



**Conference of the Parties serving as the meeting
of the Parties to the Kyoto Protocol**
Eighth session
Doha, 26 November to 7 December 2012

Agenda item 10(a)

Adaptation Fund

Report of the Adaptation Fund Board

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Proposal by the President

Draft decision -/CMP.8

Report of the Adaptation Fund Board

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Article 12, paragraph 8, of the Kyoto Protocol,

Also recalling previous decisions made by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on reports of the Adaptation Fund Board,

Taking note of the report of the Adaptation Fund Board,¹

Noting with concern the decline in market prices of certified emission reductions, and its expected impact on the availability of funding from the Adaptation Fund,

1. *Notes* the following actions and decisions taken by the Adaptation Fund Board in accordance with decision 1/CMP.4, paragraph 10:

(a) Accreditation of 14 national implementing entities, including eight during the reporting period, that can directly access resources from the Adaptation Fund;

(b) Cumulative approval of funding decisions on adaptation projects and programmes amounting to USD 166.5 million;

(c) The Board's decision to offer Fund certified emission reductions for direct purchase by governments;

¹ FCCC/KP/CMP/2012/7.

- (d) The Board's fundraising target set at USD 100 million until 2013;
2. *Also notes* that cumulative receipts into the Adaptation Fund Trust Fund have reached USD 301.1 million;
 3. *Further notes* that funds available for new funding approvals amounted to USD 112.8 million by 30 June 2012 and that potential additional resources from the monetization of certified emission reductions up to the end of 2012 are estimated at USD 31.4 million, for total potential additional resources of USD 144.2 million for new project and programme approvals;²
 4. *Notes with concern* issues related to the sustainability, adequacy and predictability of funding from the Adaptation Fund based on the current uncertainty on the prices of certified emission reductions and the continuation of the Adaptation Fund during and beyond the second commitment period of the Kyoto Protocol;
 5. *Requests* the Adaptation Fund Board to report to the Subsidiary Body for Implementation at its thirty-eighth session on the status of resources of the Fund, trends in the flow of resources and any identifiable causes of these trends;
 6. *Decides* to consider, at its ninth session, means to enhance the sustainability, adequacy and predictability of these resources, including the potential to diversify revenue streams of the Adaptation Fund, taking into consideration the report of the Adaptation Fund Board as requested in paragraph 5 above;
 7. *Takes note with appreciation* of the continued efforts of the Adaptation Fund Board to promote the accreditation of national implementing entities and direct access to Adaptation Fund resources;
 8. *Also notes* the successful completion, in accordance with decision 5/CMP.6, paragraph 8, of a series of workshops on the accreditation of national implementing entities, which was concluded in 2012 with two workshops organized by the UNFCCC secretariat in collaboration with the Governments of the Philippines and Samoa, in Manila, the Philippines, from 19 to 21 March 2012 for the Asian and Eastern European regions, and in Apia, Samoa, from 23 to 25 April 2012 for the Pacific subregion;
 9. *Welcomes* the financial contributions to the Adaptation Fund made by the Governments of Sweden, Switzerland and the United Kingdom of Great Britain and Northern Ireland, and the pledges of contributions to the Fund made by Australia and the Brussels-Capital Region of Belgium in accordance with decision 4/CMP.5, paragraph 9;
 10. *Also welcomes* the financial contributions provided by the Governments of Australia, Japan, Norway, Spain, Sweden, Switzerland and the United Kingdom of Great Britain and Northern Ireland, and the support provided by the Governments of the Philippines and Samoa, the United Nations Development Programme and the United Nations Environment Programme, for the organization of the regional and subregional workshops on the accreditation of national implementing entities;
 11. *Continues to encourage* Parties included in Annex I to the Convention and international organizations to provide funding to the Adaptation Fund, which will be additional to the share of proceeds from clean development mechanism project activities;

² The estimates provided are based on publicly available information and do not in any way constitute Trustee predictions with respect to future certified emission reduction prices, exchange rates, certified emission reduction issuance or other variables. Based on spot prices for certified emission reductions and the exchange rate between the United States dollar and the euro observed during July 2012, and estimated certified emission reduction issuance from the United Nations Environment Programme Risoe Centre (FCCC/KP/CMP/2012/7, para. 37, footnote 9).

12. *Requests* the secretariat to prepare a technical paper, based on the experiences of bodies under the Convention and the wider United Nations system, on the process of selecting host institutions for entities under the Convention and the wider United Nations system, including the steps and time frames required to conduct open and competitive bidding processes, for consideration by the Subsidiary Body for Implementation at its thirty-eighth session.
