



ADAPTATION FUND

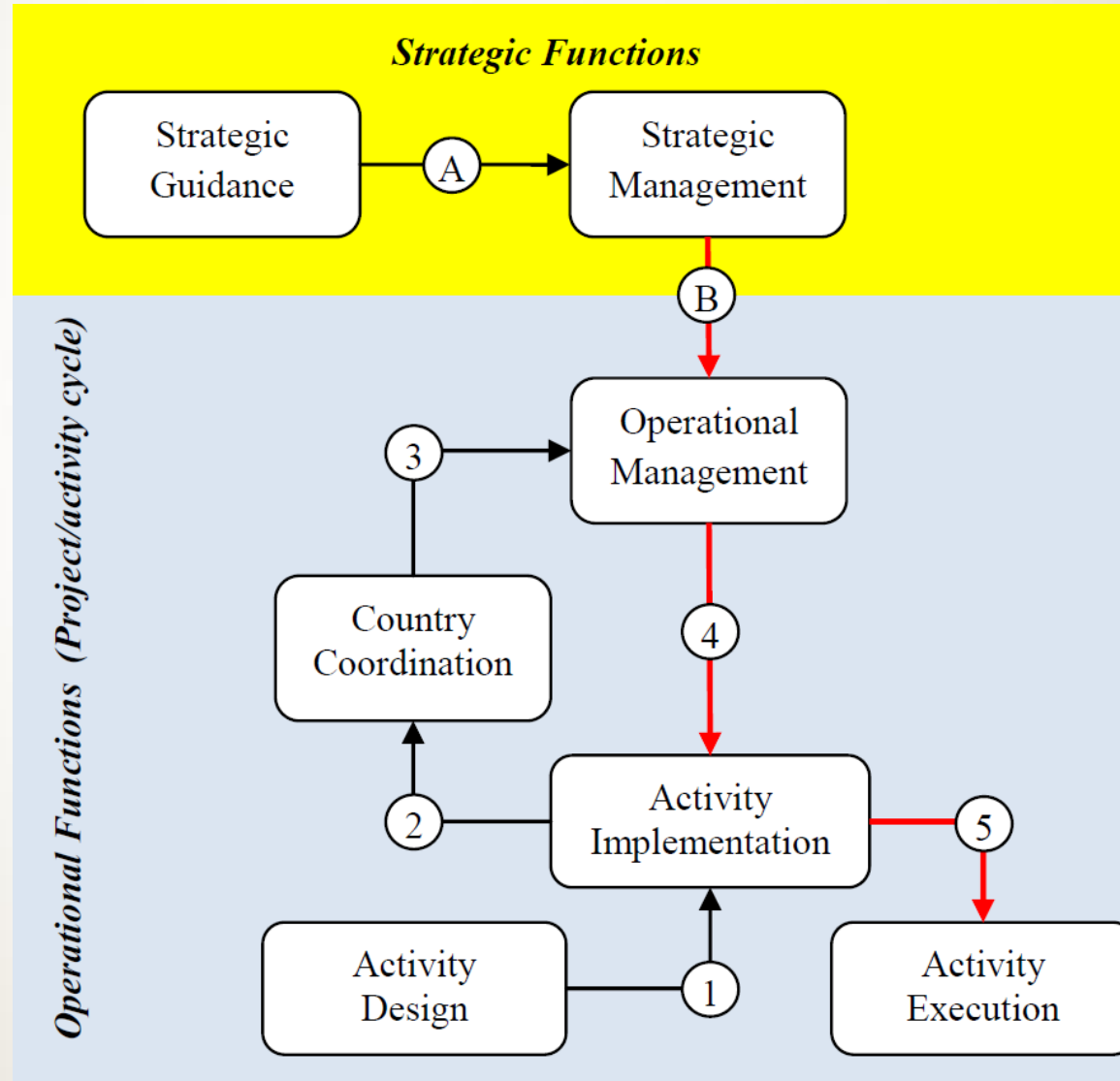
Session 2: The Adaptation Fund project cycle : Roles and responsibilities at the country level

