



ADAPTATION FUND

AFB/PPRC.11/4/Add.1
21 March 2013

Adaptation Fund Board
Project and Programme Review Committee
Eleventh Meeting
Bonn, Germany, 2-3 April, 2013

Agenda item 5 a)

PROJECT FORMULATION GRANT FOR RWANDA

I. Background

1. The Adaptation Fund Board (the Board) at its eleventh meeting discussed the document "Funding for Project Formulation Costs" (AFB/11/6) and agreed, in its Decision B.11/18, that:

- (i) *project formulation grants (PFG) should be given once a project concept has been approved*
- (ii) *consideration should be given in terms of differentiating between NIEs and MIEs, since some NIEs might have financial difficulties in trying to formulate project or programme proposals;*
- (iii) *a flat rate should be given for project formulation costs;*
- (iv) *a list of eligible activities and items still needed to be prepared;*
- (v) *the grant should be additional to the project cost; and*
- (vi) *the fate of funds if the final project document was rejected should be determined.*

2. There was consensus that a three tiered system should be considered for project formulation grants: endorse a project concept with a PFG amount, endorse a project concept without a PFG amount, or reject the project concept.

3. Following the discussion, the Board decided:

To request the secretariat to reformulate the document, to include a comparison of eligible activities provided by other funds for project formulation grants, to take into account guidance provided by the Board at the present meeting, and to submit the document to the Board at its twelfth meeting, through the EFC. The EFC should review and finalize the process and policy of the project formulation grant focusing, in particular, on: the issue of unspent project funds; the procedures followed by other funds in that regard; and the determination of a flat-rate.

(Decision B.11/18)

4. A document was prepared by the secretariat in response to the above mandate and presented at the third EFC meeting, which made specific recommendations to the Board at its 12th meeting. Having considered the recommendation of EFC, the Board decided that:

(a) Project Formulation Grants (PFGs) will only be made available for projects submitted through NIEs. The Board would continue reviewing the question of PFGs for projects submitted through MIEs and would solicit comments from members and alternate members by February 14, 2011; the views would be compiled by the secretariat for presentation to the Board at its March 2011 meeting;

(b) If a country required a project formulation grant, a request should be made at the same time as the submission of a project concept to the secretariat. The secretariat will review and forward it to the PPRC for a final recommendation to the Board. A PFG could only be awarded when a project concept was presented and endorsed;

(c) A PFG form, reproduced in Annex V, should be submitted;

(d) Only activities related to country costs would be eligible for PFG funding;

(e) *A flat rate of up to US\$30,000 shall be provided, inclusive of the management fee, which cannot exceed 8.5 per cent of the grant amount. The flat fee would be reviewed by the Board at its thirteenth and all subsequent meetings;*

(f) *If the final project document is rejected, any unused funds shall be returned to the Adaptation Fund Trust Fund;*

(g) *Once a project/programme formulation grant is disbursed, a fully developed project document should come to the Board for approval within 12 months. No additional grants for project preparation can be received by a country until the fully developed project/programme document has been submitted to the Board; and*

(h) *The Trustee was instructed to remove the set-aside of US\$100,000 for project preparation that had been decided at the June 2010 meeting, as project preparation would be approved on a project-by-project basis.*

(Decision B.12/28)

II. The Project Formulation Grant Request

5. This addendum to the document AFB.PPRC.11/4 “Proposal for Rwanda” includes the Project Formulation Grant, requesting a budget of US\$30,000, which was received by the secretariat along with the concept for the project RWA/NIE/Rural/2013/1 “Reducing Vulnerability to Climate Change in North West Rwanda through Community Based Adaptation”. This proposal was submitted on time by the Ministry of Natural Resources (MINIRENA), the National Implementing Entity for Rwanda, for its consideration by the Adaptation Fund Board at its 20th meeting.

