

## High Level Segment speech by Michael Kracht, Chair, Adaptation Fund Board

Mr. President, distinguished delegates, representatives of civil society, ladies and gentleman.

As the Adaptation Fund celebrates the 10<sup>th</sup> anniversary of the launch of its operations, it is in record demand and growing.

It has gained wide support for the heart of its work, committing 462 million U.S. dollars to 70 concrete adaptation projects to the most vulnerable communities in 58 developing countries. This directly benefits nearly 5.5 million people most affected by climate change.

Through a country-led, inclusive stakeholder engagement process, many projects are breaking ground in adaptation and producing models that can be scaled up by others. This has occurred in several instances, including in Pakistan and Maldives.

The Fund's pioneering Direct Access modality serves as a model to build national capacities. Last week Banque Agricole du Niger was accredited as our 27<sup>th</sup> national implementing entity -- enhancing access to climate finance for one of the world's most vulnerable countries. Nearly 45 percent of our national entities are in small island developing states or least developed countries.

Reflecting the Fund's flexible, innovative nature, this marked the first accreditation to result from our South-to-South Grant Programme. The Centre de Suivi Ecologique of Senegal, our first accredited entity, provided valuable peer support to Niger through the application process.

Indicating the Fund's high demand, a record 54 proposals and 350 million US dollars in requests were received this period alone and we allocated over 104 million US dollars to new projects.

The Board adopted a five-year strategy centered on adaptation action, innovation, learning and sharing, and took steps to enhance complementarity with other funds. Its independent evaluation has shown it to be effective, efficient and relevant.

Despite a strong pipeline and effective delivery of projects, the Fund faces challenges to its financial sustainability triggered by the collapse of the carbon market -- its initial main funding source.

This year the Board set a resource mobilization target of US 80 million dollars. We thank Germany (50 million Euros), Sweden (185 million SEK), Walloon (4 million Euros), first-time donor Ireland (300,000 Euros), and Italy (7 million Euros) for their generous contributions to support our concrete work.

We thank Fiji for raising awareness of the most climate-vulnerable and its spirit of inclusiveness. These are hallmarks of the Fund.

Our portfolio includes 15 projects in small island developing states, including new projects to help highly vulnerable communities in Fiji and Solomon Islands adapt to climate change and disasters.

Thank you!