FONERWA PRESENTATION

-----25th-September-2018/NAP-GSP----













THE VISION OF THE COUNTRY

Long Term Rwanda's vision:

Becoming a low-carbon and climate-resilient economy by 2050.

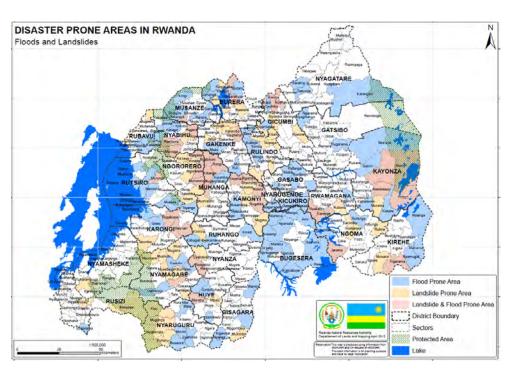


NATIONAL KEY CHALLENGES

- Landlocked in the heart of Africa;
- The fertile and flourishing lands of Rwanda are at risk with the growing population(to double in 20years);
- Climate change is already intensifying droughts and crippling the country's vulnerable ENR(Environement Natural Resources and Agricultural sector;



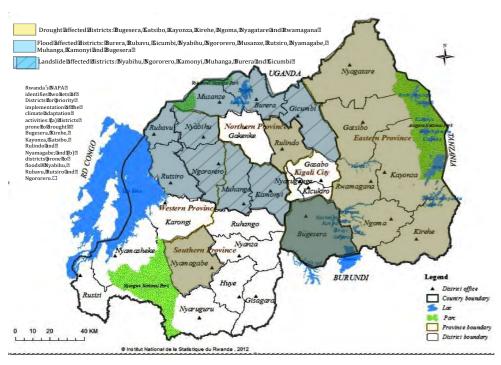
Background of the Issue



- Climate modeling projects rises of up to 2.5°C by the 2050s) and increasingly intense rainfall events.
 - ◆Increased risk of flooding (and droughts in some areas), landslides and soil erosion.



Background of the Issue



- ◆Additional economic costs: a loss of ~1% of GDP per year by 2030 (excludes the future effects of floods/extreme events).
- ◆Annual costs of adapting to climate change estimated up to \$300m per year



Policy and Strategy Context - GGCRS: Programmes of Action



Finance

Capacity
Building and
Knowledge
Management

Technology, Innovation and Infrastructure

Integrated
Planning and
Data
Management

Programmes of Action

Sustainable intensification of small-scale farming

Agricultural diversity of markets

Sustainable land use management Integrated
Water
Resource
Management

Low carbon energy grid Small-scale energy access in rural areas

Disaster management and Disease prevention

Green industry and private sector development

Climate compatible mining

Resilient transport systems Low carbon urban systems

Ecotourism, conservation and PES Sustainable forestry, and agroforestry and biomass

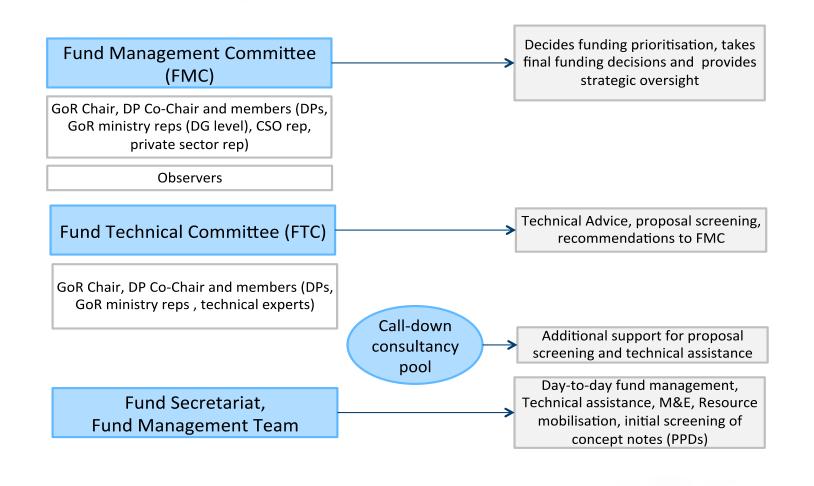


SDG's Tackled by the FONERWA

- Affordable and Clean Energy(SDG 7);
- Decent Work and Economic Growth(SDG 8);
- Sustainable Cities and Communities(SDG 11);
- Climate Action(SDG 13);
- Life on Land(SDG 15);

