

LESOTHO'S EXPERIENCES AND CHALLENGES IN ACCESSING CLIMATE FINANCE



LESOTHO'S FINANCIAL FLOWS (2018) FROM MULTILATERAL FUNDS

Fund	Total Amount Approved	Project Count
Least Developed Countries Fund	30,657,672	6
Green Climate Fund (GCF) with DBSA	55.6m	1 (Regional-Lesotho, SA, Eswatini and Namibia
GCF- Readiness	300,000	1
Adaptation Fund	9,999,891	1

COUNTRY EXPERIENCES IN STRENGTHENING NATIONAL INSTITUTIONS THAT HAVE MOBILIZED AND ACCESSED CLIMATE FINANCE TO DATE

- Currently the country is implementing the climate finance readiness
 - Strengthening national capacities to directly access funds from the GCF by establishing the GCF- NDA/focal point and enhancing coordination mechanisms); and
 - Developing a national programme or plan including fundable project proposals, based on national priorities, with involvement of key stakeholders at national and

COUNTRY EXPERIENCES IN STRENGTHENING NATIONAL INSTITUTIONS THAT HAVE MOBILIZED AND ACCESSED CLIMATE FINANCE TO DATE

the policy identify key challenges as

- Inadequate dedicated financing mechanisms to address climate change in the country;
- Weak institutional capacity for finance mobilization

The main policy actions are:

- Establish climate change fund meant to support climate change related innovations and actions.
- Encourage establishment of development financing institutions (e.g. banks, micro-financing institutions) to provide financing for climate change related programmes;
- Enhance the capacity of Lesotho for mobilization of the necessary climate financing;
- Develop climate change programmes and initiatives that shall easily attract regional and International climate financing;
- Develop the capacity of executing budgetary allocation (domestic and foreign) including accountability measures

CHALLENGES IN ACCESSING CLIMATE FINANCE

- Inadequate dedicated financing mechanisms to address climate change in the country,
- Weak coordination Mechanisms and Legal Frameworks
- Limited technical capacity for climate finance resource mobilization, no resource mobilization strategy
- Lack of capacity to develop bankable project
- Low level of awareness of various funding opportunities
- The national budget does not specifically provide for climate change budget

PRIORITY NEEDS IN CLIMATE FINANCE

- Need to develop enabling frameworks and environment to support climate finance. These framework conditions should support de-risking of private finance, and include specific legal and regulatory arrangements
- Robust stakeholder engagement processes should be established and implemented.
- Building the necessary capacity required to develop bankable projects and climate change related initiatives that are suitable in attracting foreign climate financing.
- Public Private Partnerships should play a role in climate finance and support climate change activities and provide valuable and adaptable conceptual frameworks to support cooperation and collaboration between public and private entities as well as means to increase public leverage of private climate finance;