Accessing Adaptation Finance under the Adaptation Fund



ADAPTATION FUND

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Adaptation Fund at a Glance

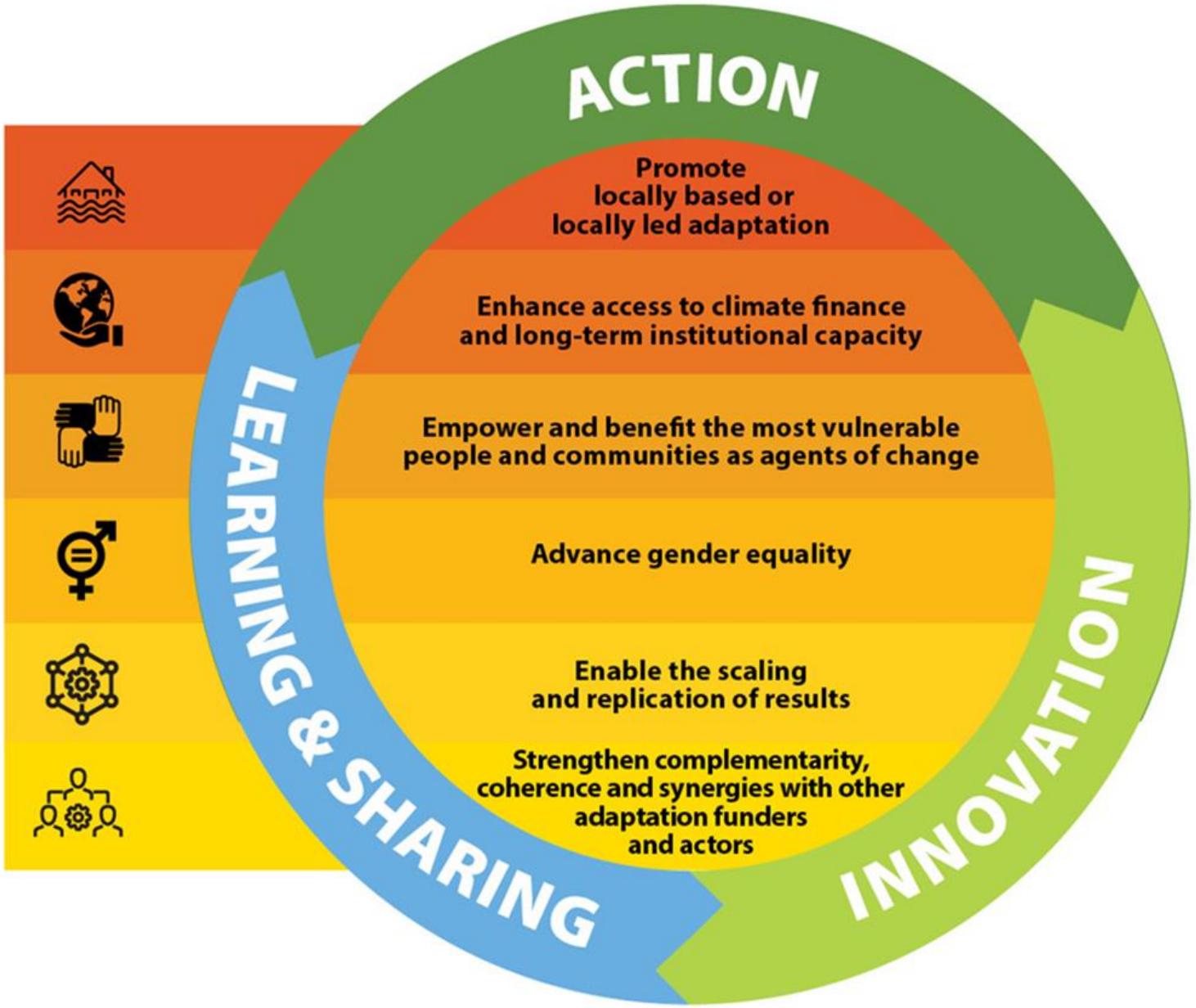
Mandate to fund **concrete adaptation projects with tangible results on the ground**, in most climate-vulnerable developing countries & communities

