TOOLKIT TO ENHANCE ACCESS TO ADAPTATION FINANCE

For developing countries that are vulnerable to adverse effects of climate change, including LIDCs, SIDS and African states

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TABLE OF CONTENTS

Boxes

INTRODUCTION

1.1 The rationale for and purpose of the toolkit:

The impacts of climate change are already being felt by developing countries that are particularly vulnerable to the adverse effects of climate change including Low Income Developing Countries (LIDCs), Small Island Developing States (SIDS) and African states[1] (hereafter, **the countries**). Effective adaptation and climate-resilient development in these countries is predicated on proper access to financial, technological and human resources (IPCC, 2014a). Analysis by the United Nations Environment Programme shows that adaptation needs will likely be greater in least developed countries (LDCs) and SIDS and the failure to implement early adaptation in such countries will have a disproportionate impacts on their vulnerability in the period after 2020 (UNEP, 2014).

This toolkit outlines a spectrum of "tools" that could help the countries navigate the evolving architecture of climate finance and seize opportunities for accessing finance for adaptation. The tools are **not prescriptive, intrusive or exhaustive**, but aim to provide practical and technical solutions, including to: identify and support adaptation as a national priority; design fundable projects and programmes; better link with available funding; and enhance in-country capacities and enabling environments to attract investments from a wide variety of sources.

The toolkit primarily focuses on enhancing access of the countries particularly vulnerable to climate change (including LIDCs, SIDS and African states) to international climate finance trust funds, while recognising that various domestic resources within those countries will also be important to finance and scale up adaptation action. In terms of targeted audience of the toolkit, section 2 on challenges may be more relevant to senior government officials and politicians, whereas section 3 of the toolkit was developed mainly for, but not limited to, climate practitioners (e.g. policy makers and project proponents). The toolkit may also be useful for development co-operation providers (e.g. governments and bilateral agencies that provide support, multi-lateral development banks, international climate funds and private investors), when they consider how to improve access and effective use of climate finance by recipient countries.

[1] Annex 1 lists countries for which this toolkit may be particularly useful, although its users will not be limited to the countries in the list. The Annex is based on the databases by the United Nations, the World Bank Group, International Monetary Fund, the OECD Development Assistance Committee and the African Union, but is by no means intended to define which countries are categorised as developing countries.

1.2 Context of climate change adaptation and financing for adaptation

The current architecture for adaptation finance has been shaped by a series of provisions and decisions by the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (for more detailed review, see for instance Helgeson and Ellis, 2015 and Briner et al., 2014). The Marrakech Accords, agreed at COP7 (2001), recognised the intrinsic link between climate and development issues. The Adaptation Fund (Decision 10/CP.7), the Least Developed Countries Fund (LDCF, Decision 5/CP.7 and 7/CP.7) and the Special Climate Change Fund (SCCF, Decision 7/CP.7) were established under the Accords (see Annex 2 for more details). The Adaptation Fund has taken a number of innovative approaches including channelling finance through direct access modalities (Box 1). The experience of the Adaptation Fund has informed the design of the Green Climate Fund (GCF). The Accords included the formulation of national adaptation programmes of action (NAPAs) to address immediate and urgent adaptation needs, and identify priority projects, in LDCs (Decision 28/CP.7). The Least Developed Countries Expert Group (LEG) was also initially established to provide technical support for NAPAs (Decision 29/CP.7). The Nairobi Work Programme (NWP) was established in 2005 based on a COP decision made at COP11 (Decision 2/CP.11) under the Subsidiary Body for Scientific and Technological Advice (SBSTA), focusing on impacts, vulnerability and adaptation to climate change.

Box 1. Climate finance access modalities

International access: Multilateral international entities are responsible for facilitating project development, design, submitting approvals, monitoring and reporting functions on behalf of countries.

Direct access: The project development, design and oversight responsibilities normally played by multilateral international entities are taken on by a national or regional entity.

In parallel to the actions of the NWP, the Cancun Adaptation Framework (CAF) was agreed at COP 16 (Decision 1/CP.16) to facilitate implementation, support and stakeholder engagement in adaptation measures. Under the CAF, the Adaptation Committee was established to promote implementation of enhanced action on adaptation, and the national adaptation plans (NAPs) process was also launched to address medium- and long-term adaptation needs in developing countries. In the Cancun Agreement, developed countries formalised their commitment to jointly mobilise USD 100 billion per year by 2020 from a range of sources (public and private, bilateral and multilateral, including alternative sources) to address the adaptation and mitigation needs of developing countries. The GCF was also established, and the Fund’s Board has decided to have an even allocation of funding between mitigation and adaptation (GCF, 2014a).

Countries are increasingly taking action to respond to climate change within this framework. In terms of accessing climate finance, NAPA implementation project proposals had been submitted by 49 LDCs for funding under the LDCF as of June 2015. Those 49 LDCs had accessed USD 906 million from the LDCF and USD 3.72 billion have been mobilised in co-financing to address their NAPA priorities (GEF, 2014a). NAPAs have been an important means to attract resources to adaptation actions (UNFCCC, 2015). NAPs could also help countries communicate their national adaptation needs and priorities (UNFCCC, 2014b).

While estimates vary, it is generally accepted that the amount of public climate finance directed to adaptation in developing countries has significantly increased in the past years (OECD DAC, 2014a; Peterson Carvalho and Terpstra, 2015). Buchner et al. (2014) estimate that global public climate finance flows for adaptation were USD 25 billion in 2013[2]. The OECD Development Assistance Committee (DAC) reported that DAC members and Multilateral Development Banks combined committed USD 15.1 billion of international public adaptation finance for developing countries at the activity-level in 2013. USD 10.0 billion address adaptation only (25% of total climate-related external development finance recorded in OECD DAC statistics), and USD 5.1 billion (13%) consists of activities designed to address both adaptation and mitigation. It should be noted that nearly 80% (USD 11.8 billion) of the adaptation finance are bilateral climate-related flows. 45% of the bilateral adaptation finance by DAC members is allocated to least developed and other low-income countries. (See OECD DAC [2015] for more information on those numbers) It has been challenging to track adaptation finance from the private sector. This is largely due to significant data gaps and methodological challenges such as how "adaptation finance" should be defined and how finance for indirect activities that can lead to scaled up investments in adaptation (e.g. capacity development) should be counted as climate finance. The Standing Committee on Finance under UNFCCC has been mandated to improve the methodologies for reporting financial information by Parties.

[2] Boundaries set by Buchner et al. (2014) for adaptation are based on those used by the OECD-DAC Creditor Reporting System (OECD, 2011), the Joint MDBs' tracking (IDB et al. 2012, AfDB et al. 2013, AfDB et al. 2014) as well as IDFC (Hoehne et al., 2012; IDFC, 2014), which leads to the different number from the one reported by the OECD DAC.

CHALLENGES FOR THE COUNTRIES IN ACCESSING FINANCE FOR ADAPTATION

2.1 Framing the challenges

The countries have faced a range of barriers to building climate-resilient economies, including: insufficient awareness of the need for adaptation and sources of funding; difficulty in understanding funds' procedures; low level of capacity to develop and implement projects; limited availability of climate information; a lack of coherent policies, legal and regulatory frameworks and budgets; and no clear set of priorities for adaptation and development.

The challenges faced by countries will depend on their needs and circumstances, and different actors face different challenges (e.g. central governments, local authorities and non-state actors). Accessing dedicated multilateral climate funds may bring different challenges to the countries than accessing bilateral or private sector finance. The climate finance landscape is complex, consisting of many funds, each with different objectives and requirements to access financing. In this context, navigating the array of sources of climate finance can be complicated for developing countries.

2.2 Challenges faced by the countries in accessing international adaptation finance

(i) Low level of awareness of the need for adaptation and sources of funding

There is increasing activity on adaptation at the national level (UNFCCC, 2015). Nonetheless, there is often limited awareness of the potential impacts of climate change and adaptation options, especially among local authorities and non-state stakeholders (Wilkinson et al., 2014). This low level of awareness can be a barrier to developing further adaptation actions, since such local and/or non-state actors play a large role in sectors that will feel the greatest impacts from climate change. (See e.g. GEF IEO, 2015; Wilkinson et al., 2014).

Domestic stakeholders may not always be fully aware of relevant sources of funding, since information on adaptation finance at the international, national and local levels is often scattered across different development co-operation providers and recipient governments (Peterson Carballo and Terpstra, 2015). Examples of necessary information are: how much finance is available; who can access it and how; and whether it meets the needs of the most vulnerable. Such information sometimes can only be found in different databases, thus may not be readily available for those who need it in order to identify the most relevant sources for their countries (Peterson Carvalho and Terpstra, 2015). It is even more difficult for local governments, private sector and civil society to obtain such information, which can prevent those actors from playing active roles in adaptation (Wilkinson et al., 2014; Peterson Carvalho and Terpstra, 2015).

The GEF Country Support Program (CSP) was designed to address some of these challenges by providing information and support to countries in accessing funds. The main objective of the CSP is to strengthen the capacity of recipient country partners to effectively and strategically access GEF and other financing for programs with global environmental benefits as well as adaptation outcomes and to improve overall national and constituency coordination on global environmental issues, including adaptation. As is detailed in the CSP Toolkit [Link], the CSP provides support to the recipient countries mainly through National Multi-Stakeholder Dialogues and Expanded Constituency Workshops (ECW).

(ii) Difficulty in meeting funds' procedures and standards to access finance

Understanding and meeting funds' procedures and standards can be a challenge for countries seeking access to climate finance. This challenge underlines the importance of developing strong national climate strategies and in-country institutional structures.

One structural feature of multilateral climate funds that affects access is that these funds are typically trust funds with very small institutional footprints. Many were designed to deliver finance through other organisations and do not have the mandate or staff to finance transactions directly. For instance, multilateral international entities have been responsible for project development, facilitation and management functions used to access international public climate finance. This feature means that there is often a multi-step process to access finance.

