



Unlocking Public and Private  
Finance for the Poor

# SUCCESS STORIES

Local Transformative Finance

2021

GUARANTEED BLOCK PRINTS HOLANCE JOYERIA

# TABLE OF CONTENTS

Foreword .....	1
About this Report .....	2
<b>WEST AFRICA AND THE SAHEL</b> .....	3
• <b>BENIN:</b> Adaptation with equitable benefits for farmers and herders in Benin .....	4
• <b>GAMBIA:</b> The Jobs, Skills and Finance for Women and Youth in The Gambia .....	6
• <b>GHANA:</b> Unpredictable rains mean subsistence farmers need a new approach - and improved market .....	9
• <b>GHANA:</b> Climate-proofed adaptation revitalizes a local economy and empowers women in Ghana .....	11
• <b>MALI:</b> Strengthening Women's Economic Empowerment in Mali .....	13
• <b>SENEGAL:</b> Encouraging and guiding diaspora savings and investments towards local development initiatives. ....	15
• <b>SENEGAL:</b> Unlocking finance to support Women's Economic Empowerment in Senegal .....	18
<b>EASTERN AFRICA:</b> .....	19
• <b>KENYA :</b> UNCDF's partnership with IMF's Tax Administration Diagnostic Assessment Tool (TADAT) Secretariat is already yielding fruits. ....	20
• <b>UGANDA :</b> Uganda Development Bank (UDB) & Private Sector Foundation Uganda (PSFU) .....	23
• <b>UGANDA :</b> Economic Infrastructure in Rural Growth Centres contributing to urbanization in Uganda under the Development Initiative for Northern Uganda .....	25
• <b>SOMALIA :</b> The Local Development Finance catalyses more local investment In Somalia .....	27
<b>SOUTHERN AFRICA</b> .....	29
• <b>MOZAMBIQUE:</b> More water, less walking, healthier communities: Investing in Local Governments during the COVID-19 Pandemic in Mozambique .....	30
• <b>SOUTH AFRICA:</b> Overstrand municipality youth participation in local democracy .....	32
• <b>TANZANIA:</b> Developing a national strategy that prioritizes the climate adaptation needs of local communities in Tanzania .....	34
• <b>TANZANIA :</b> Local Economic Development Scalable Solutions: Aggregation Center Model .....	35
• <b>ZAMBIA :</b> Titling as A Way of Raising Revenue for The Lusaka City Council .....	37
<b>ASIA AND THE PACIFIC</b> .....	39
• <b>BANGLADESH :</b> Every Drop Counts: Increasing Water Security in Coastal Areas of Bangladesh .....	40
• <b>BANGLADESH :</b> UNCDF deploys first reimbursable grant for transformative food security in Bangladesh .....	42
• <b>CAMBODIA:</b> LoCAL brings affordable and safe water in rural communities of Cambodia through local governments and public-private partnerships .....	44
• <b>LAO PDR :</b> The District Development Fund of Lao PDR .....	46



# FOREWORD

by David Jackson  
Director, Local Transformative Finance  
UNCDF

## Local Government Finance is Development Finance

As stated in its Strategic Framework 2022–2025 (UNCDF, 2022), UNCDF's mission is to serve as the UN's flagship catalytic financing entity for the LDCs, to strengthen financing mechanisms and systems for structural transformation.

The Strategic Framework indicates that through its Local Transformative Finance Practice, UNCDF will expand its role as the UN hub for subnational finance by working with governments, UN entities, city networks, and towns and cities to create local financing mechanisms for the productive, urban and green transitions. It is imperative to address the structural challenges to local government finance with concrete solutions, particularly in the context of the COVID-19 pandemic.

As an hybrid UN agency and development finance institution it is our mandate to address challenges and help to build an ecosystem that works for cities and local governments. In our flagship publication, "Local government Finance is Development Finance" we demonstrated how the current policy on development finance is not sufficient to make changes happens at scale despite the resources being available.

This report is illustrative of how UNCDF's work is "transformative" and scalable and how we implement financeable mechanisms that help local governments achieve the SDG's. It shows the range of our LoCAL mechanism which is engaged in more than 30 countries with the potential to reach more than 600 million people and on the way to be recognized by COP27 as a non-market mechanism under Article 6.8 of the Paris Agreement. This report also shows the scope of our SDG Cities initiative in collaboration with UN-Habitat under a fused offering delivered through the City investment Facility.

This book is a compilation of some of the success stories of our work in 2021, a year during which UNCDF supported scalable initiatives in 588 local governments across 42 countries to enhance their subnational financial systems.

David Jackson  
Director, Local Transformative Finance  
UNCDF



# ABOUT THIS REPORT

## Success Stories of Local Transformative Finance

UNCDF, is a technical and financial partner for local transformation. Its clients encompass local and regional governments, cities as agencies of local transformation, domestic capital market participants and regulatory and budgetary authorities.

In this report , examples shows that despite the climate and environmental crisis and the rising urbanization challenge , transformation is possible when we create an ecosystem that work for cities and local governments.

These examples are a few amongst our work in 42 countries accross Africa,Asia and Pacific. They are showcasing how our work combines finance and investment instruments with sector expertise across all aspects of subnational public and private finance.

These examples are illustrative on how UNCDF's work is focused on three transitions : (a) the urban transition to implement the New Urban Agenda that transforms cities into inclusive, sustainable and resilient places with everyone benefiting from growth, access to transport, housing, water and sanitation, green space and the "right to the city";(b) The green transition to implement the Rio Conventions through sustainable city planning and zoning, urban food systems land-use management, circular water management and clean and smart energy solutions;(c) The productive transition to implement the priorities of the Doha programme of action for the Least Developed Countries (2022-2031): increasing productive capacities through a territorial approach to local economic development and the creation of value-added urban/rural linkages leading to structural transformation.

These success stories are for knowledge generation and sharing. It is hoped that they will inspire change at the grassroots level, by promoting and supporting transformative investments. The success stories also document improvement over time and demonstrate the value of UNCDF programmes. It can also be used as a useful tool for educating our stakeholders about the outcomes of UNCDF work and achievements. UNCDF hopes that these stories will be piloted to scale up innovative financing mechanisms and policies in the public and private sectors.

# WEST AFRICA AND THE SAHEL



# BENIN

## Adaptation with equitable benefits for farmers and herders in Benin

**Flagship area:** Local Climate Finance

**Contributing SDGs:** SDG 3, SDG 5, SDG 6, SDG 11, SDG 12, SDG 13

**Implementing partners:** Commune of Cobly

**Financing partners:** UNCDF, National Environment and Climate Fund, Commune of Cobly

**UNCDF financial contribution (USD):** 25,637

**Other financial contributions (USD):** 82,332

In recent years, pastoral and agricultural communities that have co-existed for centuries have increasingly come into conflict over access to land and water, leading to thousands of deaths in West Africa.

In Siénu (Cobly district), in the far northwest of Benin, climate change has a profound impact on farmers' and herders' lives. Communities are struggling with prolonged periods of drought punctured by unpredictable rains that can be violently intense, making farming difficult as well as damaging homes and the region's limited infrastructure. Herders had no choice but to walk their cattle to neighbouring Togo for water.

Following a series of consultations with villagers, technical teams from local governments and state administrations, UNCDF Local Climate Adaptive Living (LoCAL) Facility has supported to identify a series of adaptation actions and investments in this arid Sahel region of West Africa battling with the impacts of climate change.

The communities and local governments of the region, with access to LoCAL's innovative system of Performance-Based Climate Resilience Grants, have developed investment plans that include infrastructure to channel and retain water for animals and irrigation.

With better water capture, trees would also be able to regenerate and provide a natural barrier to the strong winds that can whistle across the open plains and destroy traditional mud hut houses.



Photo Credit: Joel Bekou/Benin / Moussa Bouba Herder in Siénu

“ I am a Fulani. I only live from the fruits of my animals. Grazing space is shrinking every year due to the expansion of arable land. There are repeated conflicts with producers, especially in the dry season which is becoming longer and longer due to climate change. On top of that, there is no water to feed my animals. I used to have to go to Togo, more than 25km from the Fulani camp, to get them water.

**Moussa Bouba**



# BENIN

## Adaptation with equitable benefits for farmers and herders in Benin

With a grant from LoCAL, a dam and bridge have been constructed in Siénoú and local government plans are being realized. This project has made it easier and safer for herders from the Fulani ethnic group to tend to their cattle as well as enabling farmers to irrigate vegetable gardens in this climate-impacted region, which is also prone to conflict over limited resources.

"In a region where communities are increasingly competing over limited land and water resources, it was very important that all parties felt invested in the project," said Cossoba Nanako, UNCDF Country Officer in Benin.

"We have a lot of water now," said Moussa Bouba, a 43-year-old herder with three children. "And in addition, we have a bridge that allows us to cross the river - the risk of drowning is completely reduced."

"The local government representatives from Cobyly came here last year to inform us that LoCAL was going to construct a small dam for us. But I didn't believe it until the work was done. When it was finished, I saw a lot of water and I am happy."

"We doubly benefit from this project. Before, we used to build a makeshift bridge ourselves with wood that rotted in the water every year and caused several drownings. With the river rising in August and September, only some of the older men who know how to swim managed to cross the river. Likewise, the dam will allow our cattle to drink at any time, especially in the dry season. So, we save time and energy!".

“—  
|

We doubly benefit from this project. Before, we used to build a makeshift bridge ourselves with wood that rotted in the water every year and caused several drownings. With the river rising in August and September, only some of the older men who know how to swim managed to cross the river. Likewise, the dam will allow our cattle to drink at any time, especially in the dry season. So, we save time and energy!

**Moussa Bouba** —|”

“—  
|

The local government representatives from Cobyly came here last year to inform us that LoCAL was going to construct a small dam for us. But I didn't believe it until the work was done. When it was finished, I saw a lot of water and I am happy.

**Moussa Bouba** —|”

# GAMBIA

## The Job, Skills and Finance for women and youth in Gambia

**Flagship areas:** Local Climate Finance

**Contributing to which SDGs:** SDG5, SDG 8, SDG 13

**Implementing partners:** International Trade Centre (ITC), UNCDF

**Financing partners:** European Union

**UNCDF financial contribution (USD):** N/A

**Other financial contributions (USD):** 15,000,000

The Gambia has had persistent challenges, such as lack of job opportunities for youth and women, low levels of financial inclusion, and climate change adaptation and mitigation. **The Jobs, Skills and Finance for Women and Youth in The Gambia (JSF Programme)** was launched in 2018, funded by the **European Union (EU)** and implemented by the **UNCDF** in partnership with the **International Trade Centre (ITC)**. It aims to contribute to the stabilization of the economic, social and security situation of the country.

UNCDF has helped overcome these challenges by implementing the **Local Climate Adaptive Living (LoCAL) Facility** in The Gambia. LoCAL is designed to help governments channel global climate adaptation financing to the local level through the innovative performance-based climate resilience grant (PBCRG) approach of the Facility to support communities with finance for climate-proofed investments and green jobs.

The JSF Programme focuses on fostering inclusive and sustainable growth and creating employment for youth and women.

- Creating sustainable employment opportunities in the form of Cash for Work (C4W);
- Improving skills development and apprenticeship opportunities;
- Improving the regulatory framework of the financial sector.



Photo Credit: Bhuyan Adhikari 2021 / The Gambia / Binta Jadama fetching water from borehole

# GAMBIA

## The job, skills and finance for women and youth in Gambia

**Binta Jadama** helped overturn gender stereotypes in her community by assisting in the construction of a climate-resilient borehole. The community-led construction project provides her neighbourhood with increased access to water to irrigate farms and high-value vegetable gardens and was funded by the EU through the JSF Programme.

