



# Accessing climate finance

## An overview

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 International Federation  
of Red Cross and Red Crescent Societies

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# Accessing climate finance

## An overview

The International Federation of Red Cross and Red Crescent Societies (IFRC) is the world's largest volunteer-based humanitarian network, reaching 150 million people each year through our 187 member National Societies. Together, we act before, during and after disasters and health emergencies to meet the needs and improve the lives of vulnerable people. We do so with impartiality as to nationality, race, gender, religious beliefs, class and political opinions.

Guided by *Strategy 2020* – our collective plan of action to tackle the major humanitarian and

development challenges of this decade – we are committed to 'saving lives and changing minds'.

Our strength lies in our volunteer network, our community-based expertise and our independence and neutrality. We work to improve humanitarian standards, as partners in development and in response to disasters. We persuade decision-makers to act at all times in the interests of vulnerable people. The result: we enable healthy and safe communities, reduce vulnerabilities, strengthen resilience and foster a culture of peace around the world.



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# Glossary

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**Climate.** The climate of an area is its local weather conditions — such as temperature, precipitation (rainfall, snow, etc.), humidity, wind and air pressure. It is the weather averaged over a long period of time, taking into account *average conditions* as well as the *variability of these conditions*. Some people say climate is what you expect, and weather is what you get.

**Climate change.** A significant change in measures of climate (such as temperature, precipitation or wind) lasting for an extended period (decades or longer). Climate change can result from both natural changes (such as changes in the sun's intensity or oceanic circulation) and human activities. Today we tend to use the term for changes in the climate that are induced by human activities that alter the gaseous composition of the atmosphere due to the release of greenhouse gases, in particular CO<sub>2</sub> (such as fossil fuel burning or deforestation).

**Climate change adaptation.** Adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderate harm or exploit beneficial opportunities. The definition recognizes that humans can adjust to past (“actual”) climate change and its impacts, or prepare for projected future (“expected”) climate change and its impacts. Adaptation can include changes in behaviour, technology, institutions, policies, and other aspects of human systems. (IPCC)

**Climate change mitigation.** Actions that reduce the sources of greenhouse gases, or enhance carbon sinks. Examples include using fossil fuels more efficiently for industrial processes or electricity generation, switching from oil to natural gas as a heating fuel, improving the insulation of buildings, and expanding forests and other sinks to remove greater amounts of carbon dioxide from the atmosphere. (UNFCCC)

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**Greenhouse gas (GHG).** Naturally occurring and human-made gases that trap infrared radiation as it is reflected from the earth's surface, trapping heat and keeping the earth warm. The six main GHGs emissions that are human-caused are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydro fluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF<sub>6</sub>).

**International financial institutions (IFIs).** Financial institutions that have been established (or chartered) by more than one country, and hence are subject to international law. Their owners or shareholders are generally national governments, although other international institutions and other organizations occasionally figure as shareholders. The most prominent IFIs are creations of multiple nations, although some bilateral financial institutions (created by two countries) exist and are technically IFIs. Many of these are **multilateral development banks**.

**Multilateral development bank (MDB).** An institution, created by a group of countries, which provides financing and professional advice for development purposes. MDBs have large membership including both developed donor countries and developing borrower countries. MDBs finance projects in the form of long-term loans at market rates, very long-term loans (also known as credits) below market rates, and through grants. The following are usually classified as the main MDBs. African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, World Bank.

**Multilateral Finance Institutions (MFIs).** Are similar to MDBs but they are sometimes separated as they have more limited membership and often focus on financing certain types of projects. The following are examples of MFIs. European Commission (EC); International Finance Facility for Immunisation (IFFIm); International Fund for Agricultural Development (IFAD); Islamic

Development Bank (IDB); Nederlandse Financieringsmaatschappij voor Ontwikkelingslanden NV (FMO); Nordic Investment Bank (NIB); OPEC Fund for International Development (OPEC Fund).

**National Adaptation Plans (NAP).** Under the Cancun Adaptation Framework (CAF), a process was established to enable least developed country (LDCs) parties to formulate and implement NAPs. This process will build upon their experience in preparing and implementing national adaptation programmes of action, as a means of identifying medium- and long-term adaptation needs and developing and implementing strategies and programmes to address those needs. Other developing country parties are also invited to employ the modalities formulated to support the NAPs in the elaboration of their planning efforts.

**National adaptation programmes of action (NAPA).** Provide a process for LDCs to identify priority activities that respond to their urgent and immediate needs to adapt to climate change – those for which further delay would increase vulnerability and/or costs at a later stage.

**National focal point.** Each country has identified a focal person or ministry that is in charge of issues related to climate change adaptation and mitigation. Typically the focal point is in the Ministry of Environment.

**Reducing emissions from deforestation and forest degradation (REDD).** Is a mechanism to create incentives for developing countries to protect, better manage and wisely use their forest resources. REDD strategies aim to make forests more valuable standing than they would be cut down, by creating a financial value for the carbon stored in trees. Once this carbon is assessed and quantified, the final phase of REDD involves *developed* countries paying *developing* countries carbon offsets for their standing forests.

**United Nations Framework Convention on Climate Change (UNFCCC).** A global treaty that aims at preventing dangerous levels of climate change. Countries party to the treaty meet annually at the global climate change conference to negotiate modalities of limiting GHGs and coping with the impact of unavoidable changes in the climate.

## Why this guide?

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Defined as the biggest challenge of our century, climate change is and will increasingly affect the work of National Red Cross and Red Crescent Societies and other humanitarian organizations. Amongst others, some of its most direct impact are reflected in increased climate variability (already experienced in several parts of the world) and in the rising number and intensity of hydro-meteorological hazards. These trends, together with a worldwide rise in vulnerability levels<sup>1</sup> call for greater investments in addressing current and future risks, enhancing community resilience and their coping capacities. At a time when current resources are already stretched, National Red Cross and Red Crescent Societies have expressed the need to gain better understanding of how to access existing climate funds that will enable them to mainstream climate change in their programmes.

This document aims at providing National Red Cross and Red Crescent Societies with an overview of some dedicated funding sources for climate change. The guide also provides some basic information on how to access these funds.

It is important to note that this guide **does not aim to be exhaustive** and it is intended as a **‘living’ document** that will need to be **regularly updated** (possibly on an annual basis) to reflect the mobile financing environment and changes in funding cycles/access modalities of different organizations.

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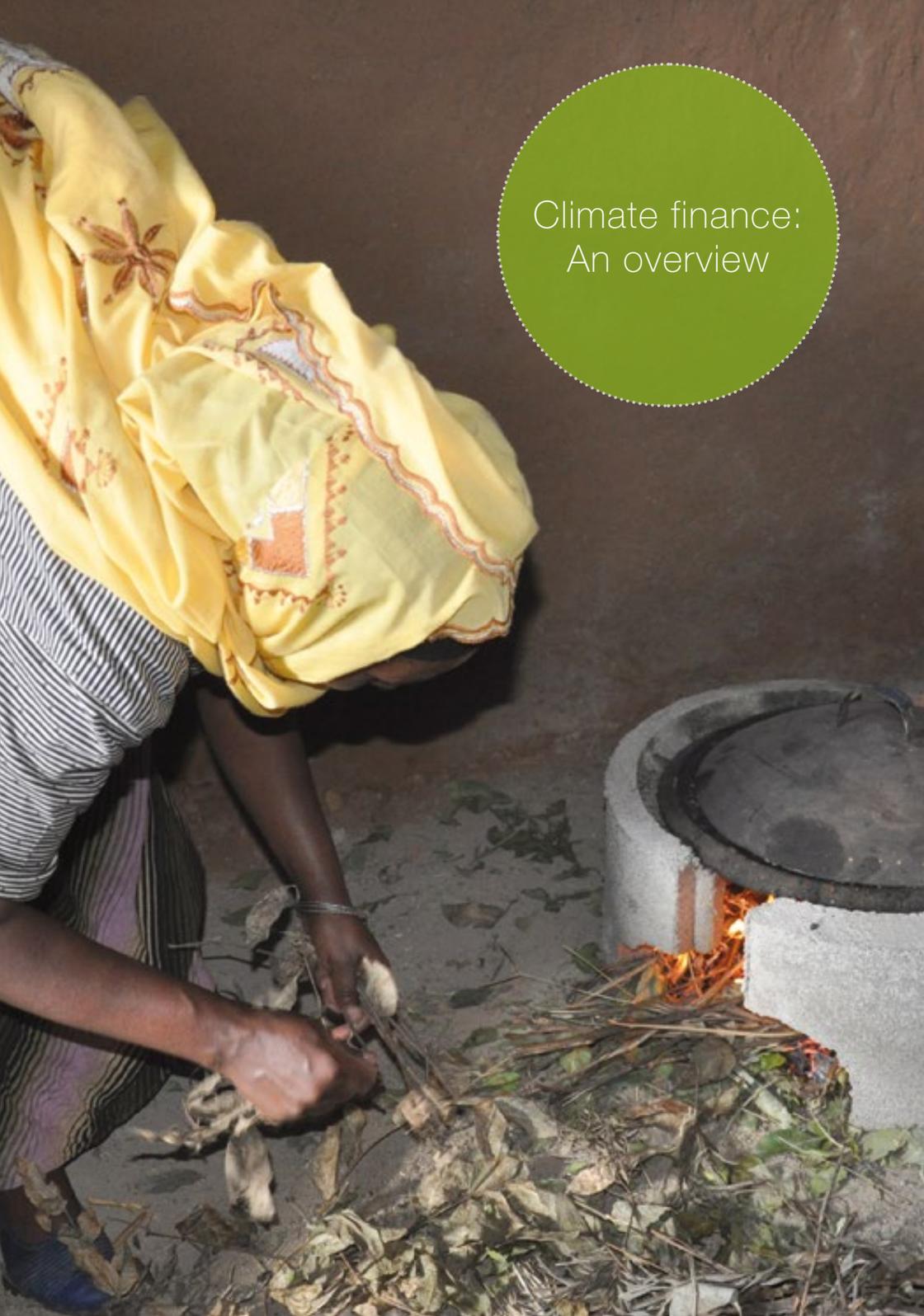
<sup>1</sup> Caused by combined effects of different processes including population growth, rapid and unplanned urbanization, environmental degradation, overexploitation of resources, etc.

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This document is divided into three main parts:

- ↘ The first section provides a brief overview of the current climate finance landscape.
- ↘ The second section explains in more detail different funding opportunities that are available to the Red Cross Red Crescent and provides guidance on accessing different funds.
- ↘ The third section provides tips to bear in mind when writing a funding proposal.





Climate finance:  
An overview

The global climate finance structure is complex and varied, involving different financial instruments and a multitude of actors.

Climate finance refers to: “*finance flowing to developing countries, including support for mitigation, adaptation, ‘climate’ policy and capacity building*”<sup>1</sup> (UNEP BFI CCWG). Climate change mitigation includes funding of renewable energy projects, energy efficiency, forestry and land-use, sustainable urban transport, etc. With regard to funding for adaptation, in general funding is geared towards enhancing resilience to the impacts of climate variability.

Climate finance is both public and private, with public funds being channelled through different institutions, mostly bilateral and MFIs or national government aid agencies.<sup>2</sup> A recent study estimates that approximately 343-385 billion US dollars (USD) of climate finance was available in 2010-2011 at the global level (CPI 2012). According to the Climate Policy Initiative, the majority of this funding comes from the private sector, mostly from developed countries, which invest approximately 217-243 billion USD (63 per cent of global contributions). Public and private intermediaries, (i.e., particularly national development and commercial bank) were key in channelling and raising climate finance.

Another notable finding is that most of climate change funding goes towards mitigation activities. These account for 350 billion USD out of a total of 385 billion USD (CPI 2012), mostly for renewable energy generation projects and energy efficiency. Emerging economies such as Brazil, China and India received one-third of global mitigation finance flows; most of the investments were raised domestically and went to support development goals. Significantly less funding is geared towards activities

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<sup>1</sup> Working definition of UNEP Bilateral Finance Institutions Climate Change Working Group (UNEP BFI CCWG).

<sup>2</sup> Refer to glossary.



As most funding goes through the private sector, it will be increasingly important for both National Societies and the IFRC to develop innovative partnerships with private sector stakeholders to access not only funding but knowledge and low-cost, accessible technology.

that support adaptation to climate change, estimates put figures between 12.3 to 15.8 billion USD. However, overlap between both sectors has not been accounted for. While these resources may seem considerable, a recent estimation carried out by the World Bank (2010) puts costs for adapting to an increase of 2° Celsius global average temperature at approximately 70 to 100 billion USD annually. Current available resources remain; therefore, greatly inadequate and increase the need for more proactive and innovative approaches to access funding to support increased resilience of local communities to current and future shocks.

Another 11.8 billion USD is currently flowing to REDD+ – activities that seek to reduce emission through reduced deforestation and forest degradation, sustainable management of forests and the enhancement of forest carbon stock. Yet overlap between these adaptation, mitigation and REDD+ measures exists.

Several studies (e.g., CPI 2011; OECD 2012) also point out that while the private sector is responsible for large parts of funding for climate change mitigation, funding for adaptation activities come primarily from public sources. For National Red Cross and Red Crescent Societies this implies that funding sources will be different depending on planned activities. Activities such as tree-planting or improved cook-stove programmes can bring **synergies between adaptation and mitigation** and allow for more creative ways to mobilize financial resources (refer to section 2 for more information on synergies). An increasing number of initiatives, programmes and projects are being developed that contribute either intentionally or unintentionally to both mitigation and

Since most funding is directed towards mitigation activities, it becomes increasingly important to focus on the synergies between climate change adaptation and mitigation when addressing climate change in Red Cross Red Crescent programming. This will improve impacts and will also enable National Societies to access a greater number of funding opportunities.

adaptation. Often, these initiatives results in other co-benefits such as reduced pollution and health, poverty reduction and ecosystem conservation, etc. Practitioners, development organizations, non-governmental organizations (NGOs), funding agencies and policy-makers are increasingly noting the importance of identifying synergies between adaptation and mitigation (Norden 2013).

The study carried out by the Climate Policy Initiative also indicate that only 3.5 per cent (13 billion USD) of the tracked global climate finance flows are grants that need not be paid back; in contrast almost 76 per cent of the flows are offered as market rate loans or equity. Another 13 per cent consist of concessional loans – i.e., loans with very cheap interest rates. Finally, carbon offset flows, risk management mechanisms<sup>1</sup> and policy incentives make up for the rest.

What these numbers suggest is that **only limited sources for climate finance can be understood as traditional aid**. Therefore, many of the funding sources are not practical for the Red Cross Red Crescent. For example, National Society programming does not provide for financial revenues which they could use to ? repay loans. This also implies that it may be necessary to **reconsider traditional Red Cross Red Crescent approach to funding** and the

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<sup>1</sup> Refer to the glossary for more detailed explanation.

need to engage more proactively with non-traditional partners and the private sector.

