

# Adaptation Fund: Finance opportunities for advancing Global Goal on Adaptation



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# Mandate – Mission – Strategic Priorities

## MANDATE

Finance concrete adaptation projects and programmes that are country driven and based on the needs, views and priorities of developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting the cost of adaptation

## MISSION

The Adaptation Fund serves the Paris Agreement by accelerating effective adaptation action and efficient access to finance, including through direct access, to respond to the urgent needs and priorities of developing countries. The Fund does so by supporting country-driven adaptation projects and programmes, innovation, and learning with concrete results at the local level that can be scaled up.



# Concrete and tangible results on the ground

OVER **US\$ 1 Billion** committed **164** PROJECTS: **26** SIDS **48** LDCs

**48% of total portfolio in SIDS and LDCs**

**43 Million** TOTAL BENEFICIARIES

**1.38 Million** PEOPLE TRAINED IN CLIMATE RESILIENCE MEASURES

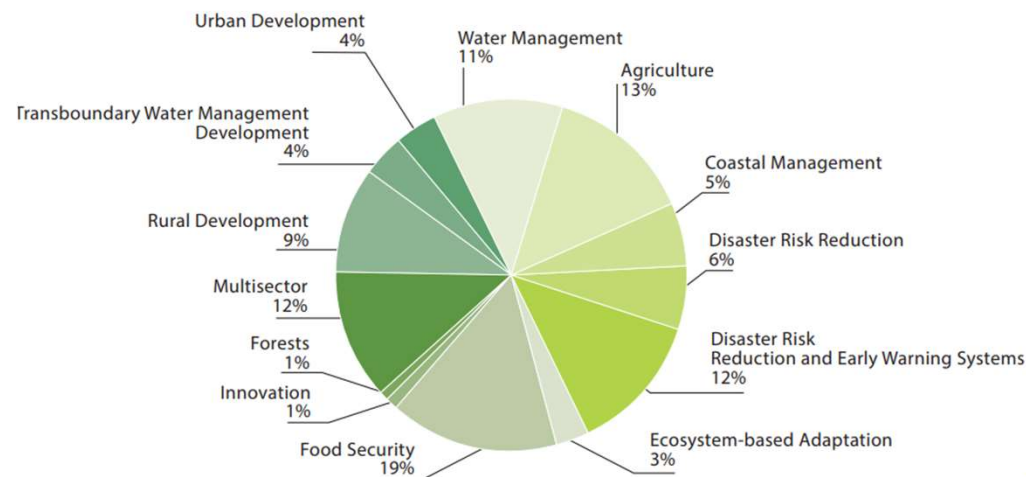
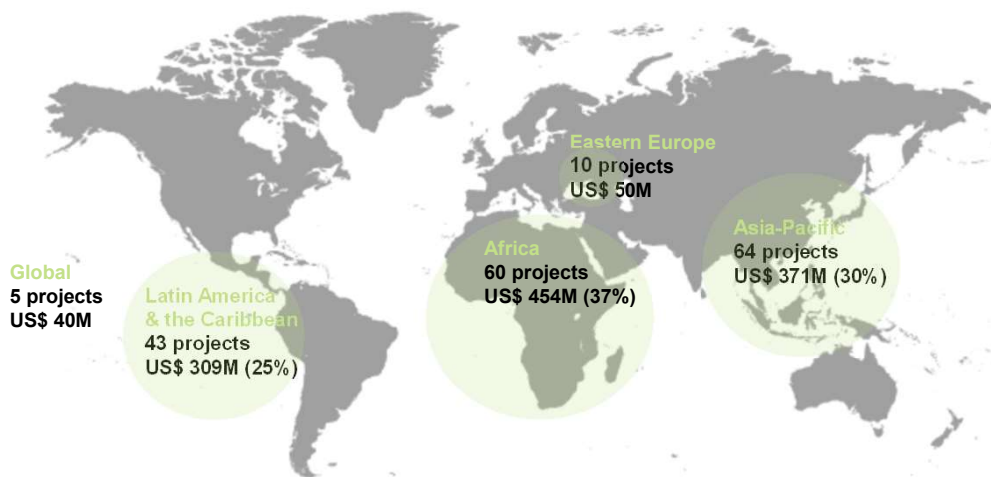
**526** EARLY WARNING SYSTEMS

**163,775** METERS COASTLINE PROTECTED

**635,296** HECTARES NATURAL HABITAT RESTORED/PRESERVED



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# What is available for eligible Parties



**Concrete adaptation activities in the most vulnerable communities**

visible and tangible impacts at the local level that can be scaled up



**No prescribed sectors or approaches**

country-driven process that accommodates countries' priorities and adaptation reasoning



**Country allocation USD 20 million available per country & up to 2 NIEs per country**

For single country projects, other grants available outside of country cap.

