



**REPUBLIC OF KENYA**  
**THE NATIONAL TREASURY & PLANNING**

**PRESS RELEASE**

Wednesday, 27<sup>th</sup> October, 2021.

**FOR IMMEDIATE RELEASE**

**KENYA SET TO RECEIVE WORLD BANK CLIMATE FINANCE**  
**USD 150m Programme Will Support National Climate Change Action Plan**

**NAIROBI**, 27<sup>th</sup> October, 2021 – The World Bank Board of Directors has approved a USD 150 million financing agreement with the Government of Kenya to strengthen local resilience to the impact of climate change in Kenya, through the Financing Locally-led Climate Action (FLLoCA) programme, which is a part of Kenya’s 10-year Government Financing Locally-led Climate Action (G-FLLoCA) programme, launched in June, 2020.

Through this financing agreement, with the World Bank, Government of Sweden (Sida), Government of Denmark (DANIDA) and other development partners, Kenya will be the global pioneer in operationalizing social resilience principles of devolved climate finance and participatory climate risk management by means of financial investment and geographic coverage.

**During the Bank’s approval of the financing agreement, Hon. (Amb.) Yatani, noted the following:**

“Climate change remains the biggest challenge of our age, with Kenya’s climate-sensitive economy being prone to droughts and floods with an economic liability of up to 2.8% of GDP annually. We have an immediate need to build climate resilience in sectors such as agriculture, water, energy, tourism and wildlife, which are not only affected by climate change, but also by the adverse effects of the COVID-19 pandemic”.

“As a nation, we remain cognizant of the challenges that lie ahead, but remain confident that with the support of the World Bank and other development partners coupled by Kenyan innovation and resilience, we will build our National and Counties’ capacities’ to manage climate risks and enhance our resilience, with home-grown solutions in a collaborative and progressive approach, between the two levels of government, but more importantly, owned and driven by local communities”.



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The programme will support the scaling-up of community-led climate resilience actions while developing the capacities of national and county institutions to plan, budget, report, finance, and implement green initiatives at the local level. It will place the power and tools to predict, prepare and respond to climatic shocks in the hands of the most vulnerable communities and give County Governments a central role in climate action at the local level.

Kenya continues to be a leader in mobilizing green finance and promoting greater transparency in climate action, in line with the 2015 Paris Accord, providing other countries with an effective model for the coding, tracking and reporting of climate-relevant interventions and expenditures, facilitating better co-ordination and effectiveness in mitigating and adapting to the effects of climate change.

The FLLoCA programme seeks to create both an enabling environment and an innovative decentralized approach to tackling climate change impacts. Derived from Kenya's National Climate Change Action Plan (NCCAP), the FLLoCA's will strengthen local resilience to climate by delivering support and enhancements in seven key areas:

- Policy, Legal and Regulatory Framework
- Capacity Building
- Climate Finance
- Community-Led Actions
- Technology and Innovation
- Measurement, Reporting, Verification and Monitoring & Evaluation
- Emerging climate related issues

The implementation of the 5-year FLLoCA programme, will be led by the National Treasury & Planning given its strong emphasis on climate finance, with the adoption of the innovative County Climate Change Fund as a financing instrument to support financing, public participation, climate information, demand-driven capacity building and monitoring and evaluation of climate change actions.

The FLLoCA programme, meanwhile will support achievement of Kenya's adaptation and mitigation commitments under the National Adaptation Plan (NAP) and Nationally Determined Contributions (NDC) on climate change. Adaptation commitments will be supported by financing institutional climate adaptation activities including physical interventions, at the national and county levels, while mitigation commitments will be supported by financing low carbon climate investments and systematically mainstreaming climate actions into County Integrated Development Plans (CIDPs).