



ADAPTATION FUND

What next after accreditation? Adaptation Fund project identification and project cycle

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Regional Climate Finance Workshop

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What does the AF finance?

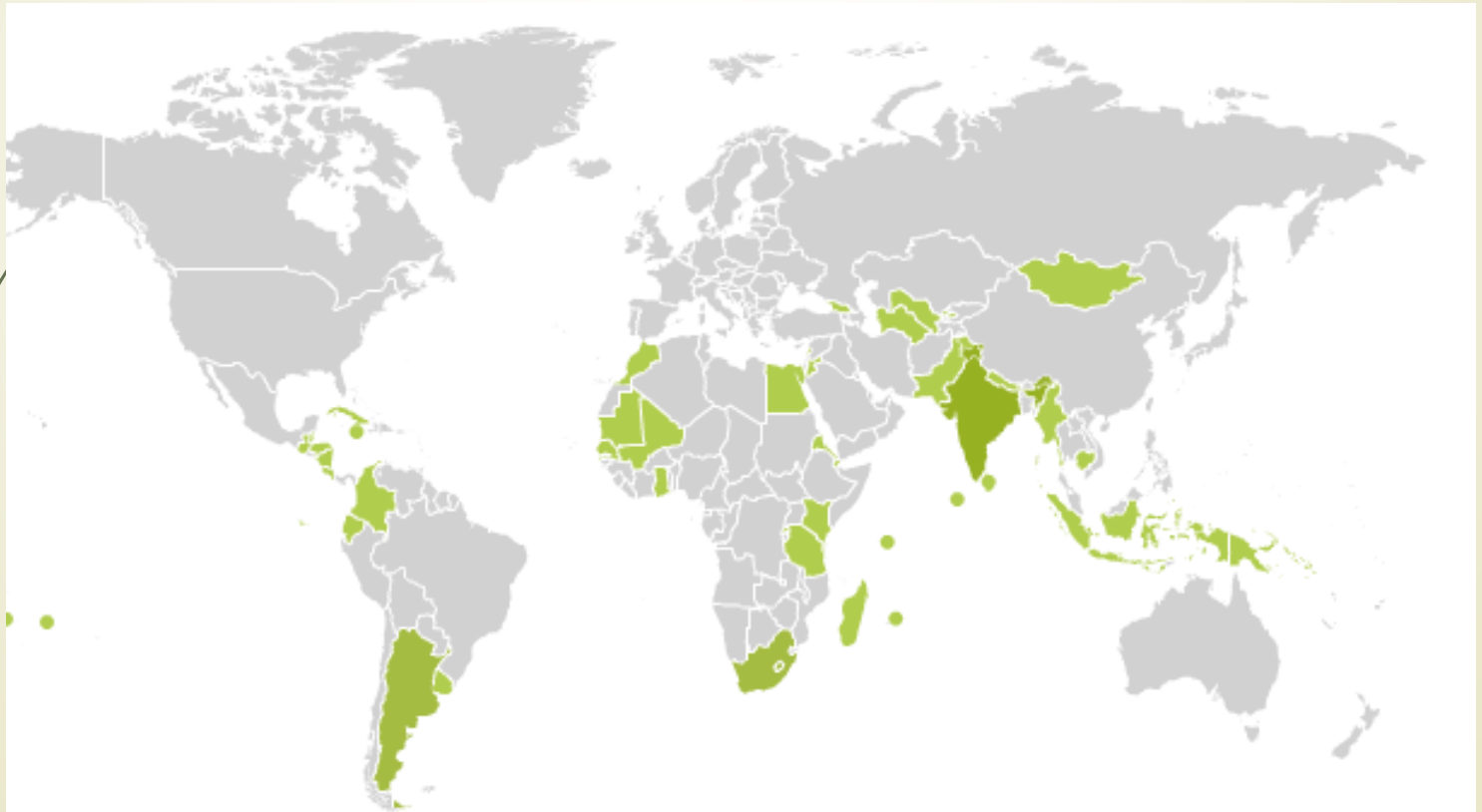
- ▶ AF finances projects/programmes whose principal and explicit aim is to **adapt and increase climate resilience**
- ▶ Projects/programmes have to be **concrete** with “visible and tangible impacts”
- ▶ **No co-financing** requirement
- ▶ Accommodation of different country circumstances: there are **no prescribed sectors or approaches**
- ▶ **All developing countries** that are parties to the Kyoto Protocol are eligible:
cap of **US\$ 10 million per country**
- ▶ Total allocation for projects/programmes submitted by MIEs **cannot exceed 50%** of cumulative resources available in the trust fund
- ▶ All projects/programmes must include a **knowledge component**

