



East Africa Community Lake Victoria Basin Commission



International Summit ‘ Water and Climate – Meeting of Great Rivers of the World’

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**Financial Mechanisms for Adaptation to Climate
Change in the Basins:
The Incubation of new Projects to Improve
Governance and the Financing of the Actions**

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PRESENTATION OUTLINE



- LVBC Background
- LVBC Mandate, objectives and broad functions
- Climate Change Issues within the Basin
- LVBC climate change instruments and tools developed
- LVBC experiences on developing CC adaptation project
- challenges
- Lesson Learnt
- Recommendations



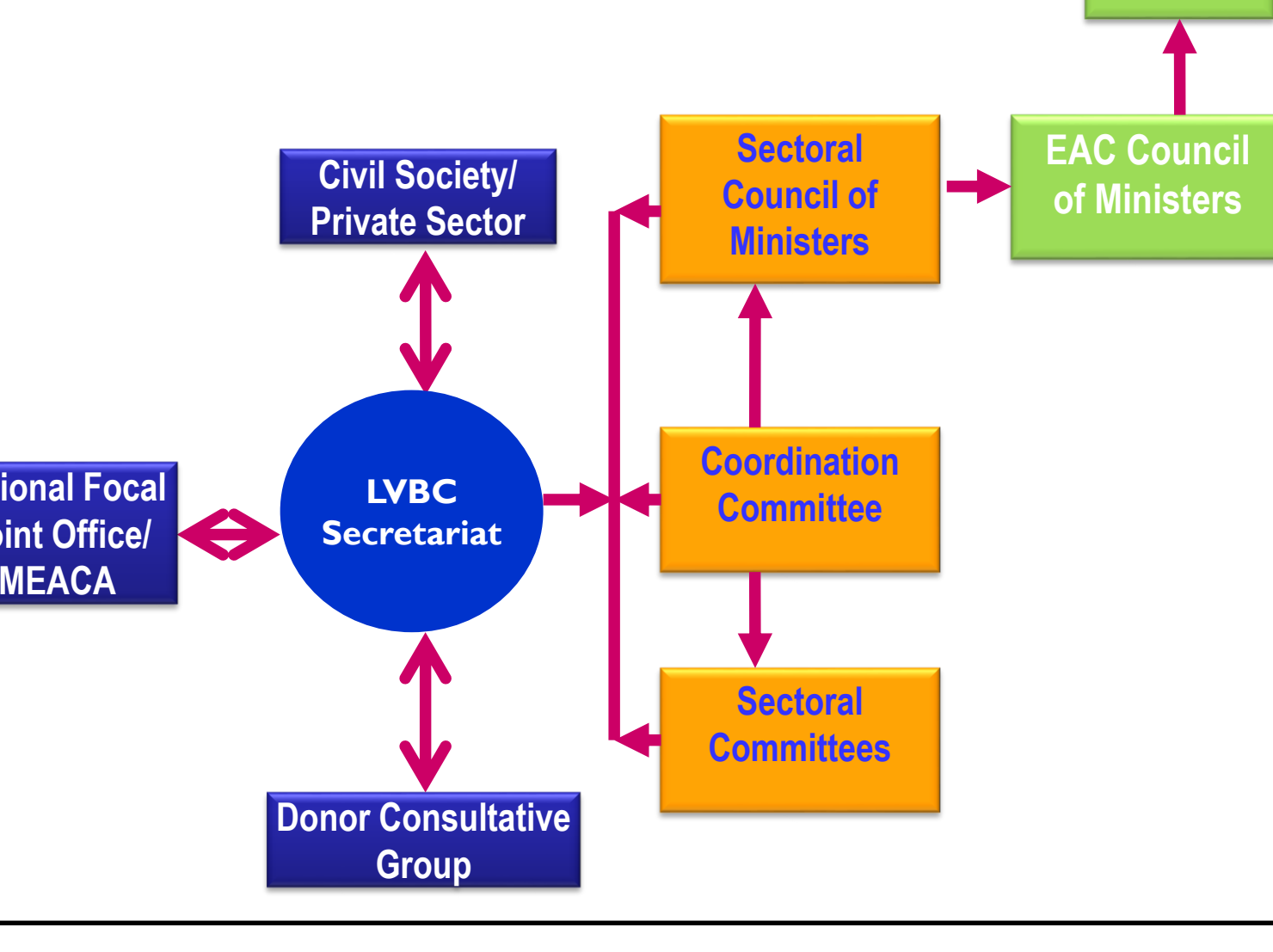
LAKE VICTORIA BASIN COMMISSION ESTABLISHMENT



- LVBC is a specialized institution of the EAC
- Establishment of the Commission is provided for under the Article 114 of EAC Treaty (1999).
- The establishment and operations of the Commission is governed by the Protocol for Sustainable Development of LVB, 2003
- Partner States recognise that LVB is a transboundary resource and designated it as an economic growth zone and the need for regional collaboration in mgt. for sustainable development'
- There are 14 areas of cooperation as per the Protocol