Public sector funding is generally not distributed directly from governments to end-users, but channelled through government agencies or development banks<sup>2</sup> (CPI 2012). In addition, many international funds are only accessible to national governments or UN development agencies such as UNDP or UNEP (UNEP 2012). This again makes it difficult for National Red Cross and Red Crescent Societies to directly access directly some of these funds, and highlights the **need to strengthen collaboration with their respective national governments** or other organizations in the implementation of climate change related activities.

National Red Cross and Red Crescent Societies will need to gain the support of their respective governments in order to have access to funding from major multi-lateral donors. This means that National Societies need to leverage their auxiliary status to form much closer partnerships with their governments and therefore in their countries' planning processes

The work of Red Cross Red Crescent volunteers provides a strategic advantage over many other aid and development agencies. Deep roots in local communities make the Red Cross Red Crescent ideal partners for both governments and multilateral organizations.

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<sup>2</sup> Amongst the others: African Development Bank, Asian Development Bank, European Investment Bank, Inter-American Development Bank. A relevant government agency, for example, is the Canadian International Development Agency.

Existing funding opportunities for Red Cross Red Crescent



While several multilateral and bilateral funds exist, most of them are not directly accessible to National Red Cross and Red Crescent Societies. This implies that in most cases National Red Cross and Red Crescent Societies might need to partner with other organizations that can directly access funding or instead seek funding through the national public or private sectors.

This guide provides an overview of accessing both climate change adaptation and mitigation funding. Climate change **mitigation** refers to those activities taken which reduce the sources or enhance the absorption of GHGs. **Adaptation** is defined as an adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.

The two approaches are complementary – the more effective mitigation is now, the less there is a need for adaptation in the future.

As mentioned already, increasingly practitioners and researchers are noting that **climate change mitigation and adaptation together** offer considerable opportunities not only for better management of climate change risks and reducing vulnerability, but also in terms of supporting sustainable development in more general terms and resulting also in the development of more responsive and comprehensive climate policies (NORDEN, 2013). In the IPCC's Fourth Assessment Report, synergies are seen as the *“interaction of adaptation and mitigation so that their combined effect is greater than the sum of their effects if implemented separately.”*<sup>1</sup>

Amongst others, some sectors that offer potential for synergies are agriculture, forestry, construction and urban infrastructure, water resource management and land-use. There are several examples of synergies amongst adaptation and mitigation within these sectors. For example, planting drought-resistant varieties of

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<sup>1</sup> IPCC Fourth Assessment Report: Climate Change 2007.

tree species can improve resilience to water stress and increases the potential for carbon sequestration. Another example is re-planting or conservation of mangrove forests that protect coastal areas from storms and simultaneously sequester carbon. Both afforestation and reforestation activities can increase carbon sinks while at the same time contributing to reduction of water evaporation and vulnerability to heat stress.

Promoting agro-forestry can also contribute to both improving crop productivity and food security, increasing carbon sequestration, and concurrently it can strengthen the capacity to cope with climate change impacts (for both human and natural systems). Adopting sustainable cropland and grazing management practices and implementing soil conservation measures are other activities that bear dual benefits.

Another example is the promotion of cleaner, energy-efficient stoves to households in developing countries, particularly in rural areas or informal settlements. This contributes to reducing emissions of GHGs as a result of more efficient burning, reduction of deforestation and therefore improved carbon sequestration. It supports also adaptation by reducing the impacts that deforestation has on the environment, such as increased risk of landslides, droughts, soil erosion, etc. There are also important benefits for health through reduced fumes, and as a consequence respiratory problems and overall improved livelihoods.

For the Red Cross Red Crescent this might mean looking at new ways of programming, that favours a more integrated approach to project development, with a focus on multi-sectorial activities such as food security, livelihood options, water and sanitation, health, risk reduction and climate change adaptation; while highlighting the contribution to climate change mitigation and longer-term resilience building.

The sections below provide an overview of the different funding opportunities for climate change adaptation and mitigation with

particular reference to those that can be accessed either directly or indirectly by the Red Cross Red Crescent. More precisely: **Section 2.1** will focus funds that provide resources for climate change adaptation and provide resources for both adaptation and mitigation; **Section 2.2** will focus on funding for climate change mitigation only; **Section 2.3** will briefly look at country-specific funding opportunities that might be useful to National Red Cross and Red Crescent Societies; and **Section 2.4** will share information on some of the foundations that provide resources for climate change.

While it is hoped that the information contained in the following sections will prove useful, should you wish to receive further information or support in approaching donors or preparing proposals you can get in touch with the climate change team at the IFRC secretariat<sup>1</sup> or the IFRC climate change focal points in the zone offices. In addition, the Strategic Partnerships Unit<sup>2</sup> at the IFRC secretariat, which supports the implementation of the Federation-Wide Resource Mobilization Strategy (FWRMS) by enabling the IFRC to forge strategic partnerships and maximize their income opportunities, can also be contacted. In addition, As part of the IFRC global resource mobilization team there are zone resource mobilization coordinators in each IFRC zonal offices that can support National Societies in their fundraising efforts and proposal writing. Several tools and networks have also been developed to strengthen National Societies' resource mobilization capacities (please refer Annex 1 for further information).

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<sup>1</sup> Located in the community preparedness and risk reduction department. FedNet page on climate change with links and contacts: <https://fednet.ifrc.org/en/resources/community-preparedness-and-risk-reduction/climate-change-adaptation-and-mitigation/>

<sup>2</sup> The Strategic Partnerships Unit's main areas of work are: i) Strengthening existing relationships and developing new strategic partnerships across key income streams (governments, EU, corporates, multilaterals, foundations, etc.); ii) supporting National Society capacity building in resource mobilization, including knowledge sharing and collaboration mechanisms; iii) ensuring that strategies, processes and capacities are in place for the global resource mobilization team.

## 2.1 Funding adaptation

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Financing climate change adaptation is mostly carried out through public financing, with very little (and poorly monitored) investments from the private sector. Table 2 provides an overview of the main public sector funds that can be accessed to support adaptation or that fund both adaptation and mitigation. For most of these, the requirements to both access and then manage, report and demonstrate impacts are generally quite cumbersome. If a National Society decides to engage in the application process, it will need to consider well in advance whether it has the required capacity to do so or whether it additional support from the IFRC or external expertise will be needed.

While National Societies can access some of the funds, many are not directly accessible, but are usually channelled through national governments. If the National Society seeks to approach their national government for climate change funding, it should be noted that there are three important characteristics for funding climate change activities:

**First, climate change funding comes from an additional budget allocated by the government.** Due to the growing international attention to climate change and the number of international funds for climate change activities, governments will be able to access additional financial resources for climate change adaptation activities such as disaster risk reduction, early warning systems, climate related food security or water programmes. Therefore, approaching governments for climate change funding means that the National Society will become an implementing party for activities that are funded from this new public budget for climate change. This will allow the National Society to build on activities it has expertise in or to scale-up programmes that are already running.

**Second, public sector funding at the national level will strongly depend on the government's climate change strategy.** Most developing countries might be engaged in the preparation of NAPs. These NAPs will contain a long-term priority list for adaptation activities in a given country. Many international funding sources are conditional to the content of the NAP. Therefore, the government will only give out funding at the national level to activities that are prioritized in the NAP.

**Third, National Red Cross Red and Crescent Societies can influence the climate change priorities of national governments.** The NAP development is by definition a participatory process. A National Society with its experience in building community resilience, disaster risk reduction and community-based preparedness should be seen as a key stakeholder in the process for the development of the NAP. It is crucial to engage in the NAP development process, to both influence the content of the NAP and be able to ensure that the needs of those most vulnerable are taken into account. Additionally, it is important to ensure that the National Society is seen as a key implementing partner by the government due to its capacity and extended network at community level. While National Red Cross and Red Crescent Societies are often seen as providing relief and health services, a stronger engagement in climate change policy processes at the national level will raise awareness of their development work, and in particular in climate change related work. This will also ensure that National Societies are viewed as key actors in supporting government efforts in building climate resilience on the ground.

Apart from engaging with the NAP and trying to access government funds through that channel there are in some countries also other means of accessing public funds. Some countries have recognized the need to find better ways of bringing climate change funding to the local level and have established climate change trust funds (UNDP 2011). For more information please refer to Section 2.3.

**Table 2. An overview of funding available for adaptation (Source: Climate Funds Update)**

Fund name	Type	Administered by	Area of focus	Date operational	Access by Red Cross Red Crescent
GEF Trust Fund – climate change focal area (GEF 5)	Multilateral	The Global Environment Facility (GEF)	Adaptation, mitigation – general	2010	IFRC application to become an implementing partner is currently under review. Direct access possible after accreditation
Least Developed Countries Fund	Multilateral	The Global Environment Facility (GEF)	Adaptation, mitigation- general	2002	As above
Special Climate Change Fund	Multilateral	The Global Environment Facility (GEF)	Adaptation	2002	As above
Adaptation Fund	Multilateral	Adaptation Fund Board	Adaptation	2009	Direct access possible after accreditation
Global Climate Change Alliance	Multilateral	The European Commission	Adaptation, mitigation , REDD+	2008	Direct access possible
Pilot Program for Climate Resilience	Multilateral	The World Bank	Adaptation	2008	Accessible by governments

**Part 2.** Existing funding opportunities for Red Cross Red Crescent

Fund name	Type	Administered by	Area of focus	Date operational	Access by Red Cross Red Crescent
Green Climate Fund	Multilateral	The World Bank as interim	Adaptation, mitigation and – REDD+	Not yet operational	Different channels planned including direct access
Indonesia Climate Change Trust Fund	Multi-Donor National	Indonesia's National Development Planning Agency	Adaptation, mitigation and REDD+	2010	Accessible by sectoral ministries and local government bodies
Germany's International Climate Initiative	Bilateral	Government of Germany	Adaptation, mitigation and REDD+	2008	German Red Cross direct access; other National Societies please check with German Red Cross
Japan's Fast Start Finance	Bilateral	Government of Japan	Adaptation, mitigation and REDD+	2008	Accessible by governments, private sector Japanese Red Cross Society (direct); other National Societies please check with Japanese Red Cross Society

### 2.1.1 The Global Environmental Facility funds

The Global Environmental Facility (GEF) is the operating entity for the financial mechanism of the UNFCCC. Climate change is one of the six focal areas supported by the GEF Trust Fund,<sup>1</sup> that finances both adaptation and mitigation activities. Funding for projects submitted under the different focal areas can only be accessed by an accredited GEF implementing agency.<sup>2</sup>

GEF is the largest funder for projects aimed at improving the global environment, it has allocated 10 billion USD, co-financed 47 billion USD, for approximately 2,800 projects in more than 168 developing countries and countries with economies in transition. The IFRC has submitted an application to the GEF to become an accredited implementing entity.<sup>3</sup> The finalization of this partnership between the IFRC and GEF will provide National Societies substantial opportunities in implementing climate change adaptation projects. For more information on the status of the application, contact the IFRC climate change team at the secretariat and regularly check the climate change FedNet page.<sup>4</sup>

The GEF also administers several funds established under the UNFCCC, including the Least Developed Countries Trust Fund (LDCF) and the Special Climate Change Trust Fund (SCCF). Both funds are intended to support developing countries in adapting

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<sup>1</sup> [www.thegef.org/gef/sites/thegef.org/files/publication/GEF-5%20FOCAL%20AREA.pdf](http://www.thegef.org/gef/sites/thegef.org/files/publication/GEF-5%20FOCAL%20AREA.pdf)

<sup>2</sup> These are: African Development Bank, Asian Development Bank, Inter-American Development Bank, International Fund for Agricultural Development, United Nations Development Program, United Nations Educational Scientific and Cultural Organization, United Nations Environment Programme, World Food Programme, World Meteorological Organisation and the World Bank (International Bank for Reconstruction and Development).

<sup>3</sup> At its 42<sup>nd</sup> meeting in June 2012, the GEF Council approved 11 applicant agencies, including the IFRC, to progress to Stage II of the accreditation process, and welcomed these agencies to submit their Stage II applications to the GEF Secretariat for review by the independent GEF Accreditation Panel).

<sup>4</sup> <https://fednet.ifrc.org/en/resources/community-preparedness-and-risk-reduction/climate-change-adaptation-and-mitigation>

to climate change, in particular co-financing additional costs of integrating climate change adaptation measures in development activities. While the LDCF is only available for projects in LDCs, the SCCF is available to all developing countries.

It should be noted that the GEF is also the interim secretariat for the Adaptation Fund. While the LDCF and the SCCF cannot be accessed by national governments, but only by GEF implementing entities, the Adaptation Fund introduced the concept of direct access, which allows civil society organizations (CSOs) to directly access the fund after being accredited. In order to access the LDCF or SCCF, National Red Cross and Red Crescent National Societies need to partner with one of the GEF accredited implementing agencies.

### ***i. Least Developed Countries Fund***

The LDCF was established in order to meet adaptation needs of LDCs. Specifically, the LDCF has financed the preparation and implementation of NAPAs, to identify priority adaptation actions for a country based on existing information. The UN identifies 49 countries as belonging to the group of LDCs based on three criteria: low income, weak human assets and high economic vulnerability. The UNFCCC recognizes the special situation of LDCs: “*The Parties shall take full account of the specific needs and special situations of the Least Developed Countries in their actions with regard to funding and transfer of technology*” – (Article 4.9).

Since its inception, the Fund has supported the preparation of 49 NAPAs, of which 47 have been completed.<sup>5</sup> As of September 2012, 42 projects have started implementing concrete adaptation actions identified by the country NAPA. It is important to note that compared to normal GEF procedures, the LDCF has a streamlined project cycle: projects are approved on a rolling basis and projects smaller than two million USD can be approved in one step.

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<sup>5</sup> NAPAs for Myanmar and Somalia are in their final stage of preparation.

<b>Website</b>	<a href="http://www.thegef.org/gef/ldcf">www.thegef.org/gef/ldcf</a>
<b>Objectives</b>	The LDCF aims to address the needs of the 49 LDCs which are particularly vulnerable to the adverse impacts of climate change. As a priority, the LDCF supports the preparation and implementation of the NAPAs, which are country-driven strategies that identify the immediate needs of LDCs in order to adapt to climate change.
<b>Activities supported</b>	The LDCF supports the preparation and implementation of NAPAs, including the design, development and implementation of projects. Key areas funded through the LDCF are: <ul style="list-style-type: none"> <li>↳ water resources management: drought/flood prediction and warning systems; water use efficiency</li> <li>↳ food security and agriculture: crop diversification; policy development and implementation; institutional coordination</li> <li>↳ community-based adaptation: forest management, mangrove restoration, alternative livelihoods</li> <li>↳ disaster risk management: integrated disaster risk management strategies.</li> </ul>
<b>Conditions and eligibility requirements</b>	All LDCs are eligible. However, proposals submitted for funding under the LDCF are reviewed in light of agreed project criteria informed by guidance from the UNFCCC COP. These criteria include are: <ol style="list-style-type: none"> <li>1. country ownership: proposed projects must be identified as priority activities in the NAPA and show evidence of stakeholder consultation and support</li> <li>2. programme and policy conformity in terms of project design, sustainability, and stakeholder involvement</li> <li>3. financing plan must be developed, together with an assessment of cost-effectiveness</li> <li>4. institutional coordination and support</li> <li>5. monitoring and evaluation.</li> </ol>
<b>Accessing the fund</b>	After accreditation the IFRC will be able directly access the LDCF. National Red Cross and Red Crescent Societies seeking LDCF funding should contact the IFRC, as access to GEF funding will be coordinated through the secretariat.  Before an LDCF project proponent can access financing for an adaptation project, a country NAPA must be completed and sent to the UNFCCC Secretariat. Once a NAPA has been submitted, the LDCF project proponent can start the process of preparing for project implementation under the LDCF. Activities funded through the LDCF must be part of the country NAPA.