How to identify projects?

- ▶ Different NIEs have followed different approaches, e.g.:
 - ▶ NIE, together with Designated Authority, **identifies** key national adaptation projects for development
 - ▶ NIE opens a **call for proposals**, and best ideas are selected for developing proposals to the AF as **individual projects**
 - ▶ NIE opens a **call for proposals**, and best ideas are selected for developing **a programme** to the AF
- ▶ Regardless of approach:
 - ▶ Consultation is mandatory
 - ▶ Project idea has to align with national priorities
- ▶ Some NIEs have piloted different sectors, areas

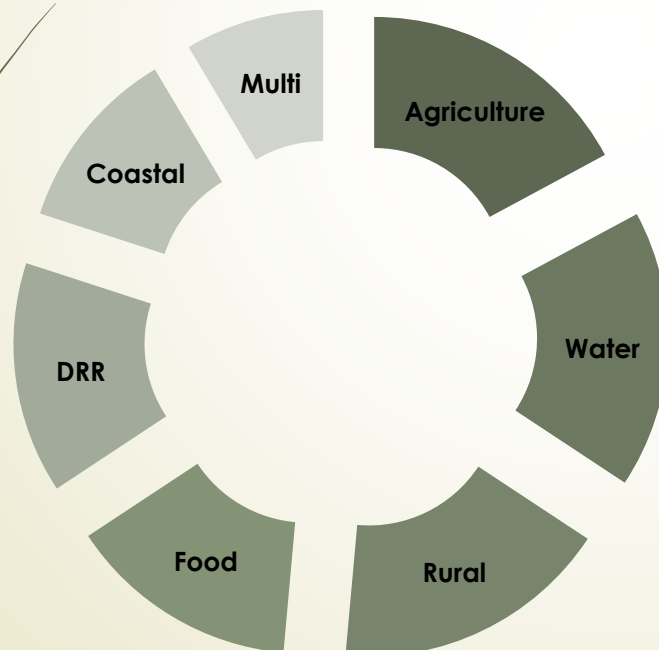
Since 2010 the Fund has approved US\$ 318 million for 48 adaptation projects in vulnerable developing countries

- ▶ 34 implemented by MIEs
- ▶ 14 implemented by NIEs



The project portfolio covers a diverse range of sectors that reflect the range of local needs and priorities

- ▶ The Fund gives **freedom to country governments** to decide on the priority sectors and regions



For example:



Project review criteria

Consistent with national sustainable development strategies

Benefits to economy, society, and environment

Meets national technical standards

Cost-Effectiveness & sustainability

Gender Issues Considered in Project Design

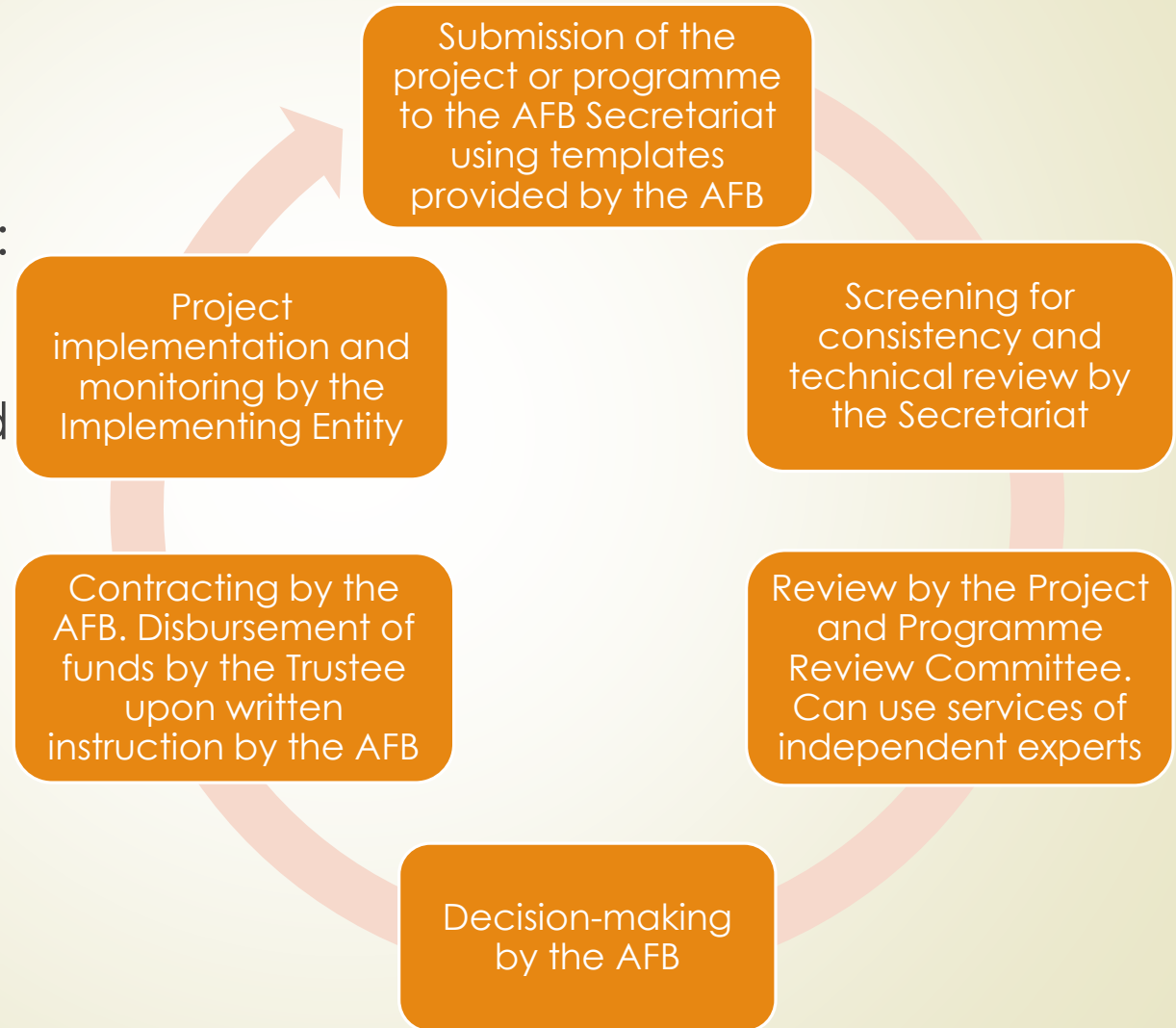
Stakeholder Consultation: Incorporation of Community Views

Avoiding duplication with other funding sources

Arrangements for management, financial and risk management, M&E, and impact assessment.

What is the project cycle?

