



# Briefing Note

The Adaptation Fund (AF) finances projects that help vulnerable communities in developing countries adapt and build resilience to the effects of climate change while providing an innovative direct access modality that allows accredited national institutions in developing countries to access financing and manage projects directly.

## Reviewed & Approved

- ✓ efficient
- ✓ effective
- ✓ relevant



## Pioneering Innovation

- direct access
- replicable, scalable
- flexible, localized up to \$10M projects



The AF creates tangible, positive results on the ground, focusing on adaptation and strengthening capacity in developing countries for all climate finance mechanisms. The AF has demonstrated its effectiveness as a global financial mechanism

## Key achievements of the Adaptation Fund

- ✓ **Operationalization of direct access to climate finance**, allowing national institutions to take on the implementation role typically undertaken by UN organizations and MDBs. Throughout the accreditation process, national entities build and enhance local capacity. Direct access model, pioneered by the AF, has proven replication value for other climate financing organizations, such as the Green Climate Fund (GCF);
- ✓ **Implementation of a readiness programme** to build countries' capacities to access funding and develop projects for climate adaptation through regional and global knowledge sharing workshops, grants for technical assistance and South-South cooperation, and knowledge enhancement webinars. The programme promotes lessons learnt and exchange of best practice during the whole financing cycle, from accreditation through project design, implementation and reporting. Through this, the Fund has established an engaged network of direct access practitioners;
- ✓ **Proven ability to ensure an accelerated, simplified, efficient and effective project cycle** combined with orientation towards results and performance-based measurements;
- ✓ **Tripling of the number of NIE projects approved in 2015** and the funding requested reaching record high in the latest project review cycle;
- ✓ **Active civil society involvement at various levels**, such as allowing comments on proposals under consideration, monitoring during implementation, and participation in Board meetings.

## The Paris Agreement and the Adaptation Fund

The Paris Agreement includes adaptation as a key component of the global response to climate change. Moreover, the Paris Agreement recognizes that the AF may serve the Agreement as the Adaptation Fund was specifically referenced in the decision adopting the new Agreement.

Subsequent steps needed to serve the Agreement began in Paris and will continue in COP22.

The new market mechanisms of the Paris Agreement also provide an opportunity to utilize the Fund's experience on monetizing carbon assets. To date, the AF has raised US\$ 196 million through carbon markets - a system that is fully operational.

The Paris Agreement additionally took steps to promote human rights by acknowledging climate change should be addressed in a way that respects vulnerable populations and gender equality. The Adaptation Fund has stayed ahead of this curve, adopting a policy in 2013 that ensures any projects supported by the Fund must promote positive environmental and social benefits, including respecting human rights, gender equality and vulnerable groups. It further streamlined equal access across all Fund programs and resources among women and men in March 2016.

### LONG-TERM CLIMATE FINANCE ROADMAP



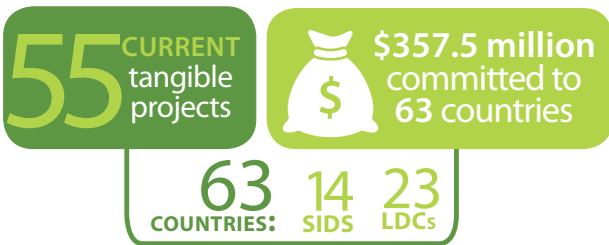
- **Established in COP21 Paris Agreement**
- **Adaptation Fund May Serve Agreement, subject to process that is already underway**



