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PROMOTING TRANSPARENCY AND ACCOUNTABILITY IN CLIMATE CHANGE FINANCE IN RWANDA

PART I: Climate Change Finance Mapping

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Environment, Nature Conservation,
Building and Nuclear Safety

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LIST OF ACRONYMS AND ABBREVIATIONS

BRD	Rwanda Development Bank
CCF	Climate change Finance
CEO	Chief Executive Officer
CIDT	Centre for International development and Training
CSOs	Civil Society Organisations
EDPRS	Economic Development and Poverty Reduction Strategy
EU	European Union
GoR	Government of Rwanda
FONERWA	National Fund for Environment and Climate Change (French acronym)
FMC	FONERWA Management Committee
FMT	FONERWA Management Team
FTC	FONERWA Technical Committee
KFW	Kreditanstalt fuer Wiederaufbau (German Development Corporation)
GEF	Global Environmental Facility
GCCA	Global Climate Change Alliance
GCF	Green Climate Fund
GIZ	The Deutsche Gesellschaft für Internationale Zusammenarbeit
JADF	Joint Action Development Forums
MINAGRI	Ministry of Agriculture and Animal Resources
MIDIMAR	Ministry of Disaster Management and Refugee Affairs
MINALOC	Ministry of Local Government
MINEDUC	Ministry of Education
MINECOFIN	Ministry of Finance and Economic Planning
MININFRA	Ministry of Infrastructures
MINIRENA	Ministry of Natural Resources
M&E	Monitoring & Evaluation

MRV	Monitoring, Reporting & Evaluation
NAMA	National Appropriate Mitigation Action
NDA	Nationally Designated Authority
NIE	National Implementing Entity
NAPA	Adaptation Programmes of Action
PPD	Project Proposal Document (FONERWA)
REMA	Rwanda Environment and Management Authority
RNRA	Rwanda Natural Resource Authority
UK	United Kingdom
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States Dollars

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1. INTRODUCTION

Developing countries are expected to be one of the countries hardest hit by climate change due to their geography, dependence on natural resources, and growing population. Like other countries in sub-Saharan Africa, Rwanda is heavily affected by climate change effects and this impacts on the daily life of the ordinary citizens.

Due to change in the temperature and heat episodes, shift in rainfall start dates and change in the amount of rainfall, the national climate change vulnerability index shows that vulnerability is located in all part of the country¹. Rising temperatures in some districts with higher average daytime temperature than the Rwandan average and decreasing rainfall, which sometimes lead to droughts, are beginning to affect agriculture particularly in parts of the Eastern province and southern province which causes a significant decrease in agricultural productivity, worsen food security situation, malnutrition and poor health. The index revealed that combining exposure and sensitivity, Southern province appears to be the most vulnerable, followed by Eastern Province, then Western Province².

Floods are gradually increasing in frequency and intensity particularly in Western and Northern part of the country. The heavy rain brings floods and landslides particularly in country with hills and mountains. For example on 8th May 2016, 49 people lost their lives in three districts of Ngororero, Rubavu and Muhanga; more than 20 people injured and more than 400 families left homeless. The impact of climate change affects not only people but also extent to wildlife and biodiversity. To address the above issues, a list of 29 recommendations is provided on interpretations of the baseline data, including decisions to (i) improve the availability of climate information; (2) undertake more comprehensive adaptation planning; and (3) undertake action by sector, including action in the sectors of agriculture, water resources, health, biodiversity, energy, and transportation, plus action to strengthen or ‘climate proof’ infrastructure across all sectors³.

To undertake the above actions, international donors are increasing financial support for both mitigation and adaptation. The government of Rwanda also contributes part of its own budget to climate change projects through National Climate Change Finance (FONERWA Fund).

¹ Republic of Rwanda, 2015. Baseline Climate Change Vulnerability Index For Rwanda

² idem

³ idem

Transparency and accountability to manage these funds is key to sustain the existing initiatives aimed to reduce the effects of climate change in Rwanda.

It is against this background that Transparency International Rwanda (TI-Rw), as the leading civil society organization in the fight against corruption and promoting of good governance in Rwanda with support from BMUB, undertook a project aiming to promote transparency and accountability in climate change finance in Rwanda. The project consists of conducting a mapping of the CCF stakeholders in Rwanda to understand their inter-linkages and to take stock of the existing climate change financial flows in Rwanda and the level of integrity of the key CCF stakeholders for a sound management

2. CLIMATE CHANGE POLICY, LEGAL AND INSTITUTION FRAMEWORK

2.1 Climate Change Policy

Although there is no specific policy on climate change⁴ in Rwanda, the government of Rwanda has put in place an environmental policy in 2003 with limited focus on climate change. However, initiatives to tackle climate change related issues have been sanctioned by the state since around 2009 and have been consistent until now⁵.

In line with the national aspirations in the Vision 2020 to transform Rwanda into a knowledge-based, middle income country with per capita of 1240 USD by 2020, Protection and management of environment is among the pillars of the Vision 2020.

Rwanda has ratified the UN Framework Convention on Climate Change “UNFCCC” in 1998 and later the Kyoto Protocol in 2003. The country submitted its Initial National Communication to the UNFCCC in 2005, National Adaptation Programmes of Action (NAPA) in 2006⁶, and in May 2014 the government of Rwanda established an institutional, legal and policy framework for NAMA⁷. Among its characteristics include emission reduction and activities of NAMA must be measurable, reportable and verifiable (MRV) and domestically supported⁸.

⁴ Emilie Bécault, Moritz Koenig, Axel Marx.2016. Getting Ready for Climate Finance: the Case of Rwanda– Acropolis BeFinD Working Paper #13 – June 2016

⁵ idem p24.

⁶ Republic of Rwanda.2015,Intended Nationally Determined Contribution (INDC) For the Republic of Rwanda.

⁷ REMA,2015. Rwanda sectoral Analysis: Assessment of Sectoral Opportunities for the Development of Nationally Appropriate Mitigation Action (NAMAs) in Rwanda

⁸ Idem

2.2 Legal Framework

As of now it is apparent that there is no specific law on climate change in Rwanda. However, the constitution of the Republic of Rwanda of 2003 revised in 2015 constitutes the basis for the legal framework for the protection and safeguarding of environment in Rwanda (see Article 53)⁹.

In the same vein the legal framework for the management of environment was put in place by the Government of Rwanda by the organic law Nr 4/2005 of 8 April 2005 putting in place the modalities to protect, safeguard and promote environment in Rwanda. That law governs environment in its broadest term (land, agriculture, forests, water, biodiversity, etc.) with little focus on climate change as such.

2.3 Institution Framework in Climate change Finance

Key ministries in climate change finance are the Ministry of Natural Resources (MINIRENA) and Ministry of Finance and Economic Planning (MINECOFIN). MINIRENA serves as the National Implementing Entity (NIE) of the adaptation Fund. While REMA is also the Nationally Designated Authority (NDA) under the Green Climate Fund¹⁰. The Rwandan Environmental Management Authority (REMA) operates under MINIRENA and has been designed as the lead authority on climate change and plays a key role in coordinating, regulating and supporting Rwanda's national response to climate change.

In addition, this authority is also responsible for coordinating the planning and implementation of policy, strategy, regulatory frameworks and instruments relating to climate change mitigation and adaptation. In addition, each sector has been assigned a ministry as a lead agent to assist integrate climate change concerns in all policy process by working with local governments and other relevant government and non-government institutions. Each ministry has a designated climate change focal point¹¹. REMA also accommodates FONERWA's Fund Management Team, which operationalizes and manages the fund's day-to-day activities. MINECOFIN is responsible for planning, coordination and budgetary oversight of FONERWA, which allocates funds through four thematic windows.

