



# ADAPTATION FUND

## **Adaptation Fund Progress to date and experience with linking adaptation and mitigation**

**Mamadou Honadia  
Chair, Adaptation Fund Board**

Fifth workshop on adaptation to climate change in transboundary basins

Geneva, 14-15 October 2014

# Outline of Presentation

---

- **Overview of the Adaptation Fund**
- Progress to date
- Adaptation and mitigation in AF projects
- Africa views on mitigation versus adaptation



# The Adaptation Fund is one of several international funds in the multilateral climate finance landscape



*Under UNFCCC:*  
Least Developed Countries Fund (LDCF)  
Special Climate Change Fund (SCCF)

(operational)  
**2002** \$ 879.9 M  
**2004** \$ 333.1 M



WORLD BANK

*Outside of the UNFCCC process:*  
Pilot Program on Climate Resilience

**2008** \$ 1.3 B



ADAPTATION FUND

*Under the Kyoto Protocol of UNFCCC:*  
Adaptation Fund

**2009** \$ 417.8 M

**Green  
Climate  
Fund**

*Under the UNFCCC:*  
Green Climate Fund

**2014 (?)** \$ 54.9 M



# 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** alongside conventional access through international orgs



# There are 3 modalities that developing countries can use to access Adaptation Fund resources

## Direct Access

Parties submit proposals directly through an **accredited National Implementing Entity (NIE)**.

16 NIEs accredited

## Regional Access

Parties submit proposals through **accredited Regional and sub-regional Entities (RIEs)**.

4 RIE accredited

## Multilateral Access

Parties submit proposals through an **accredited Multilateral Implementing Entity (MIE)**.

11 MIEs accredited



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

- Allows developing countries to **access adaptation finance directly** without intermediaries.
- Puts into practice principles of Paris Declaration on Aid Effectiveness :
  - **Ownership**
  - **Harmonization**
  - **Alignment**
  - **Mutual accountability**
  - **Results based**
- 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

