

Readiness support is key to accessing Green Climate Fund in Malawi

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Climate change and its impacts have serious worldwide implications on economic development, food security and poverty eradication for developing countries, especially for Least Developed Countries (LDCs) such as Malawi. Malawi's socio-economic sectors have been, and will continue to be impacted by climate change thereby negatively affecting the livelihood of its population and its social economic development. Recognizing the threats caused by climate change, especially the adverse impacts of droughts and floods on the economy, Malawi has prioritized climate change in its development agenda. Climate change adaptation is a key priority for Malawi in order to increase resilience by ensuring the attainment of food security and also assist vulnerable communities to attain their livelihoods. The vision for climate change adaptation in Malawi has been developed within the realm of national development agenda and international frameworks which Malawi is a party to.

Cognizant that effective response to climate change challenge requires collective action from all countries, advanced economies unanimously agreed to jointly mobilize significant financial resources for addressing the pressing mitigation and adaptation needs of developing countries. Since its establishment in 2010 in Cancun at the COP 16, the Green Climate Fund (GCF) launched its initial resource mobilization in 2014, and rapidly gathered pledges worth USD 10.3 billion. These funds come mainly from developed countries, but also from some developing countries, regions, and one city, Paris. The Fund is intended to address the needs related to climate change mitigation and adaptation efforts, in particular for Least Developed Countries (LDCs), Small Island Developing States (SIDS), and African States.

In Climate Change Financing, "Climate Change Readiness" has become the new concept and it is the current drive for accessing climate change funds. Climate change readiness is generally understood as the process of enhancing the capabilities of developing countries to receive and spend climate finance wisely, as well as report on its transformative impacts. It underscores the country's capacity to plan for climate change adaptation and mitigating programs, access the funds, deliver climate change finance programs as well as monitor and report on climate finance expenditure.

There is a growing global effort, specifically through the GCF, to provide readiness support to developing countries, particularly the most vulnerable countries. Least Developing Countries (LDCs), Small Island Developing States (SIDS), and Africa are recognized as being particularly vulnerable to climate change under the United Nations Framework Convention on Climate Change (UNFCCC). GCF is expected to become the main global fund after UNCCCF for financing climate change mitigation and adaptation in developing countries in the coming years. As such, it is channeling significant amounts of funding required to support developing countries to adapt to the impacts of climate change and to limit or reduce their greenhouse gas emissions.

Since the establishment of the GCF, Malawi has managed to access monetary support of up to US\$ 12.3 million to implement a disaster risk management, early warning systems, flood and drought management project by the Department of Disaster Management Affairs



Some of the participants to the stakeholder sensitisation workshop on GCF Processes in Malawi

(DoDMA) via UNDP, a Multilateral Implementing Entity (MIE). However, according to the study that Civil Society Network on Climate Change (CISONECC) in Malawi on the factors likely to influence green climate funding flow in Malawi, the country's capacity to access the GCF is significantly affected by weak communication strategy between the National Designated Authority (NDA) and Non Governmental Organisations (NGOs) and other stakeholders; the lack of capacity within institution to develop high quality project proposals compliant with GCF requirements; the inadequate institutional capacity within Malawi Government and NGOs; and substantial financial demands by GCF for institutions to apply for accreditation.

Given the multiple processes for GCF, Malawi is significantly affected by uncoordinated communication on the GCF by NDA and the NGOs. The Malawi government does not have clear guidelines for stakeholders on how to engage with the NDA and the GCF processes in general. Apparently, in-country GCF related matters are handled by an officer who is a former GCF Board member but currently working as an advisor but again committed with a number of responsibilities, the primary role being Chief Environmental Officer. Such a situation in the readiness appraisal framework is barring Malawi from taking a board step in advancing the country readiness agenda to ensure that institutions in Malawi access the GCF resources. This has a negative bearing on the level of awareness among stakeholders to effectively engage in the GCF processes.

The quest for Malawi to benefit from GCF resources is also hampered by lack of capacity by institutions to develop high quality project proposals compliant with GCF requirements. This is exacerbated by the way the GCF project proposal application and approval processes are structured which is a clear mismatch with the available technical capacity within Malawian

institutions to develop high quality project proposals. The readiness programme has also been found wanting in the recent review in terms of ensuring that countries realise their ambitions and protect themselves from climate change as there are no clear means of delivering readiness support related to human and technical expertise to overcome the institutional capacity gap.

CISONECC study further highlighted that institutional capacity gaps exist in both Government and NGOs, a situation which is worrisome when it comes to accessing the GCF resources for the benefit of the poor and vulnerable Malawians. The GCF processes require technical capabilities within the institutions to manage the various processes as demanded by GCF secretariat. They are arduous processes that demand time and huge operational costs at the same time. This propagates general sentiments suggesting that the target for GCF is elite institutions and organisations.

Financial and capacity development demands by the GCF also hampers Malawi to access GCF. Although the initial processes of accreditation of institutions to become National Implementing Entities do not require payment, the final stage requires an application processing fee and other costs associated with institutional system improvements. The costs and subsequent capacity building demands for standards and system improvements within the National Designated Authority (NDA) and other organisations engaging on GCF processes are deemed necessary to facilitate the development of bankable project proposals. However, these should not be a burden for institutions that are positioning themselves to access GCF resources on behalf of the poor and the vulnerable to implement climate action.

A number of actions therefore need to be taken by Government through the National Designated Authority to prepare stakeholders to be ready to access GCF resources. CISONECC's study

recommended the recruitment of dedicated desk officer(s) within the NDA in Malawi to manage GCF and other climate finance related issues with objectively verifiable performance contract(s). There is need also to collaborate with other regional and international bodies and lobby for less onerous processes for the access to readiness support by NDAs as this can facilitate development of strong and quality applications by NIEs. Further to this, the NDA should diversify its communication strategies of sharing GCF information. This, for example, can be accomplished by sharing information through television and radios and online means; in addition to the workshops usually organised by Government and NGOs on GCF related matters.

As part of the actions to help the government in bridging the gaps noted in GCF national processes, CISONECC in collaboration with CARE international is implementing a project called CSOs readiness to Green Climate Fund-Focus Africa which aims at increasing the CSOs involvement and engagement with GCF. The project seeks to strengthen the engagement of civil society actors and organizations in the GCF processes at national, regional and international level and scale-up existing CSOs' capacities as well as to ensure accountability of GCF-funded activities by national authorities through a broader societal mobilization for transformation and better impacts. Under the project, CISONECC is taking bold steps to build the capacity of CSOs in the GCF processes to make them ready to access the GCF resources in order to assist the country to overcome the challenges resulting from climate change. In this regard, CISONECC is conducting CSOs capacity building workshops where important information on the GCF processes is shared among CSOs with support from NDA. In this regard, a number of sensitisation and awareness workshops so far have been conducted by the network targeting CSOs to make them ready to engage with GCF processes and access the resources.

CISONECC has also taken another step aimed at increasing the involvement of CSOs in Malawi in GCF processes. There is an ongoing initiative of mapping out interested CSO members that are directly or indirectly engaging with GCF processes through information sharing and institutional support on a number of areas that GCF is operating. This initiative will go a long way in ensuring that the country has effective institutions and structures that can manage GCF resources and implement tangible climate actions to reduce vulnerabilities and increase resilience of the poor and vulnerable to the impacts of climate change.

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