<b>Financial instrument/ Delivery mechanism</b>	Grants
<b>Nature of recipient country involvement</b>	National ownership is central to the LDCF, which places a strong emphasis on stakeholder engagement in the development of the NAPA and on country-driven approaches to identify priorities. A project has to be endorsed by the country or countries where it will be implemented to be considered.

The main sectors that have been targeted so far are *food security and agriculture* (30 per cent), *early warning systems* (24 per cent) and *water resources management* (17 per cent). It should also be kept in mind that the LDCF is now putting an emphasis on a multi-focal areas approach to scale-up regional adaptation benefits (not only country-level). The emphasis is also in using participatory approaches at community levels (e.g., VCA), emphasizing cost-efficiency and country ownership, ensuring the projects' sustainability, scale-up and replication. Project proposals can be submitted by GEF implementing agencies (in agreement with the national government) and need to be in line with the specific "urgent and immediate adaptation priorities" identified in the NAPA.

### **ii. Special Climate Change Fund**

The SCCF was created in 2001 to address the specific needs of developing countries under the UNFCCC and has experienced steady growth in recent years. However, the demand for SCCF adaptation resources remains high and significantly exceeds current supply of resources. As of June 2012, approximately 240.68 million USD had been pledged to the SCCF.

The SCCF has a clear track of implementing innovative adaptation and technology transfer projects on the ground by: a) adhering to COP guidance (**relevance**); b) addressing adaptation needs through innovative schemes and emphasizing project sustainability

<b>Website</b>	<a href="http://www.thegef.org/gef/SCCF">www.thegef.org/gef/SCCF</a>
<b>Objectives</b>	To support adaptation and technology transfer projects. Programmes are to be country-driven, cost-effective and integrated into national sustainable development and poverty-reduction strategies; and also take into account national communications or NAPAs and other relevant studies.
<b>Activities supported</b>	<ol style="list-style-type: none"> <li>(1) Adaptation – long- and short-term adaptation activities in all vulnerable sectors where “sufficient information is available to warrant such activities.”</li> <li>(2) Transfer of technologies – refers to technology transfer activities related to both mitigation and adaptation, including as a primary priority “the implementation of the results of technology needs assessments.”</li> <li>(3) Projects on energy, transport, industry, agriculture, forestry, and waste management.</li> <li>(4) Activities to assist developing countries highly dependent on income generated from the production, processing, export/consumption of fossil fuels to diversify their economies.</li> </ol>
<b>Conditions and eligibility requirements</b>	<p>All non-Annex 1 countries are eligible to apply, although priority is given to most vulnerable countries in Africa, Asia and small island developing states (SIDS). However, they need to go through one of the GEF implementing agencies. After accreditation, the IFRC will be able to directly access the LDCF.</p> <p>Projects must focus on the ‘additional costs’ imposed by climate change on development. Funding is only provided to address impacts of climate change in addition to basic development needs in vulnerable socio-economic sectors.</p>
<b>Accessing the fund</b>	<p>Following accreditation of the IFRC, the first step in accessing GEF funds will be to contact the IFRC as access to GEF funding will be coordinated through the secretariat.</p> <p>Before a SCCF project proponent can access financing for adaptation, a country NAPA must be completed and submitted to the UNFCCC secretariat.</p>
<b>Financial instrument/delivery mechanism</b>	Grants
<b>Nature of recipient country involvement</b>	Projects are intended to be nationally owned.

(**effectiveness**); c) being cost-effective in its operations (**efficiency**). In addition, SCCF projects need to be relevant and consistent with countries' needs, national plans, and strategies regarding climate change adaptation, emphasizing demand-driven support. By virtue of being auxiliary to their respective national governments, their extended network of volunteers and participatory planning, National Societies have a clear advantage in addressing all three relevant objectives of the SCCF and in being aligned with their countries' national strategies.

Funding from the SCCF is intended to cover incremental costs incurred by addressing climate change related issues related to the costs of development interventions (including disaster risk reduction). Adaptation to climate change is the SCCF's top priority, although it can also support technology transfer and its associated capacity building activities. The SCCF is intended to catalyze and leverage additional finance from bilateral and multilateral sources. Again, eligible countries must use funds to implement strategies set out in their NAPAs /NAPs or in their national communication.

Further information is contained in the following documents:

- Accessing resources from the SCCF (English, French, Spanish)  
[www.thegef.org/gef/sites/thegef.org/files/publication/23470\\_SCCF.pdf](http://www.thegef.org/gef/sites/thegef.org/files/publication/23470_SCCF.pdf)
- SCCF project pre-selection process and criteria:  
[www.thegef.org/gef/https%3A/%252Fwww.thegef.org/gef/sccf/criteria](http://www.thegef.org/gef/https%3A/%252Fwww.thegef.org/gef/sccf/criteria)

### **iii. The Adaptation Fund**

The Adaptation Fund was established under the UNFCCC and the Kyoto Protocol<sup>1</sup> to provide additional funding for adaptation activities in developing countries. Among other things it supports preparedness and management of climate related disasters, water resource management and health activities, in particular improved monitoring of diseases and related early warning systems. Particular priority is given to countries that are not eligible to the LDCF.

Accessing the fund is difficult but not impossible for National Societies. Only national, multinational or regional implementing entities that have been accredited by the Adaptation Fund Board can apply for funding. To become accredited, organizations need to be nominated by their national governments and undergo a lengthy accreditation process. If a National Society has a strong profile on preparedness activities and a strong relationship with its national government, in particular on issues related to disaster

<b>Website</b>	<a href="http://www.adaptation-fund.org">www.adaptation-fund.org</a>
<b>Objectives</b>	The Adaptation Fund aims to support concrete adaptation activities that reduce the adverse effects of climate change facing communities, countries and sectors.
<b>Activities supported</b>	<ul style="list-style-type: none"> <li>↳ water resource management, land management, agriculture, health, infrastructure development, fragile ecosystems</li> <li>↳ improving the monitoring of diseases and vectors affected by climate change, and related forecasting and early-warning systems, and in this context improving disease control and prevention</li> <li>↳ supporting capacity building, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change</li> <li>↳ strengthening existing and, where needed, establishing national and regional centres and information networks for rapid response to extreme weather events, utilizing information technology as much as possible.</li> </ul>

<sup>1</sup> Refer to glossary.

<p><b>Conditions and eligibility requirements</b></p>	<p>Developing countries must be parties to the Kyoto Protocol and must be particularly vulnerable to the adverse effects of climate change. This includes: low-lying coastal and other small island countries, countries with fragile mountainous ecosystems, arid and semi-arid areas, and areas susceptible to floods, drought and desertification.</p> <p>Country allocation takes into account the Strategic Priorities, Policies and Guidelines of the Adaptation Fund, specifically:</p> <ul style="list-style-type: none"> <li>↳ level of vulnerability to climate change</li> <li>↳ level of urgency and risks arising from delay of action</li> <li>↳ access to the fund in a balanced and equitable manner</li> <li>↳ lessons learned in project and programme design and implementation</li> <li>↳ regional co-benefits to the extent possible, where applicable</li> <li>↳ potential for maximizing multi-sectoral or cross-sectoral benefits</li> <li>↳ adaptive capacity to the effects of climate change</li> <li>↳ potential for learning lessons in project and programme design and implementation</li> <li>↳ LDCs that are unable to access the LDCF will also be given priority to Adaptation Funds.</li> </ul>
<p><b>Accessing the fund</b></p>	<p>Accreditation process:</p> <p>Step 1: Organizations with access to funding for Adaptation Fund projects are NIE, regional implementing entities (RIE), or multilateral implementing entities (MIE). Any organization that wishes to implement Adaptation Fund projects must submit an application for accreditation providing documentation indicating that it meets the fiduciary standards adopted by the Board.</p> <p>Step 2: The Accreditation Panel reviews and assesses the application based on fiduciary standards.</p> <p>Step 3: The panel can request additional information/clarification from the organization, including requesting that the organization receive technical assistance to improve its capacity.</p> <p>Step 4: The panel makes recommendation to the Adaptation Fund Board.</p> <p>Step 5: The Adaptation Fund Board announces their final decision on accreditation of entity.</p>

risk reduction, food security, water and sanitation or other sectors that could link to climate change adaptation or mitigation, it could get accredited as a national implementing entity.

It is necessary to get in touch with the focal points for the Adaptation Fund in-country. More information on Adaptation

Fund focal points is available on the following link: [www.adaptation-fund.org/page/parties-designated-authorities](http://www.adaptation-fund.org/page/parties-designated-authorities).

The accreditation process is quite labour-intensive and an alternative would be to partner with a national implementing entity which is already accredited. At the 7<sup>th</sup> Adaptation Fund Board meeting in September 2009, the board operationalized the Direct Access Modality, which allows recipient countries to have direct access to its funds through National Implementing Entities (NIE). This approach should ensure that projects are driven by country needs and priorities. As of March 2012, 14 NIEs were approved by the Adaptation Fund Board.

A list of NIEs can be found on the Adaptation Fund's website at [www.adaptation-fund.org/national-implementing-entities](http://www.adaptation-fund.org/national-implementing-entities). If an NIE does not exist in a country, an alternative is to consult the list of multinational implementing entities which can be found at: [www.adaptation-fund.org/multilateral-implementing-entities](http://www.adaptation-fund.org/multilateral-implementing-entities).

### **2.1.2 EU financing instruments for climate change and disaster risk reduction**

At the end of 2009, the European Commission produced a major report (a White Paper) that outlined future EU-level approaches to adaptation. The European Commission also created a dedicated Directorate-General to focus on climate change in 2010 (DG Climate Action [CLIMA]). This has made adaptation to climate change a priority of all EU-level policies and enables the coordination of EU adaptation policies. Climate change is becoming an increasingly important consideration in many EU policies, particularly in sectors most vulnerable to climate change, including agriculture, marine affairs, energy, civil protection and regional policy.

DG CLIMA is working with relevant experts from different countries and sectors to develop a comprehensive adaptation strategy based on its White Paper, for release in 2013. It should further

refine key priorities for action and how EU policies in all areas can encourage effective adaptation action.

Since many of the most vulnerable to the effects of climate change are developing nations, the EU aims to ensure that its external policies take into account the need for adaptation and provides financial assistance to support adaptation efforts through a number of funding mechanisms. All actions outlined below are currently financed within the existing financial framework 2007–13.

It is important to note at this stage that a new Financial Framework is under negotiation for the period 2014-2020 and most probably the EU instrument's structure will change in the coming years.

Keeping this in mind, under the current financial framework the EU main funding sources include:

- instruments of the European Commission's general budget, mainly: i) humanitarian aid (DIPECHO, regional disaster risk reduction/drought preparedness in the Horn of Africa); and ii) development cooperation (DCI)
- European Development Fund (EDF)
- Global Climate Change Alliance (GCCA)

Projects developed by National Societies can be funded by the European Commission. The EU has proposed ambitious action on adaptation for developing countries in the ongoing international climate change negotiations held under the United Nations Framework Convention on Climate Change (UNFCCC).

The following sections will provide details on the different instruments, however, National Societies interested in accessing funding from the EU, should contact the Red Cross/EU Office. The Red Cross/EU office supports the Red Cross Red Crescent by compiling information regarding all applications to the EU, this coordination allows the office to have an overall snapshot of

engagement with the EU. Without this information, it is more difficult to detect National Societies’ common interests and capacities, detect and promote positive synergies and avoid overlap. The Red Cross/EU office’s website is: [www.redcross-eu.net](http://www.redcross-eu.net).

***i. Humanitarian aid – DIPECHO***

The European Commission’s Humanitarian Aid and Civil Protection Directorate General (ECHO) provides rapid and effective support to those affected by disasters beyond the EU’s borders. In 1996, ECHO launched a specific programme, DIPECHO (Disaster Preparedness ECHO) dedicated to disaster preparedness. The DIPECHO programme is the main component of ECHO’s contribution to the global disaster risk reduction efforts and covers eight disaster-prone regions, targeting highly vulnerable communities living in these regions. While not directly supporting climate change adaptation actions, DG ECHO considers adaptation concepts integral components of disaster risk reduction.

<b>Website</b>	<a href="http://ec.europa.eu/echo/policies/prevention_preparedness/dipecho_en.htm">http://ec.europa.eu/echo/policies/prevention_preparedness/dipecho_en.htm</a>
<b>Objectives</b>	ECHO prioritizes ‘people-oriented’ preparedness measures and focuses on supporting strategies and complementing existing strategies that enable local communities and institutions to better prepare for, mitigate and respond adequately to natural disasters by enhancing their capacities to cope and respond. This increases their resilience and reduces their vulnerability.
<b>Activities supported</b>	<ul style="list-style-type: none"> <li>↳ awareness-raising</li> <li>↳ community training and capacity building</li> <li>↳ provision of equipment (search-and-rescue and first-aid kits)</li> <li>↳ local early warning systems</li> <li>↳ emergency planning</li> <li>↳ small-scale works for demonstration purposes.</li> </ul>
<b>Conditions and eligibility</b>	DIPECHO focus on eight disasters prone regions: the Caribbean, Central America, South America, Central Asia (which now also includes the south Caucasus countries), South Asia, Southeast Asia, Southeast Africa and Southwest Indian Ocean and Pacific Region.

<b>Conditions and eligibility</b> <i>(cont.)</i>	<p>Organizations that can apply include:</p> <ul style="list-style-type: none"> <li>↳ local and regional authorities</li> <li>↳ administration states</li> <li>↳ agency chambers</li> <li>↳ development NGOs</li> <li>↳ associations.</li> </ul> <p>ECHO selects projects for funding on the basis of their potential to achieve concrete results and their ability to spread knowledge on disaster preparedness and generate learning. Generally, DIPECHO projects are designed as pilots within their region, their impact being multiplied when the strategies they advocate are integrated into long-term development projects.</p>
<b>Accessing the fund</b>	<p>Calls for funding are published on: <a href="http://www.welcomeurope.com/european-funds/dipecho-236+136.html">www.welcomeurope.com/european-funds/dipecho-236+136.html</a> However, for more information on the different calls, it is better to contact the Red Cross/EU office.</p>
<b>Financial instrument/delivery mechanism</b>	<p>Grants</p>

## ***ii. The European Development Fund***

The EDF was established to promote economic, social and human development and regional cooperation and integration in the African, Caribbean and Pacific (ACP) countries and overseas countries and territories (OCTs). Climate change adaptation activities are eligible for funding as issues that need to be addressed to support economic, social and human development. If a National Society considers applying for this fund, they should contact the Red Cross/EU office to receive further information and support in the application process.

