



Adaptation Finance Window – Addendum 002

Bidders Conference for Concept Notes

Climate Finance for Development Accelerator
December 15, 2023

Agenda

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- AFW Overview:
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 - AFW – Addendum 002 Program Structure
 - AFW – Addendum 002 Evaluation Considerations
- AFW – Addendum 002 Concept Note Submission Process
- AFW – Addendum 002 Timeline
- Questions and Answers

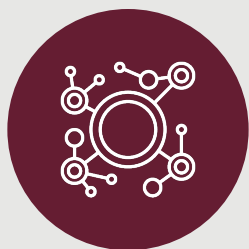
****Please note that this session will be recorded.***

Welcome and Introductions

- Isaiah Oliver, Deputy Chief of Party – Partnerships, USAID Climate Finance for Development Accelerator (CFDA)
- Amanda Lonsdale, Chief Investment Officer, USAID Climate Finance for Development Accelerator (CFDA)
- Daniel Kim, Sr. Partnerships Manager, USAID Climate Finance for Development Accelerator (CFDA)

CFDA will mobilize private finance to support climate action globally

The **USAID Climate Finance for Development Accelerator (CFDA, or the Accelerator)** is a global flagship climate finance activity that will **mobilize private finance and private sector actions** to support the **transition to an equitable and resilient net-zero economy**, helping countries meet their Nationally Determined Contributions and National Adaptation Plans under the Paris Agreement.



Climate Finance Investment Network (CFIN) convenes diverse finance seekers, finance providers, government agencies, NGOs, and other stakeholders from a variety of sectors and emerging/frontier markets to crowd in private sector climate finance through strategic partnerships, advocacy, learning, and catalytic capital. **CFIN members will receive information about funding, partnership, and learning opportunities and are not required to make any commitments.**

AFW – Addendum 002 At a Glance

The Adaptation Finance Window (AFW) aims to de-risk the development and scaling of companies and investment vehicles that mobilize private finance for climate adaptation. Grants awarded through the Adaptation Finance Window will support products, projects, and funds that address climate adaptation priorities in the emerging and frontier markets where USAID works.

Through Addendum 002, CFDA is soliciting concepts from investment managers seeking both grants and credit guarantees to support the launch of innovative funds or investment vehicles that will deliver significant outcomes for climate adaptation.



CFDA anticipates issuing **1-3 grant awards** that amount to **\$5M USD total**. Grant funding may cover start-up costs, operational expenses needed to launch a new fund, build pipeline needed to secure investor commitments to launch a new fund, technical assistance, or other catalytic uses in support of launch and investment.



Nordic government partners from the **Investment Mobilization Collaboration Arrangement (IMCA)** may provide up to **\$100M in credit risk guarantees** to mobilize additional private financing into the adaptation funds selected through this competitive solicitation

AFW – Addendum 002 Program Structure

Potential investment partners

- Experienced General Partners
 - Experienced Fund Managers
 - Other capital deployers capable of using grant and guarantee support available through Addendum 002
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Geographic Scope

- Funds with a multi-continent reach and a substantial Africa nexus are strongly preferred.
 - Funds must invest 100 percent of their capital in multiple OECD DAC countries.
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Award Information

- Period of performance of CFDA's grant award(s) is 2 years from date of award, with disbursements based on negotiated milestones
 - IMCA's credit guarantees will be separately managed between selected winners and IMCA members
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AFW - Addendum 002 Evaluation Considerations

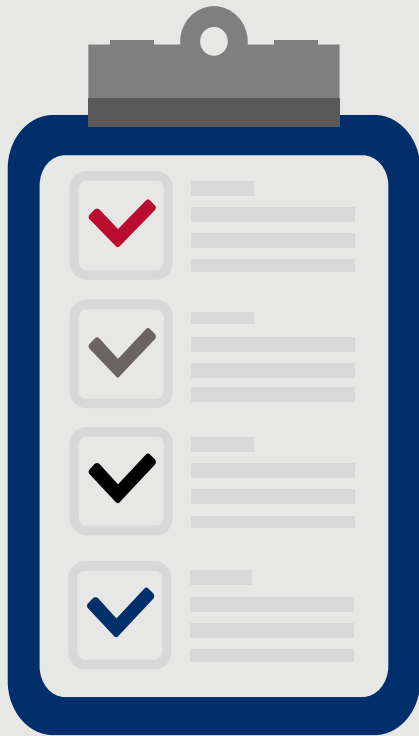
Relevance	Scale of Impact	Additionality
<p>Target Portfolio: 75% or more of capital deployed for climate adaptation</p> <p>Geographic Scope: 2+ continents, Africa preferred, OECD DAC Countries</p> <p>Fund Size: \$50M minimum, preference for larger funds</p>	<p>Integrates climate adaptation into fund's proposed investment thesis and process</p> <p>Integrates adaptation-related impact measurement in fund management (at least one indicator focused on jobs)</p>	<p>Demonstrates financial and impact additionality of USG and IMCA funds, in mobilizing private (non-DFI) capital financing and reduction of climate vulnerabilities</p>

