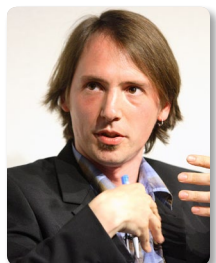


1. Editorial

The Adaptation Fund – an innovative approach to build on

With the recent conclusion of the 17th meeting of its Board, the Adaptation Fund has entered into its fifth year of operation. The meeting marked another step in capturing lessons learnt and further advancing the Fund's provisions with regard to such critical aspects as the guidance for the consultative process, the consideration of most vulnerable communities, the establishment of complaints procedures and increased transparency regarding the technical review of project proposals. The AFB can be congratulated for increasing its attention towards these issues and for learning from its own lessons. This newsletter will provide some more background to these issues, as well as provide insights into the process in Senegal and Jamaica.



This is important for the AF at its critical juncture of raising funds for meeting the adaptation needs of vulnerable countries and financing innovative projects that benefit the targeted areas. The prices for Certified Emission Reductions (CERs) which is the innovative and main funding source of the AF have drastically decreased over the last months. Part of this is due to the lack of global ambition in mitigation. The EU, with its Emission Trading Scheme is one of the key demanders of the CERs. However, the current EU target of 20% reduction is not only well below the ambition required by the IPCC with regard to the 2°C limit, but also affects the prospects of the ETS as a functioning setter of price signals for emissions. (Of course, other developed countries lag behind in their mitigation ambition as well).

The direct access approach of the AF is speeding up with more and more developing countries managing the associated accreditation process, while sadly the funding gap is increasing, making hardly impossible for the AF to respond all the funding requests.

Only few resources have been dedicated to the AF, despite its innovativeness and its progress. To address this issue the AFB has now set the target to raise USD 100 million additional funds by the end of 2013. We very much welcome further contributions to

2. The Adaptation Fund facts and figures

Project level		
Full projects approved	18	Uruguay, Senegal, Cook Islands, Ecuador, Eritrea, Georgia, Honduras, Madagascar, Maldives, Mauritius, Mongolia, Pakistan, Solomon Islands, Samoa, Tanzania, Turkmenistan, Nicaragua, Papua New Guinea
Project concepts endorsed (full project not yet approved)	13	Argentina, Jamaica, Djibouti, Egypt, El Salvador, Fiji, Guatemala, Myanmar, Seychelles, Benin, Belize, Cambodia and Lebanon
Project concepts not endorsed/ fully developed Projects not approved	9	Belize, India, Mali, Niue, Sri Lanka, Turkmenistan, Colombia, Ghana and Uganda
Funding Decisions (full project)		USD 113,438,001
Implementing Entities (IE) accredited		
National (IE): Direct Access	11	Senegal, Jamaica, Uruguay, Benin, South Africa, Belize, Rwanda, Jordan, Kenya, Argentina and Mexico
Multilateral	10	ADB, IFAD, UNDP, WFP, World Bank, WMO, IABD, ADB, BOAD, UNESCO
Resources in the AF Trust Fund (Status as of 31 December, 2011)		
Obtained Through CERs Monetization		USD 168.34 million
Voluntary contributions by developed countries		USD 103,544,319

The AF NGO Network congratulates Sweden (100,000,000 SEK), Switzerland (CHF 3,000,000) for their donations and the UK for its pledge (GBP 10,000,000). It also encourage other wealthy nations particularly Finland, France, Japan and Norway who are also represented in the AFB, to do so as well. Given the specific nature of the AF, it could also be a channel where richer developing countries could signal their solidarity with the most vulnerable by channelling resources into the AF.

the AF at this point on time to allow the AF to fulfill its role for the years to come. We also most encourage all developed countries to put additional money into the Fund. These contributions should enable the AF to abide by the water -until the Green Climate Fund become operational- by adequately responding the increasing funding demands of developing countries.

Climate finance will have to be increased in 2013 in view of the 100 billion commitment by 2020, and there should be a piece of everyone's pie for this crucial instrument. This does not undermine the need for substantially larger funding into the GCF, which, however, still has to emerge. And finally, why should not some better-off developing countries support the AF? They can show a sign of solidarity to the more vulnerable ones, and help strengthen this instrument as a learning tool in their own interest.

*Yours sincerely
Sven Harmeling*

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3. Summary of decisions adopted by the Adaptation Fund Board at its 17th meeting

From 14th to 18th March, the 17th meeting of the Adaptation Fund Board took place in Bonn, Germany. The following key decisions were adopted:

The AFB approved the accreditation of three National Implementing Entities (NIEs)

- Instituto Mexicano de Tecnología del Agua (IMTA)
- National Environment Management Authority (NEMA) from Kenya
- Unidad para el Cambio Rural (UCAR) from Argentina

This accreditation is seen as a further milestone set by the AFB. Simply because, it is the first time that the number of NIEs (eleven) exceeds those of MIEs (ten).

The AFB approved the fully developed project of Papa New Guinea.