Pioneer & leader on innovative **'Direct Access' & 'Enhanced Direct Access' modalities**

(34 National Implementing Entities out of 57 accredited IEs)

As urgency of climate change has risen, it has grown rapidly to over **$1B funding today**

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Medium Term Strategy 2023 to 2027

- 3 Strategic Pillars
- 6 Crosscutting Themes

Theory of Change of the Medium-Term Strategy (2023 – 2027)



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Mission of the Fund

Serve the Paris Agreement by accelerating effective adaptation action and effective access to finance, including through direct access, to meet the urgent needs and priorities of developing countries.

To this end, the Fund supports local adaptation projects, innovation and learning for scaling up.

Key points to keep in mind

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

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 cumulative resources

USD 20 million available per country under raised country cap

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

Country Driven Thematic areas



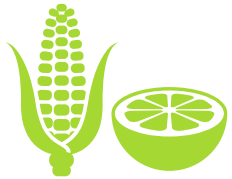
- Disaster Risk Reduction



- Nature-based solutions



- Coastal management



- Agriculture



- Water resources Management



- Forests and Land Use



- Rural development



- Food Security



- Social innovation



- Urban adaptation



- Advancement of gender equality



- Enhancement of cultural heritage



- Focus on communities



- Inclusion of youth



- Innovative adaptation financing

Tangible results

IMPACT 1:
Reduction in vulnerability of communities and increased adaptive capacity of communities to respond to the impacts of climate change



10.65 million

DIRECT BENEFICIARIES

21.17 million

INDIRECT BENEFICIARIES

Number of direct beneficiaries is a conservative estimate, as it is not consistently reported (i.e. some projects report as no. of households)



516

EARLY WARNING SYSTEMS

Includes projects targeting several small scale EWS at the local level as well as those targeting one large regional system

IMPACT 2:
Strengthened policies that integrate climate resilience strategies into local and national plans



99

POLICIES INTRODUCED OR ADJUSTED TO ADDRESS CLIMATE CHANGE RISKS

Includes any policy whether at the local, regional or national level

IMPACT 3:
Increased ecosystem resilience in response to climate change induced stresses



575,699 ha

HA OF NATURAL HABITATS CREATED, PROTECTED OR REHABILITATED RESTORED



162,275 m

M OF COASTLINE PROTECTED

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Adaptation Fund Funding Windows

