

Integrating Climate Innovation Challenge – Concept Note

1. Introduction

a. Background

Sub-national authorities are crucial in national climate policy, with decisive roles in countries' climate-resilient low-carbon development and strong potential to contribute to achieving national and global mitigation goals. The diffusion of successful local climate policies and good practice across local, regional and international learning networks can contribute significantly to global climate goals. An increasing number of national and regional support programmes and new funding approaches and initiatives are emerging; particularly in developing countries seeking to strengthen local climate action through financial and capacity-building measures. Efforts to improve enabling conditions for local climate actions are being undertaken and important lessons are starting to emerge: improving planning and implementing capacities in municipalities and initiating and advancing learning exchanges among municipalities. Moreover, the results of such initiatives are increasingly being fed back into national and international climate policy processes in order to promote their replicability.

b. Problem statement

Some preliminary assessment in the waste management sector revealed the following constraints

- Climate action planning at the county level is still inadequate despite considerable efforts at the national level to mainstream climate change in development planning and budgeting;
- Lack of innovation from young entrepreneurs operating in climate smart initiatives;
- Lack of fiscal incentives and unfavorable regulatory environment which is frustrating the efforts of some players (e.g. young entrepreneurs) to get involved in the climate resilient space;

However, waste management sector in Kwale could enjoy the following opportunities to achieve bankability:

- A buoyant market for waste management services with opportunities for service provision at a range of price-points for different users. Economic incentives for waste collection, reuse, and recycling and valorization, and other associated environmental management activities;
- Potential vocations include waste collection, transportation/logistics, recycling/composting/urban farming, urban greening/environmental management
- Some indication that County Government are offering increased recognition of value of involving smaller-scale operators e.g. youth groups and other CBOs in waste management service provision;
- A well-established network organization providing a potential platform for enhanced training, skills development and enterprise and employment opportunities for innovators;
- Potential support offered by a major private sector player (Corporate players) in funding climate resilient projects across Kwale County, for example MESPT, KCB Foundation 2jijiri program, Kwale County Department of Youth offering small grants to CBOs, Base Titanium among others.

2. Goals

i. Objectives:

To conduct 5 trainings in Kwale county to:

- a. Strengthen the capacity of the organisations/institutions at the sub-national level to design and implement local climate actions through training, mentoring and coaching;
- b. Support the development of bankable projects that are mainstreamed in County development Planning; and building the investor readiness for implementation;
- c. Identify opportunities for financing of the bankable projects in Kwale County.

Identify opportunities that would influence climate change-related policy framework for Kwale County by,

- a. enhancing cooperative climate change governance between national government and county governments and non-state actors; and
- b. enhancing the capacity of the KCNRN to identify opportunities for advocacy; and to develop, analyse and advocate for local climate action planning.

ii. Expected outputs/outcome

In light of the objectives described above, a matrix as designed below shows a proposed/ tentative list of activities with the expected outputs.

	Activity	Desired output/outcome	When	(Lead institution), (supporting institution)
1.	Hold meetings with KCNRN and key appointed government officials(incoming Executive CECM Environment, Finance/Planning, Trade, Agriculture)	<ul style="list-style-type: none"> • Consensus around key priorities for Kwale County (assess feasibility of climate change policy/bill?) • Understand political economy surrounding climate change • Identify feasible entry points for influencing County planning (e.g. development of CIDP and ADP) • Establish working group and <u>plan of engagement</u> with the KCNRN and Kwale County Government towards agreed upon priorities(*assumption being that two objectives will be pursued simultaneously: policy development activities 1 +2; and mainstreaming activity 3) 	23 rd August – 1 st September 2017	Kuza/IVA, KNRMN
1.1	Hold meeting with Kwale Governor, Salim Mvurya and appointed senior officials	<ul style="list-style-type: none"> • Relationship building, demonstrate support to Kwale development agenda and secure commitment for agreed priorities 	4 th – 7 th September (sidelines of the proposed CoG	Kuza - IVA, KNRMN

