



Approval and Operations Procedures

1. **Adaptation Fund Project/Programme Approval Process**: There are two approval processes under the Adaptation Fund project¹ cycle: (i) a one-step approval process; and (ii) a two-step approval process. Eligible developing country Parties to the Kyoto Protocol may submit project proposals directly to the Adaptation Fund Board Secretariat (AFBS) via their National Implementing Entities (NIEs) or via Multilateral Implementing Entities (MIEs). NIEs/MIEs have to be accredited by the Adaptation Fund Board (AFB) to be eligible as an implementing entity for the purpose of submitting projects to the Adaptation Fund. They should also meet the fiduciary standards and other qualifications provided by the Board. All small-size projects will follow the one-step approval process, while regular projects may follow either the one-step approval or the two-step approval process, depending on the stage of project preparation, and at the discretion of the project proponent. The following section outlines the steps of the approval processes.

2. **Single-Step Approval Process**: This process may be used for small-size projects or regular projects with proposals that are already fully-prepared. Approval process includes the following steps:

- (a) Eligible Parties submit a fully-prepared project document to the AFBS seven weeks before the next AFB meeting.
- (b) The AFBS will screen all proposals and prepare a [Technical Review](#) for each project/programme. The AFBS will submit a collection of proposals consisting of technical reviews for all projects to the Project and Program Review Committee (PPRC) 4 weeks prior to the next AFB meeting.
- (c) The PPRC will review and prepare recommendations for the Board using a [Recommendation Template](#). The PPRC will convene back-to-back to the Adaptation Fund Board (AFB) meeting to finalize its recommendation and submit its recommendation the next day to the AFB.
- (d) AFB approves/rejects the recommendations during the meeting.
- (e) All approved projects will be posted on the AF website following the conclusion of its meeting.

3. **Two-Step Approval Process**: The two-step approval process may be used for regular projects if it is so decided by the proponent Party: (i) project concept approval; and (ii) final project document approval. Each of these steps is subject to the same approval process as the single approval process, i.e., the project is subjected to the single approval process twice. The rationale for choosing such a process is for a country to receive feedback or guidance from the AFB upstream before a project has been fully prepared. The following two documentations are

¹ In what follows the term project will refer to both programmes and projects unless otherwise stated.

required to be submitted at each step following the same procedures as the single approval process:

- (f) 1st step: Regular Project Concept.
- (g) 2nd step: Regular Project Final Project Document.

4. **Documentation required in the submission:**

- (a) *Regular Project/Programme Concept*: used for the first step of the two-step approval process (only for regular projects that have not been fully developed);
- (b) *Small-sized Project/Programme Document Template*: for use when submitting small-sized projects;
- (c) *Regular Project/Programme Document Template*: for use when submitting regular projects (for regular projects that have been fully developed);
- (d) *Full Project/Programme Document* prepared by NIEs/MIEs for both small-sized and regular projects;
- (e) Endorsement Template endorsed by the country's designated authority for Adaptation Fund.²

5. **Categories of projects under the Adaptation Fund:**

- (a) Small-Sized projects and programmes (SPs): defined as project proposals requesting up to \$1.0 million.
- (b) Regular-Sized projects and programmes (RPs): project proposals requesting more than \$1.0 million

6. **Definitions of Terms:**

- (a) Project: A concrete adaptation project is defined as a set of activities aimed at addressing the adverse impacts of and risks posed by climate change.
- (b) Programme: An adaptation programme is a process, a plan or an approach for addressing climate change impacts which are broader than the scope of an individual project. Further guidance on how to present programmes for approval can be found in the 'Instructions for presenting a request for funding from the Adaptation Fund'.

7. **Financing and Disbursement:**

- (a) Financing: funding for projects and programs will be on a full adaptation cost basis to address the adverse effects of climate change.³

² The designated authority referred to in paragraph 21 of the operational guidelines.



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- (b) Disbursement: The Trustee will disburse funds on the written instruction of the Board, signed by the Chair and the Vice-Chair, or any other Board Member designated by the Chair and the Vice-Chair, and report to the Board on the disbursement of funds.

³ Para. 14 of the *“Provisional Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund”*, and para. 12 of the *“Strategic Priorities, Policies, and Guidelines of the Adaptation Fund.”*