- All projects:
Annual status reports and terminal evaluation reports

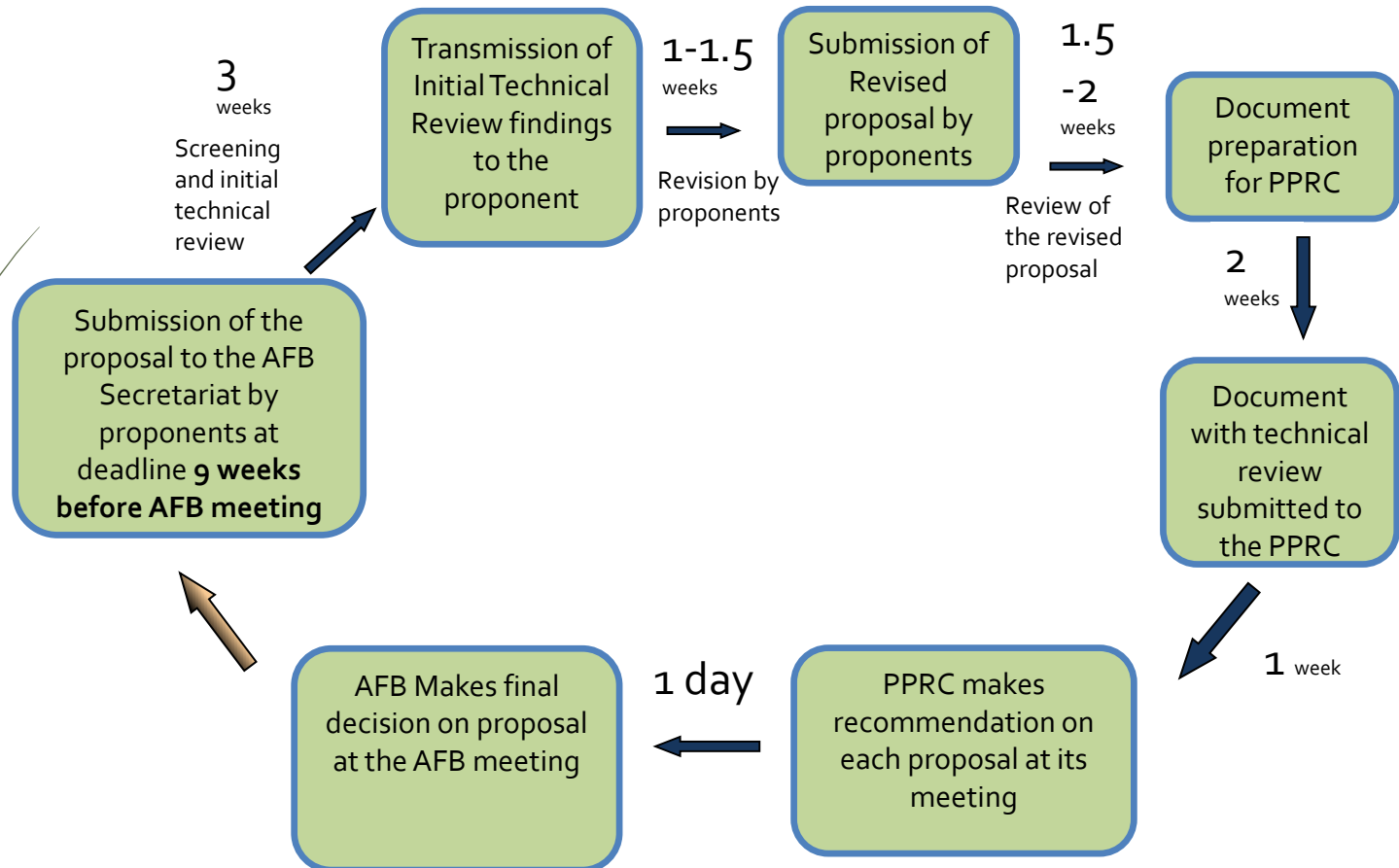


Proposals are reviewed by the Board

- ▶ **The Secretariat**
 - ▶ Screens all proposals for consistency and provides a technical review. It will then forward the proposals with the technical reviews to the PPRC
- ▶ **The Project and Programme Review Committee (PPRC)**
 - ▶ Considers and reviews projects and programmes submitted to the Board, and makes recommendation
- ▶ **The Board**
 - ▶ Takes decision on projects, following recommendation by the PPRC