FONERWA provides a source of finance for implementers-often line ministries, local governments, private enterprises and NGOs to apply for implementing aspects of national

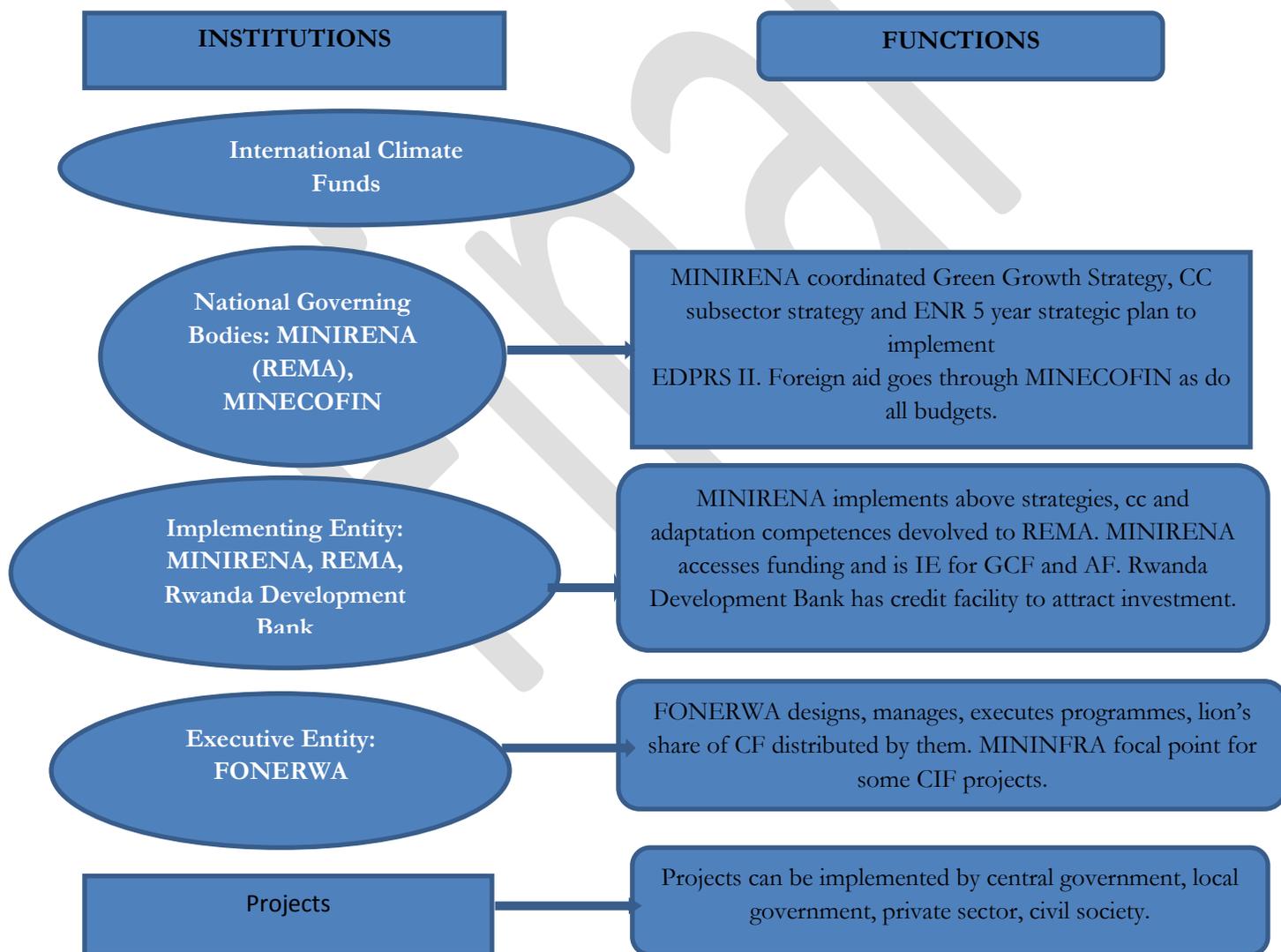
⁹ Official Gazette no Special of 24/12/2015

¹⁰ idem

¹¹ CDKN.n.d Fonerwa: Sustainable Financing Mechanism for Environment and Climate change Initiatives. https://cdkn.org/wp-content/uploads/2012/03/1106_cidt_engagement_webready.pdf

policies. Government of Rwanda has put in place mechanisms to coordinate the climate change agenda in EDPRS II and the Green Growth Strategy through line ministries. Regarding coordination of climate change finance, MINIRENA and its sector agency REMA coordinate most efforts with close support from other key ministries such as MINECOFIN currently supporting FONERWA’s technical committee in order to streamline funding activities and to ensure funding is in line with National Development Plan. In climate change finance, the coordination is between FONERWA, MINECOFIN, REMA and Rwanda Development Bank (BRD). The figure below presents the institutions and their functions as the Rwanda’s National Architecture for Climate Finance.

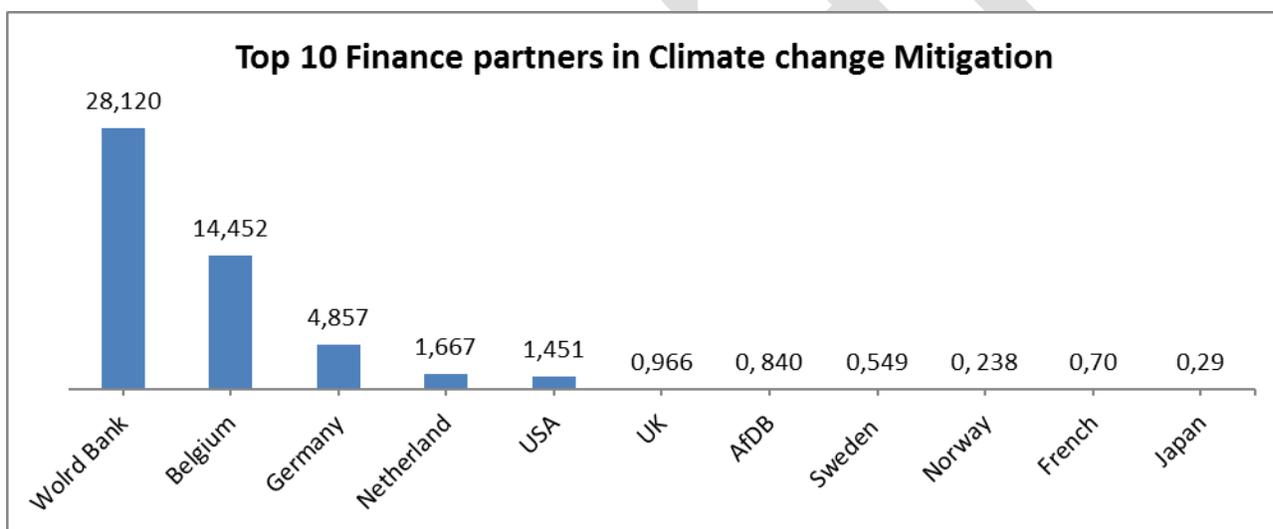
Figure 1: Rwanda’s National Architecture for Climate Finance



3. CLIMATE CHANGE FINANCE IN RWANDA

In 2015 Rwanda received mitigation fund from multilateral and bilateral donors, World Bank (USD 28,120 Million) and Belgium (USD 14,452 Million), followed by German, Netherland, and USA, while UK, AfDB, Sweden, Norway, French and Japan have also made smaller contributions. In the same year Rwanda has also benefited adaptation fund from UK (USD 35,416 Million) as greatest development financial partner with Netherland (20,596 Million) followed by NDF, Korea, Belgium and USA. Other contributors include Germany, Australia, Japan, Irland and French (see Figure 1 and 2)¹³.

