



GLOBAL
CENTER ON
ADAPTATION

Annual Report 2020



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LETTER FROM THE CEO

In countries around the world, rich and poor, the Covid-19 crisis has exposed the vulnerabilities of our health and social systems and the fragility of our economies.

Despite long-standing and plentiful warnings from scientists about the risks of a pandemic, the world was woefully unprepared for this crisis.

The same is unfortunately true for our climate emergency.

There is no cure for climate change. No vaccine is coming to save us.

The seas are rising. Extreme weather becoming more frequent. And our planet is getting hotter. Parts of it may soon become uninhabitable unless we double down our efforts to curb greenhouse gas emissions and help millions of people adapt to their changing environment.

There is a lesson we must take from the last year. That addressing problems in silos creates false conflicts. When the pandemic erupted, some leaders acted as if there was a choice between fighting Covid-19 or saving livelihoods.

That same kind of thinking pits economic growth against climate protection, or mitigating carbon emissions against adapting to our warming planet. The reality is that we must address all of these challenges together. Because neglecting one at the expense of others risks undermining the whole endeavour. And it is the poorest, and most vulnerable, will pay the price of inaction.

As outlined in this annual report, GCA responded quickly to recognize the challenges and opportunity represented by the unprecedented events of the last year. Because in the midst of this crisis, the mission of the Global Center on Adaptation has never been more important. Our Board of world leaders, led by 8th Secretary-General of the United Nations, Ban Ki-moon, and Feike Sijbesma, recognize the importance of accelerating adaptation today for the benefit of tomorrow.

As we continue to respond to the changing environment, GCA remains committed to serving the most vulnerable communities, accelerating solutions to our climate crisis and playing our part in making our world more resilient.

A stylized, handwritten signature in blue ink, consisting of several overlapping loops and a long, sweeping horizontal stroke.

Prof. Dr. Patrick Verkooijen
CEO of the Global Center on Adaptation

1. Introduction

1.1. FILLING A CRITICAL GAP IN THE INTERNATIONAL CLIMATE ARCHITECTURE

There is a clear moral and economic imperative to urgently adapt to our changing climate. This is particularly so for the poor in developing countries that bear a disproportionately high burden of the impacts of climate change. The Paris Agreement expressly called for enhanced global cooperation, ambition, and finance for adaptation and resilience. Adaptation is indispensable to achieve the SDGs. However, adaptation actions are insufficient, small-scale, and scattered. Less than 10% of climate finance goes towards adaptation. The Covid-19 crisis has slowed down the progress made on adaptation action in recent years.

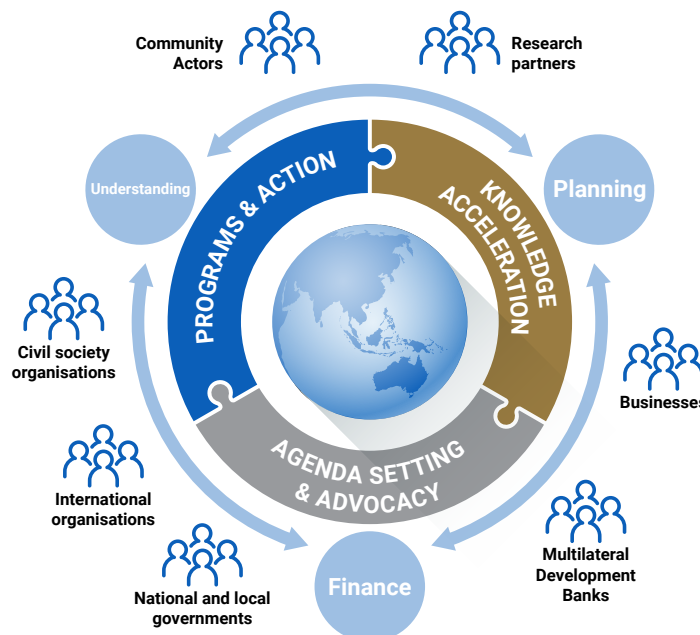
To support this urgent global need for climate adaptation action, GCA is filling a critical gap in the international climate

architecture. It is doing so by building momentum around three core unique advantages. First, GCA's convening power engages heads of state, global leaders, and public and private stakeholders to raise the urgency of adaptation action for our collective present and future. Second, GCA is advancing the global knowledge on adaptation to move from anecdotal concepts to a systematic knowledge base. Finally, GCA's impact on the ground is leveraged significantly through partnerships with Multilateral Development Banks (MDBs) and other leading implementation entities.

This annual report presents the progress we have made over 2020 and outlines some of the areas in which we aim to make further impact in the years ahead.

The Global Center on Adaptation as Solutions Broker

GCA's Global Business Plan 2020-2025 aims to unlock Adaptation Solutions for 4 billion people



Supporting the transformational decade for adaptation action

1.2. GCA'S UPDATED 2020-2025 BUSINESS PLAN

The Covid-19 pandemic continues to have profound global health, economic, and societal impacts. The pandemic provoked the deepest global recession since the second world war. Hard won progress towards the Sustainable Development Goals is at risk. Responding to this crisis, GCA's business plan was updated following guidance provided at our Board meeting in February 2020. An area of renewed focus and emphasis is our program in Africa.

Shaped by these key global trends, arising opportunities, and identified priorities on Africa and the most vulnerable, GCA's key aims and strategy for the coming five years are to become the solutions broker for adaptation action through three pillars: Programs and Action, Knowledge Acceleration, and Agenda Setting and Advocacy. The following sections present our results in 2020 for each of these pillars. It should be noted that where an agenda setting or advocacy activity was focused towards a specific program or project, it was classified as Programs and Actions.

1.3. FOCUS ON AFRICA

The rapidly unfolding Covid-19 pandemic and its devastating impacts throughout the world highlighted the severity of the potential impacts to the people, communities, and countries across Africa. In early 2020, GCA reviewed its inaugural 2020-2025 Business Plan with a special focus to strengthen and expand our efforts to accelerate adaptation in Africa throughout each of GCA's pillars of work.

In our role as lead coordinating partner of the Africa Adaptation Initiative (AAI), an important product GCA produced during 2020 was a joint GCA-AAI policy brief, ["Integrated Responses to Building Climate and Pandemic Resilience in Africa"](#), endorsed by all 54 African Heads of State. While Covid-19 is inflicting terrible human and economic suffering on every continent, it should not be allowed to reverse decades of progress in Africa. The policy brief identified the triple dividend initiatives that countries could implement to build forward resilient economies in the wake of the Covid-19 outbreak. GCA's analytical work identified actions to strengthen agricultural value chains, measures to increase access to water and sanitation for increased resilience, and investments in robust job creation through resilient infrastructure.

During 2020, GCA systematically reviewed activities to identify potential for moving the agenda in Africa, with a focus on the most vulnerable populations. Along with the Government of Ghana, UNOPS, Oxford University, and African Development Bank, GCA worked in Ghana to identify a resilient infrastructure pipeline that systematically incorporates nature based solutions. GCA also began work with municipal authorities in Accra to design and develop an urban resilience plan, which supports integrated water management and an inclusive and locally led program design. In Ethiopia, GCA began work to strengthen the food security value chain through a detailed review of the opportunity to strengthen digital advisory services for smallholder farmers. With 40% of all smallholder farmers estimated to be women, strengthening access to female headed farms and the latest digital technologies is a priority of the GCA's food security program. Africa has the youngest average age of all regions at present. More importantly, young people are Africa's future. GCA's youth leadership program began an intensive strategic development effort to focus the youth program on opportunities for education, jobs and entrepreneurship in adaptation for Africa's youth. Within GCA's programs a special focus to support girls and women continued to grow. Additional information about GCA's interventions in Africa can be found in subsequent chapters.

Nonetheless, the challenges for adaptation in Africa are vast. With total expenses in 2020 for GCA's Africa Program approximately €2.8million, GCA continues to work to intensify its efforts in Africa:

- **Agriculture and Food Security:** agriculture, largely practiced by smallholders, remains Africa's most climate vulnerable sector. Extreme droughts are expected result in yield reductions of over 50% by 2050 and 90% by 2100. Changed precipitation patterns and higher temperature can lead to 10-20% yield decrease by 2050, with staple crops hit hard. On a continent where 51% of the population is food insecure and over 256 million people are malnourished, adaptation is a priority. Its success depends on technologies that able to transform Africa's agriculture.
- **Resilient Infrastructure:** about 70% of Africa's infrastructure in transportation, electricity, water and sanitation, health and in urban landscape particularly is yet to be built. Integrating resilience into the

development of infrastructure projects only adds an average of 3% to total costs, but every dollar spent yields 4 dollars of benefits and more. For nature-based solutions in particular, cost-benefits and co-benefits are particularly high.

- **Youths & Jobs:** with a median age of 19.7 years, and an estimated 50% of active youth to be unemployed, discouraged, or economically inactive by 2025, Africa has both a major economic challenge and an adaptation opportunity. Leveraging the innovativeness and energy of youth to lead in adaptation via the creation of jobs and facilitation of businesses has clear co-benefits. Meanwhile, not creating jobs could lead to uncontrolled migration, restiveness and recruitment into insurgencies that further accelerate conflict.
- **Climate Finance:** limited availability and lack of access to finance is Africa's major impediment to adaptation. Adaptation funding needs to increase five- to ten-fold to meet the needs in developing countries alone, estimated at between US\$ 140 and US\$ 300 billion per year by 2030. Incentivizing private sector investments are critical.

2. Programs, Action and Bold Ideas

In the first months of 2020, and building on its business plan, GCA designed and developed five transformational adaptation programs: (i) rural well-being and food security; (ii) water and urban; (iii) infrastructure and nature-based solutions; (iv) climate finance; and (v) youth leadership. In addition, GCA is working on the powerful approaches of locally-led adaptation, building on the experiences of the South Asia region. The following sections summarize 2020 progress and achievements in each of these areas.

2.1. RURAL WELL-BEING AND FOOD SECURITY

Global demand for food will increase by 50 percent and yields may decline by up to 30 percent by 2050 in the absence of ambitious climate action. As a result, it will reduce both food availability and the incomes and food production of smallholder farmers who are often the most exposed to climate impacts and have the least access to resources to build climate resilience.

Blueprint on Digital Climate Advisory Services: In partnership with World Business Council for Sustainable Development, the World Food Program, the World Resources Institute, the International Research Institute for Climate and Society at Columbia University, GCA led the convening of over 40 organizations to provide input for this Blueprint. The Blueprint is in the final stages of review and will be launched in June 2021.

Supporting private sector investment in climate-resilient value chains: Throughout 2020, GCA engaged with Africa Improved Foods to design a large-scale, private-sector driven program to adapt Africa's value chains. Africa Improved Foods (AIF) is a public-private partnership between Royal DSM, the Government of Rwanda, International Finance Corporation (IFC) of the World Bank Group, development finance institution CDC Group, and the Dutch development bank FMO.

Digital Climate Advisory Services (DCAS) proof of concept: Building on the above two programs, GCA is supporting the implementation of a proof of concept – to support Ethiopia's Efforts to Integrate Digital Climate Advisory Services (DCAS) into the National Extension System. Key outcomes of the proof of concept are forthcoming and will inform expansion of the DCAS program in other African countries.

2.2. WATER AND URBAN

The impact of climate change will be most acutely expressed through water. Today, 90% of disasters are water-related. This mostly affects disadvantaged communities and in particular women and adolescent girls. By 2050, demand for water will increase by 55% and the number of people living with water scarcity will grow to 3.1 billion.

The Build Smart Project Preparation Facility (PPF): GCA conducted a landscape assessment for a PPF to bridge the gap between local project ideas and concepts and national and international, public and private financiers. The proposed PPF under design will address the observed lack of well-designed, bankable climate adaptation projects in the water-adaptation space.

The City Climate Adaptation Accelerator (CCAA): Much of Africa's population growth will happen in the growing urban centers on the continent, both in major cities and in secondary cities. GCA is designing a support program to strengthen city resilience plans. With partners including the C40, World Bank, AfDB, and Slum Dwellers International (SDI), GCA is designing the first ever CCAA to support Accra, Ghana. GCA intends to replicate this across the continent.

The Water Adaptation Community (WAC): With support of the Netherlands Government, the WAC was developed by the GCA in 2020. It aims to accelerate and scale up water climate adaptation interventions globally by facilitating learning and knowledge exchange. The WAC is endorsed by the Government of the Netherlands, the United Kingdom, SIWI, SWA, IRC, SIMAVI, Resilient City Network, EcoShape, Deltares, OECD, ADB, WaterAid, and others. It includes many African organizations and organizations working in Africa.

Supporting Beijing's water eco-restoration planning and design: GCA was requested by the Municipality of Beijing to support the Beijing Water Ecosystem Strategy development process through well-targeted and catalytic knowledge inputs based on good international practices on sustainability and resilience in urban environments.

2.3. INFRASTRUCTURE AND NATURE-BASED RESILIENCE

Physical climate impacts are being felt with infrastructure and are having real human and economic costs on our societies. Businesses are closing due to power outages, people are unable to access healthcare when roads are flooded, and train tracks are buckling due to extreme heat. We need to ensure that the infrastructure being built today is ready for the impacts of climate change. This is not just an added challenge for infrastructure, it also provides an opportunity for innovation, new technologies and better planning. For example, increasing the use of nature-based solutions can reduce costs, yield benefits for nature, and enhance resilience.

Nature-based Solutions mainstreamed through systems-based infrastructure planning: In 2020, GCA began work with the Government of Ghana to drive nation-wide infrastructural resilience through the adoption of a system-level approach allowing for more flexible, resilient, and cost-effective strategies, including nature-based solutions, than would be available when examining infrastructure at the project level. The project is being developed with UN Environment, UNOPS, and Oxford University Environmental Change Institute (ECI). In 2020, GCA started the development of a similar strategic work program in Bangladesh.