Timeline of the review process



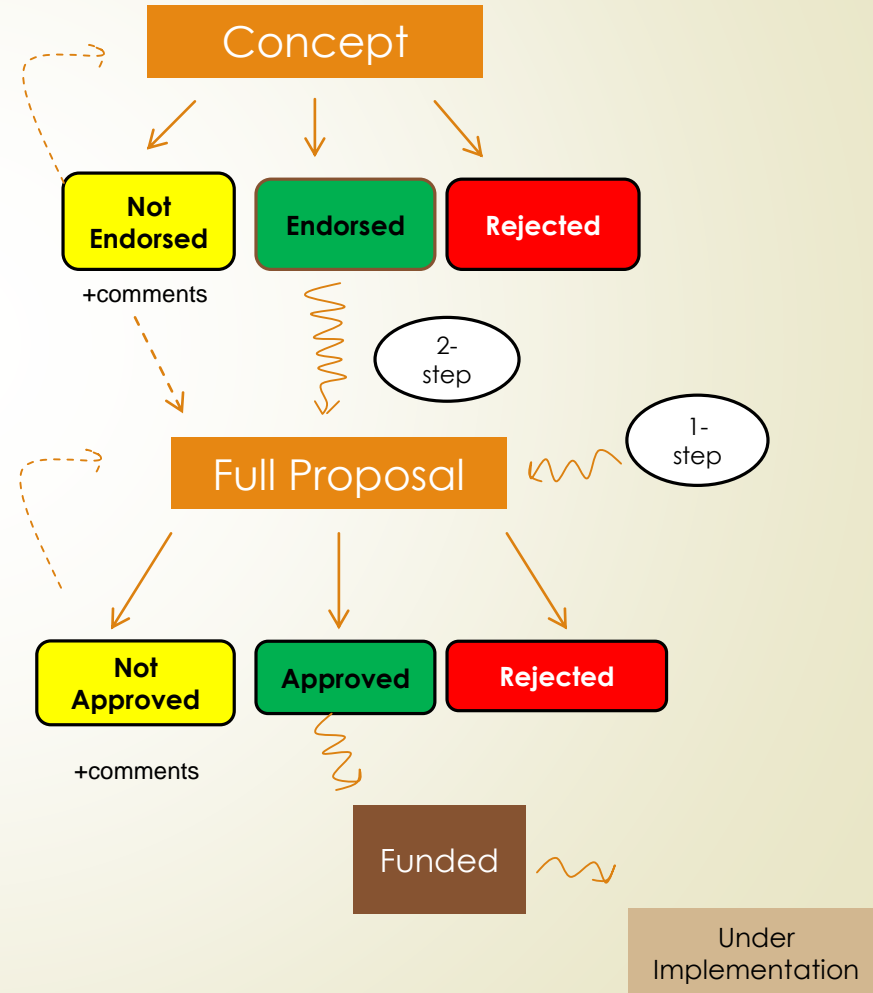


Intersessional project review

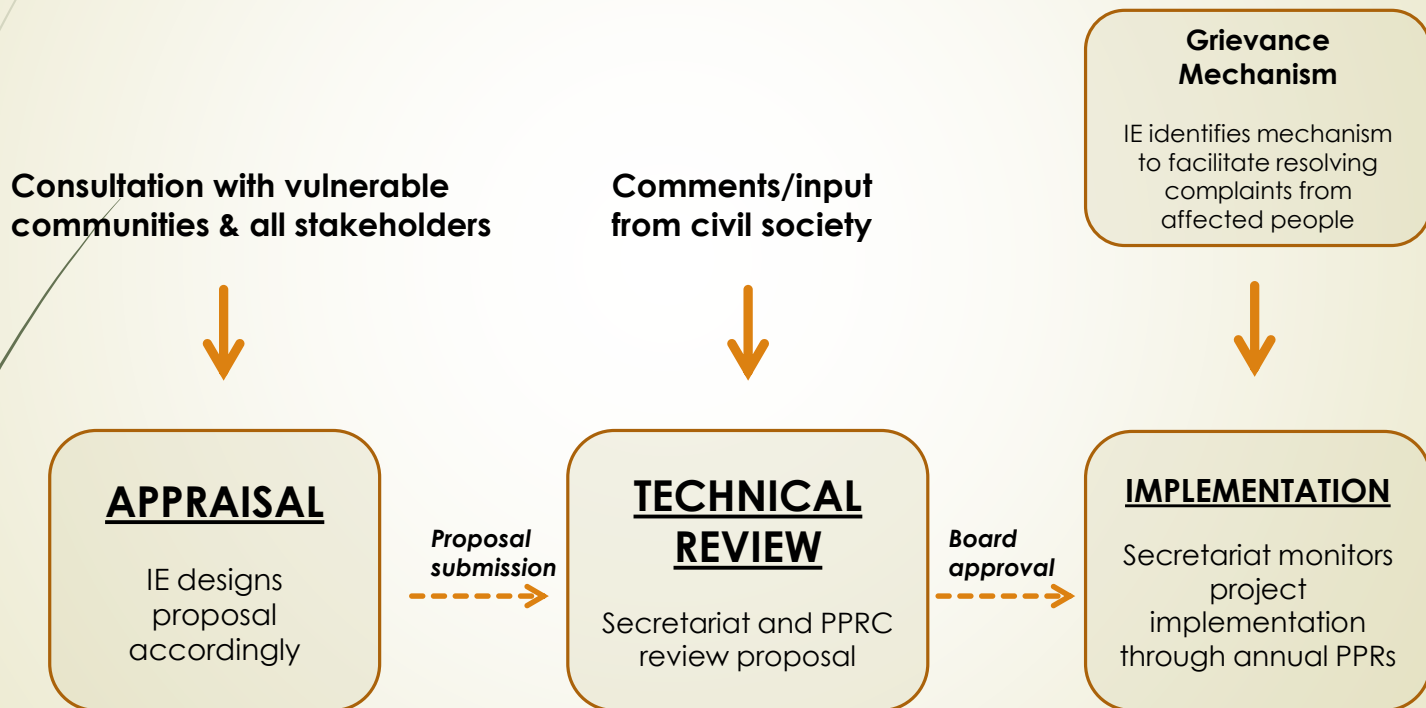
- ▶ **Fewer AFB meetings annually meant fewer opportunities to submit proposals:**
 - ▶ 2010-11: 4 meetings / year
 - ▶ 2012-13: 3 meetings / year
 - ▶ 2014- : 2 meetings / year
- ▶ **Intersessional review allows certain proposals to be submitted 3 times a year:**
 - ▶ Resubmissions of concepts + formulation grant requests
 - ▶ Resubmissions of full proposals
 - ▶ Delay avoided by proponents with intersessional review: 3 months

AF process of approving proposals

- For **projects/programmes larger than USD 1M**, a choice of a **one step** (full proposal) or **two step** process (concept approval and project/programme document)
- For **small-scale projects (below USD 1M)** **one-step** process



Consultation and participatory monitoring throughout the project cycle





Reporting process

- ▶ **Project Performance Reports:** on an annual basis
- ▶ **Project completion report**, including any specific Project implementation information, within six (6) months after Project completion
- ▶ **Mid-term review or evaluation report**, for projects of 4 year duration or more
- ▶ **Final evaluation report**, prepared by an independent evaluator. Shall be submitted within 9 months after Project completion. Copies of these reports shall be forwarded by the IE to the Designated Authority for information; and
- ▶ **Final audited financial statement**, prepared by an independent auditor or evaluation body, within 6 months of the end of the IE's financial year during which the Project is completed
- ▶ The reporting process fits into a broaden Results Based Management scheme at Fund's level

