

How GCF investment criteria was applied to a GCF approved project under SAP

Presentation by Lazarus Nafidi
Head: Corporate Communications



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of **Namibia** | ensuring sustainability



Transformational Climate Resilience Water Project Concepts in Africa for the Green Climate Fund

19 - 21 September 2018
Midrand, South Africa

OUTLINE



**About Namibia
&
Environmental
Investment
Fund**

**Climate
Financing
strategy & GCF
engagement**

**SAP001
Kunene
Adaptation
project
overview**

**Related GCF
Criteria**

**The Environmental Investment Fund of Namibia was created
through an Act of Parliament;**

**the Environmental
Investment Fund of Namibia, Act 13 of 2001**



CLIMATE FINANCING ACCESSED

1

Climate Resilient Agriculture in three of the Vulnerable Extreme northern crop-growing regions (CRAVE) Project

Objectives:

- Increasing the climate-resilience and reducing the food insecurity of subsistence farmers in Namibia
- Rain-fed / Dry land crop production communities in Zambezi, Kavango East and Kavango West

Total Project Investment

- Green Climate Fund Financing Instrument: Grant ^{UNEP} **USD 9.5 million**
- Co-Financing: Ministry of Agriculture, Water and Forestry in-kind Grant valued at **USD 500.000**

• **Project duration:** 5 Years

• **Anticipated Beneficiaries:** 21,000 small-scale farmers and families with increased climate change resilience

- **Accredited Entity:** Environmental Investment Fund of Namibia (EIF)
- **Executing Entity:** Ministry of Agriculture, Water and Forestry (MAWF)

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Climate

Resilient

Agriculture in 3 of the

Vulnerable

Extreme northern
crop-growing regions



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2

Empower to Adapt: Creating Climate Resilient Livelihoods through Community based Natural Resource Management (CBNRM) in Namibia project

Objectives:

- To empower Rural Communities of the Namibian CBNRM Network to Respond to Climate Change in Terms of Awareness, Adaptive Capacity and Low-Carbon Development;
- Create a climate resilient grants facility for CBNRM organizations (conservancies & community forests to access for climate action projects)

Total Project Investment

- Green Climate Fund Financing Instrument: Grant ^{LEP}_{SEP} **USD 10 million**

- **Project duration:** 5 Years

- **Anticipated Beneficiaries:** 76,000 Anticipated number of people with increased resilience

- **Accredited Entity:** Environmental Investment Fund of Namibia (EIF)
- **Executing Entity:** Communal Conservancies, Community Forests, Ministry of Environment and Tourism (MET), Support organizations (e.g. Namibian Association of CBNRM Support Organizations (NACSO))



CLIMATE FINANCING ACCESSED

3 SAP 001: 'Improving rangeland and ecosystem management practices of smallholder farmers under conditions of climate change in Sesfontein, Fransfontein, and Warmquelle areas of the Republic of Namibia'

Objectives:

- to reduce the vulnerability of smallholder farmers under climate change conditions by safeguarding natural capital that generate ecosystem services to sustain agricultural production systems.
 - Promote investments in integrated drought early warning systems and improve the existing ones;
 - Strengthen and improve the capacity of key stakeholders in drought risks management at regional, national and local levels;
 - Support communities to undertake innovative adaptation actions that reinforce their resilience to drought.



Total Project Investment

- Green Climate Fund Financing Instrument: Grant **USD 9.3 million**
- Co-Financing: Ministry of Agriculture, Water and Forestry in-kind Grant valued at **USD 700.000**

• **Project duration:** 5 Years

• **Anticipated Beneficiaries:** 33,366 direct beneficiaries – a further 11,034 indirectly in the entire Kunene region.

• **Accredited Entity:** Environmental Investment Fund of Namibia (EIF)

• **Executing Entity:** Ministry of Agriculture, Water & Forestry, Ministry of Environment and Tourism (MET)

CLIMATE READINESS FINANCING

- 4** Readiness grants from the Green Climate Fund are used to enable direct access entities like the EIF and countries to aid them in accessing project funding from GCF.

Project readiness (N\$ 5.7 million)

- Grant support from the GCF for strengthening EIF internal capacity for managing the mandatory Environmental and Social Safeguards (ESS) during the implementation of GCF-funded projects.
- The readiness grant also enables EIF to conduct **multi-stakeholder consultations**, including regional consultative workshops and national validation workshops, to ensure that its approach to **community-based natural resources management in tourism-reliant communities** of Namibia is underpinned by strong local engagement.