Incorporating climate adaptation in Public-Private Partnerships (PPPs): In 2020, GCA launched the development of the Knowledge Module on Public-Private Partnerships for Climate-Resilient Infrastructure. This module will provide PPP practitioners with the tools and knowledge required to structure investment programs that incorporate climate resilience into infrastructure PPPs. The module is being prepared under the overall guidance of the infrastructure working group of MDBs.

2.4. CLIMATE FINANCE

The economic case for investing in climate adaptation is strong. Benefit-cost ratios range from 2:1 to 10:1. Yet, money is not flowing at the pace or scale needed and there is a need to shift the way investment decisions are made to account for climate risks, scaling up and deploying public finance more effectively, scaling disaster risk finance and insurance, as well as harnessing private capital for resilience.

Scaled up near-term finance for adaptation and enhance access, readiness and project preparation:

In 2020, GCA started its work with AAI to develop a Technical Assistance Program (TAP) for adaptation finance access, which is intended to provide specialized technical assistance and to build the capacity of African entities to access existent financial resources from multilateral climate funds.

New financial instruments and risk transfer mechanisms developed and implemented, leveraging the private sector: GCA started its work to explore the possible issuance of Resilience Bonds as a means of mobilizing finance for adaptation and resilience from international markets. A scoping study was launched in 2020 to inform this work.

2.5. YOUTH LEADERSHIP

Youth Adaptation Network: On September 8th 2020, GCA launched this network to engage, empower and amplify the role of young people in the adaptation agenda. GCA hosted multiple regional and global consultation meetings with youth around the world as part of the Network's efforts. At the end of 2020, the Youth Adaptation Network has over 1,000 individual members in over 130 countries and about 300 member organizations and local networks.

Global Youth Call to Action: Through the Youth Adaptation Network, the GCA supported youth from all over the world to develop a call to action that demands world leaders to adapt the world for their future, calling for a Decade of Action to combat the causes of climate change and prepare future generations for the transition to climate resilient development. African organizations including African Youth Climate Hub and Green Africa Youth Organization participated in the development of the Call to Action.

Young Adaptation Leaders Program: This program is a capacity-building and skills development initiative for young professionals who have the leadership potential to grow into positions of influence in adaptation action worldwide. It has successfully hosted six cohorts so far. The program brings young professionals to support the work of world-leading adaptation professionals in GCA. During 2020, the fifth and sixth cohorts of Young Adaptation Leaders were inducted through the program.

2.6. LOCALLY-LED ADAPTATION ACTION

People and communities on the frontlines of climate change are often the most active and innovative in developing adaptation solutions. Yet, too often, they lack access to the resources and power needed to implement these solutions effectively. Locally led adaptation can unlock, support and leverage the enormous potential and the creativity of individuals and communities to develop solutions based on their experiences with local manifestations of climate change impacts.

The GCA South Asia Regional Office and Global Center of Excellence on Locally Led Adaptation: In 2020 GCA launched its South Asia Regional Office, located in Dhaka. This office is aimed to function both as the platform for general adaptation action in the region, and as a global Center of Excellence on Locally Led Adaptation. Based on Bangladesh's considerable history, activities and investments in supporting locally led adaptation and community-based adaptation, including premier organization such as BRAC and Grameen Bank, GCA will bring these locally-led adaptation examples globally. The Center of Excellence will be based on the considerable knowledge generation and capacity building already being carried out over the past six years under the Gobeshona initiative and the work of the Least Developed Countries Universities Consortium on Climate Change (LUCCC) to support building capacity to tackle climate change in LDCs.

Locally Led Planning Processes for More Inclusive City Climate Adaptation: In collaboration with the University of Ghana, GCA began the development in 2020 of a multi-pronged, participatory, replicable and scalable training approach with and for government decision-makers, urban planners, researchers, grassroots organisations and vulnerable communities, so that urban planning processes are more inclusive.

3. Knowledge Acceleration

Significant gaps in knowledge or access to knowledge are hampering effective adaptation action. Effective knowledge management – connecting producers and users of knowledge around the world, harnessing science and technology to drive innovation and education – is a prerequisite for successful adaptation. During 2020, GCA developed – as part of its second Pillar for action – several work streams on knowledge management. Key areas of work included an annual report series *State and Trends in Adaptation*; the *Adaptation State and Trends Knowledge Exchange (STAKE)* online platform; several technical knowledge products; and training in frontier adaptation topics to young professionals. The following sections present our activities and results in 2020.

3.1. THE STATE AND TRENDS IN ADAPTATION 2020 REPORT

During 2020, GCA worked with global partners and advanced preparation of the flagship report [State and Trends in Adaptation](#) for its launch in January 2021. This first edition of the report series sets the foundations for the GCA's Knowledge Acceleration work in coming years. The report assesses progress on climate adaptation in each region of the world. It provides guidance and recommendations on best practices in adaptation and resilience to climate shocks. The report highlights the many successful adaptation initiatives in each region with the potential to be scaled up and replicated. It also flags important policy, skills and finance gaps that must be addressed if adaptation is to be effective and reach those who need it the most. The report analyses the challenges and opportunities posed by the Covid-19 pandemic to the adaptation agenda. The report's main findings are synthesized in key recommendations around understanding, planning, and financing of adaptation.

The report was developed with a broad range of international partners. An advisory committee provided crucial strategic and methodological guidance. Members included leading multilateral agencies organizations (AfDB, IPCC, UNDP, UNECA, UNEP, UNESCWA, UNFCCC, WBG, WMO); as well as civil society organizations, government agencies, and research centres from around the world (Bangladesh, China, Canada, Ethiopia, Netherlands, Norway, United Kingdom).

3.2. THE STATE AND TRENDS KNOWLEDGE EXCHANGE

During the second half of 2020, GCA developed its [online Adaptation State and Trends Knowledge Exchange \(STAKE\)](#) for its January, 2021 launch. This platform makes data,



information, and learnings on climate change adaptation both accessible and actionable, with the aim of engaging policy-makers, professionals, experts, and other stakeholders. It does this by:

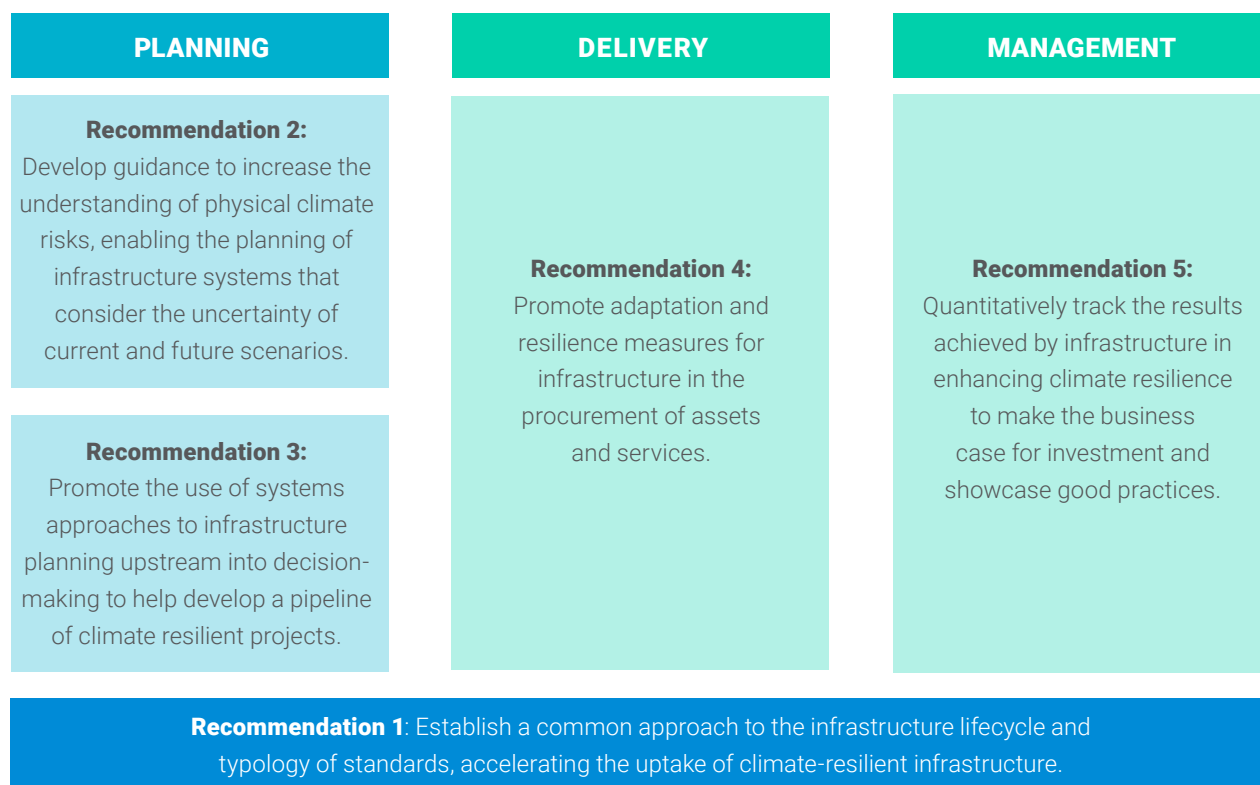
- Strengthening and substantiating the anecdotal evidence on adaptation needs and solutions with data and rigorous analyses;
- Engaging a broad audience to make the knowledge on adaptation and adaptation solutions accessible and actionable through communities of practice such as the [Water Adaptation Community](#); and
- Combining bottom-up and top-down perspectives on adaptation to facilitate agenda-setting.

Specific efforts were dedicated to strengthen data availability and quality for Africa. It also provides practical good-practice examples directly relevant to the region.

3.3. TECHNICAL KNOWLEDGE PRODUCTS

Stocktake of Climate-resilient Infrastructure Standards: GCA published in 2020 the [Stocktake of Climate-resilient Infrastructure Standards](#). This report for discussion aimed to catalyse greater mainstreaming of adaptation into standards, codes, guidance documents and rating systems for infrastructure. The five key recommendations are presented in Figure 1 on how to strengthen the enabling environment for climate-resilient infrastructure.

Figure 1 – Recommendations to make climate-resilient infrastructure the norm



Adaptation Finance Flows in the Context of Covid-19:

The [Adaptation Finance in the Context of Covid-19](#) report discusses how adaptation finance flows could be affected by the pandemic and beyond. It outlines opportunities for stakeholders to identify and implement interventions for a resilient recovery. The report proposes strategies for development finance institutions and governments to promote climate resilience, describing the most effective financial instruments that can be leveraged for recovery and resilience.

Covid-19 Adaptation Finance: The Covid-19 pandemic, as well as taking a huge toll on human lives and health, represents the greatest shock to the global economy in almost 100 years. The GCA technical paper on [Covid-19 and Adaptation Finance: Risks, Opportunities and Recommendations for Governments and Development Finance Institutions](#), published on July 2020, looks at these

risks while highlighting the opportunities for climate resilience finance that also exist. Key recommendations include accelerating the mainstreaming of climate risks into public policy and spending; promoting private sector disclosure of physical climate risks; and driving innovation in the design and application of debt instruments to raise finance.

A System-wide Approach for Infrastructure Resilience:

GCA partnered with the Asian Development Bank on the report: [A System-wide Approach for Infrastructure Resilience](#). The large amounts that are already being spent on fiscal stimuli in response to the pandemic provide an unprecedented opportunity to transform investment in resilient infrastructure systems. The key findings of the report include moving climate-resilient infrastructure planning upstream and integrated at a strategic level; and using analytical tools to understand climate risk at a systems level.

Living with Water: Climate Adaptation in the World's

Deltas: The world's deltas for centuries have acted as the primary sources of livelihoods, food production, trade, and security when managed well. Yet they are also among the areas most prone to climate change risk. In the absence of adaptation interventions, GDP losses will range from 9% to 19.5% in countries such as Bangladesh. In 2020, with the support of a range of partners, GCA began preparation of the [Living with Water: Climate Adaptation in the World's Deltas](#) report for launch in January 2021.

Informing the preparation of China's National Climate Adaptation Strategy 2035 and the adaptation section of the 14th Five-Year Plan:

In 2020, GCA China compiled and analyzed selected countries' experience which was considered to have reference value for China. The analysis focuses on the objectives, key actors and sectors involved, the process and implementation experiences, covering countries including Australia, Brazil, Canada, Ethiopia, Germany, Indonesia, Mexico, Netherlands, New Zealand, Norway, South Africa, United Kingdom and the United States of America.

Advanced Certificate Course Climate Adaptation:

Throughout 2020, GCA worked with the University of Groningen to develop an advanced [Certificate Course on Climate Adaptation](#). The Certificate comprises of a Massive Open Online Course (MOOC) and a Summer School to be held in July 2021.

4. Agenda Setting and Advocacy

The third pillar of our Business Plan, Agenda Setting & Advocacy, catalyses action by influencing decision-makers within political, economic, and social systems and institutions. It includes media campaigns, events, and agenda-setting research. Throughout 2020, GCA built international coalitions to promote adaptation to ensure it is at the heart of all climate initiatives and at the center of climate change negotiations.

4.1 KNOWLEDGE FOR ACTION: POLICY BRIEFS

Targeted and timely policy briefs are integral links between our work on knowledge acceleration and our advocacy and agenda setting pillar. Our policy briefs have focused on specific regions and priority issues and are developed with key regional actors for high-level events with regional decision-makers to ensure their relevance.

Joint GCA and AAI Policy Brief on Building Climate and Pandemic Resilience: While Covid-19 is inflicting terrible human and economic suffering on every continent, it should not be allowed to reverse decades of progress in Africa. Africa needs to consider the quality of economic growth and recovery. One of the first policy briefs connecting with pandemic and climate crisis - "[Integrated Responses to Building Climate and Pandemic Resilience in Africa](#)",- was launched on May 22, 2020.

Endorsed by all 54 African Heads of State, the policy brief identified the triple dividend initiatives that countries could implement to build forward resilient economies in the wake of the Covid-19 outbreak. Our analytical work identified actions to strengthen agricultural value chains, measures to increase access to water and sanitation for increased resilience, and investments in robust job creation through resilient infrastructure.

