

## Capacity gaps in accessing adaptation funding

### Information note

#### Recommended action by the Adaptation Committee

The Adaptation Committee (AC), at its 18<sup>th</sup> meeting, will be invited to take note of this document which was finalized after its informal stocktake meeting in August, and to request the secretariat to implement the next steps.

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## 1. Background and overview

1. In its flexible work plan for the years 2019-2021, the Adaptation Committee (AC) agreed to undertake further work under its workstream B: "Providing technical support and guidance to Parties on means of implementation." One of the objectives under this workstream is to provide guidance with a view to enhancing capacity-building for adaptation action.
2. In this context, the AC agreed to invite, in the first half of 2019, submissions from Parties on their capacity gaps in accessing adaptation funding, including their experience, successes and remaining challenges and agreed on guiding questions.<sup>1</sup> The AC further agreed to use these submissions to prepare an information document on Parties' capacity gaps in accessing adaptation funding and on their successes and challenges in building in-country capacity.
3. AC 16 welcomed the draft information document.<sup>2</sup> It requested the secretariat to update the document to include late submissions and agreed to consult with the LEG, PCCB and SCF on follow-up activities with a focus on sustained long-term in-country capacity-building in accessing adaptation funding.
4. A total of sixteen submissions were received:
  - a) Seven from Parties (Bhutan on behalf of the Least Developed Countries, Ethiopia, Finland and the European Commission on behalf of the European Union and its Member States, Indonesia, Mexico, Uganda and the United States of America); and
  - b) Nine from observers (Adaptation Fund Board, Adaptation Fund NGO Network, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Global Conservation Agriculture Network (GCAN), Institute for Global Environmental Strategies (IGES), International Centre for Climate Change and Development (ICCAD), Kusala Green and Biodiversity Organisation NPC, Least Developed Countries' Universities' Consortium on Climate Change (LUCCC) and Susanne Moser Research and Consulting).<sup>3</sup>
5. Previous work by the AC on the issue of accessing adaptation funding related to capacity needs, for example in the context of countries' experiences in accessing the Readiness and Preparatory Support Programme of the Green Climate Fund (GCF) for adaptation or the joint work of the AC and the Least Developed Countries Expert Group (LEG) on methodologies for taking the necessary steps to facilitate the mobilization of support, identified capacity gaps in accessing adaptation funding related to:
  - a) Creating enabling environments;
  - b) Planning for adaptation;
  - c) Developing bankable projects; and
  - d) Applying for funding.
6. Submissions by Parties and other stakeholders were consistent with previous findings insofar as they elaborated on capacity gaps related to skill sets, human resources and institutions. Some pointed out that those gaps driven by access to data and information; institutional, human, political, financial, economic or governance factors mutually reinforce each other and decrease the ability to access the necessary funds for adaptation. Some submissions also elaborated on ways to address such gaps, including providing details of ongoing projects<sup>4</sup> or available tools (see annex).
7. Submissions elaborated on capacity gaps in accessing and/or mobilizing finance from the following sources:

<sup>1</sup> <https://unfccc.int/topics/adaptation-and-resilience/groups-committees/adaptation-committee/adaptation-committee-call-for-submissions-on-parties-capacity-gaps-in-accessing-adaptation-funding>

<sup>2</sup> [https://unfccc.int/sites/default/files/resource/ac16\\_8b\\_capacity\\_gaps.pdf](https://unfccc.int/sites/default/files/resource/ac16_8b_capacity_gaps.pdf)

<sup>3</sup> Available on the submissions portal <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>

<sup>4</sup> See submission by the GIZ available at [https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907171550---20190716\\_Parties%20capacity%20gaps%20in%20accessing%20adaptation%20finance\\_AC%20Submission\\_GIZ\\_fina\\_l.pdf](https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907171550---20190716_Parties%20capacity%20gaps%20in%20accessing%20adaptation%20finance_AC%20Submission_GIZ_fina_l.pdf)

- a) International and bilateral climate funds;
  - b) Domestic public funds for adaptation; and
  - c) Private adaptation finance.
8. While the size and the extent of capacity gaps differ, the types of gaps are very similar across different countries, sectors or levels: whether it is a government of a developing country Party seeking to access funds from international climate adaptation funds<sup>5</sup> or a local government seeking to access finance in a developed country,<sup>6</sup> their challenges are similar.