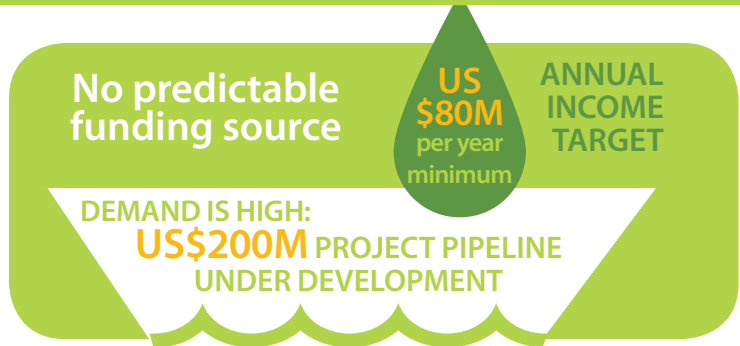
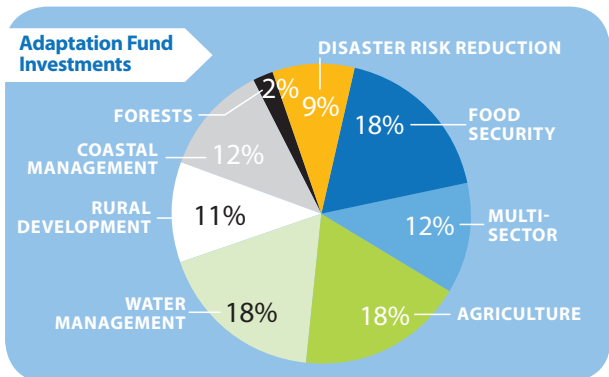
# Briefing Note

## The Adaptation Fund portfolio of concrete adaptation projects and programmes

The AF has transferred about 48 per cent of total committed funds to recipient countries. In total, US\$ 357.5 million has been allocated for climate adaptation projects/programmes, project formulation activities, South-South cooperation grants for accreditation support and environmental and social policy technical assistance grants, in a total of 63 countries with the majority of projects now in the implementation stage (see Annex II).

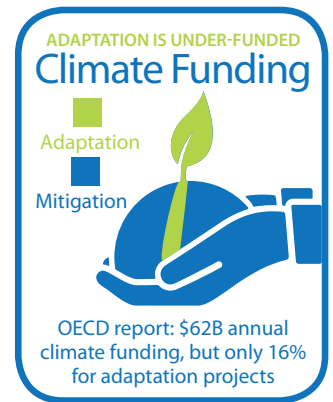


Currently 42 implementing entities are accredited to the AF of which 24 are National Implementing Entities in Africa, Latin America and the Caribbean, and Asia and the Pacific that have direct access to adaptation financing. So far, 16 NIEs have received funding. The AFB and its secretariat actively collaborate with other climate funds, such as the Green Climate Fund, and share lessons learned from the unique experience of five years implementing direct access to climate finance.



## An opportunity to channel finance to effective adaptation to climate change

The original source of revenue for the Fund – the sale of Certified Emission Reductions (CERs) accrued through the 2% levy on Clean Development Mechanism projects – has drastically diminished due to market forces. The Board has continued to attract funds through developed country donations, by delivering concrete, effective, and localized projects and continuing to innovate through pioneering programs like Direct Access, flexible finance modalities, social and environmental risk management policies and gender action plans. The Fund also developed an alternative streamlined accreditation process to open doors to climate finance for smaller countries and organizations, and further has in place an innovative and popular Pilot Program for Regional Projects for multiple countries facing climate change issues that cross borders.



The Board has established a cap of 50% of the cumulative resources in the trust fund for projects submitted by MIEs in order to ensure that all accredited NIEs can receive funding for at least one project. However, the Fund received record numbers of project proposals over the last year and with more funding and sustainable funding sources could address that growing demand and reach even more vulnerable communities in developing countries with urgently needed climate adaptation solutions. The Board has also set a goal of raising US\$ 80 million per year during 2014- 2017.

The AF is one of the most innovative and unique climate funds, and has achieved impressive progress in just a few years. The AF has proven its effectiveness as a highly efficient and transparent framework for directly channeling adaptation finance to developing countries. It is the only climate adaptation fund that includes the most vulnerable communities as a strategic priority.



# Annex I: Implementing Entities of the Adaptation Fund

## ADAPTATION FUND

---

### Accessing Resources from the Adaptation Fund

Potential implementing entities are evaluated by independent experts of the Accreditation Panel for compliance with the AF's fiduciary standards and requirements of the AF environmental and social policy. Implementing entities can be national, regional or multilateral. There are currently 12 accredited multilateral implementing entities, 6 regional implementing entities, and 24 national implementing entities, of which ten (42 per cent) come from either LDCs or SIDS. All developing country Parties to the Kyoto Protocol are eligible to submit a national entity for accreditation. Once accredited, implementing entities can apply for funding of up to US\$ 10 million per country for concrete adaptation projects or programmes.