A Green and Resilient Recovery for Latin America:

Under the umbrella of the Community of Latin American and Caribbean States (CELAC), spearheaded by Mexico, GCA started the development of a policy brief to stimulate leadership and action for a [Green and Resilient Recovery in Latin America](#). The brief focused on how the Covid-19 recovery plans can be used to drive Latin America's efforts on a people-centred recovery that focuses on well-being, improves inclusiveness, and reduces inequality. The brief highlighted that investing between 3 and 13 billion dollars a year in resilient infrastructure in Latin America could generate 700 billion dollars in net benefits by 2030 due to avoided climate damages. The policy brief was prepared for a high-level event launch on January 15th, 2021.

4.2 MOBILIZING ACTION THROUGH KEY INTERNATIONAL ENGAGEMENTS

Bringing together key global leaders to accelerate adaptation during the high-level GCA Africa event and partnership forum:

On September 16th, 2020, GCA organized the [High-level launch of the Global Center on Adaptation Africa Regional Office](#). The High-Level Launch Event and the accompanying Partnership Forum brought together global and regional stakeholders to join forces for accelerated adaptation. The high-level leaders segment included participation from senior figures from global and African politics, including GCA co-Chairs Ban Ki-moon and Feike Sijbesma, GCA Board Members IMF Managing Director Kristalina Georgieva and AfDB President Akinwumi Adesina, the Presidents of Ghana, Kenya and Ethiopia, UN Deputy Secretary-General Amina Mohammed, and representatives from the African Adaptation Initiative and the African Union Commission. This high-level support provided the foundation for the implementation of our work program in Africa. The Partnership Forum featured high-level support for collaborating with us to accelerate adaptation, including Ministers from Ethiopia, Congo, Ghana, Niger and Ivory Coast.

The CVF's Midnight Survival Deadline for the Climate Initiative:

2020 is the [5th year anniversary of the 2015 Paris Agreement](#), and world governments were called to deliver stronger, updated national climate targets to 2030 by midnight on 31 December. On October 7th, GCA supported the CVF to launch the Midnight Survival Deadline for the Climate initiative to promote strong NDC submissions. The GCA also supported the CVF to launch the [CVF Expert Advisors' guidance on 2020 NDC updates here](#) for more information on the basis and ways to update NDCs. In addition, it launched the 2020 Climate Survival Leadership Barometer, which was the most comprehensive online tracking tool for the strengthening of nation's NDCs in 2020 in terms of delivery and commitments to do so.

Participants in the “Midnight” initiative included Sheikh Hasina, the CVF Chair and Prime Minister of Bangladesh; our Board Co-Chair Ban Ki-moon; the UN Secretary-General Antonio Guterres; former US Vice President Al Gore and UNFCCC Executive Secretary Patricia Espinosa. They were joined by many Heads of State and Government, heads of international organizations, and ministers from countries in all key regions of the world. By 31st of December 2020, some 70 governments came forward with updated NDCs in what the most significant strengthening of formal ambition for climate action since was 2015.

Driving ambition for adaptation in South Asia with the high-level GCA South Asia partnership forum: On September 8, 2020, GCA brought together key regional and international stakeholders to launch our regional office and work program for South Asia. Prime Minister Sheikh Hasina formally inaugurated the regional GCA office for South Asia virtually together with Ban Ki-moon. The event composed of two parts, first, a High-Level Launch Event for leaders and partners to emphasize the importance of adaptation in the region and create momentum for action; and, secondly, a Partnership Forum, to provide an open dialogue with over 140

key stakeholders from across South Asia to obtain input on the work plan proposed for 2020-21. Participants of the event were including Ministers from six countries in the region, as well as Mark Rutte, Prime Minister of the Netherlands.

Finance in Commons Summit and other high-profile events: GCA also worked to ensure that adaptation was featured in key international events during 2020. At the Finance in Commons Summit, the first ever global summit of over 450 Public Development Banks, GCA co-convened with the UK’s CDC group a high-level session on adaptation and resilience. We also launched a new collaborative calling for accelerated investment in climate adaptation and resilience, including prominent Development Finance Institutions and Multilateral Development Banks.

4.3 MEDIA ENGAGEMENT AS A PLATFORM FOR ACTION

During 2020, GCA published multiple op-eds to drive attention towards adaptation in the media and international policy agenda. Op-eds were published in the Guardian, Huffington Post, CNN International, Fortune, and USA Today among others. Examples include:

- [America, we've missed you. Now please get your act together on climate change;](#)
- [As Black Lives Matter puts injustice in spotlight, climate emergency risks new 'apartheid';](#)
- [I'm bewildered that Trump would imperil America by abandoning the Paris agreement;](#)
- [Opinion: Time is running out to stop the forces driving a new climate apartheid;](#)
- [These 5 Big Changes Are Key for Humanity to Survive a Warming Climate;](#)
- [To avert a Covid-triggered famine, our global food systems need to change;](#)
- [Coronavirus is a warning to us all: we must heal nature in order to heal ourselves;](#)
- [Flattening the climate curve in the post-Covid world;](#)
- [Investing in digital agriculture can help Africa beat this pandemic;](#)
- [America needs a major infrastructure overhaul and it must be green;](#)
- [Fighting cyclones and coronavirus: how we evacuated millions during a pandemic;](#)
- [Will we learn lessons for tackling climate change from our current crisis?](#)
- [Beyond Covid-19, Africa needs an integrated approach to development;](#)
- [A third of my country was just underwater. The world must act on climate;](#)
- [Why nature is our best ally for a post-Covid recovery;](#)
- [We must close the funding gap for climate adaptation;](#)

Our agenda setting and advocacy has been amplified through our social media engagement. Since the beginning of 2020, GCA’s social media following increased across all our platforms: on Twitter our number of followers increased by over 70%, while our followers on LinkedIn doubled.

We ensure that GCA has an ongoing media presence by publishing regular solutions focused coverage on our website and across our social media channel reaching millions through followers sharing our content. In addition, GCA opened a GCA China WeChat public account in October 2020 to enhance its visibility and social media activities in China.

5. Strategic Partnerships

GCA engaged key strategic partnerships to catalyse the systemic transformations needed in adaptation action. We present below our four most important partnerships for demand-driven large-scale impact.

5.1 GCA AS CO-MANAGING PARTNER OF THE GLOBAL COMMISSION ON ADAPTATION

The Global Commission on Adaptation (the “Commission”) was established to accelerate implementation of adaptation efforts worldwide by raising the visibility of the need for adaptation and focusing on the solutions. GCA and the World Resources Institute are the managing partners of the Commission from its inception in 2018 until its conclusion in 2021. The Commission aims to inspire heads of state, government officials, community leaders, business executives, investors and other international actors to prepare for and respond to the disruptive effects of climate change with urgency, determination, and foresight. The Commission comprises of 35 Commissioners and 23 convening countries (see box).

COMMISSIONERS OF THE GLOBAL COMMISSION ON ADAPTATION*

Ban Ki-moon	United Nations	The 8 th UN Secretary-General
Kristalina Georgieva	International Monetary Fund	Managing Director
Bill Gates	The Bill & Melinda Gates Foundation	Co-Chair
Akinwumi Adesina	African Development Bank	President
Inger Andersen	UNEP	Executive Director
Michelle Bachelet	United Nations	High Commissioner for Human Rights
Winnie Byanyima	UNAIDS	International Executive Director
Jagan Chapagain	International Federation of Red Cross and Red Crescent Societies	Secretary General
Peter Damgaard Jensen	PKA Ltd	Chief Executive Officer
Patricia Espinosa	UNFCCC	Executive Secretary
Christiana Figueres	Global Optimism	Founding partner and Chair
Emma Howard-Boyd	United Kingdom	Chair of the Environment Agency
Li Ganjie	China	Minister of Ecology and Environment
Hilda Heine	Republic of the Marshall Islands	Former President
Anne Hidalgo	Paris	Mayor
Naoko Ishii	Global Environment Facility	CEO and Chairperson
Agnes Kalibata	AGRA	President
Aiyaz Sayed-Khaiyum	Fiji	Attorney General and Minister for Economy, Civil Service and Communications
Loren Legarda	The Philippines Congress	Deputy Speaker
Strive Masiyiwa	Econet Wireless	Chairman and founder
José Antonio Meade	Mexico	Former Minister
Shri C. K Mishra	India	Secretary Ministry of Environment, Forests and Climate Change
Keith Mitchell	Grenada	Prime Minister
Gerd Müller	Germany	Minister of Economic Cooperation and Development
Muhammad Musa	BRAC International	Director
Cora van Nieuwenhuizen	The Netherlands	Minister of Infrastructure and Water Management
Sheela Patel	Slum/Shack Dwellers International	Chair
Feike Sijbesma	Royal DSM	Chief Executive Officer
Achim Steiner	UNDP	Administrator
Francis X. Suarez	Miami	Mayor
Shemara Wikramanayake	Macquarie Group Ltd.	CEO
Jonathan Wilkinson	Canada	Minister of Environment and Climate Change

*Commissioner's positions at the time of appointment as commissioner

In 2020, the Commission concluded its third and final phase, the Year of Action, which started in September 2019 with the UNSG Climate Action Summit and concluded with the Climate Adaptation Summit in January 2021.

In 2020, the Commission supported a series of high-impact action tracks on a variety of key topics for adaptation. It also continued a concerted outreach campaign to ensure that adaptation is globally recognized as a political priority, using the reputation and political clout of the Commission's Conveners and Commissioners. Section 6 summarizes the result of the Commission in 2020.

5.2 GCA AS LEAD COORDINATING PARTNER OF THE AFRICA ADAPTATION INITIATIVE

In response to a mandate from the African Heads of State and Government (CAHOSCC), the African Ministerial Conference on the Environment (AMCEN) together with the African Group of Negotiators (AGN) developed the Africa Adaptation Initiative (AAI), which was formally launched in Paris during the 21st Conference of Parties in 2015.

Working via partnerships, AAI helps African nations to respond to their adaptation needs, facilitating the wide exchange of knowledge, good practices, and lessons learned, and enabling high level political advocacy to meet the challenges of climate change.

GCA and AAI forged a partnership in 2020, formalized with a Memorandum of Understanding signed in January 2021, that establishes GCA as the Lead Coordinating Partner of AAI. The complementary mobilization and implementation focus of GCA will help deliver the high-level political vision of AAI. In its role as solutions broker, GCA will support African regional and national entities through technical expertise, knowledge, and innovative solutions in support of AAI objectives. This role allows the GCA to fully align its Africa work program with the needs, priorities and demands of the continent. African Union AAI Champion, H.E. Ali Bongo Ondimba, President of the Republic of Gabon, is a GCA board member and provides strategic oversight and guidance to the work program.

5.3 GCA AS MANAGING PARTNER OF THE CLIMATE VULNERABLE FORUM AND V20

As Managing Partner to the CVF/V20, the GCA hosts the secretariat which operates as a dedicated global support program to the 48 member states of the CVF and its

finance ministers group, the V20. As part of this role GCA is supporting the Bangladesh presidency of the CVF, the "Troika" coordination group, and members of the CVF and its finance minister's group, the V20, through assistance, communications, research and partnership development. This includes supporting the promotion of enhanced Paris Agreement national determined contributions in adaptation and mitigation (NDCs) of all countries in 2020; South-South collaboration of the 48 members of the forum via platforms, information development, and exchanges, communications, and workshops/trainings, as well as engagement of global forums and international actors. The GCA also supported the creation in 2020 of the CVF & V20 Joint Multi-Donor Fund by developing the programmatic documents and supporting the Fund's Board. GCA serves as the Technical Secretariat of this new fund. As a joint initiative of the CVF-V20, GCA has also contributed to the development of the first Climate Prosperity Plans of member states, commencing with the development of the Mujib Climate Prosperity Plan of Bangladesh.

5.4 STRATEGIC ALLIANCE WITH THE AFRICAN DEVELOPMENT BANK

The GCA entered into a strategic alliance with the African Development Bank to join forces and use both organizations' complementary expertise, resources and networks to develop and implement transformative adaptation action for Africa. The African Development Bank (AfDB) hosts the African Regional Office of GCA, and in 2020 both organizations developed a joint work program which was launched as the Africa Adaptation Acceleration Program (AAP) in January 2021. The AAP galvanizes climate resilient actions through a triple win approach to address Covid-19, climate change, and the economy.

This program aims to mobilize \$25 billion to drive transformational adaptation actions on the African continent. The AfDB has committed \$12.5 billion to the initiative. The GCA will be working with the AfDB to mobilize the remaining funds, support upstream policy and project preparatory work, and leverage innovative solutions for adaptation change. The COP26 promises to provide enhanced access to climate finance through fit-for-purpose mechanisms that unlock adaptation actions at scale. The AAP will be one of such mechanisms.

6. Managing Partner of the Global Commission on Adaptation

The Commission concluded in 2020 its third and final phase, the Year of Action, which started on September 2019 with the UNSG Climate Action Summit and concluded with the Climate Adaptation Summit in January 2021. GCA and World Resources Institute (WRI) were managing partners of the Commission. This section summarizes results achieved in 2020.

6.1 ACTION TRACKS

The Commission's Action Tracks addressed blockages that need to be overcome to accelerate the three revolutions championed by the Commission. In some cases, these actions involved mobilizing political, technical, and financial support to existing initiatives; in other cases, they entailed forging new coalitions for change. This section presents the main results and achievements in the action tracks. To avoid repetition with previous sections of the report, the GCA-led activities described earlier in the report are not included in detail below.



6.1.1 Finance and Investment

Ministries of Finance and Planning hold the keys to scaling up climate adaptation. Without the fiscal, budget, and procurement policies required to manage climate risk, little will happen. The Coalition of Finance Ministers for Climate Action is embedding adaptation into its work on macro, fiscal, budget, and procurement policies required to manage climate risk. The Commission was an institutional partner of this Coalition, and it leads the integration of climate change adaptation across the various working groups. The Commission also co-authored [the flagship coalition paper on greening the recovery](#). As a result, Finance Ministers at the World Bank/IMF Annual Meetings in October asked for further research and guidance on structuring green recoveries.

