



Improving Access to Climate Finance



Challenge

Grenada contributes comparatively little to global warming in absolute terms but the small developing island state is greatly affected by changes in climate patterns and their consequences. The negative impacts of climate change form an additional financial burden for the tri-island state which affects its economic and social development. The Government of Grenada has committed to climate protection and to adaptation to climate change, while being cautious of not diverting scarce local resources from ongoing development priorities like education, health and social development.

At present, capacity in Grenada is not sufficient to prepare proposals for large projects that will enable Grenada access to international climate change finance.

Partners

The Government of Grenada and the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) are jointly undertaking the Pilot Programme on Integrated Climate Change Adaptation Strategies (ICCAS). The ICCAS programme is funded with 6.8 Million Euro by the BMUB under its International Climate Initiative (IKI) and runs from October 2012 to January 2019. It is being implemented by the Environment Division of the Ministry of Ministry of Climate Resilience the Environment, Forestry, Fisheries, Disaster Management, and Information, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and the United Nations Development Programme (UNDP).

Objective

A central element of the ICCAS Programme is to strengthen Grenada's capacity to access climate finance, by supporting a more integrated approach to climate change that will help to attract financing for climate resilient practices, and by direct assistance to access and absorb sufficient finance for activities to build climate resilience and increase the usage of renewable energy.



Approach

In order to achieve Grenada's objectives regarding access to climate finance, the GIZ, the Environment Division and the Ministry of Finance follow a four-step approach by:

- preparing the country's legal, policy and institutional framework as well as the building of human resource expertise that would achieve climate finance readiness. The National Adaptation Plan, the development of which has been supported under the "mainstreaming" component of the ICCAS programme, is one of Grenada's main mechanisms for accessing external climate financing as it outlines the key areas of action needed to be taken to tackle the negative impacts of climate change
- providing direct support to the Grenada Development Bank (GDB) to be accredited with the GCF as Grenada's Direct Access Entity – which would mean that Grenada can access the GCF without having to rely on international agencies;
- institutionalising the Community Climate Change Adaptation Fund to provide solutions for the communities themselves to increase their resilience to climate change;
- supporting the development of a project proposal and concept notes for the Green Climate Fund (GCF) and the development of Readiness project requests to be submitted to the GCF Secretariat and other donors for funding.

Achievements

- A Climate Finance Readiness Action Plan has been developed;
- The National Designated Authority (NDA) for the Green Climate Fund (GCF) has been established and continuous support on capacity building is being provided
- In a transparent assessment, the Grenada Development Bank (GDB) has been identified and selected as the first national Direct Access Entity for the GCF in Grenada. Funding from within ICCAS and additional funding through the global Climate Finance Readiness Programme of the German government will support GDB in the accreditation process;
- 30 experts have been trained to support Grenada's access to climate finance, including training on GCF's Environmental and Social Safeguards;
- A Readiness Support project was approved in July 2017 by the GCF;
- A technical assistance project financed by the Climate Technology Center and Network has been approved for the water sector;
- Grenada's first bilateral project proposal for the GCF "Climate Resilient Water Sector in Grenada" has been submitted to the GCF in October 2017;
- Climate finance allocations to Grenada's capital budget were tracked through a Climate change Public Expenditure Reviews for the budgets 2015, 2016 and 2017.

Contacts

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