	FUNDING TYPE	Accredited Entity Type	Maximum Funding Amount per Project/ Program	How to Apply	Learning Resources
ACTION — **Action grants** support eligible countries to undertake high quality adaptation projects/programmes consistent with their priority needs, goals and strategies.	**Single Country:** For addressing climate change impacts in one country through tangible outcomes	NIE, RIE, MIE	USD 10 Million per Project/Programme*	Apply here for grant funding or technical assistance	E-course: Direct Access: Unlocking Adaptation Funding & Community of Practice for Direct Access Entities.
	Regional: For addressing climate change impacts in 2+ countries in the same United Nations region, or adjacent regions, through tangible outcomes	RIE, MIE	USD 14 Million per Project/Programme (excluding the PFG)**	Apply here for grant funding or technical assistance	E-course: Direct Access: Unlocking Adaptation Funding
	Enhanced Direct Access: Supports bottom-up approaches through local knowledge and locally led action. Project selection occurs at national/sub-national levels.	NIE	USD 5 Million per Project/Programme (including the PFG)	Apply here for grant funding or technical assistance	EDA guidance document
	Project Scale Up: Supports planning, design and overall capacity to develop scale-up pathways for AF funded projects nearing completion or already completed	NIE	USD 100,000 per Project/Programme	Apply here	E-training: Scale-Up Grants
INNOVATION — **Innovation grants** support the development and diffusion of innovative adaptation practices, tools, and technologies.	**Small (single country):** To accelerate development of innovative practices, tools and technologies and demonstrate best practices for scale-up	NIE	USD 250,000 per Project/Programme	Apply here	E-training: Innovation Small Grants
	Large (single country or regional): To roll out or scale-up successful innovative practices, tools and technologies to a new country or at regional scale, involving 2+ countries/regions	NIE, MIE, RIE***	USD 5 Million per Project/Programme	Apply here	Innovation large grants guidance documents available here
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LEARNING &SHARING	**Learning Grants:** support the generation and dissemination of practical knowledge about effective adaptation activities and financing modalities to actors around the world	NIE	USD 150,000 per Project/Programme	Apply here for grant funding	E-training: Learning Grants
READINESS — **Readiness grants** enable NIEs to provide peer support to countries seeking accreditation with the Fund and build capacity for undertaking various climate finance readiness activities.	**Readiness Support Package Grant:** Facilitate the delivery of more enhanced, targeted and tailored readiness support for accreditation to developing countries	NIE	USD 150,000 per NIE	Apply here	Website: Readiness
	Technical Assistance Grant for the Environmental and Social Policy and Gender Policy: For NIEs to strengthen capacity to address and environmental and social risks as well as gender related issues in their projects and programs	NIE	USD 25,000 per NIE	Apply here	E-course: Direct Access: Unlocking Adaptation Funding
	Technical Assistance Grant for the Gender Policy: For NIEs with robust environmental and social policies to enhance measures to avoid, minimize and/or mitigate adverse gender impacts	NIE	USD 10,000 per NIE	Apply here	E-course: Direct Access: Unlocking Adaptation Funding

Notes:

*NIEs applying for single country projects through 2-step submission process (concept note; fully-developed proposal) with concept note can request a Project Formulation Grant (PFG) up to USD 50,000 in addition to the USD 10 million grant.

**RIEs and MIEs applying for regional projects (2+ countries) through the 3-step submission process (pre-concept note; concept note; fully-developed proposal) can request a PFG up to USD 20,000 with a pre-concept note and with a concept note a PFG up to USD 80,000. Those using the 2-step submission process (concept note; fully-developed proposal) can ask for PFG up to USD 100,000 with the concept note.

***For NIEs submitting proposals for large innovation grants, there is an opportunity to request a PFG of up to USD 50,000 per project. For a project for which PFG funding is sought, the total amount of funding inclusive of PFG cannot exceed USD 5 million. RIEs and MIEs submitting concept notes for large innovation grants for regional projects can request a PFG of up to USD 30,000. All IEs can apply to single country innovation large grants and MIE and RIEs only can apply to regional innovation large grants

****Open to wide range of applicants, including local governments, NGOs, young entrepreneurs, the private sector and others.

AF Funding Opportunities under Strategic Pillars

ACTION	INNOVATION	LEARNING & SHARING
Single country projects (<$10M) within cap of $20M per country *NIEs, RIEs, MIEs* & **Project Formulation Grants:** (<$50,000) *for NIE only*	**Small grants (<US$250 k)** to foster innovation practices in climate change adaptation *(NIEs)*	**Learning grants (<US$150 K)** to share best practices and lessons learned *(NIEs)*
Regional projects (multi-country): <up to $14M *(RIEs, MIEs)* & **Project Formulation Grants**	**Small grants (<$ 250k)** in innovation for non-accredited entities *(AF Climate Innovation Accelerator through MIEs)*	
Enhanced Direct Access (EDA): <US$ 5 M per country *(NIE)*	**Large grants (<US$5 M)** to roll out innovative adaptation practices and tools *Single country (NIE, RIE, MIE) or regional (RIE, MIE)*	
Project scale-up grants < US$100 k per project *(NIE)*		

New strategic emphasis on promoting locally-led action

- AF was part of process for developing the **Principles for Locally Led Adaptation Action** & Board endorsed Principles for LLA in 2021

- Refers to modalities for **devolving decision making** to the lowest appropriate level:

  "Giving local institutions and communities more direct access to finance and decision-making power over how adaptation actions are defined, prioritized, designed, implemented; how progress is monitored; and how success is evaluated."