The Commission worked alongside the EBRD and Climate Bonds Initiative (CBI) on two forthcoming papers to assess the potential of this new market in emerging economies, and to guide potential issuers in how to raise new finance from the markets through these instruments.

Corporations are increasingly mindful of the urgent need to ensure all investment decisions accurately integrate physical climate risks. But they also recognize that the awareness and tools for achieving that goal are lacking. The newly created, private sector-led Coalition for Climate Resilient Investment (CCRI) is committed to the

development and testing of solutions for resilient investment decision-making. Its membership currently stands at 70 institutions - institutional investors, banks, insurance, rating agencies, MDBs, and governments - representing over USD 11tn in assets. The two Managing Partners of the Commission, GCA and WRI, are founding partners.

There is growing recognition of the threat climate change poses to the stability of our financial systems. The International Monetary Fund is starting to integrate climate risks into its country surveillance, and the World Bank is including climate risks in its financial sector assessments. In support of these broad movements, the Commission partnered with UNEP FI to drive the enhancement of physical risk disclosure, alongside a leading group of 10 Financial Institutions worth US\$3.5tn. The Physical Risks and Resilience Statement detailing steps they have already taken and signaling a call to action for the industry were advanced for launch in January 2021.



6.1.2 Agriculture and Food Security

The Two Degree Initiative (2DI) was proposed as the new ten-year flagship effort within the CGIAR to address the risks of climate change and enable the world's food systems and small-scale agricultural producers to adapt at the speed and scale that the climate crisis requires. As the CGIAR finalizes its 2DI strategy to mainstream climate change adaptation throughout the organization, the Commission co-organized listening sessions to better engage with and understand the perspectives, needs and priorities of those CGIAR serves, including farmers, herders and fishers, NGOs and CSOs, governments and the private sector. The listening sessions engaged nearly 1500 participants in over 60 countries to establish a 2030 vision.

The Action Track also supported a blueprint to support smallholder farmers through digital climate advisory services (DCAS), which will be published in 2021. DCAS are tools, platforms, or activities that integrate climate information into agricultural decision-making, helping users adapt

to climate variability and change. These services range from digital mobile apps, radio, and online platforms to digitally enabled printed bulletins based on climate models and extension services that utilize climate information platforms. Returns to DCAS investment can be as high, and producers may see average productivity gains of 30 percent and income gains of 25 percent depending on the product and geography. Scaling up efforts, while leaving no one behind, is critical to safeguarding the millions of small-scale producers vital to our global food security.



6.1.3 Nature-based Solutions

The Commission established a vanguard group of five countries to demonstrate the significant potential of NBS, at scale, for adaptation and resilience and to inspire other countries to integrate nature-based solutions into adaptation planning. Through virtual events, Canada, Ethiopia, Mexico, the Netherlands, and Peru profiled their experience in implementing NBS for adaptation to more than 2,000 stakeholders from the public and private sector, academia, and civil society around the world.

The Commission established a vanguard group of cities that are planning and/or implementing large-scale NBS action for climate adaptation. The Commission and partners have worked with these cities to garner commitments to action that will yield benefits to most people in each city by 2030.

The Commission engaged with representatives of Indigenous Peoples throughout the Year of Action to ensure that Indigenous knowledge, rights, and leadership are foundational in efforts to scale up NBS. Mexico facilitated a multi-part dialogue, the Indigenous Peoples' Dialogue on Climate Change, Biodiversity and Desertification, that highlighted the enormous contributions from Indigenous-led initiatives and the importance of respecting the rights and traditional knowledge of Indigenous peoples in implementing NBS at scale. The results of this dialogue have been submitted to the Executive Secretariats of the three relevant Rio Conventions, highlighting suggestions that can be mainstreamed into the next rounds of negotiations under the Conferences of Parties.

The Commission developed the [first assessment of the landscape of public international funding](#) – climate finance and Official Development Assistance (ODA) – for NBS for adaptation. The report aims to help donors and developing

countries better understand the current state of funding flows for NBS for adaptation and to identify barriers in the ODA funding landscape, which, if addressed, can help donors maximize the impact of their public capital to accelerate these much-needed investments.

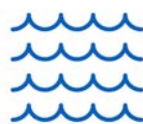


6.1.4 Infrastructure

During 2020, the Commission supported work to address climate resilience upstream in the planning process provides new opportunities to build in flexibility, increase robustness and integrate nature-based solutions. The climate-resilient standards stocktaking document provides both a retrospective assessment and a substantive basis for improving infrastructure standards, guidance documents, codes, and rating systems to improve resilience.

GCA's work in Ghana will support the building of a resilient infrastructure pipeline, following the principles of the Commission's resilient infrastructure principles. Work with the MDBs was essential for this Action Track, as MDBs are substantial financiers of infrastructure in large parts of the developing world. The Technical Paper '[A Systems-Wide Approach for Infrastructure Resilience](#)', developed together with the Asian Development Bank, demonstrated the need for an urgent transformation in the planning, design, financing, and delivery of infrastructure to meet the acute needs of our warming world.

Implementation of infrastructure investments requires both public and private sectors. The knowledge module for PPPs will support provide practitioners from financial institutions, public sector, among other organizations, with the tools and knowledge required to structure investment programs that incorporate climate resilience into infrastructure PPPs. This is a critical step towards mobilizing private capital and investments to 'build back better'.



6.1.5 Water

The overarching goal of the Water Action Track was to accelerate and scale up climate adaptation using water and the water sector as an essential enabler and connector to safeguard a sustainable and resilient future for all everywhere. The growing membership in the Water Action Community from all parts of society, illustrates the importance of this precious resource. The Action Track's work focused on both comprehensive and tailored work programs to support water resources availability, including global work through

the virtual community of practice; multi-country deltas; support to NDCs and NAPs at the national level; water resilience plans in cities, locally-led action at the community level, and improved water investment project pipelines.



6.1.6 Locally Led Action

The Commission held dialogues between donors and grassroots organization, built a community of practice around locally led adaptation, and created the set of [Principles for Locally Led Adaptation](#). More than 40 organizations committed to endorse them.

The Commission built on the work of its grassroots partners to expand a global community of practice on locally led adaptation to support shared learning, coordination, and accountability. Two publications were produced to expand the knowledge base for locally led adaptation:

- [Locally Led Climate Adaptation: What Is Needed to Accelerate Action and Support?](#) This report synthesized the essential characteristics and program designs of international and country-driven investments that have reached the local level and enabled locally led adaptation.
- [Reshaping Monitoring, Evaluation and Learning for Locally Led Adaptation](#) This working paper recommends a systemic shift toward MEL that is locally led, context-aware, and itself adaptive. It provides steps throughout the MEL cycle and specific approaches, methods and tools that promote local agency in the interest of more effective and equitable locally led adaptation interventions.



6.1.7 Cities

The Commission worked in 2020 on the preparatory activities to launch the 1,000 Cities Adapt Now global program in January 2021. To help cities recover from COVID-19 and build a more climate-resilient and inclusive future, solutions must deliver immediate benefits to our most vulnerable communities, while also strengthening cities' individual and collective capacities to adapt and thrive in the face of climate change contributing to and in line with the COP26 High Level Climate Champion's Race to Resilience.

The Commission, the Collaborative for Urban Resilience Effectiveness (CURE), Resilient Cities Network RCN), Slum Dwellers International (SDI), International Centre for Climate Change and Development (ICCCAD) & the Least Developed Countries Consortium on Climate Change (LUCCC) launched an alliance for knowledge development and joint research on urban resilience. This alliance is a unique partnership between 40+ global universities, a network of 100 resilient cities, a federation of community-based organizations in 33 countries and a research think-do-tank that works across 300+ cities.



6.1.8 Preventing Extremes from Becoming Disasters

The ambition of the Action Track on Preventing Disasters is being delivered by the Risk-informed Early Action Partnership (REAP), launched in September 2019 at the UN Climate Action Summit. REAP brings together an unprecedented range of stakeholders across the climate, humanitarian and development communities with the ambition of strengthening and consolidating the full value chain of early warning-early action. From the outset, convening partners of REAP worked together to set ambitious targets, achievable through partnership and a shared commitment to joined-up, risk-informed, early/anticipatory action.

REAP's diverse [partnership](#), with 15 countries and 26 partners as members of the initiative is supported by a Secretariat hosted by the International Federation of the Red Cross Red Crescent Societies in Geneva. REAP's newest partners provide the Partnership with crucial perspectives, including those of NGOs rooted in the global South, a public-private partnership led by the insurance sector, a coalition of scientists, practitioners and policy-makers on heat health, a focus on the role of media and communication as well as the spatial dimensions of early warning-early action.

6.2 COMMUNICATION AND OUTREACH

During 2020, the Commission continued to raise the visibility of climate adaptation. The Commission's work was covered by large media outlets worldwide, including BBC World, CNN International, The Guardian, Bloomberg, The New York Times, and The Washington Post, among many others. At least 1,340 articles have been published relating to the Global Commission on Adaptation. Examples of key media coverage include:

Reuters: [U.N. chief urges 'breakthrough' on adapting to fast-warming world](#);

Bloomberg: [Bill Gates on Adapting to a Warming World](#);

Deutsche Welle: [Countries must urgently 'adapt' to climate change, UN warns](#);

The Economist: [Climate adaptation policies are needed more than ever](#);

Global Citizen: [What is Climate Adaptation and Why Is It Key to Our Survival?](#);

GreenBiz: [3 keys for scaling nature-based solutions for climate adaptation](#);

Down to Earth Magazine: [Climate resilience needed for COVID-19 recovery, flags commission](#);

Grist: [Be Prepared: Key lessons from the coronavirus pandemic and climate change](#);

Dhaka Tribune: [Calls for a robust mechanism to ensure the effective implementation of locally led action](#);

Financial Times: [Humans must adapt to climate change destruction](#);

Marketplace: [How We Survive: A Changing Mindset](#);

Atlantic Council: [How societies can fight pandemics and climate change at the same time](#);

GreenBiz: [5 benefits to scaling local action on climate resilience](#);

Daily Mail: [Erecting Dutch-style dykes along a third of Europe's coastline could prevent 83 per cent of projected flood damage from rising sea levels by the end of the century, study shows](#);

Africanews: [Fighting climate change in Africa with innovative financing](#).

The #AdaptOurWorld campaign of the Commission around the launch of the Adapt Now report and UNSG Climate Action Summit of 2019 led to the single largest social media moment for climate adaptation in history, potentially reaching 269 million people. Since then, the Commission has continued to strengthen engagement and expand reach, regularly publishing opinion-editorials, often co-authored with Commissioners, as well as posting regular content to our website showcasing adaptation solutions, including through our Adaptation Voices video series. The Commission established an ongoing digital media presence by regularly publishing solutions-focused content on our website and social media channels. This content can be found in our web site at: gca.org/solutions.

As countries began planning their response and recovery efforts to the Covid-19 pandemic, the managing partners worked with Commissioners and partners to advocate for a climate-resilient recovery. In July 2020, the Global Commission on Adaptation issued a [call to action](#) on the Covid-19 recovery, signed by 29 Commissioners and senior representatives. The statement served to inspire world leaders to incorporate climate resilience into economic recovery plans and made recommendations for doing so. It was circulated widely on social media and cross-posted on the [UNFCCC website](#).

Even though Covid-19 led to the delay or cancellation of many events, the Commission attended, hosted, and spoke at many events during 2020. The most important engagement events are presented below.

Date	Event	Special comments
28 January 2020	Commissioners meeting	
29 January 2020	The Year of Action: Accelerating Adaptation in 2020	London event to present the research of the Adapt Now report, mobilize action in 2020 in lead up to COP26, and emphasize the potential of nature-based solutions, finance, and locally led action in adaptation, including through the work of the Global Commission on Adaptation. Commissioner Emma Howard Boyd participated as well as Representatives from DFID, IIED, BEIS, UNEP-WMC. Report leader WRI Vice President and Managing Director Manish Bapna and WRI's Commission Co-Director Christina Chan participated
21 May 2020	Lessons from Adaptation Leaders: A Grassroots-Donor Dialogue on Locally Led Action	Interactive conversation between grassroots' group leaders and donor institution representatives to reflect on successes and lessons learned in furthering locally led climate adaptation action in Africa. This dialogue identified the present gaps in effective funding relationships and contributed to the Global Commission on Adaptation's Locally Led Action Track.
15 June 2020	UN Global Compact Leaders Summit	Commissioner Cora van Nieuwenhuizen joined (speech here)
1 July 2020	Commissioners meeting	
1 July 2020	Finance for Adaptation Solutions & Technologies Roundtable (FASTR) Session I: The Adaptation Challenge	Event during London Climate Action Week I. Panel discussion on the climate adaptation and resilience finance gap and funding needs, progress made in adaptation finance over the past year, and how we can overcome key barriers to continue catalyzing investment in adaptation and resilience. Commissioner Naoko Ishii participated.
1 July 2020	Integrating Physical Climate Risks in Investment Decision-Making: Challenges and Approaches	Event during London Climate Action Week I and organized through Commission and Coalition for Climate Resilient Investment (CCRI). Panel discussed current challenges, and potential solutions, for an effective integration of physical climate risks in investment decision-making, with an emphasis on science, market and regulatory forces
2 July 2020	Financial Innovation and Physical Climate Risks: Ensuring Quality Before Quantity of Capital	Event during London Climate Action Week I and organized through Commission and Coalition for Climate Resilient Investment (CCRI). Panel discussed the potential for innovative financial instruments to guide a more efficient allocation of capital towards projects that have properly integrated physical climate risks.
2 July 2020	Finance for Adaptation Solutions & Technologies Roundtable (FASTR) Session II: Practical Solutions for Climate Adaptation	Event during London Climate Action Week I. Event showcased specific examples of technologies, products, services, and projects that can be deployed to assess and address physical climate risks and impacts, as well as to discuss opportunities for the growth and scaling of these types of climate resilience solutions globally. Commissioner Emma Howard Boyd participated.