The ACP-EU Natural Disaster Facility (NDF) was initiated in 2007 to enhance the integration of disaster risk reduction and climate change into national and regional development strategies as well as into Africa-EU development cooperation. The intra-ACP programme is funded under the 10<sup>th</sup> EDF and covers all 79 member countries of the ACP Group. It supports its member countries, in particular LDCs and SIDS, in their adaptation and mitigation responses.

<b>Website</b>	<a href="http://ndf.acp.int/">http://ndf.acp.int/</a>
<b>Objectives</b>	The main objective of the ACP-EU Natural Disaster Risk Reduction Programme is to address prevention, mitigation and preparedness to natural hazards in ACP countries.
<b>Activities supported</b>	NDF aims to provide comprehensive mechanisms to assist ACP countries and regions with: <ul style="list-style-type: none"> <li>↳ disaster risk reduction</li> <li>↳ preparedness and mitigation</li> <li>↳ response, recovery and long-term reconstruction and rehabilitation</li> <li>↳ early warning systems that are people-focused</li> <li>↳ vulnerability assessments and mapping.</li> </ul>
<b>Conditions and Eligibility</b>	Eligible countries are natural and legal persons – including NGOs – from ACP and OCT countries. Proposals should be developed in coordination with the respective ACP-government.
<b>Accessing the fund</b>	Grants are available on rolling programming basis.
<b>Financial instrument/delivery mechanism</b>	Grants
<b>Nature of recipient country involvement</b>	Country-led

### ***iii. The Global Climate Change Alliance***

The GCCA is an initiative of the EU, launched in 2007 and coordinated by the European Commission. The GCCA focuses on five priority areas: i) mainstreaming climate change into poverty reduction and development efforts; ii) adaptation, mostly through the implementation of appropriate adaptation actions, that builds on NAPAs or NAPs and other national plans; iii) REDD; iv) enhancing participation in the global carbon market; v) disaster risk reduction .

Since Red Cross Red Crescent projects are eligible for funding, it is very important to get to know the EU country delegation and to start dialogue with them. While proposals will be submitted to the EU, the decision on financial allocation will very much depend on feedback received from the EU delegation in the specific country. If the delegation is not aware of the work that the National Society is undertaking or their specific areas of expertise in disaster risk reduction and climate change, the delegation may provide negative feedback. For example, it is important to find out when the EU delegations<sup>1</sup> organize a civil society consultation at national or regional levels. Engage and ensure that you are invited and prepare very well for those consultations: start a dialogue!

In addition to the above there are other two EU funds that are worth mentioning and that could be accessed for climate finance by EU National Societies. These are:

- ↘ **The European Regional Development Fund (ERDF):** This fund is available mainly to public entities at the regional level within the EU member states. The priority number 4 in the article 4 of the ERDF regulations<sup>2</sup> includes mitigating “the effects of climate change.” It is up to the member state to choose priority 4 as one of those to be applied in its territory, and it is up to the different regional governments of the member states to include CSOs in the implementation of the funds. An example of this is the Government of Wales, in the UK (<http://wefo.wales.gov.uk/applyingforfunding/submitted/projectideas/climate/?lang=en>). This Fund could therefore be accessed by National Societies in Europe who are interested in supporting activities aimed at climate change mitigation within the countries. If interested, National Societies can contact the Red Cross/EU Office for further information.

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<sup>1</sup> A list of all EU delegations can be found at: [http://eeas.europa.eu/delegations/web\\_en.htm](http://eeas.europa.eu/delegations/web_en.htm)

<sup>2</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:210:0001:0011:EN:PD>

**Accessing climate finance**

<b>Website</b>	<a href="http://www.gcca.eu/about-the-gcca">www.gcca.eu/about-the-gcca</a>
<b>Objectives</b>	Strengthening dialogue and cooperation on climate change with developing countries most vulnerable to climate change, while supporting their efforts to develop and implement adaptation and mitigation responses.
<b>Activities supported</b>	<ul style="list-style-type: none"> <li>↳ climate change mainstreamed into poverty reduction and development efforts</li> <li>↳ adaptation, mostly through the implementation of appropriate adaptation actions, that build on NAPAs or NAPs and other national plans</li> <li>↳ REDD</li> <li>↳ participation enhanced in the global carbon market</li> <li>↳ disaster risk reduction.</li> </ul>
<b>Conditions and eligibility</b>	The initiative supports LDCs and SIDS, particularly African countries affected by drought, desertification and flooding.
<b>Accessing the fund</b>	<p>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 to the EU delegations in their countries.</p> <ul style="list-style-type: none"> <li>↳ The following can participate:</li> <li>↳ regional organizations</li> <li>↳ international organizations</li> <li>↳ CSOs.</li> </ul> <p>During preparation and implementation of a GCCA intervention, the EU delegation in charge will inform, consult and engage local representatives of international organizations: this is a great opportunity for IFRC country offices or regional delegations to get involved in GCCA from the initial stages of planning.</p> <p>CSOs are invited to submit project proposals – which are first screened against eligibility criteria, then evaluated on the basis of quality criteria.</p> <p>To find out whether there is a GCCA-funded intervention in your country:</p> <ul style="list-style-type: none"> <li>↳ Go to: <a href="http://www.gcca.eu/technical-and-financial-support">www.gcca.eu/technical-and-financial-support</a></li> </ul> <p>Depending on the objectives and planned activities of a given programme, other opportunities to get involved may also include participation in consultative processes, involvement in capacity building activities or implementation of activities targeted at enhancing public awareness of climate related issues and responses.</p>

✎ **The Financial Instrument for the Environment (LIFE+):** Until 2013, this instrument's had as specific objectives were: 1. nature and biodiversity; 2. environment policy and government; and 3. information and communication. Climate change was only indirectly included in strategic objectives 1 and 2.<sup>1</sup> The instrument was never well suited for disaster risk reduction/ climate change adaptation projects. Despite this, the situation will change radically after 2014. The European Commission's proposal for a new LIFE Regulation (2014-2020) is establishing the creation of a LIFE sub-programme for climate action which will include three priority areas: 1) climate change mitigation; 2) climate change adaptation; and 3) climate governance and information.<sup>2</sup> While this is not operational as yet, it will be important to monitor its development. For further information on LIFE+, please contact the Red Cross/EU office.

### 2.1.3 Strategic Climate Fund (World Bank)

The Strategic Climate Fund (SCF) serves as an overarching framework to support three targeted programmes with dedicated funding to pilot new approaches with potential for scaled-up, transformational action aimed at a specific climate change challenges or sectoral responses.

The Pilot Programme for Climate Resilience (PPCR) is a targeted programme of the SCF, which is one of two funds within the Climate Investment Funds (CIF) framework.

The PPCR aims to demonstrate ways in which climate risk and resilience may be integrated into core development planning and implementation by providing incentives for scaled-up action and initiating transformational change. As of 31 March 2012, the

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<sup>1</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:149:0001:0016:EN:PDF>

<sup>2</sup> <http://ec.europa.eu/environment/life/about/beyond2013.htm>

<b>Website</b>	<a href="http://www.climateinvestmentfunds.org">www.climateinvestmentfunds.org</a>
<b>Proposed life of fund</b>	The PPCR was designed to provide short-term finance through 2012. The PPCR adopts the CIF's 'sunset clause' which enables closure of funds once a new financial architecture becomes effective under the UNFCCC regime. Until such time, donors and recipients operate under the existing framework.
<b>Objectives</b>	The PPCR is designed to provide programmatic finance for climate resilient national development plans with four main objectives: <ol style="list-style-type: none"> <li>1. Pilot and demonstrate approaches for integration of climate risk and resilience into development policies and planning.</li> <li>2. Strengthen capacities at the national levels to integrate climate resilience into development planning.</li> <li>3. Scale-up and leverage climate resilient investment, building on other on-going initiatives.</li> <li>4. Enable learning-by-doing and sharing of lessons at country, regional and global levels.</li> </ol>
<b>Activities supported</b>	<ul style="list-style-type: none"> <li>↘ Technical assistance to enable developing countries to build upon existing national work to integrate climate resilience into national and sectoral development plans.</li> <li>↘ Funding public and private sector investments identified in national or sectoral development plans/strategies addressing climate resilience.</li> </ul> <p>Outcomes should include:</p> <ul style="list-style-type: none"> <li>↘ An increased capacity to integrate climate resilience into country development strategies.</li> <li>↘ A more inclusive approach to climate resilient growth and development.</li> <li>↘ An increased awareness of the potential impact of climate change.</li> <li>↘ Scaled-up investment for broader interventions and programming related to climate resilience.</li> <li>↘ Improved coordination among stakeholders regarding country-specific climate resilient programmes.</li> </ul>
<b>Conditions and eligibility</b>	<p>Country access requires:</p> <p>ODA-eligibility (according to OECD/DAC guidelines) and active MDB country programmes.</p> <p>Priority will be given to highly vulnerable LDCs eligible for MDB concessional funds, including SIDC.</p>

<p><b>Accessing the fund</b></p>	<p>CIF Administrative Unit, through MDBs, informs prospective countries and invites expression of interest.</p> <p>PPCR sub-committee identifies and agrees upon regional or country pilots informed by expert review.</p> <p>Country-led, joint MDB missions to engage with the government, appropriate UN offices in the country, private sector, national civil society and other stakeholders on how the pilot programme may enhance the climate resilience of national development plans, strategies and financing.</p> <p>Recipient countries and relevant MDBs jointly prepare proposals for PPCR funding.</p> <p>PPCR sub-committee approves allocation of resources for programmes and other activities based on submitted proposals.</p>
<p><b>Financial instrument/ delivery mechanism</b></p>	<p>PPCR finance includes:</p> <ul style="list-style-type: none"> <li>↘ Grant finance to prepare the SPCR (Phase 1)             <ul style="list-style-type: none"> <li>– Grant amount of up to 1.5 million USD proposed for Phase 1 preparation of single country pilots.</li> </ul> </li> <li>↘ Preparation grants for detailed preparation of activities in the SPCR (Phase 2)             <ul style="list-style-type: none"> <li>– An estimated 1.5 million USD in preparation funds is available for each participating country (for a single country pilot).</li> </ul> </li> <li>↘ Financing (to the extent it is available), to cover the additional costs associated with mainstreaming climate resilience into investments.             <ul style="list-style-type: none"> <li>– Both grants and concessional loans are available to finance the additional costs necessary to make a project climate resilient.</li> </ul> </li> </ul>
<p><b>Nature of recipient country involvement</b></p>	<p>PPCR pilot programmes are intended to be country-led, build on NAPAs and other relevant country studies strategies, and be strategically aligned with the Adaptation Fund and other donor funded activities.</p>

PPCR sub-committee endorsed 13 Strategic Programs for Climate Resilience (SPCR) for a total amount of proposed PPCR funding of 800 million USD, an increase of 111 million USD since 30 September 2011. Currently, funding is split equally between loans and grants. The World Bank has emphasized that loans are optional; a recipient country can accept the grant component without the loan component. Currently, the PPCR provides grants and highly concessional financing (near-zero interest credits with a grant element of 75 per cent) 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 analysing weather data
- conducting feasibility studies for climate-resilient housing in coastal areas.

PPCR funded actions should, as an overarching principle, not be free-standing and should be fused with MDB resources and/or other parallel co-financing measures, including government and/or private sector resources. Financing may be made available through budget support/development policy lending, coordinated investment programmes across key sectors, alongside national financing and/or existing international support mechanism targeted at the public and/or private sector. If interested in being part of these programmes, National Societies need to work closely with their respective governments on issues related to climate change and contribute to shaping the programme and related initiatives that will be implemented.

Countries and regions where the PPCR pilot programme is taking place are: Bangladesh; Bolivia, Cambodia, Dominica, Grenada, Haiti, Jamaica, Mozambique, Nepal, Niger, Papua New Guinea, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Tajikistan, Tonga, Yemen and Zambia.

#### 2.1.4 The Green Climate Fund

The Green Climate Fund (GCF) is currently under development as a new channel for climate finance under the UNFCCC. It was established in Cancun in 2010 and aims at supporting both adaptation and mitigation projects in developing countries. The GCF is presently the smallest multilateral climate fund with just 7.5 million USD pledged (and less than 3 million USD received). So far the fund is not open for applications, but it is expected that it will be fully operational in early 2014. The focus of the fund is very broad.

Beyond narrowly defined mitigation and adaptation activities it will also support technology transfer and capacity building, which is directly relevant to the Red Cross Red Crescent's work. In particular, the GCF will support activities that are in line with the national strategies and plans such as the NAP.<sup>1</sup> Modalities of accessing the fund are still not fully clear, however, it has been agreed that the fund will involve similar mechanisms as the Adaptation Fund.

Up-to-date information on the GCF can be found on its website: <http://gcfund.net/home.html>.

For more information, you can consult with the climate change team at the secretariat or regularly check the climate change FedNet page.<sup>2</sup>

### 2.1.5 International Climate Initiative

The International Climate Initiative (ICI) was established by the German government to support low carbon development and adaptation for unavoidable climate change impacts. This German initiative provides grants to adaptation and mitigation projects with project durations of up to six years. This fund can directly be accessed by National Societies, however, according to the Federation-wide Resource Mobilization Strategy; **the fund can only be accessed in cooperation with the German Red Cross**. Proposed activities need to be in line with the national strategies for climate change adaptation, e.g., as they can be found in the NAPA and NAP.

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<sup>1</sup> For more information on what NAPs are and why they are relevant to Red Cross Red Crescent refer to: "How to engage with National Adaptation Plans – Guidance for National Red Cross and Red Crescent National Societies" (IFRC 2013)

<sup>2</sup> <https://fednet.ifrc.org/en/resources/community-preparedness-and-risk-reduction/climate-change-adaptation-and-mitigation/>

**Accessing climate finance**

<b>Website</b>	<a href="http://www.bmu-klimaschutzinitiative.de">www.bmu-klimaschutzinitiative.de</a>
<b>Proposed life of fund</b>	Initially 2008-2011. However, the ICI has been extended beyond 2011 and continues to receive funding of 120 million Euros per year.
<b>Administrating organization</b>	The German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU).
<b>Objectives</b>	The ICI finances and supports climate change mitigation, adaptation and biodiversity projects with climate relevance to help trigger private investments of a greater magnitude.
<b>Activities supported</b>	<p>Activities supported by the ICI include:</p> <ul style="list-style-type: none"> <li>↘ Building a climate-friendly economy – including measures to reduce emissions, energy efficiency and renewable energies projects.</li> <li>↘ Adaption to climate change – including developing and implementing national adaptation strategies in partner countries.</li> <li>↘ Conservation and sustainable use of natural carbon reservoirs/ REDD+</li> </ul>
<b>Conditions and eligibility requirements</b>	<p>Projects must be:</p> <ul style="list-style-type: none"> <li>↘ relevant to one or several of ICI's key focus areas</li> <li>↘ innovative in character (technologically, economically, etc.)</li> <li>↘ integrated into national strategies and contribute to national economic and social development.</li> </ul> <p>Other criteria for project evaluation and selection include:</p> <ul style="list-style-type: none"> <li>↘ duplicability of results, prominence and multiplier effect</li> <li>↘ transferability of projects to the level of international climate cooperation</li> <li>↘ significance of the partner country in cooperating with Germany, or in the context of international negotiations</li> <li>↘ solidity and quality of concept, presentation, expected project management and monitoring</li> <li>↘ availability of self-financing, third party financing, and financial leverage effect.</li> </ul>
<b>Accessing the fund</b>	<ol style="list-style-type: none"> <li>1. Informative project outlines in English or German are prepared and submitted electronically to the Programme Office. Project proposals can be submitted by German development cooperation implementing organizations, non-governmental or governmental organizations, universities and research institutes, private-sector companies, multilateral development banks, and organizations and programmes of the United Nations.</li> <li>2. Following evaluation by the BMU, promising project outlines are pre-selected in line with available budgetary resources.</li> </ol>

### Accessing the fund (cont.)

3. Applicants are informed in writing of the result of the evaluation. Where project outlines are promising, applicants are requested to submit formal applications with detailed project plans and financing strategies.
4. BMU makes a final decision on the application.