Country readiness (N\$ 4.3 million)

- Grant support from the GCF **to strengthen the institutional capacities of the Ministry of Environment and Tourism (MET)**, which is the GCF National Designated Authority (NDA) for Namibia, to efficiently engage with the GCF as well as to improve coordination in view of planning and climate programming for Namibia.
- Grant administered by EIF.





‘Improving rangeland and ecosystem management practices of smallholder farmers under conditions of climate change in Sesfontein, Fransfontein, and Warmquelle areas of the Republic of Namibia’

SAP001



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change conditions by safeguarding natural capital that generate ecosystem services to sustain agricultural production systems.



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Project sub-objectives

Promote investments in integrated drought early warning systems and improve the existing ones;

Strengthen and improve the capacity of key stakeholders in drought risks management at regional, national and local levels;

Support communities to undertake innovative adaptation actions that reinforce their resilience to drought

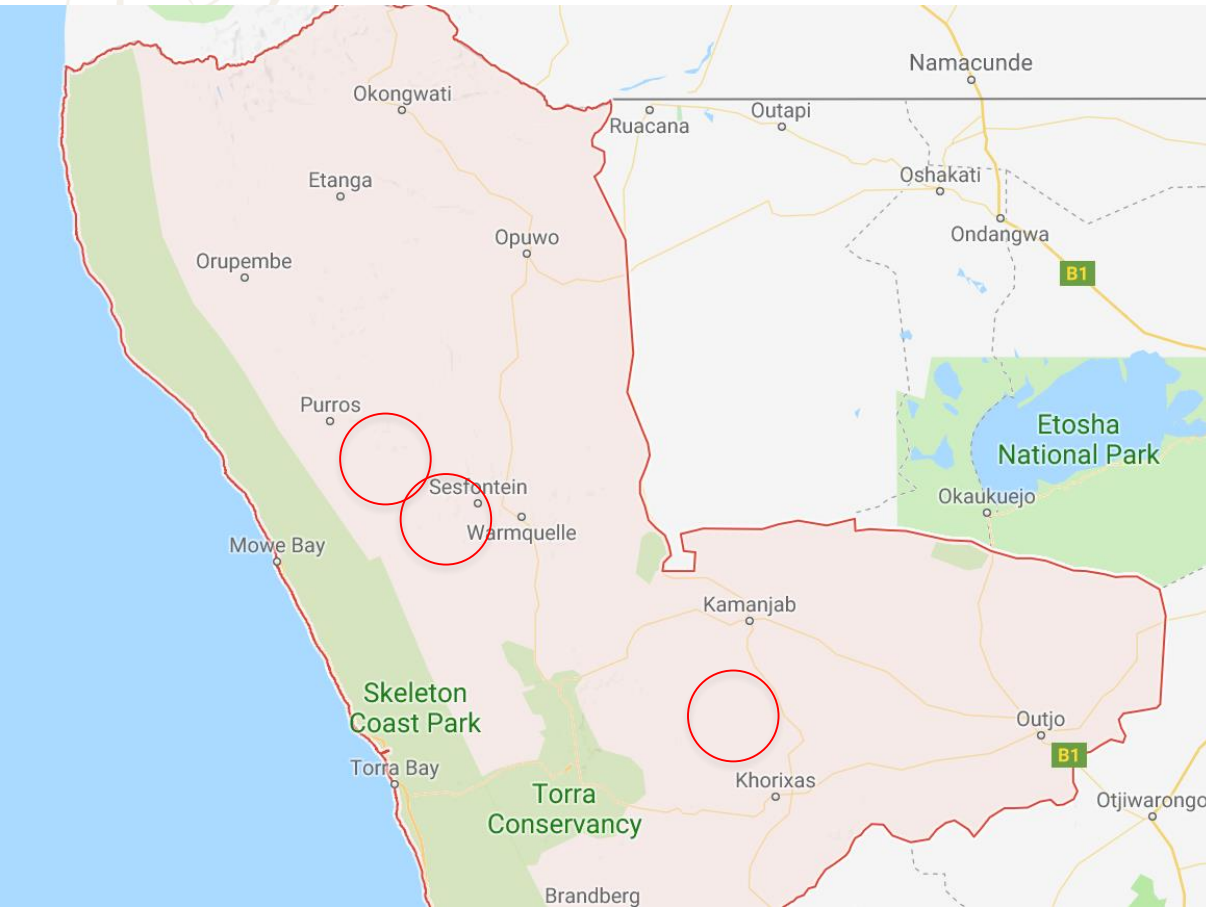


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Target beneficiaries/areas



While the project aims to benefit the Kunene region on capacity building in employing climate change early warning systems, it is specifically aimed at developing capacity for agricultural adaptation in the following areas:

