



Session 9: Meeting the project review criteria

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Climate Finance Readiness Seminar for NIE #3

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The funding application is made on a structured template available online

PROJECT/PROGRAMME PROPOSAL TO THE ADAPTATION FUND

PART I: PROJECT/PROGRAMME INFORMATION

Project/Programme Category:

Country/ies:

Title of Project/Programme:

Type of Implementing Entity:

Implementing Entity:

Executing Entity/ies:

Amount of Financing Requested:

(in U.S Dollars Equivalent)

Project / Programme Background and Context:

Provide brief information on the problem the proposed project/programme is aiming to solve. Outline the economic social, development and environmental context in which the project would operate.

Project / Programme Objectives:

List the main objectives of the project/programme.

Project / Programme Components and Financing:

Fill in the table presenting the relationships among project components, activities, expected concrete outputs, and the corresponding budgets. If necessary, please refer to the attached instructions for a detailed description of each term.

Funding Application

<https://www.adaptation-fund.org/content/request-projectprogramme-funding-adaptation-fund-amended-november-2013>

A key companion document is the 'Instructions to Proponents'

INSTRUCTIONS FOR PREPARING A REQUEST FOR PROJECT OR PROGRAMME FUNDING FROM THE ADAPTATION FUND

Project and programme proposals must be clear on the adaptation challenge to be addressed, the objective(s), what the project/programme will deliver when, how and by whom. Clear baselines, milestones, targets and indicators should be included to ensure progress and results can be measured¹. Programmes will generally be more complex and will require greater oversight and management which should be properly explained under Implementation Arrangements for programmes.

DATE OF RECEIPT. Please leave this space on the top right of the page blank. The Adaptation Fund Board Secretariat will fill in the date on which the proposal is received at the Secretariat.

ADAPTATION FUND PROJECT ID. Please leave this space on the top right of the page blank. The Adaptation Fund Board Secretariat will assign a number to your project/programme internally.

PART I: PROJECT / PROGRAMME INFORMATION

CATEGORY: Please specify which type of project you are proposing. The two options are:

Instructions to Proponents

[https://www.adaptation-fund.org/sites/default/files/OPG%20ANNEX%204-2%20Instructions%20\(Nov2013\).pdf](https://www.adaptation-fund.org/sites/default/files/OPG%20ANNEX%204-2%20Instructions%20(Nov2013).pdf)

Another important document:

“Guidance for IEs to comply with the ESP”

- Guidance on self-screening, self-assessment;
- Description of and guidance on each ESP Principle;
- Guidance on how to present relevant E&S risks information in the concept or fully-developed proposal document



ADAPTATION FUND

Guidance document for Implementing Entities on compliance with the
Adaptation Fund Environmental and Social Policy

1. The Adaptation Fund Environmental and Social Policy

The Adaptation Fund (the Fund) finances climate adaptation projects and programmes¹ for vulnerable communities in developing countries that are Parties to the Kyoto Protocol. The Fund's Environmental and Social Policy (ESP)², approved in November 2013 and revised in March 2016, ensures that projects and programmes supported by the Fund promote positive environmental and social benefits, and mitigate or avoid adverse environmental and social risks and impacts. Managing these risks is integral to the success of the projects/programmes and the desired outcomes are described in the 15 environmental and social principles (principles) of the ESP.

The ESP is operationalized at the Fund level at two key stages: during the process of accrediting Implementing Entities (IEs); and during the process of project and programme review, both at the IE and the Adaptation Fund Board (the Board) levels. At the time of project/programme proposal review, it should be clear that: 1) the IE has the capacity and the commitment to comply with the ESP³; 2) the IE has identified the environmental and social risks associated with the project/programme; and 3) the IE has, at least, initiated the process of managing these risks in a collaborative way, where possible, and has a clear prospect of success within a reasonable timeframe.

