NEWSLETTER

READINESS AND PREPARATORY SUPPORT PROGRAMME FOR RWANDA ENGAGEMENT WITH THE GCF

January - March

2022



TOPIC 1

Meeting of the National Coordination
Team for engagement to the GCF

TOPIC 2

Key Climate actions in implementation stages in Rwanda



MAIN OBJECTIVE

Strengthening Rwanda's capacity to access GCF Funds through the assessment of readiness needs, updating country programme, capacitating national stakeholders and renewal of DAE accreditation

TOPIC 3

Explore Climate Finance, through Frequently Asked Questions (FAQs) answers









Foreword

DEAR READER & STAKEHOLDER

We are pleased to present the newsletter of the GCF Readiness Support Programme in Rwanda. This GCF readiness programme was launched with the engagement of various stakeholders from private sector, civil society organizations, public institutions, sectorial ministries, and academia.

Though, several challenges and limitations in accessing climate finance still exist, Rwanda established a progress readiness for finance. National climate In this journey, the Designated Authoriin (NDA) which Rwanda Environment Management Authority (REMA) implety NDA readiness programme for increasing the capacity of menting the and

newsletter. achievements In we highlight some important in strengthening Rwancapacity to GCF funds through assessment of readiness needs, access the updatcountry programme, capacitating national stakeholders and renewal of DAE accreditation.

We hope that you will enjoy reading our newsletter and invite you to check our REMA website (https://www.rema.gov.rw) and Rwanda climate change portal (https://climatechange.gov.rw) to have further information. For getting updated information, follow us on social media or contact us directly for more information.

Enjoy Reading!



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@REMA Rwanda

National Coordination Team Meeting on 18 January, 2022



Photos: Volcanoes region as a location of interest for the project that was assessed by National Coordination Team Source: https://www.nyungweforestnationalpark.org/volcanoes-national-park-2/

In the framework of the Green Climate Fund procedures, all projects/programmes seeking funding must receive a letter of no-objection from the National Designated Authority (NDA) confirming country ownership and contribution of the project to the priorities of the Country.

On 18th January 2022, a meeting of National Coordination Team (NCT) for engagement with GCF was held to evaluate a project concept note to be submitted to GCF, requesting for no-objection letter from the National Designated Authority (NDA).

The meeting also served the medium to conduct a refresher training on how to access GCF funds as a way to ensure that NCT members are reminded of the procedures and modalities of accessing GCF funds which was a recommendation made from the previous NCT meeting held on 15th October 2021. The meeting was held at Lemigo Hotel, from 8:00 am to 5:00 pm.

The meeting started with a welcome message given by Ms. Dalie DUKUZE. She then allowed self-introduction by all participants, and later welcomed the Chair of the meeting Mr. Innocent MUGABE for opening remarks.

In his Opening remarks, he thanked all participants for coming and wished everyone a happy new year. Mr. Innocent then shared the agenda of the meeting and kindly asked participants to engage in the discussions in order to meet the meeting objectives. He again thanked the participants and officially started the meeting.

After the opening remarks, the NDA-consultant Mr. Jean NTAZINDA shared questionnaires of a pre-NCT meeting survey to the audience in order to know their understanding and expectations with regards to GCF

The project assessed was 'Building resilience to climate change hazards in the volcano region of Rwanda' project proposal was given by Mr. Bernard MUSANA. He highlighted project linkages to national priorities as follows;

- Rwanda is highly vulnerable to seasonal variability and long-term climate change impacts
- Volcanoes and Virunga corridor flood control are important pledges of senior official pledges and parliaments' recommendations
- Resettlement of displaced communities and helping them with new livelihood options

To close the meeting, Mr. Innocent, appreciated all the NCT members for their commitment to make the meeting successful, and requested them to continue with that spirit in order to make sure that projects sent from Rwanda are good written projects.

He also emphasized on close coordination among relevant stakeholders to ensure all are on board. He again thanked the NDA for organizing such a productive meeting, and all participants for their valuable contributions. Mr. Innocent officially closed the meeting.

Watch through the lens: Key climate actions in Implementation stages in Rwanda



Electric moto-vehicle



Solar Energy



Improved cookstove



Afforestation



Terraces



Model Green Villages



Water harvesting



Wetlands restoration



Cycling



River banks protection



Solar irrigation



Silvo-pastoralism



Photos: Terraces in Gicumbi, an activity being implemented by Green Gicumbi Project funded by GCF

What is climate finance?

Climate Finance refers to local, national or transnational financing; drawn from public, private and alternative sources of financing; that seeks to support mitigation and adaptation actions that will address climate change. The Convention, the Kyoto Protocol and the Paris Agreement call for financial assistance from Parties with more financial resources to those that are less endowed and more vulnerable.

This recognizes that the contribution of countries to climate change and their capacity to prevent it and cope with its consequences vary enormously. Climate finance is needed for mitigation, because large-scale investments are required to significantly reduce emissions. Climate finance is equally important for adaptation, as significant financial resources are needed to adapt to the adverse effects and reduce the impacts of a changing climate.

What are the main sources of climate finance?