It also endorsed three project concepts from Belize, Cambodia, Lebanon submitted by Multilateral Implementing Entities (MIEs) and one project submitted for Benin by the Fonds National pour l'Environnement acting as NIE. This project aims at supporting the adaptation of Cotonou Lagoon ecosystems and human communities to sea level rise and extreme weather events impacts.

The AFB discussed putting in place provisions for investigative procedures to protect the AF against misappropriations and misuses of its resources managed by the Implementing Entities.

The Board decided to set a fundraising target of USD 100 million until the end of 2013 and made a call for public inputs on options for a fundraising strategy campaign.

The AF decided to maintain the 50% cap for projects submitted by MIEs and will consider at its next meeting the modalities on how to suspend the submission of projects and programmes by MIEs when the 50% is exceeded.

Given the increased demand for funding for projects and its limited resources, the Board decided to reduce the amount of its annual meetings to three.

The Board pursued its consultation with CSOs during the meeting and decided to convene a broad CSO dialogue a day prior to its next meeting, on 25th June.

Through its decisions the AFB spelled out further the expectations through adopting the amendments proposed by the AFB Secretariat (as can be seen in the following box)². The implications will be analysed more in detail below.

a) textual decisions with regard to the consideration of vulnerable communities:

"For a fully developed proposal, the estimated benefits will have to be quantified, whenever possible. In addition, if there is any concern of negative development or maladaptation in any of these areas, relevant evidence would need to be referenced, with specific studies if necessary. In that case, based on an Impact Assessment, the proposal should describe how it addresses possible threats, risks of maladaptation or imbalances caused in a wider region, or upstream/downstream to other communities and ecosystems."

b) textual decisions with regard to the consultative process:

"At the concept stage, an initial consultative process has to take place, with key stakeholders of the project/programme. Depending on the level of involvement of local communities or governments, private sector, CSOs or universities/research centres in the execution of the project/programme, those stakeholders may or may not be consulted at the concept stage. Where Project Formulation Grants (PFG) are accessed, these should also be used to facilitate a comprehensive stakeholder consultation process in the project preparation phase.

For a fully developed proposal, a comprehensive consultative process has to take place, and should involve all direct and indirect stakeholders of the project/programme, including vulnerable groups and taking into account gender considerations. The results of the consultative process must be reflected in the project design. Under extraordinary circumstances, the consultation of a specific stakeholder can be deferred to the implementation stage, if it enables a more effective consultation (e.g. if beneficiaries for specific activities have not been identified yet). However, if the project specifically targets the most vulnerable groups, they will have to be identified and consulted by the time of submission.

The implementation arrangement should include a framework allowing for stakeholders' views to be heard during project implementation. Whenever possible, a strategy and timetable for sharing information and consulting with each of the stakeholder groups during project implementation should be provided. Adequate facilitation measures (e.g. travel costs) should be budgeted to minimise barriers for involvement of key stakeholders where these impede their participation.³

The documentation of the consultative process should at least contain a) the list of stakeholders already consulted (principles of choice, role ascription, date of consultation), b) a description of the consultation techniques (tailored specifically per target group), c) the key consultation findings (in particular suggestions and concerns raised)."

¹ See (Decision B.16/7) in the Report of the Sixteenth Meeting of the AFB http://www.adaptation-fund.org/sites/default/files/Report16thAFB-Final_0.pdf

² see AFB/PPRC.8/4, the PPRC recommended to adopt the amendments which was agreed by the AFB.

³ Guidance Document for Project and programme Proponents to better prepare a request for funding. http://www.adaptation-fund.org/sites/default/files/AFB.PPRC_8.4%20Guidance%20document%20for%20project%20proponents_final.pdf pp. 9-11

4. Which consultative process is needed in AF funded projects?

The debate on the lessons learnt in the project review process has been closed at the 17th meeting of the Adaptation Fund Board (AFB). The discussion held within the Board was based on the concise guidance document for project and programme proponents, which the AF Secretariat was charged to prepare for the AFB meeting. This guidance should help "the proponents to better apprehend the different sections of the proposal"¹ template, inter alia: how to better explain the stakeholder consultative process necessary to prepare the project and programme proposals.

The authors very much welcome the decisions, even if they are not perfect, but they provide a much better guidance which better reflects the importance of the two aspects. In the following, more explanation will be given on key aspects to be taken into account.

The consultative process with key stakeholders is essential for the successful outcome of any projects dealing with local and poor communities, particularly if these have some social and environment components. In the field of adaptation, a consultative process should initiate and sustain constructive external relationships with the beneficiaries over time⁴. This ensures that the needs of the beneficiaries are taken into account throughout the project, in order to enable them to better withstand climate events potentially occurring years after project implementation.