Direct access may allow countries to access, manage and use adaptation finance, but it requires strong national institutions that can meet robust fiduciary standards and environmental and social safeguards (Kato et al., 2014). While many countries' national institutions are able to meet these requirements, many LIDCs have had difficulty enhancing their institutional capacities to meet those necessary standards and safeguards. For example, experience with the Pacific countries seeking access to the Adaptation Fund illustrates that many recipient countries have difficulty in finding or developing organisations that meet the required staffing, expertise, experience and internal controls to be an Implementing Entity (GCF, 2014b).

(iii) Low level of capacity to design and develop projects/programmes, and monitor and evaluate progress

Access to climate finance can also be constrained by a lack of technical capacity to design and develop project or programme proposals, although a number of countries have made significant progress in improving such capacities through various support programmes, including those supported by the LDCF and the SCCF (UNFCCC, 2014c; CTI PFAN, 2013). Limited capacity to present the full set of inputs, activities, outputs, outcomes and impacts of project/programme ideas in the form of each fund's "logical framework" can also inhibit promoting the countries' access to adaptation finance (Christiansen et al., 1999). Such proposals should be developed in light of national needs and priorities.

Private sector investors expect project proponents to demonstrate that their projects are sufficiently robust, have appropriate risk management mechanisms, and will achieve a favourable internal rate of return (Vandeweerd, V., et al., 2012). However, many adaptation measures are neither revenue-generating nor part of conventional business practice in their risk management. Thus, there may be a greater level of needs for public climate finance, compared to mitigation projects. It is also not always easy to clearly monetise benefits of enhanced resilience, estimate benefits from reduction of costs that may accrue due to changing climate, and calculate overall project costs over the long term (Kato et al., 2014; Lindenberg and Pauw, 2013).

A monitoring and evaluation system is an important element for providing countries with useful information and meeting reporting requirements to access international climate finance. Yet, it tends to be methodologically challenging to establish and implement such a system. It is also not always straightforward to take long-term horizons and uncertainty of climate change into consideration for monitoring and evaluations of adaptation measures (OECD, 2015a; Dinshaw et al., 2014). While there are clear challenges with monitoring and evaluation, it is critical to include such components within country strategies and feed the results into future projects or programs.

(iv) Limited availability of and access to climate information

The countries most vulnerable to the impact of climate change often face greater gaps in relevant data on climate, socio-economic statistics and reliable estimates of past economic and climate phenomena (OECD, 2014a). The countries have to deal with wide uncertainties in the available projections of the magnitude and sometimes even the direction of climate changes. This is mainly because those countries often lack, among others, sufficient historical climate data and access to technical expertise for developing climate models and interpreting their results (OECD, 2014a). Project or programme track records on what has worked and what has not so as to achieve expected adaptation and development targets are often limited. This can further inhibit the countries' attempts to access climate finance from public or private sector, or both.

To address these challenges, the LDCF, SCCF and PPCR have already started investing in climate information services in the countries. While these investments do not necessarily address the lack of sufficient historical climate data, they can immediately benefit the countries through the establishment of early warning systems to mitigate risks arising from climate-induced hazards and by laying the groundwork for climate-resilient development. For instance, 37 LDCs are already benefitting from more than USD 307 million in LDCF grants to strengthen their national hydro-meteorological and climate information services, efforts that should be taken into account when designing adaptation activities.

(v) A lack of coherent policies, legal and regulatory frameworks and budget

Both public and private investment will be attracted by enabling environments that ensure policy stability and good governance (Christiansen et al., 1999). United Nations ESCAP (2014) illustrates that, partly due to weak domestic market regulations and infrastructure, many LIDCs and SIDS have had limited opportunities to attract international financial resources (especially private investment) (UN ESCAP, 2014). While middle-income developing counties have increasingly attracted private finance, LIDCs have received the lowest share of foreign direct investment (FDI), and rely on Official Development Assistance (ODA) as the main external source of development finance (OECD, 2014b). This has occurred despite FDI to developing countries now exceeding FDI to developed countries. FDI far outweighs ODA resource flows to developing countries taken as a whole (ibid).

Coherence among policy, legal and regulatory frameworks is needed to enable an efficient and cost-effective shift to climate-resilient and low-carbon economies, but such coherence is often limited (OECD, 2015b). Misalignments between policies for climate adaptation include: regulatory regimes for infrastructure that inadvertently deter investment in resilience; planning policies that encourage development in vulnerable areas; poorly designed insurance mechanisms that may discourage risk reduction investment; and under-pricing of natural resources (ibid.).

(vi) No clear set of priorities identified through transparent multi-stakeholder processes

A programme or project supported by international climate finance needs to be aligned with nationally-set priorities for climate change and development. The process of determining these priorities should consider the circumstances relevant to adaptation policies (e.g. local geophysical circumstances, socio-economic situation, culture and social-norms, and hotspots of vulnerability). It is crucial to understand and incorporate the different perspectives at the various levels of governance into the priority-setting process by ensuring the vertical (e.g. national, sub-national and local) and horizontal (e.g. cross-ministerial cross-sectoral, and science-policy interface) multi-stakeholder engagement (see, e.g. Nakhooda et al., 2013; Corfee-Morlot et al. 2011).

However, such stakeholder engagement could also entail some challenges (e.g. UNDP, 2012; Sano, 2011). These could include: insufficient resources and limited engagement processes to fill gaps in varying levels of awareness and understanding of adaptation issues among different types of stakeholders; conflicts of interest and differing views amongst actors; and underdeveloped processes to understand and address the voices of minorities, gender issues as well as public comments more generally. Procedural issues such as ensuring stakeholders are engaged in a transparent way and minimising the transaction cost of engaging a broad range of stakeholders, can also be challenges.

Box 2. South-South learning

As part of its business model, PPRC holds regular Pilot Country Meetings to orient new pilot countries to the PPCR and to take stock of how PPCR pilot countries are using their Strategic Programs for Climate Resilience to advance agendas in their countries. At these meetings, countries discuss lessons learned on what works and what does not, and what still needs to get done. These pilot country meetings have proven especially valuable for governments and other stakeholders from PPCR countries in building credibility and professionalism of participants while sharing practical experiences, learning from each other and engendering shared South-South experiences.

Source : http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/WB_Climate_Guidance_Note.pdf

To address these challenges, the GEF has been assisting the countries to organise National Multi-Stakeholder Dialogues [Link], with support from the Country Support Program (CSP). These events aim to help countries set priorities with regards to various global environmental issues, including adaptation, and inform them of policies and procedures of available funds, including LDCF and SCCF. They also assist countries to take stock of their project portfolio, including GEF-financed activities, to further define priorities for funding, to develop national strategies and plans, to strengthen national coordination processes and mechanisms, to enhance inter-agency collaboration and partnerships, and to promote the integration of global environmental concerns and adaptation initiatives in national environmental and sustainable development plans and processes. The Dialogues involve a diverse set of government ministries, local and international agencies, NGOs, communities, academic and research institutions, the private sector, as well as partners and donors in the countries. In addition, interested recipient countries may also request GEF support to hold National Portfolio Formulation Exercises (NPFE) which are voluntary activities that are meant to help countries establish or strengthen national processes and mechanisms to facilitate GEF and other programming, including adaptation.

In a similar fashion, national governments participating in the Pilot Program for Climate Resilience (PPCR) are asked to undertake an in-depth structured, strategic planning process in order to decide how to allocate their PPCR funding (see Box 2). As a first stage in their engagement with the PPCR, countries are provided grants of up to USD 1.5 million to develop Strategic Programs for Climate Resilience (SPCR). The SPCR is a country-owned and led framework identifying vulnerabilities and priorities for mainstreaming climate resilience into development planning and investment. The SPCR is developed through a participatory process that includes: identifying priorities and strategies, defining key agencies, allocating tasks among agencies, MDBs and other partners, and developing a results framework to track progress. The SPCR builds on policy and analytical work already underway in a country and is designed to attract other multi-lateral or bilateral development funding. The PPCR has catalysed high-level coordination across multiple sectors to strengthen the resilience agenda in participating countries. In countries such as Cambodia, Samoa, and Zambia, the PPCR has supported mainstreaming of climate resilience into national and sub-national development plans (e.g., Zambia's Sixth National Development Plan).

2.3 Challenges faced by the broader range of development co-operation providers

Despite the primary focus of this toolkit being on the countries referred to in the introduction, there are also a number of challenges that are fundamentally embedded in how development co-operation providers deliver their support. For instance, international access modalities for some types of climate funds may involve significant processes to screen, approve and disburse project/programme funding (ADB, 2010; Kato et al., 2014). To enhance adaptation finance access, climate financing sources should continue to streamline requirements and associated processes to reflect the urgency and the operational realities on the ground, while ensuring that projects are implemented in a prudent and transparent manner (Bird, 2014; UNEP 2013). Project cycle streamlining efforts have been well received and effective within the GEF partnership, including the LDCF and SCCF.

Some domestic stakeholders also mention that language barriers exist when they and their domestic counterparts try to understand and implement the modalities and guidelines of international climate finance (e.g. AC and LEG, 2015, Constantino, 2014). Overcoming these language barriers can help to reach the appropriate audiences at both national and local levels, and increase their awareness of climate change and international climate finance. Development co-operation providers are already responding by increasing the provision of multi-lingual guidelines. Toolkit to enhance access to adaptation finance

TOOLKIT TO ENHANCE ACCESS TO ADAPTATION FINANCE

This chapter provides the following six non-intrusive, non-prescriptive and non-exhaustive technical "tools" that could help policy makers navigate the evolving architecture of climate finance and seize improved opportunities for accessing finance for adaptation:

1. Identify the most relevant international financing channels.

- Find the most relevant climate finance sources and channels in light of a country's priorities, needs and capacities.

2. Support capacity development at the organisational level.

- Enhance organisations' institutional capacities to understand the modalities of climate funds and to access and use climate finance.

3. Support and facilitate project and/or program preparation.

- Enhance countries' political awareness and technical capacities to prepare project and programme proposals for funding.