- ✓ Sesfontein
- ✓ Fransfontein



Scope - vulnerabilities of smallholder farmers

- Floodwater harvesting and **groundwater recharge**;
- Promote a range of **climate-resilient technologies** for enhanced agricultural and livestock production;
- Improve the dissemination of climate risk information among communities;
- Improve fodder management practices, support backyard gardening activities, **promotion of drought tolerant breeds** and **small stock farming practices**;
- Develop and build on existing early warning systems and improve information on climate change risks - integrate into farmer and pastoralist practices.
- The project will improve knowledge and understanding of climate change impacts among stakeholders, develop a community-based early warning system to reduce climate risks, and an action research approach linking traditional and scientific knowledge through the use of seasonal forecasts.
- **Green Schemes in the Kunene region** will be supported to incorporate **sustainable agricultural practices** with a **strong focus on learning and knowledge management** component to capture and disseminate lessons learned.
- **Farmers Associations** in the target areas will use the **Green Scheme facilities for learning and replication purposes**.



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Project beneficiaries



33,366 people as direct beneficiaries – a further 11,034 indirectly in the region:

- **direct beneficiaries of livestock and agriculture investments;**
- **drinking water investments, and**
- **early warning system and forecasting investments,**
- **agriculture planning and water management advisories in the region.**



Of the total direct beneficiary population, **6,000** smallholder farmers (males & females) in the Kunene region will benefit through:

- **early warning systems,**
- **adoption of climate resilient farming practices, and;**
- **diversified climate resilient livelihood.**

The project also benefits about **5,000** people who receive year round and safe drinking water (through direct investments in drinking water systems) and whose drinking water supply systems are protected and sustained through water management committees.



Project components

Component 1

Promote cost effective investments in early warning systems that determine climate-driven vulnerabilities and effective adaptation options

Component 2

Reducing climate driven risks in target ecosystem and land through supporting innovative drought adaptation action

Component 3

Knowledge and information support mechanisms

increased adaptation capacities for smallholder farmers



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GCF Investment Criteria mapping

Impact potential	Mitigation and adaptation impact
Paradigm shift potential	Impact beyond a one-off project/program investment
Sustainable development potential	Wider benefits and priorities (economic, social and environmental)
Needs of the recipient	Vulnerability and financing needs of beneficiary country and population
Country ownership	Beneficiary country ownership of and capacity to implement a funded project or program
Efficiency and effectiveness	Economic and financial soundness of program or project



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IMPACT POTENTIAL

Mitigation

What we need to mitigate:

- Temperature increases which lead to higher evapotranspiration levels and;
- Greater rainfall variability which will lead to higher soil erosion rates and reduced ground water recharge.

How we will mitigate:

- Updated and improved **climate change projections will be developed** and used to fine-tune technical aspects of programme activities, such as specific design of soil and water conservation measures.

Adaptation

- Construct storage facility of fodder and promote its adoption across sites.
- Adoption of sound grazing management plans, early warning systems, and concrete adaptation actions such as water harvesting, storage and distribution holds potential for significantly increased returns on investment for rangeland users.
- Adoption of good rangeland management practices, involving flexible herding, economies of scale and commercially viable utilization of invasive bush, can significantly enhance private profitability and the economic contribution of livestock production
- Small scale water storage facilities

PARADIGM SHIFT POTENTIAL

Innovation:

- Restoring integrated water management systems with new and improved features
- Scaling-up implementation of proven innovating practices
- Design of water diversion and water retention structures to protect fields from excess water and retain water for dry spells.

New knowledge generation:

- Documenting best practices
- Training of the Kunene Regional Council, extension services and participating CBOs on early warning system and integration
- Engaging the academia for further research

Contribution to the regulatory framework and policies through:

- Enforced adherence to the provisions of the Namibia's National Climate Change Strategy and Action Plan in a coordinated manner.
- Knowledge system has a feedback loop to policy makers at national level so as to influence policy updates with lessons learned.