			induction conference as an option)	
1.2.	Support working group to identify and leverage (or hold) planned meetings and dialogues (engage multiple levels of Gov. public participation directors etc.)	<ul style="list-style-type: none"> Building consensus among key stakeholders on need for local climate policy framework Evidence base for development of policy 	Ongoing; 26 th – 27 th September 2017 Others TBD	CORDIO/ILEG
	Briefing session for planning	<ul style="list-style-type: none"> Consensus on the training modality, participants selection criteria, pre-assessment planning for participants and agreement on tentative training program 		Kuza-IVA, KNRMN
	Mobilizing of participants	<ul style="list-style-type: none"> designed selection criteria for participants, invitations for participation and confirmation of potential participants 	Before 1 st Sep, 2017	KNRMN
	Mobilizing of financiers / funding sources – on going	<ul style="list-style-type: none"> buy in from potential sources of funding including KCB Foundation 2jijiri program, MESPT, Department of youth Kwale, corporates 	Ongoing	Kuza-IVA, KNRMN
1.3	Support the implementation of 2 trainings	<ul style="list-style-type: none"> Identify and document common systemic constraints green entrepreneurs are facing <u>List of recommendations for the vertical dialogue and good practice exchanges</u> Evidence base for development of policy and/or other forms of advocacy i.e. memoranda etc. 	1 st – 4 th and 5 th Sep, 2017-09-01 2 nd – 28 th and 29 th Sep, 2017	Kuza-IVA
1.4	Hold consultative meeting with respective MCA committee	<ul style="list-style-type: none"> Consensus for development of policy 	TBD	
1.5	Support a consultative policy development and iteration process with lead County office and working group (1-2 day drafting workshop?)	<ul style="list-style-type: none"> Draft policy developed Ownership of document from County Executive 	w/c 9October 2017	ILEG, Kuza-IVA

1.6	Hold vertical dialogue	<ul style="list-style-type: none"> • Consultation on draft policy ensuring that multi-level governance issues are addressed 	w/c 23 October 2017	Kuza-IVA, ILEG
1.7	Develop 2 nd iteration of policy with working group and lead County office (engage MCA?)	<ul style="list-style-type: none"> • Policy developed and ready for CEC deliberation 	November 2017	ILEG, Kuza-IVA
1.8	Hold vertical dialogue following CEC deliberation	<ul style="list-style-type: none"> • Launch of policy framework? 	TBC	Kuza-IVA, ILEG
2.	National level engagement with climate change stakeholders (e.g. Climate Change Directorate, Council of Governors committee, Natural Resource Management Committee, UNDP, NGOs e.g. Groots Kenya etc.)	<ul style="list-style-type: none"> • Facilitate timely and actionable information to advise and support local partners in respective advocacy plans and County mainstreaming agenda • Broker partnerships and coalition between national and county level institutions • Secure wider buy-in and opportunity for learning to/from other Counties 	August 2017 - ongoing	Kuza-IVA
3.	Support local climate action mainstreaming in county plans as per County engagement plan (activity 1)	<ul style="list-style-type: none"> • Kwale County development plans are reflective of national policy frameworks and commitment to NDC 	September 2017 – ongoing	

*from amongst the co-implementers ILEG and Kuza/IVA only. KCNRN is assumed to be engaged at all times

3. Methodology;

Proposed intervention (Climate Innovation Challenge)

Vision

Increase innovation on climate resilient initiatives by exploring alternative market-led solutions to climate change that delivers world-class innovation

The project will stimulate entrepreneurship and support the creation of new employment opportunities for young people in Kwale County by stimulating growth in the demand for climate smart initiatives around Forestry, Agriculture, water, waste management and energy - which in turn will increase the create a climate resilient society as well as increase entrepreneurship.

Mission

Climate smart innovation provides the double dividend of creating entrepreneurship and employment opportunities for young people whilst placing Kwale in the global map whilst reducing the carbon footprint

contributing to climate change. Due to the relative underinvestment in green markets, the potential for growth and employment creation is higher than in traditional markets.

