

Editorial

Despite the increasing awareness at all levels in developing countries of the need for adaptation, whether in livelihoods vulnerable to increasing climatic variability, or national planning for future climate change, the funding available for supporting such programme of adaptation is extremely limited, and difficult to access. Though there was agreement in Copenhagen by developed countries to provide \$30bn of new and additional funds by 2012, 'balanced' between adaptation and mitigation, it is evident that by late 2011 much of this money has not been disbursed, is not new and additional, and is not available according to the needs expressed by the most vulnerable countries, but according to the preferences and pre-existing plans of donor governments.



In this context, current activity by the Adaptation Fund, in reviewing proposals, approving programmes where appropriate, and in promoting and supporting direct access by governments to finance through approved National Implementing Agencies is very important in creating a positive example to the UNFCCC of an effective new institution.

The operational modalities of the Adaptation Fund in relation to civil society are also largely inclusive and empowering, at least for engagement with the Board meetings, and with initial project and programme review. Apart from usually brief closed sessions to deal with issues of confidentiality, Board meetings are open to registered observers, and there is plenty of opportunity for informal engagement with Board Members, as well as, since December 2010, a more formal session of dialogue between the Board and civil society observers at the meeting. There is full opportunity to read proposals for funding, which are available on the AFB website in advance of meetings, and to make comments that can be taken into account during both the technical assessment by the Board Secretariat, and by the Project and Programme Review Committee.

This openness places a responsibility on Civil Society Organisations, not just those few NGOs with funding to enable attendance at AFB meetings, but on all NGOs that are concerned with supporting adaptation to climate change for vulnerable countries and communities. It is not enough to have lobbied for a transparent process and windows of engagement – the time must be found to engage properly, so that decision makers see the positive benefit of a dia-

The Adaptation Fund – facts and figures

Project level		
Full projects approved	8	Senegal, Honduras, Nicaragua, Pakistan, Ecuador, Mauritius, Eritrea, Solomon Islands
Project concepts approved	8	Senegal, Honduras, Nicaragua, Pakistan, Ecuador, Eritrea, Solomon Islands
Project concepts/full projects not endorsed or approved	19	Egypt, Fiji, India, Mauritania, Mauritius, Niue, Papua, New Guinea, Uganda, Tanzania, Turkmenistan, Mauritania, Mali, Egypt Belize, Cook Island, Georgia, Madagascar, Mauritania, Papua New Guinea and Samoa
Funding decisions (full projects)	US\$ 69.688.033	
Implementing Entities accredited		
National IE (direct access)	6	Senegal, Jamaica, Uruguay, Benin, South Africa, Belize
Multilateral	9	ADB, IFAD, UNDP, UNEP, WFP, World Bank, WMO, IADB, ADB, BOAD
Resources in the AF Trust Fund		
Obtained through CER monetisation	Status as of June 30, 2011 US\$ 163.100	
Voluntary contributions by developed countries	Status as of June 30, 2011 US\$ 85.824	

No pledges have been this year by developed countries to the Adaptation Fund in frame of their Fast Start Finance 2011.

Please take action!

logue with civil society, and civil society can work closely with governments to ensure that the needs of the most vulnerable groups are taken into account. The big challenge for the international NGOs who have fought for and won this opportunity to engage, is to work with the less developed civil society organisations in the countries which have greatest need for funds and to build their capacity to engage. The task is to encourage them to work with their governments, to persuade them of the value of submitting proposals to the AFB, and to go through the process to nominate a national institution that could become a National Implementing Entity. It is also crucial to follow the process of proposal development, scrutinising proposals to ensure that they really will meet the needs of the most vulnerable communities in adapting to climate change. Finally, civil society in country must have the capacity to engage with implementation (perhaps even becoming executing entities, in the terminology of the AFB guidelines).

We, the NGOs who follow the Adaptation Fund, see ourselves as 'critical friends'; we want the AFB to operate to the highest standards of effectiveness and transparency, to serve as an example during this critical period when a new, and much larger, institution for climate finance is being developed. We will press for the lessons learned during the last three years of operation of the AF to be built into the rules and guidance for the operation of the Green Climate Fund. This is a critical time for the Adaptation Fund – working to be effective with limited funds. Civil society must play a strong role in supporting its work, and the positive lessons being learned.

Rachel Berger, Practical Action

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2. Summary of decisions adopted by the Adaptation Fund Board at its 13th meeting

From 15th to 16th September, the 15th meeting of the Adaptation Fund Board took place in Bonn at Langer Eugen. The following key decisions were adopted:

One NIE, the Protected Areas Conservation Trust (PACT) of Belize, has been accredited. This increased the number of accredited NIEs to six, together with the South African National Biodiversity Trust (SANBI) which was accredited intersessionally. The PACT is the first NIE for Central America.