### National Implementing Entities (NIEs)

Antigua & Barbuda: Department of Environment

Argentina: Unidad para el Cambio Rural (UCAR)

Belize: Protected Areas Conservation Trust (PACT)

Benin: Fond national pour l'environnement et le climat (FNEC)

Chile: International Cooperation Agency (AGCI)

Cook Islands: Ministry of Finance and Economic Management (MFEM)

Costa Rica: Fundecooperación

Dominican Republic: Dominican Institute of Integral Dev. (IDDI)

Ethiopia: Ministry of Finance and Economic Dev. (MOFED)

Fed. States of Micronesia: Micronesia Conservation Trust (MCT)

India: National Bank for Agriculture & Rural Dev. (NABARD)

Indonesia: Partnership for Governance Reform (Kemitraan)

Jamaica: Planning Institute of Jamaica (PIOJ)

Jordan: Ministry of Planning and Int. Cooperation (MOPIC)

Kenya: National Environment Management Authority (NEMA)

Mexico: Mexican Institute of Water Technology (IMTA)

Morocco: Agency for Agricultural Development (ADA)

Namibia: Desert Research Foundation (DRFN)

Panama: Fundación Natura

Peru: Trust Fund for Nat'l Parks and Protected Areas (PROFONANPE)

Rwanda: Ministry of Natural Resources (MINIRENA)

Senegal: Centre de Suivi Ecologique (CSE)

South Africa: National Biodiversity Institute (SANBI)

Uruguay: Agencia Nacional de Investigacion e Innovacion (ANII)

### Regional Implementing Entities (RIEs)

Caribbean Development Bank (CDB)

Central American Bank for Economic Integration (CABEL)

Corporación Andina de Fomento (CAF)

Observatoire du Sahara et du Sahel (OSS)

Secretariat of the Pacific Regional Environment Programme (SPREP)

West African Development Bank (BOAD)

### Multilateral Implementing Entities (MIEs)

African Development Bank (AfDB)

Asian Development Bank (ADB)

European Bank for Reconstruction and Development (EBRD)

Inter-American Development Bank (IDB)

International Fund for Agricultural Development (IFAD)

UN-Habitat

United Nations Development Programme (UNDP)

United Nations Educational, Scientific and Cultural Organization (UNESCO)

United Nations Environment Programme (UNEP)

United Nations World Food Programme (WFP)

World Bank

World Meteorological Organization (WMO)



ADAPTATION FUND

## Annex II: Projects, programmes and formulation grants approved for funding from the Adaptation Fund, as of 7 October 2016

### Projects, programmes, formulation grants (PFG), and accreditation support grants approved for funding from the Adaptation Fund