The AFB has therefore set an increasing value on the consultation process. This is reflected in both: the eligibility criteria of the project review which asks: Has a consultative process taken place, and has it involved all key stakeholders and vulnerable groups, including gender considerations?⁵, and the project programme template, which requests a description of the consultative process fostered by a list of people consulted⁶. These provisions, however, as far as they are formulated in both the project template and project review criteria are too vague to enable an inclusive and sustainable consultation. This has resulted in diverging interpretations of the consultative process by the proponents, which have in turn lead to diverse levels of consultation. This has also been noted by the AF Secretariat in its report on the review of the projects so far submitted. Accordingly, three main issues related to the consultative process need to be addressed by the AF, in order to ensure a sustainable and inclusive consultation in its funded projects. Accordingly, the AF requires that the project proponents should inter-alia: (i) provide an explanation of the scope of the consultation and its influence over the design; (ii) provide guidance on the role of the stakeholder and to some extent on the identification of key stakeholders (iii) encourage the participation of the most vulnerable communities.⁷

This article intends to stimulate discussion amongst both stakeholders and the implementing entities involved in the AF with a view to ensuring a sustainable consultation that truly serves the interest of the project beneficiaries. The first part of the article describes some indispensable principles. The second part gives some key recommendations on the consultative process.

Sustainable consultative process

There are no generally established ways to undertake a consultative process that can be applied to all projects. Several approaches and methodologies, however, have emerged from, and been developed by, diverse organisations working in different fields on how to carry out a sustainable consultative process. This part will therefore describe and define only some key basic principles that can be applied to a sustainable consultation. These principles have been chosen because of their relevance to the AF and should therefore help project proponents to better understand and undertake the consultative process as required by the AF in both the project template and project review criteria.

Accordingly, the focus of this newsletter is not on the review criteria used by the AF secretariat to screen projects, but rather dedicated to help a better apprehension by the AF's project proponents of the scope and extent of consultation required by the AF. The rationale behind this choice is quite simple. It does not affect the result of the project, no matter how high the standards are by which the AF Secretariat uses to review a project. But, it does affect the whole process how the project proponents understand and implement the instructions for the design and submission of the projects.

Analysis of the provision of the AF on the consultative process

The section H of the project programme proposals template requires a description of the *consultative process, including the list of stakeholders consulted, undertaken during project preparation, with particular reference to vulnerable groups, including gender considerations*⁸. The provision contains some key terms that are worth examining more closely. This will enable us to understand the extent of the consultation required in the AF.

The first term to be defined is **the consultative process**. Consultation means an inclusive process by which the public –in this case the key stakeholders- can actively participate in matters affecting their lives. In other words, the consultation is not a communication where project proponents communicate to the local communities or public their project plan, but rather a kind of knowledge and information sharing between and among key players working towards a common goal. Consultation is necessary for the realistic understanding of potential obstacles and risks, the definition of problems and the identification of causes, in order to gain an overview of already existing measures, to maximize synergies, avoid duplications and ensure coordination⁹. **Therefore the level of consultation should be in line with the level of risk related to the project.** Nonetheless, the **process of consultation** should by no means be understood as a static one, in which two or three workshops are considered sufficient for the whole consultation. Rather, it should be understood as an on-going action operating in different systemic contexts. In other words, this means that the consultation should be conducted from the conceptualisation of the project idea until the final evaluation, to be carried out according to the AF's Evaluation Framework within nine (9) months after project completion.¹⁰

The **new text** adopted by the AFB on distinguishes between the concept stage and the full project proposal design, where in the first case the consultations would depend on the level of involvement of the different stakeholders. It remains in the hands of the project designers to decide what this means in practice. It is now important to observe whether this would be used to limit the consultations more than necessary. Experience shows that early involvement is important.

However, since the decision on the concept is not a funding decision, corrections could still be requested if the level of consultation in the first phase is beheld as insufficient.

⁴ See Stakeholder Consultation : What's in this section? International Finance Corporation

⁵ http://www1.ifc.org/wps/wcm/.../PartOne_StakeholderConsultation.pdf?MOD...

⁶ See AF: Operational Policies and Guideline: Instruction for preparing a request for project and programme funding from the AF: Part II Project justification: Section H : Describe the consultative process undertaken during project design. List the stakeholders consulted, including vulnerable communities, including gender considerations, and the methods of consultation. The consultative process shall be concluded before the fully developed project / programme is submitted. p.31. [http://www.adaptation-fund.org/sites/default/files/OPG%20Revised%209.15.11%20\(with%20annexes\).pdf](http://www.adaptation-fund.org/sites/default/files/OPG%20Revised%209.15.11%20(with%20annexes).pdf)

⁷ AF: The Adaptation Fund Project Review Process: Summary of the Analysis and Lessons Learned (June 2010 – September 2011), p.4, point 11. AF: The Adaptation Fund Project Review Process: Summary of the Analysis and Lessons Learned (June 2010 – September 2011), p.4, point 11. <http://www.adaptation-fund.org/sites/default/files/LessonsLearnedSummarywithGraphs.pdf>.