The African Development Bank was accredited as the ninth Multilateral Implementing Entity (MIE).

Field visits will be conducted to the two NIEs 2 and 4¹, because both NIEs were reasonable candidates for accreditation.

One concrete climate change adaptation project in the African island nation of Mauritius was approved, with a total value of US\$ 9.12 million. This project will be implemented by the UNDP.

Not endorsed were 11 other project proposals.

The GEF Evaluation Office will be entrusted with the implementation of the AF Evaluation Framework, for an interim three years period².

The Knowledge Management Strategy (KM) was approved, in order to improve the quality of projects through the treatment of information, data and knowledge.

The Board pursued its consultation with the stakeholders in frame of the so called "dialogue with civil society"

For more details see the Germanwatch report on the 15th meeting of the AFB:
<http://www.germanwatch.org/klima/afb2011-09r.htm>

Alpha O. Kaloga, Germanwatch

3. Background Information on the AF

Established under the Kyoto Protocol of the UN Framework Convention on Climate Change (UNFCCC), the AF was created to finance concrete adaptation projects and programmes in vulnerable developing countries that are Party to the Protocol. In contrast to the existing funds so far set up under the Convention, the AF has the mandate to finance the full cost of concrete adaptation measures, which implement innovative solutions that reduce the economic and environmental pressures caused by climate change. Because of its uniqueness such as the direct access to funding, revenue generation, governance and legal structure, the adaptation has received considerable attention in the international climate community³.

Firstly, because of the fact that 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 in the proceeds from the Kyoto Protocol's Clean Development Mechanism (CDM) project activities. This means, the fund meets the developing countries demand of independent fund from and in addition to contributions from developed countries official development assistance. So far, the Trustee -the World Bank- has generated revenues of US\$ 163.12 million since the start of the CER sales monetization program in May 2009. Estimates of

potential resources available for the Adaptation Fund are about US\$ 373.5 million by 2012⁴. 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 2050⁵. It is also significantly less than the US\$ 647 million, so far allocated by wealthy nations to the Pilot Program for Climate Resilience (PPCR).⁶

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. The working spirit of openness and constructiveness within the Board has been reflected in the decision making process, which so far was undertaken by consensus.

Some other important features have been crystallized within the work in Board.

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. Noteworthy is that since last year December⁷, the AFB has formalised a consultation with civil society in order to enhance the awareness raising around and outside the AF⁸. The spirit of the consultation with the civil society is always constructive and frank.

The third innovative feature of the Fund is the **direct access approach** to its resources, which 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. Direct access is actually the core innovative feature of the AF. It describes the finance modality, which simplifies and accelerates the process by which resources flow to developing countries.

Specifically, the AF Board offers two avenues to access its resources. Accordingly, eligible developing countries can decide to use the detour through using the service of Multilateral Implementing Entities (MIEs) – international access – or nominate one domestic institution as National Implementing Entity (NIE). Both institutions – NIEs as well as MIEs – have to meet the fiduciary standards set by the AFB. Such fiduciary standards constitute 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

¹ For the purposes of confidentiality the Accreditation Panel uses a numbering system to report of the status of each implementing entity's application.

² The Evaluation Framework should help the Board to assess actual project impacts compared to the agreed strategic plans

³ GCCA UNDP 2010: Adaptation Fund: Exploring the gender dimensions of climate finance mechanisms, November 2010 by the United Nations Development Programme. <http://www.adaptationlearning.net/sites/default/files/Adaptation%20Fund%20final%202010.pdf>

⁴ AFB/EFC.6/5: Financial Status of the Adaptation Fund Trust Fund, <http://adaptation-fund.org/sites/default/files/AF%20Financial%20Status%20Report%2006-30-2011%20-%20Final.pdf> p.2

⁵ World Bank

⁶ As of May 2011, total funds deposited ("funds held in Trust") for the PPCR amount to USD 647 million. See <http://www.climatefundsupdate.org/listing/pilot-program-for-climate-resilience>

⁷ See: Communication Strategy (AFB/B.11/8): http://www.adaptation-fund.org/system/files/AFB.B.11.8_Communications_Strategy_0.pdf.