Date	Event	Special comments
3 July 2020	London Climate Action Week I	<p>Two events were organized:</p> <p>Resilience in Light of Covid-19: Climate Action on the Road to COP26: Framing event for resilience at London Climate Action Week. Articulated the importance of resilience across agendas and showcased leading perspectives on resilience from LCAW 2020, emphasizing the need for ambitious public policy commitments on climate adaptation and resilience in the near term, and exploring what action can be taken in the run-up to COP 26 with a view to setting up action over the course of this decade. Commissioners Jagan Chapagain, Emma Howard Boyd, and Sheela Patel participated.</p> <p>Finance for Adaptation Solutions & Technologies Roundtable (FASTR) Session III: How to Invest in Climate Adaptation & Best Practices: Event discussed actual financial instruments, projects, and commitments for scaling sustainable investment in climate resilience and adaptation, and to explore best practices for doing so from a range of funder perspectives.</p>
9 July 2020	<u>HLPF launch SDG 6 Global Acceleration Framework UN-Water</u>	Multiple Commission partners took part, including Commissioners Cora van Nieuwenhuizen and Ingrid Andersen.
24-28 August 2020	<u>World Water Week 2020</u>	This event, organized by Water Action Track partner SIWI involved many virtual sessions hosted by multiple parties on water adaptation. Commissioner Cora van Nieuwenhuizen took part in the WWWeekAtHome Opening: Meet the Ministers event, as Minister.
25 August 2020	<u>Cities Leading on Green Infrastructure for Water and Social Equity</u>	WWWeekAtHome event where network of city leaders—convened through WRI's Cities4Forests and the Global Commission on Adaptation demonstrated how city-level nature-based solutions can contribute to cities' adaptive capacity to climate change and advance social equity goals.
8 September 2020	<u>High-level launch of the Global Center on Adaptation South Asia Regional Office</u>	Participants were, amongst others, Commissioners Ban Ki-moon, Prime Minister of Bangladesh Sheikh Hasina, Ministers from the region, and Prime Minister of the Netherlands Mark Rutte.
9 September 2020	Translating Global Ambition to Local Impact	Event co-hosted by Commission and WRI during International Federation of Red Cross and Red Crescent's Climate: Red Conference. Discussed how global adaptation ambition can translate to enhanced resilience at the local level. Commissioners Jagan Chapagain and Sheela Patel participated and WRI Vice President and Managing Director Manish Bapna moderated the event.

Date	Event	Special comments
10 September 2020	Learning from the Grand Bargain: Developing Principles to Guide Locally Led Climate Change Adaptation	Event during IFRC's Climate:Red Conference hosted by the Commission in partnership with the Red Cross Climate Center and IIED. Interactive consultation to develop set of Principles for Locally Led Adaptation to support greater locally led adaptation action, building off the localization experience of the Humanitarian Community under the Grand Bargain.
16 September 2020	<u>High-level launch of the Global Center on Adaptation Africa Regional Office</u>	Participants were, amongst others, Commissioners Ban Ki-moon, Akinwumi Adesina, Kristalina Georgieva, Feike Sijbesma. In addition, amongst others Ministers and Heads of State from Africa and Europe joined.
21-25 September 2020	<u>14th annual International Conference on Community Based Adaptation</u>	CBA14 is the leading practitioner-focused forum on climate change adaptation, delivering dialogue and evidence to inform policy and action, from the local to the global scale. It gathered together more than 500 people from over 70 countries for an innovative online event that delivered learning, networking and creative dialogue. Commission and WRI planned Opening Plenary of Conference. Commissioners Sheela Patel and Muhammad Musa participated in this event as well as WRI Vice President and Managing Director Manish Bapna.
22 September 2020	Preparing the Next Generation of Youth Leaders to Accelerate Climate Adaptation in Cities	Event where global consortium, organized by the Global Commission on Adaptation, of universities, cities, community organizations, WRI and GCA, launched initiative to build cities' capacities to adapt to the impacts of climate change. Partnered with an initial cohort of 15 universities to implement urban resilience projects in cities. Event highlighted value of knowledge sharing and inclusive climate adaptation among various stakeholders, including civil society actors, policy think tanks, universities, city governments, and donors. Commissioner Sheela Patel participated.
22 September, 29 September, 6 October 2020	Indigenous Peoples' Dialogues on Climate Change, Biodiversity and Desertification	Series of three dialogue events facilitated by Mexico and Canada as co-leaders of the Global Commission on Adaptation's Nature-Based Solutions Action Track. This facilitated an open exchange of events to allow understanding of the concerns and perspectives of Indigenous Peoples, as well as their local circumstances in order to address environmental challenges. Gave opportunity to learn about traditional knowledge and practices on the conservation of natural resources.
24 September 2020	CCRI High Level Roundtable	The roundtable brought together CCRI's distinguished advisors, including Mark Carney, its Steering Committee, and private and public institutions committed to advancing resilient infrastructure investments over the coming decade. Commissioner and Co-Chair of CCRI Emma Howard Boyd participated in the event.
30 September 2020	Adaptation Solutions: Helping the World's Most Vulnerable Adapt and Build Back Better	High level side event on adaptation co-organized by the Commission and WRI at the 2020 UN Climate Action Summit. Commissioners Jagan Chapagain and Andrew Steer participated as panellists.

Date	Event	Special comments
7 October 2020	Launch event of the CVF's Midnight for Climate Survival Campaign	GCA moderated the launch of the Midnight for Climate Survival Campaign that will drive countries to deliver updated NDCs ahead of the next COP, in line with the Paris Agreement. CVF also launched the CVF Expert Advisors' guidance on 2020 NDC updates here for more information on the basis and ways to update NDCs. In addition, it launched the 2020 Climate Survival Leadership Barometer. Commissioners Ban Ki-moon and Patricia Espinosa joined, as well as Secretary-General Antonio Guterres.
14 October 2020	Post Covid-19: A Brave New World for Investing in the Infrastructure of the Future – WB Annual Meetings 2020	This event promoted discussion between MDBs, government, and investors, supported by the GCA on tangible approaches to funding the next generation of infrastructure, how these address concerns about country-level indebtedness; and matching funding with solid projects Underpinning our conversation is a focus on strong institutions, building countries' capacity, transparency, and engagement with all relevant stakeholders. Commissioner Cora van Nieuwenhuizen joined.
14 October 2020	<u>Innovative Financing Models for Private-Sector Investment in NBS for Adaptation</u>	This event identified and profiled a selection of innovative financing models that are mobilising private finance for investing in NBS to adapt to climate change. It included a discussion of what needs to be done to catalyze further private-sector investment. It was organized by GCA, Canada, Global Environment Facility and WRI. (Summary report); Commissioners Emma Howard Boyd, Carlos Manuel Rodriguez, Jonathan Wilkinson.
29 October 2020	<u>Peru's NBS initiatives for climate adaptation action</u>	The objective of the event is to profile Canada's experience with Nature-Based Solutions (NBS) for adaptation to a global audience and discuss successes, challenges, lessons learned and opportunities to shape Canada's leadership in this area going forward. Commissioner, Carlos Manuel Rodriguez joined the event.
9-12 November 2020	<u>Finance in Common Summit</u>	Co-Chair Ban Ki-moon participated on November 12 th on the key event regarding adaptation. A side event on November 12 th , co-organized by the GCA, brought together Public Development Banks/DFIs, the private sector and other organisations to share emerging good practise for increasing private sector finance for adaptation and resilience. A declaration was launched to accelerate investment in climate adaptation and resilience, signed by the FCDO, AFD, GCA, CDC Group, FMO, and PROPARCO.
12-18 November 2020	<u>Race to Zero November Dialogues</u>	Commission partners contributed to multiple events, amongst which: Water Day of Race to Zero November Dialogues : During this event organized by SIWI and others, multiple Commission partners of the Water Action Track took part, as well as Commissioner Cora van Nieuwenhuizen. The GCA's Water Adaptation Community was presented and endorsed by the Minister. Event on Race for Resilience Bold Actions.

Date	Event	Special comments
18 November 2020	<u>Reforming climate finance to support locally led adaptation: Principles for moving to business unusual</u>	Event during London Climate Action Week on locally led climate adaptation presenting a vision and principles for locally led adaptation. Crowdsources ways of holding actors accountable to committing to the promotion of locally led adaptation by enabling finance flows, policy frameworks, and organisational practices. Commissioner Muhammed Musa participated.
19 November 2020	<u>Advancing Resilience: Building Long-term Capacity of Finance Ministries</u>	Event during London Climate Action Week to address how Finance and Planning Ministries are mainstreaming climate resilience into their planning, fiscal, and budgeting processes. Representatives speaking from Philippines Dept of Finance, V20 and GCA, SOAS, IMF, and WRI.
30 November-4 December 2020	WRI Adaptation Week	To highlight the urgency of climate adaptation and a resilient recovery, WRI convened a week of virtual events and a social media campaign involving over 30 partner organizations and high-level champions including Zac Goldsmith, the Minister for Pacific and the Environment at the Foreign, Commonwealth & Development Office, UNEP, CGIAR, Philippines Climate Change Commission, DanChurchAid, Macquarie, UN-Habitat, and Resilient Cities Network. Several Commissioners filmed social media videos promoting the campaign, including: Achim Steiner (UNDP), Jagan Chapagain (IFRC), Aiyaz Sayed-Khaiyum, (Fiji), Carlos Manuel Rodriguez (GEF), Agnes Kalibata (AGRA), Sheela Patel (Slumdweller), Loren Legarda (the Philippines).
30 November 2020	<u>Climate-Resilient Food Systems: Scaling Digital Services for Smallholder Farmers</u>	This event discussed and highlighted key learnings and recommendations emerging from over 40 different organizations in developing an Investment Blueprint for Climate Informed Digital Advisory Services to provide a roadmap for getting to scale and reaching an additional 300 million smallholder farmers by 2030.
1 December 2020	<u>Building Urban Water Resilience in Africa</u>	Supported by the Global Commission on Adaptation, WRI's Urban Water Resilience Initiative hosted a discussion on the big shifts necessary to advance urban water resilience, achieve sustainable and equitable water, sanitation, and hygiene (WASH) access, and provide long-term water security. The event shared a vision for urban water resilience in Africa, highlighted how stimulus investments could shape a green, inclusive and water resilient recovery for cities, identified job creation opportunities in the water sector, and advanced collective action.
2 December 2020	<u>Canada's Roundtable on NBS for climate adaptation</u>	The objective of the event is to profile Canada's experience with Nature-Based Solutions (NBS) for adaptation to a global audience and discuss successes, challenges, lessons learned and opportunities to shape Canada's leadership in this area going forward. GCA and WRI both participated, and Commissioner Jonathan Wilkinson joined the event.
3 December 2020	Commissioners meeting	

Date	Event	Special comments
3 December 2020	<u>From Principles to Action: Enabling Locally Led Adaptation</u>	This session took place during the Understanding Risk (UR) Global Forum and Development and Climate Days (D&C Days). The event outlined the Principles for Locally Led Adaptation, and included a “hard talk” panel, where panellists were asked to explain how their organization's work aligns with the principles and potential measures for enhancing commitment.
3 December 2020	Ethiopia's Roundtable on NBS for climate adaptation	The high-level roundtable discussion facilitated targeted policy dialogue with the Ethiopia's Nature-based Solution (NbS) initiatives and key partners and other stakeholders on how to accelerate the uptake of nature-based solutions for climate adaptation at scale.
8 December 2020	<u>Open Dialogue on the Development of the GCF's Enhancing Direct Access (EDA) Guidelines</u>	Webinar assisted the Green Climate Fund in their consultative process, allowing for the views and practical experience from the implementation of locally led climate projects be reflected in the development of the EDA Guidelines under the Green Climate Fund Secretariat. The Global Commission on Adaptation helped to host the event as a goal of the Locally Led Action Track to work to increase the volume of decentralized funding available to local governments, community-based organizations, and others working at the local level. This event took place over two sessions to allow for various regional time zone participation.
9 December 2020	Webinar on Coastal Resilient Cities	Organized by Water Action Partners, including the Resilience Cities Network and Deltares, and supported by the GCA.
10 December 2020	Two Degrees Initiative for Food and agriculture: Stakeholder voices and global themes	Event to summarise and analyse the experiences of 2 Degrees Initiative partners at 54 Listening Sessions conducted May-October 2020 in nine regional hotspots comprised of over 60 countries. WRI presented preliminary findings of <u>conference proceedings</u> that summarize the sessions and provided a roadmap for future engagement opportunities for 2DI and its partners. Commissioner Andrew Steer moderated the event panel.
15 December 2020	Mexico's Roundtable on NBS	This roundtable facilitated targeted policy dialogue with the Government of Mexico and key stakeholders on how to accelerate the uptake of nature-based solutions for climate adaptation at scale.

7. Organization and Governance

7.1 ORGANIZATION

From the appointment in 2018 of the GCA as the co-managing partner of the Global Commission on Adaptation (the "Commission") until its legal establishment as a Dutch Foundation in October 2019, GCA's activities were run under the auspices of the Netherlands Ministry of Infrastructure and Water Management. In 2020, steps have been taken to prepare the GCA to continue as an independent organization from the end of 2020 onwards. This meant setting up policies and procedures, implementing systems and recruiting a core team of employees complemented by a flexible layer of consultants, in order to be able to efficiently and effectively achieve GCA's ambitious objectives.

GCA's human resources comprised of 20 employees at the end of 2020. On average, GCA employed nine full time equivalent employees in 2020. Additionally, during the year over 60 persons actively contributed to GCA's activities as consultants, secondees, fellows, youth leaders and interns.

GCA's head office is in Rotterdam, and GCA has a knowledge and research hub in Groningen. Our network of regional offices in Africa (Abidjan, Ivory Coast), South Asia (Dhaka, Bangladesh) and Asia Pacific (Beijing, China) allow us to leverage worldwide best practice. Through our global reach, we engage in innovative solutions to drive adaptation at scale, high-level policy development, new research contributions, advocacy, communications, and work with our partners to deliver action on the ground to those who are the most vulnerable to the effects of climate change including the poorest people in the poorest countries.