4. Enhance domestic enabling environments to attract private and public finance.

- Develop robust and predictable regulatory frameworks and well-designed economic incentives to attract public and private international climate finance.

5. Foster lesson sharing and peer-learning.

- Strengthen the capability of entities to monitor and evaluate adaptation in order to share lessons learned for scaling up future finance inflows, and to meet applicable reporting requirements.

6. Use the NAP process effectively.

- Make use of NAP process to identify a country's national adaptation needs and priorities (including financial needs), and communicate them to funding sources.

A sub-section on each tool includes: (i) an overview of the tool and underlying or targeted challenges that are discussed in the previous chapters; (ii) indicative activities based on a range of experiences in readiness programmes and literature review; and (iii) links to existing guidelines, online tools and literature for more detailed information (all the links were last accessed on the 06th of July, 2015).

The toolkit is designed so that countries can decide which tools, activities and materials are applicable to their specific circumstances, and in what order those measures would be undertaken.

LEG (2012) "The technical guidelines for the NAP process" will be a useful guide to many of the actions outlined in the following sections. The LDCF and the SCCF, the GCCA, the GCF Readiness Programme, PPCR and several bilateral agencies, organised under the NAP Global Network, provide financial and technical support (see Annex 3).

3.1 Identify the most relevant financing channels

Overview of the tool and underlying challenges

The following resources provide information on potential climate finance sources.

- **Climate Funds Inventory** is prepared for the G20 Climate Finance Study Group and contains information on about 91 climate funds. It includes information on, for instance, the type of the fund (e.g., multilateral/bilateral), the size of the fund, fields of activity (e.g. mitigation, adaptation, capacity building), eligible sectors (e.g. agriculture, forestry, energy efficiency) and regions, among other information (OECD, 2015 forthcoming).

- **UNFCCC's Funding for Adaptation Interface** [Link] provides a platform to access and screen information on funding options available for adaptation worldwide. It provides a summary of adaptation funding options available from various sources, each with an information factsheet. The factsheet contains a description of the funding mechanism, example projects, contact information and relevant web links for further information. The interface was mandated by the SBI under its agenda item on the further implementation of decision 1/CP.10 (see FCCC/SBI/2008/8, paragraph 38).

- **Annex 2** [Link] contains more detailed information on the LDCF, the SCCF, the GCF, the Adaptation Fund, Adaptation for Smallholder Agriculture Programme (ASAP) and the Global Climate Change Alliance. The financing channels listed in the Annex are a subset of overall adaptation finance and countries will benefit from exploring opportunities beyond the dedicated climate funds listed in the table.

Access modalities, eligibility criteria, programing priorities and logical frameworks as well as expected outcomes vary among different funding sources and channels. Therefore, it is necessary to identify finance sources or channels that would be the most relevant given national priorities, socio-economic contexts and institutional capacities. If a country has a centralised database to keep information about those (potentially) providing support, the database would be the best place to explore the different development co-operation providers relating to the country. However, such databases have not been established in many countries (Peterson Carvalho and Terpstra, 2015).

Direct access and international access are not mutually exclusive, and can be used in parallel. Careful analysis of available funding sources and their requirements as well as recipient countries' own circumstances will help country governments identify the right source(s) of climate finance (e.g. Peterson Carvalho and Terpstra, 2015). For instance, while the direct access modality could make good use of national institutions, it may not be feasible for some LDCs and SIDs in the short-run to put in place national-level organisations with accredited fiduciary or other environmental and social standards (Kato et al, 2014).

Examples of indicative activities

Indicative activities	For further information
Understand own needs and circumstances	
• Know own adaptation needs by analysing: national adaptation priorities; existing and planned adaptation policies; results of vulnerability and risk assessment; actors that are/can be involved.	(See more details in sub-section 3.6. "Use the NAP process effectively" [Link])
• Analyse domestic institutions' roles in accessing and channelling adaptation finance: responsibilities of ministries and other public/private entities; co-ordination between relevant actors.	Dixi et al. (2012) "Ready or Not; Assessing Institutional Aspects of National Capacity for Climate Change Adaptation" [Link]
• Assess own budget management systems to see whether they are likely to satisfy standards required by climate funds, in particular, those for budget support schemes. (e.g. tracking international assistance, monitoring budget implementation, and public participation in oversight of the implementation)	Bird et al. (2013) "Measuring the effectiveness of public climate finance delivery at the national level" [Link] GCCA (n.d.a), "Mainstreaming climate change in the budgetary process" [Link] [Link] Petkova (2009) "Integrating Public Environmental Expenditure within Multi-year Budgetary Frameworks" [Link]
Understand information on international adaptation finance sources	
• Gather, compile and understand information on international adaptation finance sources (see below) potentially available to the country. ○ Bilateral development co-operation providers. ○ Multilateral development banks. ○ Dedicated climate funds. ○ Private foundations. ○ Other international philanthropic foundations.	The table in the annex to the toolkit [Link] OECD (2015-forthcoming) "Climate Funds Inventory" Climate Funds Update [Link] Table 1 in Peterson Carvalho and Terpstra (2015) "Tracking Adaptation Finance" [Link]
Select suitable financing channels	
• Compare access modalities for international climate funds with own national system for ensuring fiduciary, environmental and social standards.	See Annex 2 [Link] and Climate Funds Inventory (OECD, 2015-forthcoming) (See more details in sub-section 3.2 "Support capacity development at organisational level" [Link])
• Choose relevant types of access modalities (i.e. direct or international access, or combination of those) to the country's own context and circumstances.	
• Find the most relevant financing channels based on the findings of abovementioned analysis. Some countries may use existing international institutions (MDBs and UN agencies), while building up their own institutions for direct access at a later stage (GCF, 2013a).	

3.2 Support capacity development at organisational level

Overview of the tool and underlying challenges

One of the greatest underlying challenges in accessing climate finance is that many countries lack the knowledge and staff to effectively navigate the climate finance landscape. Capacity development at organisational level can enhance access to adaptation finance (e.g. strengthening national coordinating institutions and implementing entities).

National coordinating institutions, such as national designated authorities (NDAs) and focal points for climate funds, play a significant role not only in securing access to funding but also in enhancing country ownership of funded activities and co-ordination among relevant actors (Bird, 2014). An NDA or a focal point will ideally be placed within a ministry or authority that is in a position to manage interrelation between the country's national budget, economic policies and climate change priorities (GCF, 2014c).

Another challenge is supporting implementing entities to develop sufficient capacities to meet climate funds' required standards. Sub-national, national and regional implementing entities have a key role to play in directly accessing international climate finance from, for instance, the GCF, the Adaptation Fund and the funds managed by the GEF, including the LDCF, SCCF and the GEF Trust Fund. Countries need to identify existing organisations, or establish new ones, that can be candidates for implementing entities.

Annex 2 of the toolkit also summarises the access modalities and links to relevant materials**.**

Further information on those prerequisites can be found on the websites of: the GCF [Link], the LDCF and the SCCF [Link], the Adaptation Fund [Link] and ASAP [Link]. Information on other climate funds' eligibility criteria and standards are available in OECD (2015-forthcoming). A range of readiness programmes and workshops are available to enhance capacities at the organisational level in accessing climate finance. Examples are summarised in Annex 3.

Examples of indicative activities

Indicative activities	For further information
Raise awareness of needs and opportunities for institutional capacity enhancement	
• Form a multi-departmental team (led by a senior official or minister) to review international, multilateral, and bilateral sources of finance and, if necessary, consider the accreditation process of the climate funds.	GCF (2015a) "Resource Guides" [Link] AFB (2015) "Overview of Adaptation Fund and readiness support" [Link] Bellamy & Hill (2010) "National Capacity Self-Assessments" [Link] OECD (2012) "Greening Development" [Link] GIZ (2014a): Climate Finance Readiness Training toolkit [Link]
• Provide politicians and relevant government officials with information on climate change adaptation and financial needs so as to lead them to consider initiating/enhancing efforts to strengthen institutional arrangements to access climate funds.	
• Make use of workshops, guiding tools and/or online materials provided by	GCF Readiness Inventory

climate funds to familiarise relevant staff with process, requirements and standards in the accreditation process.	Meeting and workshops by bodies under UNFCCC (upcoming and past) [Link] (See also the Annexes of the toolkit)
Strengthen capacities of a national designated authority (NDA) or focal points	
• Develop knowledge base within an NDA on national priorities, strategies, and plans for development and climate policies. • Identify from where updated information can be obtained.	GCF (2014c) "Initial best-practice guidelines for the selection and establishment of NDAs and focal points" [Link] GCF (2015a) "Resource Guides" [Link] GEF "Policies and Guidelines" [Link] (the right side of the website) AF "Guidelines for Designated Authorities to select an NIE" [Link]
• Get familiar with domestic stakeholders (e.g. contacts with multilateral and bilateral institutions, civil society organisations, and potential candidates for sub-national, national or regional implementing entities)	
• Facilitate country coordination mechanisms and multi-stakeholder engagement for country consultations. Consider using existing regular country meetings or national planning/dialogue exercises	
Select implementing entities (IEs)	
• Identify candidates for international, regional, national or sub-national implementing entities. • Ideally choose existing institution(s) with substantive experiences in climate finance. • If a new institution is needed, reflect on required minimum fiduciary standards from the early stage of development.	GCF (2015a) "Resource Guides" [Link] GEF "Policies and Guidelines" [Link] (The right side of the website) AF "Guidelines for Designated Authorities to select an NIE" [Link] AF "The Adaptation Fund NIE Accreditation Toolkit" [Link]
Collect evidence to meet fund's fiduciary standards and environmental and social safeguards	
• Examine IE candidates' capacities in meeting required fiduciary standards (e.g. financial management, programme management, procurement, and monitoring and reporting).	GCF (2015a) "Resource Guides" [Link] GCF (2014d) Annexes in "GCF/B.07/11" [Link] GEF "Policies and Guidelines" [Link] including Environmental and Social Safeguards as well as Fiduciary Standards (Right side of the website) AF "The Adaptation Fund NIE Accreditation Toolkit" [Link] AF "Operational Policies and Guidelines for Accessing Funding" [Link] AF "Guidance document for Implementing Entities on Compliance with the Adaptation Fund Environmental and Social Policy" [Link]
• Examine candidates' capabilities in meeting environmental and social safeguards (e.g. considerations for: working conditions, resource efficiency and pollution prevention, community health and safety, land acquisition and/or resettlement, biodiversity, indigenous peoples and cultural heritage).	
• Check what documented information is available within the candidate entity (for meeting accreditation criteria to be an IE). • Make sure that internal systems and procedures at the IE candidate are described in the relevant documents or manuals, and involve relevant authorities)	
Strengthen communication to facilitate accreditation of implementing agencies	
• Facilitate communication between the IE candidate and the secretariat of the relevant climate fund during the accreditation process so that the candidate fully understands the accreditation process and requirements.	Meeting and workshops by bodies under UNFCCC (upcoming and past) [Link] Climate Investment Funds' events and workshops [Links] Climate & Development Knowledge Network [Links] (See also Annex 3 [Link])
• Share lessons learned from accreditation processes between the countries.	
• Seek greater engagement among various stakeholders including politicians, governmental agencies, CSOs and private sector.	