Figure 2: Top 10 Provider: Mitigation related development finance (Higher bound, Rwanda 2015)



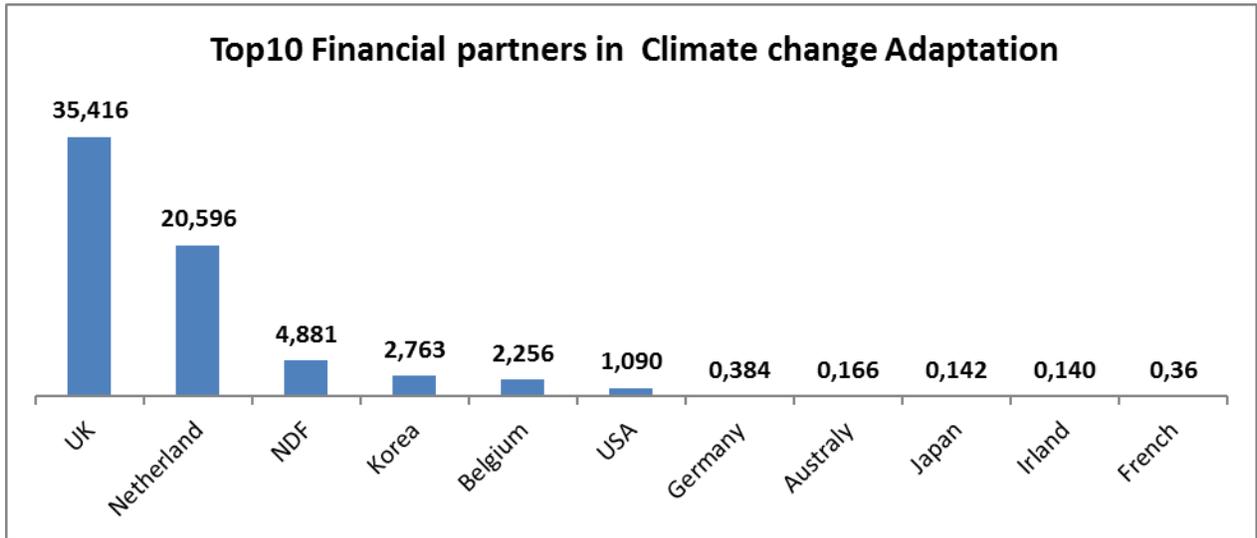
Source: ¹⁴

¹² idem

¹³ Source: https://public.tableau.com/views/Climate-relateddevelopmentfinance-RP/CRDF-Recipient?:embed=y&:display_count=no&%3AshowVizHome=no

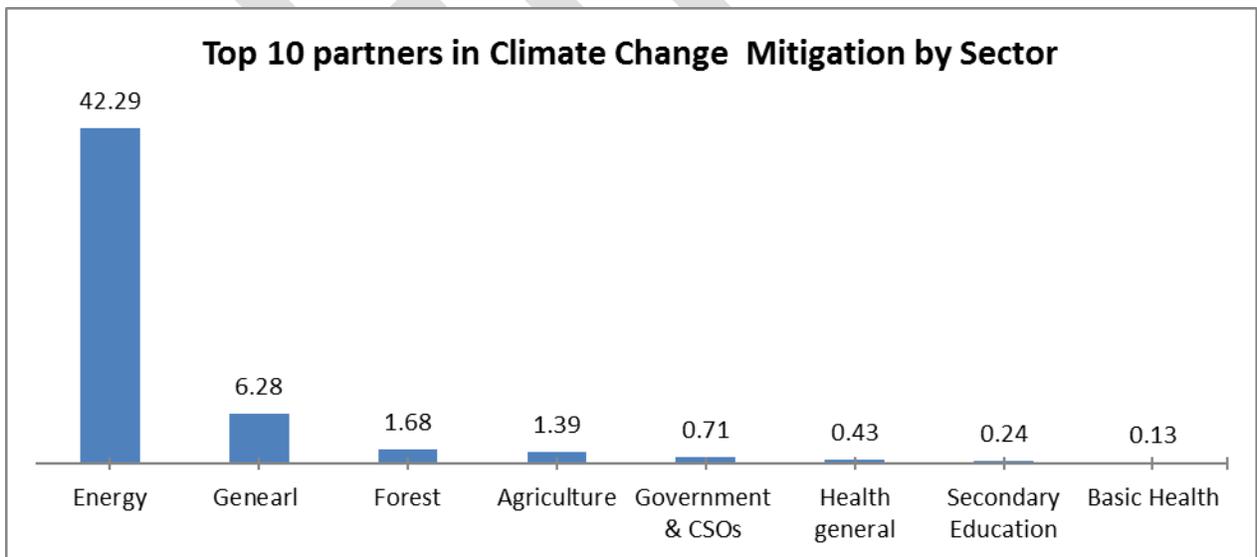
¹⁴ idem

Figure 3: Top 10 Provider: Adaptation related development finance (Higher bound, Rwanda 2015)



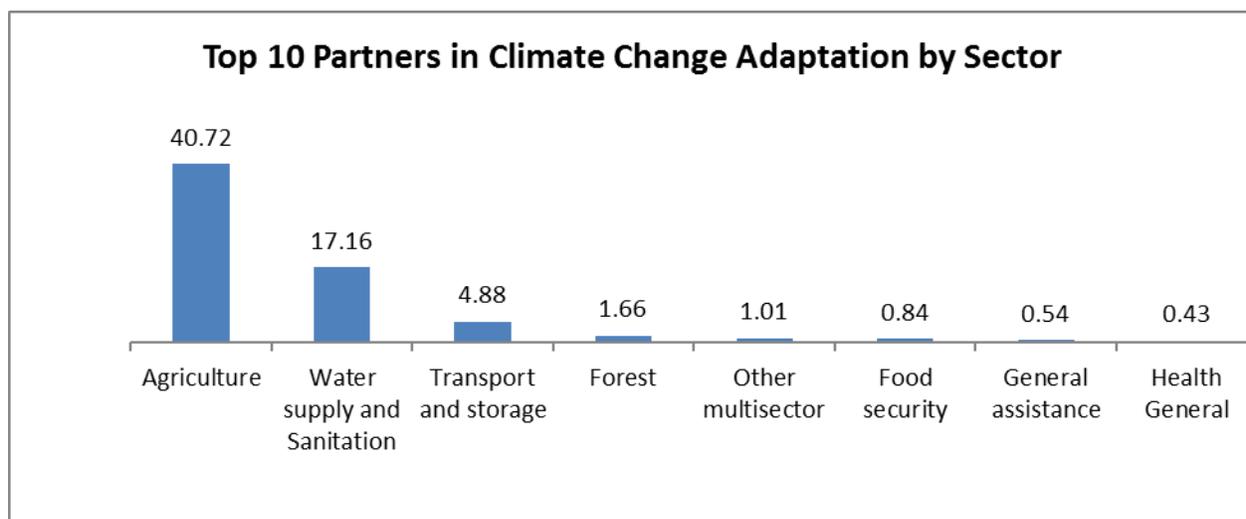
Overall, main recipients of mitigation finance are energy with USD 42, 29 Million and general assistance comes to the second position with USD 6, 28 Million while the important sector of intervention in climate change adaptation is agriculture sector with \$ 40, 72 Million and USD 17, 16 Million for water supply and sanitation as demonstrated in above figures (figure 4 and 5).