⁸ See: Operational Policies and Guidelines: [http://www.adaptation-fund.org/sites/default/files/OPG%20Revised%209.15.11%20\(with%20annexes\).pdf](http://www.adaptation-fund.org/sites/default/files/OPG%20Revised%209.15.11%20(with%20annexes).pdf) P.30

⁹ Schendzierlorz et al. 2012: AF NGO Network: Towards a Sustainable Consultative Process p.4

¹⁰ AF: Evaluation Framework (AFB/EFC.6/4): <http://www.adaptation-fund.org/category/document-type/ethics-and-finance-committee-efc>. P.24

For the full projects, key amendments are that the project proponents must show that the results of the consultative process must be reflected in the proposal, and also that key vulnerable groups have been identified and consulted before submission of the full proposal. Furthermore proponents have to describe on how the consultation techniques is specifically tailored to the target groups.

It is also important to note that Project Formulation Grants provided to NIEs for the design of full proposals should be used to facilitate a comprehensive stakeholder consultation process. Furthermore, it sets out that the project proposal must include a framework for taking into account and incorporating stakeholders' views during project implementation, where possible including a strategy and a timetable for the consultations, plus facilitation through inter alia budget allocations for travel costs to minimise barriers which impede the participation of key stakeholders.

The second key term in the provision is **stakeholder**. The AF's amended provision requires listing the stakeholders consulted and mentions some exemplary groups of important stakeholders. A general definition of relevant stakeholder follows below. At this stage, however, it is would be better not to restrict the term stakeholder to a specific group of persons, but rather to keep it as broad as possible to ensure that the interests of each group involved in the process are considered and reflected in the proposal. There are nonetheless certain stakeholders who are key determinants for a successful consultation.

Among these key stakeholders, the most vulnerable communities and gender groups in the project regions are central in terms of sustainability and pivotal in ensuring a meaningful consultation. The precise term of the provision is to give **a particular reference to the most vulnerable**. This term is the link to the section B of the project justification from the same template, which requires to show *how the proposal provides economic, social and environmental benefits, with particular reference to the most vulnerable communities, and vulnerable groups within communities, including gender considerations*. The further amended text also broadens the subject not only to benefits but also pay due attention potential adverse effects, such as through maladaptation, which is as well a key improvement of the guidance.

Both references to the *most vulnerable communities* in section B and H require an evidence-based identification of those most vulnerable to climate change in the project regions. These sections are more connected than might be apparent. They should actually be seen as two sides of the same coin. How can this be translated into the consultative process?

This could be done step by step, starting with a vulnerability and impact assessment, which would help to identify who are the most vulnerable communities among the population in the project areas. This assessment should also cover all aspects of

the adaptive capacity of these communities, in order to gauge the benefits they could accrue from the implementation of the projects or, alternatively, to better assess and understand their needs and concerns in the consultation process.

As both cases show, special attention to the needs of the most vulnerable communities in developing proposals is paramount for the AF. This feature distinguishes the AF from other funds established to finance adaptation action in developing countries.

As pointed out above, there is no single recipe for undertaking a consultative process. The consultative process, as such, is highly dependent on the scope, scale, range and goal to be achieved. In other words the approach and the process of consultation depend on the scope of the project, the prevailing situation and the variety of people to be consulted. Despite this difficulty, there are some basic principles to which a sustainable consultation should adhere. These principles are based on the best practice, and on methodologies that have already been tried and tested in the implementation of projects.

This newsletter proposes five principles, which are based on the nine principles developed in the document "Towards a Sustainable Consultation" prepared for the AF Network as background information on the consultative process in the context of the AF.¹¹ These principles, as listed below, have been chosen for their relevance to the Adaptation Fund projects, but should by no means be seen as the criteria for adoption by the AF in order to ensure sustainable consultation. Rather, they are intended as a sound basis, upon which any consultative processes can build.

First Step: Identification and Engagement of Key Stakeholders

Logically, a consultative process starts with the identification of the stakeholders to be consulted.

Who should be the targeted people? Who are most directly and indirectly affected by climate events? Who have most interest in influencing the process and who are already contributing to regional development?

Under 'stakeholder' one understands a group of people, which is generally directly or indirectly affected by a project or has a strong interest in influencing actions taking place in its region. This definition should be kept as broad as possible and the list of stakeholders should be the subject of amendments throughout the whole process. However, among the stakeholders the most vulnerable and gender groups should remain central in the AF context, not only because of the reference to them in both project requirements, but also because the strategic priorities of its Operational Policies and Guidelines¹² *give special attention to their needs*. It is this combination of innovative features – the direct access approach of the AF and the focus on most vulnerable communities – that makes the AF a model for the future.

