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AFRICA CLIMATE CHANGE FUND (ACCF)

Paris Agreement: Italian Cooperation and Opportunities in Africa
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Outline

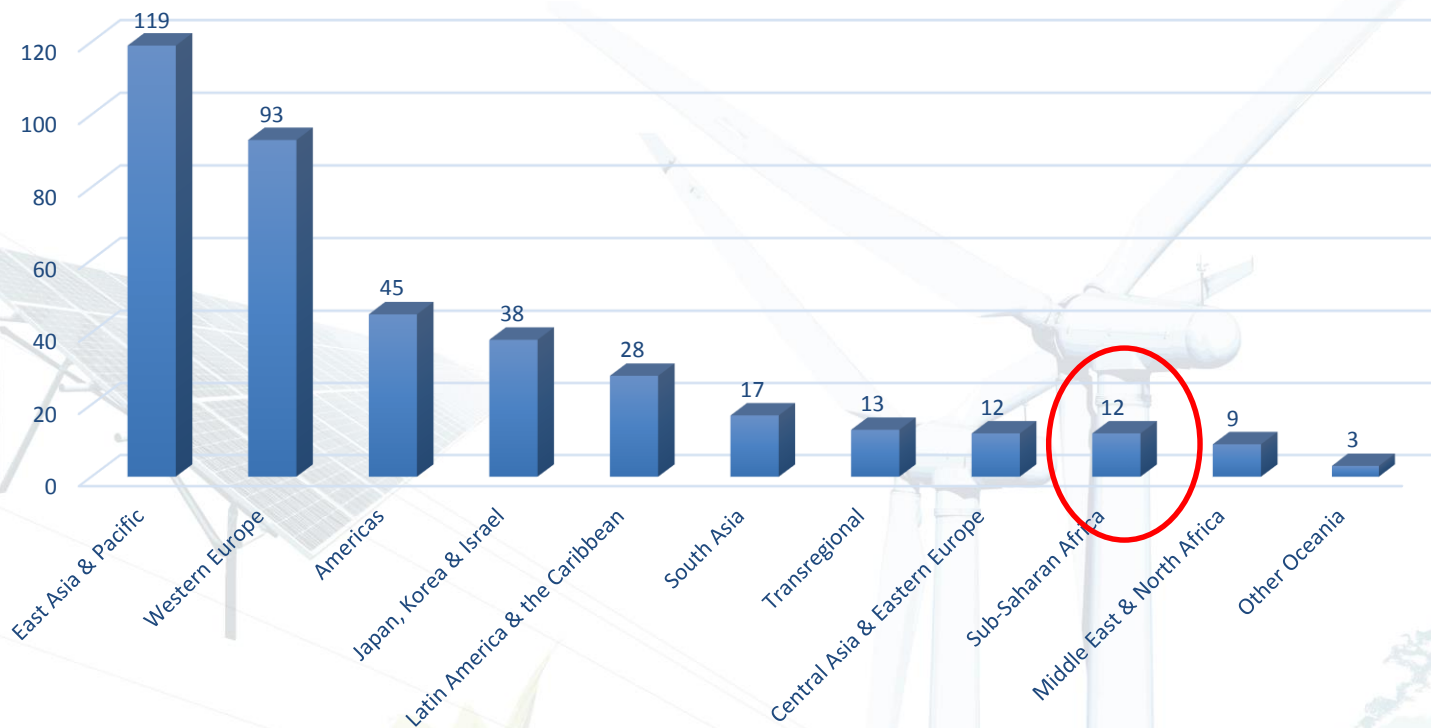
- Climate finance in Africa
- Finance in the Paris Agreement
- Climate Finance at the African Development Bank
- ACCF introduction, goals and activities
- Project cycle
- Criteria for project selection
- ACCF achievements so far
- Procurement
- Case studies: Kenya, Cape Verde, Regional climate information
- The way forward
- Questions