LVBC GOVERNANCE STRUCTURE





LVBC'S VISION & MISSION

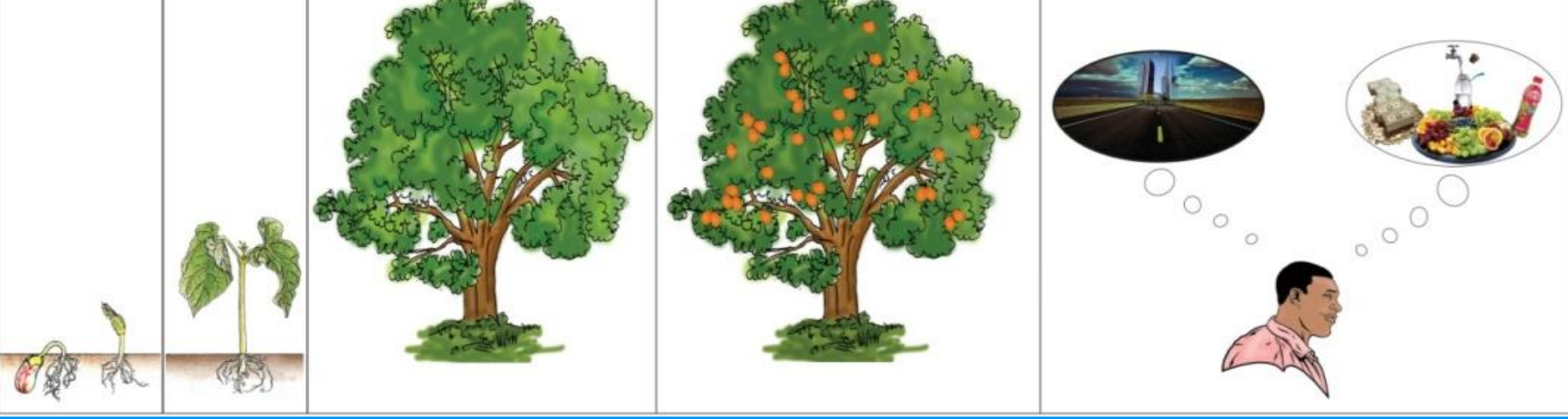


Vision

“A prosperous population living in a healthy and sustainably managed environment providing equitable opportunities and benefits”