Keys principles that should lead the consultative process



Own designed graphic

¹¹ Schendzierlorz et al. 2012: AF NGO Network: Towards a Sustainable Consultative Process p.4

¹² See In para 8 of the strategic priorities of the AF's Operational Policies and Guide-

lines states In developing projects and programmes, special attention shall be given by eligible Parties to the particular needs of the most vulnerable communities: [http://www.adaptation-fund.org/sites/default/files/OPG%20Revised%209.15.11%20\(with%20annexes\).pdf](http://www.adaptation-fund.org/sites/default/files/OPG%20Revised%209.15.11%20(with%20annexes).pdf)

Having said this, the identification of the most vulnerable communities should be evidence-based. This can be accomplished through an assessment of the level of the vulnerability of people living in the project areas. It is also essential for all parties to understand the interdependence between both the most vulnerable communities and the climate impacts to be addressed in the project together with the social cultural and economic factors that need to be considered in sustainable decision making process. Having done this, one can start to encourage the most vulnerable communities and other stakeholders to get more involved in the project design, which is quite important in particular for larger-scale projects and programmes.¹³

The sooner the involvement and engagement of the targeted people is secured, the more certain is eventual mvc ownership of the process. This is crucial for sustainability and cost effectiveness. A ground up "bottom up" approach would be the best way to establish this engagement, starting from a common definition and understanding of the climate challenge to be faced in the affected regions. The adaptive capacity and traditional knowledge are key to determine what kind of interventions are most appropriate in a specific context. This also would enable them to plan the project's implementation and to determine how they can be best involved.

Methodology Stakeholder Engagement Plan

Since the stakeholder consultation is critical for the success of all projects, particularly those in the adaptation field, it is important that the consultative process follows a well-elaborated plan stakeholder engagement plan. Such a plan should contain an initial schedule of all activities planned and undertaken, as well as minute all concerns, needs and hopes expressed by the stakeholders. This plan should also describe resources, responsibilities and techniques for implementing stakeholder engagement activities as well as how these activities should be incorporated into the project's/programme's management system – because stakeholder consultation should go beyond the preparation of the adaptation programme.¹⁴

To sum up, the SEP is a kind of agenda detailing the whole proposal design, to be regularly updated throughout the project implementation process. It is a key tool not only for keeping track of project implementation, and stakeholder concerns, as well as being an important document for the mid and final evaluation. The provision in the amended AF text that a framework with ideally a strategy and timetable for consultations should be included in the full project proposal points to the right direction, but could be more explicitly demanding such a plan.

Level of Participation

The level of participation depends on the approach applied to undertake the consultation and how tailored it is to the needs of those consulted. Consultation requires the full sharing of views and information and between all participating parties in order to build a consensus. **The level of consultation should be set according to the level of risk relating to the projects.** The challenge would be to include the best available climate database in the stakeholder engagement plan. This necessitates the translation of scientific information into local languages so as to enable those consulted to take informed decisions.

To enhance participation levels, the consultation should be informed, understandable, inclusive, context specific, translated into local languages, reportable, unbiased and on-going. This will no doubt require considerable time and resources. Therefore, the AF would be well advised to request that the proponents allocate adequate funds from the Project Formulation Grant

for the consultative process, which has de facto been decided through the amended provision.



Focus on specific groups:

Both, the special attention to the particular needs of most vulnerable communities, and the direct access approach modality are the AF's innovative features and key elements that will determine the future role of the AF in the post 2012 adaptation finance regime. The focus on the mvc with a specific emphasis on gender group, old and young identified in frame of the consultation process should be the centre of all attentions in the design and implementation of the project. This focus should be achieved through an inclusive and proactive consultative process. There is essential for ensuring the ownership of the beneficiaries as well as the sustainability of the adaptation actions.

Grievance Procedure:

Having considered and carried out all these principles, the whole consultation process framework should be redressed by a grievance mechanism. This grievance procedure is a harmonized set of mechanisms applied, to solve or address the preoccupations or apprehension of a party involved or not involved in the consultation. It is vital to have a grievance procedure when it is probable that some of the vulnerable or affected group may not be consulted or their views could not truly be reflected in the implementation of the projects.

Now the AFB has set up Mechanisms for Handling Complaints. Accordingly, the AF website provides the contact persons from the implementing entities in charge of receiving complaints, as well as of providing links to the key procedures that the IEs apply with regard to issues such as fraud and corruption, on the AF website is an important step for addressing any complaints that may arise. Once first experience is gained with this approach, one could gain enough lessons to decide whether the current approach is sufficient.¹⁵

Overall one can summarise that with the decisions from the 17th meeting the AFB has taken important decisions to strengthen and clarify the consultative process, and the decisions reflect main issues that this article has identified to be crucial to an effective and comprehensive process. Unfortunately it has taken some time for the AFB to come to this decision, which, however, has been facilitated by the evidence that too little guidance results in too much divergence and lack of quality in some of the projects submitted and approved so far. For the AFB it is also important to highlight that the new rules now apply to all projects to be submitted, including those concepts which had already been endorsed and which are now turned into full proposals. Whether this already materialises will be observed with the submission of the next round of project proposals.

