FINAL REPORT

04 June 2018

OVERALL EVALUATION OF THE ADAPTATION FUND

July 2017-June 2018

ADAPTATION FUND

Prepared by:

TANGO International

Commissioned by:

World Bank

TANGO INTERNATIONAL
TECHNICAL ASSISTANCE to NGOs

Disclaimer

The opinions expressed are those of the Evaluation Team, and do not necessarily reflect those of the Adaptation Fund Board, the Global Environment Facility or the World Bank. Responsibility for the opinions expressed in this report rests solely with the authors. Publication of this document does not imply endorsement by the Adaptation Fund Board of the opinions expressed.

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Name of the evaluation object: Adaptation Fund

Timeframe of the evaluation: July 2017-June 2018

Date of the report: 4 June 2018

Locations (country, region, etc.) of the evaluation object: The Adaptation Fund has financed 63 projects in 53 countries. This evaluation assessed the Adaptation Fund portfolio from 2010 (when the first project was approved by the Adaptation Fund Board) to March 2017 (the beginning of Phase 2 evaluation activities). Case studies were conducted in four countries: Argentina, Cambodia, Maldives, and South Africa.

Name of the organization commissioning the evaluation: Adaptation Fund Board. The contract was awarded by the World Bank.

Evaluation team

TANGO International was selected to undertake this Phase 2 Independent Evaluation of the Adaptation Fund via an international, competitive procurement process following World Bank procurement rules and procedures.

The Evaluation Team consisted of:

- Bruce Ravesloot, Team Leader
- Colleen McGinn, Senior Evaluator
- Tim Frankenberger, Senior Evaluator
- Raniya Sobir, Evaluator
- Elizabeth Cuellar, Evaluator

The team benefitted from support by Jeremie Kaelin, Monica Mueller, Chloe Hein and Carrie Presnall.

Independent Review Panel

An Independent Review Panel (IRP) was convened by the Adaptation Fund Board to ensure that the evaluation process was as rigorous as possible. The IRP's main responsibilities included:

- Reviewing and commenting on the evaluation's draft TOR and criteria for selecting the evaluation team;
- Recommending an evaluation team to the AFB Secretariat from a group of possible institutions; and,
- Reviewing and commenting on the inception report and draft evaluation reports.

The IRP consisted of Eva Lithman, evaluation specialist and team leader; Ian Noble, adaptation specialist; and Doreen Stabinsky, civil society representative.

Acronyms

AAUs	Assigned Amount Units
AFB	Adaptation Fund Board
AFB Secretariat	Adaptation Fund Board Secretariat
AP	Accreditation Panel
APR	Annual Performance Report
CAF	Cancun Adaptation Framework
CER	Certified Emission Reductions
CIF	Climate Investment Fund
CMP	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
COP	Conference of the Parties
DA	Designated Authority
DRR	Disaster Risk Reduction
EE	Executing Entity
EFC	Ethics and Finance Committee
ERUs	Emission Reduction Units
ESP	Environmental and Social Policy
ET	Evaluation Team
EWS	Early Warning System
FY	Fiscal Year
GCF	Green Climate Fund
GEF	Global Environment Facility
GLOF	Glacier Lake Outburst Floods
HDI	Human Development Index
IE	Implementing Entity
KII	Key Informant Interview
LAC	Latin America and the Caribbean
LDC	Least Developed Country
LDCF	Least Developed Countries Fund
M&E	Monitoring and Evaluation
MIE	Multilateral Implementing Entity
MTR	Midterm Review
NAP	National Adaptation Plan
NAPA	National Adaptation Plan of Action
NDC	Nationally Determined Contribution
NGO	Non-Governmental Organization
NIE	National Implementing Entity
O&M	Operation and Maintenance
OPGs	Operational Policies and Guidelines
PPCR	Pilot Program for Climate Resilience
PPR	Project Performance Report
PPRC	Project and Programme Review Committee
RIE	Regional Implementing Entity
SCCF	Special Climate Change Fund
SDGs	Sustainable Development Goals

SIDS	Small Islands Developing States
SOW	Statement of Work
TE	Terminal evaluation
TOPS	USAID Technical and Operational Performance Support programme
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
USAID	United States Agency for International Development
WRI	World Resource Institute
$	All dollar amounts are U.S. dollars unless otherwise indicated

Key Concepts and Terms (Selected)

A full list of key concepts and is provided in Annex 4.

