



Adaptation Fund at a critical juncture: Achievements and challenges with dwindling resources

> Marcia Levaggi & Daouda Ndiaye, Adaptation Fund Board secretariat Doha, 30 November 2012

# History





1997: Origins under the Kyoto Protocol

**2001:** Fund concept and financing further defined

**2007:** Adaptation Fund established (Board, trustee, secretariat)

2008-09: Development of operational procedures

**2010:** First NIE/MIE accredited and grants awarded

### Achievements

The Adaptation Fund has demonstrated that its novel features are an effective framework for channeling funds for concrete adaptation projects in developing countries:

**Direct access** 

Country-drivenness and use of country systems

**Expedited decision-making** 

Enhanced transparency

Performance-based disbursements, and use of results-based management

Involvement of civil society at various levels

# **Direct Access**

### **BENEFITS & LESSONS LEARNED**

- Empower developing countries to manage their own funds
- Recognize the potential of strong institutions in developing countries
- Improved institutional and operational policies and procedures through the accreditation process



### **Country Ownership and Accommodation** of Diverse Circumstances

- Alignment with countries' adaptation and sustainable development strategies and policies
- Proper consultation process involving all relevant stakeholders, particularly local communities and vulnerable groups such as women
- Country's own national technical standards, including own systems for impact assessment



### Gender

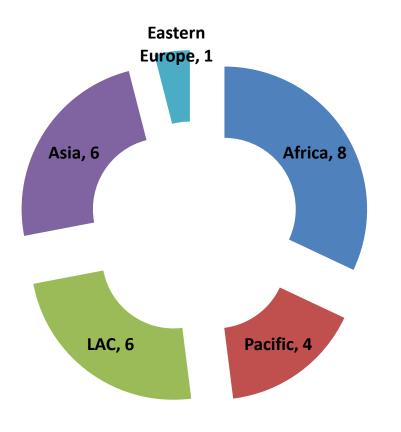


All proposals demonstrate how gender considerations were taken into account in their design and indicators tracked during project implementation



# Swift decision making process: 25 projects approved in 2 years

### Regions of Funded Projects/Programmes as of June 2012



### Africa

- Senegal
- Eritrea
- Madagascar
- Mauritius
- Tanzania
- Egypt
- Mauritania
- Djibouti

### Asia

- Maldives
- Mongolia
- Pakistan
- Turkmenistan
- Lebanon
- Cambodia

### Latin America and Caribbean

- Uruguay
- Ecuador
- Honduras
- Nicaragua
- Colombia
- Jamaica

### Pacific

- Cook Islands
- Papua New Guinea
- Samoa
- Solomon Islands

### Eastern Europe

Georgia



Also: 11 endorsed project concepts

# Efficiency



### **ACCREDITATION**

- 14 National Implementing Entities
- 1 Regional Implementing Entity
- 10 Multilateral Implementing Entities



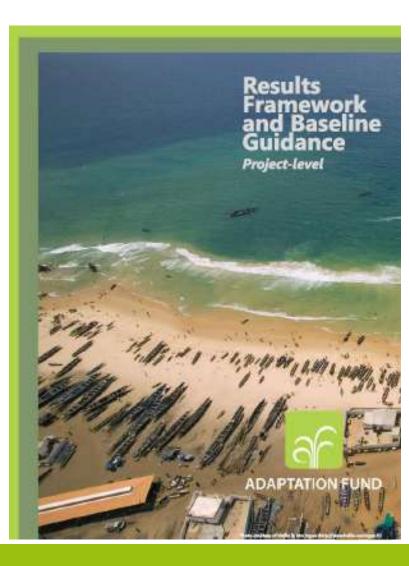
# Transparency



Aid Transparency Index 2012: First among the climate finance institutions assessed

# **Focus on results**

- AF Results Framework;
- Fund level results cover eight broad areas of climate change adaptation;
- Annual, project-level performance-based disbursement;
- Learning missions, to assess progress and disseminate lessons.