Figure 4: Mitigation related development finance (Higher bound, Rwanda 2015)



Source: ¹⁵

Figure 5: Adaptation related development finance (Higher bound, Rwanda 2015)



Source: ¹⁶

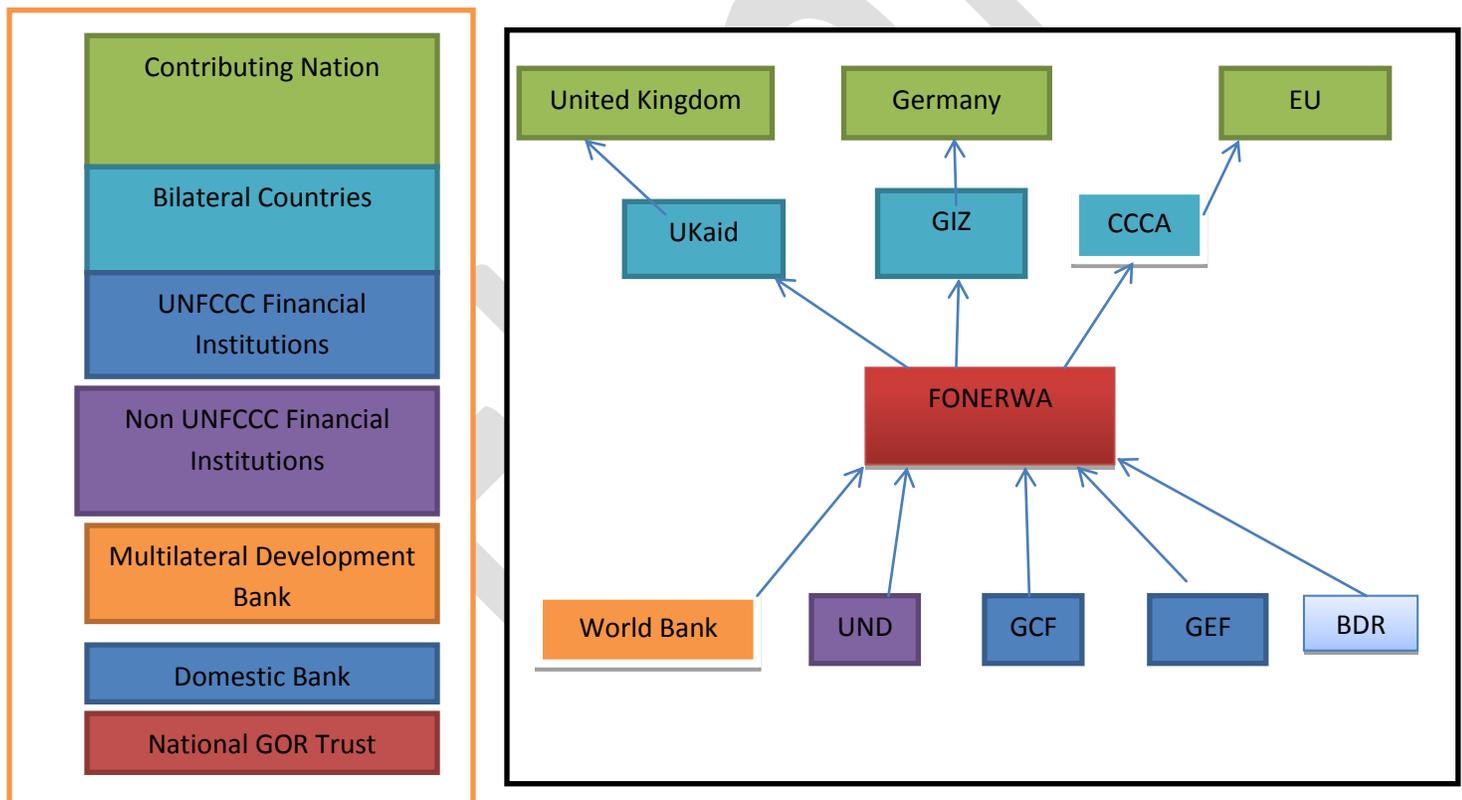
¹⁵ idem

¹⁶ idem

3.1 The FONERWA Fund: An overview

FONERWA is the main mechanism through which Rwanda’s climate change fund is disbursed. Established by the law n° 16/2012 of 22/06/2012 and currently revised in 2017, the national climate fund [FONERWA-implementation of the green growth strategy], has the mission to mobilize, manage, monitor and facilitate cross sector access to environment and climate related finance¹⁷. The current law in its article 8 stipulated that the management of FONERWA is composed of (i) the Board of Directors composed of nine members and (ii) the executive organ. The general climate finance flow is shown in Figure below.

Figure 6: FONERWA-Rwanda’s Green Fund



Source:¹⁸

Available information showed that for three years since FONERWA was in operation, of 1089 concept notes submitted, 87 full proposals were developed, and only 33 proposals were approved

¹⁷ FONERWA,2016. Climate Finance Segment experience of FONERWA CBFP 23rd November 2016

¹⁸ Ferdinand,T,2017. Using Rwanda’s INDC to Evaluate Projects Funded by Climate Finance.

of which 10 are for central government, 10 for districts (where three are implemented by districts/NGOs), 7 are for private sector and 4 are implemented by NGO¹⁹ . For all projects approved, 31 were under implementation²⁰. The government Institutions is so far the most dominant implementing actors having more than 50 per cent share of all projects.

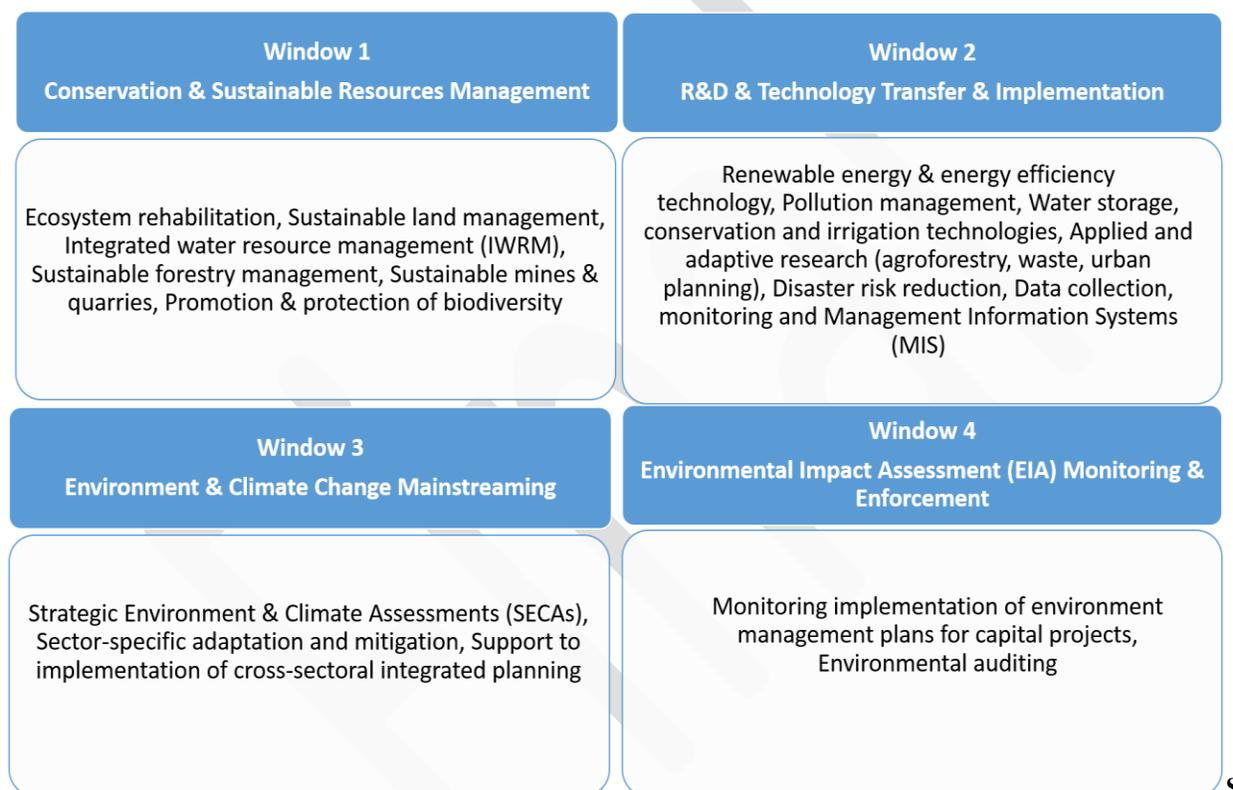
¹⁹ FONERWA, 2016, Climate Finance Segment experience of FONERWA CBFP 23rd November 26.

