promoting clean cooking etc.
- Institutional:
  - Regional climate finance mechanism (national funds)
  - Nature-based solution facility (EAC concept)
  - Reserve bank involvement: portfolio energy lending – committing fraction of portfolio to climate project lending
  - Fiscal incentives monetary policies, for climate friendly technology (RE tax holidays)

Continuity of institutions/climate finance focal points on local and community level



## Approaches

- Utilize existing EAC instruments – align and embed
- Review existing national climate policies and strategies, for regional win-wins
- Review EAC strategy, policy, master plan and other regional strategies including TMEA, Wateraid, USAID/KEA, AfDB etc identify commonalities



## Other considerations

- Balance between mitigation/adaptation in what is requested as needed, requested and provided
  - ...needed (Adapt>Mitigation)
  - ...requested (Mitigation>Adaptation)
  - ...and provided (Mitigation>Adaptation)
- Identify regional approach to coordination greater to request more adaptation funding
- Institutional arrangements and coordination on climate finance

