

Needs Based Finance



Technical Assessment of Climate Finance in the East African Community

Virtual Pre-validation Workshop

14-15 December 2020



NBF - EAC Technical Assessment for Country Review

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Technical Assessment of Climate Finance in the *East African Community*
**An annex to the East African Community Climate Finance Mobilization and
Access Strategy**
2020 – 20XX



NBF - EAC Technical Assessment for Country Review

NBF/EAC/Technical Annex/3

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1. Climate Finance Needs & Priorities



Methodology and Sources of Information

- **Methodology for the technical assessment:**
 - Technical analysis of aggregated quantitative and qualitative data derived from the countries' own assessment of their needs and priorities.
- **Sources of information for the identification of needs and priorities:**
 - a) UNFCCC reports and documents submitted by Parties including;
 - NDCs; NAPA; NAPs; NCs; TNAs; TAPs; BURs
 - b) GCF country programmes, and
 - c) Other public sources including MDB and CSPs.



Climate Priority Areas – Mitigation

<i>Country</i>	<i>Energy</i>	<i>Transport</i>	<i>Agriculture</i>	<i>Industry</i>	<i>Forestry, land use</i>	<i>Waste</i>	<i>Wetland</i>
Burundi	✓	✓	✓	✓	✓	✓	
Kenya	✓	✓	✓	✓	✓	✓	
Rwanda	✓	✓	✓	✓	✓	✓	
Tanzania	✓	✓	✓	✓	✓	✓	
South Sudan	✓	✓	✓	✓	✓	✓	
Uganda	✓	✓	✓		✓		✓



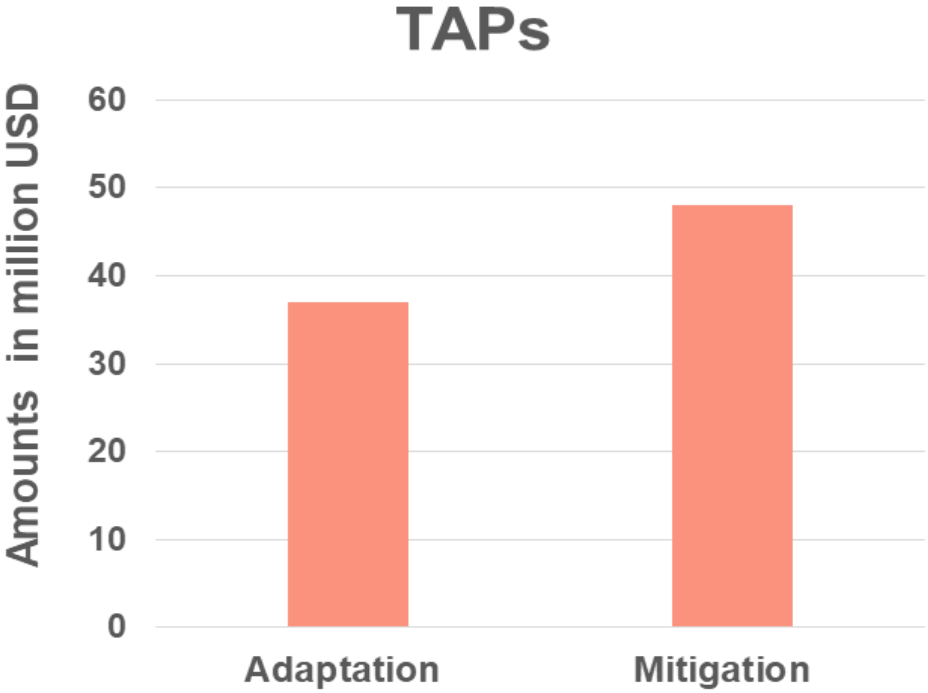
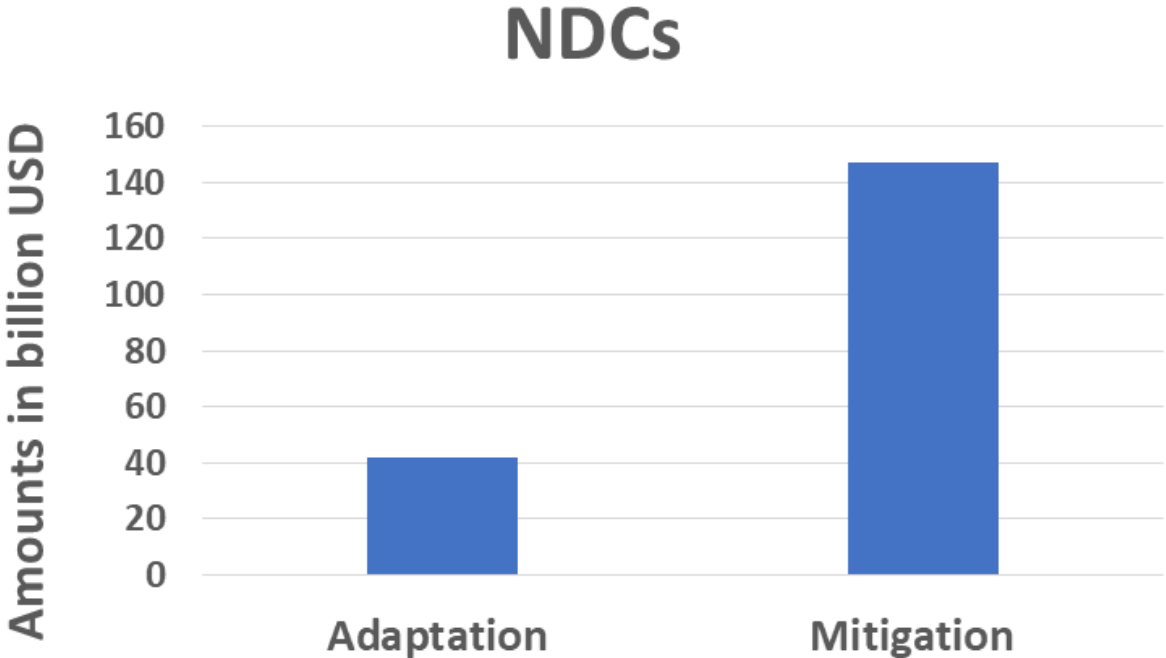
Climate Priority Areas – Adaptation