Daouda Ndiaye - Adaptation Fund Board secretariat

Adaptation Fund - Climate Finance Readiness Seminar for NIEs #3

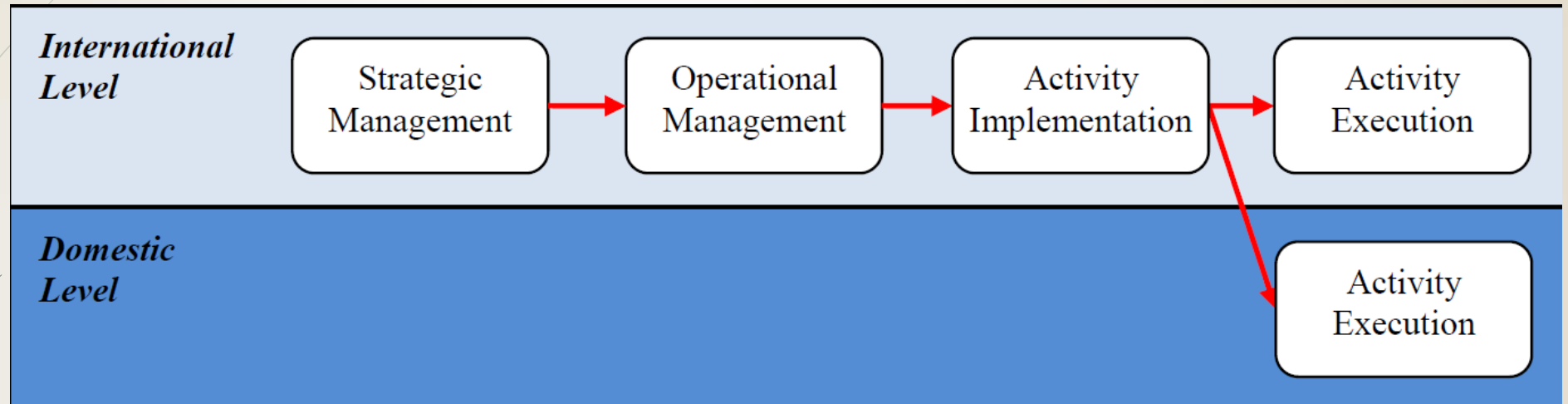
Washington DC, 13-15 July 2016

What are the functions involved in AF project funding?