Following community consultations, residents of Jumansar Koto prioritised the need for a reliable water supply for irrigation of farmland and household consumption. In a double-win for residents, construction for the project was carried out by the community themselves through a Cash for Work (C4W) scheme.

As a beneficiary, Binta led in the digging and assembling of pipes for the borehole, tasks that are normally carried out by men. The work allowed Binta to break down traditional gender barriers and accelerate women's equality in her community. By working on the project, Binta also gained knowledge on the impact of climate change in her community and how to best adapt.

For example, complications from irrigation affected a predominant amount of the land in Jumansar Koto. This led to limited gardens, limited access to clean water and sanitation issues. Following the construction of the borehole, assisted by Binta, the community gained access to new jobs, preservation of land affected by droughts and reducing global warming emissions would help all families—especially low-income families.

“—  
The borehole makes life easy for us, but it is not free of charge. Every month, women pay D100 (equivalent to \$2) while men pay D200 (equating to \$4) for access and maintenance. Before this, we had to walk many miles to the river to be able to get access to water

**Binta Jadama**

—”

Members of the community pay a small charge each month to use the borehole water, but according to Binta, the fees are value for money as the borehole saves considerable time and effort. And with the payment of the fees, she and her neighbours can be sure that the facility will be well maintained for years to come.

# GAMBIA

## The job, skills and finance for women and youth in Gambia

**Gidom Sabally**, 40, was born, raised and living in Wellingarababa, a village in the Lower River Region. He dropped out of school in Grade 11 as a result of financial constraints. He was lucky to be trained as a Mason, which is what he has been working on to sustain the family. Now he is starting a small poultry farm from the savings he made from the cash for work programme, under the UNCDF Jobs, Skills and Finance Programme supported by the EU.

**JSF programme** aims to address the policy market-level barriers that hinder financial inclusion. JSF programme is establishing partnership access to financial services to help turn temporary jobs created by climate-resilient investments into long-term opportunities for women and youth.

Bringing financial services to doorsteps creates an environment in which no one is left behind to access and use the financial resources. Through JSF, **Gidom** worked as a supervisor for the Cash for Work program in Bureng for the construction of a climate resilience culvert to prevent soil erosion and facilitated access to school and prevention of floods. He received D350 (\$7) per day, part of which he has been saving to start a poultry farm from which he started his enterprise.

Under the programme, he also received training on earth block making, integrated gardening, financial record keeping and orientations in the bidding process. Now he can record his expenses and earnings driving sustainability and maintenance for his poultry farm. He appreciates JSF Programme stating "the best part of the project is that it is giving opportunities to uneducated youth and women the skills to empower themselves, this is very much appreciated by everyone". He also adds that "I believe in the project's initiative which gives you confidence in saving through the bank and participating in mobile banking".

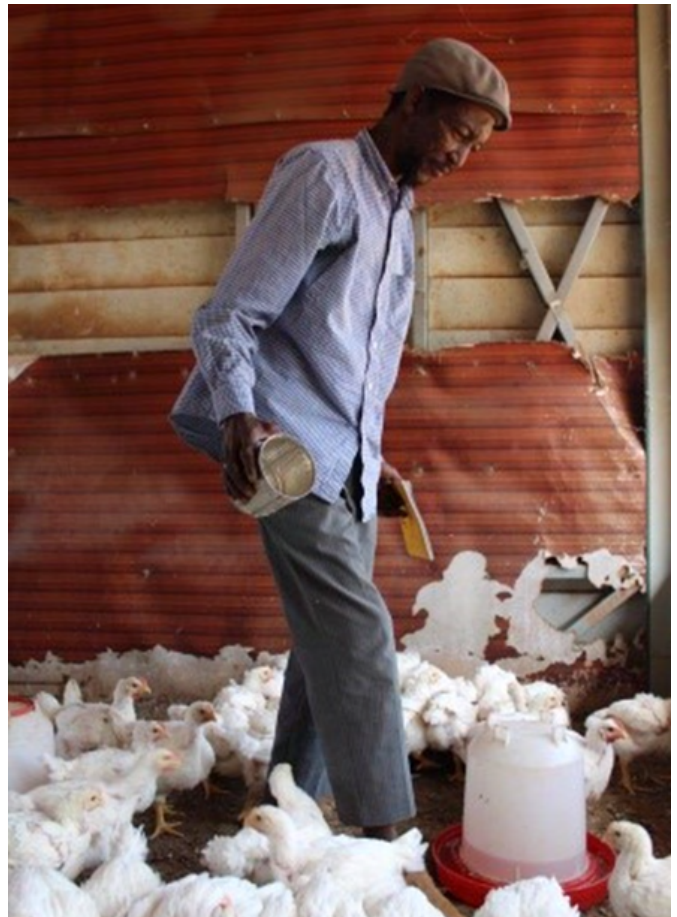


Photo Credit: Bhuyan Adhikari 2021 / The Gambia / **Gidom Sabally**

“

This program has positively impacted my life beyond what I expected. Today, with the stipend I got from the cash for work, I started a small-scale poultry farm with D4,800.00 equivalent to 200 chicks and have access to financial services such as savings and loans. Notably, I am doing my engineering course at Gambia Technical and Training Institute (GTTI).

**Gidom Sabally**

”

**Contact person for more information contact:**

**Name:** Awa Jagne

**Email:** [awa.jagne@uncdf.org](mailto:awa.jagne@uncdf.org)

# GHANA

## Unpredictable rains mean subsistence farmers need a new approach - and improved market

**Flagship area:** Local Climate Finance

**Contributing SDGs:** SDG 3, SDG 5, SDG 6, SDG 11, SDG 12, SDG 13

**Implementing partners:** Ministry of Local Government, Decentralization and Rural Development (MLGDRD), Metropolitan, Municipal and District Assemblies (MMDAs), SNV, UNCDF

**Financing partners:** EU, Kingdom of Netherlands

**UNCDF financial contribution (USD):** 238,997

**Other financial contributions (USD):** 6,023,638



Photo Credit: Rodney Quarcco 2021/Ghana/ Aminatu Boatemaa

One impact of climate change in central Ghana is the increasing unpredictability of annual rains, robbing 43-year old subsistence farmer **Boatemaa Aminatu** and her six children of a reliable income and forcing them to rely on the goodwill of neighbours. But Ms Aminatu hopes new cash for work initiative to rehabilitate her community market could throw her a much-needed lifeline and contribute to improving her community's climate resilience all at the same time.

Ms Aminatu was a child herself when she first started farming. Back then, she may never have been rich but a small farm could produce enough staples to support a family like hers as long as preparations were made in time for the annual rains in February. These days, Ms Aminatu has only been able to get by because the owner of the land she farms accepts small contributions in kind instead of levying annual rent. "It doesn't rain like it used to," lamented Ms Aminatu, whose cassava and maize crop both failed this year, leaving her reliant on rice handouts from kindly neighbours.



# GHANA

## Unpredictable rains mean subsistence farmers need a new approach - and improved market

“Now we don’t know when the rains will start or stop, which makes it very difficult for us.” Ms Aminatu’s is a typical story in central Ghana, where many communities are struggling to eke out an existence from subsistence agriculture amid climate change-related disruption to weather patterns. Many young people are looking to build a future elsewhere, perhaps even gambling their lives to migrate overland and on boats to Europe.

The GrEEen Project, Boosting Green Employment and Enterprise Opportunities in Ghana, is a four-year action from the European Union, the Embassy of the Kingdom of the Netherlands in Ghana, UNCDF and SNV. The project aims at creating greater economic and employment opportunities for youth, women and returning migrants by promoting and supporting sustainable, green businesses in the Ashanti and Western Ghana. GrEEen is implemented under the European Union Emergency Trust Fund (EUTF) for Africa with funding worth 20 million euros.

It’s through the GrEEen Project that the Local Climate Adaptive Living Facility is being rolled out in Ghana, ensuring that local governments have additional resources and capacity to deliver climate resilience actions that meet community needs, like this plan to rehabilitate the community market in Drobonso.

After consultation with community members in Drobonso, where Ms. Aminatu lives, the local government is to receive one of LoCAL’s innovative Performance-Based Climate Resilient Grants to finance resilience building and adaptation actions that the community have identified as a priority.

Ms. Aminatu is one of 92 community members who will take part in the cash for work initiative to upgrade the Drobonso market, the community’s economic and social hub. When unpredictable rains do come to the region, the market regularly floods, making it unusable and impacting livelihoods.

The project will be especially beneficial for the women of the community, who make up the majority of the farmers and market traders in Drobonso. With the money Ms. Aminatu will receive for her labour, she plans to buy vegetables and salt to set herself up as a trader in the market, supplementing her income for herself and her children.

**Contact person for more information:**

**Name:** Angela Yayra Kwashie

**Email:** [angela.yayra.kwashie@uncdf.org](mailto:angela.yayra.kwashie@uncdf.org)

# GHANA

## Climate-proofed adaptation revitalizes a local economy and empowers women in Ghana

**Flagship area:** Local Climate Finance

**Contributing SDGs:** SDG 3, SDG 5, SDG 6, SDG 11, SDG 12, SDG 13

**Implementing partners:** Ministry of Local Government, Decentralization and Rural Development (MLGDRD), Metropolitan, Municipal and District Assemblies (MMDAs), SNV, UNCDF

**Financing partners:** EU, Kingdom of Netherlands

**UNCDF financial contribution (USD):** 238,997

**Other financial contributions (USD):** 6,023,638



Photo Credit: Rodney Quarcco 2021/Ghana/Meliama Sulemana

Climate change and unpredictable flooding make the river in Mframafaw in Ghana periodically impassable. It's a huge problem for farmer **Meliama Sulemana** and her seven children, cutting them off from the nearby school and market where she sells her produce. After consultations with the local community, the GrEEn project is constructing a culvert and bridge to channel the floodwaters away from the community and provide safe access way to local services.

Mframafaw is a lowland farming community some 25km from the district capital of Offinso in Ghana. A few years ago, Ms Sulemana's farm of maize, oranges and rice sustained herself, and her children and funded the secondary education of her eldest child. Ms Sulemana's high hopes for the future have faded as climate change has made it difficult for her and her family to make a living or access basic services like schools and hospitals.



# GHANA

## Climate-proofed adaptation revitalizes a local economy and empowers women in Ghana

The situation has gotten so bad that we leave the fruits to rot on the farms since we do not see any point in harvesting them when we know there's no way to get them to market" said Ms Sulemana. "In the past, I used to make enough money from my farm and was even able to save but now I barely earn enough to feed my family." "Without external assistance, pregnant women in this town find it impossible to access healthcare during the raining season," she added.

The GrEEEn Project, or in full, the Boosting Green Employment and Enterprise Opportunities in Ghana (GrEEEn) project, is a four-year action from the European Union, the Embassy of the Kingdom of the Netherlands in Ghana, SNV Netherlands Development Organisation and the United Nations Capital Development Fund (UNCDF) that is funded by the European Union Emergency Trust Fund (EUTF) for Africa, SNV and UNCDF. GrEEEn aims at creating greater economic and employment opportunities for youth, women and returning migrants by promoting and supporting sustainable, green businesses in the Ashanti and Western Regions of Ghana; helping people like Ms Sulemana.

GrEEEn project is taking the Local Climate Adaptive Living facility to Phase II in Ghana, using LoCAL's innovative performance-based climate resilience grants to channel finance to local governments for locally-led adaptation actions. Activities, guided by the needs of the community, might include land regeneration, green economic investments or climate proofed infrastructure development, as in Mframafaw.