3.3 Support and facilitate project and/or programme preparation

Overview of the tool and underlying challenges

Political awareness and technical capacities need to be in place to prepare project and programme proposals for funding. It is essential for funding proposals to clearly articulate how the project or programme is aligned with countries' broader priorities for national development and adaptation (OECD, 2014a). For example, countries participating in the Pilot Program for Climate Resilience are asked to undertake an in-depth structured, strategic planning process to allocate their PPCR funding to individual programmes/projects. Activities supported by PPCR in Bangladesh and Nepal have been aligned with national priorities, plans and strategies (Rai et al., 2015) (For more information, see also Annexes 2 and 3).

Actions to facilitate the preparation of proposals can target the people, systems, expertise and know-how required to access climate finance (Watson et al., 2013). The actions can be taken at the project proponent and the national or sub-national government levels. The development of project proposals needs to engage a range of stakeholders in a transparent way so that it captures adequate information and expertise as well as social considerations. Such stakeholders include governments, project developers, financial institutions, civil society organisations and academia (UNDP, 2010).

Project proponents can be responsible for preparing detailed technical elements to be included in their project proposal for funding. They are better placed to obtain specific information on actors involved, estimation of costs and benefits, technical feasibility and economic sustainability of the project, and the rationale of the project in light of national adaptation priorities and needs. Governments could facilitate project preparation by providing climate data, guidance on sources of financial support and advise on consistency with national objectives.

Examples of indicative activities

Indicative activities	For further information
Justify adaptation actions based on country priorities (By project proponents)	
• Clearly outline why this project or programme needs to be implemented, in light of priorities in a country's national development and adaptation plan.	IFRC (2013)"Accessing climate finance" [Link]
• Engage a range of stakeholders and discuss: expected results; resources needed; and timelines. These include, planners in central government, sub-national level institutions, finance experts, academia, agronomists, climatologists, hydrologists, and civil society organisations	UNDP (2010)" Designing Climate Change Adaptation Initiatives" [Link] The Asian Disaster Preparedness Center "Participants' workbook: Community-based Disaster Risk Management for Local Authorities " [Link]
Develop rationale for funding the adaptation measures (By project proponents)	
• Set up baseline activities that are defined as business-as-usual development plans with no consideration of the likely implications of long-term climate change.	UNDP (2010) "Designing Climate Change Adaptation Initiatives" [Link]

• Use (and adjust as necessary) well established decision-making tools to delineate the expected results (e.g. Robust Decision Making, Multi-Criteria-Analysis, Cost-Benefit-Analysis, expert judgement). The references and online materials listed in the next column outline how to make use of those tools.	GIZ (2013) "Economic approaches for assessing climate change adaptation options under uncertainty" [Link] OECD (2015c), "Climate Change Risks and Adaptation: Linking Policy and Economics" [Link] –Ch3 MEDIATION Adaptation Platform (2013) "Technical Policy Briefing Notes for decision support tools" [Link] GIZ Cost Benefit Analysis Template (Excel spreadsheet) [Link] [Link] GIZ Multi Criteria Analysis Template (Excel spreadsheet) [Link] [Link]
• Consider also various factors for decision making: funding constraints; timeline for implementation; relevant planned and existing initiatives; social/cultural norms and values; dynamic nature of climate risks in the long-run.	
• Outline the necessary inputs to cover the costs of delivering products and/or services to achieve the expected results	UNDP (2010) "Designing Climate Change Adaptation Initiatives" [Link] GCCA (n.d.b) "GCCA: Mainstreaming of climate change – Standard training materials" [Link] IFRC (2013)"Accessing climate finance" [Link] GEF (2014b) "Programming strategy on adaptation to climate change" [Link]
• Demonstrate that the measures to ensure sustainability of project benefits beyond the support period have been articulated. (e.g. Building sufficient local capacity to maintain and scale up activities; drawing a strategy to raise additional funding; choosing activities with low maintenance costs)	
Facilitate development of project/programme pipeline (By governments[3])	
• Develop an initial pipeline of project and programme proposals in light of national development and adaptation priorities by seeking readiness programmes to facilitate piloting projects/programmes.	Watson et al. (2013) "Understanding Climate Finance Readiness Needs in Zambia" (i.a..ch 4.2) [Link] OECD (2009) "Policy Guidance on Integrating Climate Change Adaptation into Development Co-operation" [Link]
• Bundle or co-ordinate (as necessary) small projects to reduce transaction costs associated with financing and implementation.	
• Promote private sector market development (e.g. agricultural advisory services to enable the rural poor to benefit from agricultural markets, while improving their adaptive capacity)	Lamboll et al. (2013) "Emerging approaches for responding to climate change in African agricultural advisory services" [Link][Link] (Website [Link])
Enhance evidence base for decision making at project/programme level (By governments[3])	
• Support the initiation of data improvements, such as development of key result indicators and collection of baseline data.	See the GCF Readiness Inventory
• Facilitate dialogues on the needs for climate resilience projects/programmes and investment needs at the national, sub-national and sectoral levels.	See Annexes 1 and 2 for programmes to facilitate such dialogues [Link] See also, the GCF Readiness Inventory
• Support collecting track records of projects and programmes that have been implemented, and make the records publicly available for those who are planning new projects/programmes.	(Examples of presentation and databases) UNFCCC "Nairobi Work Programme, Private Sector Initiative" Website [Link]
Support project risk reduction (By governments[3])	
• Develop and provide a project risk reduction package that could include: guarantees and insurance products; public investment funds; and loan loss reserves (possibly with a technical and financial support from development co-operation providers)	Lindenberg (2014) "Public instruments to leverage private capital for green investments" [Link] OECD (2015d) "Mapping Channels to Mobilise Institutional Investment in Sustainable Energy" [Link]

[3] While the government has generally taken leadership in this role, there is scope for NGOs, research institutions, and the private sector to undertake some of the activities that fall under these categories.

3.4 Enhance in-country enabling environments to attract private and public investment

Overview of the tool and underlying challenges

Adaptation measures are often financed through collaboration between private investment and public financing (Christiansen et al., 1999). The most effective private sector activities (and domestic as well as foreign investments) would take place within robust and predictable regulatory frameworks and well-designed economic incentives (CICERO and CPI, 2015; Corfee-Morlot et al., 2012).

Indeed, some developing countries have started developing in-country regulatory frameworks, economic incentives, human and institutional capacity and fiduciary standards to unlock international and domestic private finance for adaptation. For instance, Bangladesh and Zambia have undertaken policy reforms to create favourable conditions for investment in climate resilience and low carbon development, which in turn have stimulated the scaling-up of green investments (e.g. Casado-Asensio, 2015 for Zambia; Basu et al., 2014 for Bangladesh). Financial instruments to transfer or share climate related-risks (the African Risk Capacity and the Caribbean Catastrophe Risk Insurance Facility) can also be better designed through financial and technical collaboration between public and private sectors.

Enabling environments not only include aspects of regulatory frameworks and economic incentives, but also incorporate developing institutional capacities and strengthening human capital (e.g. raising awareness and enhancing technical and administrative capacities) across different levels of governance (IPCC, 2014b). Exploring synergies and co-benefits between adaptation and multiple domestic policies allows for more coherent and cost-efficient policies, and improves their chances of being implemented (OECD, 2014a; Corfee-Morlot et al., 2012).

Examples of indicative activities

Indicative activities	For further information
Plan and implement in-country regulatory frameworks	
• Factor climate change impacts and adaptation into development of key infrastructure at different phases (e.g. planning, construction, operation and decommissioning phases).	IDB(2015),"Climate Change Risk Management Options for the Urban Infrastructure Sector" [Link] EC(2011), "Guidelines for Project Managers: Making vulnerable investments climate resilient " [Link] WB (n.d.) Climate & Disaster Risk Screening Tools [Link]
• Require operators of critical infrastructure (e.g. utilities) to consider climate change adaptation and disclose information on climate risks in their operation.	
• Incorporate adaptation consideration into building standards and/or codes.	Auld, et al.(2010), "The Changing Climate and National Building Codes and Standards", Environment Canada, [Link]
• Improve local zoning rules to avoid or minimise construction of buildings and infrastructure in areas particularly vulnerable to climate change (e.g. floodplains, coastal zones).	UNHABITAT (2014) "Planning for climate change: Guide –A strategic, values-based approach for urban planners" [Link] CARES (2013) "Building Climate Resilient Cities" [Link]
• Grant land use or construction permits with the condition that requires environmental and/or social impact assessment.	