**COUNTRY PROJECT TITLE AGENCY BUDGET (US\$)**

Implemented by National Implementing Entities

|                                |  |                  |            |
|--------------------------------|--|------------------|------------|
| Antigua and Barbuda            | An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed (PFG)   | ABED             | 30,000     |
| Argentina                      | Enhancing the Adaptive Capacity and Increasing Resilience of Small-size Agriculture Producers of the Northeast of Argentina (including PFG)  | UCAR             | 5,670,000  |
| Benin                          | Adaptation of Cotonou Lagoon ecosystems and human communities to sea level rise and extreme weather events impacts (PFG)   | FNEC             | 29,000     |
| Benin                          | Environmental and social policy technical assistance grant   | FNEC             | 20,000     |
| Cabo Verde                     | Accreditation support project  | CSE              | 47,449     |
| Chad                           | Accreditation support project  | CSE              | 49,592     |
| Chile                          | Enhancing resilience to climate change of the small agriculture in the Chilean region of O'Higgins (including PFG)   | AGCI             | 9,990,000  |
| Costa Rica                     | Reducing the vulnerability by focusing on critical sectors (agriculture, water resources and coastlines) in order to reduce the negative impacts of climate change and improve the resilience of these sectors (including PFG) | Fundecooperación | 10,000,000 |
| Costa Rica                     | Environmental and social policy technical assistance grant   | Fundecooperación | 20,000     |
| Federated States of Micronesia | Environmental and social policy technical assistance grant   | MCT              | 20,000     |
| Guinea                         | Accreditation support project  | CSE              | 47,449     |
| India                          | Building Adaptive Capacities of Communities, Livelihoods and Ecological Security in the Kanha-Pench Corridor of Madhya Pradesh (including PFG)   | NABARD           | 2,584,493  |
| India                          | Building Adaptive Capacities of Small Inland Fishermen Community for Climate Resilience and Livelihood Security, Madhya Pradesh, India (including PFG)   | NABARD           | 1,820,500  |
| India                          | Climate Proofing of Watershed Development Projects in the States of Tamil Nadu and Rajasthan (including PFG)   | NABARD           | 1,374,055  |
| India                          | Climate Smart Actions and Strategies in North Western Himalayan Region for Sustainable Livelihoods of Agriculture-Dependent Hill Communities   | NABARD           | 969,570    |
| India                          | Conservation and Management of Coastal Resources as a Potential Adaptation Strategy for Sea Level Rise   | NABARD           | 689,264    |
| India                          | Enhancing Adaptive Capacity and Increasing Resilience of Small and Marginal Farmers in Purulia and Bankura Districts of West Bengal (including PFG)  | NABARD           | 2,540,854  |
| Jamaica                        | Enhancing the Resilience of the Agricultural Sector and Coastal Areas to Protect Livelihoods and Improve Food Security (including PFG)   | PIOJ             | 9,995,000  |
| Jordan                         | Increasing resilience of the poor and vulnerable communities to climate change impacts in Jordan through implementing innovative projects in water and agriculture in support of adaptation to climate change (including PFG)  | MOPIC            | 9,255,500  |
| Kenya                          | Integrated programme to build resilience to climate change and adaptive capacity of vulnerable communities in Kenya  | NEMA             | 9,998,302  |
| Malawi                         | Accreditation support project  | NEMA             | 50,000     |
| Mali                           | Accreditation support project  | CSE              | 47,449     |
| Morocco                        | Project of Adaptation to Climate Change – Oases Zones (including PFG)  | ADA              | 10,000,000 |
| Namibia                        | Community-based Integrated Farming System for Climate Change Adaptation (PFG)  | DRFN             | 30,000     |

## Projects, programmes, formulation grants (PFG), and accreditation support grants approved for funding from the Adaptation Fund

| COUNTRY | PROJECT TITLE | AGENCY | BUDGET (US\$) |
|---------|---------------|--------|---------------|
|---------|---------------|--------|---------------|

### Implemented by National Implementing Entities

|                   |   |                  |                    |
|-------------------|---|------------------|--------------------|
| Namibia           | Pilot Desalination Plant with Renewable Power and Membrane Technology (PFG)   | DRFN             | 30,000             |
| Niger             | Accreditation support project   | CSE              | 47,449             |
| Panama            | Adapting to climate change through integrated water management in Panama (PFG)  | Fundación Natura | 30,000             |
| Panama            | Environmental and social policy technical assistance grant  | Fundación Natura | 20,000             |
| Peru              | Adaptation to the Impacts of Climate Change on Peru's Coastal Marine Ecosystem and Fisheries                                    | PROFONANPE       | 6,950,239          |
| Rwanda            | Reducing Vulnerability to Climate Change in North West Rwanda through Community Based Adaptation (including PFG)                | MINIRENA         | 9,999,619          |
| Senegal           | Adaptation to Coastal Erosion in Vulnerable Areas   | CSE              | 8,619,000          |
| Senegal           | Reducing vulnerability and increasing resilience of coastal communities in the Saloum Islands (Dionewar) (PFG)                  | CSE              | 30,000             |
| Senegal           | Environmental and social policy technical assistance grant  | CSE              | 18,000             |
| Sierra Leone      | Accreditation support project   | CSE              | 47,449             |
| South Africa      | Building Resilience in the Greater uMngeni Catchment, South Africa (including PFG)  | SANBI            | 7,525,055          |
| South Africa      | Taking adaptation to the ground: A Small Grants Facility for enabling local – level responses to climate change (including PFG) | SANBI            | 2,472,682          |
| South Africa      | Environmental and social policy technical assistance grant  | SANBI            | 20,000             |
| Uruguay           | Helping Small Farmers Adapt to Climate Change (including PFG)   | ANII             | 9,997,678          |
| Zimbabwe          | Accreditation support project   | NEMA             | 50,000             |
| <b>Total, NIE</b> |   |                  | <b>121,135,648</b> |

