

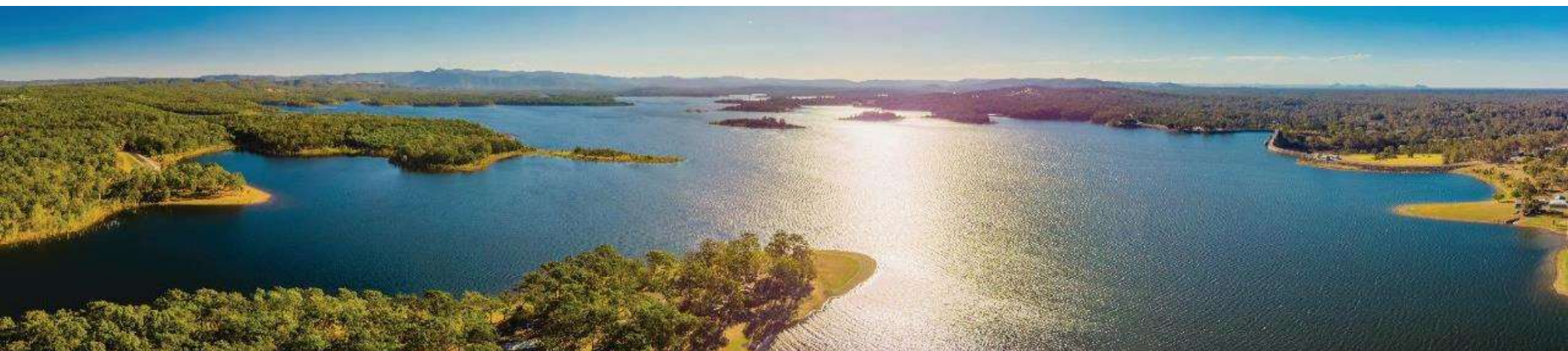


**AIP** CONTINENTAL AFRICA WATER INVESTMENT PROGRAMME



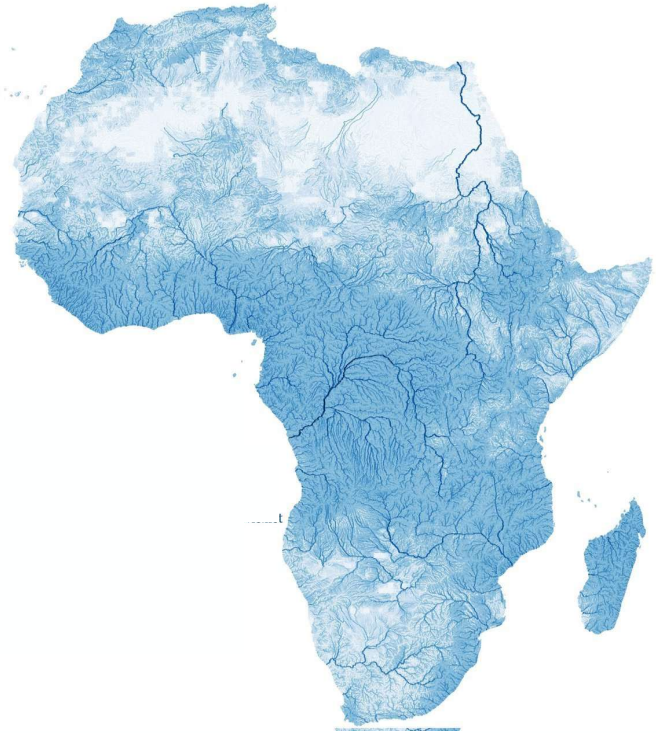
# African Union AIP Multi-Country GCF Readiness Project

Readiness Support to the Africa Union to Accelerate Water and Climate Resilience Investments through the Africa Water Investment Programme



# 1

A Regional Approach to  
respond to climate change impacts in Africa



## 1. Africa needs regional and transboundary responses to climate change risks

Since climatic and ecological regions cut across national political boundaries, it is important to add on a ***continental, trans-boundary or regional approach*** to national efforts in the formulation and implementation of climate change responses

# Water, Energy, Agriculture and Natural Resources are critical sectors that need regional approaches to respond to climate change

## AU Climate Change and Resilient Development Strategy and Action Plan (2022-2032): Strategic Intervention Axes (4) and Intervention Areas (30)



# Africa needs huge investment in climate actions, but its capacities are limited

Africa needs investment of over US\$3 trillion by 2030 to effectively implement its NDCs, in AfDB's estimates.