By Alpha O. Kaloga and Sven Harmeling

¹³ Cf. United Nations Development Programme (UNDP), Environment and Energy Group/Environmental Finance, Bureau of Development Policy (2010): A Toolkit for Designing Climate Change Adaptation Initiatives, p. 44. http://www.undp-adaptation.org/projects/websites/docs/KM/PublicationsRes-Materials/UNDP_Adaptation_Toolkit_FINAL_5-28-2010.pdf

¹⁴ Towards sustainable development

¹⁵ <http://www.adaptation-fund.org/page/mechanisms-handling-complaints>

5. Background Information to the Adaptation Fund (AF)

Established under the Kyoto Protocol, the Adaptation Fund (AF) was created to finance concrete adaptation projects and programmes in vulnerable developing countries that are Party to the Protocol. Because of its feature such as the direct access to funding, revenue generation, governance and legal structure, the AF has received considerable attention in the international climate community¹⁶.

Firstly, the AF is not a traditional development assistance driven funds, but rather a demand driven one, financed through an innovative funding mechanism. Fund revenues are obtained primarily from a 2 per cent share of the proceeds from the Kyoto Protocol's Clean Development Mechanism (CDM) project activities. Accordingly the fund is an independent fund. It is financed mainly through the revenue obtained from the sold of the CERs in the carbon market in addition to the contributions from developed countries official development assistance. So far, the Trustee -the World Bank- has generated revenues of US\$ 168.34 million since the start of the CER sales monetization program in May 2009.¹⁷ Estimates of potential resources available for the Adaptation Fund until December 31, 2012 range from approximately USD 187 million to USD 223 million.. This is a drop in the ocean compared to the expected adaption costs for developing countries, which the World Bank estimates \$ 70 billion to \$ 100 billion per year on average until 2050¹⁸.

Secondly, the AF is governed by the AF Board, which works under the authority and accountable to the Conference of the Parties. Assisted by a secretariat, the AF Board is the principle body of the fund in charge of strategic policies and guidelines as well as the oversight of the projects. It is comprised of 16 members and their alternates, in an overall majority of developing countries. Nevertheless the decisions of the Board were undertaken by consensus.

In addition, the AFB has adopted the **strategic priority of giving special attention to the particular needs of the most vulnerable communities**. This is important to ensure ownership and sustainability of the project funded by the AF. Also, the AFB has adopted a transparent working mode, by allowing civil society organisations to attend its meeting. This is crucial regarding reliability, accountability and transparency. Since December 2010, the AFB has formalised a regular consultation with civil society in order to enhance the awareness raising around and outside the AF.

Thirdly, the AF allows direct access of developing countries to its resources. This is a precedent case in the climate finance landscape. **Direct access is the manifestation of converting into reality the notion of capacity building, by which developing countries carry their own actions through their own institutions.** It is an approach, which simplifies and accelerates the process by which resources flow to developing countries.

Specifically, the AF Board offers two avenues to access its resources. Eligible countries can use the "classic way" through Multilateral Implementing Entities (MIEs), or nominate a domestic institution as National Implementing Entity (NIE). Both Implementing Entities (IE) – National as well as Multilateral – have to meet the same fiduciary standards set by the AFB. This fiduciary standard is guarantor of the credibility of the Board and

warrant that the Implementing Entities has the required financial integrity, institutional capacity as well as transparency and self-investigative powers to manage the funds entrusted. The accredited IEs will be the direct recipients of funding and bear the full responsibility during the implementation. So far eleven national entities have been authorized to receive money from the Adaptation Fund:

- Centre de Suivre Écologique (CSE), Senegal
- National Agency of Research and Innovation of Uruguay (ANII)
- Planning Institute of Jamaica (POJ)
- Fonds National pour l'Environnement (FNE)
- South African National Institute for Biodiversity (SANBI), and
- Protected Areas Conservation Trust (PACT) of Belize
- Ministry of Natural Resources (MINIRENA) of Rwanda
- the Ministry of Planning and International Cooperation (MOPIC) of Jordan
- Instituto Mexicano de Tecnología del Agua (IMTA)
- National Environment Management Authority (NEMA) from Kenya
- Unidad para el Cambio Rural (UCAR) from Argentina

However, the accreditation process reveals itself as difficult as expected. The accredited NIEs are different from each other in the way they are governed and managed as well as the field of their expertise. There is no single recipe therefore for the NIE or the successful accreditation process of NIEs. The AF and its secretariat are still exploring ways through which developing countries could be assisted to rise to the challenge of accreditation. Thus, the AFB has launched the "accreditation toolkit" with the goal of providing a practical "how-to" guide to assist countries in the accreditation process for their national implementing entity (NIE). In Addition, the AF secretariat with the support of the UNFCCC secretariat has organised last year two workshops -In Africa and In Latin America- in order to familiarise developing countries with the accreditation process. Two other workshops will be convened this year in Asia and in the Pacific. The participation in these regional workshops was also a useful exercise for applicant countries, since two of the three new accredited NIEs have received on sideline of these workshops the required information and motivation they needed to success the process.