  (Source: Global Commission on Adaptation, 2021)





Burundi, Kenya, Rwanda, Tanzania, Uganda: Adapting to Climate Change in Lake Victoria Basin

Project Amount: US$5,000,000
UNEP

- Project aims to build resilience to climate change through the transfer and implementation of adaptation technologies and the improvement of adaptation knowledge

- CC impacts in each of these communities were identified, Community Climate Change Adaptation Assessment (C3A2) toolkit developed through the USAID Planning for Resilience in East Africa

- diverse set of EbA approaches to control soil erosion and improve water quality, ecosystem restoration, conservation of woodland and wetland habitats
  - introduced climate-smart agriculture; planting of drought tolerant crops, providing farming equipment and training local communities
  - home gardens and agroforestry practices; stabilizing soil erosion and diversifying livelihoods
  - innovative community-based projects through a small-grants modality (<$US50,000)
- 240 hectares of agricultural land rehabilitated through EbA practices.



The project was implemented in two Provinces of Burundi (blue), one District in Rwanda (red), one district in Tanzania (yellow), two counties in Kenya (green), and two districts in Uganda (black).

India: Conservation and Management of Coastal Resources as a Potential Adaptation Strategy for Sea Level Rise

Project Amount: US$689,264
NABARD

- Project aims to increase resilience to climate change impacts of the coastal communities by restoring the degraded mangrove system to reduce sea water intrusion and prevent flooding from storm surges

- Integrated Mangrove Fishery Farming System (IMFFS) approach;
  - modifying rectangular pond areas previously used for shrimp
  - planting mangroves and other salt tolerant vegetation on top
  - provide nutrients for the shrimp and crab aquaculture systems inside the ponds
  - stabilize the soils

- Villages select landless, assetless, woman-led households who are willing to take up the cage cultures

- The project supports the creation of 'micro plans' prepared by the community members → community members to participate in restoration activities.



Community prepares degraded area for mangrove planting in Andhra Pradesh.

Mauritius and Seychelles: Restoring marine ecosystem services by rehabilitating coral reefs to meet a changing climate future

Project Amount: $US10,000,000
UNDP

- Project aims to enhance food security and resilience against natural disasters by implementing coral reef restoration with thermal tolerant corals as adaptation to climate change
- The restoration of degraded reefs will increase coral cover and help restore fish habitats and spawning/nursery sites
- Resilient corals will be propagated in the ocean nurseries, and eventually get transplanted to the reefs under restoration
- Restoration activities will be carried out by coastal communities and local NGOs; involvement of tourism enterprises (hotels, dive centers, boat operators)
- **Corporate Social Responsibility (CSR), PES opportunities to leverage funding**
- **The introduction or movement of species is a key consideration when upscaling NbS** → environmental safeguard measures to ensure that will be no introduction of known invasive species into the MPAs.



Attaching coral to reef on Cousin Island in Seychelles. Photo By Paul Anstey.

For further information

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Helping developing countries build resilience and adapt to climate change



Medium-Term Strategy 2023-2027

Medium Term Strategy

available on AF website: https://www.adaptation-fund.org/document/medium-term-strategy-2023-2027/