7.2 SUPERVISORY BOARD

GCA is governed by a Supervisory Board, which in 2020 consisted of the following members:

- Ban Ki-moon (chair, from 8 October 2019 to present)
- Feike Sijbesma (co-chair, from 27 October 2020 to present)
- Mayor Francis X. Suarez (member, from 27 October 2019 to present)
- Rodger Voorhies (member, 21 May 2020 to present)
- Shemara Wikramanayake (member, 21 November to present)

In 2020, the Supervisory Board met twice. Main topics of discussion were the organisation's five year business plan, the work for the Commission, GCA's Africa Program and its budget 2021.

7.3 EXECUTIVE BOARD AND LEADERSHIP TEAM

GCA's management responsibilities lie with the executive board. Since GCA's inception in October 2019, Patrick Verkooijen (CEO) and Roald Lapperre were appointed as executive board members.

The CEO is responsible for the overall day to day management of the organization regarding the business operations of GCA and chairs the Leadership Team (LT).

The Leadership Team chaired by the CEO is composed of the managers of the directorates Programs, Knowledge & Innovation, Finance & Operations, External Affairs, and Communications. This team provides leadership and guidance to the organization and proposes decisions on strategy and budget to the Supervisory Board.

The Leadership Team meets regularly to review the organization's performance against set goals, and where there are deviations it draws up plans of action. Frequently, regional directors are invited to Leadership meetings, jointly forming the Extended Leadership Team (ELT).

In 2020, main points of discussion in the (E)LT were the setup of the organization's internal organization and framework of policies, systems and processes, as well as the recruitment of a strong team of employees able to achieve the organization's objectives. The Leadership Team also discussed extensively its main short term deliverables, such as the State & Trends on Adaptation Report and the Knowledge Platform as well as resource mobilization. It also developed the 2020-2025 business plan and designed its implementation.

7.4 SYSTEM OF INTERNAL CONTROL

To ensure that we achieve our mission, and safeguard our assets, resources and funds from any type of harm, GCA has implemented a solid framework of procedures and policies. These policies, which form our organization's system of internal control, play a vital role in the deterrence, prevention and detection of fraud, misconduct, corruption, waste and abuse at all levels of the organization. The framework also provides clarity on accountability, roles and responsibilities, and it stimulates efficiency and value for money.

The objective of GCA's control framework is to nurture a culture of ethics, integrity, transparency and accountability. In 2020, GCA implemented policies based on these principles and promoted awareness through onboarding of staff and continuous training.

All staff and consultants sign a Statement of Acknowledgement of having read and understood GCA's Code of Conduct and the Anti-Fraud policy, confirming that they will follow the reporting process if witnessing or suspecting a breach of any of these policies. In 2020, no reports were submitted.

8. Managing Risks

8.1 RISK MANAGEMENT

GCA, like all organisations, faces the risk of unexpected, harmful events that may hamper its objectives. In order to mitigate the negative impact of those events, GCA maintains a risk management system in which threats are identified, assessed and controlled. The risk management system is based on the probability and consequences of identified risk incidents, resulting in an overall risk rating and mitigation strategies.

The main risk with the highest financial impact for an organization such as GCA is not being able to mobilise sufficient funding for our programs. In order to mitigate this risk, GCA continuously and actively seeks funding opportunities from governments and from the private sector. GCA also ensures that all funding received is used optimally, by having in place sound controls, good planning and continuous monitoring of budget and activities.

During its normal operations, GCA is exposed to currency, interest, cash flow, credit and liquidity risks. Credit risk arises principally from GCA's cash position and receivables. GCA mitigates credit risks by spreading available funds over highly rated banks and continuously monitoring the risk of defaulting. GCA further mitigates the financial risk of foreign currency exchange by entering into contractual obligations as much as possible in the same currency as the donor's currency and by holding bank balances in the currency in which it has large obligations.

GCA has instituted policies and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the ability of GCA to fulfil its objectives. To be able to absorb the financial impact of risks and ensure its continuity in periods of adversity, GCA will gradually build a continuity reserve set by its Supervisory Board.

8.2 IMPACT OF COVID-19

The effects of the Covid-19 pandemic were significant and many are ongoing. GCA has had to adapt what we do, how we work together, and how we work with partners. The organization quickly adopted to remote-working, utilizing our digital systems to enable colleagues to work effectively and securely from home. Accordingly, IT controls were introduced or strengthened to bolster protection against cyber threats. This allowed staff to access and share information securely, while communicating and collaborating with colleagues around the world. International travel, advocacy opportunities, and recruitment all shifted to a remote-working environment, with policies, procedures and events all adapting accordingly.

The pandemic highlighted the fundamental importance of preparing against risks, listening to the science and acting early to build resilience, all common features to the adaptation agenda. The response to the pandemic, with governments committing unprecedented sums into economic stimulus and recovery programs, represents an opportunity to integrate resilience against future shocks. As recognized by our key donors and international partners, the importance of the climate adaptation agenda has therefore never been more important, so GCA does not expect any significant negative impact on its income or financial outlook and continuity.

9. Financial Overview

9.1 FUNDING

GCA depends on the support of donors in order to fulfil its mission and achieve its objectives. We are very grateful for their contributions. In 2020 GCA received both structural and once-off funding from several institutional donors and philanthropic foundations. We have strong partnerships with our donors and substantive dialogues are ongoing to broaden and deepen these relationships, based on shared strategic visions and goals.

In 2020, GCA received funding from the following donors:

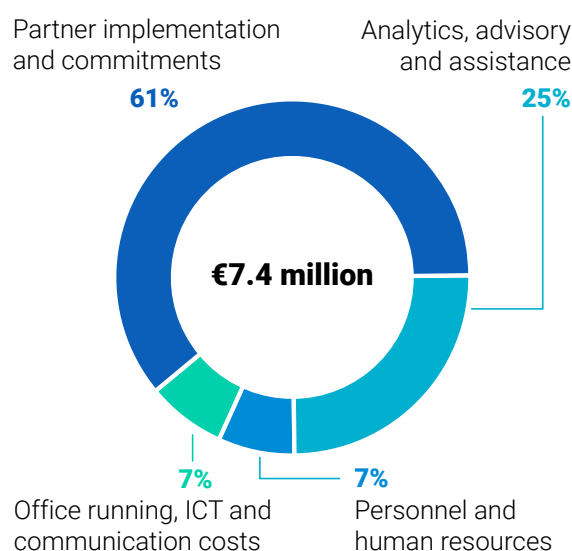
- Dutch Ministry of Infrastructure and Water Management,
- Danish Ministry of Foreign Affairs,
- Environment and Climate Change Canada (ECCC)
- Canadian International Development Research Centre (IDRC)
- UK Foreign, Commonwealth & Development Office (FCDO)
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- Swedish Ministry for Foreign Affairs
- Norwegian Agency for Development Cooperation
- Betty and Gordon Moore Foundation

In addition to the income recognized from grants, GCA received Gifts in Kind from the following donors:

- Dutch Ministry of Water and Infrastructure Management
- UK Foreign, Commonwealth & Development Office (FCDO)
- University of Groningen
- Municipality of Groningen
- Municipality of Rotterdam

9.2 EXPENDITURE

The funding structure of GCA brings with it a responsibility to use the funds as efficiently and as effectively as possible. In order to be accountable to our donors and stakeholders, we ensure that expenditure along with activities are continuously tracked, monitored and reported against. In 2020, GCA incurred expenses of €7.4 million.



In 2020, the balance of income and expenditure yielded a surplus of €1.7 million. The positive result has been added to our continuity reserve and earmarked funds. Our objective is to remain financially healthy on the long term and build up our reserves to cushion any potential financial impacts of risks.

The total expenses in 2020 for GCA's Africa Program were €2.8 million:

	2020
Personnel Costs	1,082,458
Travel & Transport	4,268
Communications & Publications	193,843
Analytics, Advisory & Assistance	699,669
Implementing Partners	565,000
Office & General Administration	253,946
Total cost	2,799,184

9.3 OUTLOOK

GCA continues to mobilize resources and expand funding support for its 2020-2025 Business Plan to keep up with the demand for support from countries around the world. GCA's budget will increase to €20 million in 2021 due to secured grants and grants in the pipeline. A number of structural grants are under development with several key donors, with commitments expected to be finalized in the first half of 2021.

In addition, GCA is expanding resource mobilization efforts to expand the group of donors to new categories, including corporate foundations and philanthropies. Current outlook for resource mobilization is promising based on the ongoing discussions with significant opportunities to scale our reach and impact in the years ahead as the demand for adaptation solutions increases.

The Climate Adaptation Summit hosted by Prime Minister Rutte in January 2021 was the largest ever gathering of global leaders entirely dedicated to adaptation. As a key managing partner of the Summit, GCA helped to showcase the most pioneering adaptation solutions and responses, elevating the level of adaptation ambition, and inspired policy-makers and the broad public as to the possibilities and benefits of accelerated adaptation action. GCA will work with our partners to build upon the momentum in advancing the adaptation agenda throughout 2021, leading into COP26 in Glasgow, and beyond.

Responding to one of its key priority areas for 2021, the Africa Adaptation Acceleration Program was announced at the Climate Adaptation Summit by President Adesina of the African Development Bank and its ambition endorsed by 30 African and global leaders at a Leaders Dialogue in April. This program aims to mobilize \$25 billion to drive transformational adaptation actions on the African continent. The AfDB has committed \$12.5 billion to the initiative, and the GCA will be working with the Bank to mobilize the remaining funds, support upstream policy and project preparatory work, and leverage innovative solutions for adaptation change. The COP26 and the succeeding COP27 next year, the 'African COP', promise to provide enhanced access to climate finance through fit-for-purpose mechanisms that unlock adaptation actions at scale. The AAAP will be one of such mechanisms.

BUDGET 2021

in Euros

INCOME

Income from grants and donations	19,357,643
Income from gifts in kind	567,500

Sum of income	19,925,143
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EXPENSES

Personnel and human resources	5,203,760
Depreciation	56,864
Sub-grants to partners	3,982,353
Financial losses	45,432
Other expenses	9,456,837

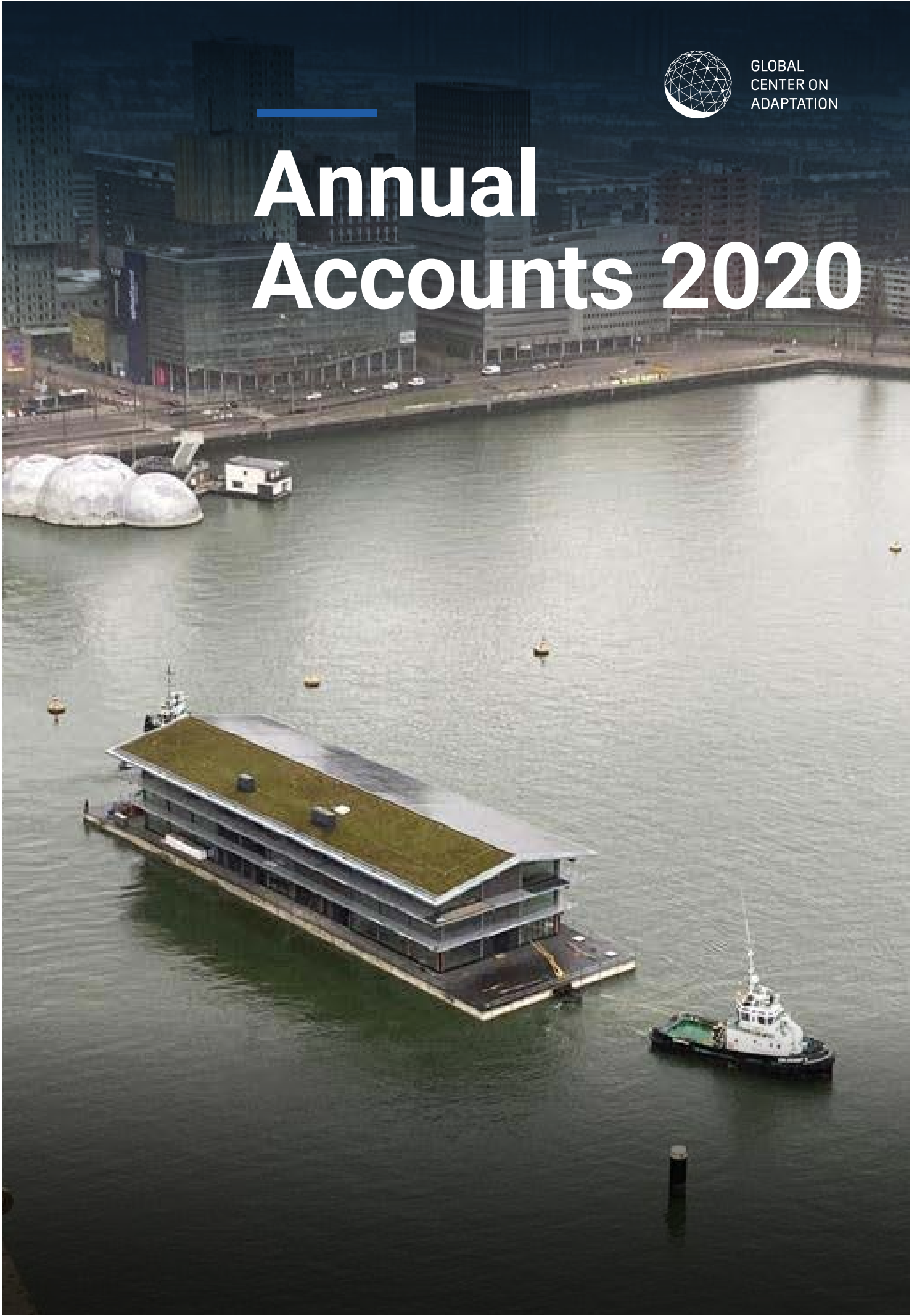
Sum of expenses	18,745,247
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Surplus	1,179,897
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GLOBAL
CENTER ON
ADAPTATION