# **Involvement of civil society**

#### **Country Partners**

The AF NGO network has obtained some limited resources to assist NGOs in developing countries in following the AF operations within their countries. Priority will however be given to direct access countries. So far the network works with the following partners:

- Enda TM, Senegal www.enda.sn
- Panos Caribbean, Jamaica www.panoscaribbean.org
- Fundación Vida, Honduras www.fundacionvida.org
- OFEDI, Benin

#### How to become a member of the AF NGO Network

Basically the AF NGO Network is open to any NGO or stakeholder interested in the AF or the Network. To become a member of the AF Network, please fill in the membership form:

#### www.germanwatch.org/afn-member

The membership is free of charge. However, it is recommended to have an adaptation or adaptation finance background, so that you can benefit from the Network. Being part of the Network, it is expected that each member organisation is willing to contribute to the activities of the Network as well as to act as an ambassador of the Network, at the local, national and/or regional level as well as to the AF.



Jamaica: Local community and partners replant mangroves in one of the project areas.

#### Contacts

Alpha Oumar Kaloga Policy Officer - Adaptation to Climate Change International Climate Policy Team Kaloga@germanwatch.org

Sven Harmeling Team Leader International Climate Policy Harmeling@germanwatch.org

The AF NGO Network:

www.af-network.org

Other documents of Germanwatch on AF www.germanwatch.org/klima/af

Facebook: AF NGO Network



At the 13th meeting of the Adaptation Fund Board in Bonn: Emmanuel Seck, ENDA TM; Sven Harmaling, Garmanwatch; Indy Molymont-Lafeyetta, Panos Caribbean; Isaac Ferreira, Fundación Vida; Alpha Dumar Kaloga, Germanwatch (from left to right).

### Adaptation Fund NGO Network

Supporting the most vulnerable to climate change





This project is part of the International Climate Initiative.

The Federal Ministry for the Environment, Nature Conservation and Nuclear Safety supports this initiative on the basis of a decision adopted by the German Bundestag

Federal Ministry for the Environment, Nature Conservation and Nuclear Safety



#### Being part of the network!

# **Emerging Challenges**

<u>Status of resources</u>: Current availability of funding is US \$120 million

<u>Level of need</u>: The 50-percent cap on multilateral implementing entities (MIEs) is likely to be reached at the next Board meeting and a pipeline of projects submitted by MIEs will be established. Approximately 10-15 proposals submitted at each Board meeting.

Supporting innovative, tried, and tested approaches to adaptation: Funding needed to contribute to the evolving area of adaptation

Uncertainties of future climate finance architecture



## **Status of Resources**

Donations	USD 119.5
+ CER Monetization proceeds	USD 187.3
TOTAL (Approx):	USD 308.5

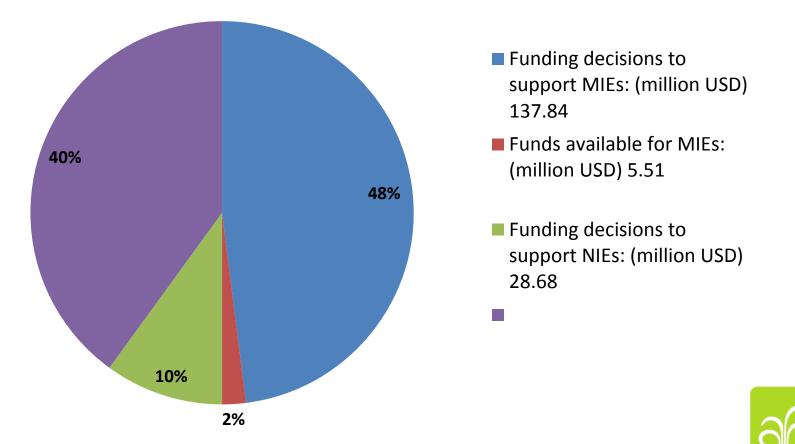
Funds available to support funding decisions: USD 120.2

Projected Project Funding Needs (through 2013) TOTAL: USD 331 million (includes estimation of new countries seeking funding at 10M cap and demand from new NIEs) Notes: As of end of October 2012



# **50-Percent Cap on MIEs**

Committed and available funds for projects in the Adaptation Fund as of October 30, 2012