## 2. Scope of the paper

9. The paper presents the capacity gaps identified in the submissions along the following areas in section 3, whereby it looks at steps taken to address the gaps, successes and remaining challenges:
- a) **Raising awareness of climate change impacts and creating enabling environments**, i.e. understanding risks and the need for adaptation and its mainstreaming;
  - b) **Making the case for adaptation**, i.e. establishing the funding need, proving a return on investments and developing fundable projects;
  - c) **Navigating and accessing different funding instruments and mechanisms**, i.e. understanding the climate finance architecture, including the processes and requirements of the different funds;
  - d) **Ensuring capability of the funding seeker**, i.e. accreditation;
  - e) **Using and managing funds**, i.e. spending adaptation finance in line with policies and regulations.
10. Section 4 elaborates on lessons learned and best practices and section 5 on the possible role of the AC in addressing capacity gaps. The paper concludes with next steps (section 6).

## 3. Capacity gaps in accessing adaptation funding

### 3.1. Raising awareness of climate change impacts and creating enabling environments

11. Capacity gaps exist at national and subnational levels in the public and in the private sector to understand climate change risks, impacts and the subsequent need for adaptation. Without the necessary awareness being raised among relevant decision makers on the importance and priority of adaptation, accessing and allocating funds remains difficult.
12. Raising awareness is also hindered by the siloed approach to government with disconnects within and across jurisdictions, across sectors and the rural-urban divide, and across private and public sectors. As pointed out by one submission,<sup>7</sup> the structure of government is fundamentally at odds with a problem that does not respect sectoral, geographic, or jurisdictional boundaries. This results in unclear responsibilities, leadership, accountability, and authority within and among jurisdictions.
13. Many submissions pointed out that it is crucial to have buy-in from institutions whose jurisdiction goes beyond environmental legislation, e.g. Prime Minister's Office, Ministry of Finance, Ministry of Planning and Investment, that could act as champions and provide leadership on adaptation and also to have the

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<sup>5</sup> See for example submissions by the LDCs (<https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907301623---Bhutan%20LDCs.pdf>) or the Adaptation Fund ([https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907151628---Submission%20to%20the%20AC%20on%20capacity%20gaps%20in%20accessing%20adaptation%20funding\\_Final.pdf](https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907151628---Submission%20to%20the%20AC%20on%20capacity%20gaps%20in%20accessing%20adaptation%20funding_Final.pdf)).

<sup>6</sup> See submission by Susanne Moser Research and Consulting ([https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907151628---Submission%20to%20the%20AC%20on%20capacity%20gaps%20in%20accessing%20adaptation%20funding\\_Final.pdf](https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907151628---Submission%20to%20the%20AC%20on%20capacity%20gaps%20in%20accessing%20adaptation%20funding_Final.pdf)).

<sup>7</sup> See footnote 5.

necessary human and institutional capacity to ensure comprehensive climate risk management, adaptation planning, mainstreaming and implementation.

14. Submissions pointed to the need for institutional capacity-building, educating and training staff and officials and top-level mandates that adaptation planning be undertaken. To enhance a holistic government approach, it was suggested to create taskforces involving institutions with overlapping/shared responsibilities and define the specific roles for each institution with accountability and responsibility where there are overlapping/shared responsibilities.

15. Other submissions<sup>8</sup> pointed to the need for incorporating adaptation considerations into broader national budget and economic development planning, with close involvement of Ministries of Finance and/or Planning, as well as sectoral planning, including for infrastructure, water, and agriculture. In addition, the submissions call for improving domestic policy and regulatory enabling environment as key to accessing finance at scale. According to them, enabling environment and regulatory capacity gaps, including lack of transparency, information barriers, poor enforcement of policy and pricing incentives or weak domestic market regulations, could result in relatively high transaction costs and up-front costs for encouraging business to invest in adaptation.

16. One submission<sup>9</sup> pointed to adaptation being given a lower priority compared to more pressing issues and potential conflicts of interest or trade-offs: even though a local government has an interest in protecting itself from the risks of climate change, it simultaneously has an interest in ignoring it because of the expenditures or lost revenues it may involve. For example, protecting a shoreline with a seawall may result in the loss of the beach that is the foundation of the local beach tourism economy. Local officials may choose to neglect the fiscally and politically less expensive issue (adaptation) in favour of interests that have a stronger constituency or promise greater near-term benefits.