To sum up, the recent accreditation also give clear evidence that developing countries are becoming more confident to tackle this avenue. The timidity of developing countries and their fear for the accreditation process at the beginning of the process seems gradually to be surmounted. The accreditation process is becoming a popular exercise among developing countries, which have decided more than ever, to take their own destiny in their hand by accrediting their own institution.

Alpha Oumar Kaloga

6. Field visit in Senegal: An implementation at the right time

Germanwatch and Enda TM undertook a field visit in the three regions -Saly, Joal, and Rufisque- of Senegal-. These cities visited are the targeted regions of the first ever approved project by the AFB. This direct access project will be carried out by the Centre de Suivre Ecologique du Senegal, the first ever accredited National Implementing Entity by the AFB, and aims at addressing the adaptation need to coastal erosion in vulnerable areas of Senegal.

¹⁶ Kaloga et al (2011): Making Adaptation Fund work for the most vulnerable <http://germanwatch.org/klima/af2010-mvp.htm>.

¹⁷ http://www.adaptation-fund.org/sites/default/files/AFB.EFC_.8.7%20Financial%20Status%20of%20the%20AF%20Trust%20Fund.pdf

¹⁸ <http://beta.worldbank.org/content/adaptation-costs-global-estimate>

The field mission started at Joal, a small city along Senegal's littoral almost 150 km far from the capital Dakar city. So a fruitful consultation has taken place with the representative of Dynamique Femme (DF) acting as an executive entity, in charge of assisting local communities of the coastal area of Joal, in handling fish processing areas of the districts and of conducting awareness programme and training related to adaptation and its adverse effect. This roots organisation has been emerged of the awareness of the local community, especially women to get more organised in their interventions, in order to better participate in the development of their hometown. DF will also coordinate actions related to the cleaning of the beach as well as the re-plantation of the mangrove to protect the people against erosion and is in close consultation with the represent of both the CSE and the municipality. However the major activity in Joal will however be the construction of an anti-salt dikes, to fight the salinization of agricultural lands used to grow rice in Joal. This coastal infrastructure will be built on findings of an Environmental Impact Assessment study, which will start at the end of August.

The second part of the field visit lead to Saly, which is a new municipality erected as a response of the growing tourism activities in the region. Most of the economic activities – particularly in tourism sector- in the city and surrounding villages¹⁹ are affected by coastal erosion which has intensified since 1989, with a shoreline recession of 1 meter per year²⁰.

In Saly, the municipality convened the meeting with the field visit team, in which the vice mayor of Saly and two representatives of Green Senegal (GS) participated. GS as executing entity is in charge of awareness and training programme as well as environmental assessment. Ms Oulimata Diop of GS described their methodology of outreach sensitization, which consists of visiting at home each single family affected by the adaptation measure. The rational is to trigger a sustainable discussion with the local community with the goal of enhancing ownership, by explaining the positive impact of the planned adaptation activities in the livelihoods. At the end of each home visit, concerns and views of local communities have been collected, in order to be fed later one in the implementation phase. She also pointed out that in doing so, GS has significantly raised the awareness of the targeted people. The vice mayor of Saly, Mr. Babacar Gueye said that the AFB funded project comes at the right time, since the measure undertaken are necessary in the region. Furthermore He made in its statement clear that the municipality doesn't have resources to fund adaptation action in the region as needed. Rather the municipality tries to act as facilitator, which in one side, encourages private sector mainly hoteliers to invest in activities

Fig: The frontal dike of 730 meter to be constructed in Thiawline

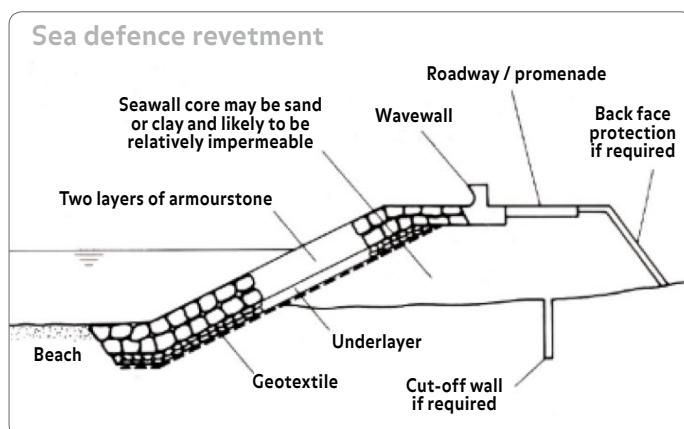


Figure: Coupe type de digue frontale de protection du littoral; Source: Rock Manual see Senegal project proposal: http://adaptation-fund.org/sites/default/files/SEN-EGAL_Adapation%20project_full_28%20oct%202010_0_0.pdf

which address adverse effect of climate change imperilling the coastal and their infrastructure. And on the other side, to enact law against anarchic construction of the tourism sector, so that future construction takes into account the premise of climate change. It also highlighted the pivotal role of stakeholder interplay and joint work as the receipt of ensuring environmental integrity and sustainable development.