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Climate finance in Africa

Total climate finance breakdown by region, 2014 in USD billion



Source: Global Landscape of Climate Finance 2015, Climate Policy Initiative

Finance in the Paris Agreement

- Paris Agreement that came out of UNFCCC COP21 in Paris last December set a clear signal of the need to scale up and shift investments towards a low-carbon trajectory, including adequate funding to adaptation
- **African countries have made ambitious commitments** in their intended nationally determined contributions (INDCs) to strengthen resilience to climate change and transform their economies onto low carbon trajectories.
- However, although some commitments are unconditional, others are conditioned on **substantial climate finance support** from developed countries
- The **Green Climate Fund (GCF)** is operational and expected to become the largest vehicle for climate finance, and makes strong commitments for funding to adaptation and to African states
- However, **African countries need preparatory (readiness) support** to access finance: strengthen enabling environment, build capacity, meet international funds' requirements



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Climate Finance at the African Development Bank

1.4 billion US\$
of climate finance
mobilized by AfDB
in **2015**

GOAL → **5 billion US\$**
a year by 2020

1 billion US\$

Mitigation

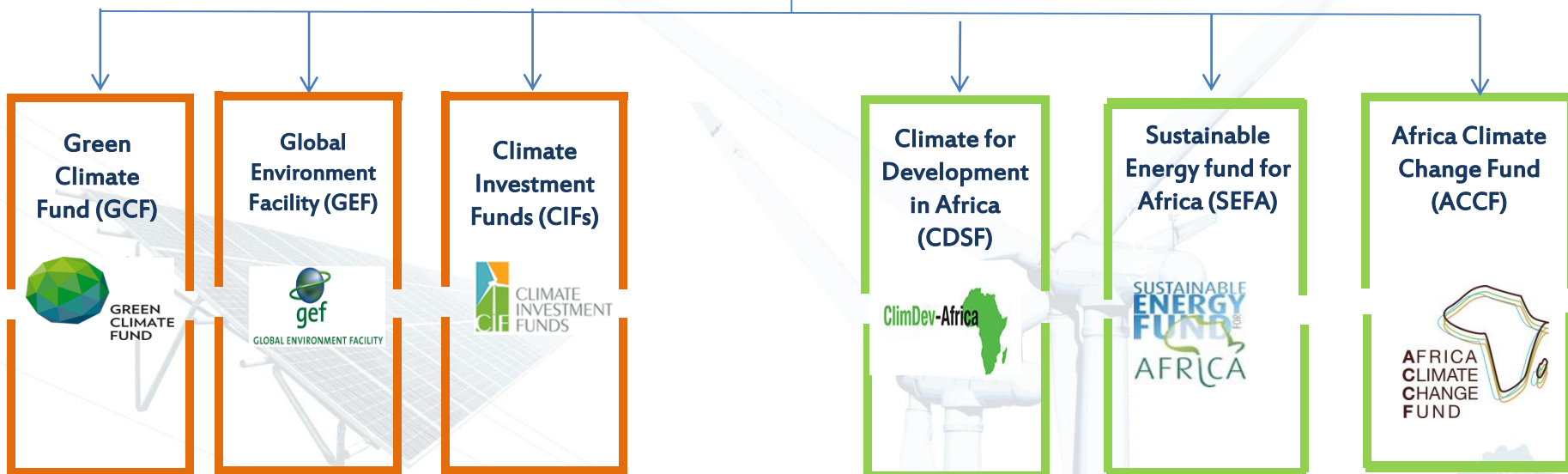
400 million US\$

Adaptation




Climate Finance at the African Development Bank

AfDB Climate Finance Instruments



 International Funds Implemented by the Bank

 Trust funds managed by the Bank



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Africa Climate Change Fund (ACCF)



What is the ACCF?

- Africa Climate Change Fund (ACCF) is a bilateral thematic trust fund established in 2014 with **EUR 4.7 million** from Germany.
- Purpose: provides **small grants** to support RMCs in their **transition to climate resilient and low carbon development**, and to enable the Bank to scale up its climate change activities.
- During COP21 in Paris, **Italian Ministry of Environment, Land and Sea** made a **commitment of EUR4.7 million**

- **Beneficiaries:**

- African governments
- African NGOs
- African Research institutions
- African Regional institutions
- African Development Bank departments



ACCF Goals

- Support access to scaled-up climate finance
 - Developing and co-financing climate-resilient and low-carbon projects
 - Climate change information and knowledge
 - Strengthen the capacity of African institutions
 - Engaging in the UNFCCC negotiations process
- 
- The background image is a landscape photograph. In the foreground, the ground is parched and cracked into large, irregular polygonal shapes, indicating severe drought. A few wooden posts are visible in the ground. In the middle ground, there is a calm body of water reflecting the sky. The background features rolling hills under a clear blue sky.