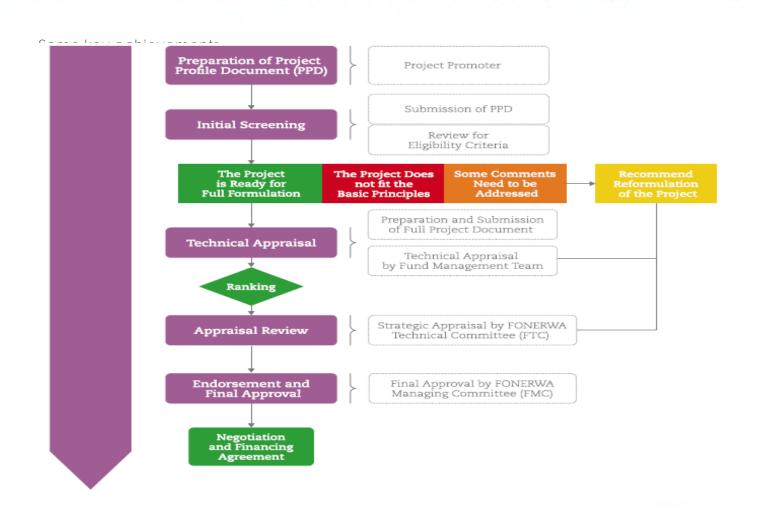


Current Governance Structure





SCREENING PROCESS



Implementation updates





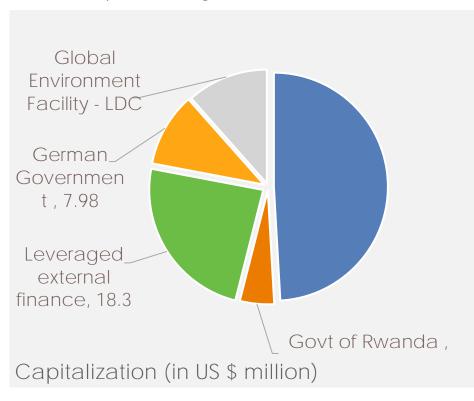






FONERWA'S CAPITALIZATION

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

- Green Climate Fund (GCF)
- World Bank/Climate Investment Funds (PPCR/FIP/SREP)



RESULTS/IMPACTS

Employment and Poverty Reduction

90,498 Green Jobs Created

Environmental Protection

- 35,356 Ha of Forest Land Rehabilitated
- 12,998 Ha of Watersheds and Water bodies Rehabilitated

<u>Climate Resilience and Livelihood Improvement</u>

• 18,914 Families Connected to Off-grid energy





Current implementation status

- Reliable governance structures
- Instruments in place to support private sector projects
- 9 calls for proposals

30 implementing/i mplemented

36 proposals approved

121 Full Proposals developed

1392 concept notes submitted

32,207,124,835 frw





PORTFOLIO OF PROJECTS - REPRESENTATIVE AND INCLUSIVE FINANCING

ENTITY TYPE	FUNDING	PROPORTI ON	٠	NGOs include national as well as international NGOs
			•	Private Sector includes both medium and small sized enterprise in critical sectors –
Districts	7,160,657,261	22.2%		 renewable energy, mining and agriculture Partnerships with local authorities increase the absorption capacity of NGOs and implementation capacity of local authorities
Districts Partnering with NGOs	4,311,572,605	13.4%		
			1	District have earmarked funds and have been critical in adaptation financing and livelihood enhancement
Central Government	17,438,334,837	54.1%	٠	Central Government and its agencies have been critical in ensuring accountable application of resources especially in adaptation
NGOs	2,030,664,485	6.3%		
Private Sector	1,265,895,647	4%		



Challenges/opportunities

Challenges

Sustainable development undermined by business as usual performance/focus

Limited coordination among sectors

Capacity/ownership of sustainable development processes

Identifying champions and partnerships for capitalization of the fund

Identify critical areas of intervention

Opportunities

National and global climate change Linkages: NDCs and SDGs underpinned by global funds

National (cross sector) climate resilience strategy

Climate change recognized as an economic development issue

Strategic engagement of reliable Partners

Focus on national priorities with global implications: NDCs and SDGs.



FONERWA STRATEGIC VISION

Post-Paris Model: Rwanda Green Finance FACILITY Transforming FONERWA design Secretariat + Technical Facility **Programmatic Climate Finance** Hybrid Fund mgmt. Hybrid Fund GCF Proposal Original FONERWA FUND model Demand-led (45%) Supply-led (55%) Preparation Of total Fund resources, at least: CIFs Targeted FMT operationalization → 30% to PS Innovation grants & Calls for Proposals credit line for strategic Implementation → 15% to CSO grants targeting Others national priorities vulnerable groups support Demand-led Fund FMT project CDKN Support At least \$5mn credit line 10% for Districts, with BRD for Private ...Transition to more financially & technically 20% to Private Sector GGGI support sustainable & strategic operational model.



GREENING OUR NATION FOR FUTURE GENERATIONS RESILIENCE