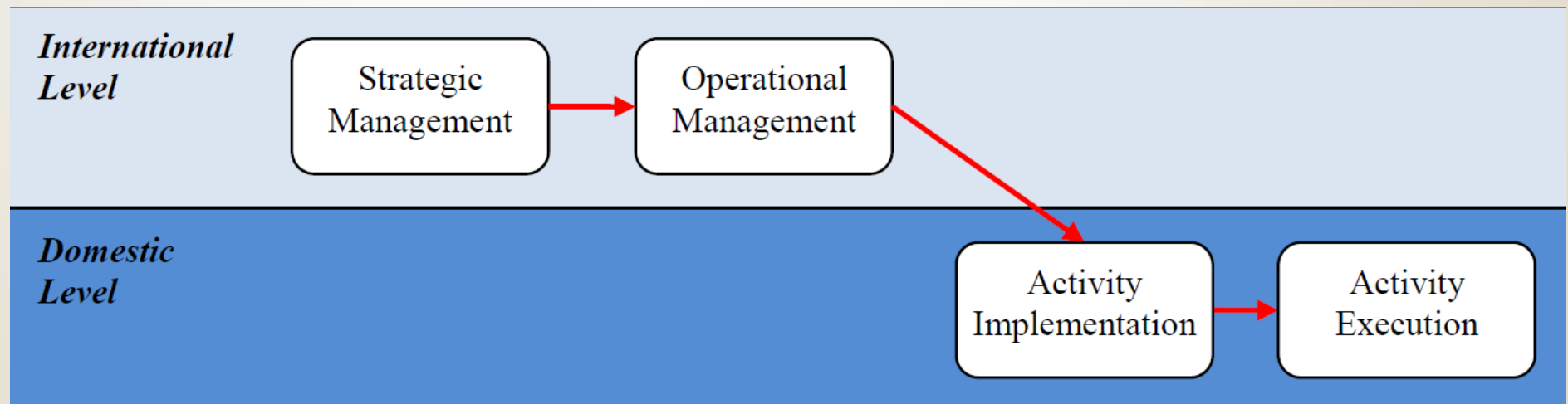


Access modalities and implication on project responsibilities

Traditional international access

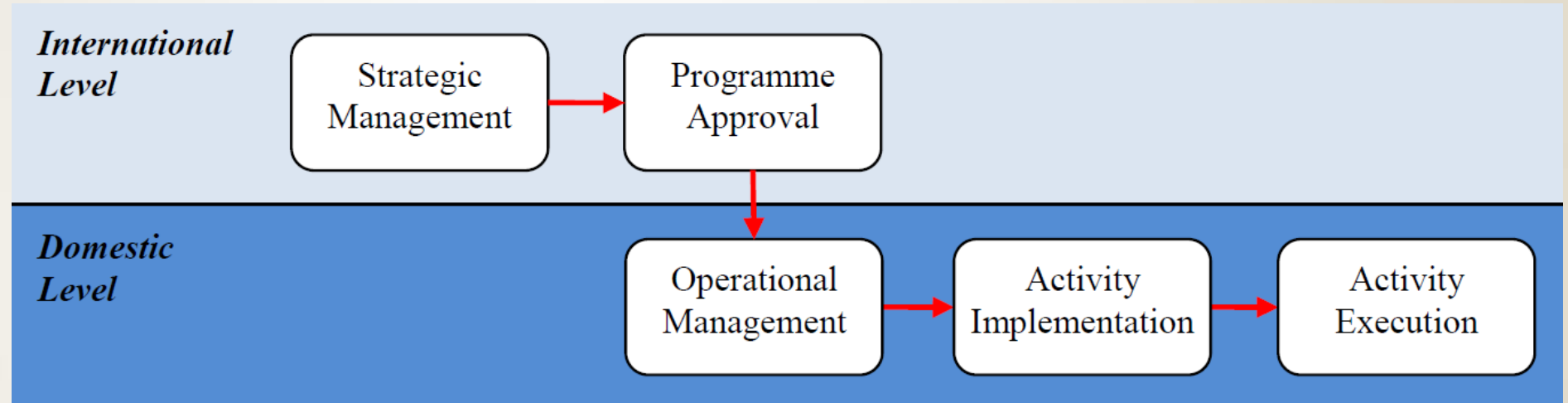


Traditional direct access

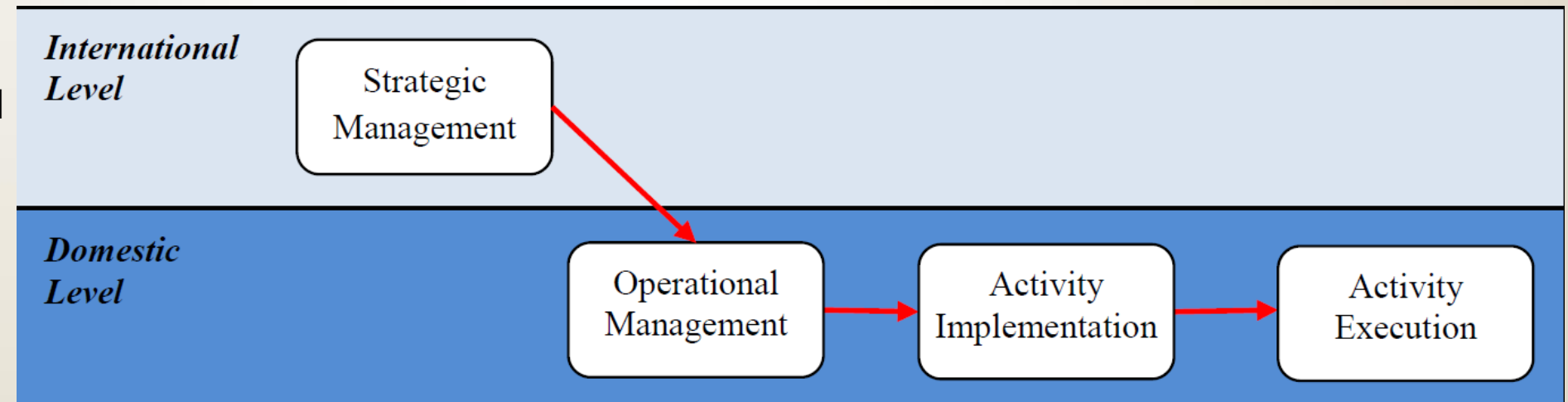


Access modalities and implication on project responsibilities (2)

