



Federal Democratic Republic of Ethiopia

Ministry of Finance and Economic
Development

Leveraging Resilience Finance

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Elmi Nure Ministry of Finance and Economic
Development, CRGE Facility; Climate Change and
Development Cooperation Analyst:Ethiopia



Two Windows of the CRGE Facility

Responsive Window/Earmarked/

- The used to channel funds subject to Targeted Agreements (that is, funds are subject to geographical or technical **earmarks**) to approved actions. Example DANIDA

Programmed Window/Flexible/

- The Window used to channel funds subject to Strategic Agreements (that is, conditions align with the CRGE Strategy Framework) to approved actions.
- Flexible fund channeled as per the national priorities

Example: DFID



Funding Arrangement

- **Earmarked Fund:** Funds committed to the CRGE through **Targeted Agreements** that are allocated (earmarked) to specific objectives
 - ❖ Targeted agreement: When the providers of finance impose funding earmarks
- **Conditional Fund:** Funds committed to the CRGE through **Strategic Agreements** that are allocated to specific themes defined within the CRGE Strategy Framework
 - ❖ Strategic agreement: When the providers of finance either impose no conditions or require that funds be assigned to particular strategic themes



FILE HOME INSERT DESIGN TRANSITIONS ANIMATIONS SLIDE SHOW REVIEW VIEW ADD-INS

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Layout Reset Section

Font Paragraph Drawing Editing

Shape Fill Shape Outline Shape Effects Find Replace Select

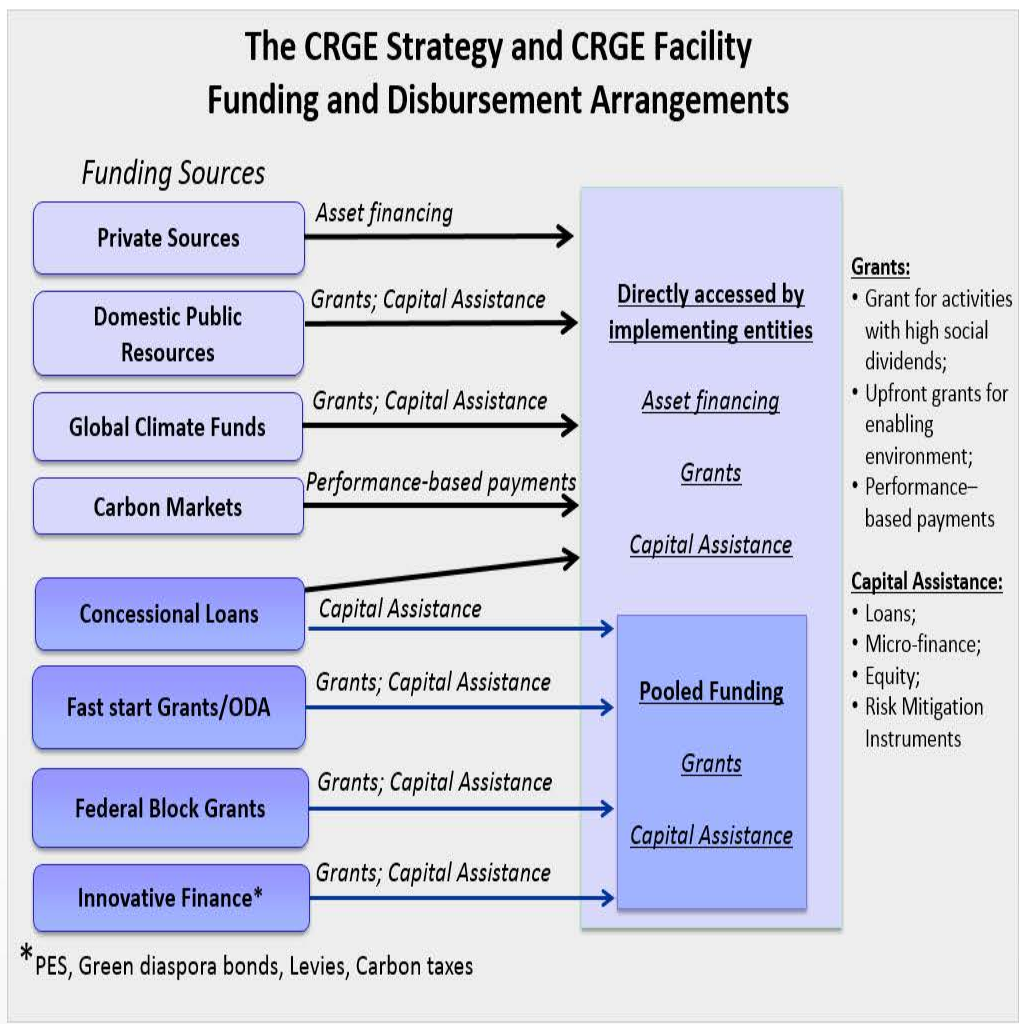
7 Part II CRGE Fund Mobilization Strategy

8 Financial Returns on CRGE Investments

9 The CRGE Strategy and CRGE Facility Funding and Disbursement Arrangements

10 Sources of Infrastructure Financing

11



- Grants:**
- Grant for activities with high social dividends;
 - Upfront grants for enabling environment;
 - Performance-based payments
- Capital Assistance:**
- Loans;
 - Micro-finance;
 - Equity;
 - Risk Mitigation Instruments

Format Background

FILL

- Solid fill
- Gradient fill
- Picture or texture fill
- Pattern fill
- Hide background graphics

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Transparency 0%

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Fund Disbursement

- The CRGE Facility will receive funds from bilateral and multilateral development partners through the **dedicated CRGE Facility account** and will deposit for regions in the BOFED accounts and then to WoFEDs accounts.
- A dedicated account is the Facility's account, through which financial contributions are directly channelled to IE
- Some Finance Partners submit their contributions directly into the Facility Account;
- other Finance Partners make contributions to the International Account, from which it is channelled to EE via the Facility Account.



SPCR complementarities with development Financing and other climate Finances

- Leverage additional investment toward action on the ground
- The fund will be managed through the dedicated account (National account) and disbursed to IE/EE as per the operational manual.



Lesson others to share

- Integrating climate response initiatives into wider economic development plan helps the country to ensure
 1. Sustainable economic growth
 2. Low carbon development path
 3. Climate resilient economy
- Being new initiative awareness creation at all level is important
- Involving private sector is crucial

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