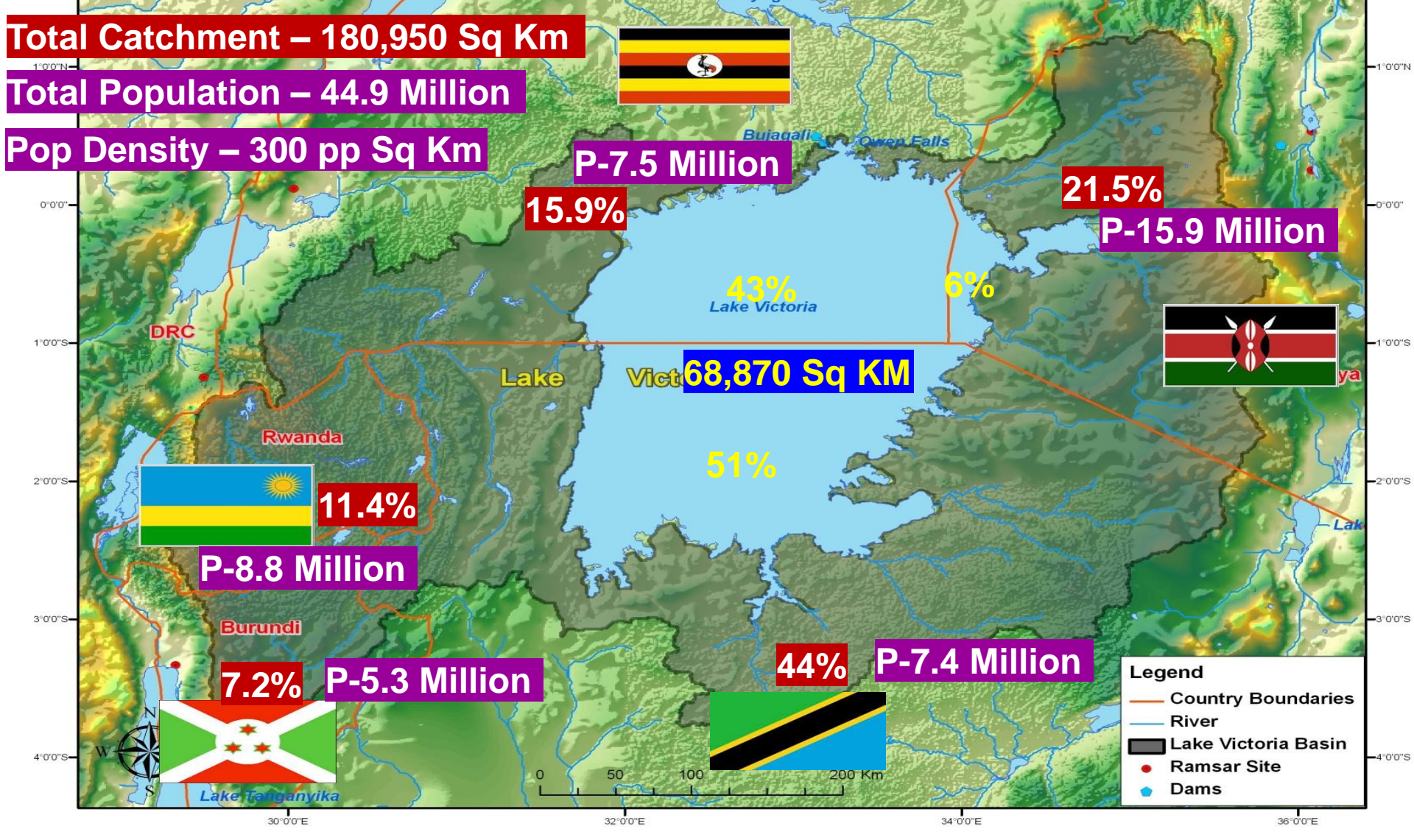
Mission

to promote, facilitate and coordinate activities of different actors in the LVB.





Lake Victoria Basin



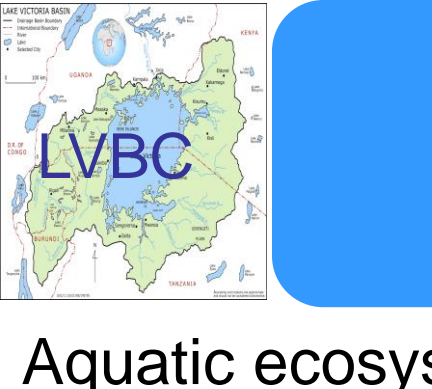
LAKE VICTORIA BASIN

- Drainage Basin Boundary
- - - International Boundary
- River
- Lake
- Selected City

0 100 km



LVB/NILE SYSTEM IN PERSPECTIVE



MAJOR TRANSBOUNDARY ECOSYSTEMS IN LVB



Aquatic ecosystems

- Lake Victoria (all 5 countries)
- Kagera river basin (4 countries)
- Mara river (Kenya and Tanzania,
- Sio-malaba (Kenya and Uganda)



Terrestrial ecosystems

- Mount Elgon ecosystem (Kenya and Uganda)
- The great Serengeti-Mara Ecosystem
- Minziro-Sango Bay Swamp Forest (Uganda and Tanzania) and;
- Nyungwe National forest Park (Rwanda and Burundi)





IMPORTANCE OF LVB



- Source of Livelihood of more than 40 million people
- A source of water for domestic for about 87 cities and towns with 60% coverage;
- Rich fishery resource yielding about > 1million MT annually; USD 300 Million
- Hydropower potential (Produce about 720 MW)
- Agriculture potential (1.1 Mha of irrigation)
- Climate moderator
- Ecosystem function: wildlife habitats Mara/Serengeti; Wetlands (about 4,000 Km²); USD 270 Mill Annually
- Transport