17. Many submissions pointed to capacity gaps related to data which constrain raising awareness, including:

- a) Capacity gaps at subnational, national and regional scales in building and maintaining data archives, running and interpreting climate models, providing predictions and scenarios, including validation with reference to on-the-ground historical data and level of assessing; and
- b) Capacity gaps in assessing vulnerability and determining appropriate adaptation responses for the major development sectors and for all vulnerable groups and ecosystems.

18. Regarding data, one submission<sup>10</sup> suggested to enhance the institutionalization of climate data by involving designated data collectors, e.g. the central statistics agencies and planning bureaus.

### 3.2. Making the case for adaptation

19. Even if awareness is sufficiently raised, the next step in accessing funds is to make the case for adaptation, i.e. to establish the actual funding need and, in the case of international climate funds, to provide the climate rationale, to prove a return on investments and to develop fundable projects.

20. Many submissions pointed to capacity gaps in being able to establish the difference between a development project and an adaptation project, that is, the **climate rationale**, partly owing to a lack of climate data, including insufficient vulnerability and climate risks assessment and partly owing to lack of skills in preparing the required (complex) project documentation. The cross-cutting and integrated nature of adaptation was emphasized as a constraint to delineating financial flows attached solely to the adaptation component of the projects.

<sup>8</sup> See submissions from the EU <https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201910031351---FI-10-03%20EU%20Submission%20on%20Parties%20capacity%20gaps%20in%20accessing%20adaptation%20funding.pdf> and the US <https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201909231139---US%20Submission-AC%20Finance%20CB%20Access-FINAL.pdf>

<sup>9</sup> See footnote 5.

<sup>10</sup> See submission from Ethiopia [https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907111608---AF%20-Revised%20Requested%20Ethiopia\\_s%20Adaptation%20Capacity%20Gaps%20\(Final\).pdf](https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907111608---AF%20-Revised%20Requested%20Ethiopia_s%20Adaptation%20Capacity%20Gaps%20(Final).pdf).

21. Proving a **return on investment** was highlighted by many as a crucial capacity gap constraining access to domestic public and private funds. Gaps include the inability to assess the cost of inaction, i.e., demonstrate the need; the challenge of valuing uncertain risks and benefits; and the ability to adequately compare monetary and nonmonetary values. As a result, local governments or small businesses cannot justify the expense for (long-term) adaptation vis-à-vis other potential short-term budget items. Proving a return on investment becomes even more difficult in sectors such as education, social protection, and infrastructure.
22. In order to overcome these gaps, submissions pointed to further research into adaptation costs and benefits, capacity-building so as to better define the benefits of adaptation investments, including trainings in economic tools and establishing common sets of metrics of success and performance.
23. Developing **fundable projects, in particular to access international climate funds**, was highlighted by many submissions to be difficult. Many pointed to lacking capacities to go through the complex, time-consuming and resource intensive process of developing and submitting proposals, which entails holding stakeholder consultations, conducting feasibility studies, drafting concept notes, engaging with fund administrations and making regular adjustments.
24. Many different bilateral and multilateral adaptation funds have different templates and criteria for submitting proposals, which requires a thorough understanding of policies and related guideline documents and how they can be applied when compiling proposals. In addition, substantial technical and professional skills are needed, including on (1) how to set up baselines and indicators for measuring adaptation, (2) how to ensure environmental and social safeguards, (3) how to formulate a gender policy, (4) how to use the best available science in determining priorities articulating the climate additionality of proposals, (5) effectively costing proposals, and (6) designing solid Monitoring and Evaluation systems underpinning proposals.
25. A key gap highlighted by many submissions relates to language and the need to write and submit documents in English for non-English speaking countries and communities, including lack of qualified staff or resources for translation services.
26. Some submissions pointed to the risks of sunk costs in case proposals are not accepted, which further exacerbates situations where there is a lack of funds and staff to prepare proposals in the first place. Short staffing and staff turnover were also highlighted as challenges resulting in loss of built capacity and institutional memory on accessing funds.
27. Steps to address the gaps related to project development include training, technical assistance, mentoring and creating a community of practice with (write)workshops and retreats, in particular in developing countries, to incentivize experts to stay in posts and transfer their skills to others.