Mainstream adaptation into government's administrative activities	
• Integrate (gradually) adaptation as a standard practice into government and administrative processes (e.g. budget call circulars, public expenditure reviews, procurement and coordination mechanisms.)	GEF (2014b) "Programming strategy on adaptation to climate change" [Link] Corfee-Morlot et al. (2012), "Towards a Green Investment Policy Framework" [Link] UNDP&UNEP (2011) "Mainstreaming Climate Change Adaptation into Development Planning" [Link]
Design economic incentives to stimulate private investments in climate resilient development	
• Explore and provide public and private financing instruments (e.g. loans, equity or guarantees) to reduce financial risks associated with private sector investments in adaptation. • Subsidise capital or operational costs of purchasing and using technologies that contribute to implementing adaptation actions (e.g. efficient irrigation equipment).	OECD (2015d) "Mapping Channels to Mobilise Institutional Investment in Sustainable Energy" [Link] IFC (2012) "Enabling Environment for Private Sector Adaptation". [Link] Lindenberg (2014), "Public Instruments to Leverage Private Capital for Green Investments in Developing Countries", [Link]
• Provide support for premium for climate risk transfer or sharing products (e.g. crop insurance) without discouraging risk reduction actions.	Poole (2014) "A Calculated Risk: How Donors Should Engage with Risk Financing and Transfer Mechanisms" [Link] Vargas Hill (2014) "Using subsidies for inclusive insurance" ILO, [Link]
• Support development and up-take of lower cost insurance schemes (e.g. index-based crop insurance) in collaboration with (e.g.) public insurers, private insurers, distributers, meteorological offices and international development co-operation providers.	IFAD & WFP (2012) "Weather Index-based Insurance in Agricultural Development: A Technical Guide" [Link] [Link]
• Rationalise pricing on environmental resources (e.g. water pricing and tradable permits)	Transforming Water Scarcity through Trading (n.d.) "Water Trading: Experiences in and potential for developing countries" [Link]
• Promote microfinance programmes for SMEs and smallholders to start with adaption projects, which could leverage scaled-up private finance afterwards.	Agrawala and Carraro (2010), "Assessing the Role of Microfinance in Fostering Adaptation to Climate Change" [Link] GEF (2014b) "Programming strategy on adaptation to climate change" [Link]
• Support research, development and deployment of local technologies for adaptation, which are developed and/or taken up by local private entities	ADB (2012) "Technologies to Support Climate Change Adaptation in Developing Asia" [Link] GEF (2014b) "Programming strategy on adaptation to climate change" [Link]
Improve awareness of potential benefits from adaptation among local entities	
• Raise the awareness among local entities of economic opportunities from adaptation actions (e.g. financial institutions, SMEs, project developers, construction tender and maintenance contract). • Provide such entities with opportunities to improve knowledge in financial instruments (e.g. ones described above) to manage climate risks.	GCF (2015b) "Private Sector Facility: Working with Local Private Entities, Including SMEs" [Link] Catholic Relief Services(2013)"Financial Education (Manuals on 5 skill sets for preparing smallholder farmers to successfully engage with markets)"[Link] See also, the GCF Readiness Inventory

3.5 Foster lesson sharing and peer learning

Overview of the tool and underlying challenges

Increasing the capability of in-country entities to monitor and evaluate pilot adaptation actions facilitates lesson sharing in preparation for scaling up future finance inflows. Monitoring and evaluation will also help to meet the reporting requirements for some types of international finance. There is increasing pressure from the public in countries providing finance to demonstrate effectiveness of funded activities. Therefore, enhanced capabilities of relevant entities within the countries that seek adaptation finance in meeting the reporting responsibilities would help to increase their possibility to access climate finance (OECD DAC, 2014b).

It is critical that developing country entities capture lessons from pilot and demonstration actions, which may inform decisions about accessing and mobilising financing for adaptation strategies and measures at a larger scale (Christiansen et al., 1999). The lessons learned would include both successes and challenges, and could also provide analysis or explanation of the performance of piloted activities.

Regular monitoring of adaptation actions will help prioritise future adaptation needs and inform the allocation of budgets, while periodic evaluations can assess the efficiency, effectiveness and impact of the actions (OECD, 2015a). To address technical challenges in monitoring and evaluation (e.g. attribution, baseline setting and long timeframe as discussed in section 2.2 [iii]), some of the countries may initially start with the focus on monitoring progress in current vulnerability to climate change (OECD, 2015a). If climate uncertainty decreases, and data availability and understanding of methodologies for monitoring and evaluation improve, the focus can shift towards evaluation of the levels of adaptation against projected climate change (OECD, 2015a).

Lessons learned through existing adaptation actions can be shared in various forms: South-North exchange; South-South exchange; exchange between developing countries with lower level of resources and other developing countries. A number of support programmes are emerging for lesson sharing and peer learning (see e.g. NAP Global Network; the GCF Readiness Inventory; and Helgeson and Ellis [2015]). Systematic and regular communication within a country or across the countries will help to share information on policies, procedures and processes relating to climate finance access, as well as up-coming opportunities for workshops and meetings (GCF, 2013b).

Examples of indicative activities

Indicative activities	For further information
Identify available learning opportunities and use them	
• Compile information on on-going and upcoming supporting activities/meetings for lesson sharing, including both North-South and South-South exchanges.	GCF (n.d.) "Readiness Inventory" [Link] Adaptation Fund "Readiness Programme for Climate Finance" [Link]
• Attend or organise periodic information sharing meetings while avoiding the opportunities from becoming just "talking shops" (Naidoo, 2014).	"GCF Readiness Programme" (implemented by UNEP, UNDP and WRI) [Link]
• Exchange views on what are "good enough" practices (GCF, 2013a) to access particular climate finance sources.	"The Climate Finance Readiness Programme" [Link]
Develop monitoring and evaluation systems	
• Gradually develop institutional capacities in monitoring and evaluation adaptation plans at the national level, starting with limited scope, by referring to relevant guidance, literature or website.	OECD (2015a), "Monitoring and Evaluation of Climate Change Adaptation Methodological Approaches" [Link] Dinshaw et al. (2014), "Monitoring and Evaluation of Climate Change Adaptation; Methodological Approaches" [Link] (*For Project/programme level M&E*) GIZ (2014b): "Monitoring and Evaluating Adaptation at Aggregated Levels: A Comparative Analysis of Ten Systems [Link]
• Communicate regularly with international and domestic climate finance sources about national adaptation priorities that may be updated or adjusted by utilising lessons learned through iterative monitoring and evaluation exercise.	GIZ (2014c): "Repository of Adaptation Indicators Real case examples from national Monitoring and Evaluation Systems" [Link] GEF (2014b) "Programming strategy on adaptation to climate change" [Link] See also, the GCF Readiness Inventory and NAP Global Network.
• Define an appropriate monitoring and evaluation framework at the project/programme level.	Dinshaw et al. (2014) "Monitoring and Evaluation of Climate Change Adaptation Methodological Approaches" [Link] GIZ (2013b): Adaptation made to measure. [Link]
Develop a "learning environment"	
• Create the learning environment within entities in a country by (e.g.) raising awareness of leaders, and integrating contributions to monitoring and evaluation into staff's routine tasks.	OECD (2014) "Measuring and managing results in development co-operation" [Link]
• Develop a public database to share relevant information on adaptation actions within and outside the country and update it periodically.	(*As examples of database format*) UNFCCC (n.d.) "Nairobi Work Programme: Private Sector Initiative - database of actions on adaptation" [Link] ODI (n.d.) "Environment and Climate Programmes" [Link]

3.6 Use the NAP process effectively

Overview of the tool and underlying challenges

NAPs aim to reduce vulnerability to the impacts of climate change and to facilitate the coherent integration of adaptation into relevant policies, programmes and activities (decision 5/CP.17). Some of the tools discussed in the previous sections have overlaps with the details of the key elements explored in the NAP technical guidelines by the LDC Expert Group (LEG, 2012)

The key elements of the NAP process include: (i) the groundwork and addressing gaps (e.g. gap analysis and national policies); (ii) preparatory elements (e.g. climate scenarios and assessments, and prioritisation of adaptation measures); (iii) implementation strategies (e.g. implementing actions, and enhancing necessary capacities and knowledge base); and (iv) reporting, monitoring and review (e.g. processes to address inefficiencies and challenges identified). Countries are free to choose those elements that are applicable to their specific situation (LEG, 2012). Yet, it may also be helpful for the countries to take comprehensive approaches to the extent possible so as to enhance effectiveness of and coherence among policies and projects or programmes on the ground.

In terms of accessing climate finance, NAPs could help the countries communicate national adaptation needs and priorities (including financial need) with actors inside and outside the countries (UNFCCC, 2014a). NAPs can be referred to when policy makers or project proponents develop their funding proposals. Information that NAPs can provide to such proposals would include: reasons that the adaptation project is worth funding; rationales to prioritise the project in light of the country's vulnerability and development strategies; and institutional arrangements to ensure sustainability of the project beyond a funded period.

The following table is not an exhaustive list of indicative activities relating to NAP process. Rather, it outlines a few examples where NAPs can usefully facilitate the countries' efforts to identify a diverse set of financial sources and communicate with the funds about the countries' needs and potential areas for investments.

Examples of indicative activities

LEG (2012) "Technical Guidelines for the NAP process" [Link] provides guidance for all of the actions outlined below.