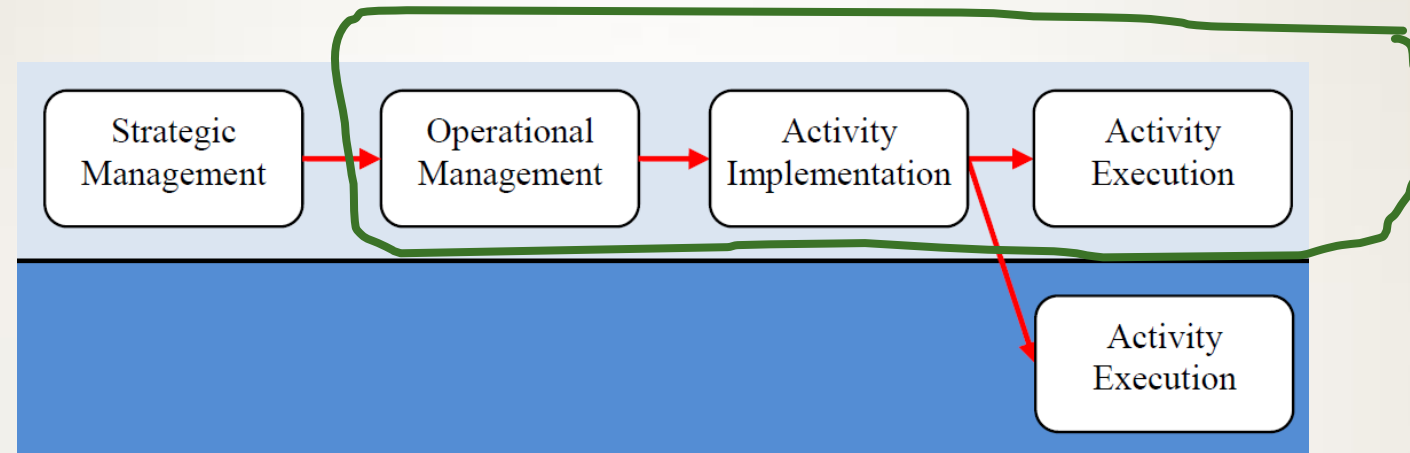
Programmatic enhanced direct access



Fully devolved enhanced direct access



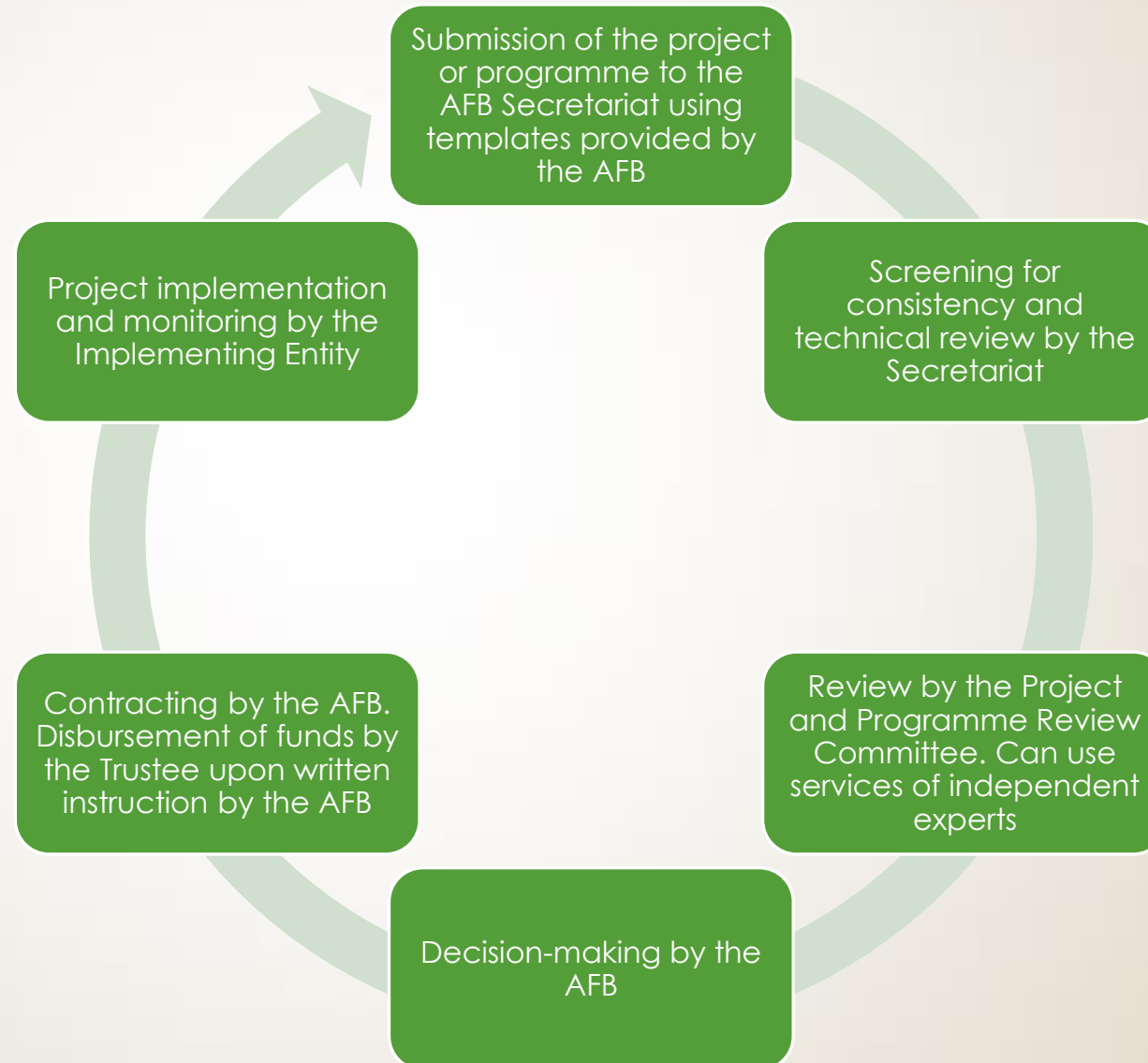
What is an Implementing Entity?



- One that is responsible for the oversight role for projects/programmes funded through the Adaptation Fund (AF)
 - The AFB cannot oversee all projects directly, therefore it entrusts this role to IEs
 - The IE will be responsible for all funds received from the AF for a project or programme

What do we mean by project cycle?

- ▶ All projects:
Annual status reports and terminal evaluation reports



How to identify projects?

- Different NIEs have followed different approaches, e.g.:
 - NIE, together with Designated Authority, **identifies** key national adaptation projects for development
 - NIE opens a **call for proposals**, and best ideas are selected for developing proposals to the AF as **individual projects**
 - NIE opens a **call for proposals**, and best ideas are selected for developing **a programme** to the AF
- Regardless of approach:
 - Consultation is mandatory
 - Project idea has to align with national priorities
- Some NIEs have piloted different sectors, areas



Designated Authority (DA) is:

- ▶ Responsible for endorsing each project/ programme submitted for AF funding from the country
 - ▶ Understanding of the needs and priorities
 - ▶ Knowledge of adaptation-related and sector strategies and policies
 - ▶ Understanding of other adaptation activities taking place (avoidance of duplication)
- ▶ OPG: *“The Designated Authority shall confirm that the endorsed project/programme proposal is in accordance with the government’s national or regional priorities in implementing adaptation activities to reduce adverse impacts of, and risks posed by, climate change in the country or region.”*

Proposal review at the Board level

➤ The Secretariat

- Screens all proposals for consistency and provides a technical review. It will then forward the proposals with the technical reviews to the PPRC

➤ The Project and Programme Review Committee (PPRC)