### 3.3. Navigating and accessing different funding instruments and mechanisms

28. Many submissions pointed to capacity gaps in understanding the overall climate finance architecture, including the processes, eligibility criteria and requirements of the different multilateral and bilateral funds at the international level but also funding available at the national and subnational level from public and private finance providers.
29. Many found the climate finance architecture to be non-transparent, lacking specific information on sources, amounts and effectiveness of funding and regretted the lack of coordination between the funds calling for strengthened coordination among readiness providers to avoid duplication of efforts and maximize collaborative opportunities.
30. In terms of **what is likely to be funded**, submissions elaborated on a bias toward discrete, smaller projects and efforts with a corresponding bias against broader programmatic funding. Identifying adequate measures of success for longer term, complex programmatic efforts may be harder than doing so for smaller projects, which is another reason why they attract less funding. What's more, submissions pointed out that while adaptation is (and will increasingly be) a deviation from traditional approaches and designs (i.e. short- and medium-term development projects), funders tend to prefer traditional projects and are less likely to support innovation.

31. The GCF's lack of guidance regarding how to finance adaptation in the GCF was highlighted by some submissions. According to them, the GCF does not have a clear policy to fund the incremental cost of the climate benefits affiliated with adaptation investments – nor does it have sector guidelines that accredited entities can utilize to develop strong, adaptation proposals. The absence of clear guidelines in these areas leads to (1) uncertainty among accredited entities and countries regarding what is and is not able to be financed in the GCF, (2) an increase in the amount of time required for proposal development and review, and (3) inefficient conversations at meetings of the GCF Board.
32. Another gap identified relates to the **timing and time span of adaptation finance**. Many pointed to the need to receive continuous multi-year support to take projects and programmes from the beginning to the end. While disasters can result in significant domestic and international resources, it tends to come all at once and goes away shortly after an event and its usage depends on the rules and regulations of the various post-disaster and recovery funds.
33. Another gap related to international climate funds relates to the capacity to provide **co-financing** in order to access the funds, including sufficient understanding of the concept of co-financing by institutions in developing countries to secure commitment letters.
34. Many submissions pointed to capacity gaps in complying with and responding to the different **restrictions, conditions and eligibility criteria**, including:
- a) Lack of clarity and understanding of the different eligibility criteria;
  - b) Lack of understanding of the administration and technical conditions and restrictions; and
  - c) Frequent changes in templates and criteria.
35. In order to enhance access to international and national domestic climate funds, many submissions call for **simplifying and streamlining administrative processes** and templates for submitting proposals, as well as for better coordination among funding institutions. This should be accompanied by relevant (long-term) training. In particular, many submissions emphasized that readiness support for adaptation finance must reflect this longer-term perspective in building skills and expertise of local experts rather than encouraging an external, consultant led, “fly-in/fly-out” workshop type of support. In this regard one submission<sup>11</sup> proposed the usage of qualitative indicators for success that measure real change in staff approaches and abilities rather than quantitative indicators that only identify the numbers of people trained.
36. Other suggested **steps to address capacity gaps** include:
- a) Strengthening the supporting role of secretariats;
  - b) Providing guidance documents and information on adaptation finance;
  - c) Ensuring procedures and modalities for accessing funding for adaptation are easily available in multiple languages, and consistent and flexible enough to accommodate special circumstances of LDCs;
  - d) Organizing workshops, seminars and other face-to-face interactive events;
  - e) Engaging in comprehensive stakeholder consultation.
37. Besides facing difficulties in accessing international and national public funds, many submissions pointed to capacity gaps in **accessing funds from the private sector**. As some submissions pointed out and the AC highlighted in previous work, the private sector is not a homogenous group but includes different types of entities, including small and medium enterprises, multinational companies, private associations and cooperatives, banks, investors, insurance companies, and others with different interests and needs in financing adaptation:
- a) Entities that have a business model based on providing adaptation services or technologies;
  - b) Entities that require adaptation services and finance to enhance their resilience; and

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<sup>11</sup> See LDC submission.

- c) Entities that provide adaptation finance and investments.

38. Submissions point to various challenges in relation to accessing funding from the private sector, including inadequate technical expertise; weak incentives, partnerships and networks; and a lack of platforms to enhance the engagement of the private sector in adaptation planning and implementation. Supply and demand for adaptation finance are mismatched.

### 3.4. Proving capability of the funding seeker

39. Many developing countries seek to access international climate funds directly through national entities; as such direct access can lead to enhanced levels of country ownership, more effective use of financial resources and stronger involvement of local organizations and other stakeholders.

