



# 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 Adaptation Finance**

- Direct Access
- Replicable, scalable
- Flexible, localized

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 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 practitioner. In March 2017, the Readiness Programme was integrated into all Fund's operations.
- ✓ **Strong, transparent safeguards** in adaptation projects and principles that promote human rights and gender equality while protecting marginalized groups and natural habitats;
- ✓ **Proven ability to ensure an accelerated, simplified, efficient and effective project cycle** combined with orientation towards results and performance-based measurements;
- ✓ **Record in funding approvals** for a total amount of US\$ 60.3 million in the latest project review cycle in March 2017, including the first regional (multi-country) project;
- ✓ **Funding window for regional projects and programmes** incorporated as a standing part of the Fund's operations to enable adaptation projects across borders;
- ✓ **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, and the Adaptation Fund is contributing to the objectives of the Agreement. Moreover, the decision taken by the first meeting of the Parties to the Paris Agreement (CMA) recognizes that the AF should formally serve the Agreement. Subsequent steps needed to serve the Agreement will be taken by COP24. 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\$ 197 million through carbon markets – a system that is fully operational.

The Paris Agreement promotes human rights by acknowledging climate change should be addressed in a way that respects vulnerable populations and gender equality. The AF 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, something that has been specifically acknowledged, among others, by the United Nations Special Rapporteur on human rights and the environment. It further streamlined equal access across all Fund programmes and resources among women and men in March 2016 by approving a gender policy and action plan.

**LONG-TERM CLIMATE FINANCE ROADMAP**

- Established in COP21 Paris Agreement
- COP22: Adaptation Fund should serve the Agreement
- COP24: Subsequent decisions to be taken in 2018



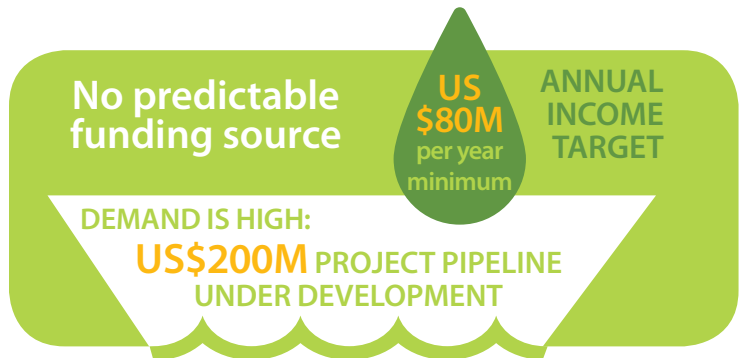
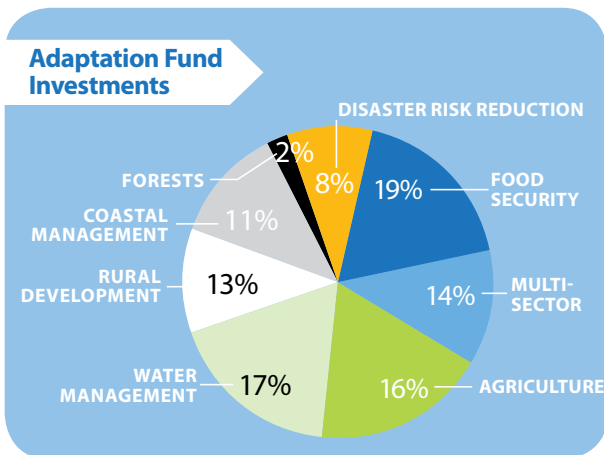
# Briefing Note

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

The AF has transferred about 50 per cent of total committed funds to recipient countries. In total, US\$ 418 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 65 countries with the majority of projects now in the implementation stage (see Annex II).



Currently 43 implementing entities are accredited to the AF of which 25 are National Implementing Entities in Africa, Latin America and the Caribbean, and Asia-Pacific that have direct access to adaptation financing. So far, 21 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 seven years implementing direct access to climate finance.

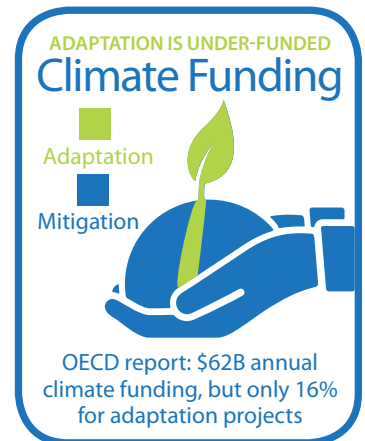


## An opportunity to channel finance to effective adaptation to climate change

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 programmes 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 funding window for regional projects and programmes 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 had a record number of funding approvals for a total amount of US\$ 60.3 million in March 2017 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.





## 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 25 national implementing entities, of which ten (40 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	Indonesia: Partnership for Governance Reform (Kemitraan)
Argentina: Unidad para el Cambio Rural (UCAR)	Jamaica: Planning Institute of Jamaica (PIOJ)
Armenia: Environmental Project Implementation Unit (EPIU)	Jordan: Ministry of Planning and Int. Cooperation (MOPIC)
Belize: Protected Areas Conservation Trust (PACT)	Kenya: National Environment Management Authority (NEMA)
Benin: Fond National pour l'Environnement et le Climat (FNEC)	Mexico: Mexican Institute of Water Technology (IMTA)
Chile: International Cooperation Agency (AGCI)	Morocco: Agency for Agricultural Development (ADA)
Cook Islands: Ministry of Finance and Economic Management (MFEM)	Namibia: Desert Research Foundation (DRFN)
Costa Rica: Fundecooperación	Panama: Fundación Natura
Dominican Republic: Dominican Institute of Integral Dev. (IDDI)	Peru: Trust Fund for Nat'l Parks and Protected Areas (PROFONANPE)
Ethiopia: Ministry of Finance and Economic Dev. (MOFED)	Rwanda: Ministry of Natural Resources (MINIRENA)
Fed. States of Micronesia: Micronesia Conservation Trust (MCT)	Senegal: Centre de Suivi Ecologique (CSE)
India: National Bank for Agriculture & Rural Dev. (NABARD)	South Africa: National Biodiversity Institute (SANBI)
	Uruguay: Agencia Nacional de Investigacion e Innovacion (ANII)