“—  
In the past, I used to make enough money from my farm and was even able to save but now I barely earn enough to feed my family.” “Without external assistance, pregnant women in this town find it impossible to access healthcare during the raining season said Ms Sulemana.  
—”

**Meliama Sulemana**

The GrEEEn Project incorporates the Local Climate Adaptive Living Facility, or LoCAL, which is designed and hosted by UNCDF and works with communities to build climate resilience, green local economies and restore ecosystems. Notably, GrEEEn leverages LoCAL's performance-based climate resilience grants to channel finance for climate adaptation to the local level using local government systems. One of the benefits of the LoCAL approach is its flexibility, allowing local communities to identify their needs and collaborate in finding a climate-proof solution.

Over the years, the village and local government authorities have tried to construct makeshift bridges over the river, which now breaks its banks every rainy season. But these washed away whenever there is a heavy downpour. The women also tried splitting their harvest into small bundles to carry on their heads through the floodwaters or contracting local men with access to motorized tricycles to help them transport their goods. But these options proved either time consuming, hazardous or costly – and sometimes all three.

According to Ms Sulemana and other women in the community, the plans for the bridge and culvert come just in time as climate change had all but killed off commercial farming activities and the village children were missing out on school.

“—  
During the raining season children are reluctant to go to school due to the difficulty they face in crossing the flooded stream. How can we force our children to go to school when even us adults are struggling to cross the floodwaters?  
—”

**Meliama Sulemana**

**Contact person for more information:**  
**Name:** Angela Yayra Kwashie  
**Email:** [angela.yayra.kwashie@uncdf.org](mailto:angela.yayra.kwashie@uncdf.org)

# MALI

## Strengthening women's economic empowerment in Mali

**Flagship areas:** SDG Cities

**Contributing to which SDGs:** SDG 1 & SDG 5

**Implementing partners:** N/A

**Financing partners:** UNDP

**UNCDF financial contribution (USD):** Total project: 480, 000 – For investments: 340, 000

**Other financial contributions (USD):**



Photo Credit: Malick Sall 2021/Mali

In Mali, UNCDF's financing models empower women, breaking down barriers to deliver the much-needed customized financial services and infrastructure that provide economic opportunities for productive lives.

UNCDF launched in 2021, **the Women's Economic Empowerment Project**, funded by **UNDP**, as a continuation of the **Inclusive and Equitable Local Development (IELD)** program. The objective is to establish a technical and financial support mechanism for women entrepreneurs, women's cooperatives, municipalities, NGOs, and SMEs with a high potential for creating an impact on women's economic empowerment. UNCDF provided grants (e-grants) to eight structures (six SMEs, one NGO and one public agency) which received funding of between 15 and 30 million CFA francs to better respond to the pandemic crisis and strengthen their economic activities.



# MALI

## Strengthening women's economic empowerment in Mali

### Achievements

This initiative is driven by the results recorded by IELD between 2020 and 2021. Indeed, UNCDF's approach has created an enabling environment for women's economic empowerment with better access to social services, economic infrastructure, and markets in their sectors of activity linking women entrepreneurs in the capital, Bamako, with women's economic initiatives in the region of Mopti.

This strengthened the value chains between the two regions, helping women in Mopti to expand their economic activities and find new markets and business partners in Bamako, the economic centre of the country.

These investments now provide beneficiaries with market opportunities as well as the possibility for women entrepreneurs in Bamako to improve their supply chain. As a result, since 2019, the project has recorded significant achievements:

**USD 1,000,000 dollars unlocked**

**10,000 women impacted by the project**

**700 women trained in administrative, financial and project management**

**100 types of equipment for production, transformation and marketing (inputs, machines, agricultural tools, engines, fishing boats, motorcycles...) delivered**

**30 infrastructures (processing units, storage warehouses, sales kiosks, water towers, water retention basins, and solar pumping systems) made available to the beneficiaries**

**100 jobs created for women by SMEs and 500 women supported by NGOs access to income-generating activities.**

“—  
This initiative is part of the perspective of a greater integration of women in the national economy and a better access to financial resources, a concern of the Ministry for the Promotion of Women, Children and the Family. Mr. Siaka Magassa, Secretary General of the Ministry for the Promotion of Women, Children, and the Family.  
**Mr. Siaka Magassa, Secretary General of the Ministry for the Promotion of Women, Children, and the Family** —”

“—  
These grants are very welcome, especially in the context of Covid-19. The beneficiaries will be able to develop their business in areas such as agribusiness, milk processing and even biofuel production and have an impact on the economy. It will greatly help women who still face difficulties in accessing finance and land.  
**Siaka Magassa** —”

“—  
We are very happy with this support from UNCDF because we have been strongly impacted by the Covid-19 crisis. Since the beginning of this pandemic, our exports have been relatively very slow. Our markets, which are 80% export, have been practically stopped. This funding comes at the right time.  
**Ms. Aminatou Touré, CEO of Sahel Infusion** —”

# SENEGAL

## Encouraging and guiding diaspora savings and investments towards local development initiatives

**Flagship areas:** SDG Cities

**Contributing to which SDGs:** 1, 8 & 17

**Implementing partners:** UNCDF

**Financing partners:** Alliance Diaspora Economies Locales (ADES) CGF Bourse Inc.

**UNCDF financial contribution (USD):** Total project: 350, 000 - For investments: 50, 000

**Other financial contributions (USD):** 80 000

In Senegal, nearly half of the population is living in poverty (46.7% - World Bank 2011), predominantly in rural areas and secondary cities, and the country is lacking the resources to finance its sustainable and resilient growth. Indeed, the global cost of implementation of the Plan Senegal Emergent (PSE) for 2019-2023 is 24,2 billion USD, and it is estimated that there is an 8 billion USD financing gap to achieve the goals set (PSE 2 2019-2020). Moreover, with a savings rate of 8% out of the average GDP between 2010 and 2017 (World Bank 2018), Senegal is among the countries with the lowest national saving rate in the world.

Furthermore, in terms of financing options in Senegal, there is a large variety of financial service providers, but only a few of them provide adapted financing options for the Missing Middle (medium-size projects [150K\$-15M\$]), of which even fewer for Public-Private Partnerships (PPPs) and Small and Medium Enterprises (SMEs), especially in rural areas.

Remittances from migrants abroad have become viable means for financing local development and poverty reduction initiatives. The remittance inflows in Senegal have increased eightfold, from 233 million USD in 2010 to 1,929 million USD in 2016 (World Bank 2018), but according to the IOM, 75% of remittances are directed towards the consumption of migrant's families, and 20% towards real estate.



Photo Credit: Malick Sall 2021/Senegal



# SENEGAL

## Encouraging and guiding diaspora savings and investments towards local development initiatives

To increase the contribution of the African diaspora to the local economic development of its country of origin, UNCDF, by relying on decentralized cooperation networks has developed **INEDIT (Initiative for the Emergence of the Diaspora and Investments in Territories)** in partnership with **ADEL SAS (Alliance Diaspora Economies Locales** - a capital investment company with strong local roots with savers, project promoters and municipalities) and **CGF Bourse** (a highly respected and experienced management and intermediation company (SGI) for the diaspora and national stakeholders in Senegal).

INEDIT projects are part of the Business Returns and Investments for Diaspora Groups (BRIDGE) approach developed in 2017 in partnership with the city of Malaga to increase the contribution of the African diaspora to local economic development via decentralized cooperation networks.

This innovative project mobilizes investments and domestic savings from the Senegalese diaspora and middle class to support local economic development in Senegal. The objective of this initiative is to develop a financial mechanism targeting both Senegalese living in the country and those in diaspora communities in West Africa, Libya, Mauritania, Europe, or the United States, to strengthen their engagement in productive investments by setting up financial and legal structures, providing financial education to the emerging middle class and migrants, and offering technical assistance.

The structuring of the initiative includes the establishment of a savings plan and a territorial investment fund (TIF) officially created in the form of a company with variable capital shares. The minimum capital is currently 20 million FCFA. More than 40% of the shareholders are members of the Senegalese diaspora. In 2021, two projects have been identified to receive funding through the TIF, an integrated fish farm in Ngékhokh and a bakery in Dakar.

In addition, FIT has just finalized its first fundraising which concerns an investment of 50 million FCFA mobilized for a company operating a bakery initiated by Mr. Ibrahima GUEYE, a member of CIDEL and resident in Italy. Established in Keur Massar, the effective start of its activities is thus planned for the beginning of September 2022 at the latest with the return to Senegal of the promoter-operator.

Also, in partnership with the National Program for Local Development (PNDL) and other national organizations, we are deploying our technical facilitation, education in basic economic and financial mechanisms and support for the emergence of a portfolio of local projects of private initiation and PPP in a hundred or so territorial communities in the country's 14 regions.

### Contact person for more information

**Name:** Lea Desgranges - Ass Malick Sall

**Email:** lea.desgranges@uncdf.org - ass.malick.sall@uncdf.org

# SENEGAL

## Unlocking finance to support Women's Economic Empowerment in Senegal

**Flagship areas:** SDG Cities

**Contributing to which SDGs:** SDG1 & SDG 5

**Implementing partners:** UNCDF

**Financing partners:** Fonds Souverain d'Investissements Strategiques (FONSIS)

**UNCDF financial contribution (USD):** Total project: 829, 000 - For investments: 650, 000

**Other financial contribution (USD):** 1,150,000

In Senegal, women face several barriers to participation in the labour market and the economy, many of which are related to social norms and cultural customs. Although women account for one-third of the workforce employed in firms, only 14 percent of firms were owned by women in 2014 (African Human Development Report, 2016). President Macky Sall showed his commitment to "pay special attention to public policies for women and girls" in his inaugural speech in April 2019. This political commitment is illustrated in the Emerging Senegal Plan, which focuses on strategies for women's economic empowerment (WEE).

Aiming to help overcome the constraints women face in their economic activities, UNCDF - with its capital mandate - has designed a joint programme with the **Sovereign Fund of Senegal (FONSIS)**. UNCDF is assisting FONSIS in structuring, creating, and managing an independent financial vehicle in the form of a capital investment fund called "**Women's Economic Empowerment Fund**" (**WE! Fund**).

This limited liability company will invest in gender-sensitive SMEs and PPPs in the missing middle by providing equity and subordinated loans. Through this innovative approach, UNCDF is unlocking national public and private capital for Women's Economic Empowerment (WEE) and helping FONSIS build its capacity for gender-sensitive investment and impact measurement based on internationally recognized monitoring systems.



Photo Credit: Malick Sall 2021

Closing the missing intermediate gap will increase not only WEE in general but also the role of women in business participation and leadership. Financing from the WE! Fund is subject to a two-key system: gender sensitivity on the one hand, and feasibility and financial viability on the other. Thus, gender sensitivity is the first key to the impact of the WE! Fund which is achieved by using the WEE Index, a tool developed by UNCDF, UN Women and UNDP, to measure the gender impact of SMEs and PPPs. However, for the WE! Fund, it is not just a matter of validating or not financing projects based on the results of the impact key assessment. The WE! Fund is deploying a gender impact support approach for projects that are currently being implemented.



# SENEGAL

## Unlocking finance to support Women's Economic Empowerment in Senegal

So far, 9 SMEs have been strengthened through the WEE index on gender integration in their business model and suggestions for improving the companies' gender strategy have been made.

The pilot phase of the WE! Fund was created thanks to a \$650,000 grant from UNCDF coupled with \$1,150,000 from FONSI. The nearly \$2 million fund is expected to finance at least five gender-responsive investments, with a minimum ticket of \$100,000. In 2021, the WE! Fund disbursed \$220,000 for its first investment, PATRIA MBURU, an SME in the bakery sector that focuses its strategy on promoting the use of local grains and the exclusive employment of women through local MSEs.