Indicative activities	Further information
Lay the groundwork and address gaps	
• Launch a NAP process to provide relevant stakeholders (e.g. policy makers at national and local levels) with a leadership and co-ordination role in defining a framework, strategy or road map, for a sequence of adaptation actions.	Figure 1 in LEG (2012) "The technical guidelines for the NAP process" [Link] (i.e. Figure 1.).
• Take stock current and past adaptation policies, programmes and projects, and where possible, catalogue key lessons learned through related reports and/or available information on results.	Jones et al. (2014) "Chapter 2. Foundations for decision making (in IPCC's AR5)" [Link] [Link]

• Identify and analyse gaps and needs regarding the capacity, and data and information availability.	Noble et al. (2014) "Adaptation Needs and Options (in IPCC's AR5)" [Link] [Link] (i.e.14.4. Adaptation Assessments)
• Examine financial, technological and human resources required for the effective implementation of NAP process in the country, and for designing and implementing adaptation activities.	GIZ (2014d): "Stocktaking of National Adaptation Planning" [Link] GIZ (2014e): "Recommendations for aligning national adaptation plan processes with development and budget planning" [Link]
• Enhance awareness of potential opportunities for the integration of adaptation in development planning at various levels	OECD (2014a) "Climate Resilience in Development Planning" [Link]
Conduct preparatory elements	
• Collect and compile available information on (i) current trends in changing climate, (ii) future climate-related risks and scenarios, and (iii) estimated level of vulnerability at various levels.	OECD (2015c), "Climate Change Risks and Adaptation: Linking Policy and Economics" [Link] UNFCCC (n.d.), "Compendium on methods and tools to evaluate impacts of, and vulnerability and adaptation to, climate change" [Link] Jones et al. (2014) "Chapter 2. Foundations for decision making (in IPCC's AR5)" [Link] [Link] Hammill & Tanner (2011), "Harmonising Climate Risk Management: Adaptation Screening and Assessment Tools for Development Co-operation" [link] MADIATION (2013) "Technical Policy Briefing Notes for decision support tools" [Link]
• Map out assumptions of multiple drivers that would affect the characteristics of the risks (e.g. precipitation, land-use change, urbanisation, population changes, poverty rate, sea level etc.)	
• Characterise the risks by their potential future intensity and frequency, while taking into account economic and social considerations as well as the dynamic nature of the risks.	
• Explore and compare adaptation options over a range of plausible futures, based on economic, ecosystem and social costs and benefits, and potential unintended (positive and negative) consequences.	
• Compile draft NAPs and make them publicly available for review by relevant stakeholders and experts in the country. • Communicate and disseminate the NAPs to all stakeholders inside and outside the country, including potential funding sources, once it is finalised.	NAP Central [Link] NAP Exchange (a component of the NAP Central) [Link] (Use the country's own information platform where appropriate)
Develop implementation strategies	
• Develop an implementation strategy of NAPs, which includes priorities for specific adaptation actions, needs for the country's long-term capacity development and potential synergies with other development actions.	OECD (2015c), "Climate Change Risks and Adaptation Linking Policy and Economics" [Link] OECD (2009) "Policy Guidance on Integrating Climate Change Adaptation into Development Co-operation" [Link] EC "Assessing adaptation options (Climate-ADAPT)"[Link]
• Use, where relevant, technology action plans in Technology Needs Assessment (TNA) process to harmonise the efforts for both TNA and the long-term implementation of NAP process (which may contribute to better co-ordination of development co-operation).	Technology Executive Committee (2013) "Possible integration of the TNA process with NAMA and NAP processes" [Link] Christiansen (1999) "Accessing International Funding for Climate Change Adaptation" [Link]

Report, monitor and review	
• Facilitate monitoring, review and updating of adaptation plans over time, to assess progress and learn how challenges to adaptation are being addressed or resilience is being enhanced.	(See sub-section 3.5 "Foster lesson sharing and peer learning" [Link])

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Annex 1: List of countries for which the toolkit may be useful

This toolkit may be particularly useful for, but not limited to, the countries listed in the table below. The table does not intend to define which countries are categorised as developing countries by any means.

Category in the DAC List of ODA Recipients [1]	Country	Low Income Developing Countries (LIDCs) [2]	Small Island Developing States (SIDS) [3]	African States [4]
Least Developed Countries (LDCs, defined by the United Nations)	Afghanistan	✓		
	Angola			✓
	Bangladesh	✓		
	Benin	✓		✓
	Bhutan	✓		
	Burkina Faso	✓		✓
	Burundi	✓		✓
	Cambodia	✓		
	Central African Republic	✓		✓
	Chad	✓		✓
	Comoros	✓	✓	✓
	Democratic Republic of the Congo	✓		✓
	Djibouti	✓		✓
	Equatorial Guinea			✓
	Eritrea	✓		✓
	Ethiopia	✓		✓
	Gambia	✓		✓
	Guinea	✓		✓
	Guinea-Bissau	✓	✓	✓
	Haiti	✓	✓	
	Kiribati	✓	✓	
	Lao People’s Democratic Republic.	✓		
	Lesotho	✓		✓
	Liberia	✓		✓
	Madagascar	✓		✓
	Malawi	✓		✓
	Mali	✓		✓
	Mauritania	✓		✓
	Mozambique	✓		✓
	Myanmar	✓		
	Nepal	✓		
	Niger	✓		✓
	Rwanda	✓		✓
	Sao Tome and Principe	✓	✓	✓
	Senegal	✓		✓
	Sierra Leone	✓		✓
	Solomon Islands	✓	✓	
	Somalia	✓		✓
	South Sudan	✓		✓

	Sudan	✓		✓
	Tanzania	✓		✓
	Timor-Leste	✓	✓	
	Togo	✓		✓
	Tuvalu		✓	
	Uganda	✓		✓
	Vanuatu		✓	
	Yemen	✓		
	Zambia	✓		✓

Category in the DAC List of ODA Recipients [1]	Country	Low Income Developing Countries (LIDCs) [2]	Small Island Developing States (SIDS) [3]	African States[4]
Other Low Income Countries (per capita GNI <= USD 1005 in 2010)	Democratic People's Republic of Korea			
	Kenya	✓		✓
	Tajikistan	✓		
	Zimbabwe	✓		✓
Lower Middle Income Countries and Territories (per capita GNI USD 1 006 - USD 3 975 in 2010)	Armenia			
	Bolivia	✓		
	Cabo Verde		✓	✓
	Cameroon	✓		✓
	Congo			✓
	Côte d'Ivoire	✓		✓
	Egypt			✓
	El Salvador			
	Georgia			
	Ghana	✓		✓
	Guatemala			
	Guyana		✓	
	Honduras	✓		
	India			
	Indonesia			
	Kyrgyzstan	✓		
	Micronesia		✓	
	Moldova	✓		
	Mongolia	✓		
	Morocco			
	Nicaragua	✓		
	Nigeria	✓		✓
	Pakistan			
	Papua New Guinea	✓	✓	
	Paraguay			
	Philippines			
	Samoa		✓	
	Sri Lanka			
	Swaziland			✓
	Syrian Arab Republic			
	Ukraine			

	Uzbekistan	✓		
	Viet Nam	✓		
Category in the DAC List of ODA Recipients [1]	Country	Low Income Developing Countries (LIDCs) [2]	Small Island Developing States (SIDS) [3]	African States [4]
Upper Middle Income Countries and Territories (per capita GNI USD 3 976 - USD 12275 in 2010)	Albania			
	Algeria			✓
	Antigua and Barbuda		✓	
	Argentina			
	Azerbaijan			
	Belarus			
	Belize		✓	
	Bosnia and Herzegovina			
	Botswana			✓
	Brazil			
	Chile			
	People's Republic of China			
	Colombia			
	Cook Islands		✓	
	Costa Rica			
	Cuba		✓	
	Dominica		✓	
	Dominican Republic		✓	
	Ecuador			
	Fiji		✓	
	Former Yugoslav Republic of Macedonia			
	Gabon			✓
	Grenada		✓	
	Iran			
	Iraq			
	Jamaica		✓	
	Jordan			
	Kazakhstan			
	Lebanon			
	Libya			✓
	Malaysia			
	Maldives		✓	
	Marshall Islands		✓	
	Mauritius		✓	
	Mexico			
	Montenegro			
	Montserrat			
	Namibia			✓
	Nauru		✓	
	Niue		✓	
	Palau		✓	
	Panama			

	Peru			
	Saint Helena			
	Saint Vincent and the Grenadines		✓	
	Serbia			
	Seychelles		✓	✓
	South Africa			✓
	Suriname		✓	
	Thailand			
	Tonga		✓	
	Tunisia			✓
	Turkey			
	Turkmenistan			
	Uruguay			
	Venezuela			

Sources:

1. OECD (2014), The DAC List of ODA Recipients, http://www.oecd.org/dac/stats/daclist.htm

2. IMF (2014), "Appendix I. LIDCs and Sub-Groups", in Macroeconomic Developments in Low-Income Developing Countries, International Monetary Fund (IMF), Washington DC.

3. United Nations Department of Economic and Social Affairs, "SIDS Member States"

4. African Union (2013), "Member States". African Union.

Annex 2: Dedicated financing channels for climate change adaptation in the countries

(As of June 2015)

Background

The Marrakesh Accords established the Adaptation Fund to finance concrete adaptation projects and programmes in developing countries that are parties to the Kyoto Protocol and are particularly vulnerable to the adverse effects of climate change. The Accords also established the Least Developed Countries Fund (LDCF) to support the special needs of LDCs, as enshrined in Article 4 of the UNFCCC and the LDC work programme, with a priority to support the preparation and implementation of NAPAs (decision 5/CP.7). The Special Climate Change Fund (SCCF) was established to finance activities, programs and measures relating to climate change that are complementary to those funded by the climate change focal area of the Global Environment Facility Trust Fund (GEFTF), and through bilateral and multilateral sources (decision 7/CP.7). The Adaptation Fund was established to finance concrete adaptation projects and programmes in developing countries that are parties to the Kyoto Protocol and are particularly vulnerable to the adverse effects of climate change (decision 10/CP.7). In addition, the GEF was requested to provide financial resources for "pilot or demonstration projects to show how adaptation planning and assessment can be practically translated into projects that will provide real benefits" (decision 6/CP.7). Accordingly, the GEF Council decided to launch the Strategic Priority on Adaptation (SPA) in 2005 as a USD 50 million allocation within the GEFTF, with the objective of reducing vulnerability and increasing adaptive capacity to the adverse effects of climate change within the GEF focal areas. Below shows details on the Adaptation Fund, the GEF Trust Fund, the LDCF and the SCCF.

It should be noted that the financing channels listed in the table represent a fraction of overall adaptation finance. The focus is on funds and funding institutions that provide dedicated support towards climate change adaptation along with associated policy and capacity development; and that are open to a large number of eligible countries. Multi-lateral development banks (MDB) and bi-lateral aid agencies are increasingly addressing climate change adaptation as an integral part of their projects and programs and the countries will further benefit from exploring a wider range of opportunities beyond dedicated climate funds listed in the table.