### Implemented by Regional Implementing Entities

|  |  |      |                   |
|--|--|------|-------------------|
| Niger  | Enhancing Resilience of Agriculture to Climate Change to Support Food Security in Niger, through Modern Irrigation Techniques                | BOAD | 9,911,000         |
| Regional (Benin, Burkina Faso, Ghana, Niger, Togo) | Promoting Climate-Smart Agriculture in West Africa (PFG)   | BOAD | 100,000           |
| Uganda   | Enhancing Resilience of Communities to Climate Change through Catchment Based Integrated Management of Water and Related Resources in Uganda | OSS  | 7,751,000         |
| <b>Total, RIE</b>                                  |  |      | <b>17,762,000</b> |

### Implemented by Multilateral Implementing Entities

|              |  |            |           |
|--------------|--|------------|-----------|
| Argentina    | Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province              | World Bank | 4,296,817 |
| Belize       | Belize Marine Conservation and Climate Adaptation Project  | World Bank | 6,000,000 |
| Cambodia     | Enhancing Climate Resilience of Rural Communities Living in Protected Areas of Cambodia  | UNEP       | 4,954,273 |
| Colombia     | Reducing Risk and Vulnerability to Climate Change in the Region of La Depression Momposina in Colombia                             | UNDP       | 8,518,307 |
| Cook Islands | Strengthening the Resilience of our Islands and our Communities to Climate Change  | UNDP       | 5,381,600 |
| Cuba         | Reduction of vulnerability to coastal flooding through ecosystem-based adaptation in the south of Artemisa and Mayabeque provinces | UNDP       | 6,067,320 |
| Djibouti     | Developing Agro-Pastoral Shade Gardens as an Adaptation Strategy for Poor Rural Communities in Djibouti                            | UNDP       | 4,658,556 |

**Projects, programmes, formulation grants (PFG), and accreditation support grants approved for funding from the Adaptation Fund**