Annual Accounts 2020



BALANCE SHEET AFTER APPROPRIATION OF THE RESULT

In Euros

ASSETS		31-12-2020	
	Note:		
Intangible fixed assets		105,244	
Tangible fixed assets		55,489	
Fixed assets	(1)		160,733
Taxes receivable		8,197	
Prepayments creditors		275,254	
Receivables donors		2,424,556	
Prepayments partners		38,711	
Receivables	(2)		2,746,718
Cash and cash equivalents	(3)		13,219,185
TOTAL ASSETS			16,126,635
LIABILITIES			
Continuity reserve		1,312,905	
Earmarked reserve		467,145	
Reserves	(4)		1,780,050
Payable to creditors		248,675	
Payable taxes		55,643	
Grants received in advance	(5)	10,754,921	
Payable to partners	(6)	2,794,107	
Other liabilities		493,239	
Short-term liabilities			14,346,585
TOTAL LIABILITIES			16,126,635

STATEMENT OF INCOME AND EXPENSES

In Euros

INCOME	Note:	2020
Income from grants	(7)	8,247,171
Income from gifts in kind	(8)	821,594
Income from donations		14,314
Financial gains	(9)	154,417
Sum of income		9,237,497
EXPENSES		
Personnel and human resources	(10)	1,768,289
Depreciation		9,861
Sub-grants to partners		4,563,531
Financial losses	(11)	101,894
Other expenses	(12)	1,013,872
Sum of expenses		7,457,447
SURPLUS / (DEFICIT)		1,780,050

APPROPRIATION OF THE SURPLUS

Addition to (withdrawal from):	2020
Continuity reserve	1,312,905
Earmarked reserve	467,145
Total change in reserves and funds	1,780,050

NOTES TO THE ANNUAL ACCOUNTS

GENERAL

These are the annual accounts of the Global Center on Adaptation (GCA). GCA is registered as a foundation under number 76050475 with the chamber of commerce in The Netherlands and holds offices in Rotterdam and Groningen. GCA is recognized as an organisation for public benefit (ANBI, 'Algemeen Nut Beogende Instelling') by the Dutch tax authorities.

GCA's mission is to act as a solutions broker to accelerate, innovate and scale adaptation action for a climate-resilient world.

GCA's vision is that adaptation to our changing climate secures progress towards sustainable development, safeguarding people, the planet and our shared prosperity.

Reporting period and currency

The financial statements have been prepared for the period starting from our establishment on October 8th 2019, until the end of the calendar year 2020. The financial statements are presented in Euro's, which is the functional currency of GCA.

Applied Standards

The financial statements are prepared in accordance with the Guideline RJ640 of the Dutch accounting standards board, which applies to Dutch non-profit organisations.

Use of Estimates

The preparation of the financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. If necessary and relevant, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the financial statement item. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. The following items are most relevant for GCA's financial position and require estimates: the amount of provisions.

Going concern

The financial statements are prepared on the basis of the going concern assumption.

ACCOUNTING PRINCIPLES

Balance Sheet

Unless stated otherwise, assets and liabilities are shown at historical costs.

An asset is recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. A liability is recognized in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

Income is recognized in the statement of income and expenses when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be measured reliably. Expenses are recognized when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be measured with sufficient reliability. An asset or liability that is recognized in the balance sheet, remains recognized on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur, are not taken into account in this assessment.

An asset or liability is no longer recognized in the balance sheet, and thus derecognized, when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability are transferred to a third party. In such cases, the results of the transaction are directly recognized in the statement of income and expenses, taking into account any provisions related to the transaction.

Income and expenses are allocated to the respective period to which they relate.

Financial instruments

Financial instruments include investments in shares and bonds, trade and other receivables, cash items, loans and other

financing commitments, derivative financial instruments, trade payables and other amounts payable. The financial statements contain the following financial instruments: cash and cash equivalents, receivables and payables.

Financial assets and liabilities are recognized in the balance sheet at the moment when the contractual risks or rewards with respect to that financial instrument originate. Financial instruments are derecognized if a transaction results in a considerable part of the contractual risks or rewards with respect to that financial instrument being transferred to a third party. Financial instruments (and individual components of financial instruments) are presented in the financial statements in accordance with the legal reality of the contractual terms. Presentation of the financial instruments is based on the individual components of financial instruments as a financial asset, financial liability or equity instrument. Financial instruments are initially stated at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction costs are directly recognized in the profit and loss account.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognized in the statement of income and expenses and reflected in an allowance account against loans and receivables or investment securities held to maturity. Interest on the impaired asset continues to be recognized by using the asset's original effective interest rate. When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognized, the decrease in impairment loss is reversed (up to the amount of the original cost).

Offsetting financial assets and liabilities

A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and when it has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously. If there is a transfer of a financial asset that does not qualify for derecognition in the balance sheet, the transferred asset and the associated liability are not offset.

Intangible fixed assets

Intangible fixed assets are only recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to GCA and the cost of that asset can be measured reliably. Intangible fixed assets are measured at acquisition cost, less accumulated amortisation and impairment losses. The accounting principles for the determination and recognition of impairments are included under the section Impairments of fixed assets.

The following depreciation percentages are applied:

- Websites: 33%

Tangible fixed assets

Tangible fixed assets are measured at cost, less accumulated depreciation and impairment losses. The cost consists of the price of acquisition, plus other costs that are necessary to get the assets to their location and condition for their intended use. Depreciation is recognized as an expense on a straightline basis over the estimated useful lives of each item of the tangible fixed assets, taking into account the residual value of each asset. Depreciation starts as soon as the asset is available for its intended use, and ends at decommissioning or divestment.

The following depreciation percentages are applied:

- Buildings 5%
- Cars, office furniture and fittings 33%
- ICT equipment: 33%

Maintenance expenditures are only capitalised when the maintenance leads to extension of the useful life of the asset.

Impairment of fixed assets

For tangible fixed assets, an assessment is made as of the balance sheet date as to whether there are indications that the asset is subject to impairment. If indications exist that the asset item is subject to impairment, the recoverable

amount of the asset is determined. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is directly expensed in the statement of income and expenses. If it is established that a previously recognized impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognized.

Disposal of fixed assets

Assets that are taken out of service are stated at the lower of book value or net realisable value.

Receivables

Receivables are carried at amortised cost on the basis of the effective interest method, less impairment losses. The effective interest and impairment losses, if any, are directly recognized in the statement of income and expenses.

Cash and cash equivalents

Cash and cash equivalents include cash-in-hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at nominal value. If cash and cash equivalents are not readily available, this fact is taken into account in the measurement. GCA does not have any borrowings or loans. GCA does not invest its funds other than in savings accounts and deposits. Cash and cash equivalents denominated in foreign currencies are translated at the balance sheet date in euros at the exchange rate ruling at that date.

Reserves and Funds

The additions to and the withdrawals from the reserves and funds take place from the destination of result.

Continuity reserve

The continuity reserve is in place to enable GCA to meet its obligations in the long-term, in case of stagnated income or after an incident with an impact on expenses. The target level is determined by the Supervisory Board.

Earmarked reserves

The earmarked reserves are related to assets funded by donor grants and related to expected expenses to sickness and end of service benefits. The amount of earmarked reserves equals the amount of future depreciation and expected expenses, respectively. The earmarked reserves

are (partly) released against the statement of income and expenses in the financial period of recognition of the related expenses.

Provisions

A provision is recognized when GCA has a legal or constructive obligation, arising from a past event, the amount can be estimated reliably and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are stated at the nominal value of the expenses that are expected to be required to settle the liabilities and losses. For further explanation, see the notes to the balance sheet.

Liabilities

Liabilities and other financial commitments are measured after their initial recognition at amortised cost on the basis of the effective interest rate method. The effective interest is directly recorded in the statement of income and expenses. Liabilities related to operational obligations to funding partners and partners are presented under short term liabilities, except those that are due or expected to be due after one year, which are presented under long term liabilities.

Income and Expenses

Income recognition

Unrestricted donations are accounted for as income in the earliest reporting period that they were received or committed to.

Grants received with a designated purpose and a pay-back obligation for GCA in case of ineligibility of the related expenses, are accounted for as income in the same reporting period in which the subsidised eligible expenses are recognized. Instalments received related to grants are recognized in the balance sheet as liabilities.

Gifts in kind are recognized as income and expense in the period they are received. Gifts in kind are valued as income and expense at the fair value.

Loss recognition

Losses and impairments are accounted for as soon as they are anticipated.

Interest income and expenses

Interest income and expenses are recognized in the statement of income and expenses on an accrual basis, using the effective interest rate method.

Leasing

GCA may enter into finance and operating leases. A lease agreement under which the risks and rewards of ownership of the leased object are carried entirely or almost entirely by the lessee are classified as finance leases. All other leases are classified as operating leases. For the lease classification, the economic substance of the transaction is conclusive rather than the legal form. At inception of an arrangement, GCA assesses whether the lease classifies as a finance or operating lease.

Operating leases

If GCA acts as lessee in an operating lease, the leased property is not capitalised. Benefits received as an incentive to enter into an agreement are recognized as a reduction of rental expense over the lease term. Lease payments and benefits regarding operating leases are recognized to the statement of income and expenses on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the benefits from the use of the leased asset.

Employee benefits

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, when these are due. Employee benefits are charged to the statement of income and expenses in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by GCA.

Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of the employment. A termination benefit is recognized as a liability and an expense when GCA is demonstrably and unconditionally committed to make the payment of the benefit. If the termination is part of a restructuring, the costs of the termination benefits are part of the restructuring provision.

Determination of fair value

The fair value of a financial instrument is the amount for which an asset can be sold or a liability settled, involving parties who are well informed regarding the matter, willing to enter into a transaction and are independent from each other. In cases where there is no transparent market in

which the asset in the exact same state is openly traded, determination of the fair value requires management to make estimates. The fair value of non-listed financial instruments is determined by discounting the expected cash flows to their present value, applying a discount rate that is equal to the current risk-free market interest rate for the remaining term, plus credit and liquidity surcharges.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognized in the financial statements. Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.

NOTES TO THE BALANCE SHEET

1. FIXED ASSETS

Fixed assets are depreciated over their estimated life time. The assets are held for use in our day to day operations.

INTANGIBLE FIXED ASSETS

	Prepaid intangible fixed assets	Intangible fixed assets	Total intangible fixed assets
Acquisition value	-	-	-
-/- Cumulative Depreciation	-	-	-
Book value 1-1-2020	-	-	-
Acquisition value investments	98,155	7,506	105,661
-/- Acquisition value disposals	-	-	-
-/- Depreciation	-	(417)	(417)
Depreciation on disposals	-	-	-
Movements during the year	98,155	7,089	105,244
Acquisition value	-	7,506	7,506
Prepaid assets	98,155	-	98,155
-/- Cumulative Depreciation	-	(417)	(417)
Book value 31-12-2020	98,155	7,089	105,244

Intangible fixed assets relate to the development of GCA's websites. The prepaid intangible fixed asset related to a first payment for the development of GCA's website which went live after the balance sheet date.

TANGIBLE FIXED ASSETS

	Tangible fixed assets
Acquisition value	-
-/- Cumulative Depreciation	-
Book value 1-1-2020	-
Acquisition value investments	64,932
-/- Acquisition value disposals	-
-/- Depreciation	(9,444)
Depreciation on disposals	-
Movements during the year	55,489
Acquisition value	64,932
-/- Cumulative Depreciation	(9,444)
Book value 31-12-2020	55,489

Tangible fixed assets consist of ICT equipment acquired during the year.

2. RECEIVABLES

All accounts receivable originated in 2020 in relation to our activities and are expected to be received within one year. The total amount of receivables consists of grants to be received, committed subgrants to implementing partners, prepayments to creditors and other accrued assets. Receivables from donors relate to expenses for projects for which funds from donors are committed in a signed grant contract, but these funds have not yet been received by GCA as at the balance sheet date for the amount stated. These receivables from donors are mainly to be received from the government of Canada and from accrued income from various donors.

	31/12/2020
Government of Canada	1,286,579
Government of Germany	6,233
Partner expenses to be claimed from grants	1,131,743
Receivables donors	2,424,556

4. RESERVES AND FUNDS

	08/10/2019	Additions	withdrawals	31/12/2020
Continuity reserve	-	1,312,905	-	1,312,905
Earmarked reserve for website	-	105,661	(417)	105,244
Earmarked reserve for ICT equipment	-	64,932	(9,444)	55,489
Earmarked reserve for secondment fee	-	409,564	(152,883)	256,681
Earmarked reserve for absence and end of service	-	49,731	-	49,731
Earmarked reserves	-	629,889	(162,744)	467,145
Total reserves	-	1,942,794	(162,744)	1,780,050

CONTINUITY RESERVE

The continuity reserve is formed in accordance with the reserve policy as established by the Supervisory Board and is intended to safeguard continuity of the operations of GCA should the organisation experience a temporary shortfall in funding. GCA adds €1.3 million to its continuity reserve in 2020.

3. CASH AND CASH EQUIVALENTS

GCA's cash and cash equivalents balance is €13.2 million. The main contribution to this balance comes from grants paid in advance as specified in the notes to the balance sheet item 'Grants Received in Advance'.

The full balance of cash and cash equivalents is held in Euros in bank accounts in The Netherlands. The full balance is readily available to GCA.

EARMARKED RESERVES

The earmarked reserves are related to funds earmarked for the future depreciation of intangible and tangible fixed assets of which the purchase has been funded by grants and a large prepayment of a secondment fee that was funded by a grant.

An earmarked reserve for absence and termination benefits is established because GCA has an obligation, based on labour law, to compensate employees an amount of benefit when they leave the organisation (in Dutch "*transitievergoeding*") and to continue to pay the employee's salary during absence, other than for annual leave.

SHORT TERM LIABILITIES

Short term liabilities consist of grants received in advance, obligations to partners, payables to creditors and other liabilities. All short term liabilities are due within one year. Grants received in advance and Payables to partners consists of 94% of the total short term liabilities and are clarified in more detail below.

