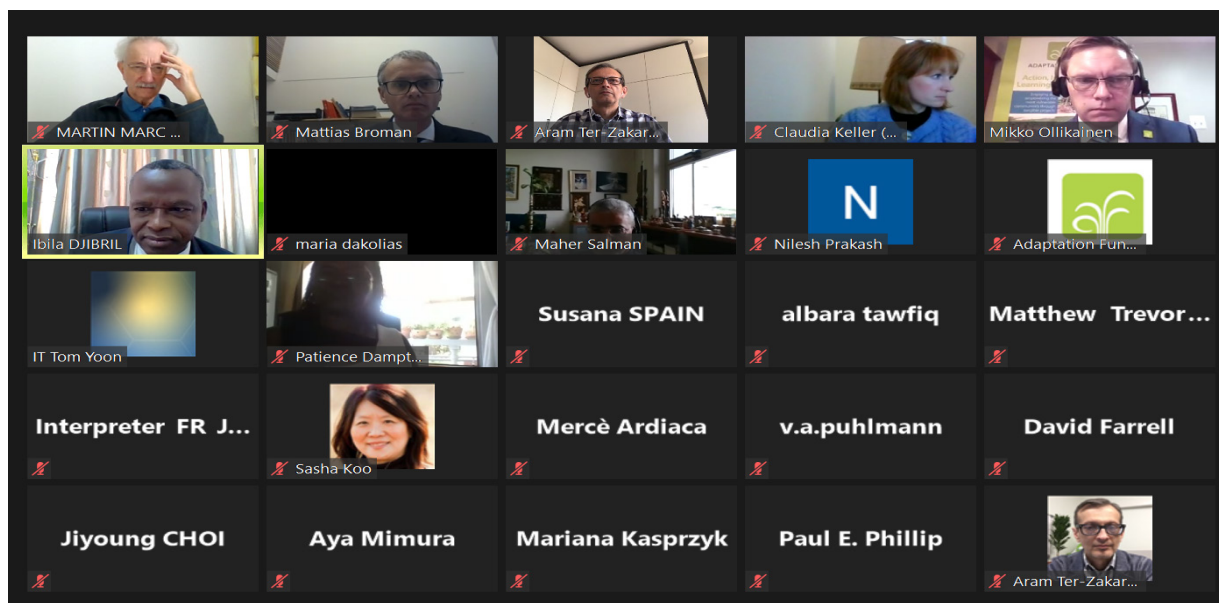


Adaptation Fund adopts Enhanced Direct Access Modality



The modality was adopted at the 35th Adaptation Fund Board meeting, in October 2020, which was held virtually due to the COVID-19 pandemic

The Adaptation Fund Board recently approved a pilot Enhanced Direct Access (EDA) funding window, “to further empower entities to directly identify and fund local adaptation efforts”.

EDA is a programmatic funding model in which the decisions on which particular activities are to be funded is delegated to the sub-national level, to involve the beneficiaries. ecbi played a key role in developing the modality under the Green Climate Fund, as a modality that goes one step further towards devolving decision-making than the direct access modality, pioneered by the Adaptation Fund. ecbi also played a role in the development of the direct access modality, which was launched on 17 September 2010.

On 4 November 2020, the Adaptation Fund announced:

“The Board’s approval of the pilot Enhanced Direct Access funding window for national implementing entities (NIEs) will further empower entities to directly identify and fund local adaptation projects. EDA builds on the Fund’s pioneering Direct Access modality, which fosters country ownership in adaptation. The Fund has pioneered EDA already by piloting it in several countries through locally led adaptation projects, ... this will build on those by creating an explicit window for NIEs to submit proposals of up to US\$ 5 million per country for EDA projects.”

A [background document](#) on an EDA window under the Adaptation Fund's medium-term strategy lists the following potential benefits of EDA:

- Increased country ownership over project activities, strengthening locally-led climate action.
- Greater in-country decision-making over fund allocation.
- Raised profile of NIEs internationally and nationally.
- Strengthened institutional and individual capacities at the sub-national and local level, and of domestic channels of directing resources to those levels.
- Strengthened alignment of funded projects with domestic priorities.
- Stimulation of innovation through the establishment of national or local mechanisms.
- Increased efficiency in the management of donor funds.

The document also refers to a 2011 [submission](#) by ecbi Director Benito Müller to the [Transitional Committee for the design of the Green Climate Fund](#), which first introduced the concept of EDA. For more information, see the ecbi Policy Brief on [Enhanced Direct Access: A Brief History \(2009-15\)](#).