## 2.1.6 The Regional Fund of Agricultural Technology

This fund was established by 15 Latin American and Caribbean countries,<sup>1</sup> plus Spain, to support innovation in the agricultural sector. In addition to the funds allocated by member countries, the fund also receives financial allocation from the Inter-American Development Bank and the Inter-American Institute for Cooperation on Agriculture.

The fund has three different mechanisms which can be directly accessed by National Societies that have experience in the agricultural sector. This makes the fund perfectly suited for climate-related food security programmes or sustainable agricultural land management. So far, the Fund has supported 73 projects to improve productivity; improve usage of natural resources, including genetic resources; strengthen innovation capacities in the agri-food chains; increase competitiveness; adapt to climate change; promote food safety; and strengthen agricultural policies. Grants are assigned on a project basis and the maximum amount of the grants is 500,000 USD. There is usually only one call for proposals per year and it is worth to plan in advance and follow the announcements on the fund's website.

<sup>1</sup> Argentina, Bolivia, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Honduras, Nicaragua, Panama, Paraguay, Peru, Spain, Uruguay and Venezuela.

**Accessing climate finance**

<b>Website</b>	<a href="http://www.fontagro.org/">www.fontagro.org/</a>
<b>Objectives</b>	Support agricultural innovation with small farmers and other actors in the agricultural value chain in Latin America and the Caribbean, and disseminate these cases regionally and globally.
<b>Activities supported</b>	<p>The 2010-2015 Medium Term Plan identifies technological innovation for small-scale agricultural enterprises and units, focusing on opportunities:</p> <ul style="list-style-type: none"> <li>↳ linking producers to markets and knowledge flows</li> <li>↳ in climate change adaptation</li> <li>↳ in productive and sustainable use of natural resources</li> </ul> <p>Currently innovations in the following categories are prioritized:</p> <ul style="list-style-type: none"> <li>↳ productivity and sustainability of agri-food chains</li> <li>↳ small-scale agriculture</li> <li>↳ food safety</li> <li>↳ water and soil management</li> <li>↳ improvement and utilization of genetic resources</li> <li>↳ policy research and institutional strengthening.</li> </ul>
<b>Conditions and eligibility requirements</b>	<p>The profiles can be submitted by:</p> <ul style="list-style-type: none"> <li>↳ A research or development organization working in Latin America and the Caribbean that has experience in the region, regardless of the source of funding.</li> <li>↳ Small farmers' organizations and/or private business companies working jointly with small farmers.</li> </ul> <p>The following categories will be awarded:</p> <ul style="list-style-type: none"> <li>↳ associations of producers, processors and/or traders and NGOs</li> <li>↳ national agricultural research organizations and/or development organizations, universities</li> <li>↳ international organizations that produce technologies and knowledge of use by small farmers, and private firms that work with small farmers and/or processors.</li> </ul> <p>Project financing must not exceed 500,000 USD.</p>
<b>Accessing the fund</b>	Call for proposals is usually launched at the end of February. The application process then follows two stages: first, formal criteria decisions regarding eligibility. Second, technical evaluation rating institutional capacities, technical quality and socio-economic and environmental impacts of the project. Based on this ranking points are assigned which will be used for final decision by the Board of Directors.
<b>Financing instruments</b>	Co-financing and grants

### 2.1.7 Japan Fast Start Finance

In December 2009, Japan announced the Hatoyama Initiative (now commonly referred to as the Fast-Start Financing(FSF)), which pledged 15 billion USD in public and private financial assistance to help developing countries address climate change. Consisting of 11 billion USD in public finance and 4 billion USD in private finance, FSF is managed by Japanese Ministry of Finance and replaces the government's previous financing mechanism known as the 'Cool Earth Partnership' (2008 – 2010). Further information can be obtained by contacting the resource mobilization department at the IFRC secretariat.

If National Societies are interested in accessing this fund, please ensure that you **contact the Japanese Red Crescent Society and the IFRC secretariat, Resource Mobilization Team.**

<b>Website</b>	<a href="http://www.faststartfinance.org/contributing_country/japan">www.faststartfinance.org/contributing_country/japan</a>
<b>Objectives</b>	Japan's FSF aims to provide assistance to developing countries with existing efforts to reduce GHG emissions or those that are particularly vulnerable to climate change, enabling them to achieve economic growth in ways that will contribute to climate stability.
<b>Activities supported</b>	<p>Japan's FSF supports both mitigation and adaptation activities.</p> <ul style="list-style-type: none"> <li>↳ Mitigation assistance may take the form of energy savings, increased energy efficiency technologies, and new, clean energy initiatives.</li> <li>↳ Adaptation projects may include adaptation planning, forestry, rural electrification research, drought management, and co-benefit approaches.</li> </ul> <p>Approximately 50 per cent of Japan's grant aid is focussed on adaptation activities in Africa and LDCs.</p> <p>Additionally, through the International Energy Saving Project and the New Energy and Industrial Technology Development Organization, the Japan Bank for International Cooperation (JBIC) assists private sector actors in engaging in mitigation efforts in developing countries.</p>
<b>Conditions and eligibility requirements</b>	Developing countries that have entered into direct, bilateral discussions with the Government of Japan are eligible for FSF, although some private sector actors may also be considered.

<b>Accessing the fund</b>	<p>The usual process of cooperation includes:</p> <ol style="list-style-type: none"> <li>1. bilateral negotiations to agree on concept</li> <li>2. bilateral memorandum of understanding on a post-Kyoto strategy</li> <li>3. preparation of a country strategy paper, which should respect national ownership and complement the Paris Declaration agenda.</li> </ol>
<b>Financial instrument/delivery mechanism</b>	<p>The FSF is composed of two types of assistance:</p> <ol style="list-style-type: none"> <li>1. 7.2 billion USD in ODA such as grant aid, technical cooperation, concessional loans and contributions to multilateral funds.</li> <li>2. 7.8 billion USD in Other Official Flow, which includes official financing in collaboration with the private sector such as preferential loans by the JBIC.</li> </ol>

### 2.1.8 The Inter-American Development Bank's Infrastructure Fund

This fund is targeted at member countries of the Inter-American Development Bank (Latin America and the Caribbean) and supports sustainable infrastructure projects. The fund is open to regional, national and sub-national proposals by public, mixed-capital and private entities from all member countries. For climate change activities, the fund primarily supports renewable energy or clean energy projects. National Societies could use it, for example, for improved cook-stove programmes, but also water and sanitation or improved irrigation programmes. However, it would also be interesting to link the funding to development of sustainable shelter/rural infrastructure that take into account climate change and disaster risk. Aside from this type of 'hardware' investments, the fund also supports capacity building programmes on climate change. Maximum financed are projects of 1.5 million USD, while there is a fast approval mechanism for projects smaller than 500,000 USD.

<b>Website</b>	<a href="http://www.iadb.org/infrafund">www.iadb.org/infrafund</a>
<b>Objectives</b>	Development of sustainable infrastructure
<b>Activities supported</b>	<p>InfraFund resources can be used for:</p> <ul style="list-style-type: none"> <li>↳ preparation of pre-feasibility and feasibility studies</li> <li>↳ project design</li> <li>↳ document preparation and revision to carry out financing requests and/or for bidding purposes</li> <li>↳ studies related to project viability using new technologies or sources of energy.</li> </ul> <p>Fund priorities:</p> <ul style="list-style-type: none"> <li>↳ projects with a high probability of reaching financial closing</li> <li>↳ projects that mobilize private financing for sustainable infrastructure</li> <li>↳ development and structuring of sustainable public-private partnerships</li> <li>↳ climate adaptation projects</li> <li>↳ use of or development of climate resilient technology</li> <li>↳ projects at the sub-national and local levels.</li> <li>↳ projects in countries that encompass higher risks or more difficult preparation</li> <li>↳ projects in smaller economies, where transaction costs are high.</li> </ul>
<b>Conditions and eligibility requirements</b>	Project proponents should be member countries of the Inter-American Development Bank (Latin America and the Caribbean) and support sustainable infrastructure projects.

### 2.1.9 The Nordic Climate Facility

The Nordic Climate Facility (NCF) is intended to promote challenging and innovative climate change approaches in affected sectors such as environment, energy, transport, water and sanitation, health, agriculture, forestry and other areas of natural resource management. NCF facilitates the exchange of technology, know-how and innovative ideas between the Nordic countries and low-income countries in the sector of climate change.

The projects should be carried out by Nordic organizations, authorities, municipalities, companies, and institutes together with partners in eligible low-income countries. The aim is to increase

**Accessing climate finance**

<b>Website</b>	<a href="http://www.nefco.org/financing/nordic_climate_facility">www.nefco.org/financing/nordic_climate_facility</a> <a href="http://www.ndf.fi/index.php?id=22">www.ndf.fi/index.php?id=22</a>
<b>Objectives</b>	To increase low-income countries' abilities to mitigate and adapt to climate change and contribute to sustainable development and the reduction of poverty.
<b>Activities supported</b>	NCF provides grants to development projects that have the potential to combat climate change and reduce poverty in low-income countries. NCF encourages: innovation and knowledge transfer in sectors affected by climate change such as energy, transport, water and sanitation, health, agriculture and forestry.
<b>Conditions and eligibility requirements</b>	<ul style="list-style-type: none"> <li>↘ The applicant must be an active institution, organization, company or authority holding a registered place of operations in Denmark, Finland, Iceland, Norway or Sweden with relevant experience. The applicant may have one or more partner(s).</li> <li>↘ The applicant's average annual audited turnover for the past two years must exceed the NCF funding applied for. In case the applicant alone cannot fulfil this requirement, the applicant is allowed to be supported, on a joint and several basis by another Nordic institution, organization or company.</li> <li>↘ The applicant shall have an eligible local partner in an eligible country where the project is proposed to be implemented.</li> </ul> <p>The project must be implemented in at least one of the following eligible countries:</p> <ul style="list-style-type: none"> <li>↘ Africa: Benin, Burkina Faso, Cape Verde, Ethiopia, Ghana, Kenya, Malawi, Mozambique, Rwanda, Senegal, Tanzania, Uganda, Zambia, Zimbabwe</li> <li>↘ Asia: Bangladesh, Cambodia, Kyrgyz Republic, Lao PDR, Maldives, Mongolia, Nepal, Pakistan, Sri Lanka, Viet Nam</li> <li>↘ Latin America: Bolivia, Honduras, Nicaragua</li> </ul> <p>The projects should have an implementation period of 24 months or less.</p>
<b>Accessing the fund</b>	Once a year, NCF will launch a call for proposals for innovative ideas within specific themes relating to climate change. The best proposals may receive grant financing amounting between 250,000 and 500,000 Euros.
<b>Financial instrument/delivery mechanism</b>	Grants

low-income countries' abilities to mitigate and adapt to climate change and contribute to sustainable development and the reduction of poverty. NCF is financed by the Nordic Development Fund and is implemented jointly with the Nordic Environment Finance Corporation (NEFCO).

The fund is accessible for organizations from Denmark, Finland, Iceland, Norway and Sweden only, which may collaborate with a local organization in the host country. National Societies from Nordic countries can therefore access the fund directly, while **National Societies from developing countries that are interested should liaise with Nordic National Societies** for collaboration to access the fund.

The grants amount between 250,000 and 500,000 Euros, and in exceptional cases between 150,000 and 250,000 Euros. Co-financing of at least 10 per cent is expected, while applications indicating higher co-financing will be prioritized. Call for proposals opens annually in the beginning of the year.

## 2.2 Funding mitigation

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The largest part of current available funding for climate change activities goes towards mitigation. Approximately 97 per cent of available climate funds are earmarked for climate change mitigation activities (CPI 2011). This does not imply, however, that only mitigation activities can be financed through these funds. On the contrary, synergies between adaptation and mitigation can be strategically used to fund climate change mitigation projects with significant adaptation and development co-benefits.

Most of disbursed funding for mitigation, takes the form of market rate loans, equity or concessional loans. While these financial instruments are appropriate for private sector contexts where profit generation is the core target of activities, they are less suitable for the context of National Societies. This qualifies primarily two funding sources for strategic consideration to fund climate change mitigation activities undertaken by the Red Cross Red Crescent: climate finance grants and carbon offset markets.

**Climate finance grants** for climate change mitigation are typically provided by public sector sources to transform economic production and support GHG reduction. Table 3 provides an overview of public sector funds that target climate change mitigation. Many of these are eligible for both adaptation and mitigation actions. Therefore, some duplication will appear between funds listed in this section and previous sections. This duplication is intentional, allowing identification of funding sources by activity.

As Table 3 indicates a large fraction of available climate funds focus on activities related to afforestation, reforestation or the prevention of deforestation. In the international policy debate, these activities fall under REDD+. While “REDD” describes activities related to “reducing emissions from deforestation and forest

degradation,” the “+” describes the inclusion of additional activities such as the role of conservation, sustainable management of forests and enhancement of forest carbon stocks (UNEP 2013). These activities are motivated in part by the fact that the conservation of forest land can be a comparatively inexpensive way to contribute to climate protection. The basic idea is to assign a quantifiable monetary value to the carbon stored in forests and to thus incorporate the conservation of the forest in economic decision-making processes.

In Table 3 funds that focus on forest-related activities are labelled with the key term “REDD+” to distinguish them from funds that allow for a larger variety of mitigation activities. Some other funds are dedicated to provide seed funding for projects that aim to access carbon markets. More detailed information on these funds will be available in an upcoming IFRC guidance on carbon markets.

The requirements to access and manage the listed funds are – similar to funds for climate change adaptation activities – relatively cumbersome and require strong monitoring and reporting capacities. Table 3 categorizes the relative fund on whether it can be accessed directly by the Red Cross Red Crescent or whether these funds can be accessed only through implementing parties or national governments. When compared to funding for adaptation, the number of funds directly accessible to National Societies for mitigation related activities is relatively larger.