This document is **not intended to help IE candidates demonstrate compliance with the ESP during the accreditation process**, which is briefly described in Box 1 below. It is rather intended to provide supplemental information about the ESP and to support IEs in screening, identifying, and managing environmental and social risks of projects/programmes under their supervision. This document provides practical guidance to IEs on achieving and demonstrating compliance with the ESP in the

A look at the review criteria in detail

- Country(ies) Eligibility
 - Country(ies) should be party to the Kyoto Protocol
 - Should be developing country(ies) particularly vulnerable to the adverse effects of climate change (all non-Annex I countries qualify)



Endorsement by the government through its Designated Authority



- Most eligible countries have nominated DA
- Letter template available under **submission materials** on AF website
- Separate endorsement letter to be submitted for each submission



Concrete adaptation actions

- The project / programme supports concrete adaptation actions to assist the country in addressing the adverse effects of climate change and builds in climate change resilience: description of activities
 - How the activities help with adaptation and resilience
 - Concrete: visible and tangible results.
 - Good project design: cohesion and alignment
 - Linking intervention to climate threat (not BAU, ENV)
 - Taking non-climatic barriers into account
 - Full proposal: details on specs, linking to CC scenario
 - Regional project to include both regional and country perspective/added value



Environmental, socio-economic benefits

- The project / programme provides economic, social and environmental benefits, with particular reference to the most vulnerable communities, including gender considerations
- 
- Who are the beneficiaries, particular reference to **vulnerable groups**;
 - Full proposal: whenever possible, **quantifying** the expected benefits;
 - **Regional project: to demonstrate, whenever possible, how it promotes new and innovative solutions to climate change adaptation, such as new approaches, technologies and mechanisms.**

Cost-effectiveness

- Logical explanation why the proposed scope and approach were selected to the particular adaptation challenge, given all other variables and available financing
- **Sustainability** dimension is important
- *Full proposal*: clear description of alternative options to the proposed measures, in the same sector, geographic region and/or community (typically 1 or 2 declined options)
- Quantification in monetary terms not required as a rule
- **Regional project**: should further explain how the regional approach would support cost-effectiveness



Consistency with national strategies and plans

- Project / programme has to be consistent with ***national sustainable development strategies, national development plans, poverty reduction strategies, national communications or adaptation programs of action***, and other relevant instruments
- **Concept stage:** identification of key strategies and plans
- **Full proposal:** detailed explanation of compliance with relevant plans and strategies
- **Regional project:** if applicable, should refer to relevant regional plans and strategies where they exist.



NATIONAL ADAPTATION
STRATEGIES

2020
VISION

PARKS CANADA AGENCY
SUSTAINABLE
DEVELOPMENT
STRATEGY
2007–2009
*Towards a Culture
of Conservation*



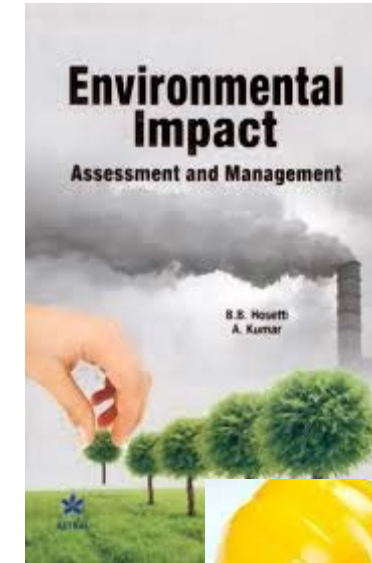
Meeting relevant national technical standards

- Using national standards: no AF-level sets of standards
- Typically: EIAs, building codes, water quality related regulations, land-use, and sector specific regulations
- If required: assessment for compliance before full proposal submission (EIA study etc.), and explanation of process
- **Full proposals:** regulatory clearance has to be received and technical feasibility ensured for core parts of project design – for a pending issues with minor parts of the project design, clear procedures for a fallback option

NATIONAL WATER POLICY (2012)