²⁰ idem

3.2. FONERWA thematic windows

The FONERWA funds are channeled through thematic windows. Applications undergo a rigorous review process overseen by the Fund's technical team and management committee. The submission of proposals is based on its four thematic windows on a bi-annual basis. The four windows are shown in the figure 7.

Figure 7: Thematic Financial Windows



Source: ²¹Ferdinand,T,2017. Using Rwanda’s INDC to Evaluate Projects Funded by Climate Finance.

3.3 Climate change Mitigation Funds in the Energy Sector

On the pathway to a low carbon economy and mainstreaming mitigation activities into national climate change programmes, Rwanda aims to achieve Energy Security and a low Carbon Energy Supply that support the development of Green Industry and services and avoids deforestations²². As shown in the figure above, a total of USD 53.15 million from multilateral and bilateral donors

²¹ idem

²² Republic of Rwanda, 2015. Intended Nationally Determined Contribution (INDC) For The republic of Rwanda.

is allocated to mitigation fund in Rwanda, where energy sector alone received USD 42.29 million (around 80%). The table below illustrates the flow of funds from FONERWA with regards to energy sector.

Key stakeholders in energy sector include MININFRA, the Ministry of Natural Resources (MINIRENA), and the Ministry of Finance and Economic Planning (MINECOFIN), decentralized organs (districts and sectors), public agencies, local and international nongovernmental organizations, and research and/or higher education institutions (e.g. Kigali Institute of Science and Technology). Their roles and responsibilities in as far as the energy is concern is detailed in Annex 1).

Table 1: FONERWA Funded projects including Energy

Name of the Project	Implementing Entity	Investment
Integrated Land, Water Resources and Clean Energy Management.	Musanze District	USD 937,306/ 701,461,152 Rwfrs
Karongi District Integrated Green Village.	Karongi District	USD 986,533/ 745,881,350 Rfw
Sustainable Land Management and environmental Rehabilitation for Poverty Reduction	Send a Cow- Rwanda/Rwamagana	RWF 539,792,622
Construction of Biogas	REG/Nyanza	RWF 39,000,000
Rice Husk (biomass) to power.	Novel Energy Ltd	USD 229,483
Clean and affordable electricity access for off-grid Rwandan communities using solar-powered micro grids.	MESH POWER	USD 283,531
Mpenge I and III Micro Hydropower Projects.	Nyamagabe District	USD 4,176,735

Source: FONERWA, 2016, Climate Finance Segment experience of FONERWA CBFP 23rd November, 2016

In the FONERWA Funds allocated to districts, include funds for renewable energy such as Biogas, solar energy and cooking stoves to reduce the tree cutting rate, time spent for searching firewood and promoting health by reducing risk associated with smoke. However, according the

Fund Project Document elaborated by Musanze district, there are risk associated with implementation of climate change projects including energy related.

The risks range from lack of appropriate and qualified staff, failure to create ownership of and commitment to the project at the local level, delays in disbursement of funds, procurement and institutional bureaucracy²³ Prior to access funds, project implementers such as district demonstrated that the above issues will be addressed to include making sure the right people are recruited at the right place, and involvement of the local community in design, implementation and monitoring and evaluation²⁴.

Locally, however, no clear partnership was created with local government and the beneficiary communities. Interview with staff of government departments working in district and Focus group discussion with local beneficiaries show that local communities who were supposed to be part of execution of the projects, were unsure of the projects since the decision to construct the biogas and selection of beneficiaries was made without their full participation. At the end of project, beneficiaries were not aware of who is accountable for malfunctioning of renewable energy particularly biogas and solar. At the moment, there are many biogases which were not functioning because consultants and other key stakeholders involved in energy projects have stopped their activities. Yet it was supposed that project will be managed by staff hired for the project to follow up day to day project activities²⁵. In interview with REMA at national level, they admitted that the government acknowledges problems associated with Biogas technology. Without proper strategy, the big challenges to the energy sector in Rwanda such as reducing the cost of the energy supply, reducing the dependency on biomass and liquid fuels imports will remain unresolved²⁶.

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²³ FONERWA,2014, Integrated Land, Water resources and Clean Energy Management toward Poverty Reduction Project in Musanze District. Full Project Document

²⁴ idem

²⁵ Government of Rwanda, 2012. Operational Manual: Environment and Climate change Fund (FONERWA) Design Project

FONERWA has been praised to have a strong design operational manual²⁷ and governance system which, as it will be discussed below promotes participation, transparency and accountability in the implementation of climate change fund projects.

4.1. Accountability Mapping Overview

In this report, the accountability mapping of FONERWA Fund shows the relationships between key stakeholders from FONERWA executive organ to district level to ascertain to whom they are accountable and how they are held to account. In this context, accountability is defined by Transparency International as by which individuals, agencies and organizations (public, private and civil society) are held responsible for executing their powers properly, are ‘answerable for their actions’ and are subject to ‘redress when duties and commitments are not met’²⁸.

The FONERWA Managing Committee is responsible for the monitoring and directing of the Fund’s activities. It is the highest organ in the GoR for FONERWA management and oversight and involves participation from a cross-section of stakeholders including the GoR at central (Permanent Secretaries) and district levels (through MINALOC), civil society, the private sector and development partners²⁹. In addition, it approves projects submitted by Government, CSOs and the private sector.

After project/programme approvals and the sign of the contract between implementing sector and FONERWA, the FONERWA disburses funds to the implementing sectors (government, private sector, CSOs). While Fund Secretariat, Fund Management Team (FMT)’ responsibilities include day to day fund management, technical assistance, M& Evaluation (see Figure 7) , resource mobilisation, and initial screening of concept notes (PPDs)³⁰.

The FONERWA Technical Committee (FTC) assess each PD according to the FONERWA thematic financing windows (See figure 4)³¹ and overall technical appraisal criteria, each with detailed sub-criteria, and assign a priority ranking for submission to the FTC³². Technical Appraisal Criteria include: desirability, viability, feasibility and capacity to leverage additional

²⁸ See: *Definitions*, Transparency and Accountability Initiative (undated).

www.transparencyinitiative.org/about/definitions

²⁹ CDKN,n.d Fonerwa: Sustainable Financing Mechanism for Environment and Climate change Initiatives.