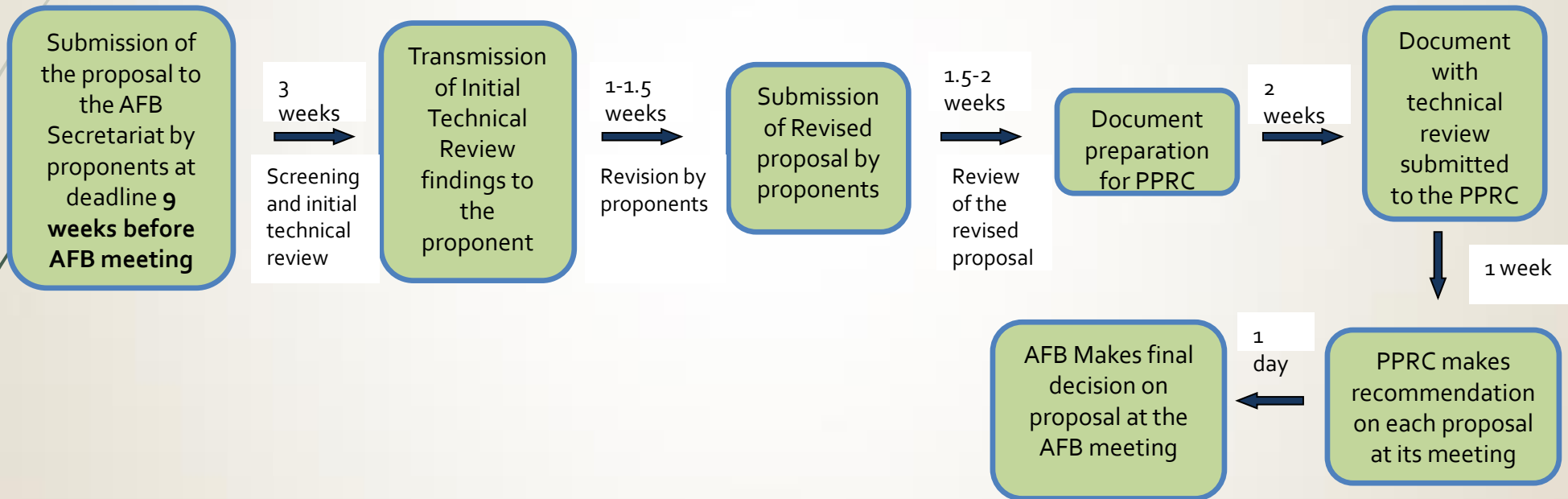
- Considers and reviews projects and programmes submitted to the Board, and makes recommendation