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Adaptation for Smallholder Agriculture Programme (ASAP	ASAP channels climate finance to smallholder farmers so they can access the information tools and technologies that help build their resilience to climate change. Launched by the International Fund for Agricultural Development (IFAD) in 2012, ASAP has become the largest global financing source dedicated to supporting the adaptation of poor smallholder farmers to climate change. The programme is working in more than thirty developing countries, using climate finance to make rural development programmes more climate-resilient. ASAP has channelled more than USD 300 million to at least eight million smallholder farmers to build their resilience to climate-related shocks and stresses.	ASAP provides co-financing towards rural and agricultural development projects in IFAD recipient countries, with a focus on smallholder farmers. Key qualitative criteria are (i) the additionality of ASAP funding to the project that it is co-financing; and (ii) whether the ASAP-supported project is given strong support from the beneficiary Government, the relevant IFAD Regional Division, country team and communities of smallholders including women and marginalised groups. Quantitative ex ante estimates of potential project contributions towards the ten key indicators of the ASAP Results Framework will provide the main criteria for project selection. (ASAP Programme Description)	Examples of ASAP-supported initiatives include: - Mixed crop and livestock systems which integrate the use of drought-tolerant crops and manure, which can help increase agricultural productivity while at the same time diversifying risks across different products. - Systems of crop rotation which consider both food and fodder crops, which can reduce exposure to climate threats while also improving family nutrition. - A combination of agroforestry systems and communal ponds, which can improve the quality of soils, increase the availability of water during dry periods, and provide additional income. (ASAP Programme Description)	ASAP programming follows all relevant IFAD policies, such as the: - Social, Environmental and Climate Assessment Procedures (SECAP); - Policy on gender equality and women's empowerment; and - Policy on Engagement with Indigenous Peoples.	ASAP programming follows the IFAD country programming and project cycles. (ASAP Programme Description)	International Fund for Agricultural Development Via Paolo di Dono, 44 00142 Rome, Italy Tel: +39-0654591 Fax +39-065043463 For ASAP: Gernot Laganda Climate Change Adaptation Specialist Tel. +39 06 5459 2142 Email: g.laganda@ifad.org Website: http://www.ifad.org/climate/asap/index_full.htm

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Adaptation Fund (AF)	The AF was established by the Conference of the Parties (COP) to the UNFCCC at its seventh session to finance concrete adaptation projects and programmes in developing countries that are parties to the Kyoto Protocol and are particularly vulnerable to the adverse effects of climate change. As at June 2015, the fund had dedicated USD 318 million to increase climate resilience in 44 countries around the world.	Eligible countries to the AF are developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change including low-lying and other small island countries, countries with low-lying coastal, arid and semi-arid areas or areas liable to floods, drought and desertification, and developing countries with fragile mountainous ecosystems. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) has established strategic priorities, policies and guidelines for the AF.	The AF provides funding for concrete adaptation projects and programmes. The overall goal of all adaptation projects and programs financed under the Fund is to support concrete adaptation activities that reduce vulnerability and increase adaptive capacity to respond to the impacts of climate change, including variability at local and national levels. (See also strategic priorities, policies and guidelines for the AF)	- environmental and social policy; - risk management framework; - fiduciary risk management standards; - zero tolerance policy on fraud and corruption; and - open information policy. Further information regarding the accreditation of implementing entities is found on the AF website.	The AF can be accessed through national, regional and multi-lateral implementing entities accredited by the AF Board. Further details regarding the AF's access modalities, project cycle and other operational guidelines can be found on the fund's website.	Adaptation Fund Board Secretariat c/o Global Environment Facility Mail stop: MSN P-4-400 1818 H Street NW Washington DC 20433 USA Email: https://www.adaptation-fund.org/contact Website: www.adaptation-fund.org

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Global Climate Change Alliance (GCCA)	The GCCA was established by the European Union (EU) in 2007 to strengthen dialogue and cooperation with developing countries, in particular least developed countries (LDCs) and Small Island Developing States (SIDS). Today GCCA has a budget of more than €300 million and is one of the most significant climate initiatives in the world. It supports 51 programmes around the world and is active in 38 countries, 8 regions and sub-regions and at the global level. In 2014, a new phase of the GCCA, the GCCA+ flagship initiative, began in line with the European Commission's new Multiannual Financial Framework (2014-2020).	To be eligible for GCCA funds, a country has to be among the 73 LDCs or SIDS that are recipients of aid. An assessment is made of each country's vulnerability to climate change, in particular the risks related to floods, droughts, storms, sea level rise or glacier melting and the coastal zone elevation, taking into account the proportion of the population at risk. The assessment also considers the country's adaptive capacity based on the UNDP Human Development Index. Finally, eligible countries are assessed on how engaged they are in the dialogue on climate change. Governments must express an interest in receiving support from the GCCA. (See GCCA website for more information on participation)	In adaptation, GCCA+ aims to help improve knowledge about the effects of climate change and the design and implementation of appropriate adaptation actions - particularly in the water and agriculture sectors - so as to reduce a population's vulnerability to the impacts of climate change. The GCCA+ builds on existing adaptation programmes and/or supports the development and implementation of national adaptation strategies.		Governments of developing countries can get involved in the GCCA by participating in the policy dialogue on climate change with the European Union, at the national level or in the context of regional and global initiatives. The 2014-2020 programming process for EC external cooperation also offers opportunities for dialogue and action: 20% of the new funding made available from the EU budget (including external cooperation programmes) will have to be earmarked for interventions that contribute to the transition to a low-carbon and climate-resilient society. (See GCCA website for more information on participation)	Email: info@gcca.eu Website: http://www.gcca.eu/

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Global Environment Facility (GEF)	The GEF is a partnership that brings together 183 countries alongside international organisations, civil society and the private sector to address the most pressing global environmental issues of our time. Since 1991, the GEF has provided some USD 13.5 billion in grants and leveraged some USD 65 billion in co-financing towards 3,900 projects in 167 developing countries (as at May 31, 2015). The GEF provides new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits in the following focal areas: (a) biological diversity; (b) climate change; (c) international waters; (d) land degradation, primarily desertification and deforestation; (e) chemicals and wastes. The GEF is an operating entity to the UNFCCC and, as such, it functions under the guidance of and is accountable to the UNFCCC COP, which decides on GEF policies, program priorities and eligibility criteria pertaining to climate change.	A country is an eligible recipient of GEF grants if it is eligible to receive World Bank (IBRD and/or IDA) financing or if it is an eligible recipient of UNDP technical assistance through its target for resource assignments from the core (specifically TRAC-1 and/or TRAC-2). All developing country Parties (non-Annex I Parties) to the UNFCCC as well as certain countries with economies in transition are eligible for GEF financing. (See also GEF Instrument for more information)	As of the fifth replenishment period (GEF-5, July 1, 2010 to June 30, 2014) the GEF has financed climate change adaptation through the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) (see details below). Through the GEF Trust Fund, in the context of the GEF's Programming Strategy on climate change mitigation for the sixth replenishment period (GEF-6), the GEF supports eligible developing countries with national communications to the UNFCCC, biennial update reports, technology needs assessments and -- more recently -- countries' domestic preparation of their intended nationally determined contributions towards a post-2020 climate agreement. Of relevance for adaptation is also the cross-cutting capacity development program, which aims helps countries meet and sustain global environmental outcomes by strengthening key capacities that address challenges and remove barriers common to the MEAs that the GEF serves. (See GEF-6 Programming Directions)	- fiduciary standards; - environmental and social safeguards; - gender mainstreaming; - indigenous peoples; - public involvement; - co-financing; and - non-grant instruments. All policies and guidelines are available on the GEF website.	GEF resources can be accessed through accredited GEF Agencies or, in the case of certain enabling activities, through a direct access modality. The GEF project and programmatic approach cycles are described in detail on the GEF website. The GEF country support program assists member countries in programming and accessing GEF resources.	GEF Secretariat 1818 H Street, NW, Mail Stop P4-400 Washington, DC 20433 USA Tel: (202) 473-0508 Fax: (202) 522-3240/3245 Email: secretariat@thegef.org Website: www.thegef.org

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Green Climate Fund (GCF)	The GCF was established by COP16 as an operating entity of the financial mechanism of the UNFCCC. The GCF will contribute to the achievement of the ultimate objective of the UNFCCC. In the context of sustainable development, the Fund will promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, taking into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change. Having launched its initial resource mobilisation process in 2014, total pledges to the GCF amount to USDeq. 10.2 billion as at June 2015.	All developing country Parties to the UNFCCC are eligible to receive resources from the GCF. The Fund finances the agreed full and agreed incremental costs of activities to enable and support enhanced action on adaptation, mitigation (including REDD-plus), technology development and transfer (including carbon capture and storage), capacity-building and the preparation of national reports by developing countries. The GCF supports developing countries in pursuing project-based and programmatic approaches in accordance with climate change strategies and plans, such as low-emission development strategies or plans, nationally appropriate mitigation actions (NAMAs), NAPAs, NAPs and other related activities. (See also Governing Instrument)	The GCF supports climate change adaptation in accordance with COP guidance. According to its performance measurement framework for adaptation, the GCF aims to increase climate-resilient, sustainable development through four fund-level impact areas: (i) increased resilience and enhanced livelihoods of the most vulnerable people communities and regions; (ii) increased resilience of health and wellbeing, and food and water security; (iii) increased resilience of infrastructure and the built environment to climate change threats; and (iv) improved resilience of ecosystems and ecosystem services.	From the perspective of executing partners, project and program proponents, countries' national designated authorities and focal points as well as GCF beneficiaries, key elements of the GCF's evolving policy framework include: - fiduciary standards; - environmental and social safeguards; and - gender policy and action plan. Further information regarding the accreditation of implementing entities is found on the GCF website.	The GCF can be accessed through national, regional and international implementing entities accredited by the Board. Recipient countries will determine the mode of access and both modalities can be used simultaneously. Further details regarding the Fund's access modalities, investment framework and proposal approval process can be found on the GCF website.	Email: secretariat@gcfund.org Website: www.gcfund.org