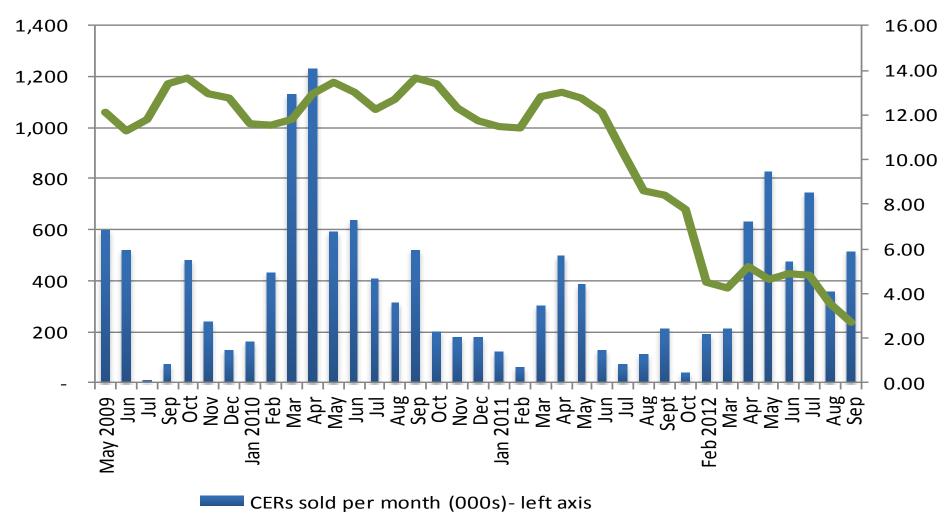
### **Funds for Multilateral Implementing Entities almost consumed**

### **Donations**

ADAPTATION FUND	Donations to the Adaptation Fund as of end of April 2012 (in USD)
HE	Finland: \$67,534
	Germany: \$13,883,000
	Japan: \$8,088
	Monaco: \$12,197
	Norway: \$87,700
- <u>8</u>	Spain: \$57,055,000
	Sweden: \$29,162,773
+	Switzerland: \$3,267,461
	United Kingdom: \$15,915,000

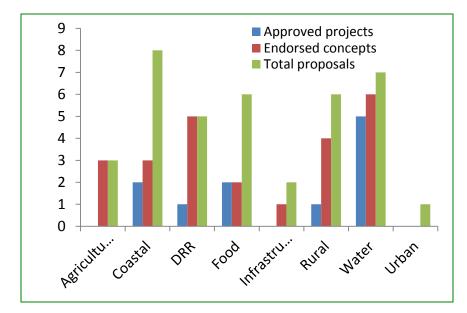


### **CERs** price



Monthly Average Price for CERs Sold (EUR) - right axis

# Supporting innovative, tried, and tested approaches to adaptation



Some examples of Adaptation Fund projects:

- Protecting lives and livelihoods in the coastal zone of Senegal (rising sea level and increasing coastal erosion)
- Combining scientific and traditional knowledge to help smallholders in drought-prone areas of Uruguay (reduced and less predictable rainfall)
- Reducing risks and vulnerabilities from Glacier Lake Outburst Floods in Northern Pakistan (melting glaciers)
- Ensuring reliable and safe freshwater supply for communities in the Maldives (less predictable rainfall and rising sea level)



# **Fundraising Options & Strategies**

- AFB set a USD 100 million fundraising until the end of 2013.
- Concluded a partnership with UNF to facilitate private donations online.
- Intention to work collaboratively with both private and public sector in achieving this goal.
- AFB is exploring innovative options for fundraising tools and strategies.



# **Partnership with UNF**



### HOW TO HELP: ADAPTATION FUND

UNITED NATIONS

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WWW.UNFOUNDATION.ORG > HOW TO HELP > DONATE

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### ADAPTATION FUND





The Adaptation Fund was established to help people in the more than 140 developing countries that are parties to the Kyoto Protocol safeguard or improve their livelihoods when faced with the adverse effects of climate change. Over the past two years, the fund has dedicated US\$165 million to increase climate resilience in 25 countries around the world.

Climate change is increasing the burdens of the poorest people in the world, who are often hardest hit by weather catastrophes,

# Thank You

secretariat@adaptation-fund.org