SUSTAINABLE DEVELOPMENT POTENTIAL

Environmental benefits

Prevention of:

- Deforestation,
- Conflict over grazing land and water points,
- Land degradation and soil erosion

Project will focus on strengthening the technical organizational and environmental actors regarding:

- i. environmental skills;
- ii. joint management of water resources and conflict management, and
- iii. environmental monitoring.

Socio economic benefits

• **30,366 direct male and female beneficiaries (50% women – with special consideration of the marginalized community and female headed household and 50% men),**

• **14, 034 indirect male and female farmers** accessing integrating climate resilience agricultural practices from the three Green Schemes in Sesfontein, Fransfontein, and Warmquell areas (50% women with special consideration

Gender-sensitive development impact

The project will focus on women and in particular female heads of households to increase their resilience and unleash their untapped potential as key stakeholders and community leaders in their own right.

- Beneficiaries: 44,400, 50 per cent of which will be women.
- Support up to 30% female headed households.

NEEDS OF THE RECIPIENT

sdwebx.worldbank.org/climateportal/index.cfm?page=country_historical_



Vulnerability of the country

- Namibia falls within Africa's South West Arid Zone,
- Most arid country in Africa south of the Sahara.
- About 22% of Namibia's 823 680 km² land area is desert, 70% is arid to semiarid and the remaining 8% is dry sub humid.

NEEDS OF THE RECIPIENT

Beneficiation of Vulnerable groups

- Project being implemented in **Sesfontein, Fransfontein, and Warmquelle areas of the Kunene region**
- Compared to the rest of Namibia, Kunene region is relatively underdeveloped. This is due to the mountainous inaccessible geography and the dryness that significantly hinders agriculture.
- Rural poor, the vulnerable and marginalized
- reducing the vulnerability of smallholder farmers under climate change conditions by safeguarding natural capital that generates ecosystem services to sustain agricultural production systems.
- **44,400** smallholder farmers and their families to benefit.

Kunene Region has the second highest percentage of population food insecure at **40%**.

73% The average crop loss for maize in 2016/17 in Kunene Region.

77% of households in Kunene Region are reliant on agriculture for subsistence.

73% of households have livestock.

NEEDS OF THE RECIPIENT

Absence of alternative financing

- Government needing funding to compliment its efforts. Economic downswings led to reduced budget allocations,
- Namibian's ranking as upper income country disadvantages the country in terms of qualifying for grants and funding
- Small scale farmers are not commercialized and can not borrow
- The red line (veterinary cordon fence) is a pest-exclusion fence separating **northern** Namibia from the **central** and southern country parts
- Lack of access to affordable finance to farmers with collateral is an obstacle to implementing sound agricultural practices .

Drought relief for Kunene Region for 2016/17 = **N\$32 million** out of a budgeted **N\$ 616 million**.

COUNTRY OWNERSHIP

The Constitution of Namibia,

highlights the need to develop and implement policies to maintain the ecosystems, ecological processes and biological diversity for the benefit of the present and future generations



Namibia's Vision 2030,

in which expansion of agricultural practices is favored.



Namibia's National Climate Change Strategy and Action Plan

in which the highest priority theme for adaptation activities is "food security and sustainable biological resource base"



The Harambee Prosperity Plan :