⁸ This means, that the Board will meet with the representatives of civil society and the Annex I Parties in Durban, South Africa, right after the 16th meeting of the Board

funding entrusted. The accredited NIEs are in charge of managing and implementing of the project and programme proposals from their countries, and will be the direct recipients of funding. So far six 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

However, the accreditation process reveals itself as difficult as expected. Several questions remain a challenge in many developing countries such as how to find the suitable institution within developing countries with poor institutional capacity, capable to master the accreditation process and meet the fiduciary standards.

An observation of the so far accredited NIEs reveals that the NIEs were all existing institutions within their countries, which were experienced in very different tasks. 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.

Basically, the AF does not understand itself as a capacity building institution for NIE. Nonetheless, 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) for the Adaptation Fund. This toolkit is designed for all interested stakeholders and includes a number of tools to be used when starting the accreditation process for a NIE. It also contains forms, practical case studies and step-by-step assistance to enable a success in the accreditation process.

Furthermore, the AFB has applied some flexibility for NIE applicants which fulfill most, but not all standards with full satisfaction. Accordingly, NIE or MIEs accredited under condition should provide to the Board additional reports or commit themselves to certain standards such as an anti fraud policy regarding to other management activities they have to undertake.

During the last meeting, the AF Board conditionally accredited the Protected Areas Conservation Trust of Belize as NIE subject for certain conditions such as the procurement of a semi-annual internal control, the commitment to a public antifraud policy that demonstrates a zero tolerance attitude.

The example of the PACT from Belize shows that also a small country can undergo and succeed in the accreditation process within two AFB meetings (three months), if the country strategically initiates the process of identification and nomination of the suitable institution as NIE. Although the PACT is a small corporate organization with annually less than 1 million grants, it has executed its function in the transparent manner and grants to the specific organisations for specific projects related to its objectives.

Alpha Oumar Kaloga and Sven Harmeling, Germanwatch

Five steps towards a successful accreditation of National Implementing Entities

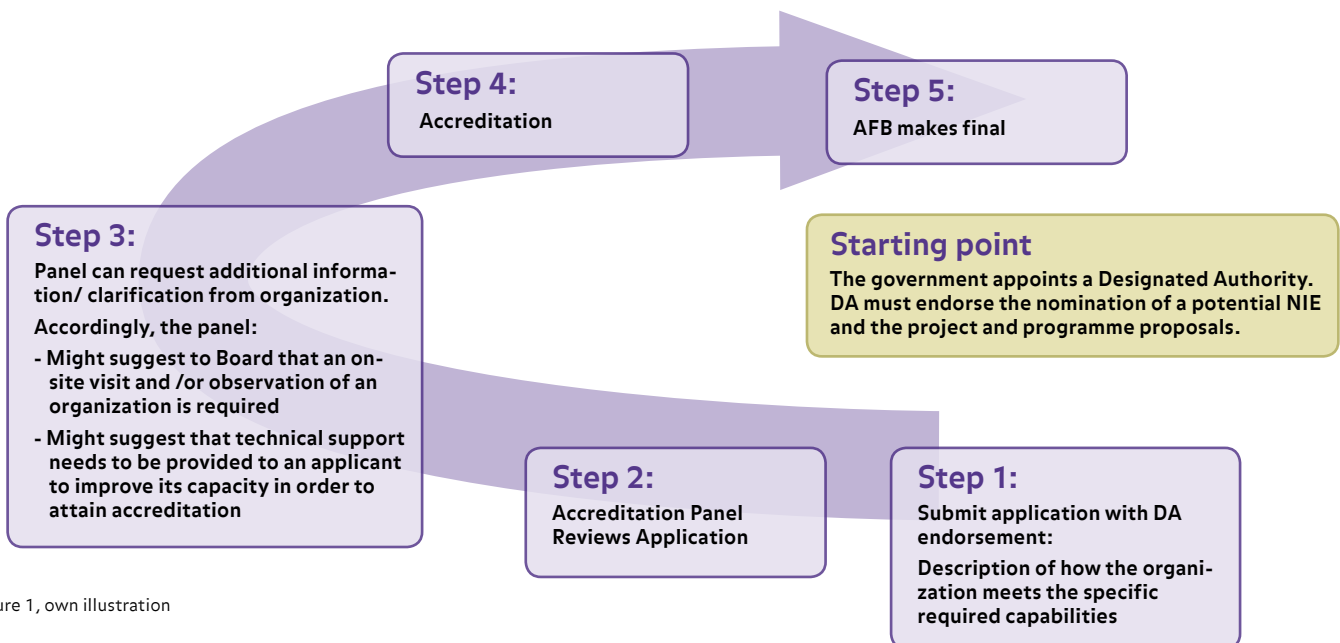


Figure 1, own illustration

⁹ <http://www.adaptation-fund.org/NIE/toolkit/EN/index.html>

4. First Regional Workshops held in Senegal

From 5th to 6th September 2011 in Mbour, Senegal and the UNFCCC secretariat, in consultation with the Adaptation Fund Board, pursuant to the Cancun CMP decision¹⁰ and in collaboration with the government of Senegal, organized a workshop to familiarize Parties from the Africa Region with the process and the requirements for the accreditation of NIEs for Direct Access under the Adaptation Fund.