³⁰ FONERWA,2016. Climate Finance Segment experience of FONERWA CBFP 23rd November 2016

³¹ Idem

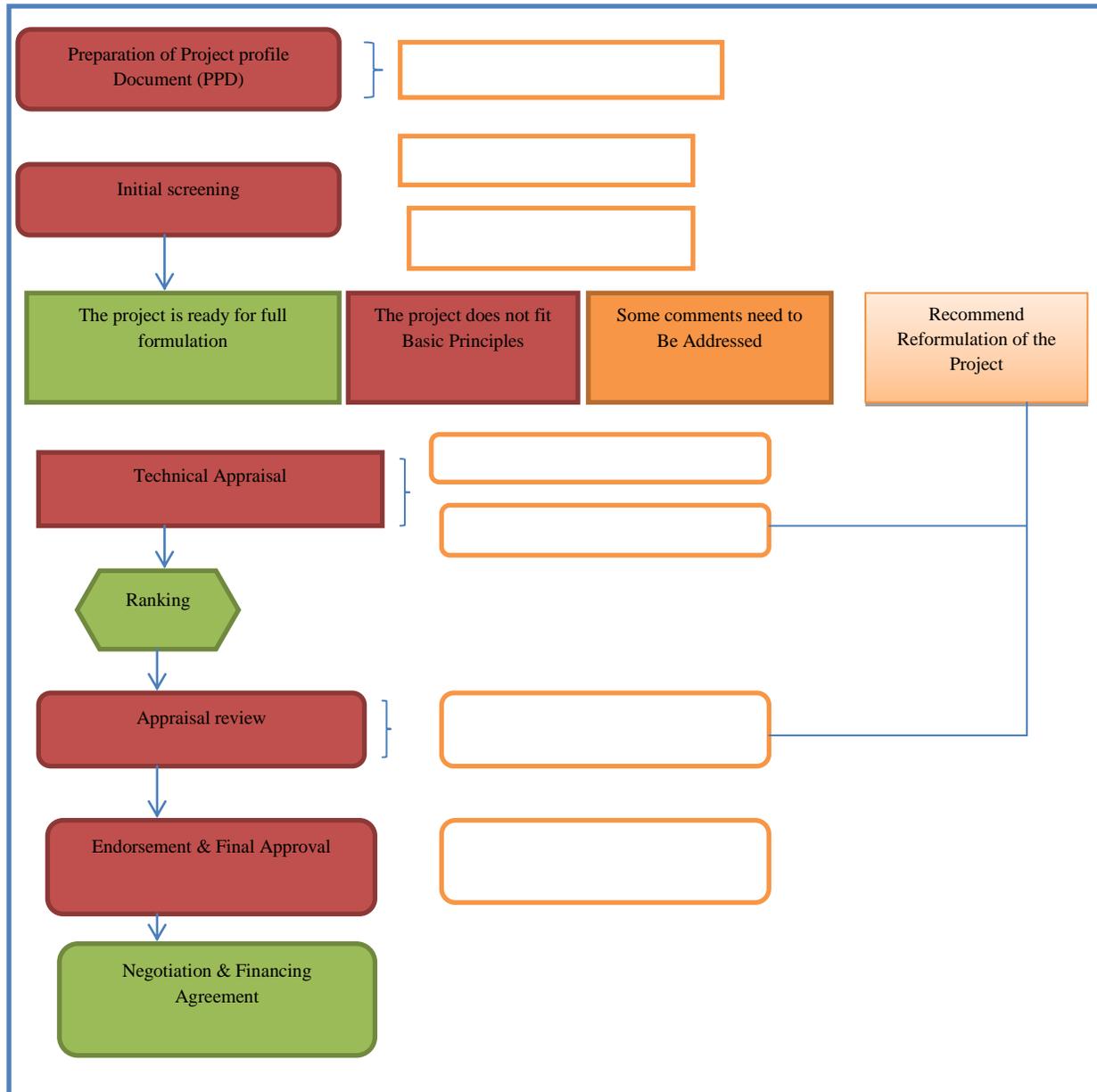
³² CDKN,n.d. FONERWA: sustainable Financing mechanism for Environment and climate change in Rwanda. https://cdkn.org/wp-content/uploads/2012/03/1106_cidt_engagement_webready.pdf

resources. Moving to the next step, FTC will review the appraisal process and ensure that it was conducted following established procedures³³. At this stage, suggested project rankings will be further discussed before moving to the last stage which is submission to Fonerwa Managing Committee (FMC)³⁴.

³³ idem

³⁴ FONERWA,2016. Climate Finance Segment experience of FONERWA CBFP 23rd November 2016

Figure 8 : FONERWA Proposal Screening Process



Source: FONERWA, 2016, Climate Finance segment Experience of FONERWA CBFP 23rd November 2016.

Despite the strong governance architecture of FONERWA (see the figure in annex 2) and clear structure to promote transparency and accountability in the management of the climate change finance in Rwanda, from the above figure, it is obvious that the projects proposal screening process is complex and may take up to six months for approval. Moreover, other issues related to transparency and accountability in the management of FONERWA funds are discussed in the table 2.

Table 2: Key challenges in the management of FONERWA Funds

Challenges	Fact Findings
Lack of government policy on climate change	There is no national policy on climate change in Rwanda, there is an outdated policy on environment of 2003 with limited focus to Climate change (Source interview with REMA staff at national level)
Limited awareness and capacity for Private sector and CSOs to access to a variety of potential financial sources.	There is a need to increase the awareness and capacity among private sector and CSOs to engage in the competition of climate change fund available at the global level (Interview with REMA staff at national level).
Limited awareness of Climate change Vulnerability Index	Despite the availability of climate change vulnerability index on the REMA website and its portal, the climate change vulnerability Index was not enough disseminated (Interview with REMA official at National Level).
Insufficient community integration of climate change in concerns	PDs showed how the project implementers integrate community in climate change fund projects. However, Interview with beneficiaries revealed that their involvement is limited to implementation process.
Limited opportunities for NGOs consultation and participation	There is no adequate representation of civil society on any FONERWA boards hence, the ability of NGOs to participate in agenda setting, request information and monitor performance is extremely limited as it seems they are structurally relegated to mere observer status

Limited capacities for private sector and NGOs engagement,	The capacity of private sector to apply for FONERWA Project or to deliver complex projects involving a multiple financing instruments and institutions is currently limited.
Slow and complex application process	The Fonerwa Funds application process has to go through six steps which may take up to six months for approval. Moreover, A number of research participants have stated that progress reports that were submitted to FONERWA were never followed up on and no feedback had been received. These factors have led some non-governmental entities working in the Rwandan climate sector to state they prefer to apply for funding elsewhere due to the cumbersome application procedures and requirements throughout the project ³⁵ .
Funds mainly disbursed to government-led projects	For all projects funded by FONERWA more than 50% are Government led projects (17 projects out of 33).
Geographic distribution of Funds is not in accordance with the climate change vulnerability Index.	As demonstrated in the climate vulnerability index, the eastern region is the most vulnerable to the negative effects of climate change. It is also the region with the weakest adaptive capacities. However, a closer look at the geographical distribution of FONERWA-funded projects, suggests that the region is not sufficiently covered by projects.
Unclear/complex MRV system and lack of reporting capacities at the local level	There is a consistent reporting to donors on expenditures at national level (<i>interview with FONERWA Staff</i>). However, at local level beneficiaries are expected to be involved as activity participants but also in the role of monitoring and evaluation to ensure project ownership. Interview with beneficiaries showed that their involvement is lacking which makes it difficult to rely on statistical data being reported at local level.

³⁵ Emilie Bécault, E. , Moritz,K. & Axel Marx. 2016. Getting Ready for Climate Finance: the Case of Rwanda– Acropolis BeFinD Working Paper #13 – June 2016

CONCLUSION AND RECOMMENDATIONS

The negative impacts of climate change are already affecting vulnerable populations in Rwanda. Although there is no particular policy in climate change in Rwanda, government strategies on environment and climate change have been established to address the effects of climate change.

The majority of Rwanda's population lives in rural areas and depends on agriculture, as one of the most sectors at high risk of climate change effects such as drought and floods. In addition, biomass consumption, mainly wood and charcoal for cooking, currently dominates primary energy supply in both rural and urban areas. Ensuring that mitigation finance reaches these people is of paramount importance for the development of Rwanda. Thus, despite various challenges, projects related to mitigation finance must reach vulnerable communities many of them in rural areas where it is difficult for the government to provide electricity due to geographical situation. The majority of people living in rural areas do not have the resources to address the problem of climate change without assistance from civil society (CSOs) or the public sector particularly in energy sector.