In its 2012 report *“Promoting Green Entrepreneurship: First lessons from the Youth Entrepreneurship Facility in Kenya 2010-2011”*, the International Labour Organization (ILO) outlined lessons learned in which it stated that *“creating a Green Business category with prizes was a successful motivator to elicit greater interest in green business”* and that the competition *“proved very successful”*.

Success Stories

The ILO report also highlights some excellent success stories from previous challenges and competitions.

Eco-Post Recycling Corporation

Eco-Post Recycling Corporation won first prize for overall business plan in 2010. They offer alternative building materials to timber, and claim that for every 150 posts they produce, they save six mature cedar trees. **Eco-post has grown significantly over the past few years, and used the prize money to expand production capacity and increase production, thereby creating much needed employment opportunities.**

Youth for Life

Youth for Life won a Youth-to-Youth Fund grant in 2011 for their Green Baskets initiative. The initiative encourages the reuse and recycling of plastic bags into high quality “green baskets”. The project creates jobs and income for youth and provides training, which allows them to start their own businesses. **300 youth benefited from the project.**

Approach

- An award competition approach will be used to stimulate bankability of climate smart initiatives through local actions in Kwale County.
- 5 trainings will be delivered in Kwale County in close coordination with ILEG, Kwale County Natural Resource Network, county government to prepare entrepreneurs:
 - Most of the trainings will result in bankable projects through its participatory delivery style, integrating practical examples of success in Coastal Kenya as inspiration for participants. This will include the production of charcoal briquettes to substitute charcoal burning from trees, manufacturing of plastic poles, plastic ceiling and floor from waste plastic materials, conservation agriculture among others. The Business Model Canvas being a worldwide standard tool will help to shape bankability of the projects designed through the training.
 - Linkages and partnerships for resource mobilization to implement bankable ideas on climate resilient in Kwale
 - Possible financiers will be invited to come to the training
 - Other entrepreneurs from other places along the Coast may be invited to present examples of what they have done
 - Some site visits may be conducted to other bankable projects along the Coast to help build expertise of Kwale entrepreneurs on climate change projects.
 - Monitor the training through the V-LED tools and *may* register participants in an SMS survey to track actions they have taken as a result of the training.
- Identify additional financing opportunities for bankable projects from micro finance institutions, corporate social responsibility (CSR) funds, and county and national government funds available to entrepreneurs.

4. Organisation and the programme.

Training topics

The first two set of trainings will cover Energy and waste management. Key lessons will be developed during the trainings which will help shape the other topics to ensure that the approach leads to the desired impact.

ToTs was already undertaken on the training toolkit. However, a refresher would be required to polish their knowledge and provide additional techniques in order to reach the desired goal. The refreshers would also include the selection criteria for the participants including the application process and vetting

Prize categories

The potential rewards for entrants are not just monetary. The table below outlines the benefits entrants may receive at each stage of the process.

Process Stage	Potential Reward
Registration: Participants register their personal details and submit a short biography	<ul style="list-style-type: none">• Networking opportunities• Listing of all participants/biographies online or in print media
Proposal: Participants submit proposals, briefly detailing the general/broad theme of their innovation (2-3 pages)	<ul style="list-style-type: none">• Networking opportunities• Listing of all participants/biographies online or in print media
Innovation: Shortlisted participants are supported to develop their innovations and submit final proposals (10-15 pages), and PowerPoint Presentation	<ul style="list-style-type: none">• Technical support• Entrepreneurship and business management training• Brief description of proposals posted online (IP will be protected)• Presentation of proposal to panelist and potential funders
Final proposal winners: Small number of participants selected (2-3) for monetary prizes and ongoing technical support	<ul style="list-style-type: none">• *****Up to Ksh 1 million to be shared among small number of winning entrants***• Ongoing technical support/mentorship to develop, implement and monitor innovation• Publicity/media packages to support dissemination and awareness of innovation