African countries need to strengthen their capacities and develop pipelines of projects for Green Climate Fund investment

The GCF Readiness window helps countries to build the capabilities that are necessary for preparing bankable investments for climate action-both mitigation and adaptation

# GCF Investment in Africa

## Global

| Total No. of GCF Approved Projects | Total GCF Finance (US\$) | Co-financing (US\$) | Total Financing with approved projects |
|------------------------------------|--------------------------|---------------------|--|
| 286                                | 15.98 Billion            | 45.56 Billion       | 61.55 Billion                          |

## Africa

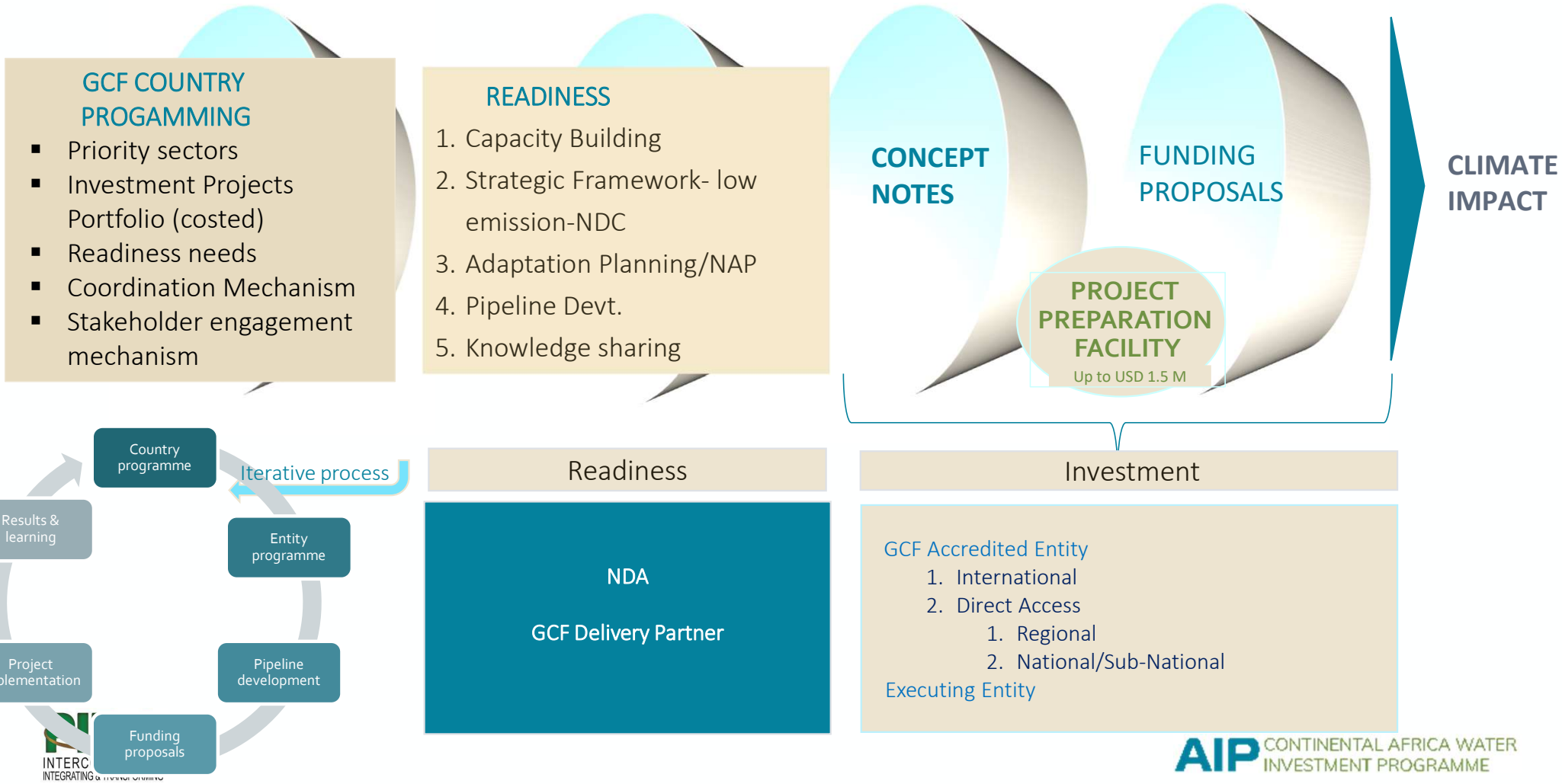
| Total No. of GCF Approved Projects | Total GCF Finance (US\$) | Co-financing (US\$) | Total Financing with approved projects |
|------------------------------------|--------------------------|---------------------|--|
| 118 (41%)                          | 6 Billion (38%)          | 15.3 Billion        | 21.3 Billion                           |