<i>Country</i>	<i>Ener.</i>	<i>Infrastru.</i>	<i>Transp.</i>	<i>Agric.</i>	<i>Human hlth.</i>	<i>LULUCF</i>	<i>Coastal Marine</i>	<i>Water Rsrces.</i>	<i>Tourism</i>	<i>Human Settlmts.</i>	<i>Risk Mgmnt.</i>
Burundi	✓	✓	✓	✓	✓	✓		✓			
Kenya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Rwanda	✓	✓	✓	✓	✓			✓	✓		
Tanzania	✓		✓	✓	✓	✓	✓	✓	✓	✓	
South Sudan				✓		✓		✓			
Uganda	✓	✓	✓	✓	✓	✓		✓		✓	✓

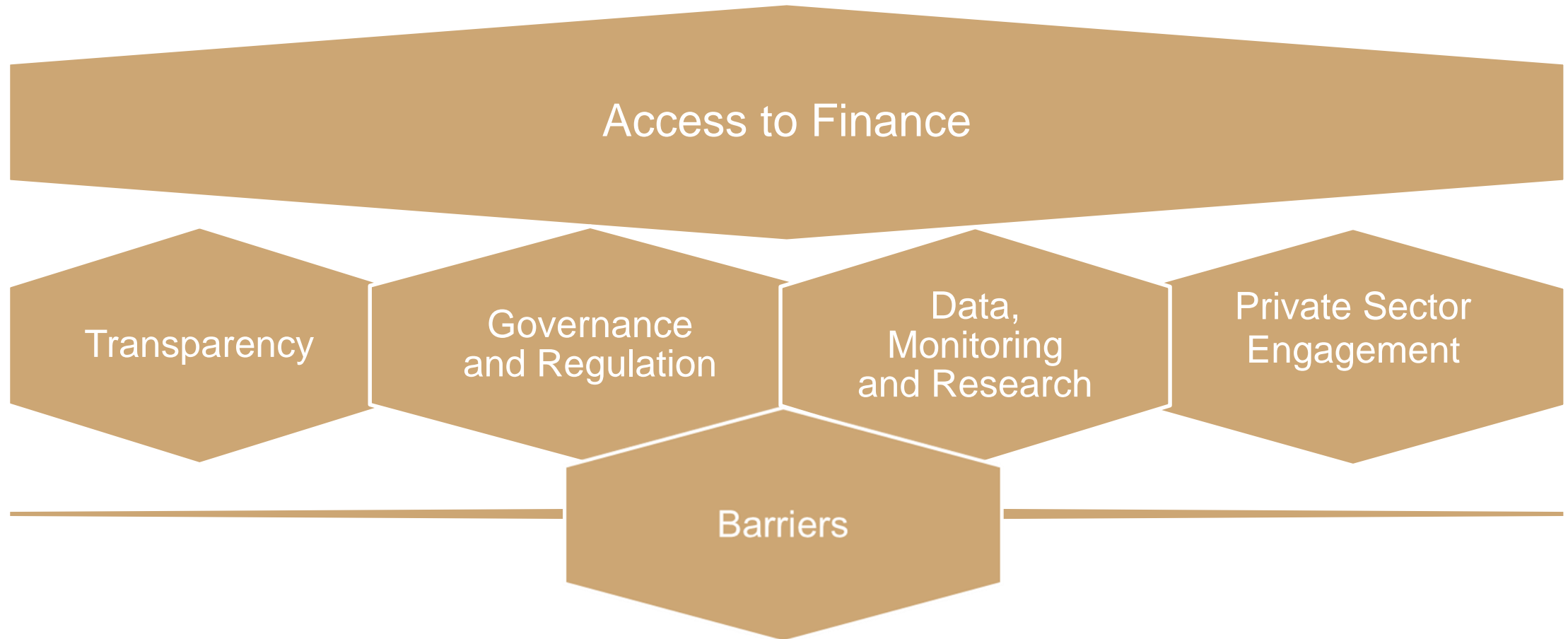


Total Climate Finance Needs

	Adaptation	Mitigation
Total (USD billions)	42.14	147.78



Priority Capacity Needs



Barriers

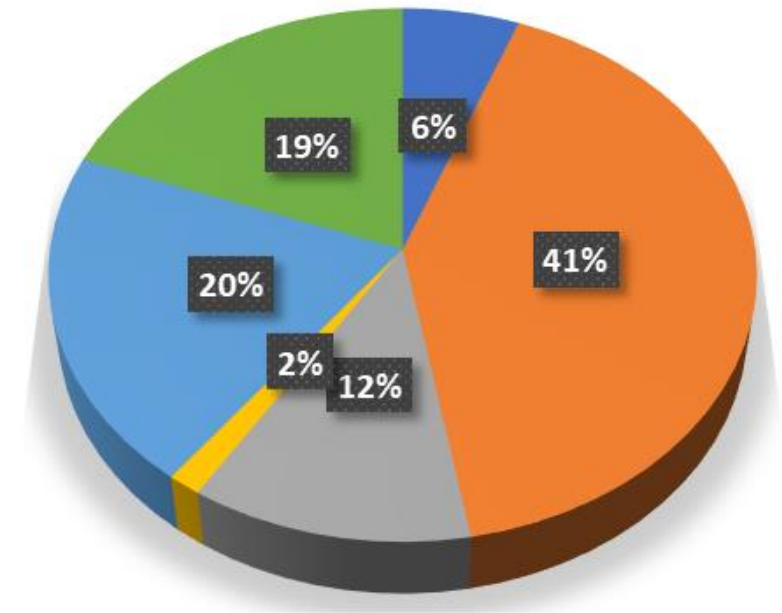
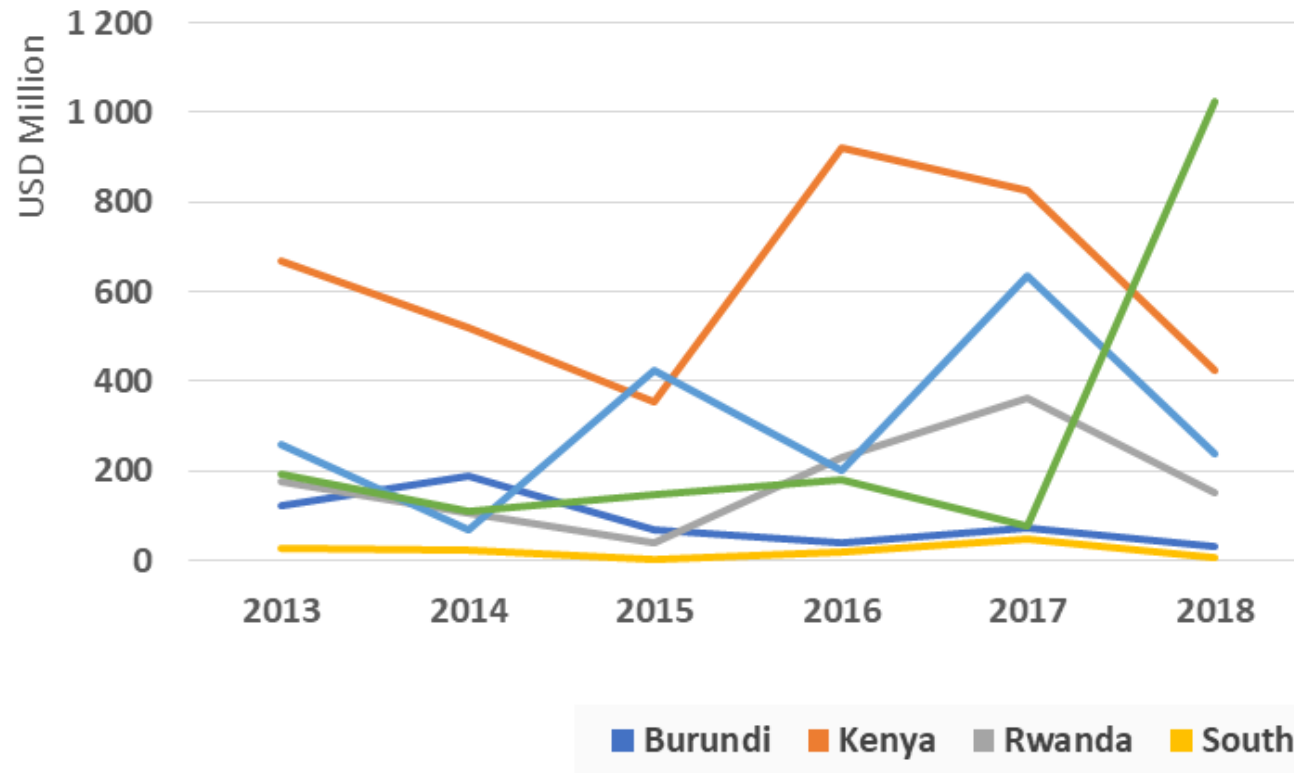
- Institutional **Capacity**
- Systems for **tracking and monitoring** climate finance
- Capacity to engage in **carbon trade mechanisms**