This meeting was the first of a series of Regional Workshops initiated by the UNFCCC, which gathered more than 100 participants representing mainly countries and CSOs from Adaptation Fund NGO Network (Enda and IIED), and some intergovernmental organisations. Participants received knowledge from UNFCCC and Adaptation Fund Secretariat as well as experiences from NIEs, in this instance CSE-Senegal and Benin National Fund. The second regional workshop for Latin America and the Caribbean is scheduled for 10 to 12 November in Panama.

The emphasis was particularly put on the modalities of direct access to the resources of the Adaptation Fund and the process of selecting and accrediting the right institution suitable to act as a NIEs. Also, the role of Designated Authority (DA) for the endorsement of the project on behalf of their countries was enough elucidated with the view of enabling participants to better rise to the challenge of completing the accreditation application and better understanding of the project cycle and the process of project design.

The DA's role is critical in helping the government through a consultative process identifying and selecting an appropriate entity within the country which meets the requirements of the Fiduciary Standard. It is therefore crucial that the selection of a DA is well considered, because of the fact that it has the function of being the caretaker of the countries participation in the AF.

Pertaining to the selection of NIEs, it is important to have a broad consultation with all the stakeholders and institutions within the country with the view to agree on the most suitable body capable to meet the accreditation requirement. The DA should have the confidence that the proposed NIE can demonstrate and supply evidence of its fiduciary abilities and success towards a successful accreditation from the Adaptation Fund. The NIE should demonstrate the ability to work together with government entities, leveraging cofinancing organizations and other stakeholders within the country in order to identify, appraise, implement and evaluate projects related to adaptation.

Only after then, one can start putting together the application and its supporting documentation. Once the application for the accreditation process is complete, the DA, in its capacity as a representative of the government, should endorse the accreditation application. It also may interact with the AFB Secretariat, the Ac-



NIE Workshop in Senegal sept. 2011

The Adaptation Fund in Africa - Aug 2011

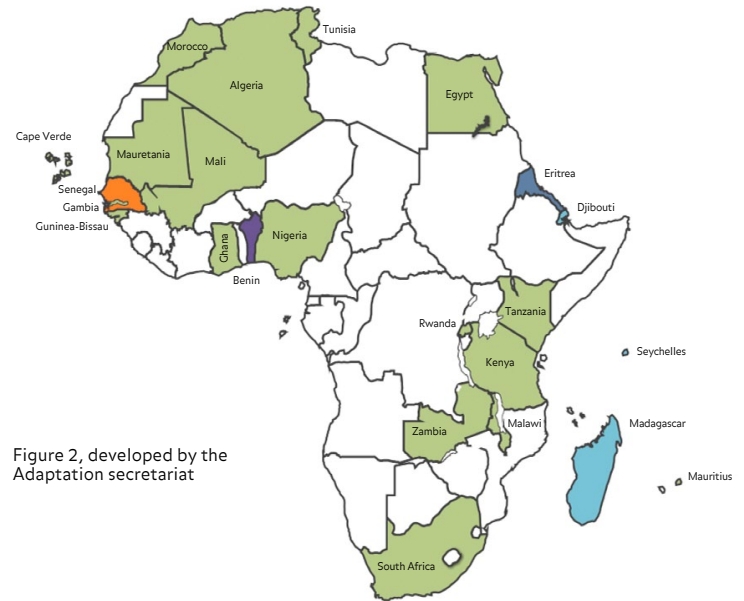


Figure 2, developed by the Adaptation secretariat

- Countries with Designated Authority
- Countries with an accredited National Implementing Entity (NIE)
- Country with accredited NIE and funded programme
- Countries with funded projects / programmes
- Countries with endorsed concepts

creditation Panel and the Adaptation Fund Board if they request or require further documentation.

Eligible countries can access funds from the Adaptation Fund by using the direct access modality or using the intermediate access through Multilateral Implementing Entity. It is a new opportunity for developing countries to access funding directly and implement projects through a national legal entity that attains accreditation as a NIE.