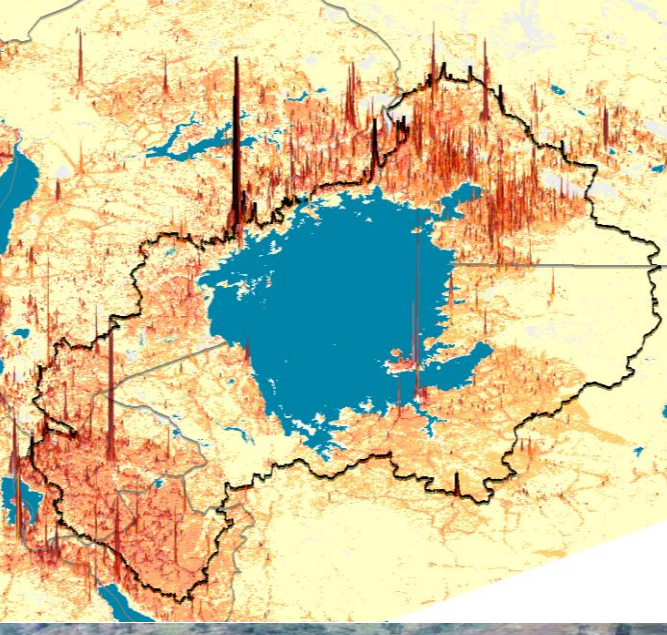




Challenges in the Basin

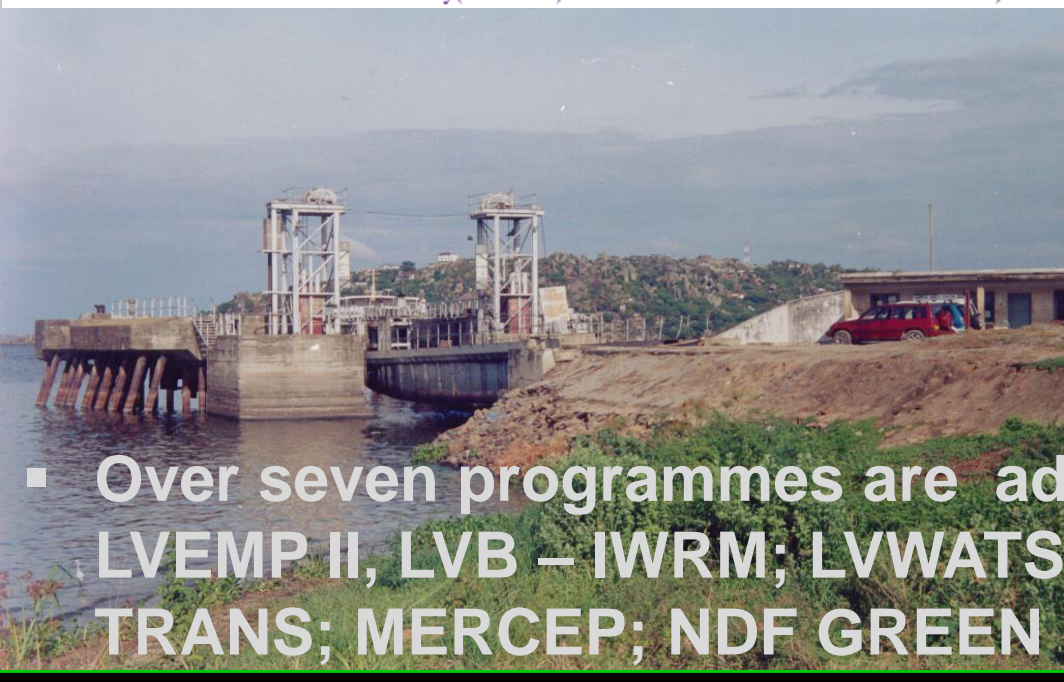
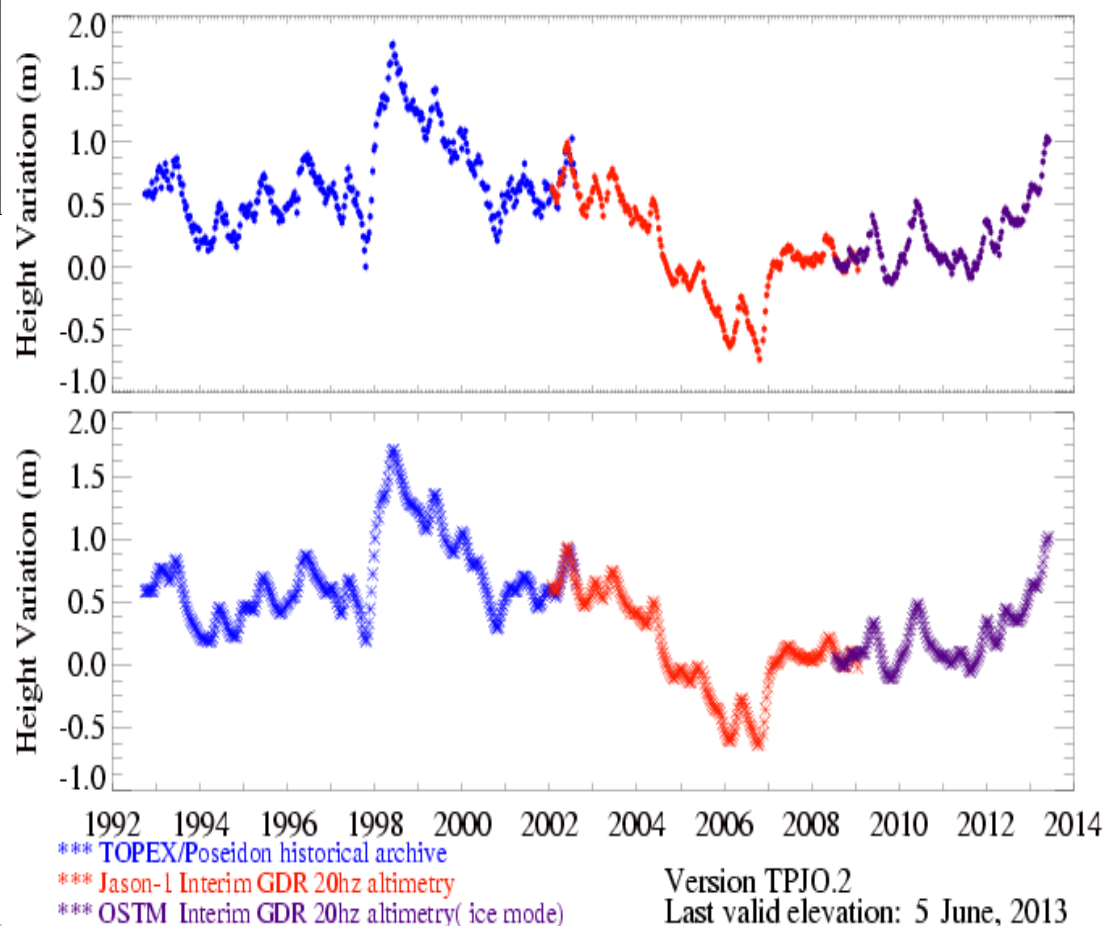


