CLIMATE FINANCE IN RWANDA

WHO IS INVOLVED TO ADDRESS CLIMATE CHANGE ADVERSE EFFECTS AND FOR WHICH IMPACT?

APOLLINAIRE MUPIGANYI, EXECUTIVE DIRECTOR
1. Background

2. Climate Change in Rwanda: Serious threat for sustainable Development

3. Climate change finance in Rwanda: Stakeholders mapping

4. How Rwanda addresses Climate Change Effects?

5. CSOs role to promote transparency, accountability and institutional integration: Which SA tool for which context?

6. Conclusion
1. BACKGROUND: PROFILE OF RWANDA

Rwanda is a landlocked country situated across East and central Africa. Also known as 'the land of a thousand hills', Rwanda has five volcanoes, twenty-three lakes and numerous rivers, some forming the source of the River Nile.
1. BACKGROUND, ..... 

PROFILE OF RWANDA

• Land Area: 26,340 square Kilometers.

• Altitude: Ranges from 1000-4500m above sea level, with the highest point: Karisimbi volcano (4,507m)

• Rwanda is recently very known through its dark history of 1994 genocide against the Tutsi where in only three months, about one million of persons were barbarously killed due to their race or their political belonging
1. BACKGROUND, .....  

PROFILE OF RWANDA

• But the country is also known by its quick recovery from what was the state bankrupt to one of the success story in the region, on continent in economic growth; control of corruption; safe and security; women empowerment, ....
1. BACKGROUND: CPI 2017 IN SSA

<table>
<thead>
<tr>
<th>Rank 2017</th>
<th>Country</th>
<th>Score 2017</th>
<th>Global Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Botswana</td>
<td>61</td>
<td>34</td>
</tr>
<tr>
<td>2</td>
<td>Seychelles</td>
<td>60</td>
<td>36</td>
</tr>
<tr>
<td>3</td>
<td>Cabo Verde</td>
<td>55</td>
<td>48</td>
</tr>
<tr>
<td>3</td>
<td>Rwanda</td>
<td>55</td>
<td>48</td>
</tr>
<tr>
<td>4</td>
<td>Namibia</td>
<td>51</td>
<td>53</td>
</tr>
</tbody>
</table>
1. BACKGROUND: CPI 2017 IN EASTERN AFRICA

OVERALL POSITIVE TREND

- Tanzania
- Kenya
- Burundi
- Uganda
- Rwanda
2. CLIMATE CHANGE IN RWANDA:

SERIOUS THEART FOR SUSTAINAIBLE DEVELOPMENT IF NOT ADEQUATELY ADDRESSED
- Rwanda, as for other least developing countries, is heavily affected by climate change adverse effects:

In the night of 23\textsuperscript{rd} April 2018, night downpour claimed lives of 19 people from three districts (Gasabo, Nyabihu, Rwamagana), left seven injured and 79 houses damaged.
CLIMATE CHANGE IN RWANDA

Climate change vulnerability is increasing

Flooding are increasing, especially in Western and Northern provinces

More and more droughts, especially in Eastern and Southern provinces causing hunger in the affected region. Example: 2016 Kayonza
3. CLIMATE CHANGE FINANCE IN RWANDA: STAKEHOLDERS MAPPING

**International Climate Funds (CIF, AF, GCF)**

**National Governing Bodies:** MoEnvironment, MINECOFIN

- MIN of Env. coordinated Green Growth Strategy, CC subsector strategy and ENR 5 year strategic plan to implement EDPRS II.

**Implementing Entity:** MOE, REMA, RDBank

- MIN of Env. implements strategies, cc and adaptation competences. MIN of Env. accesses funding and is IE. Rwanda Development Bank has credit facility.

**Executive Entity:** FONERWA

- FONERWA designs, manages, executes programs, lion’s share of CF distributed by them. MININFRA focal point for some CIF projects.

**Projects**

- Projects can be implemented by central government, local government, private sector, civil society.

Source: adapted from Benault et al., 2016
4. HOW RWANDA ADDRESSES CCE?
4. How Rwanda addresses CCE?

- The Government of Rwanda (GoR) has shown political leadership on environment and climate change issues:
  - Green Growth and Climate Resilient Strategy approved by Cabinet in 2011
  - FONERWA (*National Fund for Environment and climate change*) established in law in June 2012 [*FONERWA - implementation of the Green Growth Strategy*]
  - National Climate Change Vulnerability Index, May 2015
  - SDGs replace MDGs in January 2016
  - FONERWA Law Revised and Passed through Cabinet 2017
FONERWA FUND – RWANDA’S GREEN FUND

Source: adapted from Climate Institute 2017

Please note, not all funds are included
FONERWA is capitalized through various sources and has to date mobilized over $90 million.

Important to note that given its structure, governance and mission, FONERWA is increasingly seen as the national primary engagement point for global climate financing including Multi-laterals.

1. Green Climate Fund (GCF)
2. World Bank/Climate Investment Funds (PPCR/FIP/SREP)

End of March 2018
- MITIGATION ACTIONS:

- Climate change mitigation strategies and actions: e.g. To reduce Green House Gas emissions (GHG) or increasing the capacity of carbon sinks (e.g. reforestation)
- Strategies are often linked the energy sector
- Promoting and supporting resource efficiency and renewable energy development (biomass, hydroelectric, wind, solar and hydrothermal systems) via CLIMATE CHANGE FINANCE
- Promoting renewable energy also contributes to secured energy access, reduced negative environmental impacts and improve economic and social development
ADAPTATION

Adaptation are the ones that aiming at anticipating the adverse effects of climate change and taking appropriate action to prevent or minimise the damage they can cause, or taking advantage of opportunities that may arise.