Accordingly, and in frame of the workshop, participants after the presentation exercise the process of accreditation in working groups. Those exercises had contributed to better understanding of the Fiduciary Standard and its requirements in detail with particular emphasis on the management of the complete project cycle. The workshop also enabled parties to familiarize with the accreditation toolkit and went through an example of a complete accreditation application form.

The CSE of Senegal which is the first accredited NIE by AF Board in March 2010 had shared its accreditation process experience by following process recommended by Fund Board and reviewed by the Accreditation Panel. After it accreditation, CSE had successfully accompanied the submission of a project on Adaptation to coastal erosion in Vulnerable areas in Senegal. It has settled an office in charge of NIE activities, initiated warm-up session on procedure of contract procurement for beneficiaries and elaborated format for financial and technical report. At the moment, CSE is developing a monitoring tool, a website and a roster of experts. It shares also experiences with other countries and increases partnerships with CSOs.

Besides the process followed by Senegal, the NIE from Benin, the National Fund for Environment, had received the visit of the Accreditation Panel for final decision to take. In June 2011 the Benin NIE has also been accredited.

¹⁰ decision 5/CMP.6

The accreditation of these NIEs from the Africa Region confirms the reality of the direct access despite the weakness of submissions made in number of other countries. Globally, only three projects were submitted by NIEs. It ought to remind also that the first project approved by AF Board was submitted by a NIE, in this particular case the CSE Senegal. The existence of these NIEs in Africa emulates other countries to do the same now that it is also possible for them to have a NIE. The demystification of the accreditation application has encouraged many participants to initiate the process in their respective country.

Even if the accreditation is valid for five years, these national structures with direct access are cited as the best practices to consider in the architecture of the Green Climate Fund. That is a good perspective which will certainly contribute to reach many objectives and principles linked to the UNFCCC and related to Developing Countries, particularly the most vulnerable. Participants of the Africa Regional Meeting had the possibility, with Saly site visit, to explore vulnerability of Coastal Communities and the effect of coastal erosion in the tourist infrastructures.

Emanuel Seck, Enda – Energy Environment Development Program

5. Consideration of “Country Cap” in the context of regional projects/programmes:

Background to this analysis is the intention of the AFB to finance regional projects taking into account its interim set country cap of US\$ 10 million¹¹.

So, what are the added values of regional projects? How should regional project and programmes be considered within the set country cap? This article attempts to provide some answers to the aforementioned questions, and also intends to provide some suggestions to stimulate the discussion within the AFB.

There are limited success stories available of implemented regional projects, and also the experts in the field of adaptation have failed to give concrete guidance on how strong regional projects should look like or even be implemented. “Regional” should be understood in the sense of the AF not as a big group of countries on a continental level, but rather as a small group of countries based upon locations in a given geographical area¹² and sharing common environmental or ecological goods.

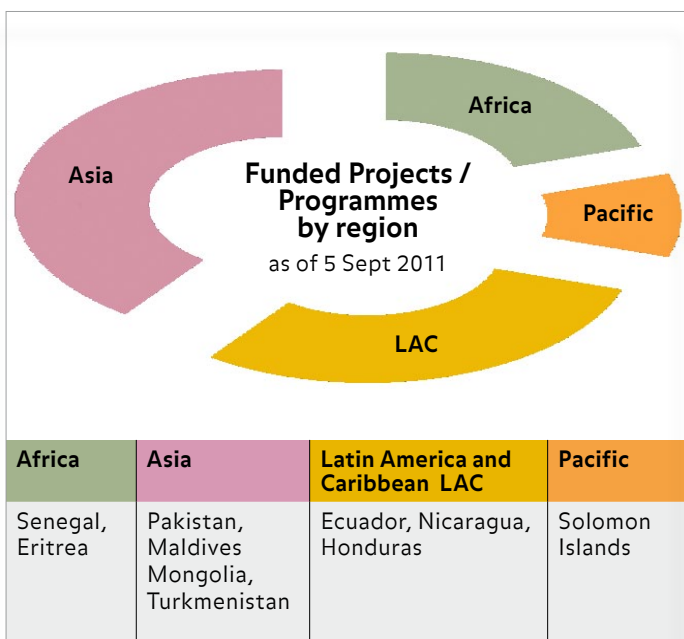


Figure 3, developed by the Adaptation secretariat

For detailed information on project please see the Germanwatch Adaptation project tracker: <http://www.germanwatch.org/klima/afpt.htm>

Thus, regional projects emanate from the need of a group of countries to joint efforts for addressing common environmental concerns. Such concerns packed in projects, could be addressed through specific regional projects, which aim at better managing cross broader resources and ecosystems or at addressing common environmental issues that the countries are jointly confronted. It is also a window of opportunity to address transboundary issues such as drought, flood, water management due to a common crossing river, joint early warning system, etc... as well as to generate several information about the impacts of climate and feasible adaptation actions to be fed, locally nationally and globally.

