

ECOWAS NEEDS-BASED FINANCE FOR WEST AFRICA

NIGERIA'S PRESENTATION



Background



**Climate Finance Needs and
Priorities**



Experiences



Opportunities



Access Barriers

National Circumstances

- The location and size, and the characteristics relief in Nigeria give rise to a variety of climates ranging from Tropical rainforest climate along the coasts to the Sahel climate in the northern parts of the country.
- Nigeria has a population of about 200 million impacting on the physical environment through their various activities within area of 923,000 square kilometers.
- This coupled with variabilities in elements of climate such as rainfall and temperature exposes the country to the impact of climate change.
- Nigeria's economy is dependent on sectors that are either climate sensitive or contribute to climate change such as agriculture, forestry, fisheries, which together employ up to 70% of the workforce, and additionally, oil and gas.

Climate change is threatening national development across all sectors

1.
More extreme
weather – floods
and droughts



2.
Loss of
agriculture and
increased water
scarcity

3.
Up to 11% GDP
loss by 2020
without
adaptation and
mitigation



Increased
instability/
insurgency



4.
Damage to
roads, buildings,
transport,
energy facilities

Climate Finance Needs and Priorities



The Priority Sectors:

- ❖ **Environment**
- ❖ **Energy/Power**
- ❖ **Agriculture**
- ❖ **Transportation**
- ❖ **Water**

Climate Finance Experience

Pending Approval of the NDA Readiness Proposal – since 2015

The objective of the Green Climate Fund (GCF) Readiness Programme is to:

- a) Strengthen the Government of Nigeria's GCF Focal Point technical and organizational capacities to effectively and efficiently plan for, access, manage, deploy and monitor climate financing through the GCF;
- b) Develop a national GCF country programme aligned with Nigeria's Nationally Determined Contribution (NDC), based on GCF investment criteria and approval process;
- c) Support the accreditation process of a DAE and;
- d) Develop national capacities to prepare a comprehensive portfolio of project and programme concepts

Implementation will focus on a range of preparatory activities that will aim at a) strengthening institutional capacity of the Focal Point, b) building and strengthening the institutional capacity as well as fiduciary and financial management capacity of national entities in Nigeria to seek accreditation with the GCF

**Two (2)
Country-level
Readiness
activities
approved**

1. **Strategic frameworks support for Nigeria through CTCN and UNIDO**
(22 November 2019) – USD 397,143
 - ▶ This proposal seeks to aid Nigeria in its development of a comprehensive Technology Needs Assessment (TNA) and action plan aimed at conducting a categorization and prioritization of technologies that will comply with the Nigerian NDC.
 - ▶ The CTCN proposal focuses specifically on technology related capacity building and the establishment of a coordination mechanism within the NDA.

2. **Adaptation planning support for Nigeria through UNEP - (22 November 2019) – USD 2, 981,567**

Implementation of the following activities:

- (1) Strengthen effective adaptation governance and coordination for the NAP process;
- (2) Strengthen capacity to undertake a NAP planning process in Nigeria, including analyzing climate information and prioritizing adaptation options;
- (3) Strengthen National capacity to mainstream climate change actions into national and sectoral policies, projects and plans strengthened;
- (4) Develop Funding strategy for the implementation of the NAP process;
- (5) Enhance National capacity for monitoring, reviewing and reporting on the NAP process .

Approved Funding Proposal:

Nigeria solar IPP support programme - 21 March 2019 – up to USD 100m

- ▶ The main activity of the Program is to provide long term financing to Nigeria Solar IPP projects which will catalyze the delivery of c.400MW of renewable power

Concept Note approval at Sub-national level

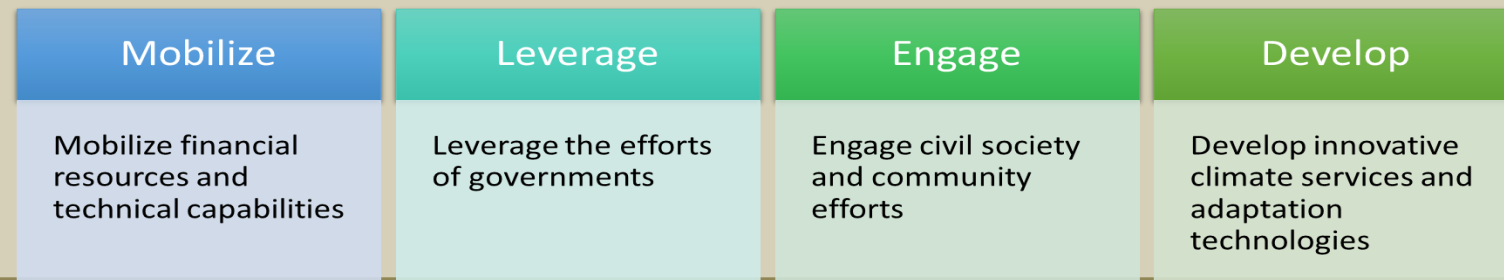
Making Nigeria's Cross River State Investment Ready for REDD+ (30 October 2019) – UNDP – USD 9.82m

- ▶ The project seeks to create enabling conditions and mechanisms for low emission rural development through structuring of strong investible institutional entities of forest right-holders who will develop/strengthen forest investment plans and farmer groups for agricultural production.

Regional Initiatives: GCF approvals cuts across three (3) Concept Notes and five (5) Funding Proposals

Nigeria is Africa's most populous country and third largest economy with growing energy needs that the national grid cannot meet fully or reliably. To increase access to electricity and economic opportunity and decrease fossil fuel dependency and greenhouse gas emissions, Nigeria seeks to exploit untapped potential in solar power and energy efficiency.

Issuance of over USD 67 million Sovereign Green Bonds has catalyzed private sector climate financing of about USD 100 million.



Vibrant public-private partnerships which contribute to knowledge and technology transfer and promote a conducive enabling environment for future investments.

Barriers

- ▶ Some of the barriers to accessing global climate funds include :-
 - Lack of or weak capacities for;
 - ▶ Development of bankable project pipelines
 - ▶ Costing assessments
 - ▶ Capacity building (Institutional assessment) across the priority sectors of the NDCs
 - ▶ Capacity building (Baseline studies and scenarios) across the priority sectors of the NDCs
 - ▶ Reporting of national actions
 - ▶ Monitoring/Tracking tool for various global climate finance received in country for projects financed for proper documentation, accountability and reporting.
 - ▶ Establishing a cohesive institutional framework and supporting policies and regulations for effective implementation across many sectors
 - ▶ convoluted clarification requests & turn around periods;
 - ▶ uncertainty and fatigue.

Thank you for listening