Some are not aware of the role of renewable energy promoted in their village in climate change. Some mitigation projects such as biogas in some districts is ineffective and lack of community involvement in planning and decision-making process may be a contributing factor. According to PD submitted to FONERWA, some districts showed that district works with local communities to design successful climate change projects with the funding received from government and international donors via FONERWA.

As part of the initiative to identify and assess challenges in ensuring that climate change finance reaches the vulnerable population at district level, the research team, led by the transparency International Rwanda (TI-RW), tested tools to track climate change finance and explored the level of participation of local communities in planning and execution of the mitigation projects particularly renewable energy. Although mitigation finance was reaching the intended vulnerable recipients, CSOs need to continue their efforts to track climate change finance and hold implementers accountable if the funds are not used effectively. Advocacy can help change policies at local level where steering committee and technical committee are formed by district officials with limited involvement of community and CSOs. With greater support from CSOs,

beneficiaries of climate change finance will be able to advocate for effective implementation and sustainability of the projects.

Despite the presence of challenges associated with transparency of climate change finance at local level, awareness and participation from local community and CSOs are key to achieving policy change. Given that local community particularly vulnerable people lack information about climate change, CSOs can assist them in awareness of the projects and funding that are designated to address the problems related to climate change. In addition, CSOs may inform them about their right to information about the fund and participation in decision-making at all levels of government to ensure that their needs are met.

Improving the transparency in climate change finance would provide the information needed by civil society and community to hold implementing entities (government, non-governmental organization and private sector) accountable for the proper use of the funds. According to PD document, government institutions such as FONERWA and REMA are providing capacity support to local government (district) to be able to implement climate change projects. However, there is a need of additional governments' efforts to put in place institutions and policies that provide easy framework for planning and using climate change finance that can be used by local institutions. Establishing an environment for climate change finance to effectively be used by local community at village level requires efforts from all layers of society including government, CSOs and communities. Transparency and accountability with zero-tolerance of corruption in climate change finance can also lead to advocacy at international level for increasing commitments to climate change finance.

Recommendations

Based on the desk research, interview and Focus group discussion with beneficiaries, several recommendations were identified to aid in strengthening transparency, accountability, and collaboration among stakeholders in Rwanda, and to improve the efficiency of tracking mitigation finance.

- ❖ The national government should establish a policy, institutional, and legal framework to incorporate climate change into decision-making, national planning, and budgeting as well as a framework for implementation of mitigation actions.
- ❖ FONERWA Board should develop policies and guidelines which allow for the disclosure of anticorruption rules and safeguards and accountability mechanisms(including complaints mechanisms, whistleblower protection, investigatory functions, sanctions issuance and enforcement) of government, private sectors and NGOs, which they are required to demonstrate as part of their accreditation of the funds.
- ❖ Information on climate finance should be available and easily accessible to the beneficiaries. Beneficiaries need to have the information on the fund allocated to adaptation or mitigation, the key stakeholders involvement and their accountability, and the anti-corruption measures.
- ❖ Develop and adopt policies and guidelines that require the involvement of community and CSOs in the evaluation and monitoring of effectiveness of anti-corruption rules and safeguards and accountability processes operated by government, private sector and NGOs.
- ❖ Local civil society organizations should be empowered to train community members about climate change in mitigation planning and make demand for accountability and support from the government through local administration.
- ❖ Develop and adopt policies and guidelines regarding civil society accountability, including participation in committee decision, responsibilities of linking communities with government to better plan and design climate change projects,

representing the voice of vulnerable people and advocating for policy change particularly for transparency and accountability on climate change projects.

- ❖ Local governments need more capacity building to assist implement and sustain mitigation projects particularly renewable energy projects, following reports that many biogas plants are not operating which integrates specific community needs in the all process of project.
- ❖ FONERWA board should develop guiding principles to enable community participation in project planning so that local can incorporate their needs to ensure ownership of the project and effective uses for mitigation finance.
- ❖ FONERWA need to provide greater clarification on funds allocated to mitigation so that it may not be used to other program and Organizations working on mitigation finance need to coordinate with districts to raise awareness and share project information.

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[Recipient?:embed=y&:display_count=no&%3AshowVizHome=no](https://public.tableau.com/views/Climate-relateddevelopmentfinance-RP/CRDF-Recipient?:embed=y&:display_count=no&%3AshowVizHome=no)

Final

ANNEX

Annex 1: Key Actors in Energy sector in Rwanda

STAKEHOLDER CATEGORY/ LEVEL	STAKEHOLDER NAME	KEY ROLES/RESPONSIBILITIES
	MINISTRIES	
	Ministry of Infrastructure	Energy Policy and Strategies ; Signs MOUs with Independent Power producers before they start plant development
	Ministry of Local Government	Policy and oversight of Decentralized authorities i.e. Provinces, Districts, Sectors
	Ministry of Natural Resources	Policy on natural resources management and environment
	Ministry of Internal Security	Ensuring security of public energy infrastructure in rural and urban areas
	Ministry of Health	Resource mobilization; logistical support in the identification, mobilization, sensitization of hospitals and health centers for electrification
	Ministry of Finance and Economic Planning	Resource mobilization for energy projects/programmes; budget provision; Planning, monitoring and evaluation
	PUBLIC AGENCIES	
	Energy, Water and Sanitation Ltd (EWSALtd)	Off-take grid power; technical support to energy actors; energy generation; Electricity transmission and distribution; Electricity and water sales
	Rwanda Utilities Regulatory Agency (RURA)	Regulation of utilities; Tariff setting, licensing
	Rwanda Bureau of Standards (RBS)	Setting standards; certificate; controls right of importation
	Workforce Development Authority (WDA)	Policy and strategies promoting techno- vocational skills; Oversight of implementation by IPRCS and TVETs
	Rwanda Governance Board (RGB)	Registration of NGOs/INGOs ; Provide permissions for operation
	Rwanda Environment Management Authority (REMA)	Technical support; approvals of Environmental Impact Assessments
	Rwanda Revenue Authority (RRA)	Collecting taxes; approving tax exemptions
	Rwanda Development Board (RDB)	Entry point for all investment; one-stop-center for company registration & sector information; One-stop center for investment information; Conducts negotiations with investors, including Power Purchase Agreements
DEVELOPMENT PARTNERS	DONORS	
	World Bank	Funding & Technical Assistance
	Japan International Cooperation Agency (JICA)	Funding & Technical Assistance
	African Development Bank (AfDB)	Funding & Technical Assistance
	Belgian Technical Cooperation(BTC)	Funding & Technical Assistance
	United Nations Development Programme(UNDP)	Funding & Technical Assistance
NON-GOVERNMENT ORGANISATIONS	NGOs/INGOs	