1. PREAMBLE

- A scarce natural resource, water is fundamental to life, livelihood, food security and sustainable development.
- India has more than 18 % of the world's population, but has only 4% of world's renewable water resources and 2.4% of world's land area.
- There are further limits on utilizable quantities of water owing to uneven distribution over time and space.
- In addition, there are challenges of frequent floods



Duplication / overlap with other funding sources

- The project must **not duplicate / overlap** with activities funded through other funding sources
- Identification of all potentially overlapping activities (donor, government, others)
- *Full proposal*: **clear outline** of linkages and synergies with each relevant project
- **Lessons learned** from earlier projects
- **Coordination arrangements**



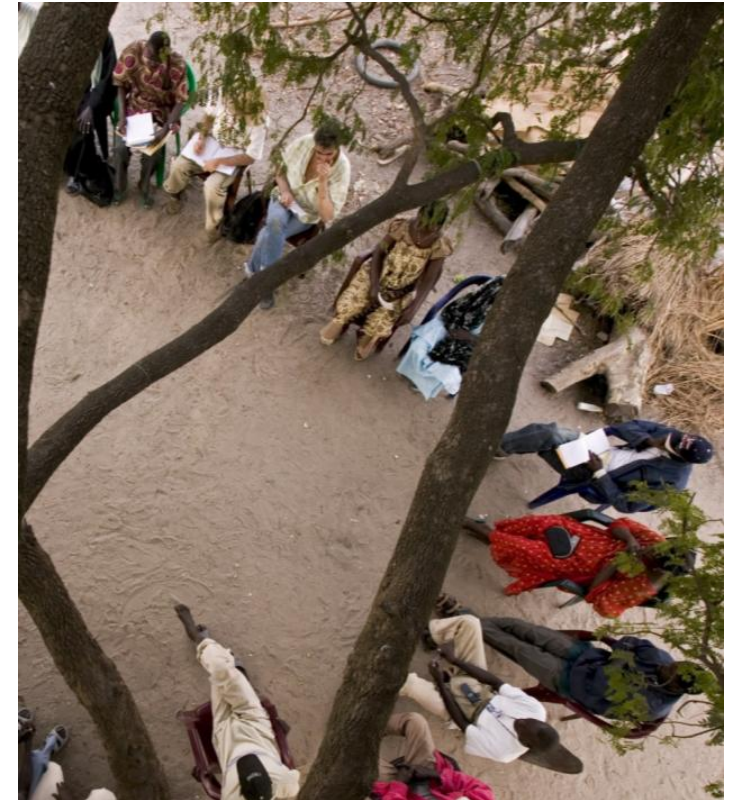
Knowledge management

- The project / programme must have a **learning and knowledge management component** to capture and feedback lessons
- The only “must-have” project component activity
- KM is part of AF Results Based Management: systematic project-level tracking of experiences gained
- Adaptive management, development of learning objectives and indicators
- *Full proposals*: detailed explanation



Consultation process

- Consultative process involving all stakeholders, including **vulnerable communities and women**
 - An initial consultation before concept submission
 - For NIEs, PFG should also facilitate consultations
 - **Full proposals:** description of a comprehensive consultation process, involving all direct and indirect stakeholder groups, including vulnerable groups
 - Inclusion of stakeholder views in project design
 - **List:** stakeholders, ways of consultation, key findings
 - **Under extraordinary circumstances**, consultation can be deferred to implementation stage (e.g. all beneficiary communities have not been identified)



Full cost of adaptation reasoning

- The project / programme provides justification for the funding requested on the basis of the **full cost of adaptation**
 - **No co-financing required:** possible and often beneficial, but should not constitute a risk of delay
 - Demonstration that activities are **relevant** in addressing adaptation objectives and that the project intervention (with approved funds) **will help achieve the objectives without other funding**
 - **Full proposal:** more details and if applicable, quantification of expected project impact on adaptation



Sustainability of outcomes

- The sustainability of the project/programme outcomes taken into account when designing the project: the adaptation benefits achieved should be sustained after the end of project/programme
- Should enable **replication and scaling up** with other funds
- Arrangements for ensuring sustainability (maintenance, continuing processes etc.)
- **All key areas of sustainability:** economic, social, environmental, institutional, and financial



Adequacy of project / programme management arrangements.

