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Africa, sustainable development and climate change
Prospects of Paris and beyond

ClimDev-Africa



CAN KENYA'S CLIMATE CHANGE FUND MEET ADAPTATION NEEDS? LESSONS FROM THE CONSTITUENCY DEVELOPMENT FUND

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Problem statement 1/2

- International Climate Finance (CF) flows disappointing
 - unpredictable and biased to mitigation
 - Africa accounted for 23% in 2010,2012
 - Long initial disbursement lag (1.9 yrs)
 - Small-scale projects with high transaction costs
- Domestic financing mechanisms emerging
- Adaptation cost in Kenya -US\$ 500 million for 2012 and US \$1- 2 billion per year by 2030

Problem statement 2/2

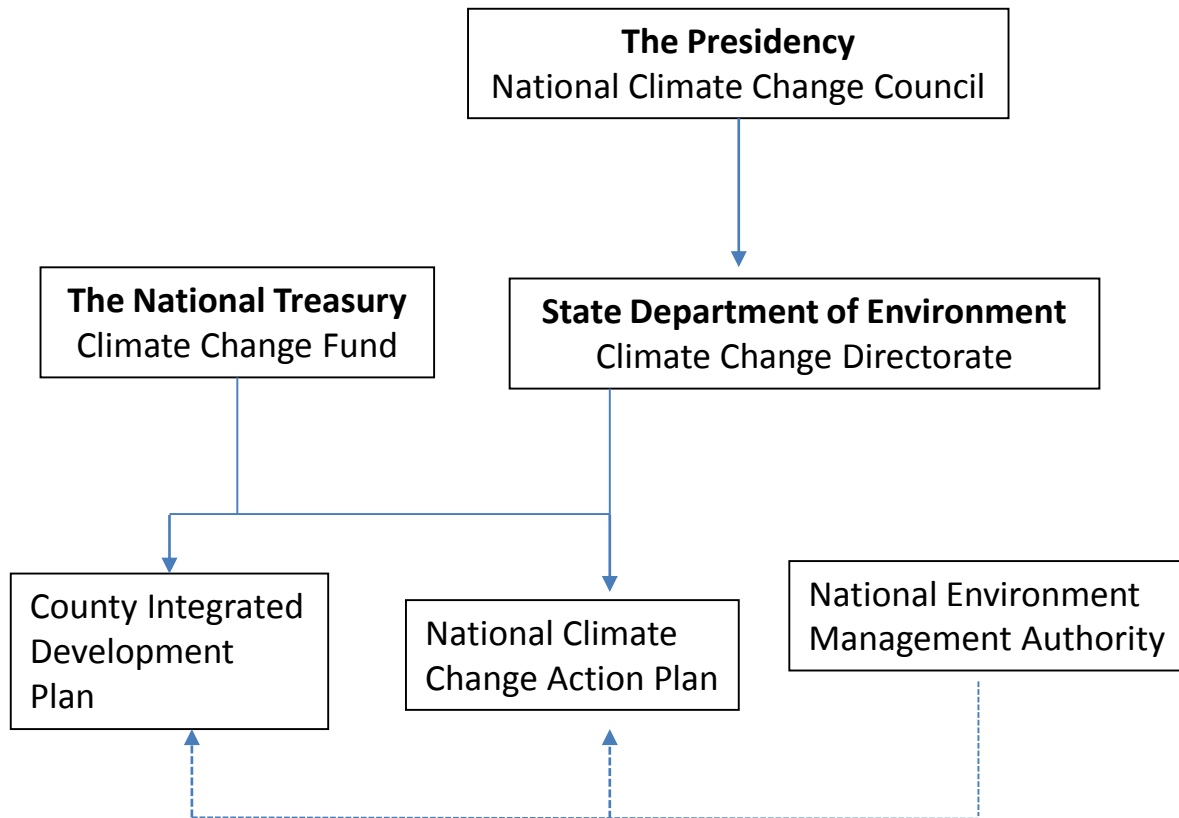
- Climate change bill establishes a Climate Change Fund to mobilize domestic resources
- Domestic climate finance as *'monies mobilized by government or non-government entities to finance mitigation and adaptation actions and interventions'*
- Country has many funds; Constituency Development Fund (CDF) of 2003
- We review effectiveness of CCF based on lessons from CDF