40. However, for many developing countries accrediting national entities with international climate funds proves difficult and entails a lengthy and complex process of ensuring and proving the capability of said entity in accordance with the different policies and requirements of the funds. **Capacity gaps regarding accreditation** as mentioned in the submissions relate to:

- a) Complying and reporting on international governance standards (e.g. fiduciary, monitoring, disclosure, reporting, gender, environmental and social safeguards), which requires specialized expertise, significant resources, engagement with the fund administration and oftentimes internal changes to the institutions, including at the managerial and operational level;
  - b) Language, in particular in non-English speaking countries;
  - c) Lack of capacity to work with and interact with global intermediaries; and
  - d) Requirements to have many entities for different funding bodies (GCF, GEF, LDCF and AF).
41. Submissions proposed the following **steps to enhance accreditation**:
- a) Simplify accreditation processes and improve and focalize readiness activities;
  - b) Seek peer support and advice from already accredited entities through South-South cooperation;
  - c) Exchange and utilize experience, lessons learned and best practices including through regional and international networks; and
  - d) Raise awareness of overall benefits of accreditation, including building capacities in the areas of internal control processes, audits, and financial management project management, which build the entity's overall capacity to receive and manage climate finance and seek buy-in from the senior level of the organization.

### 3.5. Using and administering funds

42. Even if countries and communities successfully become accredited and/or apply for funding, they require sustained institutional and human capacities for preparing national mechanisms to allocate, disburse and report on received funds, including meeting required accounting standards or spending resources within agreed time spans. According to some submissions, such mechanisms, when operated by national entities, must be compatible not only with the fund's requirements, but also with the country's or community's planning, budgeting, programming and monitoring procedures and systems. In addition, countries' institutional mechanisms related to the funds would need to be compatible with their existing and future planning and budgeting systems, and be fully integrated with the countries' national plans, policies, and sustainable development priorities.<sup>12</sup>

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<sup>12</sup> See submission by the Adaptation Fund.

[https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907151628---Submission%20to%20the%20AC%20on%20capacity%20gaps%20in%20accessing%20adaptation%20funding\\_Final.pdf](https://www4.unfccc.int/sites/SubmissionsStaging/Documents/201907151628---Submission%20to%20the%20AC%20on%20capacity%20gaps%20in%20accessing%20adaptation%20funding_Final.pdf)

43. One submission pointed to establishing partnerships between national governments, non-state actors and the international climate funds/donors to identify alternative, credible, country-owned channels for funding, to complement and/or support national fiduciary systems.

#### 4. Lessons learned and best practices

44. The majority of submissions emphasize that the current mode of capacity-building based on one-off, project-based, foreign consultancy-led workshops and submission of a final report by the consultant after completion does not contribute to sustainable capacity-building and does not result in a capacity-building system in the recipient countries. According to some, a greater focus on long-term, institutional and technical capacity gaps could simultaneously enhance adaptation implementation as well as access to finance. "Quick fixes" will not result in meaningful improvements in technical, institutional and enabling environment capacities to improve adaptation action over the long-term.

45. For many, **capacity-building is a process**, rather than an immediate product, which requires a longer time frame, to get the ultimate product mostly in terms of enhanced knowledge and skills relevant to addressing climate change. As such, capacity-building initiatives should be linked to long-term development planning and country priorities, including those included in NAPs and NDCs.

46. Capacity-building efforts should be coordinated to develop a critical mass of capacities. Some underline that concerted action is needed by the international community (bilateral donors, international funds) and national stakeholders (public, private and civil society sectors) and that an effective flow of communication will be essential between donors, institutions and recipients to obtain accurate feedback on efforts at capacity development and ensure good practice is being captured.

47. One submission highlights best practices, which can help in bridging capacity gaps, including:

- a) Promoting an inclusive approach at country level to identifying and addressing gaps;
- b) Creating a coordinated strategy among the different levels of government at international, national, sub-national and local level, and across different sectors, in line with the short- and long-term political and economic priorities;
- c) Identifying strategies, plans and initiatives that can build and maintain capacity in the long term;
- d) Fostering collaboration among academia and research organizations, with a view to strengthening scientific knowledge in the policy formulation process.

48. Finally, as pointed out in the submissions, there is **no single solution to addressing capacity gaps in accessing finance**. Simply providing more resources, while critical, will not be sufficient. If there is no capacity to develop a successful proposal or no capacity to administer the funds, making more funds available will not alleviate the finance challenge.

