

24 May 2006

ENGLISH ONLY

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**SUBSIDIARY BODY FOR IMPLEMENTATION**

**Twenty-fourth session**

**Bonn, 18–26 May 2006**

**Agenda item 6**

**Financial mechanism (Kyoto Protocol): Adaptation Fund**

## **Adaptation Fund**

### **Submissions from Parties**

1. The secretariat has received a submission from the Group of 77 and China dated 24 May 2006.
2. In accordance with the procedure for miscellaneous documents, this submission is attached and reproduced\* in the language in which it was received and without formal editing.

---

\* This submission has been electronically imported in order to make it available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

SUBMISSION FROM THE GROUP OF 77 AND CHINA

(Wednesday May 24, 15:00 hrs)

**QUESTIONS PROPOSED BY THE GROUP OF 77 AND CHINA TO  
POTENTIAL ENTITIES INTERESTED IN THE OPERATION/MANAGEMENT  
OF THE ADAPTATION FUND**

In view of the guidance previously agreed by the COP and COP/MOP in decisions **28/CMP.1**, **5/CP.7**, **10/CP.7**, and **17/CP.7** for the Adaptation Fund, and to assist the Group in its evaluation of this matter, institutions are invited to respond to the following questions:

1. How would you work under the authority of and follow the guidance of the COP/MOP?
2. How would you propose to address access to the Adaptation Fund in view of the guidance already agreed?
3. How would you operate/manage the fund in the context of a country-driven approach? In the context of a learning by doing approach?
4. Would your institution establish its own set of eligibility criteria for access to the Fund? How would this be undertaken and how would this relate to decisions from the COP/MOP?
5. Would you propose conditions such as co-financing as a criteria for accessing the Adaptation Fund?
6. How would you propose to address the issue of complementarity with respect to the other funds established to address adaptation under the Convention?
7. What administrative and management expenses would you apply to the Adaptation Fund, on what basis and for what activities?
8. How would you propose to maintain the autonomy of the Adaptation Fund?
9. Would you be able to keep a separate account/budget line for these funds?
10. How would you keep these funds independent of your guidelines and procedures meant for other funds that you may be managing?
11. What decision-making structure would you apply to the operation/management of the Adaptation Fund?
12. What decision-making structure would you apply to the implementation of guidance from the COP/MOP?
13. What decision-making structure would you propose to apply to any questions arising in connection with the application of guidance from the COP/MOP?
14. What approach would you take to facilitate sound financial management and transparency in your management of the Adaptation Fund?
15. How would you propose to handle the Adaptation Fund in the context of a possible management committee established by the COP/MOP?
16. What independent auditing systems would you apply to the management of the Adaptation Fund?
17. How would you propose to handle separate accounts for funds other than those funds coming from the share of the proceeds of CDM projects that come into the Adaptation Fund?
18. Would you propose to mobilise additional funds and how?

-----