Activities Funded

- Consultancy services
(national and international)
- Trainings, meetings,
consultations
- Communications
- Technical assistance
- Office equipment
- Travel



ACCF Review and Approval Process

STEP 1

Origination: call for proposals open to all eligible beneficiaries

STEP 2

Selection: pre-screening and shortlisting by Secretariat against **criteria**

STEP 3

Appraisal: Secretariat works with proponent to improve the technical and fiduciary aspects of proposal, with input from ORPF

STEP 4

Peer Review: by internal Bank experts

STEP 5

Approval: By the internal ACCF Technical Committee (or by donor if over USD500,000)

STEP 6

Grant agreement and effectiveness: between the Bank and the executing entity



Criteria for project selection

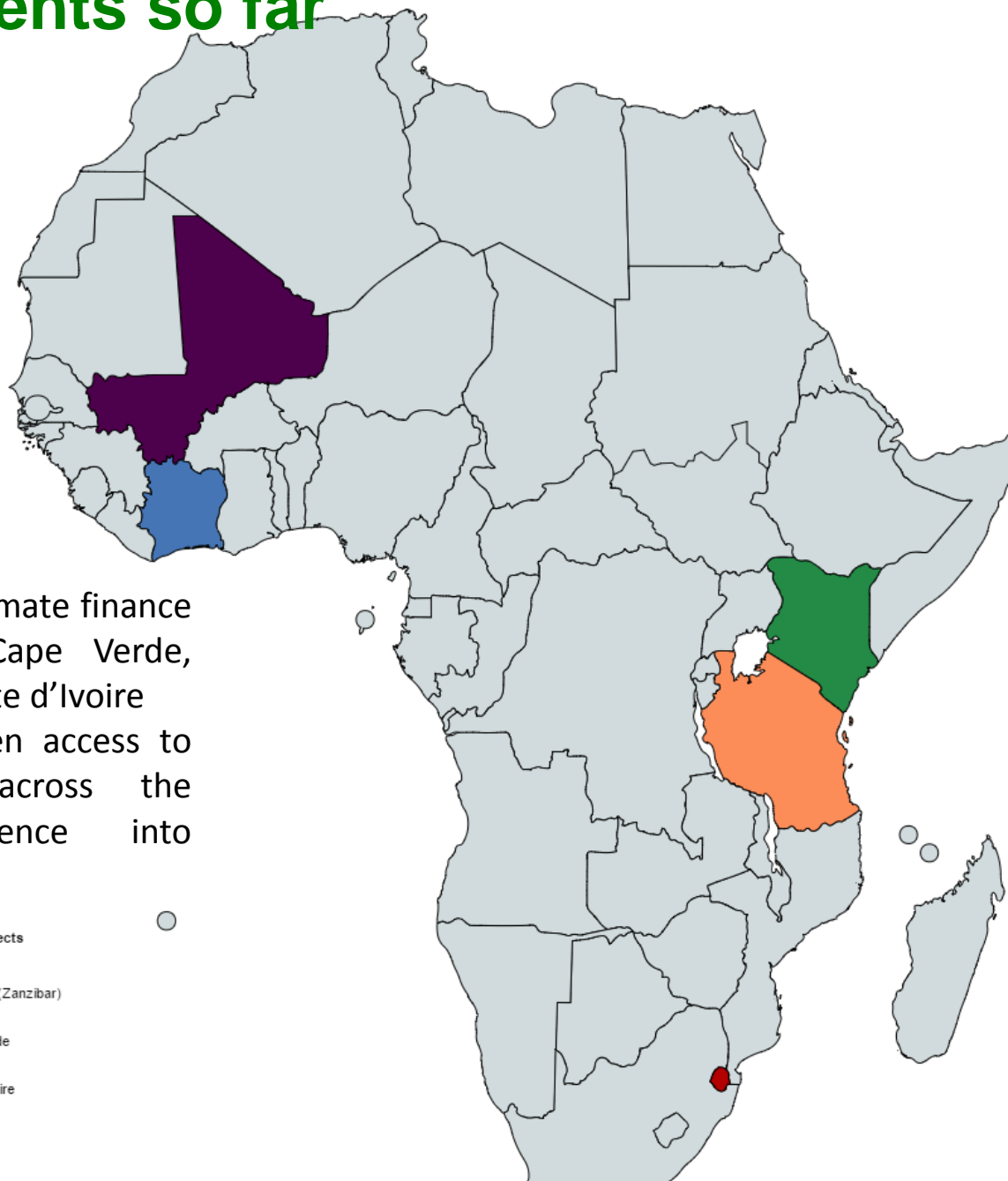
- ❖ Alignment with **ACCF objectives** and mandate;
- ❖ Alignment with the relevant **strategic and policy documents of the Bank** including the 2013-2022 Strategy, the relevant Country Strategy Paper, and the Bank's Climate Change Action Plan;
- ❖ Linkage to **existing Bank operations** related to climate change and green growth;
- ❖ Extent and measurability of **development outcomes**, definition of key performance indicators;
- ❖ Plausibility of the **budget and work plan**;
- ❖ **Capacity and readiness of the proposed executing entity** to execute the grant activities and related budget;
- ❖ Specificity and appropriateness of **procurement, disbursement and implementation plans** and schedules;
- ❖ Clarity and precision of the **Terms of Reference** for consultants to be recruited, as applicable.