**Accessing climate finance**

Fund name	Type	Administered by	Area of focus	Date operational	Access by Red Cross Red Crescent
MDB Clean Technology Fund	Multilateral	The World Bank	Mitigation – general	2008	Only through MDBs
GEF Small Grants Programme	Multilateral	GEF	Mitigation – general	1992	Coordinated through the IFRC secretariat
Nordic Climate Facility	Multilateral	Nordic Development Fund	Mitigation – general	2009	Nordic National Societies directly; Other National Societies please contact Nordic National Societies first.
Multilateral Investment Fund	Multilateral	IDB	Adaptation; mitigation – general	1993	Directly
Community Development Carbon Fund	Multilateral	The World Bank	Mitigation – general	2003	Directly
IDB Regional Fund for Agricultural Technology	Multilateral	IDB	Adaptation; mitigation – general	2004	Directly
IDB Sustainable Energy and Climate Change Initiative	Multilateral	IDB	Mitigation – general	2009	Directly

**Part 2.** Existing funding opportunities for Red Cross Red Crescent

Fund name	Type	Administered by	Area of focus	Date operational	Access by Red Cross Red Crescent
Canada Fund for African Climate Resilience	Bilateral	Government of Canada	Adaptation; mitigation – general	2012	Canadian Red Cross directly; other National Societies please contact Canadian Red Cross
UN-REDD Programme	Multilateral	UNDP	Mitigation – REDD+	2008	Only through participating UN organizations
Forest Investment Program	Multilateral	The World Bank	Mitigation – REDD+	2009	Accessible by governments; private sector
Congo Basin Forest Fund		African Development Bank	Mitigation		Accessible by National Societies in COMIFAC member countries
CASCADE	Multilateral	UNEP	Mitigation, REDD+ resilience		Accessible by National Societies. Phase I ended, but Phase II supposed to start
Forest Carbon Partnership Facility	Multilateral	The World Bank	REDD+		Accessible by governments

### 2.2.1 MDB Clean Technology Fund

The MDB Clean Technology Fund is an internal fund that seeks to scale up activities with high potential in curbing GHG emissions. Governments can access the fund through one of the listed MDBs. National Societies in contrast can only benefit from the fund when becoming implementing national partners to their governments.

<b>Website</b>	<a href="http://www.climatefinanceoptions.org/">www.climatefinanceoptions.org/</a>
<b>Objectives</b>	<ul style="list-style-type: none"> <li>↘ Financial incentives to public and private sector investments in low carbon development and GHG mitigation.</li> <li>↘ Fund low carbon programmes and projects that are embedded in national plans and strategies.</li> <li>↘ Realize environmental and social co-benefits.</li> <li>↘ Utilize skills and capacities of MDBs to raise and deliver new and additional funding for climate change activities.</li> <li>↘ Share lessons learned.</li> </ul>
<b>Activities supported</b>	<ul style="list-style-type: none"> <li>↘ renewable energy</li> <li>↘ energy efficiency including in the agricultural sector</li> <li>↘ transport</li> </ul>
<b>Conditions and eligibility requirements</b>	<ul style="list-style-type: none"> <li>↘ Eligible projects can vary from small scale to sectoral programmes at national level.</li> <li>↘ Host country needs to be ODA eligible and a MDB must be active in the country programmes.</li> </ul>
<b>Accessing the fund</b>	<p>Private Sector Access:</p> <ul style="list-style-type: none"> <li>↘ Proposal has to be submitted either in form of:             <ul style="list-style-type: none"> <li>– an individual large-scale project</li> <li>– a programme envelope which aggregates several small- and medium-sized projects with shared focus each using less than 50 million USD.</li> </ul> </li> <li>↘ Proposals need to explain how proposed activities contribute to national, sub-national or regional strategy to transform addressed sector and demonstrate additionality</li> </ul>
<b>Financing instruments/delivery mechanism</b>	Blend of financial instruments, including grants, concessional loans and guarantees to make investing in low carbon technologies more attractive to both public and private sector investors in developing countries.

### 2.2.2 GEF Small Grants Programme

The GEF Small Grants Programme provides grants of 50,000 USD or less to community-based or NGOs for climate change mitigation projects. Applications can be submitted on a rolling basis. Project developers have to get in touch with the National Coordinator of the Small Grants Programme and discuss the project idea. If eligible, a project proposal can be produced with support from the National Coordinators. Refer to the following list of eligible countries to identify National Coordinators: [http://sgp.undp.org/index.php?option=com\\_countrypages&view=countrypages&Itemid=152#.UQEK-x37Lj](http://sgp.undp.org/index.php?option=com_countrypages&view=countrypages&Itemid=152#.UQEK-x37Lj).

<b>Website</b>	<a href="http://sgp.undp.org/">http://sgp.undp.org/</a>
<b>Objectives</b>	<p>Financial support to NGOs, community groups and other development organizations in order to:</p> <ul style="list-style-type: none"> <li>↳ develop strategies and implement technologies at community-level to support global sustainable development</li> <li>↳ share lessons learned from community-level strategies and innovations of different actors that work on global environmental problems and promote sustainable development</li> <li>↳ promote partnerships and stakeholder networks to strengthen capacity building at all levels.</li> </ul>
<b>Activities supported</b>	Renewable energy, energy efficiency, environmentally sustainable transport
<b>Conditions and eligibility requirements</b>	Climate change mitigation projects which are managed by community-based or NGOs in 101 countries participating in the Small Grants Programme.
<b>Accessing the fund</b>	<p>Application process follows these seven steps:</p> <ul style="list-style-type: none"> <li>↳ Contacting the Small Grants Programme National Coordinator (in the local UNDP country office or in the host NGO) to receive project application guidelines and forms.</li> <li>↳ Preparing and submitting brief project concept paper with assistance from the National Coordinator.</li> <li>↳ Reviewing concept paper by the National Coordinator.</li> <li>↳ If project is eligible, project proponent prepares complete project proposal and submits to National Coordinator.</li> </ul>

<b>Accessing the fund</b> <i>(cont.)</i>	<ul style="list-style-type: none"> <li>↘ Either acceptance of the proposal or return for further work on formulation and data.</li> <li>↘ After approval: grants are usually paid in three instalments – an up-front payment to initiate the project; a mid-term payment upon receipt of satisfactory progress report and final payment on receipt of satisfactory project completion.</li> </ul>
<b>Financing instruments</b>	Grant

### 2.2.3 World Bank climate change funds

The World Bank Group manages 15 funds dedicated to promoting sustainable development through climate change mitigation. World Bank climate funds cover a vast variety of potential activities related to emission reductions.

Particularly the **Community Development Carbon Fund** appear well suited to a National Society context. It targets activities that combine community development aspects with emission reductions. The **Prototype Carbon Fund** is equally a well-suited option for Red Cross Red Crescent activities, because it focuses on project-base GHG emission reductions while promoting sustainable development. The **BioCarbon Fund** could be an option for National Societies seeking funding for tree-planting or agro-forestry programmes. It targets projects that sequester or conserve carbon in forest and agro-ecosystems.

For each of the World Bank Climate Funds, project developers need to submit a Project Idea Note (PIN). After submitting the PIN, feedback will be provided to potentially improve the project design and discuss potential eligibility for funding. To read more about how to write a PIN, refer to the information provided at: <https://wbcarbonfinance.org/Router.cfm?Page=Funds&ItemID=24670>. For more information on each of the funds, refer to the list on the World Bank's website: <https://wbcarbonfinance.org/Router.cfm?Page=Funds&ItemID=24670>

<b>Website</b>	<a href="http://www.wbcarbonfinace.org">www.wbcarbonfinace.org</a>
<b>Objectives</b>	In general, funding for project-based activities that reduce GHG emissions. Certain funds involve socio-economic or environmental co-benefits.
<b>Activities supported</b>	Adaptation, mitigation, agriculture, energy efficiency, forestry, fuel switching, fugitive methane, natural resource management, renewable energy, sustainable land management, transport, waste management.
<b>Conditions and eligibility requirements</b>	<ul style="list-style-type: none"> <li>∩ Necessary condition is host country approval</li> <li>∩ Project with at least 200,000 MtCO<sub>2</sub>e</li> <li>∩ IBRD/IDA member countries</li> </ul>
<b>Accessing the fund</b>	Project proponents must submit a PIN – a short document summarizing basic information, such as technical viability, sound financing, credible baseline and adequate volume of emission reductions. In addition, a financial analysis model has to be provided with the PIN. Feedback will be given based on the PIN and can lead to follow-up between World Bank and project proponents.
<b>Financing instruments/ delivery mechanism</b>	Co-financing, grants

### 2.2.4 Nordic Climate Facility

The facility targets both adaptation and mitigation activities. As explained in the adaptation section, only National Societies from Nordic countries are eligible to directly access this fund. Please refer to **Section 2.1.9** for detailed information.

### 2.2.5 Multilateral Investment Fund

This fund provides grants to non-profit organizations that can then lend the money to the benefit of micro and small businesses region-wide. National Societies that have experience in microfinance or micro-insurance and are planning to base certain new activities can use this fund. Calls for proposals are issued throughout the year with typically different focus sectors. It is therefore worth checking the website for the latest information: <http://www5.iadb.org/mif/>

<b>Website</b>	<a href="http://www.iadb.org/en/topics/climate-change/secci,1449.html">www.iadb.org/en/topics/climate-change/secci,1449.html</a>
<b>Objectives</b>	Facilitate and expand renewable energy and energy efficiency technologies in Latin America and the Caribbean, support climate change mitigation projects and support climate change adaptation and risk reduction activities.
<b>Activities supported</b>	Projects can be divided into three subcategories: <ul style="list-style-type: none"> <li>↳ Mitigation: feasibility studies for renewable energy projects, energy efficiency audits, document analysis and preparation to regulated and voluntary carbon markets.</li> <li>↳ Adaptation: climate risk and vulnerability assessments (e.g., VCA), climate modelling initiatives, sector studies</li> <li>↳ Capacity building: capacity building programmes and projects related to climate change.</li> </ul>
<b>Conditions and eligibility requirements</b>	<ul style="list-style-type: none"> <li>↳ Letter of Non-Objection from the government</li> <li>↳ Maximum financed: 1 million USD for technical support; 1.5 million USD for investment</li> <li>↳ Counter financing of at least 20 per cent</li> </ul>
<b>Accessing the fund</b>	<ul style="list-style-type: none"> <li>↳ Submission of completed expression of interest form</li> <li>↳ Revision by IDB expert to assess technical eligibility</li> <li>↳ IDB country office is informed and internal discussion are initiated to make final decision.</li> </ul>
<b>Financing instruments/delivery mechanism</b>	Grants, technical assistance

### ***i. IDB Regional Fund for Agricultural Technology***

The IDB Regional Fund for Agricultural Technology aims at innovations in the agricultural sector. National Societies from Latin America or the Caribbean are directly eligible to access the fund for activities related to innovations in the agricultural sector. For instance, this could involve conservation agriculture or other ‘climate-smart’ approaches. For more detailed information on this fund please refer **section 2.1.6**.

## **ii. IDB Sustainable Energy and Climate Change Initiative**

The Sustainable Energy and Climate Change Initiative in contrast focuses on renewable energy and energy efficiency projects, sustainable biofuel development and access to carbon markets. Grants for project funding are available for a maximum amount of one million USD. National Societies that are interested in application for funding can directly submit an expression of interest form throughout the year. More information can be found at [www.iadb.org/en/topics/climate-change/secci,1449.html](http://www.iadb.org/en/topics/climate-change/secci,1449.html)

### **2.2.6 Canada Fund for African Climate Resilience**

This Canadian fund targets climate change related projects in Africa. Primary focus is projects related to food security and climate-smart development. **Since this is a Canadian Government Fund, Canadian Red Cross should be consulted prior to any contact.** National Societies could apply for funding, after discussing with the Canadian Red Cross, for instance in the context of sustainable land management programmes that combines emission reductions with improved agricultural outputs. Calls for proposals are not announced on a regular basis. Therefore, refer to the fund's website for most recent updates: [www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/ANN-11983223-HVT#eli](http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/ANN-11983223-HVT#eli)

<b>Website</b>	<a href="http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/ANN-11983223-HVT#eli">www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/ANN-11983223-HVT#eli</a>
<b>Objectives</b>	Supporting African countries to adapt to climate change, particularly regarding its negative impacts on their economic growth and food security.
<b>Activities supported</b>	The following priority programming areas are eligible: <ul style="list-style-type: none"> <li>↳ adaptation by the poorest and most vulnerable</li> <li>↳ clean energy</li> <li>↳ forest and agriculture</li> <li>↳ advance programming that builds upon existing programming and/or scaling up the demonstrated capacity, expertise, technology, and value-added of the Canadian private sector and/or civil society in vulnerable and under-served communities by working in partnership with developing country partners.</li> </ul>

<b>Conditions and eligibility requirements</b>	Eligible countries are: Burkina Faso, Cameroon, Democratic Republic of the Congo, Ethiopia, Ghana, Kenya, Mali, Mozambique, Nigeria, Rwanda, Senegal, South Africa, Tanzania and Zambia
<b>Accessing the fund</b>	The application process includes the following steps: <ul style="list-style-type: none"> <li>↳ Create or update the lead applicant's profile.</li> <li>↳ Confirm eligibility through self-assessment which can be found on the website.</li> <li>↳ Upload mandatory application documents as listed in documentation checklist and complete application form – both can be found on the website.</li> <li>↳ Submit application before deadline.</li> </ul>
<b>Financing instruments/ delivery mechanism</b>	Co-financing, grant

### 2.2.7 UN-REDD Programme

This inter-agency initiative was created by FAO, UNDP and UNEP as a response to the global debate on the need to stop deforestation and increase forest lands in order to reduce global warming. The UN-REDD Programme supports nationally-led REDD+ activities including institutional readiness efforts, design and implementation of the programmes and complementary support to national REDD+ actions through common approaches, analyses, methodologies, tools, data and best practices. It aims at the informed and meaningful involvement of all stakeholders, including indigenous peoples and other forest-dependent communities. Based on this claim, National Societies engagement both as consulted stakeholder as well as implementing partner is justified in many contexts. National governments, regional development banks and NGOs can receive funding through a participating UN organization acting as an executing agencies. For more information refer to: [www.un-redd.org/](http://www.un-redd.org/)

<b>Website</b>	<a href="http://www.un-redd.org/">www.un-redd.org/</a>
<b>Objectives</b>	The global objectives aim to: <ul style="list-style-type: none"> <li>↳ improve guidance on measurement, reporting and verification approaches</li> </ul>