The WE! Fund currently has over 30 projects in its pipeline and is deploying a resource mobilization strategy to roll out the second phase, with a target of an additional \$20 million.

“

I am delighted with this financing by the WE! Fund, which reinforces the development potential of the brand. This investment will allow us to pursue our innovations in the digitalization of our production and marketing chains and is the first step toward our desire to expand nationwide. The partnership with the WE!Fund also brings us an obvious opportunity for growth by strengthening our production tools and, in turn, a positive impact on the lives of women distributors of our products and local grain producers with whom we collaborate.

**Isseu Diop Sakho, CEO of Patria Mburu**

”

### Contact person for more information:

**Name:** Lea Desgranges - Amarou Aw - Ass Malick Sall

**Email:** lea.desgranges@uncdf.org - amarou.aw@uncdf.org - ass.malick.sall@uncdf.org

# EASTERN AFRICA



# KENYA

## UNCDF's partnership with IMF's Tax Administration Diagnostic Assessment Tool (TADAT) secretariat is already yielding fruits

**Flagship areas:** SDG Cities

**Contributing to which SDGs:** SDG 1: SDG 5, SDG 10, SDG 11: SDG 13: SDG 16, and SDG 17

**Implementing partners:** UNCDF, County Governments, Controller of Budget, Council of Governors, Kenya Revenue Authority, Kenya School of Revenue Administration, Commission on Revenue Allocation.

**Financing partners:** IMF, UNDP, UNICEF, UNCDF

**UNCDF financial contribution (USD (US Dollar):** 50,000

**Other financial contributions (USD):** 30,000 (UNDP) & 100,000 (UNICEF) & IMF 175,000 approximately.

The Government of Kenya (GoK) prioritized transformative governance as an area of reform, with emphasis on continued efforts to promote a culture of constitutionalism and improve the efficiency of public spending. The need for continued support to strengthen the process of devolution and support service delivery at the county level is vital to improving the effectiveness of service delivery and bringing governance closer to the people.

With devolution now fairly well established and counties functioning, it was noticed that in counties where human development remains low, the lack of evidence-based programming approaches and data generation and usage has led to counties not effectively addressing citizen needs through their interventions. According to the recent revenue gap analysis completed by the Commission on Revenue Allocation, over one-third of Kenyan Counties collect only 20% of their revenue potential.

There is a need for a more conducive legal and regulatory environment for counties to be able to improve their revenue generation, increase compliance levels to proactively engage taxpayers, simplify tax legislation and explore partnerships for better engagement, comprehensive revenue automation for revenue collection is paramount, coupled with better administrative capacity and cost-effective collection practices.

The counties' weak accountability on financial management has led to high fiduciary risks which require that careful control mechanisms are in place and county public finance management be strengthened.

**The TADAT and Revenue Enhancement Action Plans (REAPs)** initiatives are an ongoing process that strengthens counties' capacity to use evidence-based data, including **County Integrated Monitoring and Evaluation Systems (CIMES), National Integrated Monitoring and Evaluation Systems (NIMES), PMS and County Spatial Plans**, to help counties track and measure progress as they implement their **County Integrated Development Plans (CIDPs) and Annual Development Plans (ADPs)**, particularly as they impact marginalised and vulnerable groups and areas within the county. These initiatives will address the capacity of County public finance management as well as strengthen social accountability mechanisms to enhance financial transparency at the county level.

This initiative is part of the United Nation's support for the evolving Kenya's devolution process delivered through the UN Joint Programme on Devolution. It is supported by the UN Capital Development Fund (UNCDF) and the International Monetary Fund to include some counties outside the Joint Programme to ensure a nationally representative sample of counties with different socio-economic characteristics.

# KENYA

## UNCDF's partnership with IMF's Tax Administration Diagnostic Assessment Tool (TADAT) secretariat is already yielding fruits

UNCDF in cooperation with the **African Tax Administration Forum (ATAF), Kenya School of Revenue Administration (KESRA), Controller of Budget (CoB), Council of Governors (CoG) and Commission on Revenue Allocation (CRA) and supported by the International Monetary Fund's TADAT Secretariat** has so far conducted TADAT training and assessments using the Tax Administration Diagnostic Assessment Tool in 11 Counties (Nairobi, Mombasa, Kisumu, Lamu, Isiolo, Garissa, Wajir, Narok, Busia, Makueni, Kilifi). To this end, UNCDF has formed lasting partnerships with critical national and county institutions that will oversee the implementation of outputs and deliverables after project closure.

These initiatives have increased UNCDF's profile and role in supporting the Government of Kenya in its efforts to improve domestic revenue mobilization and their devolution journey and these efforts have been recognized at the highest level of Government. Some of the notable examples are as below:

The Government's recognition of UNCDF's efforts and hence UNCDF's participation in the high level meeting on the Annual and Final Devolution Conference held in November 2021. UNCDF's contribution to "Financing Climate Action at the Subnational Level". The session's objective was "To deliberate on the opportunities and challenges in financing climate action at the subnational level.



Dr. Dmitry Pozhidaev contributing as a panelist during the 7th Annual and Final Devolution Conference in Makueni County. Photo Credit: Council of Governors

"The conference is considered an important event in the Kenyan calendar because it provides a platform through which all devolution stakeholders evaluate the performance of both levels of government in matters of policy, accountability, good governance, and service delivery, among others.

Further, UNCDF was invited by the Council of Governors to support and participate in the impact assessment on devolution on women and girls in 14 UN Joint Programme Counties. UNCDF's involvement advocated for more gender-inclusive and sensitive taxation at the local level during focus-group discussions on remedial actions in tax administration and revenue allocation in County governments.

UNCDF provided technical assistance to the 11 Counties that have already benefitted from TADAT training and assessments, it is recommended that above-mentioned Counties provide appropriate resources and frameworks to ensure the implementation of the Revenue Enhancement Action Plans (REAP).



Isiolo County officers during TADAT training in Bomen Hotel. Photo Credits: Wanjiku Gitonga

# KENYA

## UNCDF's partnership with IMF's Tax Administration Diagnostic Assessment Tool (TADAT) secretariat is already yielding fruits

“

Own Source revenue is a sleeping giant that can unlock the economic potential and growth of counties, We endorse the partnership between the Office of the Controller of Budget and the UNCDF that will enhance the generation of own revenues, thereby help tackle the problem of pending bills.

**Deputy President William Ruto**

”



Dr. Dmitry Pozhidaev - UNCDF Global Advisor LTF with Dr. Margaret Nyakangó - Controller of Budget in Kenya, endorsing the partnership during a courtesy visit to the Office of Controller of Budget.  
Photo Credit: Wanjiku Gitonga

**Contact person for more information**

**Name:** Wanjiku Gitonga

**Email:** wanjiku.gitonga@uncdf.org

# UGANDA

## Uganda Development Bank (UDB) & Private Sector Foundation Uganda (PSFU)

**Flagship areas:** Local Climate Finance

**Contributing to which SDGs:** SDG 1 & SDG 2

**Implementing partners:** Uganda Development Bank (UDB) & Private Sector Foundation Uganda (PSFU)

**Financing partners:** European Union (START Facility)

**UNCDF financial contribution (USD):** 47,510

**Other financial contribution (USD):**

In Uganda, the apiculture sub-sector remains largely underdeveloped. **Honey Pride Arua (U) Ltd (HPA)** is a private company incorporated in 2015 to engage in beekeeping. wishes to make a modest contribution in promoting this sub-sector, with Arua District as their focal point.

In the end, their operations are planned to cover the whole of West Nile. The company prides itself in having a business model that includes rural communities, women, older persons and persons with disabilities (PWDs).

HPA's business model is an "Inclusive Business Model" where rural communities are included at various stages in the value chain. Most importantly, HPA has included the rural beekeepers as their major suppliers/providers of beehive products – i.e. honey, bees wax and bee propolis. HPA's interest is targeting the youth and women to join this enterprise for sustainable livelihood. Other stages of HPA inclusion is processing and later in Sales & Marketing.

HPA desires to be a market leader in the sustainable production, processing and marketing of high-quality beehive products in the Great Lakes Region by helping farmers realize sustainable economic and environmental benefits of beekeeping in the entire honey value chain.

The **UN Capital Development Fund (UNCDF) through the START facility** supported HPA through technical assistance in the form of project development and concessional finance worth US\$ 47,510 for the purchase of modern honey processing equipment, to expand its facility and productivity.



Photo Credit: Deus Tirwakunda/ Uganda/ Honey Pride Arua

The honey project at HPA is significantly contributing to improved livelihoods of rural farmers (men and women) households in form of improved shelter, access to health facilities and increased education enrolment as a result of improved incomes. HPA in partnership with Uganda Micro Finance Support Centre has also provided beehives and equipment to a number of farmers.

# UGANDA

## Uganda Development Bank (UDB) & Private Sector Foundation Uganda (PSFU)

The company is working 938 of which 15.8% are female while 34% of them are youth. These farmers are producing honey that they sell to HPA. This has created employment for women and youth with the company employing a total of 15 permanent staff and 15 temporary staff. HPA is also organizing the farmers they engage with into cooperatives in the 25 sub-counties of Arua & Madi-Okollo districts. This has helped to improve governance, accountability and transparency in co-operative societies and farmers' organizations and their influence in civil society. Improved members' / farmers' accessibility to financial services, strengthened Union membership through improved member loyalty, and increased volume of business.

The company now has 8 settling tanks, each with a capacity of 1,000 kgs of liquid honey and capable of storing around 10 tonnes of liquid honey at any one point in time. This allows them to propel their production to more than just Arua, but buyers from neighboring countries like Rwanda and Kenya. The company has recently submitted samples to a German company and are in the process of being approved, if this happens, they will need to produce more than 15 tonnes a month to keep up with demand. It's important to note that interest from a foreign company can be the best way for businesses in the least developed countries (LDCs) to bridge the gap of the "missing middle" and stir up more interest in the region's honey, which means more purchases from regional beekeepers and more jobs for locals.



Photo Credit: Deus Tirwakunda/ Uganda/ Honey Pride Arua

### Contact person for more information

**Name:** Deus Tirwakunda

**Email:** deus.tirwakunda@uncdf.org

# UGANDA

## Economic Infrastructure in Rural Growth Centres contributing to urbanization in Uganda under the Development initiative for Northern Uganda

**Flagship areas:** SDG Cities

**Contributing to which SDGs:** SDGs 1, SDG 2, SDG 5, SDG 6 and SDG 8

**Implementing partners:** Omoro District Local Government

**Financing partners:** District Local Governments, European Union

**UNCDF financial contribution (USD):** 144,905

**Other financial contributions (USD):** 42,000

Omoro District in Northern Uganda is a region that has been ravaged by over a decade of internal armed conflict (Joseph Kony War). This conflict has distorted the social fibre of the region and deterred development of the economy and social infrastructures of communities. The resulting displacement and high levels of poverty led the region to lag behind the other regions of Uganda, in terms of social cohesion, development and overall standards of living.

This is mainly due to poor infrastructure and more than 90% of the districts in the Northern region being categorized by the Government of Uganda (GoU), as “hard-to-reach” and “hard-to-stay” .

In addition, and given its proximity to the conflict-prone South Sudan and DR Congo, the region also experiences a high influx of refugees. This has exerted pressure on the already insufficient levels of social services and infrastructures. These challenges are compounded by the limited capacity of the LG to mobilize local revenues.