(Must access at least 8M or have a project completed more than 4 years to access second US 10M.)



**Finance the full cost of adaptation**

No co-financing requirements



**50% of portfolio for Direct Access**

Total allocation for projects/programmes submitted by MIEs cannot exceed 50% of resources



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# Available Funding Windows

ACTION	INNOVATION	LEARNING & SHARING
<p>Single country projects (up to \$10M) within cap of \$20M per country +Project Formulation Grants (PFG)</p>	<p>Small grants (up to \$250K)</p>	<p>Learning grants (up to \$500K)</p>
<p>NIEs, RIEs, MIEs</p>	<p>NIEs</p>	<p>NIEs</p>
<p>Regional projects (multi-country) Up to \$14M +PFG</p>	<p>Small grants (up to \$250K) in innovation for non- accredited entities through AFCIA</p>	
<p>RIEs, MIEs</p>	<p>Current AFCIA Partners: UNDP, UNEP-CTCN, UNIDO, WFP</p>	
<p><b>Locally-led Adaptation (LLA)</b> (formerly Enhanced Direct Access - EDA) Up to \$5M per country +PFG</p>	<p><b>Large grants (up to \$5M)</b></p>	
<p>NIEs, RIEs, MIEs</p>	<p>Single country (NIE, RIE, MIE) or Regional (RIE, MIE)</p>	

# Action Funding Windows

Windows	Country Cap	Process <sup>(*1)</sup>	Accredited Implementing Entities (IEs)		
			National IEs	Regional IEs	Multilateral IEs
<b>Single Country</b> (one country) Up to USD 10M per project/program	USD 20M	1 or 2 steps	✓ PFG accessible	✓ PFG accessible	✓ PFG accessible
<b>Regional</b> (2+ countries) Up to USD 14M per project/program		1, 2, or 3 steps		✓ PFG accessible	✓ PFG accessible
<b>Single Country LLA Window</b> <sup>(*2)</sup> Up to USD 5M per programme			✓ PFG accessible	✓ PFG accessible	✓ PFG accessible
<b>Project Scale-Up</b> <sup>(*3)</sup> Up to USD 100K per project/program			✓ No PFG		

(\*1) 1 step: Full Proposal, 2 steps: Concept → Full Proposal, 3 steps: Pre-Concept → Concept → Full Proposal

(\*2) Supports bottom-up approaches through local knowledge and locally-led action. Project selection occurs at the national and sub-national level

(\*3) Supports planning, design and overall capacity to develop scale-up pathways for AF funded projects nearing completion on already completed



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# Expanding AFCIA Partners

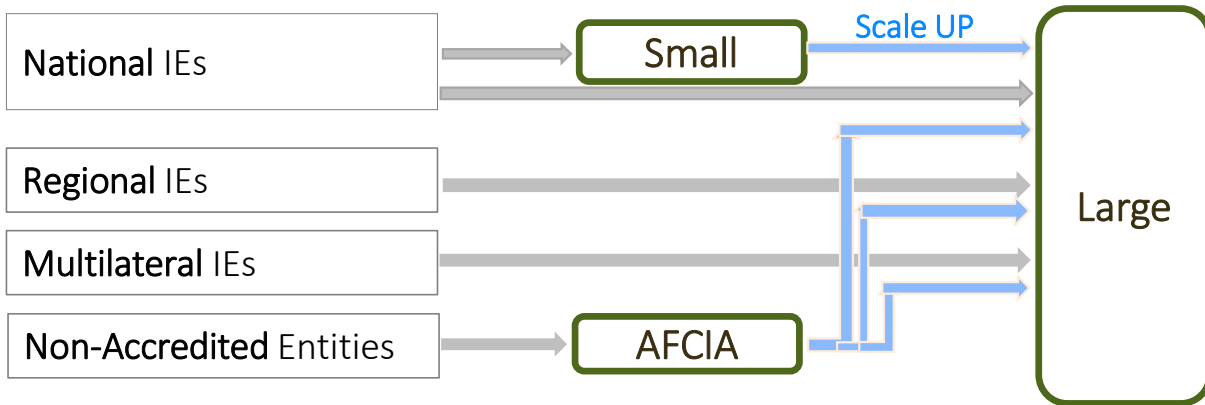
Project Status	Implementing Entities	Amount AF Financed	Current Result / Project Target
Under Implementation	UNDP	\$5M	44 grantees (as of 2023), Two-time calls
	UNEP-CTCN -I	\$5M	25 grantees (as of 2023), Three-time calls
Proposal Approved	UNIDO	\$10M	Support SMEs in developing countries with incubation/acceleration programs and grants, aiming to 80 early-stage and 32 growth-stage SMEs. (2024-2028)
	WFP	\$10M	Support startups in developing countries with acceleration programs and grants, aiming to 16-20 startups each at early and growth stage. (2024-2028)
	UNEP-CTCN -II	\$10M	Target: Non-Annex1 countries. The project includes 1) TA to 40 technologies, 2) Additional TA to scale up, and 3) Further assistance to strengthen NSIs.
Invited to submit proposal	SPC		
	SPREP		
Submitted the proposal	UNEP-CTCN		AF Board invited UNEP-CTCN to submit the AFCIA Coordination Proposal to develop synergy among partners (Oct. 2023)