- **Drivers for growth** (population growth, Urbanization)
- **Stresses from outside the basin** – deteriorating WQ –pollution and eutrophication; nutrients (N and P) atmos. deposition, climate change
- **Stresses within the lake** – over-fishing, untreated effluent, water hyacinth, cage culture, abstraction and release Fluctuating lake levels
- **Stresses from the basin** – land degradation, pollution from agro-chemicals, sediment loads, poor solid waste management
- **Stresses on littoral zones** –shoreline, conversion of wetlands, poor solid wastes management
- **Climate change (floods and severe droughts)**
- **Many stakeholders with different interest**



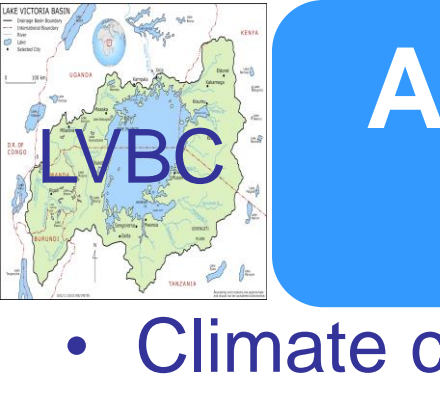
Lake Victoria Height Variations

Jason-2 Geo-referenced 20Hz Along Track Reference Pass 120 Cycle 54



Over seven programmes are addressing these challenges
LVEMP II, LVB – IWRM; LVWATSAN II, MLVTP; PHE, MARA
TRANS; MERCEP; NDF GREEN GROWTH; Total Finance of

about 300 Million



Addressing CC issues in the LVB



- Climate change poses significant and complex challenges for transboundary water basins
- The impacts of CC extend beyond direct and immediate impacts on communities, ecosystems, infrastructure, and local or national economies;
- strategies to prepare for the onset of climate were necessary



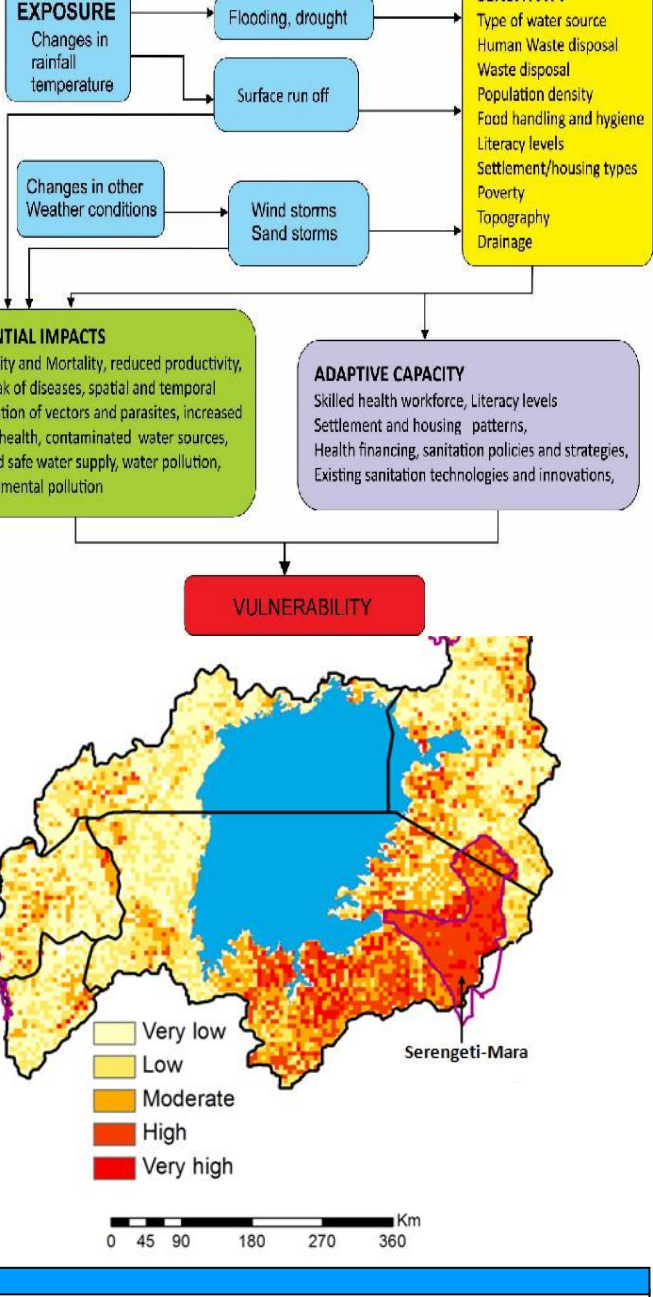
- Countries understood the importance of cooperation to address CC issues in the basin