Lera Obaro Market is located in Omoro District in Northern Region of Uganda. Over 80% of vendors in Lera Obaro market are Women who would trade in the open and merchandise placed on the ground under unsafe and unhygienic conditions in the daily market at the roadside at Bobi trading centre and during weekly market days and many of these have children who would be unattended to during the markets days.



Photo Credit: Deus Tirwakunda/ Uganda/ Lera Obaro Market

UNCDF working with the District Local Government and the **Ministry of Local Government through the Local Government Excellence Fund**- a discretionary performance based grant for economic infrastructure development constructed the Lera Obaro market which has since improved working environment for the traders, promoted locality development and leading to overall improvement of livelihood and growth of the communities and has created playing area for children as well as improved sanitation facilities and water harvesting.

# UGANDA

## Economic Infrastructure in Rural Growth Centres contributing to urbanization in Uganda under the Development initiative for Northern Uganda

It's a market and aggregation centre, with at least **120 trading spaces** for the market vendors, **40 Lock up Shop Spaces, 2 Aggregation Centres**, located at a nexus of Nwoya, Oyam, Gulu City and Omoro as well as South Sudan and very critical for the Simsim, Cassava Value Chains: to aggregate produce for offtake by traders of Gulu City which is significantly dependent on the Grain Economy.

The market has since created opportunity to grow the private sector, create jobs, empower communities and transform the locality. This presents a growth potential of the areas at 22% (demonstrated by the mushrooming rural growth centre adjacent to the market, roads being opened to support the venture).

As a result of the market, the value of land has appreciated following increased demand and benefiting the local community (sellers). Price of a commercial plot from since establishment of the market has increased from US\$1,500 to about US\$2000. Village Chairperson records indicated 7 pieces of land had been sold close and bought by business community of Lela Obaro market in 2021(2 of the buyers are women and 5 are men).

There is already an upcoming structure close to the market area. Similarly, the value of shop space/room have also risen to about US\$17-per month from about US\$12 in the same period.

The project has attracted other investments to the area. New buildings were being constructed and more businesses getting established near the market area. Construction of commercial premises by private developers had also been stimulated.

This is further explained by the Ag. District Agriculture Officer, Omoro as below: "Lela Obaro Market in Omoro is leading to development of a rural growth center and I believe very soon to a town council: The market and the upcoming investments close to it have further promoted urbanisation with Lela Obaro steadily progressing from a village to a Rural Growth Centre.

### Contact person for more information

**Name:** Deus Tirwakunda

**Email:** deus.tirwakunda@uncdf.org



Photo Credit: Deus Tirwakunda/ Uganda/ Lera Obaro Market

The local authorities (LCI Lela Obaro village) have reported an increment in population from 4,872 in 2019 to 6,836 in December 2021. New structures are coming up and price of plots have gone up. The Market is also stimulating agricultural production, given the huge market created serving, South Sudan, Gulu, Lira, West Nile/DRC. Ag. DAO Omoro"

The DINU program of the UNCDF with support from Government of Uganda and the European Union has so far supported 14 other similar medium sized economic infrastructure projects worth US\$ 2,500,000 with focus on trade and Local Economic Development (LED) promotion which has been implemented in rural growth centres and they have positively contributed to (i) increasing the stock of public assets, (ii) ability of council to finance themselves in terms of increased local revenues as a result of these catalytic investments, more private investments have been attracted in these areas and their urban status has been enhanced. About three have already attained town council status, namely Kuru and Lobe Town councils in Yumbe District and Karita Town council in Amudat District

# SOMALIA

## The Local Development Finance catalyzes more investment in Somalia

**Flagship areas:** SDG Cities

**Contributing to which SDGs:** SDG 1, SDG 11 and SDG 17

**Implementing partners:** UNCDF, UNHABITAT, ILO, UNDP & UNICEF

**Financing partners:** SDC, Denmark, EU and Norway

**UNCDF financial contribution (USD):** 59,630

**Other financial contribution (USD):** 250,000

Burtinle district in the Puntland State of Somalia, is located about 120 km to the west and east of Garowe and Galkayo towns. The district shares borders with the following districts: Garowe, Godobjiiraan, Xarfo, Lasanod, Jirriiban and Ethiopia in the West. The town's establishment dates back to the late 1950s as a water source for nomads in the surrounding areas.

It was famous for livestock rearing due to its good vegetation and plant cover. In 1984, during the Siad Bare regime, it was officially given the status of a grade "B" district. Despite the war, Burtinle has been one of the fastest-growing districts in Puntland, with livestock farming dominating the economy. The town of Burtinle (the district has a similar name) has 30,000 inhabitants. In the past 3 years, population numbers have increased exponentially due to the influx of people displaced from rural areas due to drought or floods.

Burtinle district began receiving the LDF investments in 2019. Before the LDF grants, the district had limited institutional capacity, with its infrastructure stock falling apart due to lack of maintenance.

UNCDF and its JPLG partners-initiated programmes to build local government capacity, set up institutional structures for service delivery and introduced a five-year district development framework that captures community-driven priorities. Ultimately, the district was able to absorb a significant array of services decentralised by the Puntland government. One of the first physical projects to be implemented with the support of UNCDF was the Burtinle main tarmac road construction.



Photo Credit: Mohamed Shire Jama/Somalia/ before the road



After the road

UNCDF, the LDF allocated USD 59,630 LDF grant to construct a 300M long tarmac road. Besides getting the road constructed, the project aimed to have the districts get first-hand experience implementing and managing one of the decentralised service delivery functions.

An initial investment of USD 59,630 LDF grant for the 300M long tarmac road has stimulated districts and communities to mobilise additional funding of USD 250,000 to extend the same road. The additional resources have resulted in an extra 4KM of the road being constructed and new street lights being erected.

# SOMALIA

## The Local Development Finance catalyzes more investment in Somalia

More importantly, the district also used the same bidding, procurement, and contracting procedures as developed by UNCDF grants. The ultimate objective of the LDF of building capacity and systems for effective delivery of decentralised services were achieved.

### The project changed the socio-economic landscape of Burtinle district:

Businesses have mushroomed along the new road (old ones spruced up), providing an additional source of revenue for the district. A shopping mall has been constructed near the new road.

New businesses have led to additional jobs being created, and profit margins improved as Jamaal Hussein, Al-Macruuf business manager, remarked 'thank you UNCDF, Puntland government and Burtinle municipality for constructing this road. We now have more customers, better facilities and more people shopping at night due to increased lighting and security.

The road has made the Burtinle main Maternity Hospital accessible even at night for expectant mothers.

The project has contributed to increased local government revenue obtained from the main produce market as the number of traders has increased. Daily receipts have increased from SHSO, 14,000,000 since the project was implemented to SHSO 22,500,000 in January 2022.

The project has increased trust and improved the legitimacy of local authorities because they have been able to deliver on their mandate. This trust has partly resulted in improved tax payment and social service delivery. Ratepayers trust the local government and thus are more amenable to paying rates.

#### Contact person for more information

**Name:** Mkhululi Ncube - Mohamed Shire Jama

**Email:** mkhululi.ncube@undcf.org - mohamed.shire.jama@undcf.org

# SOUTHERN AFRICA



# MOZAMBIQUE

## More water, less walking, healthier communities: investing in local governments during the covid-19 pandemic in Mozambique

**Flagship areas:** Local Climate Finance

**Contributing to which SDGs:** SDG 1,SDG 3,SDG 6,SDG 10, SDG 13, SDG 17

**Implementing partners:** UNCDF LoCAL

**Financing partners:** Sweden (SIDA)

**UNCDF financial contribution (USD):** 200,000

**Other financial contribution (USD):** 3,000,000

Through the **Local Climate Adaptive Living Facility (LoCAL)** the voices and needs of local communities are heard and essential public services are provided by the local governments themselves to communities to foster climate change adaptation and, now, also to fight against the COVID-19 pandemic.

In total, local communities in the 13 most vulnerable districts of the Gaza and Inhambane Provinces, covered by LoCAL, benefit from the support of the Government of Sweden facilitated by their Embassy in Maputo for the construction of climate-adaptive infrastructure in the midst of COVID-19 as well as for the preparation and response to the pandemic itself.

The Benzene Locality, as well as the Chitanga Locality featured in the story, are part of LoCAL's interventions in the Mabote District within the scope of strengthening the capacities of local governments to respond to the COVID-19 pandemic.

1 million beneficiaries in the 13 most vulnerable districts of the Gaza and Inhambane Provinces, covered by LoCAL, benefit from the support of the Government of Sweden facilitated by their Embassy in Maputo for the construction of climate-adaptive infrastructure in the midst of COVID-19 as well as for the preparation and response to the pandemic itself under the scope of the following interventions:



Photo Credit: UNCDF/ Mbuto Machil/Mozambique

- To further strengthen rural livelihoods through support to local governments' planning and budgeting systems in a gender-sensitive manner;
- Community awareness and mobilization is critical for effective epidemic response;
- Enforcement of public order and regulations to contain an epidemic is closely related to the community awareness and mobilization actions undertaken by local governments;
- Continued provision of essential services is the foremost responsibility of local governments



# MOZAMBIQUE

## More water, less walking, healthier communities: investing in local governments during the covid-19 pandemic in Mozambique

Relief measures for local economies are designed to dampen the economic consequences of an epidemic, particularly in sectors likely to be amongst the hardest hit.

“In the village meetings, the local consultative council meetings, the administrative post consultative council meetings, as well as in the district-level meetings, the people have spoken on the lack of water in the village of Macura,” continues Mr. Matsinhe.

“Water and soap are a priority. Now, I feel more protected from COVID-19 because I have water,” says Rahele Johane, member of the Local Consultative Council in the Benzene Locality, Mabote District.

“Before, we didn't have an isolation area, so we could not comply with the protocol for health and treatment or COVID-19 preventive measures,” comments Ms. Glória António Alfredo, Director of the District Service for Health, Gender, Child and Social Action.

“If we didn't have the isolation area, COVID-19 positive patients would be forced to cross the infirmary where other patients with other pathologies are. This would be very complicated because it would endanger the health of other patients,” continues the District Director.

“Local governments are at the forefront of the COVID-19 pandemic; this is why UNCDF's decentralized technical support strengthens the capabilities of district governments to integrate COVID-19-related financial support into local planning and budgeting processes,” says Ramon Cervera.

“Local governments are in a unique and privileged position to lead the planning and budgeting processes. At the same time, local governments promote and increase the articulation of emergency interventions to fight COVID-19 without losing the perspective of long-term social and economic development planning, according to Ramon Cervera, UNCDF Programme Officer in Mozambique.

**Ramon Cervera - UNCDF Programme Officer in Mozambique**

### Contact person for more information

**Name:** Helvisney Cardoso (Ney)

**Email:** [helvisney.cardoso@one.un.org](mailto:helvisney.cardoso@one.un.org)

# SOUTH-AFRICA

## Overstrand municipality youth participating in local democracy

**Flagship area:** SDG Cities

**Contributing SDGs:** SDG 1, SDG 3, SDG 5, SDG 10, SDG 11

**Implementing partners:** International Centre for Local Democracy (ICLD), Overstrand Municipality, UNCDF, Department of Agriculture, National Youth Development Agency

**Financing partners:** UNCDF, International Centre for Local Democracy (ICLD)

**UNCDF financial contribution (USD):**

**Other financial contributions (USD):**



The lack of youth participation in the affairs of local government has led to poverty, inequality and a host of other social ills. To address this, a project was developed to institutionalise youth participation and increase local democracy in Overstrand Municipality, South Africa. The project was implemented at an opportune time before the then-upcoming local government elections, where youth issues could be placed on the agenda of the new term of Council.