Term	Definition
Accreditation	Accreditation is the process by which organizations can access Adaptation Fund resources. Implementing Entities can achieve accreditation by meeting the accreditation standards set by the Adaptation Fund. The accreditation standards relate to legal status, financial and management integrity, institutional capacity and transparency, self-investigation, anti-corruption and compliance with the Adaptation Fund Environment and Social Policy (ESP) and, most recently, its gender policy.[1]
Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP)	The Conference of the Parties, the supreme body of the United Nations Framework Convention of Climate Change (UNFCCC), shall serve as the meeting of the Parties to the Kyoto Protocol. All States that are Parties to the Kyoto Protocol are represented at the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), while States that are not Parties participate as observers. The CMP oversees the implementation of the Kyoto Protocol and takes decisions to promote its effective implementation.[2]
Conference of the Parties (COP)	The supreme decision-making body of the UNFCCC Convention, which currently meets once a year to review the Convention's progress. The word "conference" is not used here in the sense of "meeting" but rather of "association." The "Conference" meets in sessional periods, for example, the "fourth session of the Conference of the Parties."[3]
Concrete adaptation action	A concrete adaptation project/programme is defined as a set of activities aimed at addressing the adverse impacts of and risks posed by climate change. The activities shall aim at producing visible and tangible results on the ground by reducing vulnerability and increasing the adaptive capacity of human and natural systems to respond to the impacts of climate change, including climate variability. Adaptation projects/programmes can be implemented at the community, national, regional and transboundary level. Projects/programmes concern activities with a specific objective(s) and concrete outcome(s) and output(s) that are measurable, monitorable and verifiable.[4]
Climate finance architecture	Climate finance refers to the financial resources mobilised to help developing countries mitigate and adapt to the impacts of climate change, including public climate finance commitments by developed countries under the UNFCCC. The global climate finance architecture is complex and always evolving. Funds flow through multilateral channels both within and outside of UNFCCC financing mechanisms and increasingly through bilateral channels, as well as through regional and national climate change channels and funds. Monitoring the flows of climate finance is difficult, as there is no agreed definition of what constitutes climate finance or consistent accounting rules.[5]
Direct Access Modality	Through direct access, National Implementing Entities are able to directly access financing and manage all aspects of climate adaptation and resilience projects, from design through implementation to monitoring and evaluation.[6] The logic behind this approach is to increase the level of country ownership, oversight and involvement in adaptation activities, and to create stronger accountability of the recipient country to the Adaptation

[1] AFB. 2016. Operational Policies and Guidelines (OPGs) for Parties to Access Resources from The Adaptation Fund (Amended in March 2016).
[2] UNFCCC. N.D. Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP).
[3] UNFCCC. 2017. Glossary of climate change acronyms.
[4] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.
[5] Nakhooda, Smita, Charlene Watson and Liane Schalatek. 2015. The Global Climate Finance Architecture. Climate Finance Fundamentals 2. ODI Climate Funds Update.
[6] Adaptation Fund. 2015. Direct Access.

	Fund. It thus removes the intermediary role by transferring the implementing agency functions from third parties to the beneficiary countries themselves.[7]
Designated Authority (DA)	A Designated Authority is designated by a Party to represent the government of such Party in its relations with the Board and its secretariat. The Designated Authority acts as an officer within the Party's government administration. The communication to the secretariat is made in writing and signed by a Minister, an authority at cabinet level, or the Ambassador of the Party. The main responsibility of the Designated Authority is the endorsement on behalf of the national government of: (1) accreditation applications as National Implementing Entities submitted by national entities; (2) accreditation applications as Regional or Sub-regional Implementing Entities submitted by regional or sub-regional entities; and (3) projects and programmes proposed by the Implementing Entities, either national, regional, sub-regional, or multilateral.[8]
Enhanced direct access	The enhanced direct access builds on the Adaptation Fund's direct access approach and goes a step further by increasing local influence over climate finance. It refers to a situation where the National Implementing Entity (NIE) is not only responsible for project implementation but also has authority to provide grant funds for (sub-) projects executed by other organizations, following its own processes. In such a case, the project or programme approved by the Adaptation Fund does not yet define the specific (sub-) projects; instead, those are identified by the NIE during programme implementation. The Green Climate Fund (GCF) defines enhanced direct access as a process led by national designated entities (DAs) or country focal points that devolves decision-making to accredited entities, with the aim to ensure strong country ownership and multi-stakeholder engagement.[9]
Executing agency	Executing Entities are organizations that execute adaptation projects and programmes supported by the Adaptation Fund under the oversight of Implementing Entities.[10]
Implementing Entity (IE)	Implementing Entities are the national, regional and multilateral institutions accredited by the Adaptation Fund Board to receive direct financial transfers from the Adaptation Fund in order to carry out adaptation projects and programmes.[11]
Kyoto protocol	An international agreement standing on its own and requiring separate ratification by governments, but linked to the UNFCCC. The Kyoto Protocol, among other things, sets binding targets for the reduction of greenhouse-gas emissions by industrialized countries.[12]
National adaptation programmes of action (NAPAs)	Documents prepared by least developed countries (LDCs) identifying urgent and immediate needs for adapting to climate change.[13]
Readiness	Climate finance readiness reflects a country's capacity to plan for, access, manage and deliver climate finance, as well as monitor and report on expenditures.[14]

[7] Brown, Jessica, Neil Bird and Liane Schalatek. 2010. Direct Access to the Adaptation Fund: realising the potential of National Implementing Entities. ODI Climate Finance Policy Brief No. 3.
[8] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.
[9] GCF. 2016. Enhanced Direct Access (EDA) – Frequently Asked Questions.
[10] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.
[11] Adaptation Fund. 2015. Implementing Entities.
[12] UNFCCC. Glossary of climate change acronyms.
[13] Ibid.
[14] WRI. N.D. What is Climate Finance Readiness? GCF Readiness Program.