LVB CC Instruments and Tools Developed

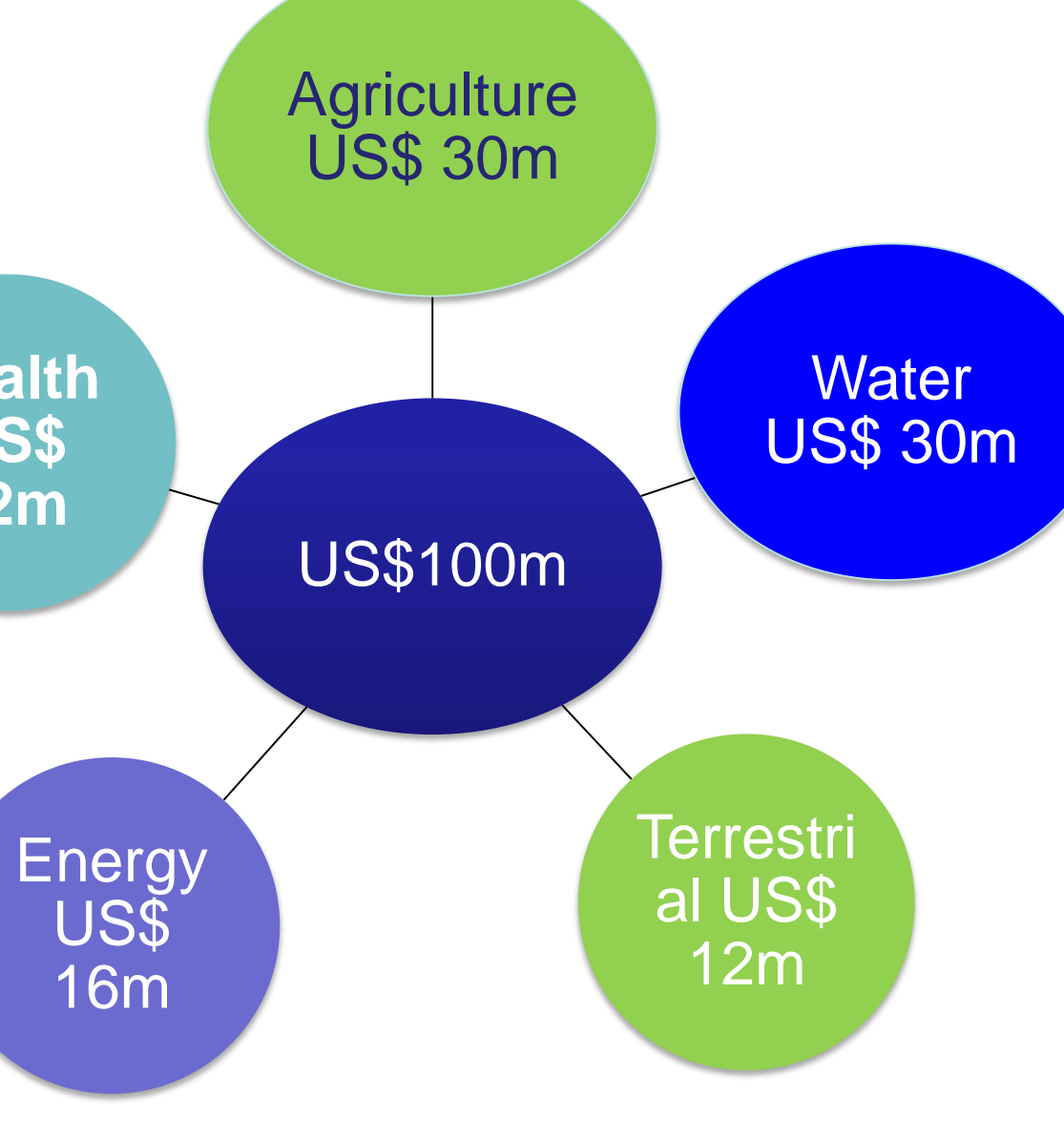


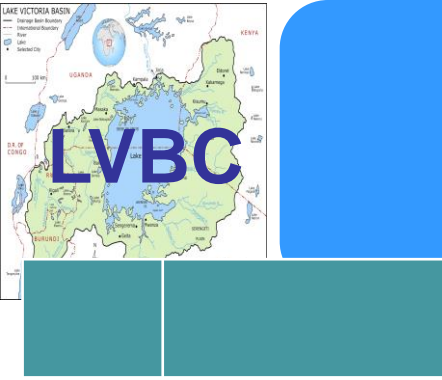
- EAC Climate change Policy;
- EAC Climate change Master Plan,
- EAC Climate change Strategy, and
- LVB Climate Change Vulnerability Impact Assessments;
- VIA future climate projections completed for 2030, 2050, and 2070 (for RCP 2.6, 4.5, and 8.5)
- Impact scenarios for five sectors (Agriculture, Water, Terrestrial, Health and energy and transport)
- Developed Climate change analysis tools: GeoCLIM and GeoMod
- Maps showing LVB climate change hotspots
- Lake Victoria Basin Climate Change Adaptation Strategy and Action Plan





