

3.5 The Intervention Logic

The underlying intervention logic for this Action is that investments towards the adoption of renewable energy technologies through a market system approach can effectively promote green economic growth and improve the livelihoods of Somali people in the face of climate change, including the provision of direct benefits to vulnerable groups.

IF investments are made towards:

- Improving access to finance and skills for MSMEs and private independent power producers (IPPs);
- Developing an enabling environment for renewable energy use in agri-food value chains and circular economy productive sectors;

and IF the following assumptions hold true:

- Small producers, productive sector businesses, local industries (MSMEs), IPPs are committed to promote and adopt renewable energy and low-carbon, climate resilient productive technologies;
- Financial institutions (local banks, DFIs) have the capacity and the willingness to support the implementation of the activities;
- Communities remain supportive and target areas accessible;
- Somali authorities, both at state and community levels, are cooperative and committed to support the shift towards low carbon economy;
- The political situation is conducive for policy development, adoption and implementation;

THEN sustainable agri-food value chain and circular economy businesses can be developed by entrepreneurs and the enabling environment to adopt renewable energy solutions can be improved.

IF that Outcome or Specific Objectives are achieved, and IF these related assumptions hold true:

- Target areas for the Action remain accessible;
- Security levels are conducive to project implementation and regular monitoring;
- Natural disasters do not adversely affect implementation of the Action;
- Government authorities remain supportive;
- Overall economic conditions do not significantly affect the budget of the Action;

THEN the desired impact or Overall Objective to promote affordable, low-carbon, productive energy as well as climate adaptation solutions that strengthen productivity and climate-resilient agri-food systems will be accomplished, thereby making progress towards a low carbon and climate-resilient economy in Somalia, and supporting the country's NDC's conditional target of reducing 30% of greenhouse gas (GHG) emissions (as compared to a Business-As-Usual scenario) by 2030.