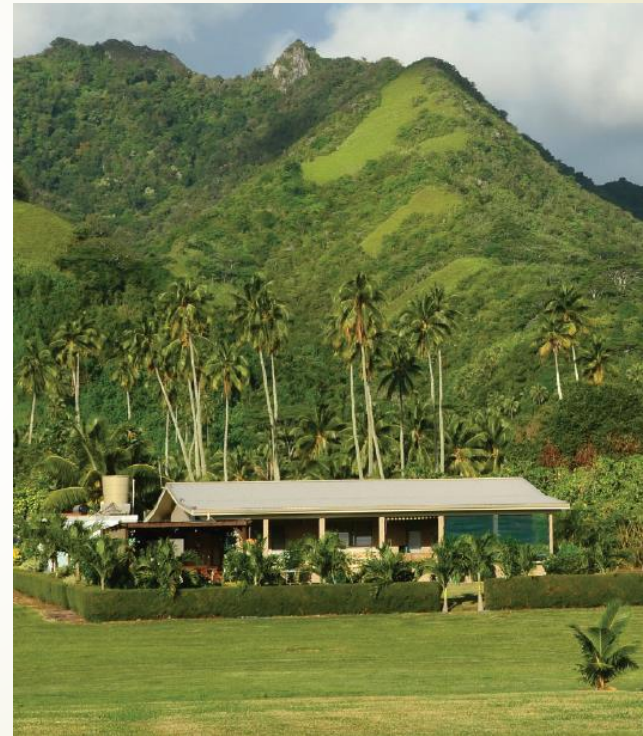
Policy: Pilot Programme for Regional Activities (1)

- ▶ Launched in May 2015
 - ▶ Follows usual AF project deadlines
 - ▶ First deadline 4 August 2015.
- ▶ Open to RIEs and MIEs, partnering with NIEs, national agencies
- ▶ Up to 4 regional projects/programmes
 - ▶ Total value USD 30 million
 - ▶ One project/programme: up to USD 14 million
 - ▶ Three projects/programmes: up to USD 5 million each
 - ▶ Up to 10 project formulation grants: up to USD 100,000 each
- ▶ Funding is outside of country/MIE caps



