



ADAPTATION FUND

Adaptation Fund and its Direct Access Modality

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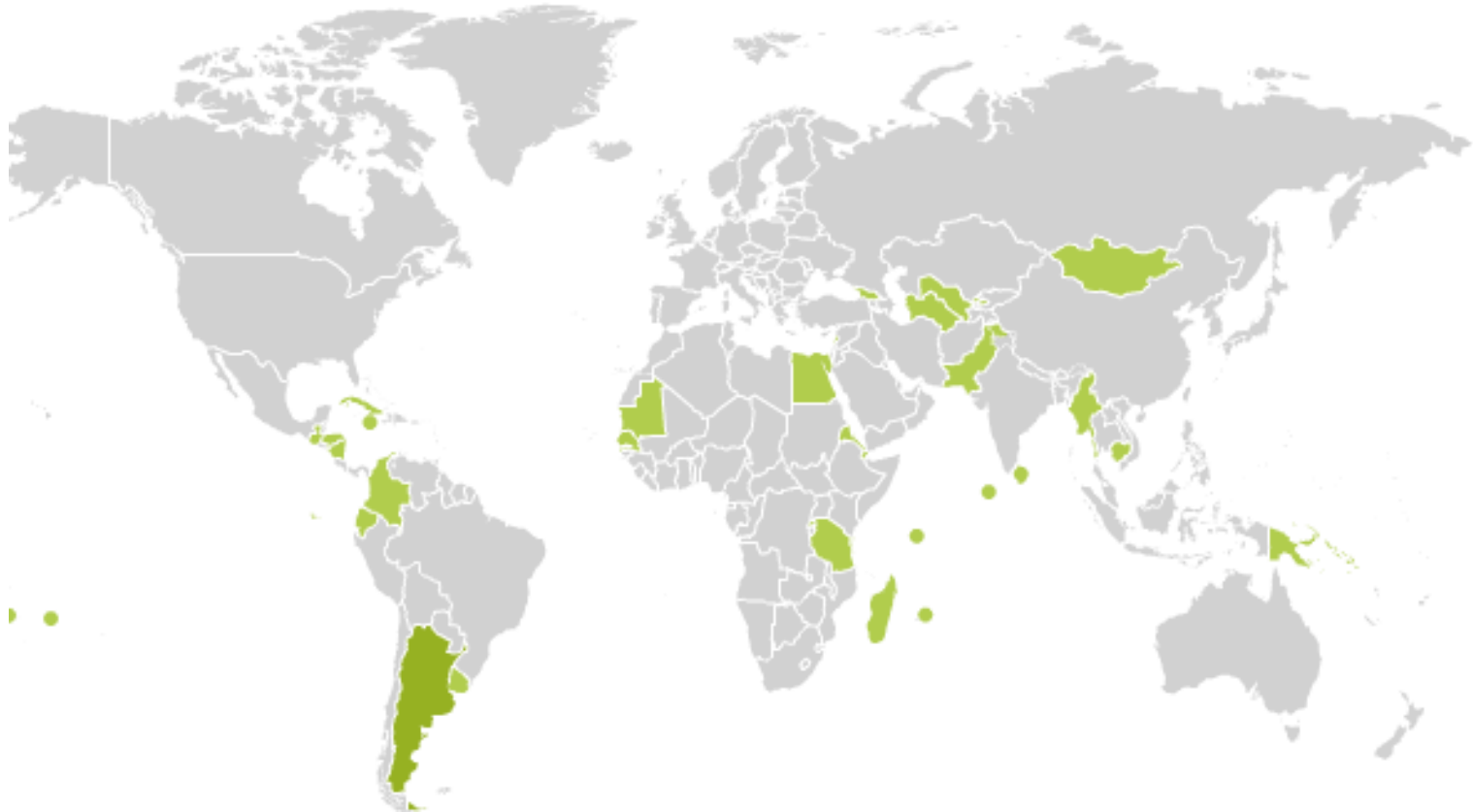
Knowledge Bazaar

CIF Partnership Forum 2014

Montego Bay, 24 June 2014

Since 2010 the Fund has approved US\$ 226 million for 34 adaptation projects in vulnerable developing countries

- 29 implemented by MIEs, 5 by NIEs
 - 5 technically cleared MIE projects: ready to be approved pending funds
 - 15 further NIE projects under development
 - 40% of cash transferred to IEs so far



The Adaptation Fund was established under the Kyoto Protocol of the UNFCCC

- **Goal:**
 - ✓ Increase resilience through **concrete adaptation** projects & programmes
 - ✓ Focus on **most vulnerable countries and communities**
- **Innovative Features:**
 - ✓ Governed by **majority of developing countries**
 - ✓ **Levy on Clean Development Mechanism proceeds** & other sources of funding
 - ✓ **Direct access**



Direct Access is a groundbreaking modality that gives national entities full control over implementation

- Puts into practice principles of Paris Declaration on Aid Effectiveness :
 - **Ownership**
 - **Harmonization**
 - **Alignment**
 - **Mutual accountability**
 - **Results**
- Allows developing countries to **access adaptation finance directly** without intermediaries.
- Prepares countries for accessing other funds directly (including Green Climate Fund).