United Nations Framework Convention on Climate Change (UNFCCC)	An environmental convention, adopted at the 1992 "Earth Summit" in Rio de Janeiro: The United Nations Framework Convention on Climate Change (UNFCCC). Addresses climate change issues and aims to coordinate activities to achieve common progress.[15]

[15] UNFCCC. Glossary of climate change acronyms.

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Executive Summary

The Adaptation Fund was approved under the Kyoto Protocol of the United Nations Framework Convention on Climate Change at the Sixth Session of the Conference of the Parties (COP) in 2000. It was established in 2001 "to finance concrete adaptation projects and programmes in developing country Parties that are Parties to the Kyoto Protocol (CMP)"[16] and those that "are particularly vulnerable to the adverse effects of climate change."[17] Since its establishment and through March 2017, the Adaptation Fund approved $416 million for climate adaptation initiatives in 63 projects in 53 countries.

The purpose of this Phase 2 evaluation is to evaluate the long-term outcomes, impacts and sustainability of Adaptation Fund interventions, focusing on its portfolio of funded projects. Its objective is to examine and assess progress of the Adaptation Fund portfolio toward financing concrete adaptation projects and programmes in developing countries Parties to the Kyoto Protocol. It assesses the portfolio's relevance, efficiency, effectiveness and potential impacts and the sustainability of technical, institutional and financial results. The evaluation, which builds on the Phase I evaluation and two reviews conducted by the CMP in 2011-2012 and 2014, compiles recommendations for the future of the Adaptation Fund portfolio.

The evaluation was conducted from July 2017 to June 2018 (including report finalization) and assesses the Adaptation Fund portfolio from 2010 till March 2017. It includes 63 projects spanning eight thematic sectors across the Asia-Pacific, Africa, Eastern Europe and Latin America and the Caribbean.

The evaluation sought to answer three key questions:

1. Relevance of the portfolio: Extent to which intended and actual activities are suited to the priorities and policies of beneficiary countries, the COP/CMP guidance and other Adaptation Fund key stakeholders, and the degree to which the Adaptation Fund portfolio remains valid to achieve its intended objectives.
2. Efficiency of the portfolio: Evaluate the qualitative and quantitative outputs of the portfolio in relation to the inputs provided through the implementation of the portfolio of projects/programmes that the Adaptation Fund is supporting.
3. How effective are the design and implementation of the projects/programmes, and their transparency and accountability?

The Evaluation Team (ET) used a mixed-methods approach using the Organization for Economic Cooperation and Development-Development Assistance Committee criteria to assess progress at Adaptation Fund portfolio and activity level. It completed an extensive literature review covering Adaptation Fund and project documents, CMP/COP/AFB decisions, and project documents from four case study countries: Argentina, Cambodia, Maldives and South Africa. Case studies involved ET visits to field sites, and evaluation workshops and/or key informant interviews. The ET also interviewed Adaptation Fund internal and external stakeholders during the COP 23 meeting in Bonn in November 2017 and remotely conducted key informant interviews (KIIs) from a sample of 18 countries. The ET conducted a structured review of project evaluation reports, consolidated project evaluation ratings and used a structured approach to answer key evaluation questions, identify trends, and analyse findings related to relevance, efficiency and effectiveness. The ET assessed results using data from a structured summary and review of project performance reports (PPRs), supplemented by data from the evaluation report structured review and KIIs.

Through this evaluation, the ET reached the following conclusions:

[16] UNFCCC. 2002. COP Sixth Session. Funding of the Kyoto Protocol. FCCC/CP/2001/13/Add.1 (Decision 10/CP.7).
[17] UNFCCC. 2008. CMP Third Session. FCCC/KP/CMP/2007/9/Add.1 (Decision 1/CMP.3).

Conclusions: Relevance

- The Adaptation Fund remains relevant to the global climate finance architecture through its various activities. The fund specifically adds value to the global climate finance architecture in three aspects; exclusive focus on adaptation, supporting concrete activities and direct access implementation.
- The Adaptation Fund portfolio is in alignment with other climate funds and global commitments on climate finance and international development, which provides a strong basis for potential collaboration and coordination. Although certain projects within the portfolio demonstrate instances of complementarity with other climate funds, establishment of operational linkages is needed to achieve complementarity, systematically at the portfolio level.
- The portfolio is in alignment with the Adaptation Fund's mandate and strategic priorities.