## Regional Implementing Entities (RIEs)

Caribbean Development Bank (CDB)	Observatoire du Sahara et du Sahel (OSS)
Central American Bank for Economic Integration (CABEI)	Secretariat of the Pacific Regional Environment Programme (SPREP)
Corporación Andina de Fomento (CAF)	West African Development Bank (BOAD)

## Multilateral Implementing Entities (MIEs)

African Development Bank (AfDB)	United Nations Educational, Scientific and Cultural Organization (UNESCO)
Asian Development Bank (ADB)	United Nations Development Programme (UNDP)
International Fund for Agricultural Development (IFAD)	United Nations World Food Programme (WFP)
Inter-American Development Bank (IDB)	UN-Habitat
European Bank for Reconstruction and Development (EBRD)	World Bank
United Nations Environment Programme (UNEP)	World Meteorological Organization (WMO)



## ADAPTATION FUND

### Annex II:

## Projects, programmes and readiness grants approved for funding from the Adaptation Fund, as of 17 March 2017

### Project, programmes, project formulation grants (PFG), and readiness 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 (including PFG)	ABED	10,000,000
Antigua and Barbuda	Environmental and social and gender policy technical assistance grant	ABED	25,000
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
Burundi	Accreditation support project	CSE	50,000
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
Costa Rica	Gender policy technical assistance grant	Fundecooperación	10,000
Dominican Republic	Enhancing climate resilience in San Cristobal Province, Dominican Republic Integrated Water Resources Management and Rural Development Programme	IDDI	30,000
Ethiopia	Climate Smart Integrated Rural Development Project	MOFEC	9,987,910
Federated States of Micronesia	Environmental and social policy technical assistance grant	MCT	20,000
Federated States of Micronesia	Practical Solutions for Reducing Community Vulnerability to Climate Change in the Federated States of Micronesia (PFG)	MCT	30,000
Federated States of Micronesia	Gender policy technical assistance grant	MCT	10,000
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

## Project, programmes, project formulation grants (PFG), and readiness grants approved for funding from the Adaptation Fund

COUNTRY	PROJECT TITLE	AGENCY	BUDGET (US\$)
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Implemented by National Implementing Entities

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
India	Environmental and social and gender policy technical assistance grant	NABARD	25,000
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
Kenya	Environmental and social and gender policy technical assistance grant	NEMA	25,000
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
Namibia	Pilot Desalination Plant with Renewable Power and Membrane Technology (PFG)	DRFN	30,000
Namibia	Environmental and social and gender policy technical assistance grant	DRFN	20,000
Niger	Accreditation support project	CSE	47,449
Panama	Adapting to climate change through integrated water management in Panama (including PFG)	Fundación Natura	9,977,559
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
Peru	Environmental and social and gender policy technical assistance grant	PROFONANPE	25,000
Rwanda	Reducing Vulnerability to Climate Change in North West Rwanda through Community Based Adaptation (including PFG)	MINIRENA	9,999,619
Rwanda	Environmental and social and gender policy technical assistance grant	MINIRENA	25,000
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
Senegal	Gender policy technical assistance grant	CSE	10,000
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
Togo	Accreditation support project	CSE	50,000
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>151,396,117</b>

## Project, programmes, project formulation grants (PFG), and readiness grants approved for funding from the Adaptation Fund

COUNTRY	PROJECT TITLE	AGENCY	BUDGET (US\$)
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### 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
Federated States of Micronesia	Enhancing the climate change resilience of vulnerable island communities in Federated States of Micronesia	SPREP	9,000,000
Peru	AYNINACUY: Strengthening the livelihoods for vulnerable highland communities in the provinces of Arequipa, Caylloma, Condesuyos, Castilla and La Union in the Region of Arequipa Peru	CAF	2,941,446
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>29,703,446</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
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
Honduras	Ecosystem- Based Adaptation at Communities of the Central Forest Corridor in Tegucigalpa	UNDP	4,379,700
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



## Project, programmes, project formulation grants (PFG), and readiness grants approved for funding from the Adaptation Fund

COUNTRY	PROJECT TITLE	AGENCY	BUDGET (US\$)
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Implemented by Multilateral Implementing Entities

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
Paraguay	Ecosystem Based Approaches for Reducing the Vulnerability of Food Security to the Impacts of Climate Change in the Chaco region of Paraguay	UNEP	7,128,450
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 (Ethiopia, Kenya, Uganda)	Agricultural Climate Resilience Enhancement Initiative (ACREI)	WMO	6,800,000
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
Regional (The Comoros, Madagascar, Malawi and Mozambique)	Building Urban Climate Resilience in South eastern Africa (PFG)	UN-Habitat	80,000
Samoa	Enhancing Resilience of Samoa's Coastal Communities to Climate Change	UNDP	8,732,351
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>236,964,603</b>
<b>Total, all</b>			<b>418,064,166</b>