Municipality of Saly from right to link Mr. Babacar Gueye Vice Mayor of Saly, Ms Oulimata Diop Green Senegal and Emanuel Seck Enda TM Senegal. Photo by Kaloga Alpha Oumar Germanwatch



Area, where the anti salt dike will be erected in Joal, Photo by Kaloga Alpha Oumar Germanwatch

The last part of the field visit was Thiawlene a project areas district of Rufisque. Thiawlene is overcrowded and mainly habited by the fisher, which was in the last decade often obligated because of the expanding ocean, to leave their house along the beach. In Thiawlene the field visit team met represent of the Green Senegal as well as from the Directorate of Environmental of Senegal. Both said that they just arrived from a radio broadcast, which they was organising since two weeks in or to use the local well heard radio station as tool to elucidate the rational of the project as well as to invite local communities to attend their regular meeting at the basis of the hood of Thiawlene.

¹⁹ Project proposal of the senegal see: http://adaptation-fund.org/sites/default/files/SEN-EGAL_Adapation%20project_full_28%20oct%202010_0_0.pdf

²⁰ CSE (2004) Etude et cartographie de l'érosion côtière dans la zone de Saly Portul. Centre de Suivi Ecologique, Dakar, Rapport d'étude, 28

The intended adaptation measures of the AFB's project aims on the one side to fight against erosion of the coastal and the beach as well as to clean the channel of the canal to the sea with a strong participation of the local population. The represent of DEEC also highlighted that the project will be implemented at the right moment because most of the infrastructure are heavily affected. The project will surely enhance the livelihood of the Fisher and protect their habitations. However, he made clear that the sustainability of the project will depend on the strong role of the municipalities in the transport of waste. The first dike constructed by the Senegal Government was abounded by the gavarage of the local communities living around of the beach. It is therefore important that the municipalities find sustainable and affordable solution on how to manage the gavarage in order to diminish the pression of the to be constructed dike.

Alpha Kaloga (Germanwatch) and Emmanuel Seck (Enda TM)

7. Saving the beaches of Negril: Jamaica making headway for full project proposal

Jamaica is taking steps to develop a full project proposal after receiving approval of their concept at the Adaptation Fund Board (AFB) meeting held in June 2011. Jamaica's National Implementing entity, the Planning Institute of Jamaica (PIOJ), is in the process of recruiting a local consultant to develop the full proposal. While developing the full proposal the PIOJ will work with the comments supplied by the AFB and other stakeholders to make the project successful.

In late August a team of representatives from Germanwatch and Panos had the chance to visit future project sides, speak to potential project beneficiaries and vulnerable people in the areas and talk to the implementing and executing entities. The biggest part of the project being developed deals with coastal actions in the Negril region of Jamaica. Negril is a popular tourist destination known for its 7 miles strip of white sand beaches but the area is subject of heavy coastal erosions and unsustainable management practices.

The area itself is a national economical hub and serves as source of employment for many people. The erosion and beach loss is a serious threat to Negril's vibrant tourist market – loss of which would be a major blow to Jamaica's economy. Discussions with fishermen, vendors and other persons revealed that residents see the urgent need to act to preserve the beaches. Many said that they would support PIOJ efforts to get funds to put in breakaways to address problems with the beaches. They also commended the National Environment and Planning Agency (NEPA) on their efforts to involve residents in maintaining Negril's environment in good condition. NEPA will be one of the executing agencies in PIOJ's proposal.

A few of the residents however spoke strongly of the lack of inclusion in the decision-making around interventions that can be done in Negril. There was much resentment against the hoteliers, who residents say, have contributed most to the decline of the beaches.

Another component of the project is agricultural adaptation. This however is an area where the PIOJ is still working on the actions to be taken. In talking to farmers of the target parishes (St Catherine, Clarendon and possibly Manchester), they described very clearly how climate phenomena, mainly drought, freak rains and hurricanes, have impacted them. Most of the persons spoken with did not yet know of the planned adaptation activities

and the Adaptation Fund but expressed a clear need for adaptation investments to be able to reverse the negative development of the sector.

Generally, it was great to see the enthusiasm and the general openness of PIOJ and other actors to make the project a success. However, especially the agriculture activities need to further flashed out, also in terms of how they drill down to the most vulnerable farmers. The opinions of the people in the different communities have been very useful and Panos in collaboration with PIOJ will be having more consultations with the communities as the concept concept is developed. It is expected that Panos will be working with its partners to provide input into the programme and assist to capture the voices of the marginalized for the project's benefit.

*Sönke Kreft (Germanwatch) and
Indi Mclymont-Lafayette (Panos Caribbean)*



Fishermen in Negril, Jamaica talk about sea level rise and other climate impacts. Photo: Sönke Kreft

More information on the network can be found at:

www.af-network.org

The website contains resources such as the AF Project Tracker, briefings and reports on the meetings of the Adaptation Fund Board and other reports.



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