- **Technical assistance** and grant funding - critical in the early project development stage
- Expertise for data analyses and good project preparation
- **Slow GCF processes** for accessing funds
- Low capacity in development of **bankable projects** and concepts.



2. Climate Finance Flows



EAC Member States

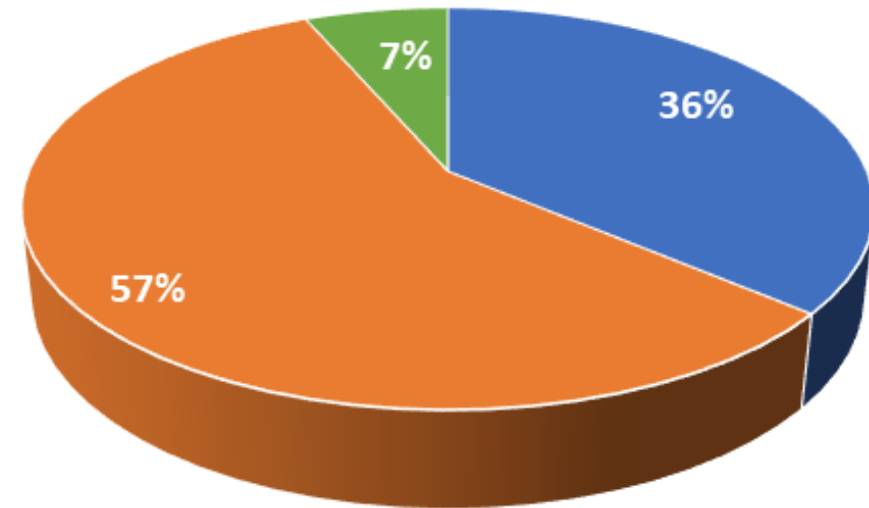


- Total CF flows for the EAC (2013-2018): **USD 8.9 billion; Kenya, Tanzania and Uganda (81%)**