Overview of available funding opportunities & relevant links on AF website

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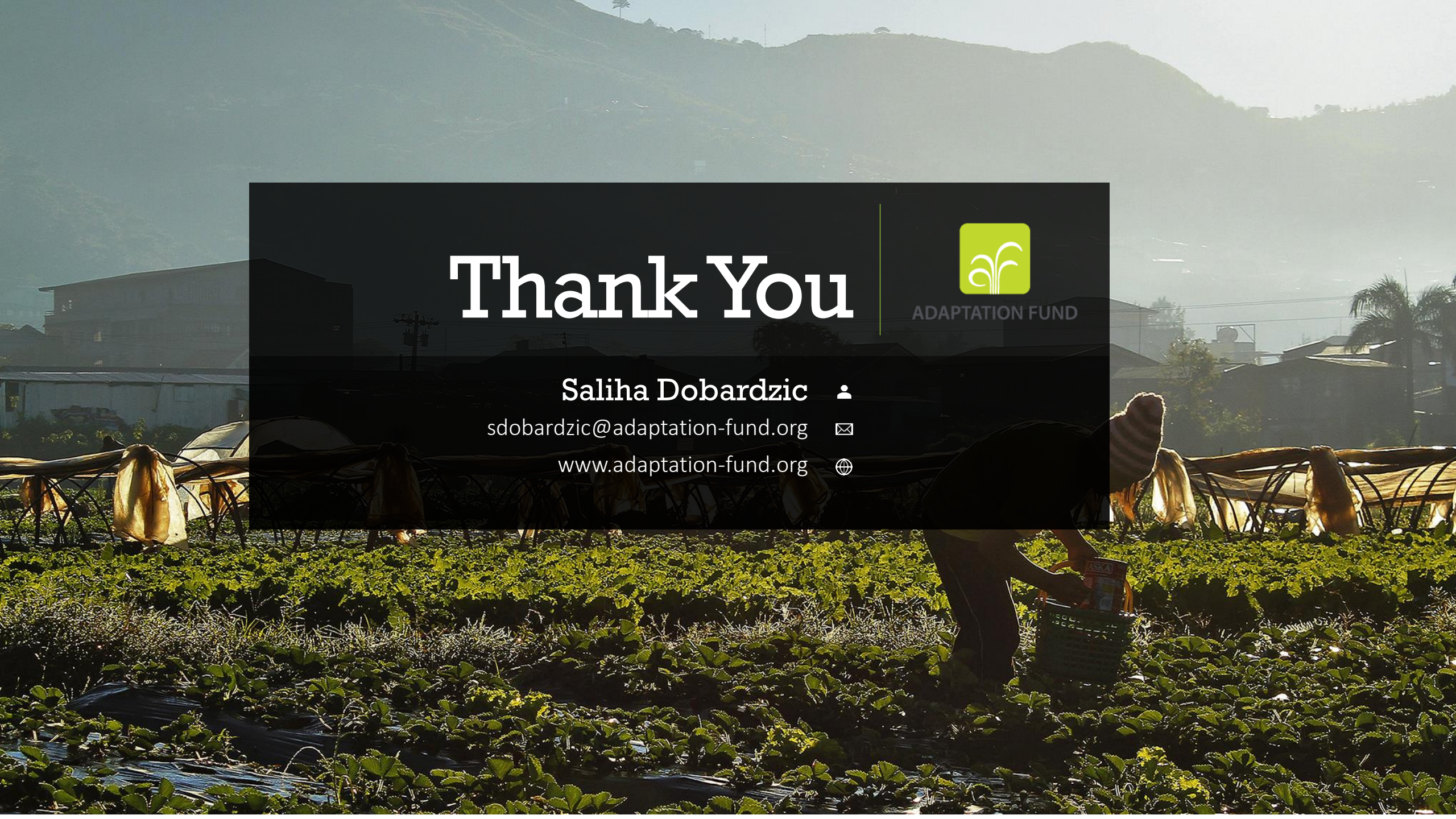
E-Learning Courses on Accessing Adaptation Finance

https://www.adaptation-fund.org/knowledge-learning/knowledge-products/af-produced-knowledge-products/?type=e-courses

- Direct Access: Unlocking Adaptation Funding
- Adaptation Fund Innovation Small Grants Training
- Adaptation Scale up Grants Training
- Adaptation Fund Learning Grants Training

All E-Learning courses are available in English, Spanish and French!





Thank You

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