➤ The Board

- Takes decision on projects, following recommendation by the PPRC



Timeline of the review process



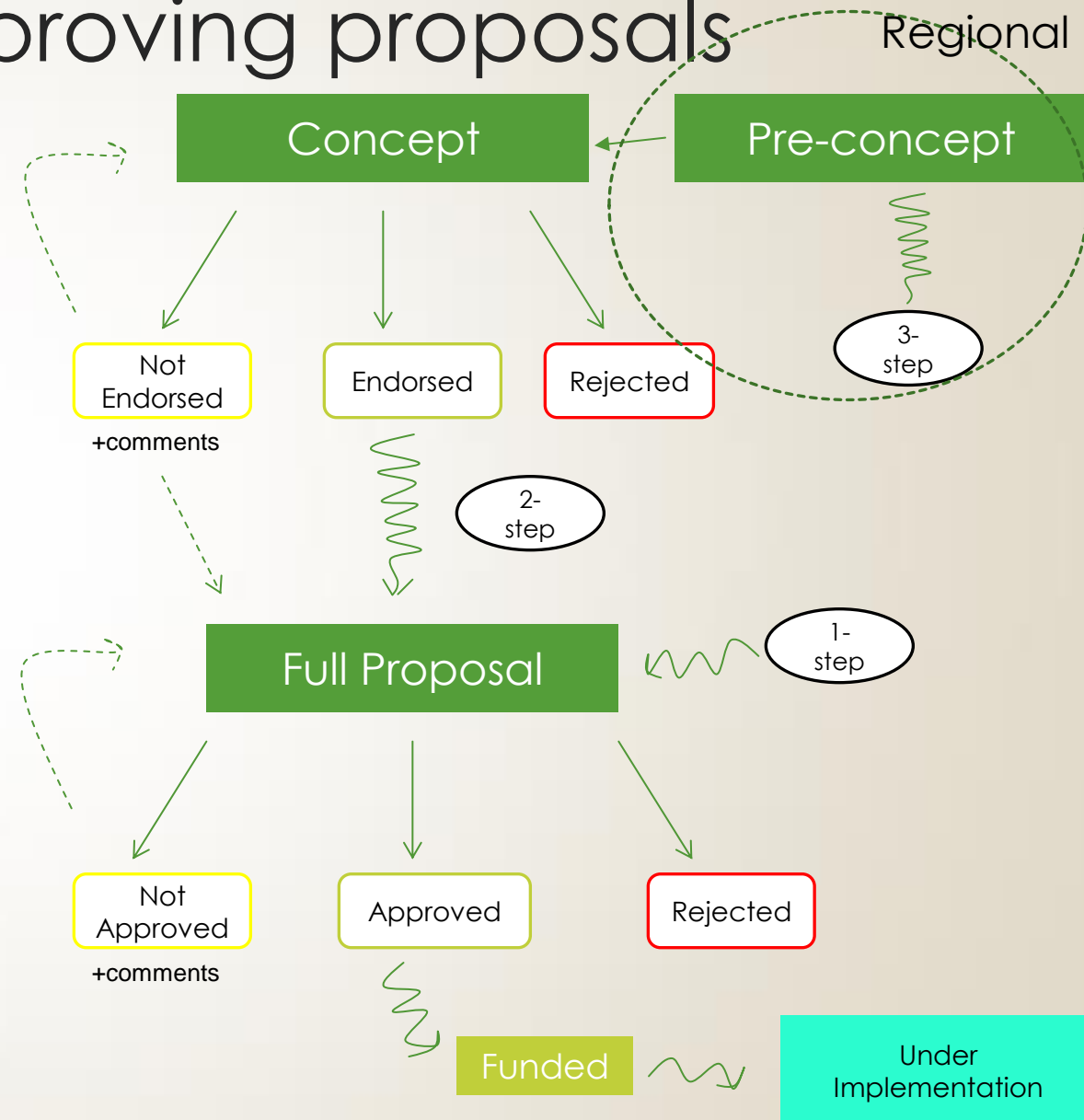


Intersessional project review

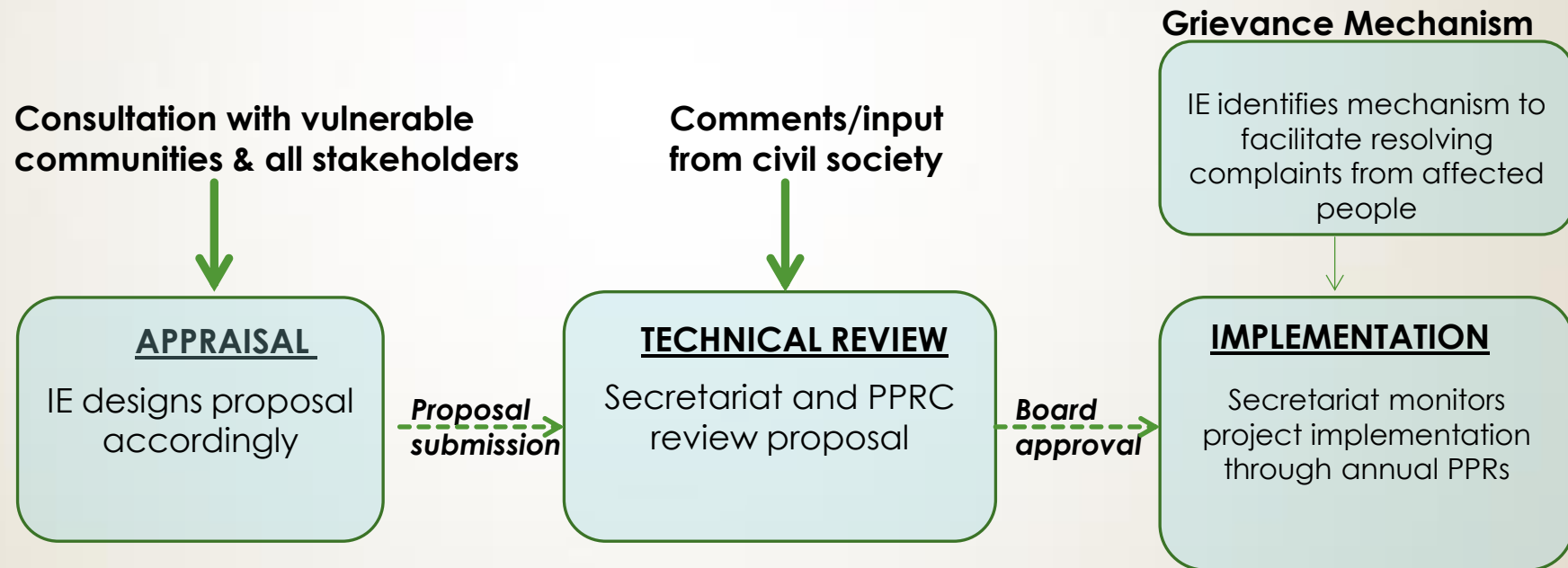
- Fewer AFB meetings annually meant fewer opportunities to submit proposals:
 - 2010-11: 4 meetings / year
 - 2012-13: 3 meetings / year
 - 2014- : 2 meetings / year
- Intersessional review allows certain proposals to be submitted 3 times a year:
 - Resubmissions of concepts + formulation grant requests
 - New submission of full proposal for which the concept had been endorsed
 - Resubmissions of full proposals
 - Delay avoided by proponents with intersessional review: 3 months