<p><b>Objectives</b> <i>(cont.)</i></p>	<ul style="list-style-type: none"> <li>↳ increase the engagement of stakeholders in the REDD agenda</li> <li>↳ improve the analytical and technical framework of social and environmental benefits</li> <li>↳ increase confidence in REDD amongst decision-makers on the feasibility of methodologies and the implementation of REDD through coordination, knowledge management and sharing within agencies and partners.</li> </ul> <p>Country-level objective is the support of selected pilot countries in developing their own REDD programmes. Priority is given to approaches that:</p> <ul style="list-style-type: none"> <li>↳ involve multiple sectors and broad set of stakeholder</li> <li>↳ contribute to sustainable development</li> <li>↳ promote equitable outcomes</li> <li>↳ use reliable methodologies to assess emission reductions.</li> </ul>
<p><b>Activities supported</b></p>	<p>Country level activities include:</p> <ul style="list-style-type: none"> <li>↳ identification of relevant national development planning processes</li> <li>↳ capacity building for procedures to report forest GHG to UNFCCC, approaches for the development of REDD monitoring strategies and forest resource assessments that will provide information for carbon and co-benefit inventory assessments</li> <li>↳ identification of local stakeholders and communication channels, stakeholder awareness and consultation</li> <li>↳ assessment and assurance techniques that REDD policies are sufficiently integrated into national development planning</li> <li>↳ technical and financial assistance to develop and mainstream existing tools that address driving forces outside the forest sector</li> <li>↳ REDD payment distribution that is pro poor and aligned with environmental policies.</li> </ul>
<p><b>Conditions and eligibility requirements</b></p>	<p>Phase I countries are: Bolivia, Democratic Republic of the Congo, Indonesia, Panama, Papua New Guinea, Paraguay, Tanzania, Viet Nam and Zambia</p>
<p><b>Accessing the fund</b></p>	<p>National governments, regional development banks and NGOs can assess the fund through partnering with UN organizations that act as executing agencies.</p> <p>Partner countries have observer status at UN-REDD Programme Policy Board meetings and may be invited to submit a request to receive funding for a National Programme in the future.</p>
<p><b>Financing instruments/delivery Mechanism</b></p>	<p>Grant, technical assistance</p>

### 2.2.8 Forest Investment Programme

The Forest Investment Programme (FIP) is part of the SCF, managed by the World Bank and channelled through MDBs. It aims to support developing countries in their efforts to reduce deforestation and forest degradation. To do so, it offers grants and zero-interest loans to governments and private sector activities that contribute to forest land protection and restoration, that support activities outside the forest sector to reduce pressure on forests and that help countries to build institutional capacities. More information can be found at: [www.climateinvestmentfunds.org/cif/node/5](http://www.climateinvestmentfunds.org/cif/node/5)

<b>Website</b>	<a href="http://www.climateinvestmentfunds.org/cif/node/5">www.climateinvestmentfunds.org/cif/node/5</a>
<b>Objectives</b>	<p>The fund seeks to promote REDD programmes in developing countries through four objectives:</p> <ul style="list-style-type: none"> <li>↳ transforming forest related policies and practices</li> <li>↳ facilitating the leveraging of additional and sustained financial resources for REDD</li> <li>↳ piloting replicable models for understanding and learning</li> <li>↳ providing valuable experiences and feedback in the context of UNFCCC deliberations on REDD</li> </ul>
<b>Activities supported</b>	<p>Investment in activities that:</p> <ul style="list-style-type: none"> <li>↳ build institutional capacity, forest governance and information</li> <li>↳ include forest ecosystems services</li> <li>↳ help to reduce the pressure on forests through activities outside the forest sector, e.g., alternative livelihoods and poverty reduction.</li> </ul>
<b>Conditions and eligibility requirements</b>	<p>Country access:</p> <ul style="list-style-type: none"> <li>↳ ODA-eligibility</li> <li>↳ existence of active MDBs in the country.</li> </ul> <p>Criteria for FIP investment strategy, programmes and projects:</p> <ul style="list-style-type: none"> <li>↳ climate change mitigation potential</li> <li>↳ demonstrable potential at scale</li> <li>↳ cost-effectiveness</li> <li>↳ implementation potential</li> <li>↳ integration of sustainable development</li> <li>↳ safeguards.</li> </ul>

<b>Conditions and eligibility requirements</b> <i>(cont.)</i>	Criteria for pilot programme selection: <ul style="list-style-type: none"> <li>↳ potential to adhere to FIP objectives and principles (to be found at the website)</li> <li>↳ country preparedness and ability to undertake REDD initiative</li> <li>↳ existing pilot programmes distribution across regions and biomes to ensure that pilot programmes generate lessons on scaling up activities.</li> </ul>
<b>Accessing the fund</b>	FIP decides about country focus and approaches them through MDBs. Selected countries can then confirm interest to participate.
<b>Financing instruments/ delivery mechanism</b>	Grants, concessional loans, guarantees and equity

### 2.2.9 Congo Basin Forest Fund

This Congo Basin Forest Fund (CBFF) managed by the African Development Bank was set up in 2008 to promote the protection of forest lands in the Congo Basin. Funding is provided to activities that build local capacity help communities to manage their own forest resources, to create sustainable livelihoods and reduce forest degradation and destruction. This is open to project developers in **Burundi, Cameroon, Central African Republic, Chad, Congo, Democratic Republic of the Congo, Gabon, Equatorial Guinea, Rwanda and Sao Tome and Principe**. Periodic calls for proposals are launched and National Societies can apply by submitting concept notes. Proposals are approved by the Governing Council.

<b>Website</b>	<a href="http://www.cbf-fund.org/index.php">www.cbf-fund.org/index.php</a>
<b>Objectives</b>	The CBFF aims to alleviate poverty and address climate change through reducing the rate of deforestation. Its purpose is to provide grants to eligible entities for activities that: <ul style="list-style-type: none"> <li>↳ slow and eventually reverse the rate of deforestation in the Congo Basin</li> <li>↳ provide support mechanisms which conserve the forests</li> <li>↳ maintain benefits for local communities</li> <li>↳ mobilise additional financial resources to support required actions.</li> </ul>

<b>Activities supported</b>	<ul style="list-style-type: none"> <li>↳ sustainable forest management</li> <li>↳ livelihood and economic development</li> <li>↳ monitoring, assessment and verification</li> <li>↳ benefits from an international REDD regime and payments for ecosystem services</li> <li>↳ capacity building in REDD</li> </ul>
<b>Conditions and eligibility requirements</b>	<p>All projects are assessed against the following criteria:</p> <ul style="list-style-type: none"> <li>↳ Innovation</li> <li>↳ How innovative is the proposal?</li> <li>↳ How transformative is the proposal?</li> </ul> <p>Conformity with CBFF's overall objectives</p> <ul style="list-style-type: none"> <li>↳ Will the project slow the rate of deforestation?</li> <li>↳ Will the project reduce poverty amongst forest communities?</li> <li>↳ Does the project show a clear understanding of context?</li> </ul> <p>Conformity with convergence plan</p> <ul style="list-style-type: none"> <li>↳ Does the proposal conform with one or more of the agreed priority strategic areas of the COMIFAC Convergence Plan:             <ul style="list-style-type: none"> <li>(i) knowledge of resources</li> <li>(ii) poverty reduction</li> <li>(iii) new funding mechanisms.</li> </ul> </li> </ul> <p>Eligibility for financing from CBFF resources are limited to COMIFAC member countries (Burundi, Cameroon, Central African Republic, Chad, Congo, Democratic Republic of the Congo, Gabon, Equatorial Guinea, Rwanda and Sao Tome and Principe). COMIFAC member countries are also eligible to participate as contributors to the fund.</p>
<b>Financing instruments/ delivery mechanism</b>	Grant

### 2.2.10 Carbon Finance for Agriculture, Silviculture, Conservation and Actions against Deforestation

The first phase of the Carbon Finance for Agriculture, Silviculture, Conservation and Actions against Deforestation (CASCADe) fund was implemented from 2007 to 2011; it supported project developers and national climate institutions in implementing climate change mitigation projects in rural communities in Africa. It primarily focused on forest and bio-energy carbon projects and

supported project developers from the initial idea to advanced stages of implementation. The fund was managed by UNEP<sup>1</sup> and available in **Benin, Cameroon, Democratic Republic of the Congo, Gabon, Madagascar, Mali and Sénégal** and also provided technical assistance to project developers in order to access carbon finance.

During its first phase, CASCADE linked carbon credit buyers and developers, facilitated exchange between local and national stakeholders, and developed bilingual (English-French) reference documentation and an international expert network. UNEP is now considering the launch of a CASCADE Phase II.

<b>Website</b>	<a href="http://cascade-africa.net/">http://cascade-africa.net/</a>
<b>Objectives</b>	Operating in seven sub-Saharan African countries since 2007, CASCADE assisted project developers and national climate institutions in implementing climate change mitigation projects in rural Africa. CASCADE helped forest and bio-energy carbon projects advance from initial project ideas to advanced development stages, and set up a bilingual (English-French) knowledge pool and expert network.
<b>Activities supported</b>	Agroforestry, bio-energy and REDD+ projects aimed at reducing carbon emissions can be implemented with the help of carbon financing. These projects encouraged: <ul style="list-style-type: none"> <li>↳ economic development</li> <li>↳ biodiversity conservation</li> <li>↳ resilience to climate change</li> <li>↳ improving life in rural African communities.</li> </ul>
<b>Conditions and eligibility requirements</b>	Fund is open to all projects developers of forest and bio-energy carbon projects. Phase II is expected to be launched shortly and information will be made available on CASCADE website.
<b>Financing instruments/delivery mechanism</b>	Carbon finance, technical assistance

<sup>1</sup> In partnership with the UNEP Risoe Centre and financed by FFEM (the Fonds Français pour l'Environnement Mondial).

### 2.2.11 Forest Carbon Partnership Facility – Carbon Fund

This Forest Carbon Partnership Facility (FCPF) was created to provide technical and financial assistance to support eligible REDD+ countries in achieving emission reductions through reduced

<b>Website</b>	<a href="http://www.forestcarbonpartnership.org">www.forestcarbonpartnership.org</a>
<b>Objectives</b>	<p>The FCPF aims to:</p> <ol style="list-style-type: none"> <li>1. Provide financial and technical assistance to: <ul style="list-style-type: none"> <li>↳ assist eligible REDD countries achieve emission reductions from deforestation and/or forest degradation</li> <li>↳ build recipient country capacity to benefit from possible positive incentives for REDD.</li> </ul> </li> <li>2. Pilot an emissions reduction performance-based payment system generated from REDD activities, to ensure equitable benefit sharing and promote future large-scale positive incentives for REDD.</li> <li>3. Test ways the REDD approach can conserve biodiversity and sustain or enhance livelihoods of local communities.</li> <li>4. Disseminate knowledge gained through the development and implementation of the FCPF and related programmes.</li> </ol>
<b>Activities supported</b>	<p>The readiness fund helps prepare developing countries for participation in a future, large-scale system of positive incentives for REDD.</p> <p>FCPF provides payments for verified emission reductions from REDD+ programmes in countries that have made considerable progress towards REDD+ readiness. Assistance is divided into four main categories:</p> <ul style="list-style-type: none"> <li>↳ general economic policies and regulations (taxation, subsidies, rural credit, certification, law enforcement)</li> <li>↳ forest policies and regulations (taxation, subsidies, certification, concession regimes, securing land tenure and land rights, forest law, governance and enforcement, zoning, protected areas, payments for environmental services)</li> <li>↳ forest management (forest fires, reduced impact logging, reforestation)</li> <li>↳ rural development (community development, rural electrification, community forestry).</li> </ul>
<b>Conditions and eligibility requirements</b>	Countries that have successfully participated in the readiness fund can be selected to participate in the carbon fund. To learn if your country is eligible always refer to the website for most up-to-date information.
<b>Financing instruments/delivery mechanism</b>	Grants, carbon finance

deforestation and land degradation. During the initial phase, the readiness fund promotes the development of an appropriate institutional environment to implement a country-wide REDD+ programme. In a second phase, successful countries are selected to receive support from the FCPF which promotes project-based emission reductions in the forest sector.

## 2.3 Country specific funds

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Apart from engaging with the NAP and trying to access government funds, there exists in some countries other channels through which public funds can be accessed. Some countries have recognized the need to find better ways of bringing climate change funding to the local level and have established climate change trust funds (UNDP 2011). This section includes a few examples and a list of potentially interesting country-funds. In particular these are the the Amazon Fund, Bangladesh Climate Change Resilience Fund, Cambodia Climate Change Alliance Trust Fund, Guyana REDD+ Investment Fund, and the Indonesia Climate Change Trust Fund..

### Amazon Fund (Fundo Amazônia)

The Brazilian Amazon Fund was established by the Brazilian Development Bank to create financial support to protection of the Brazilian Amazon. Eligible projects contribute directly or indirectly to reducing deforestation in Brazil. These activities include protected areas, sustainable production activities and institutional development. Applications can be directly submitted to the Brazilian Development Bank any time of the year. For information is available at: [www.amazonfund.gov.br/](http://www.amazonfund.gov.br/)

### **Bangladesh Climate Change Trust Fund**

This coordinated financial mechanism by the Government of Bangladesh, development partners and the World Bank was established in May 2010 to channel international financial support to millions of Bangladeshis to build their climate change resilience on the ground. Priority areas are food security, social protection and health; comprehensive disaster management; infrastructure; research and knowledge management; mitigation and low carbon development; capacity building and institutional strengthening. The grants can be accessed by the Government of Bangladesh, Bangladeshi NGOs and CSOs. More information is available at: <http://bccrf-bd.org/Default.aspx>

### **Cambodia Climate Change Alliance Trust Fund**

This fund was set up as part of the Cambodia Climate Change Alliance to provide support for projects that help Cambodia adapt to climate change. More information on the initiative can be found at [www.un.org.kh/undp/what-we-do/projects/cambodia-climate-change-alliance](http://www.un.org.kh/undp/what-we-do/projects/cambodia-climate-change-alliance)

### **Guyana REDD+ Investment Fund**

This fund was created to balance national sovereignty over investment priorities while ensuring that REDD+ activities adhere to the partner entity's financial, environmental and social safeguards. The fund receives financial resources from international donors and transfers these in form of grants to partner entities in Guyana that provide forest climate services. This mechanism allows channelling international climate finance to local NGOs or private sector organizations on the ground. More information is available at: [www.lcds.gov.gy/guyana-redd-investment-fund-grif.html](http://www.lcds.gov.gy/guyana-redd-investment-fund-grif.html)

### **The Indonesia Climate Change Trust Fund (adaptation)**

The Indonesia Climate Change Trust Fund (ICCTF) is a national funding entity which aims to develop innovative ways to link international finance sources with national investment strategies.

Created by the Government of Indonesia, it acts as a catalyst to attract investment and to implement a range of alternative financing mechanisms for climate change mitigation and adaptation programmes. The ICCTF receives contributions from bilateral and multilateral donors.