#### 5. Possible role of the AC in addressing gaps in accessing adaptation funding

49. Some submissions proposed ways for the AC to assist in addressing capacity gaps, including:

- a) Besides the support envisioned under the Convention and the Paris Agreement, identifying innovative methods of supporting Parties which are different from what other institutions provide;
- b) Addressing technical capacity gaps that could include:
  - i) The ability to collect, synthesize and analyze hydrological and meteorological data and related information in order to build the evidence base for proposed adaptation options and contribute to informed decision-making for both policies and programming;
  - ii) The ability to design and develop project proposals for adaptation funding and to subsequently monitor and evaluate progress towards expected results.
- c) Addressing institutional capacity gaps that could include:



- i) Inability to assess risks, prioritize needs, manage and disseminate information and identify resources;
  - ii) Lack of ability to conduct horizontal and vertical stakeholder engagement to coordinate on adaptation options; new or weak institutions entrusted with climate change policy and coordination;
  - iii) Low level of political buy-in and support for adaptation planning and implementation;
  - iv) Insufficient domestic financial management systems, including fiscal controls and safeguards, such as policies for anti-money laundering and countering the financing of terrorism.
- d) Enhancing cooperation with Parties, relevant bodies under the UNFCCC in particular the SCF, financial entities and stakeholders and gathering information with a view to highlighting potential areas for improvement;
  - e) Facilitating simplification of processes and procedures to access adaptation funding;
  - f) Providing guidelines on requirements to access different sources of adaptation funding;
  - g) Encouraging the availability of sufficient resources to assist developing countries in fulfilling requirements to access adaptation funding;

## 6. Next steps

50. The AC may wish to consider the information contained in this information paper and agree on follow-up activities, either by itself or in collaboration with the LEG, PCCB and SCF, as appropriate:

- a) Consider producing, in partnership with other constituted bodies or relevant organizations and universities, including those engaged through the Nairobi work programme, action-oriented briefs or case studies to demonstrate how identified capacity gaps might be closed, for example as has been done in the context of the GCF readiness for NAP support;
- b) When updating the 2015 thematic report on navigating the landscape of support for the process to formulate and implement NAPs in 2021, to include sections/manuals on illustrating the different access requirements for adaptation finance;
- c) Explore the possibility of using UN Volunteers (online) to translate key documents into other languages;
- d) In collaboration with the LEG, to incorporate relevant capacity gaps and needs into the overall gaps and needs related to NAPs (see document AC/2020/8) and to mobilize the NAP technical working group to assist in addressing relevant the gaps and needs.

## Annex: Instruments and methods addressing capacity gaps in accessing adaptation funding (GIZ submission)

Title of method or instrument	Description	Area of need
Climate Finance Readiness Training toolkit	Climate finance readiness training (CliFiT) is a dynamic, interactive approach to raising awareness and capacity-building among public bodies in developing countries and emerging economies. The overall objective of the training is to provide tailor-made support, strengthening the ability of countries to build a coherent national framework for climate finance, access international climate finance and spend funds in an effective and transparent manner. The primary target group for CliFiT is people working in ministries and other public bodies where climate finance readiness (CFR) is a relevant issue. <a href="https://clifit.org/">https://clifit.org/</a>	Access to international climate funds
Climate Finance Training for Sector Experts	The new “Climate Finance Training for Sector Experts - CliFit4SE” is addressed to sector experts, who have an interest in exploring climate finance options. The overall objective of the training is to provide tailor-made support, strengthening the ability of sector experts to apply a climate-lens to their sector and assess the relevance of sector projects for climate change adaptation and mitigation – and thus for climate finance. In addition, the training will contribute to enhancing communication between stakeholders involved in climate finance. <a href="https://clifit.org/">https://clifit.org/</a>	Access to international climate funds
Environmental Scenario Analysis	The project worked with regulators to apply environmental climate change forecasts into their risk management practices of their portfolios including the development of tools and capacities as well as information sharing mechanisms within the financial sector. <a href="https://www.cisl.cam.ac.uk/resources/publication-pdfs/environmental-scenario-analysis-mexico.pdf">https://www.cisl.cam.ac.uk/resources/publication-pdfs/environmental-scenario-analysis-mexico.pdf</a>	Providing domestic funds.
ValuES Methods Navigator	The ValuES Methods Navigator provides tools for integrating ecosystem services into policy, planning, and practice by quantifying its benefits. The Navigator leads to profiles with advice and practical information about a broad range of methods. This inventory identifies ten purposes for examining ecosystem services, and provides examples from six policy areas. Case studies show experiences from different applications and study processes. <a href="http://www.aboutvalues.net/">http://www.aboutvalues.net/</a>	Providing domestic funds and mobilization of private finance
CDIA Project Screening Tool	This tool aims to help cities identify and profile investments. It particularly focusses on investments for climate resilience to enhance opportunities for downstream finance. The online tools is structured into four critical “screens” or critical questions (1) “identifying and prioritizing investments”, (2) “assessing the cost of investment”, (3) “screening potential sources of finance”, (4) Review of municipal sources of finance <a href="http://cdia.asia/resources/tools/">http://cdia.asia/resources/tools/</a>	Providing domestic funds
Practioner Lab Climate Finance (in	The Labs bring together different organizations, businesses, and stakeholders with an interest in solving adaptation finance issues and support participants in jointly developing targeted solutions for pressing challenges specific to their organizations and sectors. They engage in a series of exchanges in order to strengthen their solution implementing capacity, build a network of trust, facilitate output-oriented knowledge exchange, share best practices and lessons learned as well as benefit	Mobilization of private finance