Pertaining to the amount of money to be allocated for regional projects by the AFB bearing in mind the country cap, the Board should take into consideration that the set cap is on an interim basis until the fund is scaled. So the set country cap should not be seen as a borderline for a regional project cap. Thus, in order to facilitate and promote transboundary adaptation projects:



Paddy field in Syrandjani Bangladesh

The AFB could allocate per year a certain amount of its available fund as a strategic investment - for instance US\$ 30 million a year - to finance such regional projects. In that case the Board could call for pilot projects and programmes, which should be worth to be financed because of their significant positive impacts for the livelihoods of the vulnerable people in the targeted regions.

The regional cap should include extra costs such as travel costs, organisation of workshops etc. which emerge from the cooperation of several countries. The cap should be balanced in order not to discourage those countries seeking to address regional adaptation needs, while at the same time willing to devote some activities to their local vulnerable communities, which are included in the country cap.

The amount of regional projects so far implemented or under implementation is too limited to draw meaningful conclusion. Also existing institutions such as the IPCC or the Nairobi Work Programme under UNFCCC have not given clear guidance on how to address regional projects. The AFB, however, in order to set a precedence should consider to annually fund a certain number of projects or amount of regional resources by taking into consideration the available resource at each of its meeting. In doing so the AFB could play a pioneer role, fill key gaps in the adaptation areas and promote valuable lesson learned.

Alpha Oumar Kaloga Germanwatch

¹¹ See AFB 13th meeting’s report.

¹² Manu River Union: Guinea, Sierra Leone, Liberia, Autorité du Bassin du Niger etc...

6. Adaptation project is launched in Honduras in a set-up of interagency coordination

On June 2011, the launch of the Project “Addressing Climate Change Risks on Water Resources in Honduras; Increased Systemic Resilience and Reduced Vulnerability of the Urban Poor”, established the goal to i) to generate tangible results, ii) to trigger local participation during implementation and iii) to create strong interagency coordination. This project is funded by the Adaptation Fund.

The project’s Steering Committee said that the funds available will be used efficiently to help create greater capacity for adaptation in the institutions responsible for addressing the needs of that population. It was established that the project will do its utmost not to invest financial resources in the development of “consultancies” or other activities that do not generate tangible benefits in the short or medium term for the targeted people.

On the other hand, in a clear way, the direction of the project sent a message that the various components of the project should have as linchpin the welfare of the vulnerable population and in that sense, the direct participation of the population becomes essential. It was acknowledged that adaptation to climate change is an issue strictly linked to development, obliging adaptation project implement to participation of final beneficiaries in the critical moments of the process.

The third important aspect is the message that there is a strong need for coordination among government offices that lead the areas that are addressed in the project. This coordination should secure that all components have a technical and social vision led by specialized institutions. As well, it should seek that the Adaptation Fund Project may be linked with other programs or projects that already exist and by this way increase AF project’s impacts and sustainability.

For this end, four multisectoral teams were formed by the project. The first one will be led by the Ministry of Planning, which seeks to integrate the vision of adaptation (and local participation for that matter) into regional planning for the development of the area. The second, which will be led by the National Autonomous University of Honduras, will work on updating water balances and groundwater inventory, as well as designing methods for rainwater harvesting and other infrastructure related to adaptation. A third team will be led by the National Water Service and Forest Conservation Institute, which will lead the work on the definition of water recharge zones, design and implementation of micro-watershed plans, and strengthening rural water boards and



Tegucigalpa city downstream of the Choluteca River Honduras: after a strong rain day in October 2011

other local institutions. Finally, a fourth team would be led by the National Weather Service, which would address the monitoring and analysis of various climatic variables that affect the region.

These three elements, tangible results, participation and coordination are wellknown - positive - practices that often are underestimated by development projects, so its strong consideration in this project is plausible. It is notable that the second and third element are very hand in hand with a policy established in the project that started when a commission of the Inter-institutional Committee on Climate Change was appointed as Steering Committee for the project. It is perceived that those directing the process aim to the mainstreaming of climate change, which would be very desirable for the project and the country, but it is a great challenge considering the division into sectors that we live in today’s world. Time will tell whether this approach can provide an additional result that is not stated in the project, such as mainstreaming.