CMP set strict **fiduciary standards** that are internationally recognized:

- Financial integrity and management
- Institutional capacity
- Transparency and self-investigative powers



Direct access

BY THE NUMBERS

IN 4 YEARS:

16 NATIONAL
IMPLEMENTING
ENTITIES

18 FINANCING
PROPOSALS
SUBMITTED

\$44,549,397
COMMITTED TO NIES

1/3

OF NIES ARE
IN LEAST
DEVELOPED
COUNTRIES
(LDCS) AND
SMALL
ISLAND
DEVELOPING
STATES (SIDS)

9

ENDORSED
NIE
CONCEPTS
IN 6
COUNTRIES

5

APPROVED
PROJECTS IN
5 COUNTRIES

FULLY-DEVELOPED
PENDING PROPOSALS

4

1

PENDING
CONCEPT



Direct Access gives countries a new opportunity to take full responsibility over implementation of their own adaptation priorities

- National Implementing Entities (NIEs) take on **full responsibility** for fiduciary risk management and project/programme supervision (without multilateral intermediaries)
- Builds upstream capacity building through process of “**learning by doing**”
- Reduced lag time from approval to project implementation - **NIEs generally faster than MIEs**
- Adaptation Fund Board has **reserved 50 per cent of all resources for NIEs**
- **One third of NIEs** are from Least Developed Countries (LDCs) or Small Island Developing States (SIDs)

Direct access is proving that national entities can successfully implement projects/programmes

At the national level:

- Funds and projects directly managed by countries
- Elevates issues relating to climate change and adaptation to the national level
- Improves intragovernmental collaboration and amplifies stakeholder voices



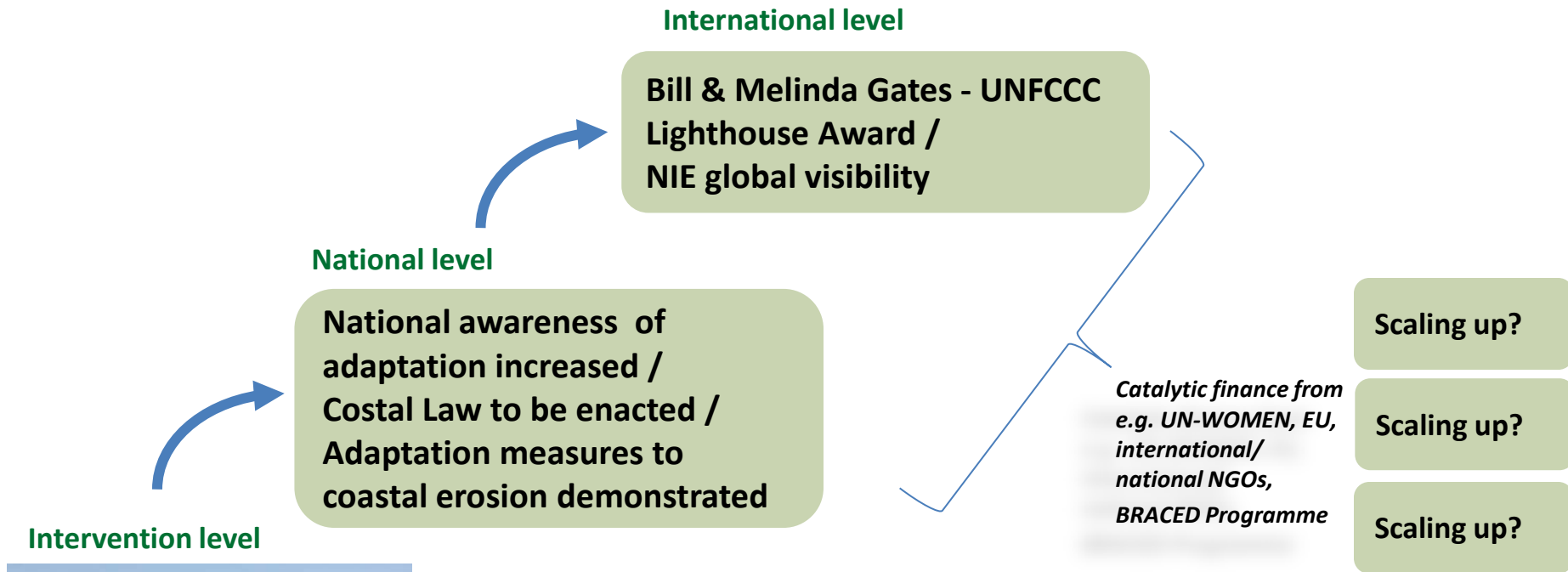
At the institutional level:

Applicants

- Improve understanding of fiduciary standards
- Identify areas to bolster financial management and accountability
- Shift from following others' rules to having their own rules
- Improve governance by instituting policies against fraud and corruption



The case of Senegal suggests that Direct Access elevates adaptation from intervention-level to national planning at scale, and attracts more funding



THE LEGACY: Strong national institutions that can plan effective adaptation and channel more funds

http://unfccc.int/secretariat/momentum_for_change/items/7093.php



South-South cooperation grants program

- Countries without an NIE may apply for a grant to receive support from an existing NIE
- Support in one or more of the following:
 - identifying potential NIE candidates;
 - assisting NIE candidates in the preparation of applications to be submitted to the Fund;
 - providing support and advice during the application process.
- Selected supporting NIEs:
 - ANII, CSE, MINIRENA, PIOJ, UCAR



Thank you!



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