Out of 28 DAEs in Africa , only 12 have approved GCF Projects.

This means that almost 90% of GCF approved projects in Africa are accessed through internationally Accredited Entities

This clearly shows the huge capacity gap in Africa for accessing GCF finance

# GCF Programming Cycle – Readiness



# 2

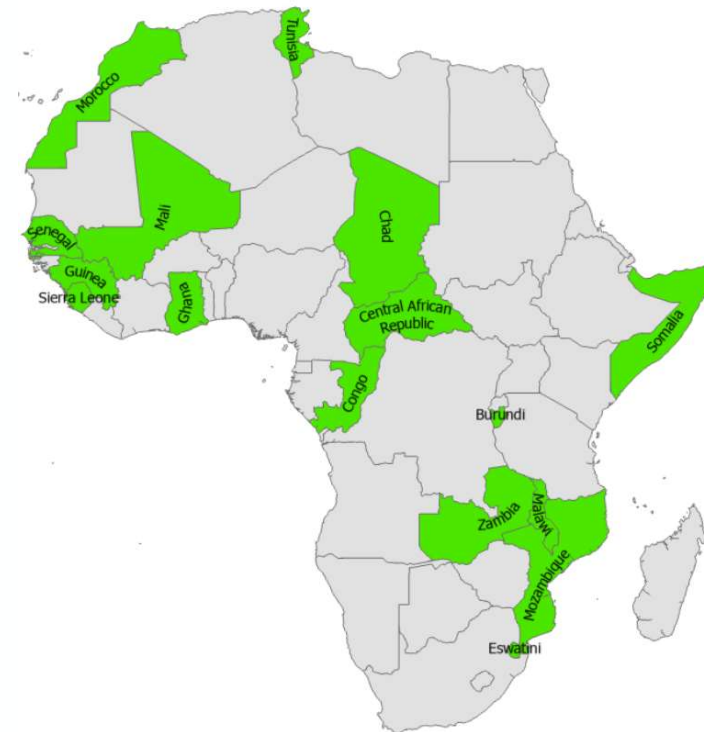
Readiness Support for the  
Africa Union Multi-Country Programme  
to Accelerate Water and Climate Resilience Investments  
through the AIP  
Phase I



# AU-AIP GCF Readiness Project for 15 Countries

## Focus areas:

1. AIP water investment programmes - enhanced climate resilient investment for water
2. Strengthened capacity building
3. Continental Knowledge Platform and AIP blended investment Facility



## Key country activities

| Country                         | Activity Highlights  |
|---------------------------------|--|
| <b>Burundi</b>                  | Capacity building, Enhancing direct access, private sector engagement and AIP investment programme           |
| <b>Central African Republic</b> | Capacity building, Enhancing direct access and AIP investment programme                                      |
| <b>Chad</b>                     | Capacity building, Enhancing direct access and AIP investment programme                                      |
| <b>Congo</b>                    | Capacity building, Enhancing direct access and AIP investment programme                                      |
| <b>Eswatini</b>                 | Capacity building, AIP investment programme  |
| <b>Ghana</b>                    | Capacity building, Enhancing direct access AIP investment programme  |
| <b>Guinea</b>                   | Capacity building, Enhancing direct access and AIP investment programme                                      |
| <b>Malawi</b>                   | Capacity building, Enhancing direct access and AIP investment programme                                      |
| <b>Mali</b>                     | Capacity building, AIP investment programme  |
| <b>Morocco</b>                  | Capacity building and pipeline development/AIP investment programme  |
| <b>Mozambique</b>               | Capacity building, Enhancing direct access, private sector engagement and AIP investment programme           |
| <b>Sierra Leone</b>             | Capacity building, AIP investment programme  |
| <b>Somalia</b>                  | Institutional capacity building, private sector engagement, enhancing direct access and investment programme |
| <b>Tunisia</b>                  | Capacity building, Enhancing direct access and investment programme  |
| <b>Zambia</b>                   | Enhancing investments through an AIP blended investment facility and investment planning                     |

