A SNAPSHOT OF THE GREEN CLIMATE FUND

Readiness Activities in Kenya and the Place of Indigenous People
The Green Climate Fund

A global Fund established in 2010 by member states to the United Nations Framework Convention on Climate Change (UNFCCC) to support Climate Change related interventions.
Where do the funds come from and for what?

These funds are expected to come from developed to developing countries. Developed Countries are those which have had relatively longer history of emissions of Green House Gases and have developed capacity to deal with the challenge of climate change.

Developing countries - include African Countries, Small Island States, with a shorter history of emissions and much less capacity to respond to the challenge of Climate change.

The main goal of the fund is to finance climate change mitigation and adaptation in developing countries on equal measure, including aspiration to increase resiliency of livelihoods and of people and communities (as collectivities) at the local level.

The GCF aspiration to facilitate access of funds at the local level, is in tandem with, the provisions of the Kenyan Constitution 2010, which has expressively provided for affirmative action funds targeted at marginalized and indigenous communities, under the provisions of the Equalization fund representing 0.5% of national revenues.

How are climate change actors expected to engage with the GCF?

Engagement and access modalities for GCF resources, is hinged on the concept of Country ownership. In it Countries are expected to be on the driver’s seat to facilitate identification of their priority result areas in line with their nationally defined needs, strategies and plans.

Country ownership is enabled through a GCF Readiness/preparatory programme which provides support to strengthen development of potential beneficiary Country programmes and capacities to enhance access and utilization of GCF resources under pinned by a strong multi-stakeholder process.

Kenya’s GCF readiness support is a tripartite partnership of United Nations Development Programme (UNDP), United Nations Environmental Programme (UNEP), and World Resources Institute (WRI), all serving as Executing Entities.

The first initial step to be undertaken by any Country interested to engage and ultimately access funds from the GCF, is to nominate its National Designated Authority/Focal Points. This is a national/state agency nominated by the national government to be the point of entry and control for all GCF related activities. An NDA/FP is the core interface between a country and the fund, and seeks to ensure that activities supported by the GCF align with strategic national objectives and priorities in mitigation and adaptation in line with national needs. One key duty of NDAs/FPs is to provide letters of no objection to potential Implementing Entities, seeking accreditation with the GCF in order to access GCF resources to support Climate change intervention in the Country. Kenya’s NDA is The National Treasury (Ministry of Finance).

Important to note: no single climate change actor interested in accessing GCF resources can do without endorsement by the respective country in which the funds are to be utilized.
How are GCF funds accessed and utilized?

Critical in the access and implementation modalities of the GCF funding is the accreditation process. Accreditation to the GCF is a prerequisite for both potential implementing entities and Observer organizations. Potential GCF implementing entities are assessed on their abilities to meet fiduciary, environmental, social, and gender requirements set out by the Fund.

Ultimately, the level of accreditation of applying entities will vary based on project size/cost of activities, capacity and experience to manage large grants including on-granting/lending, and the level of environmental and social risks involved. Level of accreditation and access will therefore range from national or direct, international and or fast track access for entities already working with the Global Environmental Facility (GEF) and the Adaptation Fund.

Once accredited, the Implementing Entities tasks entail: development (in consultation with NDAs) and submission of funding proposal for projects and programmes to the GCF; overseeing the management and implementation of projects and programmes; deployment of a range of financial instruments within their respective capacities, including grants, and mobilization of private sector capital.

Who are current implementing entities working in Kenya?

Current National, regional, international accredited implementing entities undertaking some work in Kenya, under the different categories include:

- United Nations Environment Programme (UNEP), Kenya, international category
- United Nations Development Programme (UNDP), USA, international
- World Resources Institute (WRI).
- Acumen Fund, Inc. USA,
- Deutsche Bank AktienGesellschaft , Germany
- Kreditanstalt fur wiederaufbau – kfw,
- International Union for the Conservation of Nature,
- National Environmental Management Authority (NEMA), National/Micro

NB: It is therefore through the joint work of the National Designated Authorities (NDAs) and Accredited Entities (AEs) that a developing country’s projects and programmes are proposed, with accredited entities channeling funding for such projects.
The GCF policy guidelines also incorporates commitment to Enhanced Direct Access (EDA), by member Countries, including by non-state local actors. The aim is to directly address needs and ensure vulnerable people and communities benefit especially in supporting adaptation activities to reduce climate-related vulnerabilities and enhance resiliency.