**COUNTRY PROJECT TITLE AGENCY BUDGET (US\$)**

Implemented by Multilateral Implementing Entities

|   |  |            |           |
|---|--|------------|-----------|
| Ecuador   | Enhancing resilience of communities to the adverse effects of climate change on food security, in Pichincha Province and the Jubones River basin                                   | WFP        | 7,449,468 |
| Egypt   | Building Resilient Food Security Systems to Benefit the Southern Egypt Region  | WFP        | 6,904,318 |
| Eritrea   | Climate Change Adaptation Programme In Water and Agriculture In Anseba Region, Eritrea   | UNDP       | 6,520,850 |
| Georgia   | Developing Climate Resilient Flood and Flash Flood Management Practices to Protect Vulnerable Communities of Georgia   | UNDP       | 5,316,500 |
| Ghana   | Ghana Increased Resilience to Climate Change in Northern Ghana through the Management of Water Resources and Diversification of Livelihoods  | UNDP       | 8,293,972 |
| Guatemala   | Climate Change Resilient Productive Landscapes and Socio-economic Networks Advanced in Guatemala   | UNDP       | 5,425,000 |
| Honduras  | Addressing Climate Change Risks on Water Resources in Honduras: Increased Systemic Resilience and Reduced Vulnerability of the Urban Poor  | UNDP       | 5,620,300 |
| Lao PDR   | Enhancing the climate and disaster resilience of the most vulnerable rural and emerging urban human settlements in Lao PDR   | UN-HABITAT | 4,500,000 |
| Lebanon   | Climate Smart Agriculture: Enhancing Adaptive Capacity of the Rural Communities in Lebanon   | IFAD       | 7,860,825 |
| Madagascar  | Madagascar: Promoting Climate Resilience in the Rice Sector  | UNEP       | 5,104,925 |
| Maldives  | Increasing climate resilience through an Integrated Water Resource Management Programme in HA. Ihavandhoo, Adh. Mahibadhoo and GDh. Gadhdhoo Island                                | UNDP       | 8,989,225 |
| Mali  | Programme Support for Climate Change Adaptation in the vulnerable regions of Mopti and Timbuktu  | UNDP       | 8,533,348 |
| Mauritania  | Enhancing Resilience of Communities to the Adverse Effects of Climate Change on Food Security in Mauritania  | WFP        | 7,803,605 |
| Mauritius   | Climate Change Adaptation Programme in the Coastal Zone of Mauritius   | UNDP       | 9,119,240 |
| Mongolia  | Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia   | UNDP       | 5,500,000 |
| Myanmar   | Addressing Climate Change Risks on Water and Food Security in the Dry Zone of Myanmar  | UNDP       | 7,909,026 |
| Nepal   | Adapting to climate induced threats to food production and food security in the Karnali Region of Nepal  | WFP        | 9,527,160 |
| Nicaragua   | Reduction of Risks and Vulnerability Based on Flooding and Droughts in the Estero Real River Watershed   | UNDP       | 5,500,950 |
| Pakistan  | Reducing Risks and Vulnerabilities from Glacier Lake Outburst Floods in Northern Pakistan  | UNDP       | 3,906,000 |
| Papua New Guinea                                    | Enhancing adaptive capacity of communities to climate change-related floods in the North Coast and Islands Region of Papua New Guinea  | UNDP       | 6,530,373 |
| Regional (Burundi, Kenya, Rwanda, Tanzania, Uganda) | Adapting to Climate Change in Lake Victoria Basin (PFG)  | UNEP       | 100,000   |
| Regional (Colombia, Ecuador)                        | Building adaptive capacity through food and nutrition security and peace-building actions in vulnerable Afro and indigenous communities in the Colombia- Ecuador border area (PFG) | WFP        | 100,000   |
| Regional (Cuba, Dominican Republic, Jamaica)        | Risk Reduction Management Centres: local adaptation response to national climate and early warning information in the Caribbean (PFG)  | UNDP       | 20,000    |
| Regional (Mauritius, Seychelles)                    | Restoring marine ecosystem services by rehabilitating coral reefs to meet a changing climate future (PFG)  | UNDP       | 100,000   |
| Samoa   | Enhancing Resilience of Samoa's Coastal Communities to Climate Change  | UNDP       | 8,732,351 |

**Projects, programmes, formulation grants (PFG), and accreditation support grants  
approved for funding from the Adaptation Fund**

| <b>COUNTRY</b> | <b>PROJECT TITLE</b> | <b>AGENCY</b> | <b>BUDGET (US\$)</b> |
|----------------|----------------------|---------------|----------------------|
|----------------|----------------------|---------------|----------------------|

Implemented by Multilateral Implementing Entities

|                   |  |      |                    |
|-------------------|--|------|--------------------|
| Seychelles        | Ecosystem Based Adaptation to Climate Change in Seychelles   | UNDP | 6,455,750          |
| Solomon Islands   | Enhancing resilience of communities in Solomon Islands to the adverse effects of climate change in agriculture and food security       | UNDP | 5,533,500          |
| Sri Lanka         | Addressing Climate Change Impacts on Marginalized Agricultural Communities Living in the Mahaweli River Basin of Sri Lanka             | WFP  | 7,989,727          |
| Tanzania          | Implementation Of Concrete Adaptation Measures To Reduce Vulnerability Of Livelihood and Economy Of Coastal Communities In Tanzania    | UNEP | 5,008,564          |
| Turkmenistan      | Addressing climate change risks to farming systems in Turkmenistan at national and community level                                     | UNDP | 2,929,500          |
| Uzbekistan        | Developing climate resilience of farming communities in the drought prone parts of Uzbekistan in the drought prone parts of Uzbekistan | UNDP | 5,415,103          |
| <b>Total, MIE</b> |  |      | <b>218,576,453</b> |
| <b>Total, all</b> |  |      | <b>357,414,101</b> |