There are a growing number of multilateral sources of climate finance. Mentioned below are the main sources of climate finance;

- ☐ Green Climate Fund (GCF)
- ☐ Global Environment facility (GEF) under this fund are two special funds
- Special Climate Change Fund (SCCF) and
- the Least Developed Countries Fund (LDCF)
- $\ \square$ Adaptation Fund (AF) established under the Kyoto Protocol in 2001
- ☐ Multilateral Development Banks
- ☐ Bilateral donors

These funds promote public-private partnerships to catalyze private sector investment.



Photos: E-mobility is a solution for fuel base vehicles, and this is a quick win for emission reduction from transport



Photo: Ecosystem Based Adaptation actions through tree planting is one of the key adaptation action

How can people access climate finance in Rwanda?

Climate finance can be accessed through different accredited entities national international. both and GCF seeks to have an impact within eight mitigation and adaptation result areas which reclimate spond change risks impacts. to and These are:

- Health, food and water security
- Livelihoods of people and communities
- Energy generation and access
- Transport
- Infrastructure and built environment
- Ecosystem and ecosystems services
- Buildings, cities, Industries and appliances
- Forests and land use

In Rwanda there is only one accredited entity which is the Ministry of Environment (MoE). Below are some steps to follow in order to access climate finance through the MoE:

Step 1. One seeking climate finance should identify a project.

Step 2. Developer should develop a project concept note.

Step 3. After developing a project concept note, the developer must consult the National Designated Authority (NDA) in this case REMA, and request for a No Objection Letter (NOL).

This is issued soon after a thorough review of the concept note, checking if the project responds to the urgency of climate mitigation and adaptation and has followed the Green Climate Fund (GCF) criteria. Once the project proves to be within the GCF priority areas, the NOL is issued.

Step 4. Once a developer has been issued a NOL, with the help of the accredited entity, the concept note is developed into full proposal and later submitted to the GCF for approval.

Step 5. Evaluation of the funding proposal by the GCF

Step 6. Decision making by the GCF. At times, there will be comments to address and re-submit for approval. If this is done quickly, the project can be reviewed and approved. If the project has been approved, it is the right time for the start of its implementation.

Apart from the national accredited entity (MoE), there are other international accredited entities through which people can access climate finance. Some of them are:

- JICA (Japan International Corporation Agency)
- African development Bank
- ENABEL: Belgium
- KFW: German
- UNDP, IFC, IUCN. etc.



Photo: Improved Cook-Stove is one of the key activities required for climate change mitigation in Rwanda

What is the Rwanda Green Fund?

Also known as FONERWA, this is a National ground-breaking Environment and climate change Fund, established by the Rwandan Government in 2012. FONERWA is the country's main climate finance vehicle.

The mission of the fund is to mobilize, manage, monitor and facilitate cross sector access to green and climate finance, and provide financial and technical support to catalyze climate resilient development impacts at scale. The Fund's core responsibilities are to:

- Mobilize and manage resources used in financing activities aiming at protecting and preserving environment and natural resources;
- Mobilize and manage funds to be used in the fight against climate change and its impact;
- Collect and manage funds from the public and private sector, through bilateral and multi-lateral partnerships, to achieve the country's objectives to advance national priorities in the field of environment and climate change;
- Support public organs, associations and individuals for environment protection and conservation, research as well as the fight against the climate change;
- Coordinate and ensure that various finance partnership agreements related to prevention as well as fighting against climate change are prepared and effectively managed across various national stakeholders;
- Collaborate with other national regional and international institutions with the same mission.

The Fund works through carrying out public Calls for Proposals and all applicants have a one month window of opportunity to submit their project concepts, developed according to pre-established criteria. All proposals received are taken through a rigorous screening process. The project or programme proposal screening is carried out in a fair, transparent, competitive multi-step process.

It is overseen by the Fund Management Team (FMT)/ Secretariat with ultimate funding decisions made by the Fund Managing Committee (FMC) based on evaluations and recommendations provided by the FMT & Fund Technical Committee FTC. Currently, there are three main financial instruments that are provided by the fund;

- *Grant:* Accessed by public institutions and Non-Governmental Organizations (NGOs)
- *Innovation Grant:* This product is a performance based investment for research and development, proof-of-concept and demonstration. Private sector companies can apply for up to USD 300,000 and must provide 25% match funding.
- *Credit Line:* The Fund provides Rwanda's cheapest money with a credit line that provides Financing at 11.45%, well below market rates. Developed with Rwanda's Development Bank, private sector companies must provide 30% match funding.



Photo: Solar power is a key renewable energy source which is suitable in Rwanda that need green fund

What is the role of the Ministry of Environment and REMA in facilitating access to climate finance?

Rwanda Environment Management Authority (REMA) is a National Designated Authority (NDA). It is a government institution that serves as an interface between Rwanda and the Fund. Its role is to provide a broad strategic oversight of the Green Climate Fund's activities in the country and communicates the country's priorities for financing low-emission and climate-resilient development. It also facilitates through reviews of project concept notes and issuance of no objection letter which is one of the requirements by the GCF.

The Ministry of Environment (MoE) is the only accredited entity in Rwanda. The MoE partners with GCF to implement projects by converting concepts into action. The role of MoE is therefore to work alongside the country to come up with project ideas, and submit funding proposals for the GCF Board to approve. It is through the accredited entity (MoE) that people can access climate finance.

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