



ADAPTATION FUND

**Potential Linkages: Adaptation Fund &
Green Climate Fund**

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Assist developing countries that are particularly vulnerable to the adverse effects of climate change in meeting the costs of concrete adaptation projects



2008-2009

**AFB
Est.**



**March 2010
1st
Accreditations**



**January 2010
AP
Est.**



**September 2010
1st projects
approved**





Innovative Features

- ✓ Governed by majority of developing countries
- ✓ Levy on Clean Development Mechanism proceeds
- ✓ Direct access

Benefits for GCF of Adaptation Fund

- ✓ Fully Operational
- ✓ Lean Admin/
Experienced staff
- ✓ Smaller Projects in
Highly Localized
Context
- ✓ Investment (Time &
Money) with NIEs
- ✓ Community of
Practice Built for NIEs



**OPTION: MOU OR LEGAL
AGREEMENT**

Areas for Complementarity

- ✓ Accreditation
- ✓ Readiness
- ✓ Results
- ✓ Project/ Programme
Pipeline

Legal Agreement or MOU

- ✓ Provide Predictable Funding
- ✓ Increase Coherence AF-GCF
- ✓ Tailored terms of reference
- ✓ Broader than project finance



OPTION: ACCREDITATION

Basic Fiduciary Standards

- ✓ Key administrative and financial capacities
- ✓ Transparency and accountability

Specialized Standard

- ✓ Grant Award and/or
Funding Allocation
Mechanisms

Environmental and Social Safeguards (ESS): Policy-level

- Performance Standard (PS) 1: Assessment & Management of relevant PS1-8 environ. and social risk & impacts through ESMS
- Project level:
 - PS2: Labor and working conditions
 - PS3: Resource efficiency and pollution prevention
 - PS4: Community health, safety & security
 - PS5: Land acquisition & involuntary resettlement
 - PS6: Biodiversity conservation & sustainable management of living natural resources
 - PS7: Indigenous peoples
 - PS8: Cultural heritage

Key Administrative & Financial Capacities

- ✓ General management & administrative capacities
- ✓ Financial management and accounting
- ✓ Internal and external audit
- ✓ Control frameworks
- ✓ Procurement

Transparency and accountability

- ✓ Disclosure of conflicts of interest
- ✓ Code of ethics
- ✓ Capacity to prevent or deal with financial mismanagement and other forms of malpractice
- ✓ Investigations
- ✓ Anti-money laundering and anti-terrorist financing

Grant award &/or funding allocation mechanisms

- ✓ Grant award procedures
- ✓ Transparent allocation of financial resources
- ✓ Public access to information on beneficiaries and results
- ✓ Good standing with regard to multilateral funding (e.g. through recognized public expenditure reviews)

Thank you.

For more information:

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