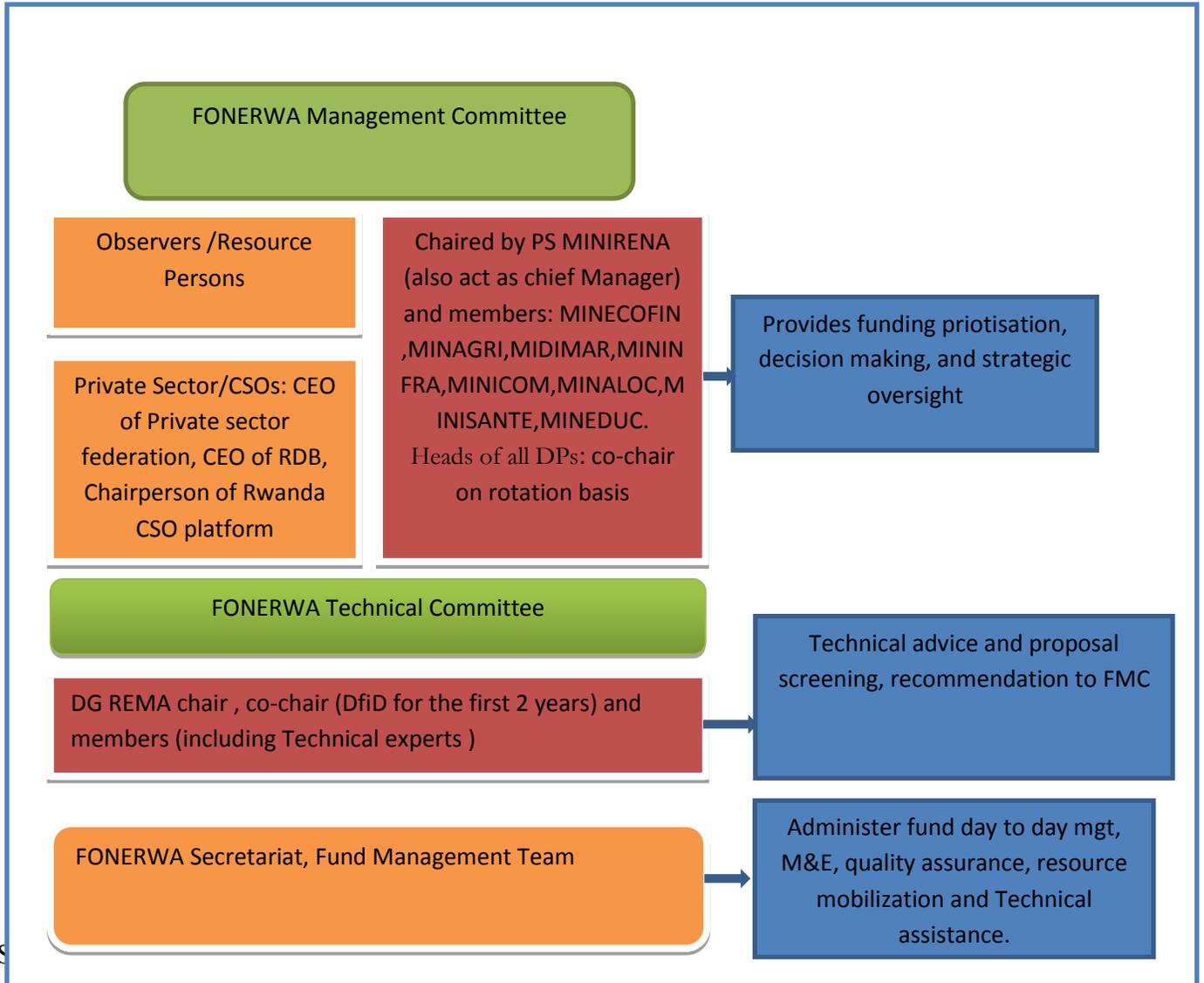
	Practical Action	Training, Consultancy & Advisory services on renewable energy
	World Vision	Funding and Technical Assistance
	Care international	Trainings, Consultancy & Advisory services on ICS,Biogas, Solar
	SNV	Trainings, Consultancy & Advisory services on ICS,Biogas, Solar
	Millennium Village Project	Trainings, Consultancy & Advisory services on ICS, Biogas, Solar
	Delagua Ltd	Trainings, Consultancy & Advisory services on ICS and Solar
	Prison Fellowship	Funding & Technical Assistance
	UN Women	Funding & Technical Assistance
	Red Cross	Funding & Technical Assistance
ACADEMIA, TRAINING, RESEARCH INSTITUTIONS	ACADEMIC/RESEARCH INSTITUTIONS	
	University of Rwanda/School of Science and Technology	Engineering & ICT training programmes& research
	Tumba College of Technology	Training programmes in Computer Hardware & Software
	TECHNICAL TRAINING INSTITUTIONS	
	Integrated Polytechnic Regional Centers	Training in computer repair, welding, carpentry, masonry & metalwork
	Technical, Vocational Education and Training	Trainings in computer repair, welding, carpentry, masonry & metalwork
PRIVATE SECTOR	SOLAR COMPANIES	
	Munyax Eco (local)	Solar water heaters and solar kits
	GLE (local)	Solar kits
	Mobisol (local)	Solar systems and solar kits
	Gigawatt solar (USA)	Grid-connect solar investor currently constructing an 8.5 MW solar plant in Agahozo Shalom village /Rwamagana District
	Goldsol/Spain	Grid-connect solar investor currently conducting a feasibility study who will also construct a 10 MW solar plant in Rwinkwavu /Kayonza District
	IMPROVED COOKSTOVES	
	Inyenyeri (local)	Imports and sells improved cook-stoves
	BIOGAS	
	Various biogas construction companies	Construction of Household Biogas Digesters under theNational Domestic Biogas Program (NDBP)
COOPERATIVES	IMPROVED COOKSTOVES	
	“Ubumwe” cooperative	Production & sales (wholesale and retail)
	AJDR Cooperative	Production & sales (wholesale and retail)
FINANCIAL INSTUTUTIONS	BANKS	
	BanquePopulaire du Rwanda	Provides biogas loans to farmers payable at special interest rates negotiated with EWSA Ltd. - 16% over 3years
	Development Bank of Rwanda	Provide loans for Energy Projects
	I&M Bank	Provide loans for Energy Projects
	MFIs	Provide loans for Energy Projects
	“Unguka” Investment Group Ltd	Provide loans for Energy Projects
	Umurenge SACCOS	Manage Biogas subsidies on behalf of Districts; provide3 –year biogas loans to farmers’ at negotiated interest rates of 16%
LOCAL GOVERNMENTS	DISTRICT LEVEL	Provide approvals for hydro site developers which in turn facilitates them to enter into MOUs with MININFRA and enables them to obtain power generation licenses from RURA; Are responsible for the security of energy infrastructure; Mobilize and sensitize citizens on national energy programmes ;Support MININFRA and EWSA Ltd in

		maintaining a data base of all energy installations
	District council	Approves of District Development plans and programmes and advises on implementation
	Mayor	Heads the District
	Vice Mayor for Finance and Economic Development	Planning, Strategizing, Resource Mobilization
	District Officer in charge of Environment,Infrastructure& Lands	Focal person for infrastructure (which includes energy), environment & land affairs
	JADF	Forum of stakeholders that discusses and implements development plants of the district.
	SECTOR	
	Sector Council	Approval of Sector Development plans &programmes
	Executive Secretary	Head of Sector
	JADF	Forum of stakeholders that discusses &implements development plans for the sector.
	Sector officer in charge of cooperatives	Membership recruitment; registration, co-ordination& oversight of all the cooperatives in the sector
	Sector Agronomist	Focal person for infrastructure (including energy),environment & land affairs
	CELL	
	Cell council	Approval of Sector Development plans &programmes
	Executive Secretary	Head of Cell
	Officer in charge of social and economic development	Focal person for all social & economic development programs (including energy)
	VILLAGE/UMUDUGUDU	
	Village council	Mobilization and sensitization of people on government development programs; oversight of program implementation
	Head of Village	
END USERS	Institutions	Buyers & consumers
	Hotels	Buyers & consumers
	Universities	Buyers & consumers
	HOUSEHOLDS	Buyers & consumers
	Family members	Buyers & consumers

Source: Ministry of Infrastructure³⁶

³⁶ MINISTRI OF INFRASTRUCTURE

Annex 2: FONERWA Governance structure



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