Channel

Total: USD 8,9 billion



Main contributors include:

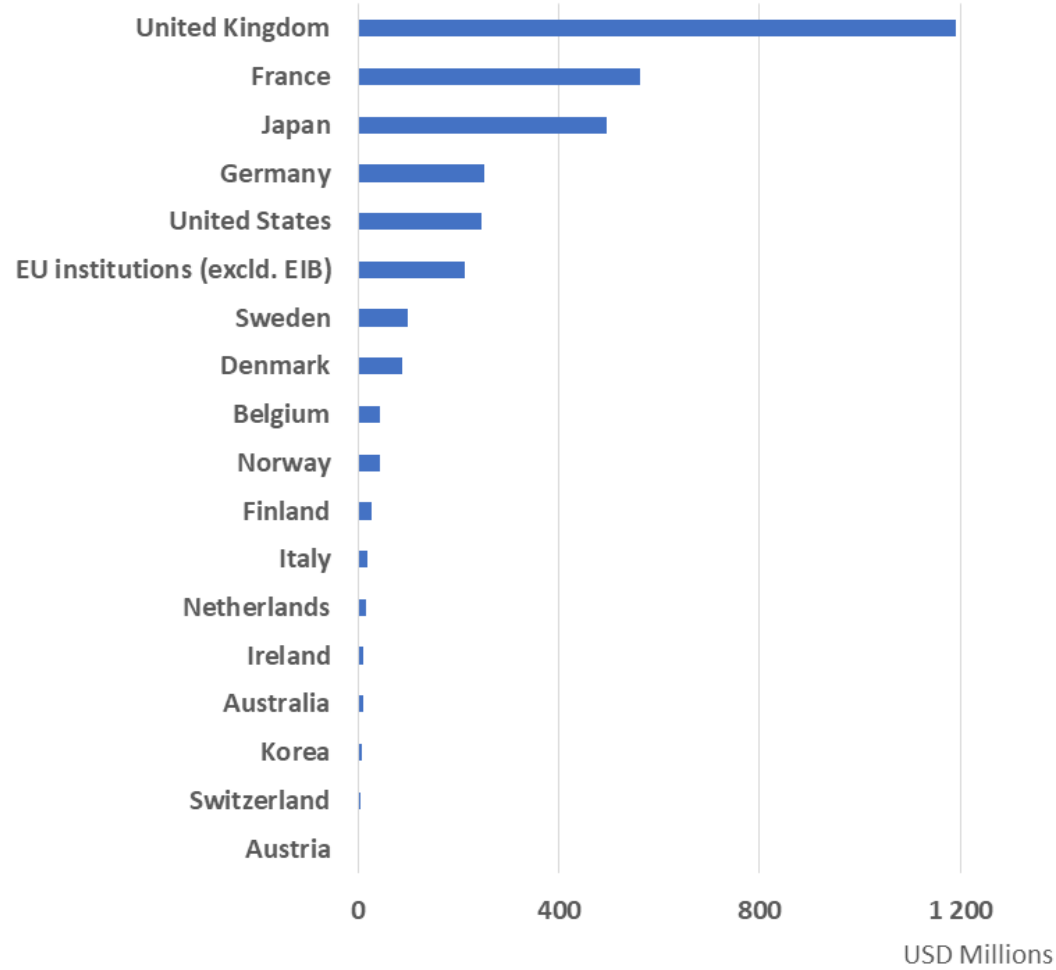
- **MDBs:** WB and AfDB.
- **Bilaterals:** United Kingdom; France; Japan; and Germany.
- **Climate Funds:** IFAD; GEF; and CIF.