The National Environmental Management Authority (NEMA) doubles up as Kenya’s National Implementing Entity (NIE) under the Enhanced Direct Access modality of the Green Climate Fund and the National Designated Agency, for the Adaptation Fund. EDA is the available window of opportunity through which Indigenous Peoples and local communities could apply for the funds through NEMA.

For the Kenya’s National Climate Change Action Plan to be successful, the country will need to access resources from both public and private sources and from both within Kenya and overseas. The Climate Change Act 2016, establishes a Climate Change Fund which shall be a financing mechanism for funding priority climate change actions and interventions approved by the newly established National Climate Change Council, with provisions aimed at ensuring gender and intergenerational equity in access to monies from the Fund.

The fund is intended to become the key vehicle for mobilizing and allocating resources from both international development partners and domestic public resources towards climate change activities in the Country.

How does one participate in GCF related processes across levels?

The policy documents of the GCF call for establishment of opportunities for enhancement of multi-Stakeholders engagement across levels bringing together private sector actors, civil society organizations, and other vulnerable groups, women and indigenous peoples who will be affected by the Fund’s supported activities.

The envisioned stakeholder participatory processes is to be realized from Project level to the GCF Board level. Non-state actors, including Private sector, CSOs and other international entities, and Indigenous Peoples and local communities participate in GCF related activities as Observers enabled through an accreditation process. The Accreditation process entails:

1. Interested organizations sends a letter to secretariat
2. Secretariat reviews and presents it to the Board
3. Board will decide on a no-objection basis
4. GCF will maintain list of observers in the website

The participation of indigenous peoples in GCF related activities include direct engagement with GCF board members/meetings, Regional multi-stakeholder consultations forums, Petitions and letters to GCF and National Designated authorities, Online presence including active participation in the GCF list serve, facebook and twitter and direct engagement with NDAs/focal points and Implementing entities at the national level.

In addition to the opportunity presented for general participation as accredited Observer organizations, two slots are provided to CSOs to serve as Active Observers. Active Observers participate more directly in Board deliberations.

Kenya’s GCF Readiness Programme envisioned engagement with key stakeholders with the overall goal of developing the capacity of stakeholders at national and subnational levels to effectively engage in Climate change related interventions and financing. This vision is aligned with the Kenyan constitution 2010 provisions on Citizen consultation and participation in planning and decision-making processes which are central pillars and principles. NEMA as a GCF implementing entity in the Country has taken this cue by incorporating CSOs and Indigenous Peoples in the Project pipeline programmatic development process as Observers to inform programme design and to ultimately submit Indigenous Peoples’ and local communities targeted project proposals.
Kenya’s GCF Related Policy and Institutional Framework

There is a significant number of overarching, as well as sector specific, policies, plans, strategies and legislations which are relevant to climate change in Kenya. The priorities elaborated in these documents guide the GCF readiness Programme activities to ensure that Kenya’s progress towards climate finance readiness is aligned with national development priorities and mainstreamed within critical process and institutions dealing with low-carbon and climate-resilient issues.

Some of the relevant policies in the context of IPs include the:

- National Policy for the Sustainable Development of Northern Kenya and other Arid Lands which focuses on efforts manage drought and strengthen livelihoods, through the National Drought Management Authority (NDMA),
- The community Land Act 2016 provides for the recognition, protection and registration of community land rights; including its management and administration and guidance on the role of county governments in unregistered community land
- The Protection of Traditional Knowledge and Cultural Expressions Act, 2016, providing a framework for the protection and promotion of traditional knowledge and cultural expressions
- A number of tools related to citizen participation with the goal of strengthening democracy and governance, increase accountability, inclusivity, ownership and to legitimize the various processes of implementing devolution have been established. They include: County Public Participation Guidelines, the National guidelines for Stakeholder Engagement and Free Prior Informed Consent (FPIC), and Public Participation and access to Information Act 2016
Why must Indigenous people and local communities engage with the GCF at all levels?

High level of vulnerability to climate change
Indigenous Peoples’ symbiotic and interdependent relationship with their environment and ecosystems is central to their collective survival. IPs constitute one of the most vulnerable sector to adverse impacts and risks associated to climate change and may end up paying a double negative price of climate change due to unsafeguarded climate change response measures.

The Country’s National Climate Change Action Plan (NCCAP) 2013 – 2017 already identifies the evident and disproportionate vulnerability of indigenous peoples and local communities’ livelihoods to impacts of climate change, their potential positive contributions through indigenous knowledge systems and practices, and proposes potential response measures.

