

Adaptation Fund in the context of the Financial Mechanism of the Convention

Workshop on the Process and Requirements for the Accreditation of National Implementing Entities for Direct Access under the Adaptation Fund for Asia and Eastern Europe

Makati City, Metro Manila, Philippines, 19-21 March 2012



Financial Mechanism of the Convention

Article 11 of the Convention

- Provision of financial resources on a grant or concessional basis
- Accountable to the Conference of the Parties.
- Equitable and balanced representation of all Parties within a transparent system of governance.
- Conference of the Parties and the entity or entities entrusted with the operation of the financial mechanism shall agree upon arrangements.

Kyoto Protocol

Article 12 of KP

- The Conference of the Parties serving as the meeting of the Parties to this Protocol (CMP) shall ensure that a **share of the proceeds from certified project activities is used** to cover administrative expenses as well as **to assist developing country Parties** that are particularly vulnerable to the adverse effects of climate change **to meet the costs of adaptation.**

Establishment of Adaptation Fund

Decision 10/CP.7 (2002)

- To finance concrete adaptation projects and programmes in developing country Parties.
- Financed from the share of proceeds (2%) on the clean development mechanism project activities and other sources of funding.
- Invited developed countries to provide funding, which will be additional to the share of proceeds.
- Shall be operated and managed by an entity entrusted with the operation of the financial mechanism of the Convention under the guidance by CMP.



Operationalization of Adaptation Fund

Decision 1/CMP.3 (2007)

- CMP decided to designate the Adaptation Fund Board as the operating entity to supervise and manage the Adaptation Fund
- Decided on access to the Fund:
 - a) Eligible Parties shall be able to submit their project proposals directly to the AFB
 - b) Implementing or executing entities chosen by governments may also approach the AFB directly;
- Decided that in order to submit a project proposal, Parties and implementing or executing entities shall meet the criteria adopted by the Adaptation Fund Board



Funds to Support Adaptation under the Convention

- [Adaptation Fund](#)
- [Special Climate Change Fund](#): *Supports, implementing adaptation measures that reduce the vulnerability and increase the adaptive capacity of countries, as priority along with other thematic areas.*
- [Least Developed Countries Fund](#): *Supports preparation and implementation of National Adaptation Programmes of Action (NAPAs) by LDCs.*
- [Green Climate Fund](#)



Thank you!

Yolando Velasco

Manager, Finance Sub-Programme

UNFCCC secretariat

Yvelasco@unfccc.int