Isaac Ferrera, Fundación Vida, Honduras

7. Impact assessments: safeguards for saving vulnerable people and ecosystems.



The relationship between ecosystems, health, human well-being and climate change adaptation has been noted by many international agreements, fora and funding mechanisms including the Adaptation Fund. Sadly, this repeated acknowledgement has had an insufficient impact on the level of stakeholder engagement, especially for poorer local communities when confronted by decisions that impact their livelihoods and ecosystems. Procedures and mechanisms that give local people – especially women/women’s groups – a voice in planned adaptation projects and programmes affecting them are critically needed.

For a very complex issue such as climate change adaptation, solutions can remain elusive once problems are identified. In addressing climate change impacts, it is important that at the earliest stage possible, the widest range of options for adaptation are considered and compared for both their positive and negative impacts. This is why it is important for the Adaptation Fund to uniformly incorporate impact assessments into its funding procedures and operational guidelines. These policies demonstrate how selected ‘adaptation priorities’ or the ‘particular needs of vulnerable people’ are taken into account and what specific safeguards will be applied to the projects to protect people and ecosystems.

An appropriate tool or mechanism is the Strategic Environmental Assessment (SEA), which helps to identify the role that communities and ecosystems can play in attenuating climate change impacts during early-stage vulnerability assessments. SEA encourages the participation and sampling of local communities to ensure they are engaged in the decision-making process. In spite of its name, it must be made clear that one of the key purposes of SEA is to ascertain the sustainability of projects or policies. This means SEA does not (have to) focus solely on environmental considerations but can and should cover social and economic issues.

It is important to note SEA takes place at an early stage in the planning process, when only the problem has been identified. The importance of conducting such impact assessments ahead of the project/programme implementation, and providing information in a timely manner (in the local languages where possible and appropriate) to ensure the relevant stakeholders are consulted, is critical.

Additionally, SEA examines impacts at a wider geographical and temporal scale, not just at the proposed project area or site. This is invaluable in ascertaining if there are possible threats, risks of maladaptation or imbalances caused in a wider region, or upstream/downstream to other communities and ecosystems, by the planned/proposed adaptation action(s). In this way it is possible to reduce the vulnerability of communities and sites and minimize the chances of jeopardising the stability of others.

Finally, it is very encouraging to see that some of the Multilateral Implementing Entities (MIEs) and National Implementing Entities (NIEs) of the Adaptation Fund are to some extent already aware of the advantages of an SEA approach and incorporate it in their guidance on adaptation programming. However, there needs to be uniformity across all the implementing entities to facilitate and mainstream the process of proposal development and review. Including mechanisms such as SEA as a prerequisite for funding from the Adaptation Fund will enhance the realisation of its goals at the global level and make a real difference to the vulnerable people and ecosystems it aims to help.

Kemi Sesink, Wetlands International

8. The Adaptation Fund project in Mongolia

The "Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia" has been approved by the Board of the Adaptation Fund and is ready for implementation. The requested funding from Adaptation Fund is US\$ 5 Million. It is lots of money and a great opportunity for Mongolia reducing climate change impacts on ecosystems and further on livelihoods of Mongolia's rural people, which is clearly described in the project document.

The project objective is to internalize climate change risks into water provisioning services through a) integrated water and land use planning at regional scale e.g. Great Lakes Basin and Eastern steppe through conducting strategic environmental assessment and better water and land use planning; b) piloting an integrated landscape level land use and water resource planning and implementation in two small closed river basins, Turgen river basin in Great Lakes Basin and Uldz river basin in Eastern steppe; c) strengthening institutional capacity of government and communities capacity on climate resilient land use planning, enforcement and monitoring.

The project document is well written and will also apply to some general adaptation approaches such as: (a)- expansion of protected areas to maintain functional connectivity across the landscapes to increase climate change resilience; (b) - restoration of forest, steppe, wetlands and alpine ecosystems to enhance water- soil infiltration and water storage capacities in aquifers and wetlands; (c) reducing direct (non-climate) threats to the system through the integrated management of "wildfire" in steppe and forest ecosystems and demonstration of better pasture management;

But there are some uncertainties for success of this project, especially regarding the improvement of change resilience based pasture management. The major problem will face the "avoidance of overstocking", because of the overgrazing due to overstocking is a generic problem in Mongolia and donors are implemented numerous projects without visible impacts.

Around 80% of Mongolia's land area is pasture but the size is reducing continually due to land conversion such as mining, settlement, infrastructure development, and Small-scale, low-input nomadic livestock husbandry dominates both land use and livestock production. Since 1918 (first official count of livestock) until 1990, average total number of livestock was around 23 Millions. After privatization livestock increased and reached for the first

time the record number of 33 Millions in 1999 but anecdotally the total number of the livestock decreased after two years harsh winter to the average level of 23 Millions in 2002. Within 7-8 years it reached again a new record height of 43 Millions in winter of 2009/10 but lost in the same winter over 10 million livestock, which is recovered again relatively short time.