Examples of adaptation measures include: using scarce water resources more efficiently; developing drought-tolerant crops.
CLIMATE CHANGE FINANCE IN RWANDA

Trends in climate-related development finance (mitigation and adaption)

2009: 15 Mio USD
2013: 279 Mio USD
2016: 761 Mio USD

Mitigation related development finance
2016: 415 Mio USD

Top 10 sectors: Mitigation-related development finance (Upper bound), Rwanda, 2016

- Energy distribution
- Agriculture
- General Environment Protection
- Forestry
- Energy generation, renewable sources
- Government & Civil Society-general
- Energy Policy
- Basic Health
- Construction
- Fishing

USD million, constant 2015 prices

Source: https://public.tableau.com/views/Climate-relateddevelopmentfinance-RP/CRDF-Recipient?embed=y&:display_count=no&%3AshowVizHome=no%20
## PORTFOLIO OF PROJECTS – REPRESENTATIVE AND INCLUSIVE FINANCING

### ENTITY TYPE | FUNDING | PROPORTION
--- | --- | ---
Districts | 7,160,657,261 | 24%
Districts Partnering with NGOs | 4,037,303,291 | 13%
Central Government | 15,263,998,199 | 50%
NGOs | 1,868,208,661 | 6%
Private Sector | 2,030,664,485 | 7%

- NGOs include national as well as international NGOs
- Private Sector includes both medium and small sized enterprise in critical sectors – renewable energy, mining and agriculture
- Partnerships with local authorities increase the absorption capacity of NGOs and implementation capacity of local authorities
- District have earmarked funds and have been critical in adaptation financing and livelihood enhancement
- Central Government and its agencies have been critical in ensuring accountable application of resources especially in adaptation

End of March 2018
5. CSOS CONTRIBUTION TO PROMOTE TRANSPARENCY, ACCOUNTABILITY AND EFFICIENCY:

TI-RW CCF PROJECT:

PROMOTING TRANSPARENCY, ACCOUNTABILITY AND GOOD GOVERNANCE IN CLIMATE CHANGE FINANCED PROJECTS IN RWANDA
Can renewable energy mitigate CC?

80.6% of respondents agree that renewable energy sources contribute to the prevention of climate change.
As asked to pay extra-payment to acquire renewable energy:

<table>
<thead>
<tr>
<th>Energy Source</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hydropower</td>
<td>20.8 %</td>
<td>79.2 %</td>
</tr>
<tr>
<td>Biogas</td>
<td>2.7 %</td>
<td>97.3 %</td>
</tr>
<tr>
<td>Bio Energy</td>
<td>4.1 %</td>
<td>95.9 %</td>
</tr>
<tr>
<td>Resource efficient practices: Improved Cooking stoves</td>
<td>7.2 %</td>
<td>92.8 %</td>
</tr>
</tbody>
</table>
TRAINING

Respondents who got trained on the usage of renewable energy equipment

No, 41.0%

Yes, 59.0%
TRANSPARENCY AND ACCOUNTABILITY

Beneficiaries of the renewable energy set-up who have been consulted to take part on the decision of acquiring such equipment

- Yes, 36.6%
- No, 63.4%

Existence of channels through which respondents get information on the management of the funded projects

- Yes, 7.4%
- Don't know, 21.8%
- No, 70.8%
IN VolvEMENT IN DECISION MAKING

Frequency of involvement of beneficiaries, CSOs and local leaders in monitoring the management of funds allocated to renewable energy projects in their district

<table>
<thead>
<tr>
<th></th>
<th>Very often</th>
<th>Often</th>
<th>Rare</th>
<th>Very rare</th>
<th>Never</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiaries</td>
<td>4.8%</td>
<td>11.8%</td>
<td>16.4%</td>
<td>11.6%</td>
<td>55.5%</td>
<td>24.7%</td>
</tr>
<tr>
<td>CSOs</td>
<td>4.2%</td>
<td>7.0%</td>
<td>14.3%</td>
<td>14.6%</td>
<td>59.8%</td>
<td>20.3%</td>
</tr>
<tr>
<td>Local leaders</td>
<td>7.5%</td>
<td>17.7%</td>
<td>18.1%</td>
<td>16.3%</td>
<td>40.4%</td>
<td>33.9%</td>
</tr>
</tbody>
</table>
6. CONCLUSION
CONCLUSION

• No national policy on climate change in Rwanda, only outdated policy and law on environment of 2003 and 2005 respectively,

• Citizens are in general well informed a) about climate change, b) climate change effects, c) as well as about the contribution of renewable energy

• Most grants are received for improved cooking stoves and solar power, set-ups and application time is shortest

• Waiting time for application is highest in the category of electricity/hydropower (3-6 months)

• 41 % of people using renewable energy, were not trained at all

• When it comes to upward accountability and transparency: major gaps in planning and monitoring, information channels of the funded projects are seemingly not operational, 63.4% have never been consulted

• The level of corruption seems to be low. The highest level of corruption is considered for nepotism in project approval and selection
"I commend the work done by Transparency International Rwanda and in particular this report on climate change finance. The external eye is always needed to validate actions and credible outcomes so that we continue to do what we are doing right and try to correct where we are not getting the results we want to achieve”, said the Minister of Environment in his key notes address”.

Minister of Environment during his speech at the launch OF CRC on 9th March 2018
Social Accountability tools: Entry points for CSOs to promote stakeholders engagement and independent monitoring to counter governance challenges: Which SA tool for which context?
THANK YOU