Technical/Development assistance should be a “Tango dance”
Climate Finance Readiness

Definition: A country’s capacity to (i) plan for, (ii) access, and (iii) effectively utilize climate finance, as well as (iv) monitor and report on expenditures.

- The GIZ CF-Ready approach
1. Strategic planning and policy development

- Collecting & using climate change related data for strategy development & funding decisions e.g. Vulnerability assessment
- Identifying and prioritizing action e.g. through cost benefit analysis, multi-criteria analysis
- Developing & updating effective cross-sectoral climate change strategies e.g. NAP, LED, GCF-Country program
- Developing a financing strategy for the implementation of climate change related measures
- Choosing appropriate policy instruments — i.e. appropriate regulatory, economic and information instruments
2. Preparing the national public finance system

- Set up a coherent institutional climate finance architecture that includes clear roles & responsibilities, Coordination mechanism
- Improving good financial governance—public finance reforms at the national and sub-national levels
- Establishing and operating national climate funds e.g. FONERWA
- Integrating climate change into public finance, such as the revenue system, the planning and budgeting system
- Strengthening financial oversight for auditing and scrutinizing the proper use and efficiency of climate finance
3. Strengthening institutions for accessing international climate finance

Strengthening institutions for accessing international climate finance

Information and capacity building on the landscape of international climate finance (see www.clifit.org)

Getting national entities accredited by international funds like the GCF, AF etc. by fulfilling fiduciary standards.

Strengthening national designated authorities e.g. establish No-objection procedure, coordination mechanism etc.
4. Strengthening implementation capacities

- Strengthening program management systems e.g. Project at risk management Framework.
- Developing programs and project pipelines in line with national strategies - Project development trainings.
- Setting up and improving impact monitoring and evaluation systems.
5. Promoting private sector engagement

- Improving the overall investment climate for private businesses e.g. establishment of market based instruments
- By facilitating public–private policy dialogues on climate relevant issues such as sustainable business models
- Designing, implementing and monitoring green financial sector regulation e.g. modified green credit policies
- Developing green financial products that promote low-carbon development and adaptation to climate change
- Assist financial institutions to integrate climate & environment concerns into corporate risk management schemes
Thanks for your attention!