The problem is complex and has many root causes:

One of the reasons is that the cash income of herder families is distributed unevenly over the year. Starting December until March, herders have no income from livestock products but high demand on cash expenditures for institution fee of their kids and traditional New Year's celebration in February. First real cash for herders provides cashmere in March due to their high market price. Therefore, the driving force for increased goat numbers is not the high price on cashmere but the lack of stable herder's income in the course of the year and also low commodity prices except cashmere.



Nomads in Kharkhiraa & Turgen river basin in Western Mongolia

Another root cause is the tragedy of commons. The pasture is public good, which use and management is poorly regulated. Mongolia's ecosystem is a non equilibrium system. Every year, a certain part of the country has drought due to unevenly distributed precipitation or late rain (because vegetation time is short). Where pasture conditions were worse, the herders moved to good pastures of different in different areas, which increases the risk of high mortality during the winter time like pest. These movements are supported by the government.

The success of the project will also depend on how to create synergies with upcoming and ongoing similar initiatives, especially with IFAD/GEF – Mongolia Livestock Adaptation Project (2011-2016).

The time will show which differences the project will make. The project has just started now with the staff recruitment process.

Chimed-Ochir Bazarsad, WWF Mongolia (September 2011)

9. Which kind of project proposal for Benin?

This article describes the operationalization process of the national implementation entity and raises few questions with regard to the Benin project application to AFB secretariat.

It is clear that each country in Africa wants to tackle the direct access for several reasons mentioned in this newsletter. For Benin for instance it was a long process, which led to the accreditation by the AFB of the National for Environment Fund (NEF) in June this year. Benin submitted its first accreditation request of the NEF after the 15th COP and one year later the NEF could master the accreditation process. The way towards the accreditation was however a classic one as following: (1) Appointment of a Designated National Authority through an official letter sent to AFB Secretariat by the Public Ministry of Environment; (2) Identification of the suitable national institution for NIE accreditation by a working group set by the Ministry of the Environment, Hygiene, and Urban Planning (MEHU). The process of identification led to the selection of the National Environmental Fund of Benin as the best appropriate body within the countries to act as NIE. (3) Filling and submission of the accreditation form; a Field Visit was conducted by a delegation of the Accreditation Panel (AP) in Benin in June 2011 to assess the operability of the NIE to play the role of national recipient of the Adaptation Fund. During this mission, stakeholders involved in national committee and climate change and FNE staff met AP members and additional documents and explanations were provided to them. Once after this visit, the AP was confident to recommend to the Board to accredit the NEF as NIE at the 14th meeting of AFB.



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The big issues ahead of us is to indentifiy the most urgent concrete Benin's project proposal for submission to the AFB

From 2006 to 2008, Benin elaborated its National Action Programme for Adaptation to Climate Change (NAPA) which was submitted to the Conference of Parties in Poznan. This document detected five main projects: (1) The establishment of a climate risk prediction and early warning for food security in four agroecological vulnerable zones; (3) Adaptation to climate change of households in the domestic energy sector through the promotion of renewable energy and economic performance and pressure cookers homes in vulnerable areas to climate change and whose lands are severely degraded;

(3) The mobilization of surface water for adaptation to climate change in communities most vulnerable departments of Central and Northern Benin?; (4) The protection of children under five and pregnant women against malaria in most vulnerable areas to climate change; (5) The protection of the coastal areas facing the rising sea level.

Certainly, Benin's NAPA document should be revised due to the time elapsed since its preparation. However, some of the projects identified within it and targeting vulnerable communities to climate risks in agroecological zones could be worth to be further accommodated and better translated in project form in order to have any success for approval. Otherwise, Benin's NAPA is not the only reference for the identification of adaptation options to climate change. As part of Benin project submission to the AFB Secretariat, new thematic of vulnerability reduction could be considered.

With respect to the project identification, there is planned, that a steering committee consisting of all relevant stakeholders, NIE and government will soon meet to exchange intelligence? on the best project to be submitted. The steering committee should have to answer at least the following questions:

Which adaptation sectors should be considered for project designing? What are priorities? Should we only consider the NAPAs? Or explore new areas or other national plans? Which vulnerable groups need to be involved and targeted in the projects? How to ensure a strong participation of all stakeholders to ensure empowerment? What are the future implementation arrangements?

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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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