■ Bilateral ■ Multilateral ■ Funds

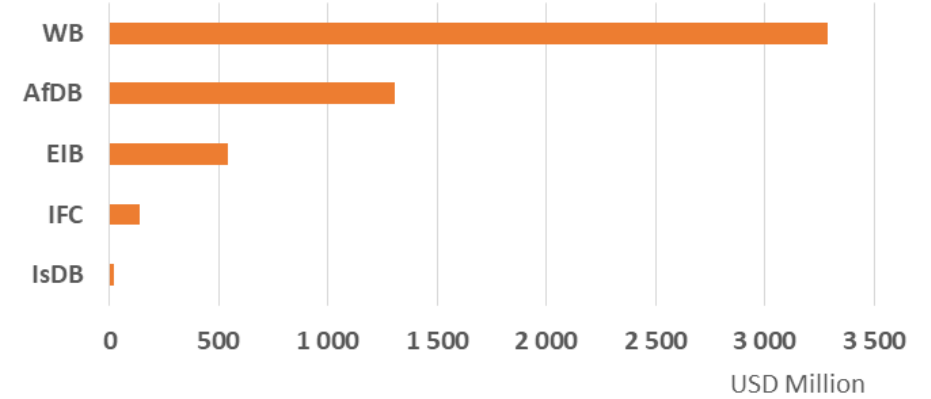


Contributors

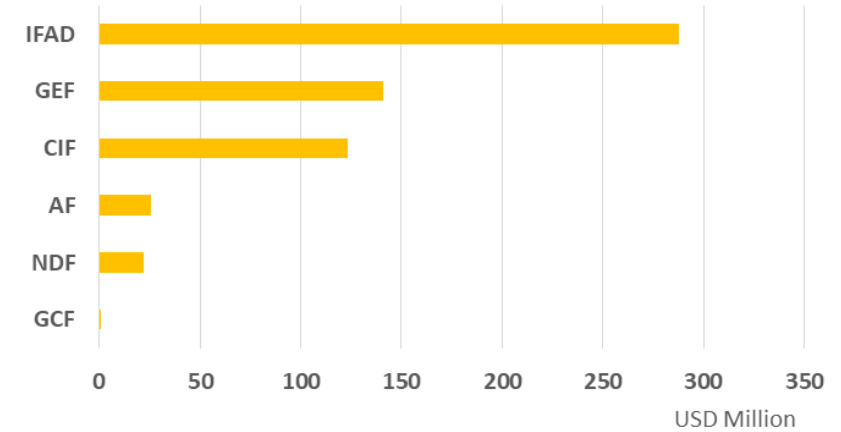
Bilateral



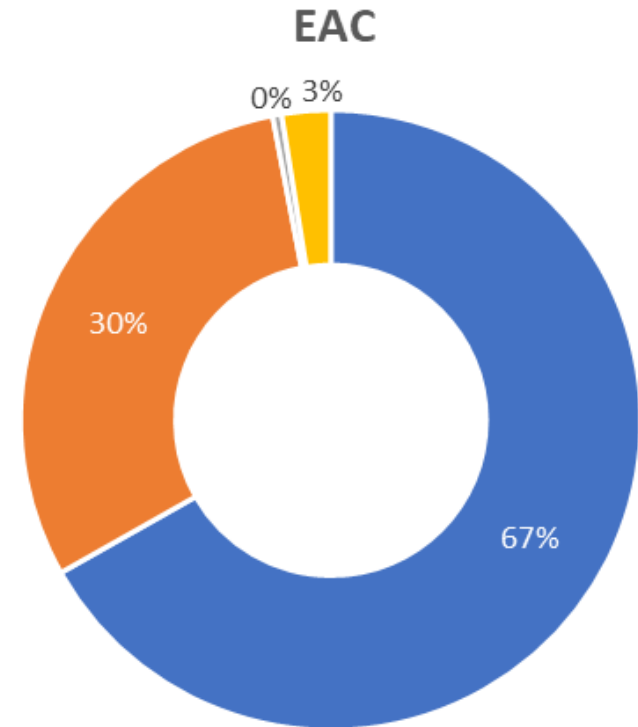
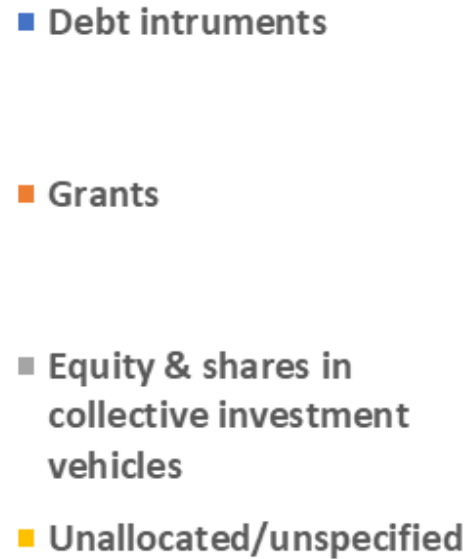
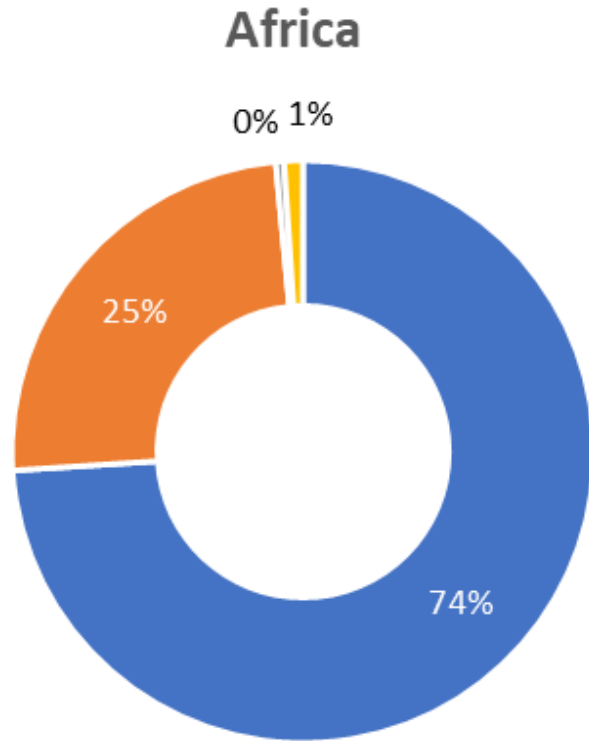
Multilateral



