



# Readying Counties for the County Climate Change Fund Mechanism (CCCF)

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## Summary

The County Climate Change Fund (CCCF) Mechanism is a devolved climate finance mechanism that facilitates the flow of climate finance to counties and enables public participation in its management as demonstrated in five ASAL counties of Isiolo, Garissa, Kitui, Makueni and Wajir. As part of the scale-out to Kwale, Narok and Siaya counties, a contextualization study under the World Bank-supported 'Devolution and Locally-Led Climate and Disaster Risk Management' project sought to build CCCF preparedness for the counties. While highlighting key features of the mechanism, this brief presents findings from the study including enabling factors, potential challenges and recommendations on pursuing successful preparedness, establishment and operationalisation of the mechanism. The main conclusion drawn is that the mechanism may have attracted significant interest from county executive and policy-makers but proper leadership and citizen engagement in the counties are required for CCCFs.

## Policy Pointers

- The County Climate Change Fund (CCCF) Mechanism has been successfully piloted in the five counties of Garissa, Isiolo, Kitui, Makueni and Wajir, and its expansion to other counties is one of the priorities of the National Climate Change Action Plan, 2018- 2022.
- Kwale, Narok and Siaya counties have started the readiness process for the CCCF mechanism, a journey that should be replicated by other counties countrywide.
- Establishment of a CCCF in each county will require determined leadership, a good policy, legal and regulatory environment, coordination mechanisms as well as sufficient citizen engagement.
- County climate change units should be operationalized to provide leadership and proper coordination for CCCF preparedness and adoption.
- Plans for establishment of CCCF should be included in the CIDPs during counties next round of review.

## Introduction

Lessons from five pilot counties of Garissa, Isiolo, Kitui, Makueni and Wajir have demonstrated that the CCCF mechanism can help communities to deal with climate variability and climate change by facilitating access to climate financing to address climate priorities. A scale out strategy has thus been put in place to bring the mechanism to new counties in a structured and well-coordinated approach that maintains the core principles of the mechanism while upholding its standards.

This policy brief shares lessons and recommendations on CCCF preparedness from a contextualization study done under the World Bank-supported pilot project in Kwale, Narok, and Siaya counties benchmarking on the experiences from Makueni County. One of the key objectives of this project was to lay foundation for CCCF's readiness in the three counties while drawing lessons for purposes of scale-out across the rest of Kenya.

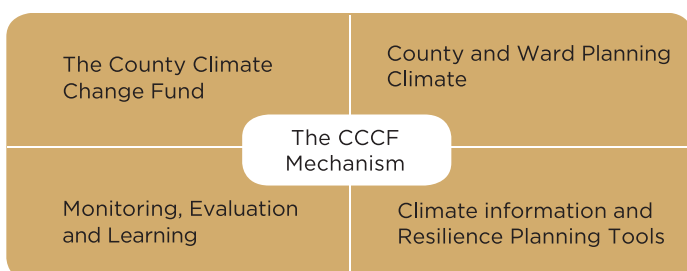
Based on the findings of the study, the brief summarises the CCCF mechanism, explains CCCF readiness, highlights enabling factors and potential challenges for the mechanism, and provides a set of policy recommendations for new counties setting up the CCCF mechanism.

## The CCCF mechanism

CCCF is a mechanism that facilitates the flow of climate finance to devolved institutions and strengthens public participation in the management and utilisation of the funds. With impacts of climate change, particularly droughts and floods, increasingly being experienced across the country in recent years, the need to devolve climate finance to local levels for resilience building has been prioritized in the National Climate Change Action Plan, 2018-2022. After successful piloting in the ASAL counties of Isiolo, Garissa, Kitui, Makueni and Garissa, CCCF is being scaled out across the country in new contexts. Below is a summarised structure of the mechanism:

### Box 1: Components of the CCCF Mechanism

The pilot in ASAL counties identified four key areas – climate financing, public participation in development decision-making, climate-resilient planning tools and effective monitoring and evaluation – for strengthening in county planning and budgeting to facilitate climate-resilient development. These four strategic areas form the integrated components of the CCCF mechanism.



*CCCF is more than a pot of money: it is a mechanism, with four inter-related components, each of which reinforces the others through an integrated approach*

## Preparation to establish a CCCF mechanism

This marks the first stage in the establishment of CCCF in a county, otherwise referred to as the readiness phase. The purpose of the readiness phase is to lay a strong foundation for the CCCF mechanism in the county and thereby enhance chances of its success. Many of the activities under this phase have several benefits including aiding the integration of climate change into county government's operations, as envisaged in the Climate Change Act, 2016.

Enacting climate-related policies and legislation, as well as operationalizing the Climate Change Units (CCU) to coordinate the implementation of county climate change actions, are some of the activities in the readiness phase which are necessary in establishing CCCF. The required time for completion may vary depending on general progress made by counties on climate change response as well as available capacity for climate risk management.

To steer establishment and operationalization of the CCCF mechanism in counties, the Adaptation Consortium has provided guidelines for establishing a CCCF and its requisite tools, including templates for County Climate Change legislations and Climate Finance regulations.

The contextualization study for the CCCF mechanism carried out in Kwale, Narok and Siaya counties between July and September 2019 by the Adaptation Consortium generated the following findings, classified in three categories – enabling factors for CCCF, potential challenges and recommendations.