The first thematic EDA window was created in 2015 in the Green Climate Fund, but the [first two multilateral EDA climate](#) programmes were adopted the year before by the Adaptation Fund Board.

One of these programmes, initiated in 2015, [established](#) a Community Adaptation Small Grants Facility (SGF) in two pilot district municipalities in South Africa, to incorporate climate adaptation response strategies into local practices so that assets, livelihoods, and ecosystem services are protected from climate-induced risks associated with expected droughts, seasonal shifts, and storm-related disaster events. The four-year project included three main components:

- Providing small grants to vulnerable communities that deliver tangible and sustainable benefits.
- Empowering local institutions to identify and implement adaptation response measures.
- Compiling and sharing lessons learned to facilitate future scaling up and replication of small grant-financing approaches.

Under the first component, the [programme](#) sought to provide at least 12 small grants, of the order of US\$ 100,000 each, to community-based organisations (CBOs) and non-government organisations (NGOs) to strengthen livelihood strategies, adaptive capacity, infrastructure and assets in vulnerable communities in the Mopani and Namakwa District Municipalities. The NIE for South Africa, the [South African National Biodiversity Institute](#) (SANBI), decides whether specific small grants should go forward.

Under the second component, local institutions were supported to identify, develop, and implement small grant projects. These “Facilitating Agencies” facilitated project identification, development, and implementation (including local-level project administration, reporting, and financial management), guided by a set of principles to ensure that projects clearly respond to experienced or anticipated climate induced stresses, and meet the criteria of the SGF.

The third component focused on innovative participatory approaches, including a practitioner's forum, to discuss effective approaches of community empowerment and challenges; and a community forum, to discuss climate change adaptation challenges and possible integrated



FUNDING TO HELP COMMUNITIES LIVE WITH CLIMATE CHANGE:

The Small Grants Facility



When bad floods, droughts or heat waves hit a community, it's usually the poor who suffer most, and struggle to bounce back afterwards. They need help to cope with these extreme weather events, particularly as climate change makes them happen more often, and more severely.

Responding to extreme weather events could mean applying climate-smart farming practices. Or it could mean putting storm water systems into informal settlements to drain away flood waters quickly. Or it could be an early warning system which tells people that a nearby river is about to burst its banks.

Work like this needs funding. Many poorer communities struggle to get this funding though, because they often can't get past the red tape that is needed to manage this sort of development money.

The Community Adaptation Small Grants Facility (SGF) project is a way to assist communities to access this kind of funding. The SGF project is being implemented in two pilot project areas, namely in Mopani District in Limpopo Province, and Namakwa District in the Northern Cape. These areas are expected to become hotter, rainfall will be less predictable, and there may be heavier storm events. This will impact on people's health and well-being, as these changes undermine agriculture, local livelihoods and the built environment.

The SGF project will release small grants so that communities can run projects that will deliver tangible and sustainable benefits. As the project is unfolding, communities will be encouraged to share the lessons they learn, so that their projects and the way the SGF project finances them, can be rolled out on a larger scale around the country.

The Community Adaptation SGF project model will allow vulnerable communities to get direct access to funding, which is something civil society has been requesting for a long time. Doing so is a way to empower a community, because it allows people to decide for themselves how to use the money, and it will build up skills within the community so they will be better able to run their own adaptation-related projects at a local level.

The SGF project is funded by the Adaptation Fund and has a value of about R27 million (US\$ 2.5 million).

For more information, email climatefunds@sanbi.org.za



adaptation strategies. Local knowledge sharing mechanisms were envisaged to create opportunities for reflection and learning within and between districts, and linked to national adaptation processes to develop relevant insights. It was envisaged that policy recommendations will be developed to inform South Africa's processes of climate finance establishment, with a view to creating a long-term small grant facility for supporting climate change adaptation in vulnerable communities.

A June 2020 [review](#) of the programme found that the project made significant learning contributions to bringing climate intervention decision-making nearer to beneficiaries. It brought about tangible benefits that reduce vulnerability and increase resilience to climate change; and intangible benefits include the sense of ownership and potential sustainability of the interventions. The programme also arguably resulted in more transformational outcomes, according to the review.

BENITO MÜLLER AND ANJU SHARMA

18 November 2020

European Capacity Building Initiative

Annexe Offices, Linton Road, Oxford OX2 6UD, United Kingdom

Phone: +44 (0) 1865 284 413

e-mail: administrator@oxfordclimatepolicy.org