# Continental Knowledge Management Platform and AIP Blended Investment Facility

- All 15 countries will participate in the development of a knowledge platform as part of the AIP Blended Investment Facility
- Facilitated by AUC, linked to the Continental Africa Water Investment Programme (AIP)
- Platform for NDAs, DAEs, water ministries, agencies, financiers and others on water security and climate resilience in Africa
- Platform to include Ministerial Forum (water, climate, finance ministers).
- Technical assistance for NDAs, DAEs and national agencies

# 3

## AU Multi-Country GCF Readiness Project Phase II

# AU Multi-Country GCF Readiness Phase II is part of AU STC Decision

The AU multi-country GCF Readiness Project-Phase II serves to implement the decisions of the Fifth Ordinary Session of the Specialised Technical Committee (5<sup>th</sup> STC) on Agriculture, Rural Development, Water and Environment (STC5/ARDWE/MIN REPORT) which was submitted to the Forty-fourth Ordinary Session of the AU EXECUTIVE COUNCIL (EX.CL/1471(XLIV) in February 2024. 5<sup>th</sup> STC:

- *URGED AUC to continue its leadership role in the implementation of the Africa Water Investment Program (AIP), including supporting Member States to develop national climate resilient water investment programs (no. 382);*
- *URGED Member States to develop national climate resilient water investment programs (no 383);*
- *URGED AUC to further support Member States in developing programs to access climate finance for climate resilient and inclusive water security programs (no. 384)*

## GCF's New Readiness Strategy (2024-2027)

The New Strategy promotes a multiple-year programmatic approach.

- GCF Readiness Country Allocation is US\$ 4 million for a period of 4 years

| GCF Readiness Objectives   | Readiness portfolio target | Key activities  |
|--|----------------------------|---|
| <b>Objective 1:</b><br><b>Capacity-building</b> for climate finance coordination and setting up the enabling environment for integrated climate investment   | 30%                        | laying the foundations for country programming capacities and direct access |
| <b>Objective 2:</b><br>Paradigm-shifting GCF <b>pipeline development</b> and implementation for adaptation and mitigation, based on country needs and guided by GCF's Updated Strategic Plan (USP-2) programming targets | 60%                        | Programming capacities and direct access, and to ensure adequate resources  |
| <b>Objective 3:</b><br><b>Knowledge-sharing</b> and learning to enhance national and regional cooperation on climate programming and financing   | 10%                        | Focus on impactful and carefully crafted activities.                        |

## For 2024 (transition year):

Counties can still use the old modality of accessing Readiness Via Delivery Partners until end of 2024

1. For this year, countries can still access the USD1 million allocation for 2024.
2. In September 2024, GCF launched the new readiness strategy to be effective from January 2025 for the 4-year readiness
3. The 1USD million will come off the USD 4 million allocated under the new readiness strategy which will leave USD 3 million for the country under the new Readiness strategy.

## AU Member States that expressed interest to join the Phase II



### 20 countries so far

- Southern Africa: 10 countries
- Eastern Africa: 4 countries
- North Africa: 4 countries
- West Africa: 1 country
- Central Africa: 1 country



Thank you

# Summary

Congratulate the AUC for taking this critically important initiative of supporting Member States in strengthening their capacities to access climate finance through a regional approach

Thank the GCF for being a key partner for Africa in financing climate actions towards low carbon and resilient development

Encourage AU Member States to continue their commitments for the implementation of the AU AIP Multi-country GCF readiness project Phase I

Encourage AU Member States (those that did not join the project) to join in its second phase

Finally to thank our Delivery Partner, GWP Southern Africa for providing the necessary support in developing and implementing the project