Climate Funds



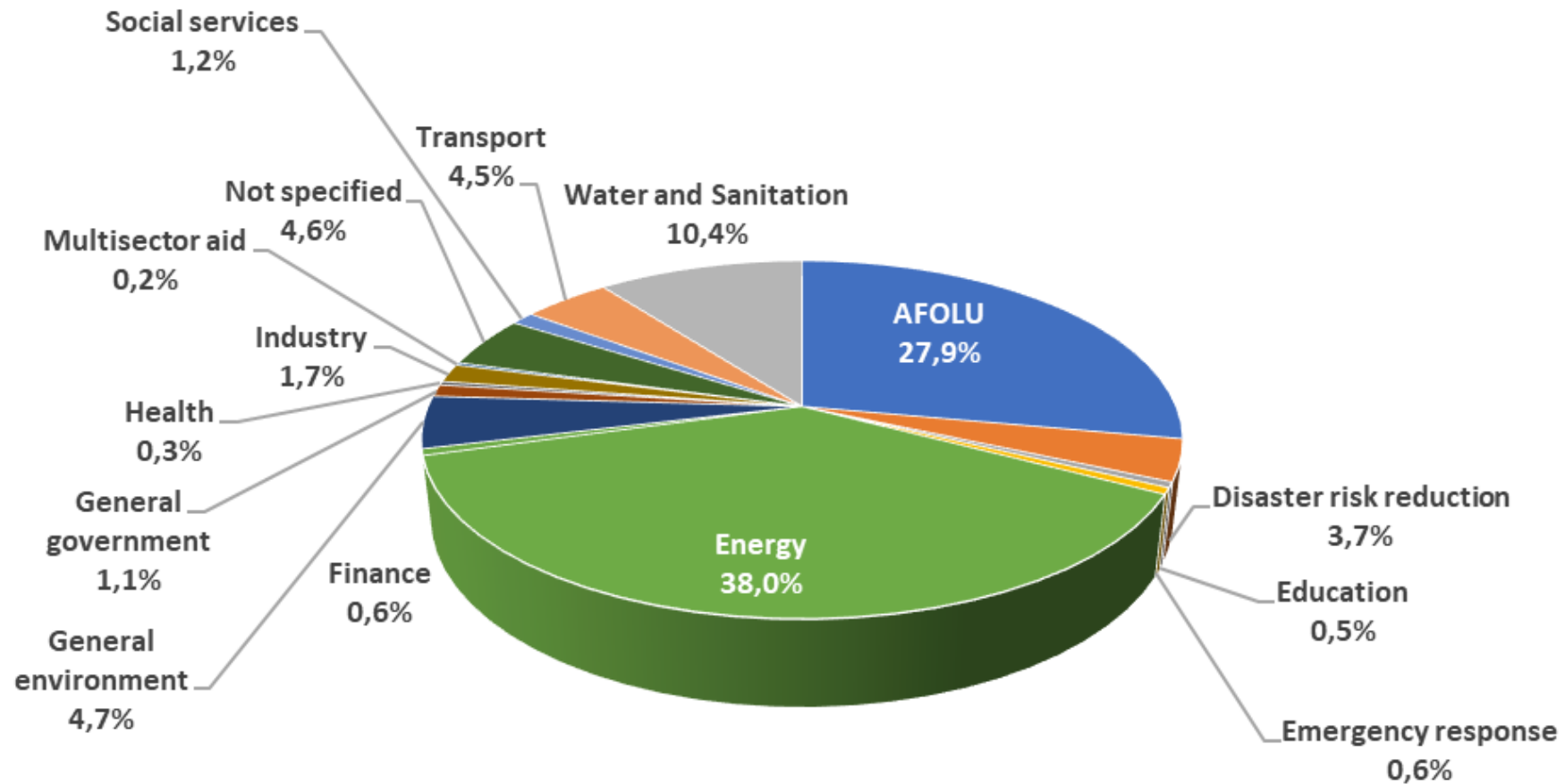
Financial Instruments



- Most used instruments in EAC: **Debt finance (67%)** and **Grants (30%)**.
- Higher share of Grants in EAC due to prevalence of LDC countries in the region.



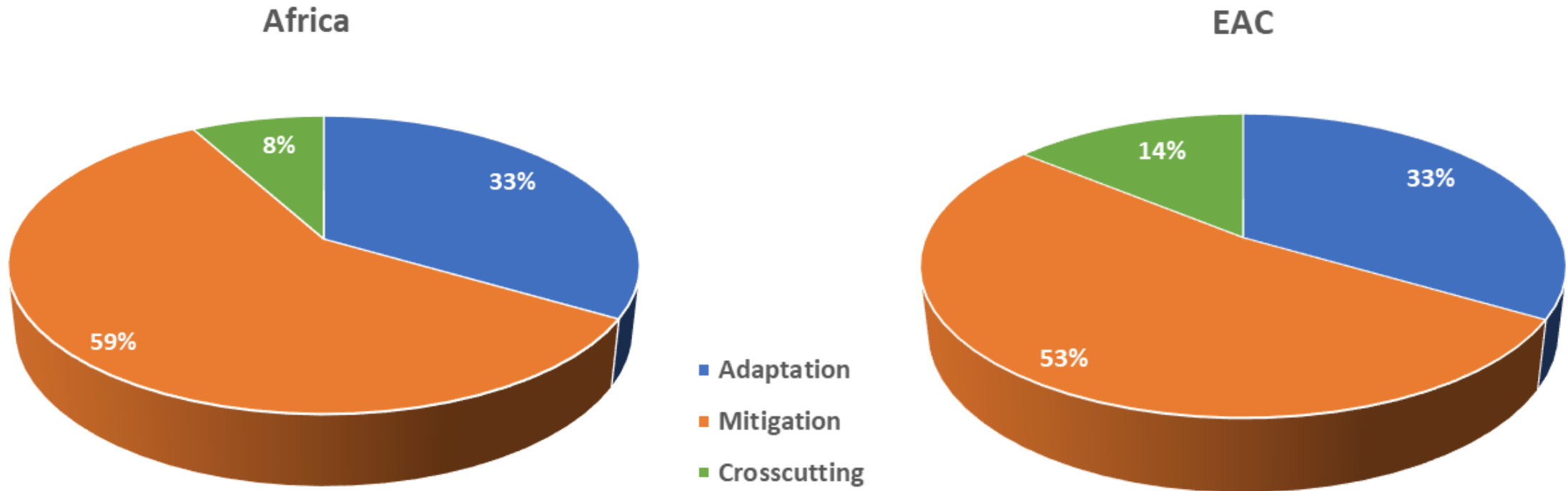
Sector



- Main sectors include: **Energy, AFOLU, and Water and Sanitation (76% of total).**



Theme



- **Most funding is aimed at mitigation activities** in both Africa and the EAC.



Climate Finance Gaps

	Average per year	Total
Needs	USD 18,9 billion	USD 189 billion (2020-2030)
Flows	USD 2.5 billion	USD 15 billion (2013-2018)
Gap	USD 16,4 billion	



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Thank You!