6. In accordance with Decision B.12/28 paragraph (b), the secretariat carried out a review of the PFG request and found that the requested funds are justified and the sought activities are aligned with the goal of the project. The projected activities comprise a comprehensive stakeholder consultation, a livelihoods survey of vulnerable households, an assessment of community-based adaptive capacity and the garnering of lessons learned from ongoing and completed projects, which will all provide key inputs to the preparation of a full proposal.

7. Therefore, the PPRC may want to consider and recommend to the Board to approve the PFG Request provided that the related concept proposal is endorsed.



Project Formulation Grant (PFG)

Submission Date: 30 January 2013

Adaptation Fund Project ID:

Country/ies: **Rwanda**

Title of Project/Programme: **REDUCING VULNERABILITY TO CLIMATE CHANGE IN NORTH WEST RWANDA THROUGH COMMUNITY BASED ADAPTATION**

Type of IE (NIE/MIE): National Implementing Entity/**Public Institution**

Implementing Entity: **Ministry of Natural Resources (MINIRENA)**

Executing Entity/ies: **Rwanda Natural Resources Authority (RNRA)**

A. Project Preparation Timeframe

Start date of PFG	6 April
Completion date of PFG	Submission date for Full Proposal

B. Proposed Project Preparation Activities (\$)

Describe the PFG activities and justifications:

List of Proposed Project Preparation Activities	Output of the PFG Activities	USD Amount
Comprehensive stakeholder consultation <ul style="list-style-type: none"> - Stakeholder mapping - Community meetings - Focus Group Discussions with community sub-groups - Structured interviews Includes data collection, mapping, and analysis. Budget covers consultant fees and accommodation and travel for consultant, field workers, venue facilities, refreshments and refund tickets for the participants.	Stakeholder's knowledge, experience and viewpoints fed into project design	6,000
Livelihoods survey of vulnerable households. Assessment of community based adaptive capacity ¹ : <ul style="list-style-type: none"> - existing asset base² - existing livelihood strategies and available economic opportunities - drivers of livelihood vulnerability - local coping strategies - access to climate information - gender dimensions³ 	Detailed understanding of vulnerability context (shocks, trends, seasonality), livelihood assets, structures and processes, existing livelihood strategies and livelihood outcomes,	9,000

¹ Adaptive capacity is what enables those affected by climate change to make choices and decisions, which allow them to continue to realise sustainable development and reduce and spread risks in the face of continuous change and uncertainty (CARE PMERL Manual, 2012).

² Availability of key assets that enable the system to respond

- institutional issues and enabling environment ⁴ Budget covers consultant fees and accommodation and travel for consultant and field workers.		
Lesson learning from ongoing and recently completed projects - review of project documents - meetings with project staff - field visits and discussions with beneficiaries Budget covers consultant fees and accommodation and travel for consultant and field workers.	Experience of previous projects built into project design.	7,000
Project Design Validation - workshops and meetings with key stakeholders Budget covers consultant fees and accommodation and travel for consultant, field workers venue facilities, refreshments and refund tickets for the participants.	Project design is viable, appropriate to local conditions and accepted by all stakeholders.	3,000
Preparation of Full proposal - integration of surveys and investigations (above) into Full Proposal - completion of Part III (implementation) and budget Budget covers consultant fees and accommodation and travel for consultant and field workers	Project document contains all the necessary information and analysis in line with AF funding guidelines	5,000
Total Project Formulation Grant (PFG)		30,000

C. Implementing Entity

This request has been prepared in accordance with the Adaptation Fund Board's procedures and meets the Adaptation Fund's criteria for project identification and formulation

Implementing Entity Coordinator, Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Caroline KAYONGA		22 FEB 2013	Eng. Innocent MUSABYIMANA	+250788849234	musasebin2000@yahoo.fr

3 Distribution of resources, benefits and responsibilities between women and men, boys and girls as well as rights, roles, opportunities for women and men

4 Existence of institutions and systems to support adaptation and an enabling environment that fosters innovation to take advantage of opportunities