SUBMISSION BY BHUTAN ON BEHALF OF THE LEAST DEVELOPED COUNTRIES GROUP ON
"Views on the Terms of Reference of the 4th review of the Adaptation Fund"

The Least Developed Countries Group (LDCs Group) welcomes the opportunity to submit their views on the Terms of Reference of the 4th review of the Adaptation Fund based on the terms of reference from the previous review.

I. Mobilization of financial resources

● The review should also look into existing and desirable mechanisms for coordination and communication among institutions funding adaptation projects and programs, in particular institutions under the Convention and the operating entities of the Financial Mechanism and its specialized funds;
● As the Fund also serves the Paris Agreement, not only Kyoto Protocol as it was in 2017, maybe it should be updated in TOR and evaluated how the Fund also acts for or aims to act for PA as well;
● Effective linkages between the AF and the GCF; Article 6 Financing adaptation
● Support countries, particularly those that are challenged in benefitting from the fund, in scaling-up successful projects with the lift of the country cap through the development of strategic plans (such as coastal strategy, etc.)

II. Scope: What lessons learnt do we want the review to focus on?

● Include the AF's stakeholder engagement policies
● New small grants program; and lessons learned from Enhanced Direct Access
● Whether and how the Fund promotes best practices and innovation in its projects and ensures synergy between the projects (at least within the countries)?
● The AF acting in the new reality created by the covid 19 pandemic;
● Explore other sources of funding besides share of proceeds and developed country contributions for sustainable resources. Eg from Article 6 of PA, and voluntary contributions from contributors
● Contribution of the AF projects in the NDCs
● Impacts of the NIE in strengthening institutional capacities for the governance of climate funds
● Involvement of Community-based organizations and women groups in the implementation of the AF projects to enhance ownership of those projects
● Gather testimonies from communities that benefited from the AF projects to have a view on the social return.
● Enhance the communication and information on the readiness program for the development of NIEs
● local anchoring of AF projects and coherence with the local development strategies particularly if these integrate Adaptation
● the relationship between the AF and the GCF and how to strengthen cooperation and implementation between these two funds with regard to adaptation projects to SIDS, LDCs and Africa

III. Access modalities

● Encourage countries particularly LDCs to set up NIEs and ensure that MIEs can only have maximum 50% of the funding granted to a country.

IV. Source of information

- Case studies and inputs from beneficiaries.
- Refer to CSO and other stakeholder publications related to AF projects and processes.
- the report of the Warsaw mechanism on lost and damage