Safeguarding Safeguards
The GCF has established a number of policy documents related to pre-empting or at least minimizing potential negative impacts arising out of projects supported by the fund. The safeguards relate to environment and social concerns, access to information, conflict and grievance redress, Gender and Indigenous Peoples policy (under development), all of which at the minimum targets the ‘Do No Harm’ safeguards threshold. IPs need to fully and effectively participate to give life to these important policy instruments.

Challenges and Recommendations
The Kenyan legal and policy environment (including the constitution and the enabling legislation) with regards to recognition of the rights and marginalization status of indigenous communities in the country is progressive and generally positive, calling for robust participation, inclusion and equity in policy formulation, programmes designs and implementation. Despite the impressive policy gains a number of challenges still persists:

Enhancing Implementation and respect for the gains in policy
There are glaring disconnects between existing/ gains in policies and legislations related to stakeholder engagement and the actual practice. The Country’s GCF readiness processes while relatively strong on CSOs and gender inclusion, is rather weak with respect to Indigenous Peoples participation especially in the context of the multi-stakeholder engagement process.

Enhancing IPs’ capacity to engage
Overall capacities of Indigenous Peoples and local communities to meaningful engage at project, national and global levels, including in lobbying for the GCF funds to reach to those most affected by climate change at grassroots or at least minimize potential negative impacts of activities supported by the Fund, is weak.

It’s therefore necessary that capacity needs assessment for IPLCs’ be undertaken with respect to level of engagement with GCF related activities, knowledge on climate change dynamics, tracking
climate change financing and access/lack of by IPLCs, negotiations and contracting capacities, governance and institutional capacities among other areas and the requisite capacity development efforts initiated.

In addition, building capacities of the National Designated Authority/Focal point, the National Implementing entities, relevant County governments and key private sector actors on the rights and unique circumstances of IPLCs and existing instruments on stakeholder engagement in the Country, including Free Prior Informed Consent (FPIC) is a prerequisite. Equally important is the need to pilot and operationalize the newly development National Stakeholder Engagement and Free Prior Informed Consent Guidelines

**Participation and Representation**

Participation and representation of IPLCs across levels and within emerging global and in-country institutional arrangements related to climate change financing, in particular the GCF, is a must if IPLCs in the country were to influence the vision, working and ultimate impacts of these processes.

**“Country ownership”**

In the context of GCF programmes should be go beyond ownership by government ministries/agencies, private sector and international NGOs. Rather, in order to achieve sustainability and ensure that the needs of recipients and communities are met, it should be understood as broad-based ownership of all stakeholders and right-holders, including indigenous peoples and local communities in the country.

The National Designated Authority (NDAs) and the National Implementing Entities (NIEs) should therefore establish deliberate and clear mechanisms for IPLCs’ engagement, especially in the upcoming development of social and environmental standards, national investment framework on climate change and incorporation of community based monitoring information systems in the evolving national M&E framework.

**Enhancing IPLCs access to GCF Funding**

The NDA and NIE in Kenya should assess, explore and encourage possibilities for IPs engagement as implementers at subnational, community level, to enable realization of both national constitutional aspirations and provisions related social inclusion and affirmative action in access to resources and GCF related guidelines on enhancing inclusivity.

In the current scenario, it is difficult to isolate how much of the climate change related funds flowing into the country are directly and/indirectly reaching to indigenous peoples and local communities.

**Monitoring and Safeguarding of safeguards**

The GCF board, NDAs, NIEs and other related institutions should facilitate the participation of IPLCs in safeguards related processes to ensure accountability and monitoring of the application and respect for safeguards. Potentially useful tools to enable this endeavor, include (not limited to) Free Prior Informed Consent (FPIC), Community Based Monitoring Information Systems (CBMIS) and Community Protocols.

The goal is to advance safeguards to a higher threshold beyond ‘do no harm’ to ‘doing good’ that complies with international law in relation to environment, human rights, including the United Nations Declaration on Rights of indigenous peoples (UNDRIP).

**Networking, Solidarity and Coordination**

IPLCs should lobby for enhanced inter-linkages between relevant government agencies for synergetic impacts of existing positive policies, instruments/tools on stakeholder engagement such the FPIC, Access to information and benefits.

In addition, IPLCs should build credible consortia/partnership which could submit joint Project Proposals to be supported by the GCF through NIEs.