<b>Website</b>	<a href="http://www.icctf.or.id/">www.icctf.or.id/</a>
<b>Objectives</b>	<ul style="list-style-type: none"> <li>↳ Achieve Indonesia's goal of a low carbon economy and greater resilience to climate change.</li> <li>↳ Enhance the Government of Indonesia's effectiveness in leadership and management of addressing climate change.</li> </ul>
<b>Activities supported</b>	<p>ICCTF focuses on three priority windows:</p> <ul style="list-style-type: none"> <li>↳ Land-based mitigation – reduction of GHG emissions from deforestation and forest degradation, while moving towards efficient land uses and sustainable management of forest resources.</li> <li>↳ Energy contribution to the improvement of energy security in Indonesia and reduction of emissions from the energy sector.</li> <li>↳ Adaptation and resilience – preparation of Indonesia's national and local institutions, as well as vulnerable communities, to the impacts of climate change.</li> </ul>
<b>Conditions and eligibility requirements</b>	<p>Entities which are eligible to submit proposals to the ICCTF are government institutions such as line ministries, government agencies and local government as executing agencies. Executing agencies may partner with other institutions, including universities and CSOs, to implement the project. With projects administered through UNDP, acting as the interim fund manager, eligible project duration was set for one year, while project budgets were capped at three million USD.</p> <p>Project selection criteria include:</p> <ul style="list-style-type: none"> <li>↳ impact, sustainability, scalability and synergy</li> <li>↳ capacity and experience required to conduct large and innovative projects in a short-time frame</li> <li>↳ projects focus on identified high priority for the ministries concerned.</li> </ul>
<b>Accessing the fund</b>	<p>Sectoral ministries on their own, or through joint proposals with NGOs or academic institutions, and local government bodies are invited to submit proposals for activities to be funded by the ICCTF.</p>
<b>Financial instrument/delivery mechanism</b>	Grants

The main funding mechanism of the ICCTF is the ‘Innovation Fund,’ which provides grants to line ministries to support climate change related projects. The design of the ICCTF is to be implemented in two stages: initially, the ICCTF will be created as an “Innovation Fund,” which involves grant funding (mainly public finance) from development partners and other contributors to be used for activities without financial returns. At a later stage, the ICCTF may advance by establishing a “Transformation Fund” which involves available funding such as public-private partnerships, loans, and world capital market sources that could harness private-sector finance. The introduction of a carbon market is also under consideration. The ICCTF will in its initial phase only finance projects on climate resilience, energy and sustainable forest management that are managed by public authorities.

## 2.4 Foundations

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Apart from the public sector, there are also private foundations that provide grants to projects related to both climate change adaptation and mitigation.

- **Ford Foundation:** Community-based climate change adaptation is one of the main priorities of this foundation. More information available at: [www.fordfoundation.org/](http://www.fordfoundation.org/)
  - **Gates Foundation:** While global health is at the centre of the Gates Foundation, it also provides grants to programmes related to climate change adaptation, such as in the agricultural sector or in water and sanitation. More information available at: [www.gatesfoundation.org/Pages/home.aspx](http://www.gatesfoundation.org/Pages/home.aspx)
  - **Rockefeller Foundation:** Climate change is one of the key priorities of the Rockefeller Foundation, including support for developing climate change resilience, renewable energy projects and strengthening food security. More information available at: [www.rockefellerfoundation.org/](http://www.rockefellerfoundation.org/)
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- **Oak Foundation:** Environment, including climate change, is one of the major priorities of this foundation. Grants are primarily provided to climate change mitigation projects in emerging economies, USA, Canada or Europe. More information available at: [www.oakfnd.org/](http://www.oakfnd.org/)

However, when it comes to accessing funding from Foundations you need to be aware that prior to any outreach to the below mentioned Foundations (and others) you should contact the relevant National Society of the country where the Foundation is based. For example, for the Gates, Ford and Rockefeller Foundations the American Red Cross needs to be consulted prior to any engagement as relationship managers for these Foundations. It is important that any initiative is consistent with the long-term strategy of the specific National Society in that country. The Headquarter of the Oak Foundation is in Switzerland, so in this case you will need to consult with the Swiss Red Cross.

A photograph of a wet, cracked concrete surface, likely a sidewalk or driveway, with a green circular overlay in the upper right corner. The concrete is wet and shows a pattern of irregular, interconnected cracks. The water on the surface reflects the surrounding environment, including tall grasses and trees. The green circle has a white dotted border and contains the text "The application process" in white. The overall scene is outdoors, with natural light and shadows cast across the wet pavement.

The application  
process

Each of the funds that have been detailed in the previous sections has its own specific criteria and procedures for the submission of proposals. In many cases, an initial concept note (short) might be sufficient for the first application, while in the second phase you may be asked to submit fully developed proposals. Structure and level of details required for the content also vary and each organization has a specific structure for submission of applications.

There are some general steps, however, that should be taken into account when developing a proposal.

## 3.1 Writing a successful proposal

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If the National Society partners with one of the accredited implementing entities to apply for multilateral funds such as the Adaptation Fund or the LDCF; or if the National Society becomes an implementing partner in its government's proposal, most likely the partner organization will undertake the task of writing the proposal.

Based on experience, the UNEP Risø Centre on Energy, Climate and Sustainable Development has established seven criteria for successfully funding applications for **climate change adaptation** projects (Christiansen et al 2012). These criteria can also be useful for National Societies when applying to national or other climate change funds and are briefly described below:

### 1. Adaptation rationale and additional cost argument

The most important aspect of the proposal is clearly outlining the rationale of the project. This means saying exactly why the project is needed, what activities are going to be implemented and which effect these activities will have on the resilience/vulnerability of the communities.

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Three aspects should be covered in the adaptation rationale. First, an explanation as to how the sector or area would develop without climate change. This is called **business-as-usual scenario**. Second, an explanation of observed and expected climate variability and its impact on vulnerability to business-as-usual scenario. This part will justify why a project is needed in the first place. Finally, an explanation of proposed activities and how these will help to reduce vulnerability compared to business-as-usual scenario.

Another important aspect of the adaptation rationale is the “additional cost argument.” Some climate funds will only finance the additional costs that climate change causes to development, not the costs of development that would happen under the business-as-usual-scenario. It is crucial to outline why some of the costs of your activities are “additional” costs that only rise due to climate change.

## 2. Urgency and prioritization:

As previously outlined funding sources for adaptation are limited and there is high competition to access them. The proposal needs to prove that the activities are the most important and urgent ones compared to other alternatives in the country. Donors will not accept a single-sided reasoning as sufficient proof for the priority of the project. It is also important that activities proposed are aligned and support the key areas and priorities of government in question, as included in national climate strategies such as the NAPA, the NAP or National Communications.

## 3. Weighting of project activities

In the past, international donors have shown clear preferences for weighting between different project activities. ‘Hardware’ activities – such as building a sea wall, drought resistant crops or water supply systems – have dominated ‘software’ activities such as capacity building or public awareness and education, because the

success of the investment is easily visible. The UNEP report recommends that at least 50 per cent of the project should consist of visible investments in ‘hardware’ solutions. However, this is a general rule: in the end the local context will determine the activities are most urgent.

#### 4. Sustainability of intervention

The success of a project does not only depend on performance during its duration, but ultimately by whether the benefits and capacities are sustained beyond the project’s duration. In light of climate change, this becomes particularly relevant as the full impacts of climate change will only be manifest in the coming decades, when projects started today will have been completed. For this reason, it is important to demonstrate to the donor that the sustainability of project benefits beyond the project duration is insured. An example of this could be building sufficient local capacity amongst Red Cross Red Crescent staff and volunteers to maintain and scale up activities; developing a strategy for raising additional funding; choosing activities with low maintenance requirements.

#### 5. Cost-effectiveness

After demonstrating that the problem the project aims to address has highest priority in the National Society’s country, it should also be demonstrated that the project activities are also the best suited to address it. In addition, it is important to prove insofar as possible that the project activities will deliver the best outcomes per financial input.

#### 6. Institutional set-up and comparative advantage of implementing institutions:

Another important aspect is to explain why the National Society is the best implementing institution to do the job. There should be reference to the National Society’s auxiliary role to the government and as well as its specific areas expertise, such as building

community resilience, the importance of having an extended network of volunteers that can support delivery at community level, etc.

### 7. Results-based management and logical framework:

Multinational and bilateral funds are increasingly adopting results-based management approach. In the context of climate change adaptation this would mean for example that all project activities are strongly related to clear, measurable adaptation 'outputs,' 'outcomes' and 'impacts' (UNEP 2012: 28). Presenting a project in this format would make it more transparent and attractive to the donor.

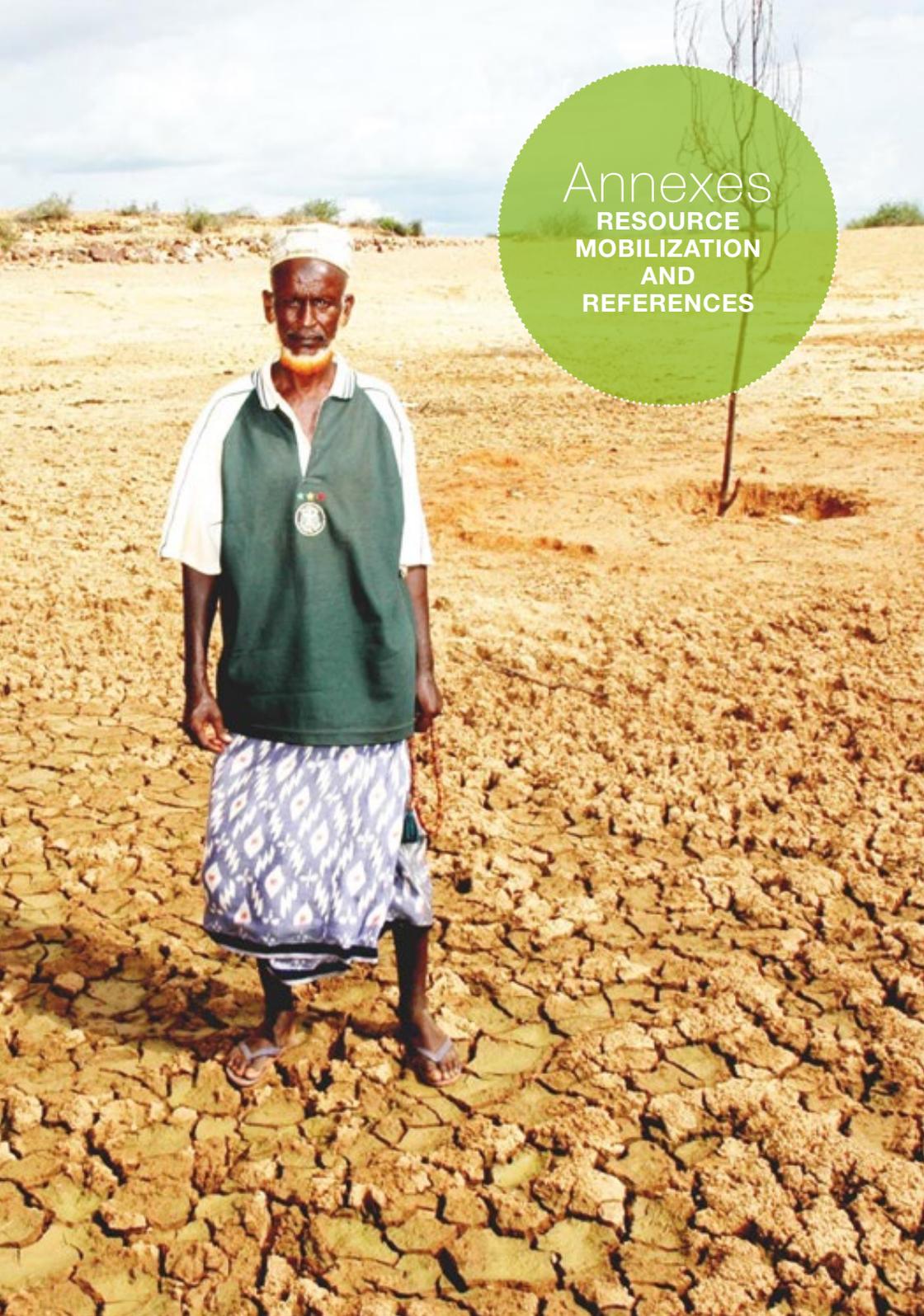
Some basic information and examples of adaptation projects can also be found on the UNFCCC's website.

When looking at the development of **climate change mitigation** proposals, it should be kept in mind that not every environmental project is a climate mitigation project. In general, the key criteria that a mitigation proposal should address are:

- ✎ The proposed project will result in a reduction of GHGs.
- ✎ The proposed project will result in GHG emission reduction that would not have happened in a business-as-usual scenario.
- ✎ The proposed project also has positive, significant impacts for sustainable development beyond reducing emissions (and often there are also positive benefits for adaptation).
- ✎ A specific methodology has been identified and will be used by the project to calculate the reduction in GHG emissions.
- ✎ The project results in real, measurable emissions reductions.

A more detailed guidance on accessing carbon markets and on the development of proposals for climate change mitigation will be produced by the IFRC secretariat. Please contact the climate change team at the IFRC secretariat for further information, technical support and overall guidance.





Annexes  
RESOURCE  
MOBILIZATION  
AND  
REFERENCES

# Resource mobilization

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## Resource mobilization tools

- ↘ Resource mobilization toolkit on FedNet <http://ifrc-rm-toolbox.wikispaces.com>
  
- ↘ Training modules – How to Develop a Fundraising Strategy <https://fednet.ifrc.org/en/resources/HD/resource-mobilization-and-government-relations-rm/knowledge-sharing/rm-training/>
  - Customer Relationship Management system (CRM)
  - Resource mobilization mainstreamed into broader National Society development efforts

## Resource mobilization networks

- ↘ Asia Pacific Fundraisers Network <https://fednet.ifrc.org/en/ourifrc/offices/AP/asia-pacific-fundraisers-network-apfn/>
  
- ↘ European Funding Practitioners Group <https://fednet.ifrc.org/en/communities/communities-of-practice/Home/?clubId=42&c=&q=>
  
- ↘ Global Fundraisers Skillshare <https://fednet.ifrc.org/en/resources/HD/resource-mobilization-and-government-relations-rm/knowledge-sharing/skillshare-2012/>

## Resource mobilization communities of practice (CoP)

- ↘ Individual giving CoP – British Red Cross <https://fednet.ifrc.org/en/communities/communities-of-practice/Home/?clubId=65&c=43&q=>

- ✎ EU Intra-community CoP – Romanian Red Cross  
<https://fednet.ifrc.org/en/communities/communities-of-practice/Home/?clubId=42&c=&q=>
- ✎ Corporate CoP – Swiss Red Cross  
<https://fednet.ifrc.org/en/communities/communities-of-practice/Home/?clubId=85&c=43&q=>
- ✎ Domestic government CoP – Australian Red Cross  
<https://fednet.ifrc.org/en/communities/communities-of-practice/Home/?clubId=115&c=43>

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# The Fundamental Principles of the International Red Cross and Red Crescent Movement

**Humanity** The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

**Impartiality** It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

**Neutrality** In order to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

**Independence** The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

**Voluntary service** It is a voluntary relief movement not prompted in any manner by desire for gain.

**Unity** There can be only one Red Cross or Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

**Universality** The International Red Cross and Red Crescent Movement, in which all societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

**For more information on this IFRC publication,  
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