## Enabling factors for CCCF in Kwale, Narok & Siaya counties

The following enabling factors, identified as either strengths or opportunities, are key for the CCCF mechanism to be successfully adopted and functionalized in these counties:

### Strengths

- The counties have climate change units with designated County Executive Members (CECs) and departments that can provide leadership and coordination in the process of CCCF establishment.
- County Government Assemblies have power and mandate for enactment of legal and regulatory frameworks to establish the mechanism.

- All the counties have integrated some level of climate response actions in their County Integrated Development Plans (CIDP), which now require financing for implementation.
- The counties have established inter-departmental technical teams specifically charged with the task of leading the process of CCCF establishment for effective coordination, institutional memory and sustainable capacity building.

## Opportunities

- Counties can bank on the fact that establishment of CCCF mechanism is prioritized in the NCCAP (2018 – 2022) with commitment from the national government, county governments and the Council of Governors (COG).
- The counties can also learn from the experiences of the five pilot counties, as well as benefit from technical support and the CCCF guidelines availed by the Adaptation Consortium.
- Mid-term reviews of their CIDPs may provide an opportunity for inclusion of CCCF establishment as a planned priority action.
- The Kenya Meteorological Department has decentralized Climate Information Services (CIS) to the counties, a critical requirement for CCCF. This will facilitate design of sustainable local resilience plans and investments.
- Development partners such as the World Bank are investing in climate response and resilience programmes in the three counties through the Climate Smart Agriculture Programme and the Kenya Accountable Devolution Programme. These may support the CCCF readiness process.

## Potential challenges in establishing and implementing CCCF mechanisms in Kwale, Narok and Siaya counties

- Climate change units are not yet fully operational, meaning they cannot provide an effective coordination mechanism. Without deliberate effort towards the coordination role, counties may lack sound leadership which is critical for the CCCF establishment process
- The counties either lack guiding policies and laws or are in the process of enacting them, this can be slow and dependent on political will. It also requires sufficient public

participation without which establishment of the fund can be delayed.

- The counties have CIDPs covering the 2018-2022 period upon which budgets are pegged. However, the CIDPs do not include plans for CCCF.
- Building and maintaining strong focus on inclusion and community participation, which is a critical component for the success of CCCF, may be problematic. According to the study, public participation in development decisions is not yet strong in these counties.
- Absence of effective inter-county frameworks for planning and spending on trans-boundary interventions poses the risk of critical cross-landscape climate response investments. This aspect has been overlooked under each county's separate CCCF plan.

## Conclusion and Recommendations

Interaction with the leadership, policymakers and stakeholders in the three counties of Kwale, Narok and Siaya demonstrated the desire for the counties to establish the CCCF mechanisms as part of an overall climate risk management strategy.

The following recommendations are accordingly meant to guide readiness for the establishment of CCCF mechanisms in the counties:

### Establishment of a CCCF Mechanism

**Policy:** A county may formulate a climate risk management policy based on the national framework policy on climate change (2016) to guide the establishment of CCCF.

**County Integrated Development Planning:** This is recommended to include establishment of CCCF in the CIDP during the mid-term review.

**Legal framework:** The CCCF is established through a county legal framework, which may include a County Climate Change Act and CCCF regulations aligned to the Public Finance Management Act.

**County Climate Change Units:** This is geared at operationalizing the county climate change units for the coordination of the process of establishing CCCFs.

**CCCF guidelines:** The Adaptation Consortium has developed guidelines to help counties navigate through the process of establishing the fund. This document can be obtained from the Adaptation Consortium, which is also available to offer technical support.

## Operation of the CCCF

**Inclusion and public participation:** County leaders should have the political will to steer the process including deliberating on viable strategies. They should also allow room for citizen participation as outlined in the CCCF principles.

**Climate Information Services:** CIS has established the need for continuous strengthening and application in resilience planning, including integration of climate and weather information from the Kenya Meteorological Department.

**Resilience Planning Tools:** Various resilience planning tools including resilience assessment and planning frameworks, which can be selected and used with the help of experts, are available to aid assessment, planning and prioritization of investments.

**Planning at scale and across county boundaries:** Risks and impacts associated with climate change stretch across landscapes beyond county borders. There is need to incorporate landscape considerations beyond administrative boundaries in CCCF planning, and collaborate with neighbouring counties.

## Endnotes

1. Crick, F., Hesse, C., Orindi, V., Bonaya, M. and Kiiru, J. (2019). Delivering climate finance at local level to support adaptation: experiences of county climate change funds in Kenya. Ada Consortium, Nairobi.
2. Orindi, V., Hesse, C., Bonaya, M., Elhadi, Y., Kiiru, J., and Asawo, K. (2018). Guidelines for Establishing a County Climate Change Fund (Version 1). Ada Consortium, Nairobi.
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## Key Words

Devolved Climate Finance; County Climate Change Fund Mechanism; Resilience

## About this policy brief

This policy brief aims at informing policy makers on the effectiveness of the CCCF mechanism and the work under the Devolution and Locally-led Climate and Disaster Risk Management project supported by the World Bank. ([Link to other policy briefs](#))

## About Ada Consortium

The Adaptation (Ada) Consortium is implementing the County Climate Change Fund mechanism that supports mainstreaming climate change into planning and budgeting, to prepare them access climate finance from different sources and strengthen public participation in the management and use of those funds. The CCCF mechanism has been piloted successfully in five Kenyan Counties - Isiolo, Garissa, Kitui, Makueni and Wajir — and is now being scaled out nationwide. The scale-out is funded by the Republic of Kenya, the Embassy of Sweden - Nairobi, UKaid, IFAD and the World Bank.

## Imprint

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**Cover image:** Participant asking a question on CCCF

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