

Inputs from the Least Developed Countries Group to the APA Agenda 8 (Adaptation Fund)

A. Reaffirm that the AF shall serve the Paris Agreement

B. Governance and institutional arrangements for matters relating to the Paris Agreement

- Adaptation Fund shall function under the guidance of, and be accountable to, the CMA.
- Adaptation Fund will be managed by a Board that has a secured seat for the LDCs and one for the SIDS.
- Only parties to the CMP or the CMA will be on the Board of the AF.
- Adaptation Fund should continue to have its own secretariat
- For matters relating to the Paris Agreement, the Adaptation Fund Board will annually report to the CMA.

C. Operating modalities for matters relating to the Paris Agreement

- The Adaptation Fund Board will report to and receive guidance from the CMA.
- The Adaptation Fund shall be financed from the share of proceeds on the mechanisms under Article 6.2 and 6.4 of the Paris Agreement.
- While funding concrete adaptation projects, priorities are given to Parties that are particularly vulnerable, especially LDCs and SIDS.
- Continuation of direct access modality along with the Enhanced Direct Access Modality
- Open possibilities of accreditation for multiple NIEs from a single developing country.
- Adaptation Fund should coordinate with other funds and operating entities supporting adaptation projects/programme in developing countries under the Financial Mechanism for coherence and complementarity.

D. Operational Policies and Guidelines under the Paris Agreement

The Adaptation Fund shall apply existing policies and guidelines established under the Kyoto Protocol, including:

- (a) the Fiduciary Risk Management Standards;
- (b) Environmental and Social Safeguards policies
- (c) Gender Policies and Action Plan

E. Enhancement of Policies and Guidelines

The Adaptation Fund Board shall be invited to enhance all guidelines to meet international best practice

F. Timeline

- The Adaptation Fund Board shall be invited to finalise arrangements for trustee and secretariat services, operational policies of the AFB, enhancement of safeguards, operational policies, guidelines and procedures for funding for adaptation projects and programmes by CMA.2.

In addition to the provisions above, the Adaptation Fund shall continue to function under the established arrangements under the Kyoto Protocol