

SHARM EL-SHEIKH: Rwanda on Monday launched a new facility that will invest in climate action led by the public sector on the sidelines of COP27 in Sharm El-Sheik, Egypt.

The facility, according to the ministry of Environment will be managed by the Rwanda Green Fund and it has been capitalized through a grant of EUR 46 million from the Federal Republic of Germany through the Rwandan-German Climate and Development Partnership.

Known the NDC Facility, the new funding will be available to government institutions working to implement Rwanda's climate action plan, also known as the Nationally Determined Contribution (NDC) to the Paris Agreement, it said

Currently Rwanda Green Fund that will house the facility acts as the financial driver of Rwanda's climate action plan. It also aims to attract additional climate finance from investors and development partners looking to be part of Rwanda's green growth journey.

Commenting on the new facility, Dr Jeanne d'Arc Mujawamariya, Rwandan Minister of Environment said: "Climate action sits at the heart of Rwanda and Germany's development partnership.

"This NDC Facility is a game-changer as we implement our ambitious response to climate change, and we are grateful for Germany's support. Through the Rwanda Green Fund, public institutions will have access to new financial resources to put climate change front and centre of their work," the senior Rwandan Government official said.

Rwanda has set a target to reduce greenhouse gas emissions by 38% by 2030 compared to business as usual. This is equivalent to an estimated mitigation of up to 4.6 million tonnes of carbon dioxide equivalent (tCO₂e).

Estimates indicate that the cost of the plan is fixed USD 11 billion, made up of USD 5.7 billion for mitigation and USD 5.3 billion for adaptation. It is expected that 40% of this investment will come from domestic sources and 60% from external sources across all sectors.



While commending efforts made by Rwanda, Svenja Schulze, Germany Federal Minister of Economic Cooperation explained that the new facility will enable the public sector to better respond to climate change.

“Rwanda has shown remarkable leadership in responding to climate change and the German Government is pleased to once again join hands with Rwanda as the country builds a green and climate resilient nation,” she said.

Germany and Rwanda established the Climate and Development Partnership in March 2022, for which Germany has made available a total of EUR 202 million to date.