The project's main objectives were to establish municipal structures and how they would work for the youth, simplifying local government processes and understanding the youth's challenges and interests. To address this, the ITP and UNCDF financed a curriculum that involved sessions one on one engagements for youth between 18-35 years old.

This training taught participants how to establish ward-based structures for the youth, promote democracy and mobilize youth to stand for new ward committees.

The programme has played a big role in reducing the socio-economic challenges faced by young people. It has also led to the participation of the youth in the ward committees and thereby increasing their space for advocacy, youth engagement and participation within Overstrand Municipality. Overstrand Municipality Social Development Department ran an information-seeking drive to establish an Overstrand Youth Desk to involve all youth between 16 and 35 years for information sharing, this information would be used to guide interventions and services.



# SOUTH-AFRICA

## Overstrand municipality youth participating in local democracy

The project addresses a long-standing issue of youth participation in local government matters. There was an increase in the youth participation a selection of 28 Youth and youth-focused NGOs were engaged and encouraged to nominate representatives for the new cycle of ward committees in the Municipality. In line with the programme's youth participation in government frameworks, two government departments have engaged youth in delivering four workshops. Three readiness workshops were hosted by the National Youth Development Agency (NYDA) and a rural youth intervention workshop hosted by the Department of Agriculture.

Out of the 14 interim youth structures, 11 youth structures have expressed interest to stand in the new cycle of ward committees to be elected in November 2021. About 59% of the interim ward youth structure representatives are female while the males take the lead with 55% representation in the ward committee nominees. There are youth representatives for nine of the fourteen Wards, and 11 youth organisations have submitted nominations for Ward committees.

The programme hopes that youth will be able to take advantage of the municipal structures that the youth would benefit from and ensure that youth matters feature in both the planning and implementation of Municipality affairs. The project had resounding support and endorsement and resonated well with stakeholders both internal & external in the Municipality.

“

We thank ICLD / UNCDF and Overstrand Municipality for their support and leadership in ensuring that this legacy project is implemented. To our Mentor, Andrew Sidle for input and guidance.

**Youth participant**

”

# TANZANIA

## Developing a national strategy that prioritizes the climate adaptation needs of local communities in Tanzania

**Flagship areas:** Local Climate Finance

**Contributing to which SDGs:** SDG 3, SDG 5, SDG 6, SDG 11, SDG 12, SDG 13

**Implementing partners:** President's Office Regional Administration and Local Government (PORALG), Vice President's Office (VPO) and the Institute of Rural Development Planning (IRDP), **Financing partners :** EU, SIDA

**UNCDF financial contribution (USD):** 94,440

**Other financial contribution (USD):** 262,635

In Tanzania, the **Local Climate Adaptive Living (LoCAL) Facility** supported the development of the newly launched National Climate Change Response Strategy, NCCRS 2021 – 2026. At the forefront of that new strategy is the prioritization of access to climate finance for local government authorities working with communities, through local climate financing initiative (LCFI), which features the LoCAL mechanism, to build their resilience to climate change and takes into account Tanzania's new status as a lower middle-income country since 2020, with the emphasis on industrialization.

This may have implications on energy and water demand, as well as on the agricultural sector, which employs 80 per cent of the workforce, hence the subsequent need for climate change intervention strategies at both policy and community levels.

The NCCRS 2021 – 2026, launched in June, builds on a review of the National Climate Change Strategy 2012 – 2018, a process led by the Vice President's Office. The new strategy fully aligns with national and international development plans and the country's Nationally Determined Contributions under the Paris Agreement, the National Adaptation Plan (NAP) Process and the UN Sustainable Development Goals.

The NCCRS 2021-2026 development process provided an opportunity to prioritize climate change issues in the national development agenda through the Five-Year Development Plan III (FYDP III 2021/22 – 2025/26) in the framework of the National Environmental Policy 2021.

Importantly, the strategy triggers the integration of climate change adaptation and mitigation issues into sector policies and plans by giving guidance for enhancing adaptation and resilience measures as well as harnessing mitigation opportunities for economic and development growth.

Central to LCFI is the application of LoCAL's innovative Performance-Based Climate Resilience Grants (PBCRGs), which use local systems and deliver climate finance from central to local government authorities for concrete climate action at the community level, where such actions are most needed and urgent. PBCRGs are coupled with capacity building of local government teams, to ensure that climate change issues are mainstreamed into all planning and budgeting processes. With LoCAL, training is planned to help local government authorities in Tanzania access climate finance such as Green Climate Fund (GCF) and Adaptation Fund (AF) to promote and sustain gender equality responsive community-led adaptation initiatives.



Photo Credit: UNCDF/ Tanzania /Rafael Moser

### Contact person for more information

**Name:** Aine Mushi

**Email:** aine.mushi@uncdf.org

# TANZANIA

## Local Economic Development scalable solutions: Aggregation Center Model

**Flagship areas: SDG Cities**

**Contributing to which SDGs: SDG 1, SDG 5, SDG 9, SDG 11, SDG 17**

**Implementing partners: UNCDF**

**Financing partners: Norway**

**UNCDF financial contribution (USD): USD 150,000**

**Other financial contribution (USD): USD 40,000 (ITC)**

Kigoma is one of the poorest regions in Tanzania. UNCDF-Tanzania's work under the Kigoma Joint Programme (KJP) agriculture theme outcome focused on addressing challenges faced by smallholder farmers (SHFs) such as limited agricultural productivity, limited access to financial services, limited market access and linkages, and high post-harvest losses. Tanzania has a relatively large rural population that is predominately dependent on primary economic activities such as subsistence farming and informal trade. Financial markets are largely underdeveloped in rural regions, and commercial banks do not have the appetite or the appropriate credit products for small-scale investment projects.

To address these challenges, UNCDF-Tanzania provided financial support and technical assistance to construct a crop aggregation center, in Mvugwe village, which functions as storage, trade, and value addition hub. Aggregation centers provide an important market linkage between farmers, producers, and off-takers. They enable SHFs to attain improved crop prices through collective bargaining and improve their productivity through access to extension services. Their competitiveness is enhanced through the reduction of transaction costs of off-takers who purchase in bulk from the centers.

**Joram Kazingo** is a cassava farmer from Mvugwe village in Kigoma, Northwest Tanzania. Mvugwe is one of the 62 villages in Kasulu District with a population of about 15,745 people.



Photo credit: Mariam Simba

About 4,000 women and 3,000 youth are engaged in agriculture and trade, ranging from cultivating and selling cassava, maize, beans, rice, banana, and fruits. With about 21,000 tons produced annually in the Nyamidaho ward, including Mvugwe village, cassava is particularly important to farmers. However, SHFs from Mvugwe, like Joram, are significantly impacted by post-harvest losses. Joram notes how his hard work growing the crop would be wasted a few weeks after harvest due to the lack of adequate storage facilities and the inability to sell his product fast enough.

To address these challenges, the Kasulu District Council (KDC) partnered with UNCDF to construct an aggregation centre in Mvugwe village to aggregate cassava, maize and beans from SHFs in the district.



# TANZANIA

## Local Economic Development scalable solutions: Aggregation Center Model

With UNCDF's guidance and support, KDC worked with Mvugwe village authorities and community members to construct and manage the centre. UNCDF-Tanzania also supported the KDC in setting up and operationalizing the centre under a public-private-community partnership/special purpose vehicle model that allows the DC, villagers, and agricultural cooperatives to jointly own the centre. Villagers contributed 15 acres of their land towards the project, with Mvugwe youth also serving as site labourers during construction: a true demonstration of community mobilization.

The Mvugwe aggregation centre is now a one-stop shop for buyers and sellers/farmers. The center offers farmers like Joram: modern storage facilities with a capacity of 640 metric tonnes, cassava drying services (using a renewable solar dryer), cassava cleaning facilities, a loading/unloading bay for trucks, an open auction area, and a centralized revenue collection office for the KDC.

The aggregation centre is a beacon of economic transformation for Joram and farmers in Mvugwe village, ensuring that their labour will not be in vain. The aggregation model has been successfully replicated in other districts in the Kigoma region.

“

"In the past, we had poorly managed basic storage units that didn't meet our needs as cassava farmers. When you stored your cassava there were no assurances that its quality would be preserved. Your cassava would rot or become pest-ridden when you tried to sell it. Sometimes I would lose even half of my stock, and would sell the remaining half at a loss just to get rid of it."

**Joram Kazingo - Cassava farmer**

”

**Contact person for more information**

**Name:** Mariam Simba

**Email:** [mariam.simba@uncdf.org](mailto:mariam.simba@uncdf.org)

# ZAMBIA

## Titling as a way of raising revenue for the Lusaka City Council

**Flagship area:** Local Climate Finance

**Contributing SDGs:**

**Implementing partners:** International Centre for Local Democracy (ICLD), City Council of Lusaka, UNCDF

**Financing partners:** UNCDF, International Centre for Local Democracy (ICLD)

**UNCDF financial contribution (USD):**

**Other financial contributions (USD):**

Lusaka City Council is a local authority whose mandate is enshrined in the Constitution of Zambia which is to administer the district, oversee programmes and projects in the district, make by-laws and perform other prescribed functions. Undertaking this mandate requires adequate funding of the Local Authority for improved service delivery.

Lusaka district has 38 Settlements. Residents in these Informal Settlements in most cases do not have ownership documents. The aim of the project was to register all residents, issuing them with title or occupancy licenses, the City plans to issue over 250,000 ownership documents. This will help Lusaka City Council raise a sum of K1,000,000,000.00 which is about (\$58.8 million) over a period of (4) three years. This translates into annual revenues of around \$14.7 million.

Lusaka City Council expects at the end of the project to have all informal settlements fully regularized, and landowners given ownership documents for the land they own. This will empower the current occupants who currently do not have title to their property. Once empowered with these ownership documents, landowners will be able to access financing from the banks for investment. This will help build the local economy and lift the greater population, especially youths and women in the pre-urban from poverty. Once this is done these landowners will be able to contribute toward service delivery by paying an average of K150 per annum (\$9).

With the targeted 250,000 properties to be regularized, and the expected annual payment K37.5million (\$2.2million). The Council will plough these funds back into the communities through service delivery in order to have a clean, green, safe and healthy city.



Flooding in Parts of the Lusaka City as a result of poor drainage system and poor Waste management

The project's main objectives were to establish municipal structures and how they would work for the youth, simplifying local government processes and understanding the youth's challenges and interests. To address this, the ITP and UNCDF financed a curriculum that involved sessions one on one engagements for youth between 18-35 years old.

# ZAMBIA

## Titling as a way of raising revenue for the Lusaka City Council

**The International Training Programme (ITP)** contributes to creating opportunities for long-term and sustainable change and supports low-and middle-income countries' reform plans in key areas. The programme, through training, mentoring and sharing experiences, equipped the Lusaka Municipal Council participants with the necessary skills in Municipal Asset management, Digitization of Municipal systems and exploring alternative ways of financing local authorities.

The programme is a joint venture between ICLD and the UNCDF Global programmes and draws experiences from Sweden and from Swedish Municipalities and experiences and expertise from the participating countries. The hybrid ICLD-UNCDF ITP methodology is designed to facilitate capacity development for senior-level managers as change agents that drive institutional and policy reform processes designed to bring significant change in the local government sector.

The training was financed by UNCDF, ICLD and the Lusaka City Council. UNCDF provided support by financing the national mentors of this programme, while ICLD financed the Lusaka Municipal Council participants in the training. The change project was financed by the Lusaka Municipal Council.

Through the ICLD-UNCDF ITP training, the Lusaka City Council, the project has so far excited the residents as can be seen from the number of landowners who have registered so far.