- Should include a clear description of the **roles and responsibilities** of the implementing entity as well as any executing entity or organizations/stakeholders that are involved in the project.
- If necessary, provide a **full organization chart** showing how they report to each other.
- For regional project: describe arrangements for management at the regional and national level, including coordination arrangements within countries and among them, and how the potential to partner with national institutions or NIEs has been considered and included in the management arrangements
- The implementation arrangements should be cost-effective and efficient, and country-ownership should always be privileged.



Measures for financial and project / programme risk management

- The proposal should identify all **major risks**, consider their significance, and include a plan of monitoring and mitigating them.
- It should provide a **table with detailed information on the different categories of risks** (i.e. financial, environmental, institutional...), their level and how they will be managed.

Table 10: Risks and risk management

No	Type	Description	Management strategies	Rating
1	Institutional	Policy makers prioritize economic benefits over sustainable and resilient ecosystems	Project will also build capacity of the relevant national stakeholders at central and local levels. Moreover, awareness raising activities will be implemented at the target sites to convince and change behavior of decision makers towards ecosystem roles in climate change adaptation.	Medium
2	Environmental	Extreme natural disasters affect confidence of local community to adaptation measures	Timing of the period of field activities and design of the interventions will take account of weather conditions and extreme rainfall and storm events that can sometimes overwhelm ecosystem rehabilitation projects and these risks will be incorporated into the operational contingencies.	Medium
3	Environmental	Environmental impact of structures in watercourses and reefs	Environmental factors will be part of the project activity and water structure designs, particularly in considering water supply development and upland wetland conservation at Mare aux Couchons and other sites, and improving reef integrity and functions consistent with international standards for reef enhancement.	Medium
4	Environmental	Methods of ecosystem rehabilitation need better testing for hydrological impacts	Ecosystem rehabilitation experiences will need to be adjusted and refined to address hydrological variables, including informed understanding of forest cover change and watershed runoff and infiltration using biological technologies as well as other methods. Intensive discussion on the selection of appropriate methods and species, and the monitoring systems to assess performance will be designed into the process.	Low
5	Social	Adaptation measures increase inequity	The project will ensure that the adaptation measures are gender sensitive and demonstrate at the local level that they do not limit the participation of women and the disabled as beneficiaries. Disconnection of illegal water abstractions may create some resentment but the issue will be managed within a community-based water planning process in collaboration with local authorities.	Low
6	Financial	The cost of the proposed measures may be higher than expected.	Project activities have been designed and costed as accurate as possible in its development stage. MEE (including the Project Management Unit) and UNDP will provide permanent support for the contracting, monitoring and financial reporting in order to	Low/Medium