5. GRANTS RECEIVED IN ADVANCE

Received funds related to project grants that have not been spent are accounted for as grants received in advance.

	31/12/2020
Government of the Netherlands	3,699,052
Government of Norway	2,385,314
Government of Sweden	1,667,752
Government of Denmark	1,697,346
Gordon and Betty Moore Foundation	1,107,026
IDRC Canada	198,431
Total grants received in advance	10,754,921

6. OBLIGATIONS TO PARTNERS

	31/12/2020
World Resources Institute	2,441,396
United Nations Office for Project Services	283,921
International Center for Tropical Agriculture	35,000
Climate Policy Initiative	20,837
Climate Bonds Initiative	12,952
Payable to partners	2,794,107

Partners that have not been paid yet by GCA for the full amount of the subgrant agreement are accounted for as Obligations to partners for the part of the value of the subgrant that has not been paid by GCA yet.

FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

During its normal operations, GCA is exposed to currency, interest, cash flow, credit and liquidity risks. To control these risks, GCA has instituted policies and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the ability of GCA to fulfil its objectives.

GCA does not apply nor trade in financial derivatives, such as interest rate swaps, forward exchange contracts or options to control its risks. Its main risk mitigation measures are described below.

GCA does not invest, but keeps the funds that are trusted to it in savings accounts and current accounts.

Credit risk- banks

Credit risk arises principally from GCA's substantial cash position. It holds large bank balances and the main risk is that of a bank defaulting. In 2020, its full bank balance of €13.2 million was with ABN AMRO. In 2021, GCA intends to mitigate this risk by spreading its available funds over several high rated banks.

Credit risk- receivables

Credit risk also arises from GCA's receivables totaling €2.8 million. Of this amount, €1.3 million is to be received from the Canadian government which is unlikely to default. Moreover, this balance relates to spending under the Canadian grant by a partner and GCA's contract includes a clause that GCA will only pay the partner after it has received the funds from Canada. Another €1.1 million of receivables relates to accrued expenses, which are administrative receivables related to partner obligations. Therefore, the credit risk on receivables in 2020 is limited but GCA will continue to monitor its exposure to single parties with a risk of defaulting.

Foreign exchange rate risk

GCA is exposed to currency risk on project obligations that are denominated in a currency other than the contractual currency of the grant contract that relates to such a project. The currencies in which these project transactions primarily are denominated are Euro. The currencies in which GCA's donor grant contracts are denominated are Euro, Canadian Dollar, Great Britain Pound, Swedish Kronar, Norwegian Kronar, Danish Kronar and United States Dollar. GCA's policy is to denominate its contractual obligations as much as possible in the same currency as the donor's currency and to hold bank balances in the currency in which it has large obligations. GCA currently does not hedge its exposure with derivative instruments.

OFF-BALANCE SHEET OBLIGATIONS AND RIGHTS

GCA's off-balance sheet obligation relates to a contract for the development of its new website, which is due to be finished early 2021. Total remaining obligations under this operational contract is approximately €53,000. This obligation will be covered by a grant and hence, an off-balance sheet right exists for the same amount.

NOTES TO THE STATEMENT OF INCOME AND EXPENSES

7. INCOME FROM GRANTS

Income from grants -including the accrued income- is mainly attributable to earmarked grants from governments. Less than one percent is income from other non-profit organisations, the US-based Gordon and Betty Moore Foundation. The sources of income are presented in the below table.

	2020
Government of Denmark	2,773,662
Government of the Netherlands	1,330,948
Government of Canada	1,290,572
Government of Sweden	819,859
Government of Germany	360,902
Government of Great Britain	333,227
IDRC Canada	145,327
Gordon and Betty Moore Foundation	60,930
Accrued income	1,131,743
Total income from grants	8,247,171

All grants have an incidental nature with an end date. Most grants form multiyear donor commitments, although a few grants have a duration of less than a year. GCA strives to mobilize resources based on a longer term partnerships focused on bringing more to the table than just funding. When a grant contract has terminated, GCA submits a final report to the respective funder, after which the amount claimed is approved by the funder and the grant is closed. None of the income recognized by GCA in 2020 has yet received final approval from the funder.

All grants contracts agreed between GCA and donors contain specific requirements regarding the spending of the funds by GCA. The funds are earmarked towards a GCA

project or program. The governments of Canada and Great Britain provide funding for GCA's work for the Commission. These grants end when the Commission will have its final meeting during the Climate Adaptation Summit in January 2021. The governments of the Netherlands and Denmark and the Gordon and Betty Moore Foundation also fund the work for the Commission and also the continuation thereof, as these grants extend until mid 2021 and until 2022, respectively. IDRC funds GCA's Youth Leadership program until mid 2021 and discussions are ongoing related to extended funding for this program.

In addition to its contribution to the GCA's Commission work, the government of the Netherlands provides structural funding to GCA for its internal organisation and its Knowledge and Innovation reports and platform. The governments of Sweden and Norway support GCA's Africa Program. The government of Germany funds GCA's work for the Climate Vulnerable Forum and the V20 until at least 2023.

The amounts of income presented relate to the part of the committed (multi-year) grant that has been spent by GCA in 2020. The accrued income relates to accrued expenses in relation to GCA's financial commitments to its implementing partners, which are covered by grants. These partners will report its expenses to GCA in future years, which is when GCA will claim these partner expenses from the respective grants.

8. INCOME FROM GIFTS IN KIND

Income from gifts in kind relate to goods and services that are provided to GCA for free.

Most gifts have an incidental nature, although GCA's office space in Rotterdam is committed for the coming ten years until 2032 and its office space in Groningen is committed until 2023. Thanks to our good reputation that our donors recognize, they are willing to provide us with these gifts in kind thereby contributing to a more climate resilient world.

	2020
Government of the Netherlands	426,816
Government of Great Britain	122,000
Municipality of Rotterdam	100,000
University of Groningen	97,178
Municipality of Groningen	75,600
Total income from gifts in kind	821,594

9. FINANCIAL GAINS

In 2020, GCA recognized financial gains of €0.2 million. The attribution is presented in the below table. Revaluation gains are unrealized gains resulting from differences in foreign exchange rates at the time when assets and liabilities were originally recognized and rates at the balance sheet date.

	2020
Foreign exchange rate gains	9,456
Revaluation gains	144,961
Financial gains	154,417

Notes to the Expenses and expense allocation

GCA's total expenses are €7.5 million. Of these, 61% relates to sub-grants committed to implementing partner organisations. 24% relates to personnel and human resources and 14% relates to other operational expenses. These categories are further specified in the notes.

In line with grant agreements, GCA allocates shared costs towards its project activities. The shared costs can be divided in two categories: personnel-related costs and other general support costs.

Personnel expenses are allocated to projects based on time writing by each employee. The monthly costs related to each employee are attributed to projects based on the percentage of time that the employee has spent on each project during that month. The monthly personnel cost allocation module is automated in the ERP system and takes into account actual monthly recognized costs for salaries, allowances, social benefits, commuting, expense claims and other expenses specifically attributable to each employee. It also includes a mark-up to cover for expected future absence and end of service benefits.

General support costs that are not attributable to specific employees, such as office rent and ICT license costs, are attributed to projects based on the financial size of each project. Each project gets a pro rata portion of the general organisation support costs. These general costs are claimed from grants if and in so far the grant budget allows and from the 'general support' grant from the Netherlands government for the part that cannot be claimed from other grants. As host government of the Commission and as initiator of the inception of the Global Center on Adaptation, the Netherlands government provides an annual support grant of €2.0 million in 2020 and in 2021 for building a solid organisation that can continue the acceleration of adaptation action of the Commission.

10. EXPENSES ON PERSONNEL AND HUMAN RESOURCES

GCA's expenses on Personnel and Human Resources amount to €1.8 million. This total is built up of €0.7 million of wages, allowances and social security contributions for its employees and of €1.2 million for other expenses on human resources. The latter category consists of €0.9 million fees for consultants, contractors and day workers. A number of staff positions at GCA are temporarily or permanently filled by contractors, for example because they have exceptional expertise which is vital to GCA, but are located in places in the world where GCA does not have an office.

	2020
Gross salaries	485,006
Holiday allowance	38,801
Pension allowance	38,801
Social security charges	101,956
Subtotal wages, pensions and social security	664,563
Contractors and day workers	878,306
Interns, youth leaders and fellows	143,950
Addition to provision for leave	35,697
Relocation	26,765
Commuting	6,165
Recruitment	2,548
Other	10,295
Subtotal other human resources expenses	1,103,726
Total expenses for personnel and human resources	1,768,289

11. FINANCIAL LOSSES

In 2020, GCA incurred financial losses of €0.1 million. The attribution is presented in the below table. Interest paid is caused by the negative interest rates that were introduced by banks in the Netherlands during 2020. Revaluation losses are unrealized losses which result from differences in foreign exchange rates at the time when assets and liabilities were originally recognized and rates at the balance sheet date.

	2020
Interest paid	3,787
Foreign exchange rate losses	2,980
Revaluation losses	95,126
Financial losses	101,894

12. OTHER EXPENSES

Other expenses of €1.0 million relate for 48% to advisory services, which are mostly independent consultants and consultancy firms providing research, analysis and advisory services to GCA's projects. €0.2 million, or 19%, is related to communication: costs for copy-editors, layout, design, production, images and prints of GCA's opinion-editorials and reports. Another €0.2 million makes up costs for housing and facilities, which are mainly the annual value of the offices in Rotterdam and Groningen, which have been provided to the GCA by the municipalities of Rotterdam and Groningen for free. Still, accounting rules prescribe that GCA recognizes these gifts in kind in its annual statements as expenses as well as income. Office costs of €0.1 million are mainly made up of expenses for the implementation and license of GCA's new ERP system Unit4. This was done within time and within budget.

	2020
Office	111,066
General	38,374
Travel and transport	12,258
Housing and facilities	179,215
Communication	191,213
Analytics and Advisory	481,747
Other expenses	1,013,872

FURTHER NOTES TO THE ANNUAL ACCOUNTS

Number of employees

During 2020, GCA grew from no employees at the start of the financial year to 20 employees at the balance sheet date. On average, GCA employed nine full time equivalent employees (FTE) in 2020. Additionally, during the year over 60 persons actively contributed to GCA's activities as consultants, secondees, fellows, youth leaders and interns.

Pension Plan

GCA has no pension plan. It pays out a monthly pension allowance to its employees.

Board remuneration

The Dutch Remuneration Act – “*Wet Normering Topinkomens*” (WNT) – is applicable to GCA. In accordance with the requirements of the WNT the table below provides information about persons on top positions (“Topfunctionarissen”) in GCA. All such persons receive no remuneration from GCA in 2020 and are not employed by GCA. The CEO, Mr. Patrick Verkooijen, is employed by the World Bank Group. GCA is not invoiced for Mr. Verkooijen's secondment to GCA, which is free of cost to GCA.

The Supervisory Board members are not compensated and did not claim any expenses in 2020.

Loans and guarantees to employees and board members

No employees, executive board members or supervisory board members received loans, prepayments or guarantees from GCA.

Subsequent events

No subsequent events took place from the balance sheet date to the date of adoption of the financial statements, that materially change the perspective on GCA as provided in the financial statements.

Adoption of Financial Statements

The financial statements are prepared by the Executive Board of GCA. On the condition of obtaining an unqualified opinion of the independent auditor the financial statements were unanimously adopted by the Supervisory Board on 30th June, 2021.

Supervisory Board: Ban Ki-moon (Chair), Feike Sijbesma (Co-Chair), Roald Lapperre, Mayor Francis X. Suarez, Rodger Voorhies and Shemara Wikramanayake.
Executive Board: Patrick Verkooijen and Jan-Pieter Balkenende

People in top positions, 2020

POSITION

Patrick Verkooijen	Executive Board member and CEO
Roald Lapperre	Executive Board member
Ban Ki-moon	Supervisory Board member (chair)
Feike Sijbesma	Supervisory Board member (co-chair)
Francis Xavier Suarez	Supervisory Board member
Rodger Voorhies	Supervisory Board member
Shemara Wikramanayake	Supervisory Board member

OTHER INFORMATION



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INDEPENDENT AUDITOR'S REPORT

To the Supervisory Board and Board of Management of
Stichting The Center on Adaptation

Report on the audit of the financial statements 2020 included in the annual report

Our opinion

We have audited the financial statements 2020 of Stichting The Global Center on Adaptation, based in The Hague.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting The Global Center on Adaptation as per 31 December 2020, and of its result for the period 8 October 2019 – 31 December 2020 in accordance with Dutch accounting standard RJ 640 for not-for-profit organisations and the standards of the Remuneration Act (Wet normering topinkomens; WNT).

The financial statements comprise:

1. the balance sheet as at December 31, 2020;
2. the statement of income and expenses for the period 8 October 2019 – 31 December 2020; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the auditing instructions of the WNT. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting The Global Center on Adaptation in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Compliance with anticumulation provision wnt not audited

In accordance with the auditing instructions of the WNT 2020 we did not audit the anticumulation provision, meant in article 1.6a WNT and article 5 (1) sections n and o, Implementing Regulation WNT. This means that we have not checked whether or not there is a standard violation by a senior officer because of possible employment as a senior officer at other institutions subject to WNT, as well as whether the explanation required in this context is correct and complete.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of the report of the management board and annexes.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of Directors is responsible for the preparation of the management board's report in accordance with Dutch accounting standard RJ 640 for not-for-profit organisations and 400 "Management board's report".

Description of responsibilities regarding the financial statements

Responsibilities of the board of management and the supervisory board for the financial statements

The board of management is responsible for the preparation and fair presentation of the financial statements in accordance with Dutch accounting standard RJ 640 for not-for-profit organisations and the provisions of and pursuant to the WNT. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of management is responsible for assessing the organisation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

The board of management should disclose events and circumstances that may cast significant doubt on the organisation's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the organisation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an organisation to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Rotterdam, 30 June 2021

Mazars N.V.

drs. S. Boomman RA



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