2013: Environmental and Social Policy



# Outline of Presentation

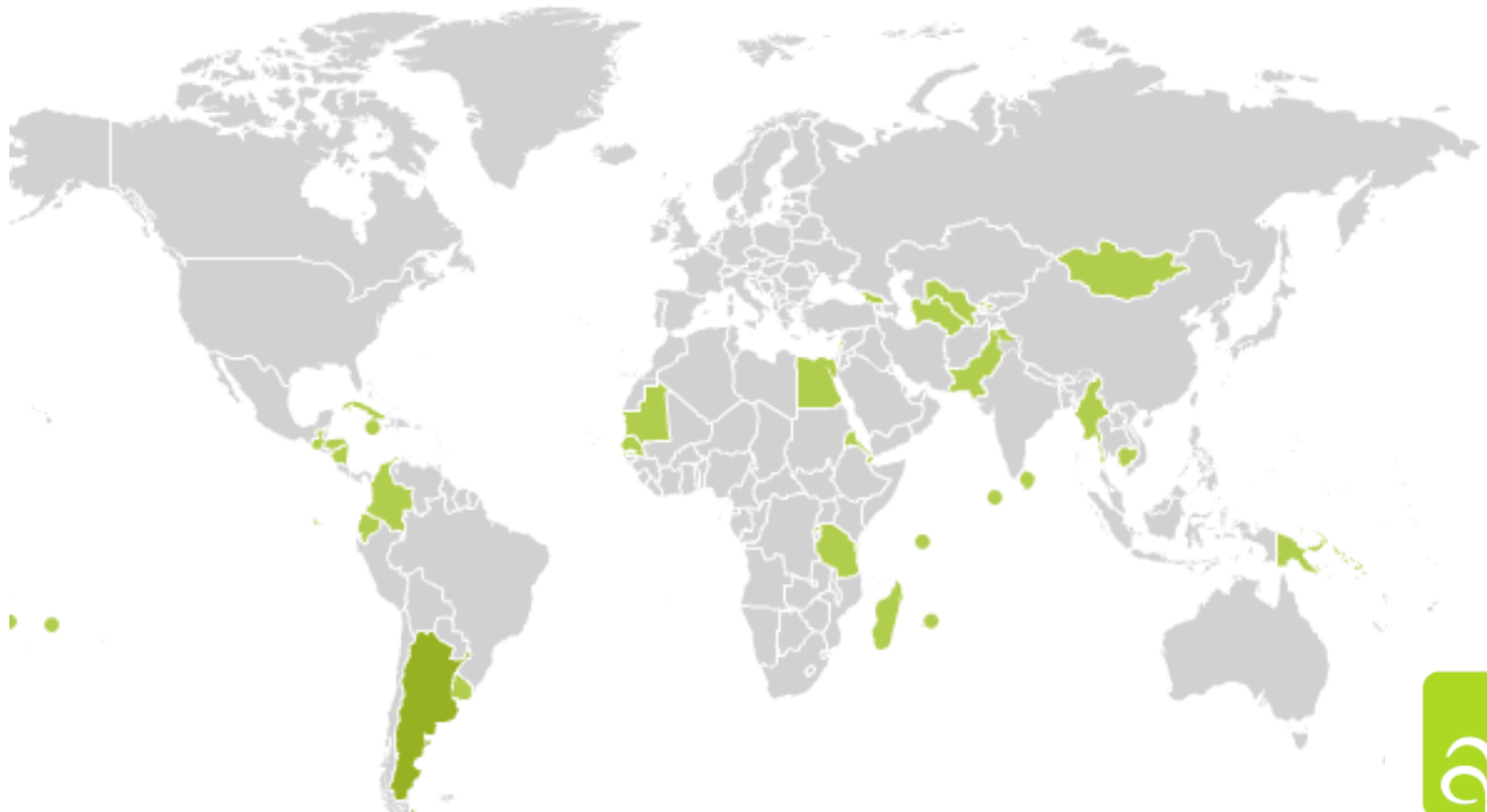
---

- Overview of Climate Finance and the Adaptation Fund
- **Progress to date**
- Adaptation and mitigation in AF projects
- Africa views on mitigation versus adaptation



# Since 2010 the Fund has approved US\$ 232 million for 35 adaptation projects in vulnerable developing countries

- 30 implemented by MIEs, 5 by NIEs
  - 4 technically cleared MIE projects: ready to be approved pending funds
  - 15 further NIE projects under development



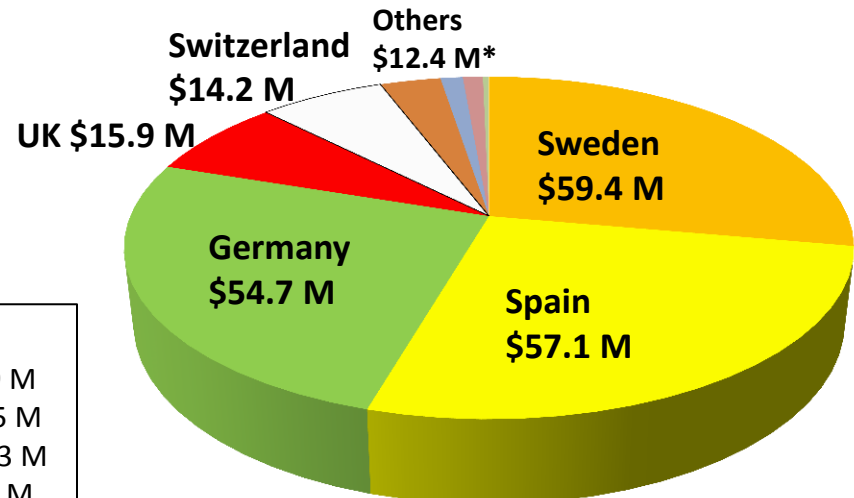
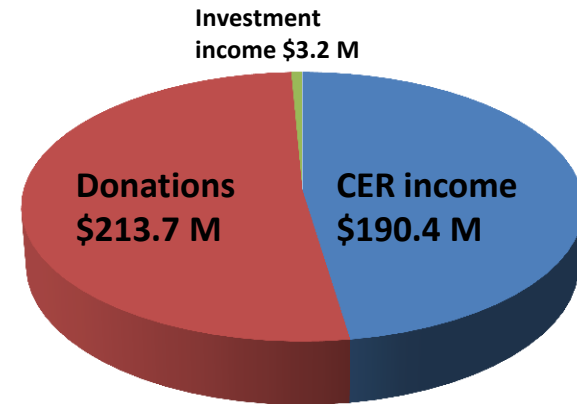
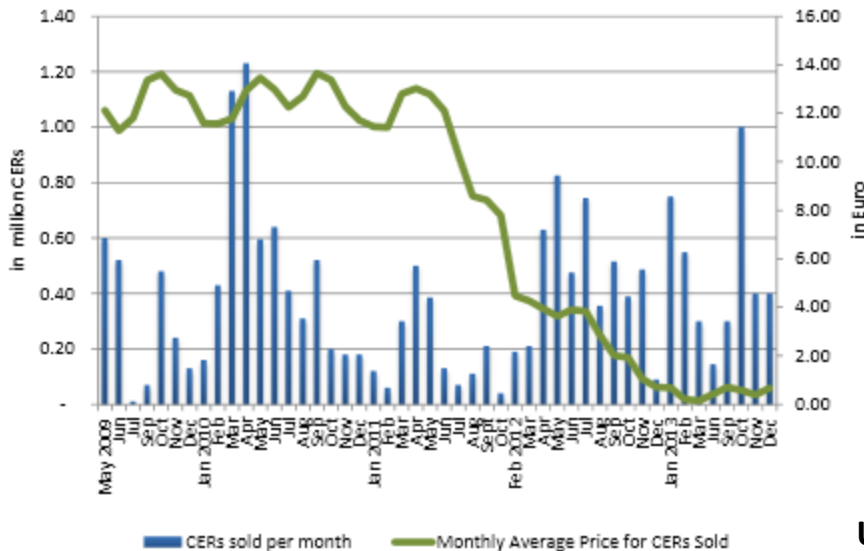


