



ADAPTATION FUND

AFB/PPRC.8/6/Add.1
1 March 2012

Adaptation Fund Board
Project and Programme Review Committee
Eighth Meeting
Bonn, 14 March 2011

PROJECT FORMULATION GRANT FOR BENIN

I. Background

1. 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.

4. A document was prepared by the secretariat in response to the above mandate and presented at the 3rd EFC meeting, which made specific recommendations to the Board at its 12th meeting. Having considered the recommendation of the Ethics and Finance Committee, the Board, in its Decision B.12/28, 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.

II. The Project Formulation Grant Request

5. This addendum to the document AFB.PPRC.8.6 “Proposal for Benin” includes the Project formulation grant, requesting a budget of US\$29,000, which was received by the secretariat along with the concept for the project BEN/NIE/Coastal/2012/1 “Adaptation of Cotonou Lagoon ecosystems and human communities to sea level rise and extreme weather events impacts”. This proposal was submitted on time by the National Environment Fund (FNE), the National Implementing Entity for Benin, for its consideration by the Adaptation Fund Board at its 17th 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 will help collecting key additional information and undertake the necessary consultations to formulate a fully-developed project in a participatory manner.

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:

Adaptation Fund Project ID:

Country/ies:

BENIN

Title of Project:

ADAPTATION OF COTONOU LAGOON ECOSYSTEMS AND HUMAN COMMUNITIES TO SEA LEVEL RISE AND EXTREME WEATHER EVENTS IMPACTS.

Type of IE (NIE/MIE):

NIE

Implementing Entity:

FONDS NATIONAL POUR L'ADAPTATION (FNE)

Executing Entity/ies:

DGE (DIRECTORATE OF ENVIRONMENT OF BENIN), MUNICIPALITY OF COTONOU, NGO, COMMUNITY ASSOCIATIONS.

A. Project Preparation Timeframe

Start date of PFG	Jun 2012
Completion date of PFG	September 2012

B. Proposed Project Preparation Activities (\$)

Describe the PFG activities and justifications:

List of Proposed Project Preparation Activities	Output of the PFG Activities	USD Amount
Thorough dialogues with municipal authorities, development associations of the waterside districts, actors of the private sector and organizations of young people and women	Dialogue reports and commitment documents of the stakeholders on the implementation, the follow-up and the evaluation of the project	5000
In-depth study of the profitability or the cost-effectiveness of the activities of the proposed project	Document of detailed analysis of the cost-effectiveness for a better choice of adaptation options	4000
Study of measures and mechanisms of durability of the result and experiences of the project, involving private economic operators	Joint choice of mechanisms which can assure the durability of the experiences and result of the project	2000
Deepening of the knowledge on current and future impact of climate change on the vulnerable social groups (women, young people, etc.) and on the alive resources of the lagoon	Improvement of the analysis of relations between the environmental and social issues and the resilience of lagoon ecosystem and human communities in front of climate	4000

	change	
Deepening of the knowledge on impact of ears and breakwater under construction offshore on the lagoon system	Improvement of the sizing basis of banks protection infrastructures and the modalities of Cotonou dam strengthening	4000
One week international mission for putting data in coherence and formulating project document	Put in coherence of any data for the final writing of the project document	10000
Total Project Formulation Grant		29000

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, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Ms Yolande d'Almeida		February 15 th , 2012			
Fonds National pour l'Environnement					