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Least Developed Countries Fund (LDCF)	The LDCF was established by COP7 to support the special needs of LDCs, as enshrined in Article 4 of the Convention and the LDC work program, with a priority to support the preparation and implementation of LDCs' national adaptation programs of action (NAPA). The GEF is entrusted with the management of the LDCF. Since 2002 and as at June 2015, the GEF, through the LDCF, has provided some USD 932 million in grants towards 217 projects in 51 current and former LDCs in support of the preparation and implementation of NAPAs, as well as to advance LDCs' national adaptation plan (NAP) processes and other elements of the LDC work program.	All LDC Parties to the UNFCCC are eligible under the LDCF. The GEF, through the LDCF, supports LDCs' with country-driven actions to prepare and implement NAPAs, to advance their NAP processes and to address other elements of the LDC work program. LDCF support is intended to cover the additional cost of adaptation in relation to business-as-usual development pathways, thereby contributing towards climate-resilient development.	The GEF is entrusted to operate the LDCF in accordance with COP guidance. Programming priorities for the LDCF are decided by the UNFCCC COP, and as at June 2015 they include the preparation and implementation of NAPAs, the NAP process, and other elements of the LDC work program. Within the mandate established by the COP, the GEF, in its operation of the LDCF, is guided by the GEF Programming Strategy on Adaptation to Climate Change for the period corresponding to the sixth replenishment of the GEF Trust Fund (July 1, 2014 to June 30, 2018). The Programming Strategy sets out the following objectives: (1) to reduce the vulnerability of people, livelihoods, physical assets and natural systems to the adverse effects of climate change; (2) to strengthen institutional and technical capacities for effective climate change adaptation; and (3) to integrate climate change adaptation into relevant policies, plans and associated processes.	The GEF, in its operation of the LDCF, follows GEF-wide policies and operational guidelines, unless the LDCF/SCCF Council decides otherwise in response to COP guidance. Of the key GEF policies listed above, all except the policies on co-financing and non-grant instruments are applicable to the LDCF.	LDCF resources can be accessed through accredited GEF Agencies. The GEF, in its operation of the LDCF, follows GEF-wide project and program modalities, with certain modifications that are described in detail in the updated operational guidelines for the LDCF. With regard to LDCF support towards the NAP process, operational guidelines are set forth in this 2013 LDCF/SCCF Council document.	GEF Secretariat 1818 H Street, NW, Mail Stop P4-400 Washington, DC 20433 USA Tel: (202) 473-0508 Fax: (202) 522-3240/3245 Email: secretariat@thegef.org Website: https://www.thegef.org/gef/LDCF

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Pilot Program for Climate Resilience	The USD 1.2 billion Pilot Program for Climate Resilience (PPCR), a funding window of the USD 8.1 billion Climate Investment Funds, assists developing countries in integrating climate resilience into development planning. Building on NAPAs and other existing efforts, the PPCR also offers additional funding to pilot innovative public and private sector solutions to pressing climate-related risks.	The PPCR focuses on a smaller number of countries and transactions to maximise impact and possibility for replication. It is active in 9 pilot countries and 2 regional programs, which includes 9 small island nations. In May 2015, the PPCR Sub-Committee agreed on the selection of ten new pilot countries. (See PPCR website for more information)	Giving priority to highly vulnerable least developed countries, including small island developing states, the PPCR provides grants and highly concessional financing (near-zero interest credits with a grant element of 75%) for investments supporting a wide range of activities, such as: - improving agricultural practices and food security; - building climate-resilient water supply and sanitation infrastructure; - monitoring and analyzing weather data; and - conducting feasibility studies for climate-resilient housing in coastal areas. To extend the PPCR's reach beyond national and regional investment plans and stimulate more private sector participation, USD 75.4 million in concessional financing has been set aside for innovative private sector projects advancing the goals of the PPCR within PPCR pilot countries. (See PPCR website for more information)	The PPCR follows the operational policies and procedures of the multi-lateral development banks (MDBs) that serve as its implementing agencies. The following key policies and guidelines have been defined specifically for PPCR projects and programs: - the use of concessional finance in the PPCR; - PPCR MDB policies and tools regarding debt sustainability and their application in the PPCR; and - PPCR Financing Modalities. All key PPCR documents are available on the PPCR website.	Selected pilot countries may access the PPCR through designated CIF implementing MDBs, including the Inter-American Development Bank, African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, and World Bank Group. (See PPCR website for more information on the role of the MDBs)	PPCR contacts in the CIF AU as well as participating MDBs are provided here: http://www.climateinvestmentfunds.org/cif/node/4

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
Special Climate Change Fund (SCCF)	The SCCF was established by COP7 to finance activities, programs and measures relating to climate change that are complementary to those funded by the climate change focal area of the GEF Trust Fund, and through other bilateral and multilateral sources. The SCCF has four financing windows: (a) adaptation to climate change; (b) technology transfer; (c) energy, transport, industry, agriculture, forestry and waste management; and (d) economic diversification. COP 9 decided that adaptation activities to address the adverse impacts of climate change shall have top priority for funding and that technology transfer and its associated capacity-building activities shall also be essential areas for funding. Since 2006 and as at June 2015, the GEF, through the SCCF, has provided some USUSD 345 million in grants towards 76 projects in 79 vulnerable developing countries in support of tangible, country-driven	All developing country Parties to the UNFCCC are eligible under the SCCF. Support towards adaptation is intended to cover the additional cost of adaptation in relation to business-as-usual development pathways, thereby contributing towards climate-resilient development.	The GEF is entrusted to operate the SCCF in accordance with COP guidance. Programming priorities for the SCCF are decided by the UNFCCC COP. Within the mandate established by the COP, the GEF, through the SCCF, is guided by the GEF Programming Strategy on Adaptation to Climate Change for the period corresponding to the sixth replenishment of the GEF Trust Fund (July 1, 2014 to June 30, 2018). The Programming Strategy sets out the following objectives: (1) to reduce the vulnerability of people, livelihoods, physical assets and natural systems to the adverse effects of climate change; (2) to strengthen institutional and technical capacities for effective climate change adaptation; and (3) to integrate climate change adaptation into relevant policies, plans and associated processes.	The GEF, in its operation of the SCCF, follows GEF-wide policies and operational guidelines, unless the LDCF/SCCF Council decides otherwise in response to COP guidance. Of the key GEF policies listed above, all except the policies on co-financing and non-grant instruments are applicable to the SCCF.	SCCF resources can be accessed through accredited GEF Agencies. The GEF, in its operation of the SCCF, follows GEF-wide project and program modalities, with certain modifications that are described in detail in the updated operational guidelines for the SCCF programs for adaptation and technology transfer. With regard to SCCF support towards the NAP process, operational guidelines are set forth in this 2013 LDCF/SCCF Council document.	GEF Secretariat 1818 H Street, NW, Mail Stop P4-400 Washington, DC 20433 USA Tel: (202) 473-0508 Fax: (202) 522-3240/3245 Email: secretariat@thegef.org Website: https://www.thegef.org/gef/SCCF

Financing channel	Mandate and brief description	Eligibility criteria	Programming priorities	Key policies	Access modalities and procedures	Contacts
	adaptation action as well as the transfer of technologies for adaptation and mitigation.					

Annex 3: Summary of readiness programmes potentially available for enhancing access to adaptation finance

Name of programme	Examples of support menu	Related links	Contact
The GCF Readiness Program	Support is provided for: • Strengthening NDA and Focal Point • Developing strategic framework • Accreditation of implementing entities • Pipeline development • Information and experience sharing	Readiness Updates [Link] Readiness Programme Overview [Link] Operations Manuals > 2. Readiness [Link]	The GCF Secretariat (readiness@gcfund.org) Working closely with UNEP WRI UNDP climate finance readiness programmes, GIZ, KfW and ADB.
The GEF Country Support Program (CSP)	Support is provided for the GEF's Focal Points through: • National Multi-Stakeholder Dialogues, • Expanded Constituency Workshops (ECW), • Constituency Meetings, • National Portfolio Formulation Exercise • Familiarisation Seminars	GEF Country Support Program website [Link] GEF Country Support Program Toolkit [Link]	GEF Secretariat 1818 H Street, NW, Mail Stop P4-400 Washington, DC 20433 USA Tel: (202) 473-0508 Fax: (202) 522-3240/3245 Email: secretariat@thegef.org Website: https://www.thegef.org/gef/SCCF
The GEF's cross-cutting capacity development program	Support is provided to help countries meet and sustain global environmental outcomes by strengthening key capacities that address challenges and remove barriers common to the Multilateral Environmental Agreements that the GEF serves and to mainstream the global environment into decision making.	Cross-cutting capacity development strategy [Link]	
NAP Global Network	The NAP Global Network aims to enhance national adaptation planning and action in developing countries through coordination of bilateral support and in-country actors. It also facilitates international peer learning and exchange. •Global donor coordination •In-country coordination •Targeted topics forum	NAP Global Network website [Link]	NAP Global Network Secretariat International Institute for Sustainable Development info@napglobalnetwork.org
Regional training workshops by the Least Developed Countries Expert Group (LEG)	LEG conducting regional training workshops on national adaptation plans (NAPs) as part of its work programme for 2014–2015. The training workshops are designed to support countries to advance in their NAP process.	LEG Workshops [Link]	The LDC Expert Group LEGhelp@unfccc.int

Pilot Program for Climate Resilience	PPCR assists the countries in integrating climate resilience into development planning. Building on National Adaptation Programs of Action (NAPAs) and other existing efforts, the PPCR also offers additional funding to pilot innovative public and private sector solutions to pressing climate-related risks.	PPCR website [Link]	Climate Investment Funds, Admin Unit, The World Bank Group Email: CIFAdminUnit@worldbank.org Phone: (202) 458-1801 Inquiry form [Link]