Results framework

Results Framework for Ecosystem Based Adaptation to Climate Change in Seychelles

Objective & Components	Indicators	Baseline	Targets	Source of Verification	Risks and Assumptions
Project Objective: To incorporate ecosystem based adaptation into the country's climate change risk management system to safeguard water supplies, threatened by climate change induced perturbations in rainfall and to buffer expected enhanced erosion and coastal flooding risks arising as a result of higher sea levels and increased storm surge.	Ecosystem services and natural assets maintained or improved under climate change and variability-induced stress	Project watersheds and coastal areas are regularly subject to water shortages and flooding events	Reduced water shortages and flooded area involving about 4,000 ha of watershed and coastal ecosystems	Project Monitoring Reports on the Status of Project Watershed and Coastal Ecosystems	Impacts of climate change do not outpace project adaptation responses (this will be alleviated by the project's interventions targeted build resilience)
	August mean daily discharge on two rivers (Mare aux Couchons & Baie Lazare) with increased base flows ⁷⁸	Mare aux Couchons August Avg Mean Daily Discharge: 261.1 L/S Baie Lazare August Mean Daily Discharge: 33.4 L/S	Mare aux Couchons and Baie Lazare: Aug. baseline flows +20 – 30%	PUC stream gauge data	Annual variability in rainfall and discharge can mask improvements PUC stream gauges stay functional
	January mean daily discharge on two rivers with decreased flood flows	Mare aux Couchons January Avg Mean Daily Discharge: 595.4 L/S Baie Lazare January Mean Daily Discharge: 173.1 L/S	Mare aux Couchons and Baie Lazare: January baseline flows -20%	PUC stream gauge data	Annual variability in rainfall and discharge can mask improvements PUC stream gauges stay functional
Component 1: Ecosystem-based adaptation approaches along the shorelines of the	Number of water users with more reliable water supply	10% of PUC water supply customers in project watersheds without fully reliable surface water supply	<ul style="list-style-type: none"> 100% of PUC customers in target watersheds with more reliable water supply 	Water use directives and reports by PUC	Continued high dependence on catchment area water resources
	Number of days per	Number of days per year	0 days of no water availability	PUC stream	PUC stream

Alignment with AF Results Framework

Project Objective(s) ⁸¹	Project Objective Indicator(s)	Adaptation Fund Strategic Outcomes	Adaptation Fund Outcome Indicators
To incorporate ecosystem based adaptation into the country's climate change risk management system to safeguard water supplies, threatened by climate change induced perturbations in rainfall and to buffer expected enhanced erosion and coastal flooding risks arising as a result of higher sea levels and increased storm surge.	a) Ecosystem services and natural assets maintained or improved under climate change and variability-induced stress b) Mean August discharge on two rivers (Mare aux Couchons & Baie Lazure), with increased base flows c) Mean January discharge on two rivers with decreased flood flows	Outcome 5: Increased ecosystem resilience in response to climate change and variability-induced stress Outcome 4: Increased adaptive capacity within relevant development and natural resource sectors	5. Ecosystem services and natural assets maintained or improved under climate change and variability-induced stress 4.1. Development sectors' services responsive to evolving needs from changing and variable climate 4.2. Physical infrastructure improved to withstand climate change and variability-induced stress
Project Outcome(s)	Project Outcome Indicator(s)	Fund Output	Fund Output Indicator
Outcome 1: <i>Vulnerable coastal communities benefit from enhanced ecosystem resilience and water harvesting capabilities in water catchment areas covering 3000 hectares</i>	a) Est. number of water users with more reliable water supply b) Number of days per year water supply is not available at two streams: Baie Lazare and Mare aux Couchons c) Volume of raw water production from PUC facilities in project watersheds	Output 2.2: Targeted population groups covered by adequate risk reduction systems Output 5: Vulnerable physical, natural, and social assets strengthened in response to climate change impacts, including variability Output 4: Vulnerable physical, natural, and social assets strengthened in response to climate	2.2.2 Number of people affected by climate variability 5.1. No. and type of natural resource assets created, maintained or improved to withstand conditions resulting from climate variability and change (by type of assets) 4.1.2. No. of physical assets strengthened or constructed to withstand conditions resulting

Budget

- Include a detailed budget with:
 - Budget notes;
 - A budget on the Implementing Entity management fee use;
 - An explanation and a breakdown of the execution costs;
 - For regional projects: budget to be broken down by country as applicable



Disbursement schedule with time-bound milestones

	Upon Agreement signature	One Year after Project Start ^{a/}	Year 2 ^{b/}	Year 3	Year 4 ^{c/}	Total
Scheduled Date						
Project Funds						
Implementing Entity Fee						

^{a/}Use projected start date to approximate first year disbursement (Start date = project inception workshop)

^{b/}Subsequent dates will follow the year anniversary of project start

^{c/}Add columns for years as needed



Thank you!



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Areas of project proponents that most often require follow-up

#1 : Compliance with ESP !!