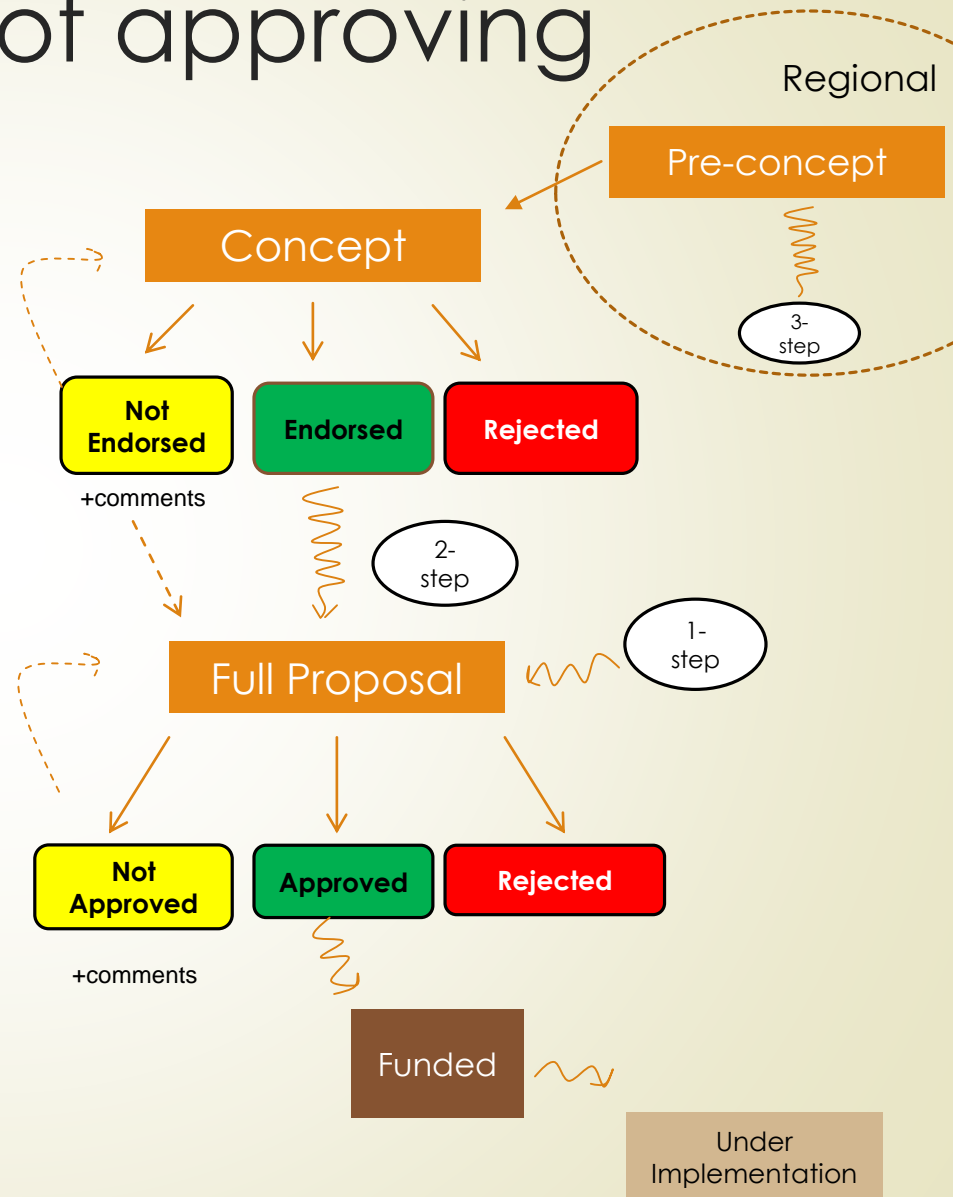
Policy: Pilot Programme for Regional Activities (2)


- ▶ Themes:
 - ▶ Food security
 - ▶ DRR & EWS
 - ▶ Transboundary water management
 - ▶ Innovation in adaptation finance
- ▶ Three-tiered proposal process
 - ▶ Pre-concept (voluntary step) → USD 20,000 PFG after endorsement
 - ▶ Concept → USD 80-100,000 after endorsement
 - ▶ Fully-developed proposal
- ▶ Some modified/additional review criteria for regional dimension
- ▶ Huge immediate interest: **16 proposals received**



AF process of approving proposals

- For regional **projects/ programmes**, additional choice of a **three step** process (pre-concept, concept endorsement and project/ programme document)





Support available to support project development

- ▶ **The AFB secretariat:**

- ▶ helps clarify review criteria and process: afbsec@adaptation-fund.org (the secretariat cannot pre-screen proposals before submission)

- ▶ “Instructions to proponents” and other guidance documents

- ▶ **Project formulation grants:** meant to cover part of costs related to consultations, E&S impact studies and proposal development

- ▶ For 1-country projects, US\$30,000 at concept endorsement

- ▶ For regional projects, up to US\$100,000, of which US\$20,000 can be accessed at pre-concept endorsement

- ▶ **Technical assistance grants:** meant to improve IE’s E&S risk management systems



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THANK YOU!!

www.adaptation-fund.org



Photo by: Md. Mahbubur Rahman. Winner of the Adaptation Fund 2011 Photo Contest. Titled "Jute Cultivation," the photo pictures the cultivation of jute, a versatile, natural fiber that has been used for thousands of years to make things such as rope, twine, Hessian bags, rugs, and much more. The environmental benefits of jute are considerable. The picture shows Gopal Chandra and other farmers washing Jute in Gopalganj, Bangladesh.