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ACCF achievements so far

- First call for proposals focused on **Climate Finance Readiness**. Over 360 proposals received, of which 60 shortlisted and 22 retained for appraisal
- As of May 2016, ACCF approved **8 grants totalling US\$3.3 million**.
- **6 national projects** will advance climate finance readiness in Mali, Swaziland, Cape Verde, Kenya, Tanzania (Zanzibar), and Cote d'Ivoire
- **2 regional projects** will strengthen access to climate change information across the continent and build resilience into infrastructure projects



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Procurement of consulting services and goods

- All procurement of consulting services and goods follows the Bank's [procurement rules](#) which contain details on eligibility and processes
- Bank's procurement website contains information for businesses:
- <http://www.afdb.org/en/projects-and-operations/procurement/resources-for-businesses/>
- A General Procurement Notice is published on the [Bank's website](#) and on [United Nations Development Business Online](#) once a project is approved and contains information about all procurement envisaged under the project.
- Interested bidders will be able to find tender notices, expressions of interest for consulting services, and contract award information on the above website.



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Case studies of approved ACCF projects



Supporting Kenya's transition towards a green economy

- ❖ ACCF grant of USD550,603, government co-financing USD 81,000
- ❖ Executed by National Environment Trust Fund (NETFUND) - Agency under the Ministry of Environment and Natural Resources
- ❖ Aligned with other ongoing climate finance activities in Kenya
- ❖ Project will support the Kenyan government to: i) **develop programs and projects** in the environment and forestry sectors that will **advance the country's transition towards a green economy**; ii) **enhance the capacity for project development** and mobilising climate finance of the Ministry of Environment and Natural Resources.
- ❖ The project proposals developed under this project will be submitted to the **Green Climate Fund** and other international funders.



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Advancing Clean Energy projects in Cabo Verde

- ❖ ACCF grant of 495,036 USD, government co-financing USD94,400
- ❖ Executed by the National Directorate of Environment



- ❖ Supports ambitious government goal for 50% of electricity production from renewable energy by 2020 and INDC unconditional target of 30% renewable energy penetration rate into the electric grid by 2015
- ❖ Project will: i) develop **mitigation projects in the key strategic sectors of energy and waste**; ii) support the **mobilization of climate finance** for project implementation



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Strengthening Access to Climate Change Information in 25 African countries



- ❖ ACCF grant USD 420,000
- ❖ Executed by ORQR3
- ❖ Project will develop country **climate change profiles for 25 African countries** to strengthen information to support decision-making; **Establish a platform** with partner organizations to support access to and regular update of climate change information; **build capacity for mainstreaming climate change** in sector strategies and investments of civil servants in RMCs; and **training for Bank staff** on how to integrate climate change data into project design.



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The way forward

- The Italian commitment of EUR4.7 million has triggered the conversion of the ACCF to a multi-donor trust fund.
- Once the conversion is completed, ACCF will launch a new call for proposals in third quarter of 2016 and preselect new pipeline of projects.
- ACCF aims to approve ~ 4 new projects in 2016 and disburse approximately 2.6 million USD to approved projects



Thank you for your attention! Any questions?

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[Webpage in English and French](#)



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