A total of 100,000 properties have been captured, this has resulted in the government collecting over K25million (\$1.4million) in form of processing fees. Out of the issues, 48,651 issued letters of offer a number of 10,000 has been captured on the current valuation roll. This will result in annual revenues flowing to the Council of up to a K2.6million (\$155,000) effective 2021.

With this revenue, Council has been able to procure equipment needed for effective delivery of services especially waste management and drainage maintenance. The remaining 38,651 have been earmarked for inclusion on the supplementary valuation roll which is under preparation.

“

We wish to express our sincere gratitude to the Swedish International Centre for Local Democracy (ICLD) for according us an opportunity to learn and interact with other teams from other countries the experience was amazing, and we thank the Mentor Ms. Gertrude Ngenda for the support and monitoring of the project.

**Participant**

”

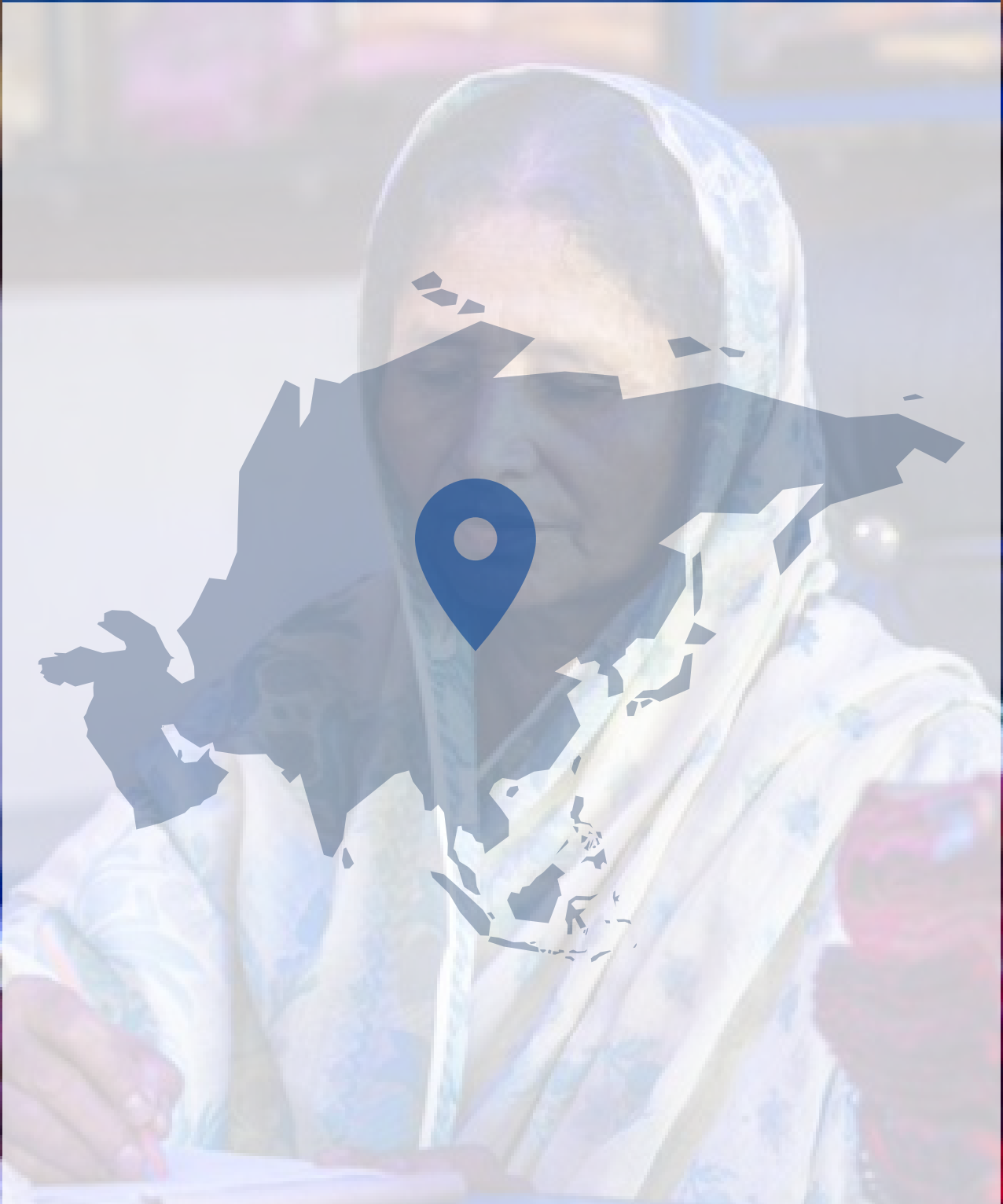
“

We appreciate our supervisor Mr. Alex Mwansa Town Clerk of Lusaka City Council for making sure the project was a success lastly, I would like to commend the tireless efforts and commitment of team members, the project is successful all because of your concealed effort.

**Training Participant**

”

# ASIA AND THE PACIFIC



# BANGLADESH

## Ever drop counts: increasing water security in coastal areas of Bangladesh

**Flagship areas:** Local Climate Finance

**Contributing to which SDGs:** SDG 1,SDG 3,SDG 5,SDG 6,SDG 11,SDG 13

**Implementing partners:** LoGIC, UNDP

**Financing partners:** SIDA, EU

**UNCDF financial contribution (USD):** 17,500

**Other financial contribution (USD):** 1,500

Sutarkhali Union is located on the south-west coastal side of Bangladesh which exposes it to constant climate hazards such as cyclones, tidal surges, riverbank erosion, salinity intrusion and more. Salinity intrusion particularly affects the community in multiple folds as there is crop production damage leading to unstable livelihoods and scarcity of drinking water.

Reports suggest that many people residing in the coastal areas consume higher amounts of salt than required which may cause severe health hazards in the long run. Moreover, women who are primarily in charge of household chores must walk long distances up to almost 3kms every day, under the scorching heat or pouring rain to fetch drinking water from far away 'sweet water' ponds as they call it. This is not only taxing on their body, but also exposes them to high maternity and other health risks.

**Local Government Initiative on Climate Change, (LoGIC)** project, led by the Local Government Division of the Ministry of Local Government Rural Development and Cooperatives, is a joint 4-year initiative of **the Government of Bangladesh, UNDP, UNCDF, the European Union and Swedish International Development Cooperation Agency (SIDA)**. LoGIC is phase II of UNCDF's global Project Local Climate Adaptive Living Facility (LoCAL) in Bangladesh.



Photo credit: Tahrim Ariba/Bangladesh

# BANGLADESH

## Ever drop counts: increasing water security in coastal areas of Bangladesh

To ensure safe drinking water for local people in the saline prone Suterkhali Union of Dacope Upazila of Khulna district, **LOGIC** project is supporting the local governments to adopt some adaptive technologies. Rainwater harvesting is a cheap and nature-based technology with no negative impact on the environment. It can ensure a supply of drinking water for several months if enough water is stored properly.

In the Sutarkhali Union, a sweet water pond that preserves rainwater was re-excavated with PBCRG support to increase water availability for the community. The water treatment plant was set up to benefit approximately 1200 people of 300 households, particularly the women. The project had a planned cost of US\$19000, of which US\$17500 was provided by UNCDF/LOGIC, and the rest was co-financed by local government and the government's public health engineering department. The water treatment plant produces 5000 litres of clean drinking water every single day which caters to the requirements of the local salinity affected communities.

LoGIC played a catalytic role for this community to build resilience against climate change by working with the community and the UPs to bring out sustainable solutions to climate induced salinity problem.

The original version of this article appeared on the UNDP Bangladesh website in 2021 and has been adapted for republication on the UNCDF site with kind permission.

The LoGIC project is funded by the Swedish Development Agency (SIDA), European Union (EU), UNCDF and UNDP and in Bangladesh is rolling out Phase II of the Local Climate Adaptive Living Facility. LoGIC works with local governments using LoCAL's system of Performance-Based Climate Resilience Grants to channel resources to the community level for locally-led adaptation that includes technical support and capacity building.

### Contact person for more information

**Name:** Jesmul Hassan - Tahrim Chaudhury Ariba

**Email:** [jesmul.hasan@uncdf.org](mailto:jesmul.hasan@uncdf.org) - [tahrim.ariba@undp.org](mailto:tahrim.ariba@undp.org)

“—

We are dependent on the ponds as the only source of drinking water. So, during the dry season or when there is salinity intrusion in the water, we have no access to safe drinking water.

**Rahima - Resident of the Union**

—”

“—

It worries me when I leave three of my children at home all alone to go fetch water. It takes me more than 2 hours, as I rush back home to cook and feed them.

**Madhobi**

—”

“—

Women no longer have to walk long hours to fetch water and the community no longer suffers from health hazards from drinking saline water.

**Ali - Chairman of the Union**

—”

# BANGLADESH

## UNCDF deploys first reimbursable grant for transformative food security in Bangladesh

**Flagship areas:** Transformative Food Security Finance

**Contributing to which SDGs:** SDG 2

**Implementing partners:** Gana Unnayan Kendra Inclusive Enterprises Ltd., Gaibandha, Bangladesh

**Financing partners:** Jamuna Bank, UNCDF, Project developer, Local Government

**UNCDF financial contribution (USD):** 73,529

**Other financial contribution (USD):** 124,688

According to the Household Income and Expenditure Survey (HIES) 2016, Rangpur Division's poverty rate is 47.2 per cent which is higher than the average rate of the country, which is 24.3 per cent. Gana Unnayan Kendra (GUK), an NGO, has been working in three districts of Rangpur Division by engaging 3897 small scale poor farmers (female: 2348; male: 1549) for the cultivation of Vitamin A, Zink and Iron enriched bio fortified Orange Fleshed Sweet Potato (OFSP).

The **Food and Agriculture Organization (FAO) of the United Nations** did a rapid assessment of food and nutrition security situation in Bangladesh during COVID 19 pandemic. Two key recommendations on post-harvest loss are:

- (Promote the use of technology to reduce post-harvest losses, in addition to mechanizing planting (seeding) and harvesting operations, given the labour market constraints.
- Ensure safe food movement through the establishment of modern processing and cold-storage facilities. Access to such facilities has great potential to increase the shelf-life, value and export capacity of commodities.

### **Micronutrient deficiency**

Bangladesh has made significant progress in reducing under-nutrition. However, the prevalence of micronutrient (MN) deficiencies remains high (FAO, 2020). Vitamin A deficiency (VAD) is being addressed by International Potato Centre by introducing biofortified Orange fleshed Sweet Potato (OFSP) among the vulnerable population to improve VA status (VAS).



Biofortification is an approach to cost-effectively address MN deficiency and allows low-income households to meet their micronutrient needs through their food production.

# BANGLADESH

## UNCDF deploys first reimbursable grant for transformative food security in Bangladesh

It is particularly beneficial to most vulnerable groups – especially children, pregnant and breastfeeding women, and poor rural and urban households. Since OFSP is a rapidly perishable crop and can be cultivated twice a year in a 4-month cycle, there is a need for storage and field processing equipment in the three northern districts for timely marketing of OFSP and ensuring better prices for farmers.

### Impact

UNCDF invested in its first food security financing project in Bangladesh. With the objectives of addressing micronutrient deficiency and promoting technology to reduce post-harvest losses as well as the establishment of modern processing and cold-storage facilities as advised by FAO, UNCDF has made a blended finance investment of grant and reimbursable grant in a social enterprise GUK Inclusive Enterprise Ltd. **UNCDF's grant of \$ 28,235 has unlocked bank loan of \$19,118 and developer's equity of \$101,453; the ratio of unlocking is 1:4.**

The investment has created employment opportunities for 5000 contractual farmers (3000 female and 2000 male) of biofortified Orange fleshed Sweet Potato (OFSP). UNCDF has also deployed first-ever reimbursable grant of \$45,294 in Bangladesh to help create a credit history for the social enterprise to make them bankable for a commercial loan in future. The developer has been repaying the reimbursable grant in equal monthly installments without any default so far.

