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| **UNDP Namibia SDG Accelerator Lab**  **Risk Proofing the SDGs in Namibia** |
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| 1. **Country Background and Development Challenges:** |
| Namibia is a middle-income country with one of the fastest reductions in poverty on the continent from 28.7% (2009/2010) to 17.4% (2015/2016)[[1]](#footnote-2) and is highly vulnerable to climate change. As a small but open economy, reliant on its extractives sector and highly dependent on its trading partners, Namibia witnessed low growth (1.1%) in 2016/2017[[2]](#footnote-3), given the global slow down. In 2017, Namibia launched the 5th National Development Plan (NDP5), integrating the Sustainable Development Goals under the theme “Working together towards prosperity.” The plan is built on four pillars: economic progression, social transformation, environmental sustainability, and good governance; and aims to accelerate poverty eradication and inequality reduction towards more inclusive, sustainable and equitable growth.  The creation of an Accelerator Lab in Namibia will drive solutions to eradicate poverty and reduce inequalities through climate change adaptation and mitigation, as these challenges are fueled by the country’s vulnerability to environmental shocks. Namibia is the most arid country in Africa south of the Sahara. Climatic variability is a common phenomenon in Namibia, with persistent droughts and unpredictable and variable rainfall and temperatures the norm. About 22% of Namibia’s 823 680 km2 land area is desert, 70% is arid to semi‐arid and the remaining 8% is dry sub‐humid.[[3]](#footnote-4)  A lack of proper disaster management solutions often results in resources for human development priorities being diverted to disaster response. Namibia is not a signatory of sovereign disaster risk management solutions like African Risk Capacity, and as a result, farmers usually bear the brunt of environmental shocks on their own. In 2016/2017, 27.8% of Namibia’s population was food insecure, with rural communities, women and small holder farmers being the most affected[[4]](#footnote-5).  Substantial financial barriers prevent farmers and communities from adapting effectively to harmful impacts of climate change. For example, farmers may not have capital or credit available to invest in more resilient seeds or technology like irrigation. Additionally, they do not have equal access to affordable insurance products that can mitigate losses caused by extreme weather patterns. In general, Namibia’s existing financial products to help small holder farmers manage these risks, remain largely inaccessible to. There is also a need for more accessible and timely information for farmers and communities to proactively manage risks. There are two ways in which financial services can be linked to climate resilience:   * Financial services as a tool to build resilience in the face of shocks related to climate change. * Financial services as a mechanism to increase the accessibility, affordability, and usage of risk reduction infrastructure, climate resilient inputs like drought resistant seeds, and cleaner technology that reduces impact of climate change.   The Government (GRN) of Namibia’s recent validation of the country’s first National Public-Sector Innovation Policy, opens new opportunities of harnessing innovation and technology to address the adverse impacts of climate change. While there are several think tanks/institutions and individuals with innovative and indigenous knowledge, they do not have access to a facility, platform or network within which they can innovate. A lack of institutional capacity and innovation infrastructure has hindered innovation rollout and thus the development of Namibia and its achievement of the NDP 5 and the SDGs.  UNDP Namibia, through the SDG Accelerator Lab, proposes to focus on strengthening and fast-tracking climate change adaptation to build climate resilient economies and communities through locally and regionally-sourced innovative interventions and knowledge. By identifying, developing, and supporting transformative sustainable financing models, the SDG Innovation Accelerator lab will aim to promote private-sector investment through ‘resilience bonds’, to ensure climate change mitigation and adaptation. The Lab will also focus on the development of appropriate and innovative financial solutions, and the provision of timely data and information for risk management. These interventions propose to accelerate progress on SDGs1,2,6,7,8,9,10, 13,15 and 17 as well as the AU Agenda 2063 “Ensuring the Africa That We Want.” |
| 1. **Objectives and Justification for the Accelerator Lab:** |
| **Objectives:**  ***Creating places “where today’s moonshots become tomorrow’s breakthroughs”***  The SDG innovation accelerator lab will enable and encourage big disruptive bets in climate change and green economy resilience building by aligning stakeholders, and harnessing and nurturing solutions that will impact climate change in Namibia as below:  UNDP Namibia as the integrator will facilitate and support the coordination of a network of public and private institutions, citizenry, especially youth, with the aim to bring together expertise, creativity, and intellect to develop ideas in the areas of climate resilience to support vulnerable communities and regions. Within the ideation phase of the Lab, UNDP Namibia will facilitate a series of hackathons to attract youth, entrepreneurs and academics in developing new business models for adaptation services. The lab will nurture the creation of start-ups and SMEs offering adaptation-related goods and services. Winning hackathon teams will be invited to participate in the SDG Accelerator Lab and begin the validation of their concept and technology. The Lab will be an innovation platform supported by the knowledge and expertise in the National Commission on Research Science and Technology (NCRST) to:   * Engage communities on indigenous knowledge, specifically citizens without a platform and/or network to develop and launch innovative bottom-up multiplier development solutions in relation to biodiversity and climate resilience. At the same time, becoming part of, and contributing to a global learning community and network. * Establish a multi-sectoral platform that attracts private sector and other development actors to invest greater resources and expertise in innovative solutions identified through the issuance of green bonds recently launched in Namibia.   **Justification:**   * The Accelerator Lab will assist in risk-proofing the SDGs in Namibia. With the Fifth National Development Plan (NDP-5), the GRN made a commitment to build resilience to secure the advancements towards the SDGs and as such disaster and climate risk management must be factored into the implementation of NDP-5 priorities. * The Lab will provide the space to catalyze both local and regional funding of viable initiatives in a market that struggles to attract venture capital. This will provide the means to enable communities to develop entrepreneurial skills. * The SDG Accelerator Lab will demonstrate effective progress in achieving specific SDG targets quicker than would otherwise have been possible. It will target specific SDGs including 1, 2, 6,7,8, 9, 10, 13, 15, & 17 through catalyzing innovation, engaging regulators and communities, and crowding in investment.   **Missions:**   * To engage and support GRN in the adoption of appropriate resilience building initiatives and establish a platform for innovation by hosting hackathons with incentives to draw in financial technology companies (FinTech’s), data scientists, academics and private sector innovators. * To develop a creative space where underserved communities, individuals and stakeholders can explore, co-create, and foster innovative, collaborative, multi-sectoral and indigenous solutions to accelerate Namibia’s achievement of the SDGs. The lab will build upon existing institutions, initiatives, and partnerships. * To draw in investment by connecting investors with innovators, on climate change mitigation and adaptation strategies. * To support data production and information management for disaster risk management in real time. In partnership with the National Statistics Agency and the Ministry of Environment, the lab will work to enhance national capacity to increase availability of high quality timely and reliable data to support and inform responsive policy making.   **What will Namibia’s Accelerator Lab look like?**  **SDG Accelerator Innovation Lab to utilise Lean start-up and agile methodology to identify sustainable business models to address climate change by building resilience and enable usage of clean technology**  **DURATION**  **1 Month**  **2 Months**  **3 Months**  **6 Months**  **12 Months +**  **PROJECT PHASES**  **OUTCOMES**  **SKILLS DEVELOPMENT &**  **TRANSFER**  PROBLEM STATEMENT  IDEATION  VALIDATION  PROOF OF CONCEPT (POC)  SUSTAINABILITY / SCALE  Identify problems related to climate change and low -income households  Define problem statement  Determine SDG potential impact  Hackathons / Pitch events  Hackathons and pitch events held for specific SDG problems which need solving. Events held in major cities/ universities/ communities experiencing the problems  Winners invited into SDG Accelerator Lab  Winners from events are invited to participate in the Lab to validate concept and technology  Grants provided to team for period of 3 months used to validate concept and technology  Business model development via POC  Validated concepts and business models are invited to develop POCs with Corporates, Government and NGOs  Grand per team for period of 6 months used to develop POC with partner and ready for market testing  Scale business model  Successful POCs are enabled to scale local and cross border as need is identified  Business model is provided to be sustainable, company is able to raise private funding to scale operations  Funding Window  **Core Staffing/ Partners:**   * UNDP will be responsible for running the Lab, developing partnerships and relationships with both the private sector and the Government of Namibia; * UNDP will partner with UNCDF to leverage expertise in inclusive finance and clean energy expertise, particularly through leveraging UNCDF’s Making Access Possible Programme, a multi-country initiative to support financial inclusion through a process of evidence-based analysis. The programme has a significant depth of data and relationships from the SADC region, especially South Africa which is a key regional player. The relationships and capacity will be utilized to determine financing as well as capacity building on innovation methodology, such as Agile and Lean Start-Up. * The Lab will provide business support to entrepreneurs during the incubation period to prove technology stack, introduction to partners, business coaching, legal assistance, coaching and mentors to ensure entrepreneurs can build, operate and scale sustainable business into communities.   With South Africa (Cape Town in particular) fast cementing itself as the biggest continental hub for tech startups, coining itself as ‘The Silicon Cape’ and ‘The Digital Gateway to Africa’, Namibia’s close proximity will allow the Lab to access large pools of venture capital available for investment. |

1. Namibia Household Income and Expenditure Survey, Namibia Statistics Agency,2009/2010 and 2015/2016 [↑](#footnote-ref-2)
2. Annual National Accounts 2016/2017 [↑](#footnote-ref-3)
3. Climate Change Vulnerability and Adaptation Assessment for Namibia’s Biodiversity and Protected Area System, Ministry of Environment and Tourism, 2010 [↑](#footnote-ref-4)
4. Namibia Vulnerability Assessment Committee Results, 2016 [↑](#footnote-ref-5)