Approach

Review of pertinent government documents and processes

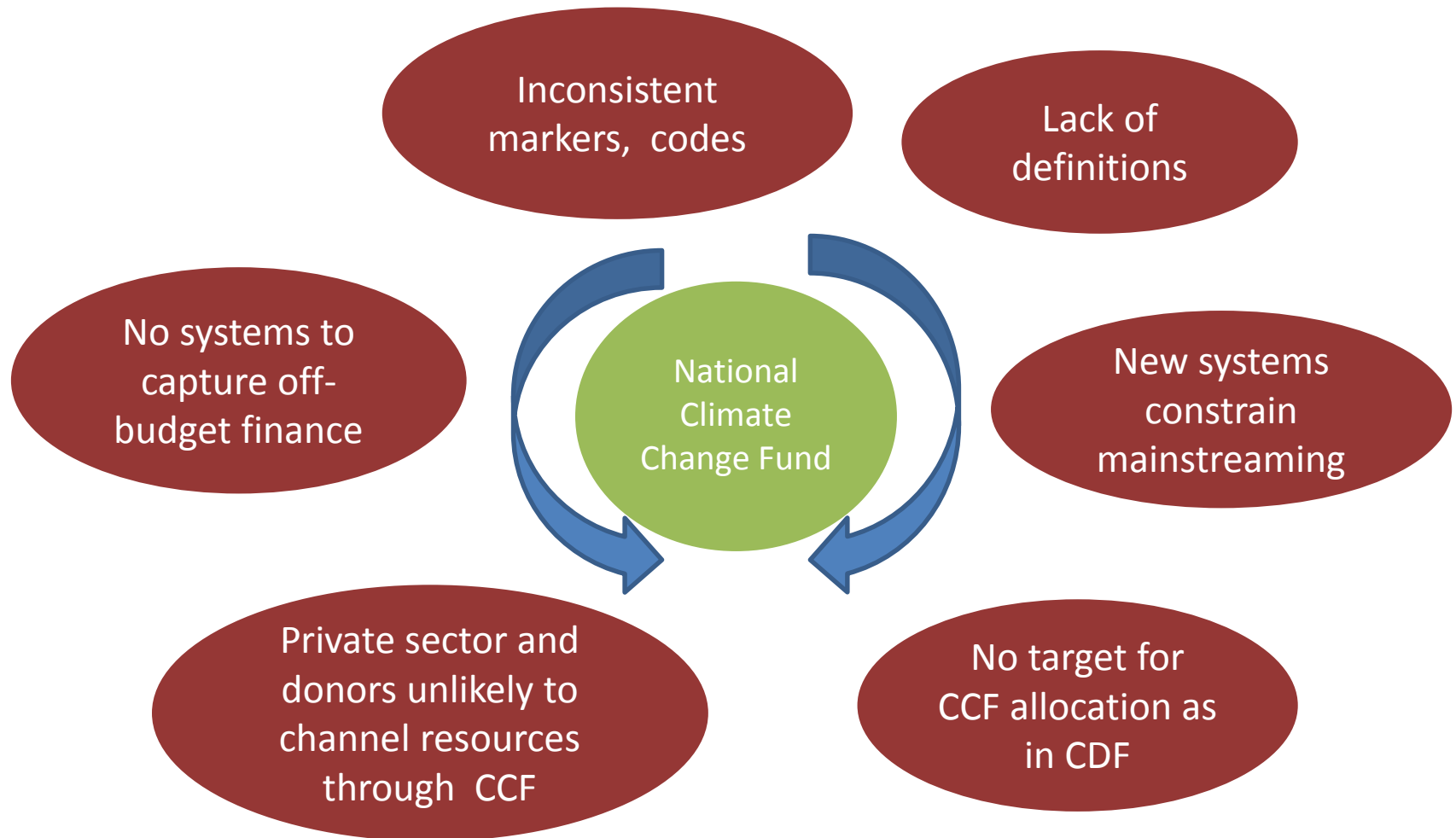
- Climate change governance framework
- Public Finance and Management framework
- Implementation of the Constituency Development Fund
- Expert opinion

Key findings



1. National Treasury is the National Designated Agency of GCF
2. Bill silent on how much appropriation to the fund
3. Compared to 30% County governments and 2.5% CDF
4. Contribution of County government in doubt
5. Failure to link beyond county government

Likely challenges for CCF





Conclusion

Transparency in CCF will be essential

- encourage private participation
- Allow alignment of adaptation action plans