



ADAPTATION FUND

The Adaptation Fund at COP20: Resource Mobilization and Readiness Success

*New EUR 50 million contribution from Germany;
'Climate Finance Ready' Website Launched*

(Lima, Peru, Dec. 12, 2014) The Adaptation Fund received strong support from the government of Germany at the COP20 in Lima, Peru, with a contribution of EUR 50 million. At the COP20, it also launched the website 'Climate Finance Ready,' in partnership with CDKN.

"The Adaptation Fund Board is pleased with the generous contribution from Germany," said Mamadou Honadia (Burkina Faso), chair of the Board. "It is a vote of confidence in the Fund's work, and enables it to continue its important resilience work in developing countries. The challenge for the Fund remains ensuring sustainable and predictable support to the Fund in the future."

With the German contribution, the Fund is close to reaching its resource mobilization goal of USD 80 million in 2014. Germany is now the Fund's largest contributor.

Among other important activities, this funding enables the Fund to finance three of the four adaptation projects and programmes in its pipeline of proposals from multilateral implementing entities. These fully-vetted proposals range from water sector resilience activities to food security and agricultural initiatives in Ghana, Mali and Nepal (<https://adaptation-fund.org/page/pipeline-projects-and-programmes>). With the German contribution, the Fund will have roughly USD 147 million available for adaptation projects and programmes from national and regional implementing entities, who may directly apply for financing and implement projects and programmes through the Fund's innovative direct access modality.

As the pioneer with practical experience in direct access to climate finance, the Adaptation Fund continues to share its experiences and build its Readiness Programme for Climate Finance. At COP20, it announced a strategic partnership with CDKN with the launch of the website, 'Climate Finance Ready' (<http://www.climatefinanceready.org>). The site aims to provide practitioners and others with best practices, news articles, links to resources, opportunities for sharing experiences, and more. With the Climate Finance Ready website, the Fund

and CDKN aim foster ongoing dialogue, collaboration and innovation in climate finance readiness.

The Fund's primary intended revenue source, a two-percent levy of Carbon Emissions Credits (CERs) from Clean Development Mechanism (CDM) projects, has diminished due to market forces. Currently, the majority of its funding comes from contributions from developed country Parties. The Board is focused on creating sustainable funding streams so it can continue to finance important climate resilience projects in vulnerable communities well into the future.

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The Adaptation Fund finances projects and programmes that help vulnerable communities in developing countries build resilience and adapt to climate change. It has committed US\$ 265 million in 44 countries since 2010. Initiatives are based on the country needs, views and priorities. The Adaptation Fund was established under the Kyoto Protocol of the UN Framework Convention on Climate Change (UNFCCC). The Fund is financed in part by government and private contributors, and also from a two percent share of proceeds of Certified Emissions Reductions (CERs) issued under the Protocol's Clean Development Mechanism projects.

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