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# Innovation Funding Windows (outside of country cap)



Examples: Types of Interventions with small and large grants

## Testing New Products/Service

- Introduce new traps for pests management
- Introduce an innovative water-filled barrier for flood and drought
- New financial mechanism tailored to adaptation business

## Co-Creating Solutions

- Digital education for youth
- The distributed generation of drinking water through engagement with academic and private sector



Photo by UNDP



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# Locally-led Adaptation: current and upcoming funding opportunities

## Single country LLA projects

Replacing the existing Enhanced Direct Access window with Single Country LLA Window

Encourage national programming  
Build capacity of national delivery mechanisms  
Enable involvement of subnational and local actors

NIE, RIE, MIE  
Countries can access up to US\$ 5 million per project/programme  
PFG set for a maximum of US\$ 150K + US\$ 100K  
Operationalizing LLA Principles

## Global Aggregator

EOI to be issued in the coming months

Enable access to non-accredited entities  
Coordinate capacity development (tools, marketplace, networks)  
Support to build in-country programming

RIE, MIE  
Secretariat to issue Expressions of Interest (EOI)  
Provisional size of the aggregator US\$ 35 million

## Regional LLA projects (3+ countries)

Strengthen regional delivery mechanism(s)  
Deliver tailored capacity building & Learning Hubs  
Leveraging synergies based on regional similarities  
Address transboundary needs

Details of this funding window, including the size of the grant, size of PFG and specific criteria for review of regional LLA projects for consideration by the Board at its AFB44 (Spring 2025)



# LLA Funding Windows (outside of country cap)

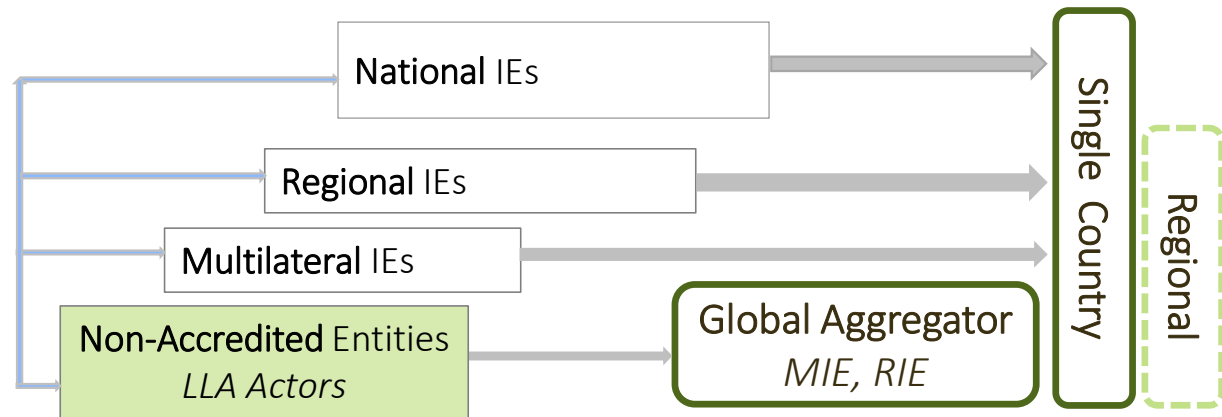


Photo by UNDP

**Direct support to non-accredited actors**

- Small grants made available to local actors
- Tailored to local needs and capacities
- Devolving finance to the grassroots levels

**Enabling LLA support**

- Strengthening country systems for LLA delivery
- Developing regional delivery systems based on regional synergies as well as for addressing transboundary issues




# Thank You



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