cooperation with SEED <sup>13</sup>	from peer-to-peer learning between different organizations and sectors. <a href="https://seed.uno/programmes/ecosystem-building/finance/climate-finance">https://seed.uno/programmes/ecosystem-building/finance/climate-finance</a>	
Climate Expert Tool	The Climate Expert entails a practical 4-step approach and working materials that help companies develop adaptation strategies that fit its characteristics. It is based on an Excel Tool that allows companies to identify (i) climate-related risks and opportunities (ii) applicable adaptation measures and evaluate them regarding feasibility and effectiveness using cost benefit analysis. The tool, as well as training materials and case studies are available on its website. <a href="http://www.climate-expert.org">www.climate-expert.org</a>	Mobilization of private finance
Climate Expert Training of Consultants	The Training of Consultants (ToC) addresses consultants and multipliers who support SMEs in conducting Full Company Assessments based on the 4-Step Climate Expert Approach. Additionally, the ToC provides methodological information and discusses the role of the consultant when working with SMEs. <a href="http://www.climate-expert.org">www.climate-expert.org</a>	Mobilization of private finance
Corporate Ecosystem Services Review	CESR is a structured methodology that helps managers proactively develop strategies to manage business risks and opportunities arising from their company's dependence and impact on ecosystems. (Applied in Peru) <a href="https://www.wri.org/publication/corporate-ecosystem-services-review">https://www.wri.org/publication/corporate-ecosystem-services-review</a>	Mobilization of private finance
Global Innovation Lab for Climate Finance	The Lab identifies, develops, and launches innovative finance instruments for investment into climate change and sustainable development. A public-private partnership, the Lab brings together 60+ public and private institutions that provide guidance to innovative investment solutions along a 5-step cycle. Selected ideas receive support in developing the instrument, preparing business pitches, piloting, fundraising and long-term implementation. <a href="https://www.climatefinancelab.org/about/how-it-works/">https://www.climatefinancelab.org/about/how-it-works/</a>	Mobilization of private finance

<sup>13</sup> SEED is a multi-donor programme and network for action on sustainable development and the green economy hosted by Adelphi. It focuses on enterprise support and ecosystem development for eco-inclusive entrepreneurship. More information can be found at [www.seed.uno](http://www.seed.uno).

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**Document information**

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<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	14 October 2020	AC 18 This document (AC18/INFO/8A) is for the AC's information. In addition, the AC will be invited to request the secretariat to implement the next steps.
Revised Update	August 2020	Post AC 17 The AC endorsed this revised update after its informal stocktake meeting in August 2020.
n/a	19 March 2020	AC 17 The AC welcomed the updated information paper ( <a href="#">AC/2020/11</a> ) presented and requested the secretariat to continue work on it intersessionally.
n/a	9 September 2019	AC 16 The AC welcomed the draft information paper ( <a href="#">AC/2019/27</a> ) presented and requested the secretariat to update it accordingly.

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Keywords: adaptation to climate change, financing, Resilience.

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