# The Fund's main revenue source is CER sales but the collapse of carbon markets means new resources are urgently needed

**CER prices have collapsed**



**Donations now main source of funds**



\*Others:  
 Finland \$6.9 M  
 Norway \$2.5 M  
 Brussels \$2.3 M  
 Austria \$0.7 M



# Outline of Presentation

---

- Overview of Climate Finance and the Adaptation Fund
- Progress to date
- **Adaptation and mitigation in AF projects**
- Africa views on mitigation versus adaptation



# Mitigation is an important AF co-benefit but opportunities are limited by mandate and scale

- AF finances projects/programmes whose principal and explicit aim is to **adapt and increase climate resilience then, pure mitigation projects without strong adaptation rationale not eligible;**
- Project criteria: explain economic, social and **environmental co-benefits**
  - Several projects lead to reduction in emissions, or carbon sequestration
- Environmental and Social Policy of the AF (2013): 15 principles
  - Principle 11, Climate Change: *“Projects/programmes supported by the Fund shall not result in any significant or unjustified increase in greenhouse gas emissions or other drivers of climate change”*



# Examples of mitigation in AF projects

- **Senegal (CSE, USD 8,619,000)**
  - Coastal adaptation project protects shoreline, promotes sustainable livelihoods, reduces environmental degradation
  - First direct access project: 2011-14
  - Implemented by Centre de Suivi Ecologique
  - Fuel-efficient ovens for fish processing benefit 100 female fish sellers and reduce need for fuel wood



# Examples of mitigation in AF projects

- **Mauritania (WFP, USD 7,803,605)**
  - Enhance resilience of vulnerable communities to the effects of climate change on food security
  - Planting 1,000 - 1,500 ha of community fuel wood forests
  - 300,000 trees for revenue and food
  - 30,000 fuel-efficient stoves
    - save up to 50 per cent of fuel wood
    - maintenance training



Propagating Plants to Prevent Dune Erosion

Water-Efficient Plant Nursery



# Outline of Presentation

---

- Overview of Climate Finance and the Adaptation Fund
- Progress to date
- Adaptation and mitigation in AF projects
- **Africa views on mitigation versus adaptation**



## Africa views

---

- Since Marrakech in 2001 a delineation of the scope and priority has been made between Annex I and Non-Annex I country Parties:
  - Annex I: The top priority is **Mitigation** to reduce the adverse effects of climate change
  - Non-Annex I: Argued that the paramount of priority in UNFCCC processes is **Adaptation**. Regions and vulnerable communities are suffering and dying due to adverse impacts of climate change, therefore they must adapt first as an urgent survival action to undertake.



# Build Trust

- **The Copenhagen Conference:**

- **Prompt start:** 30 Billion US \$ between 2010 and 2012 didn't meet the expectation of non Ann I Parties. Worst; almost all developed countries that have brought financial contribution have privileged mitigation with more than 70% of the allocation,
- **Long term Finance and the GCF:** 100 Billion US \$ were agreed by 2020; but new developments around this pledge (private involvement, loans, delays in the disbursement of money) are subjects to polemic and lack of confidence
- **NAMAs:** actually is a condition for developed countries to rise their ambitions of GHG reduction/QELROs





## UNEP analysis

- In the high-emission scenarios for 4°C, costs are estimated at about USD 45-70 billion per year by the 2040s, while the estimate for a 2°C pathway amount to \$35 billion per year by the 2040s. **The difference in these estimates clearly highlights the key role played by mitigation in reducing the costs for adaptation in Africa**
- **====→ We therefore fully understand that investing in mitigation we may reduce the impacts of climate change and the cost of adaptation. But in LDCs what to mitigate the emissions are too low?**



# CONCLUSION

- The survival of the Adaptation fund is crucial for developing countries in terms of sustainability and adequacy. As a channel for GCF to address adaptation window, the Adaptation Fund would play a significant role in the global climate finance scheme.
- **Adaptation and mitigation** are very linked but it's a matter of sequencing and the will to start at one point in order to reach the expectation of billion of people suffering.
- Any other delay will have grave implication in LDCs especially.



# Thank you!



Mamadou Honadia  
[www.adaptation-fund.org](http://www.adaptation-fund.org)  
[afbsec@adaptation-fund.org](mailto:afbsec@adaptation-fund.org)



**adaptationfund**



**@adaptationfund**