AF process of approving proposals

- ▶ For all projects/ programmes (**below USD 1M or larger than USD 1M**), a choice of a **one step** (full proposal) or **two step** process (concept approval and project/programme document)
- ▶ For regional **projects/ programmes**, additional choice of a **three step** process (pre-concept, concept endorsement and project/programme document)



Consultation and participatory monitoring throughout the project cycle



The Agreement

N-AR-2



ADAPTATION FUND

AGREEMENT

(The Enhancing the Adaptive Capacity and Increasing Resilience of Small-scale Agriculture Producers of the Northeast of Argentina Project in Argentina)

between

THE ADAPTATION FUND BOARD

and

UNIDAD PARA EL CAMBIO RURAL (UCAR)

16 April 2013

Delays in inception and implementation?



- ▶ 4 months to sign the standard legal agreement after Board approval. **Risk: cancellation;**
- ▶ 6 months from first cash transfer to project start date (inception workshop); **if the IE does not start: notify the secretariat and DA!**
- ▶ Project Performance Reports due **no later than 2 months** after the end of the reporting year (project inception date + X year);
- ▶ **Request for extension of project completion date** is possible; should be requested **no later than 6 months** before official completion date;
- ▶ Extension **can be granted for up to 18 months** (renewable) if no additional funds are required, original scope has not changed and IE provides reasons and justification;
- ▶ IE not submitting final evaluation, completion report or audited report may be temporarily non eligible to receive funding from AF.

Budget change



- **From the agreement signed with the Board:**

4.03. Any material change made in the original budget allocation for the Project by the Implementing Entity, in consultation with the Executing Entity, shall be communicated to the Board for its approval. "Material change" shall mean any change that involves ten per cent (10%) or more of the total budget.

- From the secretariat's perspective: 10% or more at the output level;
- IE should submit request to the secretariat, along with justification of budget change;
- DA should be notified.

What is the oversight role of an Implementing Entity?

- ▶ Full responsibility for the overall management of a project or programme financed by the AF
 - ▶ Within the project, specific responsibilities may be delegated to Executing Entities (project partners) but IE bears ultimate responsibility of EE actions
- ▶ All financial, monitoring and reporting responsibilities
- ▶ No differentiation between MIE, RIE and NIE





Reporting process

- **Project Performance Reports:** on an annual basis
- **Project completion report**, including any specific Project implementation information, within six (6) months after Project completion
- **Mid-term review or evaluation report**, for projects of 4 year duration or more
- **Final evaluation report**, prepared by an independent evaluator. Shall be submitted within 9 months after Project completion. Copies of these reports shall be forwarded by the IE to the Designated Authority for information; and
- **Final audited financial statement**, prepared by an independent auditor or evaluation body, within 6 months of the end of the IE's financial year during which the Project is completed
- The reporting process fits into a broaden **Results Based Management** scheme at Fund's level



Designated Authority (DA) is:

- Responsible for observing project/programme during implementation
 - Can provide comment and rating of project/programme on an annual basis (PPR)
 - Reviewing mid-term report
 - Ensuring that government continues to endorse
 - The Implementing Entity
 - The project or programme being implemented
- Eligible to call off project implementation if it ceases to endorse the IE or the project

THANK YOU!!

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