Key Sectors Identified by the Stakeholders



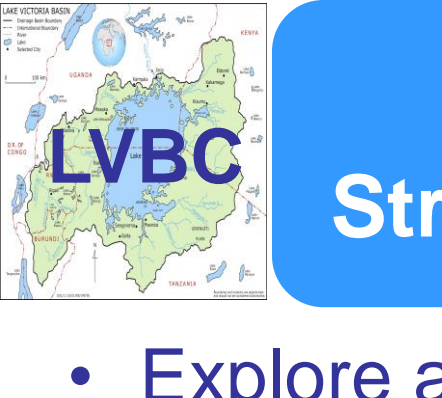


Stakeholder—Generated Adaptation Options



	Adaptation Options
1	Strengthen, integrate and coordinate national food security to be responsive to priority user needs
2	Develop & implement community—based climate change resilient programs on water catchment management
3	Promote climate—smart agriculture programs (e.g. applied R&D, risk management, crop/livestock insurance)
4	Develop climate information hub in the EAC region
5	Develop community—based biomass reduction and efficiency best—practices models
6	Prepare regional approach to address community—based climate change impacts on wildlife and tourism
7	Develop and sustain financing mechanism & regional policy framework

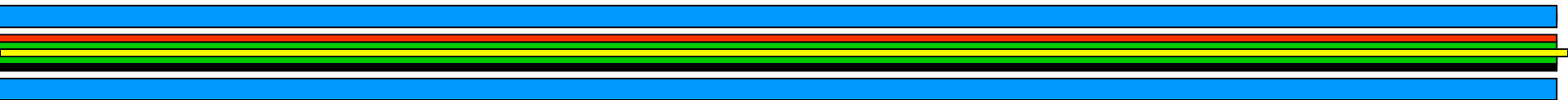


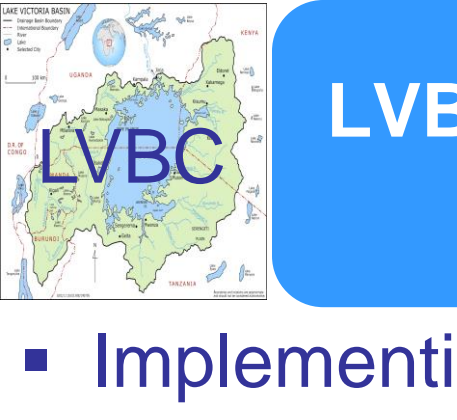


Financing of the LVB CC Strategy – Models of Financing



- Explore and undertook an assessment for the available funding windows to finance the LVB CC strategy
- Direct Funding application through UNFCCC funds: Adaptation Fund, Green Climate Fund;
- International Implementing agencies (Multilateral Institutions: WB, AfDB, EIB, ADB) UN Institutions , UNDP, UNEP (International Implementing Entities); or through bilateral donor agencies such as USAID, GIZ, etc





LVB Experiences on Developing CC Adaptation Project



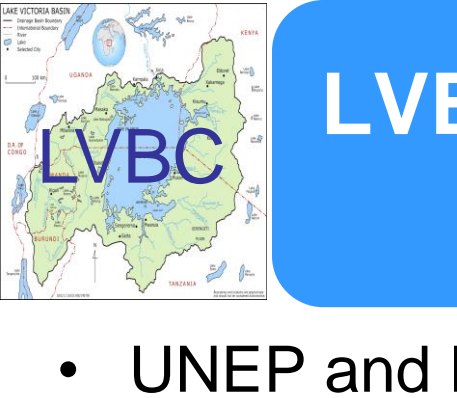
- Implementing Entity must be Accredited: EAC is not accredited IE; MoU with UNEP the MIE;
- Kyoto Protocol Parties that are eligible to apply for funding must use either:
 - ✓ National Implementing Entity (NIE),
 - ✓ Regional Implementing Entity (RIE), or a
 - ✓ Multilateral Implementing Entity (MIE) and
 - ✓ Parties' Designated Authorities
- Designated Authorities” are government officials who act as points of contact for the Adaptation Fund.
- On behalf of their national governments, the designated authorities endorse: the accreditation applications and proposals.



LVB CC Adaptation Projects: Objectives – Adaptation Fund



- To build adaptive capacity of regional and national institutions in creating resilience for the LVB;
- To establish an early warning system for identifying risks from climate change to water management in the Lake Victoria Basin
- To establish a small grants programme to support local institutions to implement site based adaptation actions that contribute to regional resilience and are in consistent with the LVBC climate change strategy; and
- Develop basin-wide lesson learning and knowledge management framework.