A modern storage facility has been set up for storing OFSP within three days of processing from the field. For the market promotion of the product, GUK is developing a market value chain by packaging, branding, marketing and distribution through establishing a partnership with capital based mega-shops/online marketing platforms; arranging promotional activities like advertisement, mass campaigns, nutrition fairs etc. to disseminate the message focusing usefulness of OFSP; formation of farmers forum at village level; arranging court-yard meetings with farmers and arranging training for farmers on production of OFSP more efficiently engaging officials from govt. department.



This is a farmer-oriented initiative that will ensure the receiving of a fair price for OFSP farmers and remove middlemen. The cost and investment of time of OFSP farmers are expected to be reduced by the use of improved mechanization during farming, harvesting and post-harvesting. 5% of income from the project is being invested for the training of the OFSP farmers so that existing system loss and/or unexpected damage is reduced during gardening, harvesting and post-harvesting.

A regular selling hub is being established to prevent post-harvest loss and ensure timely marketing. A testing lab is being set up to ensure the quality of crops.

The living standard of farmers is expected to be improved by the better price they will receive. The estimated increase in income is 25%. OFSP has a low glycemic index and possesses antioxidants; consumption of leaves and roots will minimize the risk of diabetes, cancer, and heart disease. Promotion of OFSP will reduce micronutrient deficiency in the community and population at large, particularly as a low-cost option for children, pregnant and breastfeeding women, and poor rural and urban households.

### Contact person for more information

**Name:** Asim Karmakar

**Email:** [asim.karmakar@uncdf.org](mailto:asim.karmakar@uncdf.org)

# CAMBODIA

## LoCAL brings affordable and safe water in rural communities in Cambodia through Local Governments and Public-Private Partnerships

**Flagship areas:** Local Climate Finance

**Contributing to which SDGs:** SDG 3,SDG 5,SDG 6,SDG 11,SDG 12,SDG 13

**Implementing partners:** UNCDF, NCDD (National Focal Point), K-Water (Water Management Technical Advisor)

**Financing partners:** Ministry of Environment of Korea USD 400,000, Private Company: 60,000

**UNCDF financial contribution (USD):** Project Coordination and implementation cost: 700,000

Communities in Battambang, a province known for rice paddies and agricultural production, are looking forward to getting clean drinking water through a new network of taps and pipes. The project is a first for the **Local Climate Adaptive Living Facility**, bringing together public and private capital as part of the facility's performance based-approach and could serve as a model for replication elsewhere.

Some 20,000 people from Rukh Kiri District will benefit from durable, affordable and safe water systems after the allocation of a USD 1,5 million budget from the Korean Overseas Development Assistance, which will be supplemented with private sector finance.

This month, a team of experts from GRET, a coalition of French NGOs working in the water and sanitation sector, and from Cambodia's National Committee for Sub-national Democratic Development Secretariat (NCDD-S), conducted a survey on the community's water needs and current water usage.

The teams met with local authorities, commune councillors and community members to better inform the design of the project that spans the next two years.

The price for the piped water is to be fixed by the Ministry of Water Resources at between 2300 and 2600 riels per cubic metre (the equivalent of 45 to 55 US cents). Before villagers were paying between USD 5 and 7.50 for the same amount of water that was delivered by truck. Not only was that water of questionable quality, it was also in limited supply. Villagers were unable to get the water they needed, not be sure when it would arrive.



Photo Credit: Cedric Jancloes/Cambodia

Importantly, this innovative scheme supports local authorities to take over new functions related to water management.

# CAMBODIA

## LoCAL brings affordable and safe water in rural communities in Cambodia through Local Governments and Public-Private Partnerships

They will benefit from the knowledge and experience of various technical partners such as K-Water and GRET, and the project is implemented by the NCDD-S that uses the LoCAL mechanism and its Performance-Based Climate Resilience Grants to build the capacities of local governments to better manage and adapt to climate impacts.

### Building on LoCAL in Cambodia

The LoCAL Performance Based Climate Resilience Grant (PBCRG) system was introduced in Cambodia in 2011 to provide climate finance to local governments and their communities. Using globally recognised adaptation instruments, local governments are enabled to mainstream climate change adaptation in their development plans and deliver adaptation solutions that meet communities' priorities. The Royal Government of Cambodia's National Committee for Sub-national Democratic Development Secretariat (NCDD-S) has been leading these efforts and as a result, the NCDD-S has been accredited as National Implementing Entity (NIE) to the Green Climate Fund, allowing NCDD-S to access climate finance to scale up the Performance Based Climate Resilience Grant System to increase resilience at the local level.

### From PBCRGs to PPPs

By partnering with national and regional partners, LoCAL brings climate finance additionality without taking away resources for regular development actions through the innovative PBCRGs system: while NCDD-S is federating efforts to scale up PBCRGs, it is also committed to continuously bringing about innovation and with LoCAL support is now piloting innovative models that engage the public and private sector to bring essential services to populations in rural areas. With support from the Ministry of Environment of the Republic of Korea, UNCDF and NCDD-S are working on Innovative Decentralized Water Solutions to Provide Safety and Resilience for Residential Water Systems.

### Contact person for more information

**Name:** Som

**Email:** [Kulrisa.Shayavee@uncdf.org](mailto:Kulrisa.Shayavee@uncdf.org)

“

Both the people and the authorities were eager and happy to see us – they all welcome the project. Everyone we met for the survey said they want to get tap-water, not only because it is much more convenient to use but also because it is going to make people save a lot of money too.

**Chheang Veasna - Business entrepreneur from the capital Phnom Penh and one of the potential investors in the project.**

”

“Every day, the people from my district would buy water from the truck that takes the water from the Basac River,” said local government official, Ohm Moeun, the First Chair of Basac District. “When they call the water truck, they can only order two cubic meters at a time. The truck is rarely available and people sometimes have to wait up to a day.”

“The project contributes to the government policy reform on Functional Assignment and to allows the Sub-national administration to seek an opportunity to mobilize additional international and domestic P.P.P. investments in water resources. This is the uniqueness of LoCAL and another reason why it resonates with the Korean involvement in this sector,” said Mr Sar.

“Rukh Kiri is an outstanding target district where we have already had many achievements using PBCRGs. The reason we selected this area for this project is that this area faces many climate impacts like droughts, and because clean water was not yet available for these local communities,” explained Kosal Sar, one of the leading technical experts from UNCDF and a pioneer of the LoCAL approach.

“This project will bring clean water to the rural area in Cambodia, starting with this pilot project as we try to find a mechanism or model where local governments and the private sector can work together as part of the government reform on functional assignment,” said Kulrisa Shayavee, Programme Management Analyst at UNCDF, who worked on the development and design of LoCAL since its inception in Cambodia.

# LAO PDR

## The District Development Fund of Lao PDR

**Flagship areas:** Local Development Finance

**Contributing to which SDGs:** SDG 1, SDG 16

**Implementing partners:** Ministry of Home Affairs in collaboration with Ministry of Finance and Ministry of Planning and Investment

**Financing partners:** SDC

**UNCDF financial contribution (USD):** 1,020,000 (TA and Programme support)

**The District Development Fund of Laos** is an inter-governmental transfer mechanism combined with a participatory planning process developed by **UNCDF and UNDP**.

The DDF model of strengthening district administration to deliver efficient service delivery and local investments has proven to be a critical link in ensuring that development reaches local areas.

The main objectives of the DDF was to promote fiscal decentralization so as to improve public service delivery through demonstrating and strengthening the capacity of district administration and testing improved financial management procedures. It has proved to be one of the most effective tools in the quest for inclusive and cost effective transformation of local economies, providing discretionary budget funds and developing technical know-how within local governments to better deliver public services.

Once simple concept and pilot project has matured to become an inclusive government owned mechanism to implement decentralization policy. It has opened new pathways for rural communities to thrive and strengthen their resilience, using local knowledge and capacities.

By using these capacities, local governments have been encouraged to engage with their constituencies to identify and implement scaled projects. These local projects have expanded and strengthened the social fabric and economic infrastructures bounding tradition with modernisation to create new solutions to better the conditions and livelihoods for their generation and next.



Since its inception in 2005, DDF has **benefited some 1.7m citizens living in some of the remotest areas in Laos and the staff of 7 provincial and over 70 local administrations**. The first exemplification of the DDF introduced the basic principles of participatory local planning and financing of small scale projects. Essential capacity was built into local governments to involve citizens in development decisions, be able to transparently manage local capital budgets and apply for discretionary grants for local development.

By using discretionary grant financing for local small scale infrastructure projects, the DDF demonstrated a new citizen-oriented localized fiscal transfer system to develop infrastructures that enabled and improved service delivery.

# LAO PDR

## The District Development Fund of Lao PDR

The DDF and its projects have reached many Lao citizens and communities, extending public services in all social sectors including health and education, and improving livelihoods through investments for agriculture and small-scale infrastructure access such as roads and bridges.

DDF has increased the ability of the local government machinery to engage with citizens to lead, decide and manage local services delivery, a fundamental for true sustainability. This growing local sustainability is evident by the fact that Districts have progressively increased their own co-financing with DDF from negligible in the early years to an impressive 26 percent in the current DDF programme.

The DDF proved very effective during MDG acceleration testing in Xieng Khouang Province, and the new DDF continues to be an ideal tool in the ongoing efforts to localise the SDGs and meet the local targets of our 9th National Socio-Economic Development Plan 2021-2025. The real value of the DDF experience lies in what it has proved possible, especially in the context of our national decentralisation policy implementation.

Since its inception in 2005, DDF has worked with 121 participating local governments, 1049 local investment projects, 1.7million beneficiaries with a total investment of \$8.5m.

“

Local Solutions - The DDF is a very good system overall as it provides a development budget for our district to finance a local project. As a community and local government we can now make our own decisions and priorities that meet our needs.

**Deputy Chief Xay District**

”

“

Bridging Gaps - The new DDF road at Namboud and Slaeng villages and the upgrading of the bridge at Omtala Village now provides all-year links for 14 villages of Khoua District, Phongsaly province, and 7 villages of LA District in Oudomsay province and 4 villages of Nambak District of Luang Prabang Province.

**Head of Public Works, Khoua District**

”

“

Taking Responsibility - Co-financing of projects in Khoua is a useful model - and it ensures a real prioritisation and ownership of the project making all people take better care of its construction, maintenance and use.

**Head of Public Works, Khoua District**

”

### Contact person for more information

**Name:** Mr. Thilaphong Oudomsine, Senior Programme Specialist - UNCDF Laos

**Email:** thilaphong.oudomsine@uncdf.org



Unlocking Public and Private  
Finance for the Poor



The UN Capital Development Fund makes public and private finance work for the poor in the world's 46 least developed countries (LDCs).

UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF pursues innovative financing solutions through: (1) financial inclusion, which expands the opportunities for individuals, households, and small and medium-sized enterprises to participate in the local economy, while also providing differentiated products for women and men so they can climb out of poverty and manage their financial lives; (2) local development finance, which shows how fiscal decentralization, innovative municipal finance, and structured project finance can drive public and private funding that underpins local economic expansion, women's economic empowerment, climate adaptation, and sustainable development; and (3) a least developed countries investment platform that deploys a tailored set of financial instruments to a growing pipeline of impactful projects in the "missing middle".