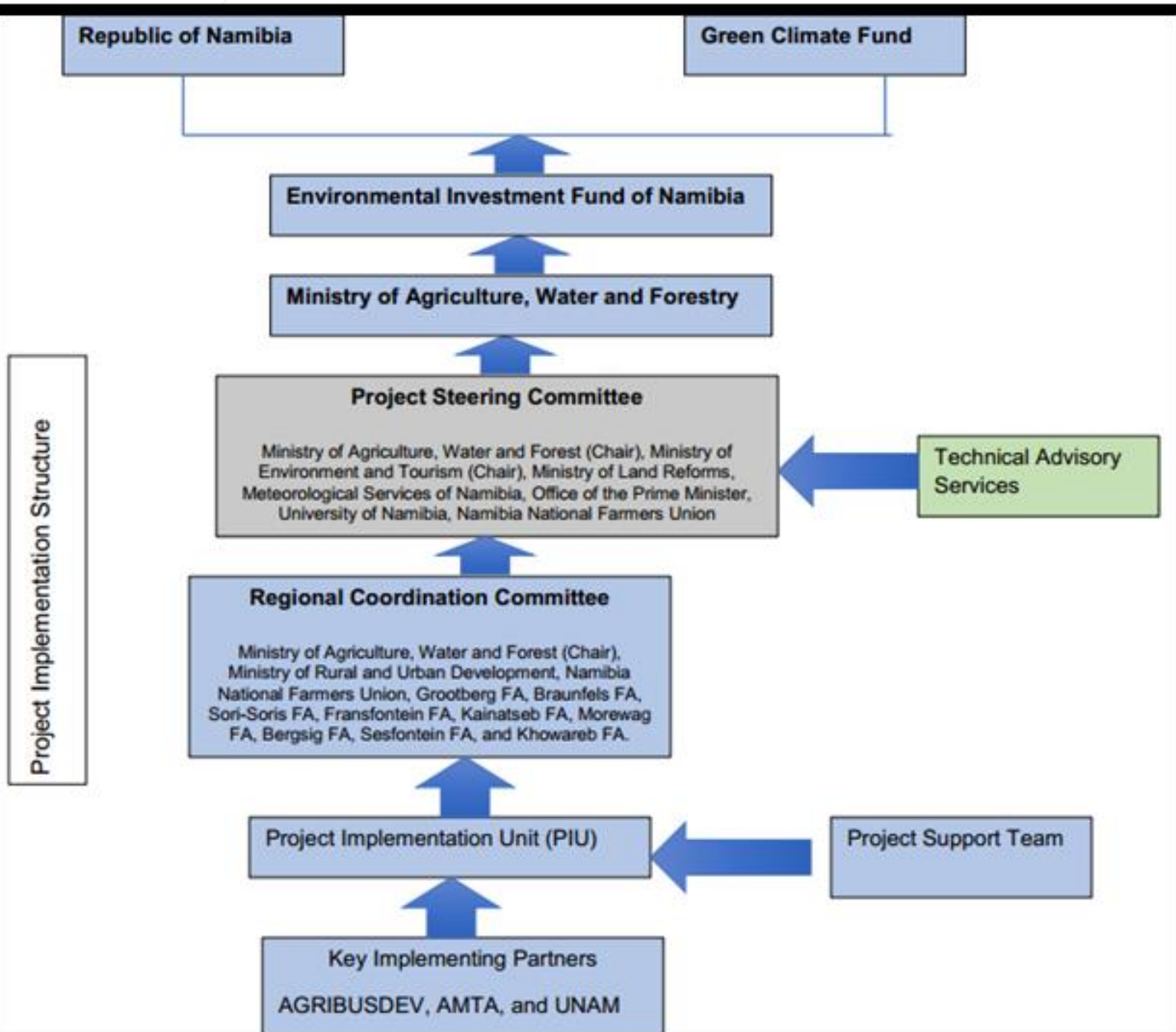
five pillars, namely: Effective Governance, Economic Advancement, Social Progression, Infrastructure Development and International Relations and Cooperation.



COUNTRY OWNERSHIP

Table 1. Components and Budget

Component	Amount (for entire project)	Local currency (Namibian Dollars)	CO-financing	GCF funding amount	Currency of disbursement to recipient
Component 1: Promote cost effective investments in early warning systems that determine climate-driven vulnerabilities and effective adaptation options	840,000	10,920,000.00	200,000	640,000	USD
Component 2: Reducing climate driven risks in target ecosystem and land through supporting innovative drought adaptation actions	7,610,652	96,338,472.88	200,000	7,410,651.76	USD
Component 3: Knowledge and information support mechanisms	865,721	9,954,371.57	100,000	765,720.89	USD
Project Management (Including Monitoring)	683,627	6,287,155.55	200,000	483,627.35	USD
Grand total	10,000,000	130,000,000	700,000	9,300,000	USD



Resource link!

https://www.greenclimate.fund/documents/20182/574760/Funding_Proposal_-_SAP001_-_EIF_-_Namibia.pdf/9cb681ef-1931-3fda-66e7-9b7be19c09dc



Thank you



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CONTACT US

Phone: +264 61 431 7706
Fax: +264 61 240339
Address: 2nd Floor, Capital Centre, Windhoek
E-mail: info@eif.org.na
URL: www.eif.org.na



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