AFW - Addendum 002 Evaluation Considerations

Gender and Social Inclusion	Private Sector Engagement	Activity and Approach
<p>Demonstrates a conflict-sensitive approach that considers indigenous peoples and local communities, women, youth, and other marginalized populations.</p>	<p>Demonstrates a strong probability of raising private (non-DFI) capital and building pipeline for capital deployment.</p>	<p>Proposes clear and transparent investment structures and concept models that facilitate private capital participation and integrates use of IMCA's guarantees</p> <p>Sponsored by experienced fund managers with demonstrated track record</p>

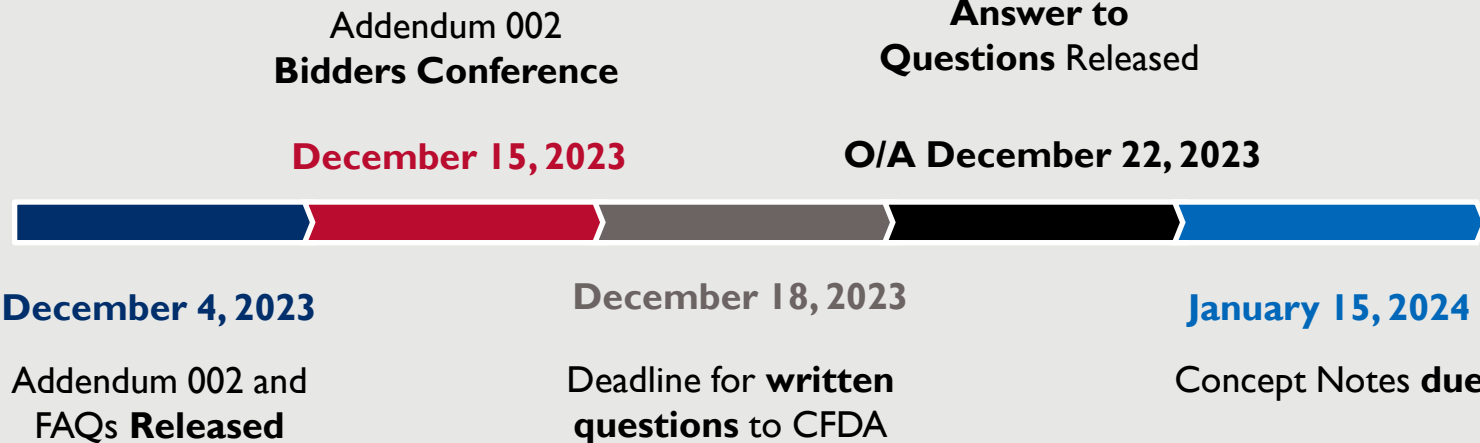
Concept Note Submission Process

All applicants need to submit their concept notes through the [Proposal Portal](#) which will involve the following:



- 1** **Information regarding Climate Finance for Investment Network (CFIN):** CFDA will share amendments, answers to questions, and other updates to contacts registered with the CFIN
- 2** **Concept Paper and Budget (Annex A):** Max. 12 PowerPoint Slides
- 3** **Valid Legal Registration:** Copy of organization/company registration documentation (or equivalent)

AFW – Addendum 002 Timeline



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Finalists Notified

O/A February 23, 2024



O/A Jan 29 – Feb 9, 2024

**Oral
Presentations**
for Select
Applicants

March 8, 2024 - Onwards

Due Diligence and Co-Creation Begins

Questions and Answers

- Please share questions in the Q&A box (not the chat).
- We will attempt to answer all questions today.
- If we do not have time or are unable to answer all questions, we will provide written responses to unanswered questions in the written Q&A process.
- Please also refer to AFW – Addendum 002 [Frequently Asked Questions \(FAQ\)](#) document

Friendly reminder – written questions must be submitted by Monday, December 18th at midnight EST

Please reach out to
info@CFDAccelerator.com with
any questions.



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