LVB Experiences in Developing CC Adaptation Project



- UNEP and LVBC prepared a draft concept note with Consultations of the Partner States;
- LVBC (Burundi, Kenya, Rwanda, Tanzania and Uganda), through UNEP developed and endorsed 1st and 2nd Project Concept proposal (approved by AF Secretariat);
- National and Regional consultation meetings held and developed detailed project Proposal;
- Developed detailed Project Proposal with ESMP; and
- Endorsed by PS and submitted to AF Secretariat'
- **Time till approval 1 year; Financier AF: TF: 5 Mill: Imp period: 5 yrs**

Support from CTCN

- Climate Technology Centre Network for Technical Assistance: USD 250,000 “*technologies and capacity for Climate resilient decision making methods for LV*”



LVB Experiences in Developing CC Adaptation Project – PPP – WB - NDF



- Introducing climate and clean technologies in SMEs for sustainable economic growth while achieving environmental benefits in the LVB such as pollution and climate change mitigation benefit.
- Recent research demonstrates that engaging the private sector in developing countries more strongly as partner in planning and achieving climate adaptation is crucial and expected to have strong spillover effects:
 - Don't require endorsements by NDAs
 - **Worked with the WB to develop the proposal; Funder NDF: Total Finance USD 3.77 Mill; Approved in Sept, 2011; Impl period 2.5 yrs**

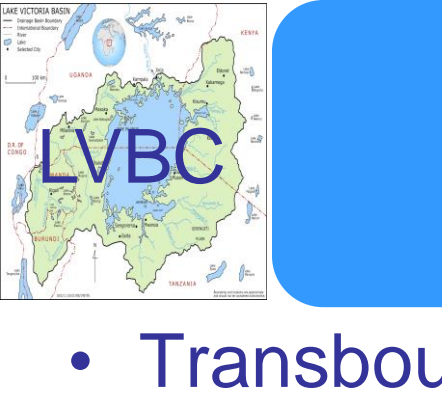




Challenges



- Options for funding are limited when compared with sovereign states, with climate funds such as the Green Climate Fund (GCF) only available to those projects agreed to by National Designated Authorities (NDAs). Some, like the Adaptation Fund, do have specific funding for transboundary projects
- Risk that RBO-generated projects are seen as 'competition' by National Institutions. Concerns that supporting a transboundary project may impact on the possible uptake of an alternative national project
- NDC's, are focused more within-state options as opposed to transboundary projects (lack of knowledge on TWRM) delays in submission of letters



Challenges cont



- Transboundary elements are more limited when it comes to elaboration in Country Strategy Papers or Regional Strategy papers or in NDC's
- Development of CC Strategies in Basins is a complex process requiring an extensive, comprehensive and multi-layered stakeholder consultation and participation, time consuming
- Lack of overall coordination between regional, national, and local adaptation activities- Basins can play a key coordination role;



Challenges cont.



- AD process is long and tedious as compared to NDF through the WB;
- River Basin Organizations (RBOs) lack revenue stream to qualify as potential borrower (in case of loan).
- Lack of clear mandates/ structures of River Basins Institutions – missing opportunity for finance;
- Institutions dealing with Climate change in the Partner States and regionally are many; need national and regional coordination's;
- Most of the funding procedures are complex and require experienced staff to write proposals;





Lesson Learnt



- Paris Agreement; Agenda for Sustainable Development 2030 (SDG's) needs to be reflected into L/RBO's climate change proposals to secure future funding as international organizations increase incorporation these within their own planning and implementation procedures, include screening;
- The participation of the Partner States (institutions and Partners) from the beginning and the need to maintain the same experts;





Lesson Learned – CC proposal



- linked to National and Regional Climate Change Policy; and Strategy; and Action plans/ initiatives; and address transboundary issues;
- Developed Basins adaptation strategies are key guiding documents (climate change instruments and tools to guide the process);
- follow agreed AF, NDF guidelines;
- interactive and participatory; for quick endorsement by Partner States;
- inline with national and other Regional CCA projects and build synergy not duplication;
- inline with ESMP to address environmental and Social impacts;
- Address questions raised by boards ASAP





Recommendations / Opportunities



- There is need to improve the legal basis for cooperation, to clarify the roles and responsibilities of basin institutions and to develop their capacities;(will enable PPP)
- Need to identify development strategies (CC) whereby all riparian countries eventually gain from an equitable allocation of investments and benefits.
- Need for dedicated teams on climate finance who know the spectrum of financing sources, understand procedures, and develop relationships with funders is critical.
- Climate change funding urgencies may review and develop conducive procedures to allow RBO to access funds directly;



Recommendations / Opportunities



- Basins must be perceived as a more neutral facilitator than single state investment plans;
- Need to note that IFI's and others make investment, and look at the potential for return (not just financial) and means of reducing investment risk
- Climate funds needs to support and put more emphasis to supporting Basin Organization in preparation of projects;
- The need to provide clear linkages on the CC proposals as writes tends to mixing CC investments Projects and Normal Infrastructure



Thank you...