Conclusions: Efficiency

- The Adaptation Fund is efficient in managing accreditation and project cycle processes. Even as the volume of accreditation applications and project proposals increases, the Adaptation Fund Board Secretariat maintains its efficiency.
- The Adaptation Fund has a clear advantage in efficient project-approval processes. It has the smallest secretariat which is indicative of cost efficiency.
- Projects in general are delivered on time although implementation delays affect overall timeframes and in some instances lead to revision of activities. Cost efficiency of projects were difficult to assess as cost effectiveness are not systematically assessed in project proposals.

Conclusions: Effectiveness

- The Adaptation Fund is making progress toward all seven outcome areas of the Adaptation Fund Strategic Results Framework. Adaptation Fund projects have and do contribute to strengthening resilience at national and/or local levels.
- Positive efforts to implement gender and Environment and Social Policy (ESP) criteria are emerging, despite a lack of systematic application of ESP and gender principles across projects.
- The implementation of the direct access modality is a success both in terms of enabling direct access opportunities to a wide range of countries and in terms of the quality of direct access implementation.

Conclusions: Results and Sustainability

- The Adaptation Fund is aligned with its own mandate, as it has increased developing countries' access to adaptation finance. However, the extent to which adaptation costs can be met is limited by the scale of financing available.
- The ET's review of project proposals indicates that sustainability strategies are less comprehensive in the project design phase. However, during project implementation, sustainability is increasingly addressed, as the majority of projects are or have developed exit strategies to mitigate risks to continuity beyond project lifetime.

Conclusions: Factors Affecting Results

- Key internal factors limiting portfolio results include inadequate costing and budgeting of projects, particularly for Small Island Developing States (SIDS); project management and staffing capacity; and stakeholder selection and coordination. The main impacts of factors were implementation delays and budget shortfalls.
- At the Adaptation Fund level, monitoring and evaluation capacity is still emerging. The Adaptation Fund should make efforts to capture progress or performance data, currently only planned targets are included in the database for portfolio monitoring. At project level, M&E is generally conducted in a favourable manner although some gaps highlighted include the need for improved results

frameworks at projects levels to measure impact, the need for more rigorous community-based monitoring of activities to detect project problems early.

- The Adaptation Fund is making progress in knowledge management and has potential to lead knowledge management on adaptation amongst climate finance partners. The ET however finds that the Adaptation Fund's knowledge products are currently centred on institutional processes and activities and documentation is only emerging on portfolio experiences.
- The ET did not find any external factors to significantly affect the Adaptation Funds portfolio as a whole. However, individual projects cited external factors such as changes in personnel and/or ministry leadership, staff turnover, political shifts, and extreme weather as causing delays in project implementation.

Recommendations

In its evaluation of the Adaptation Fund portfolio, the ET reached the following recommendations:

- Strengthen existing support and guidance to improve project designs with respect to clearly articulating project problem analysis and adaptation reasoning, identifying appropriate stakeholder engagement and sustainability strategies, conducting costing and feasibility of activities.
- Facilitate complementarity with adaptation portfolios of other climate funds in a more systematic manner.
- Build on the success of direct access modality, expand direct access opportunities for vulnerable countries including those that have weak institutional systems and promote enhanced direct access models of adaptation implementation.
- Conduct a comprehensive assessment of the readiness programme, streamline the activities, mobilize support of Designated Authorities (DAs) as much as possible and improve synergy with other climate finance readiness providers.
- Continue supporting IEs on gender and ESP compliance and refine existing guidance and resources on gender by incorporating lessons from the portfolio including barriers to gender inclusion.
- Ensure performance data are captured and utilized in portfolio monitoring and prioritize impact monitoring of adaptation results.
- Consolidate project experiences and lessons across the portfolio and establish feedback loops to better apply lessons in project relevant processes.

1. Introduction

1.1 Object of the Evaluation

Description of the Adaptation Fund

The Adaptation Fund was approved under the Kyoto Protocol of the United Nations Framework Convention on Climate Change (UNFCCC) at the Sixth Session of the Conference of the Parties (COP) in 2000. It was established in 2001 "to finance concrete adaptation projects and programmes in developing country Parties that are Parties to the Kyoto Protocol (CMP)"[18] and those that "are particularly vulnerable to the adverse effects of climate change." [19] Since its establishment and through March 2017, the Adaptation Fund approved $416 million for climate adaptation initiatives in 63 projects covering 53 countries.

Adaption Fund and Global Adaption Finance Architecture

The Adaptation Fund is one of several climate funds that fall under the UNFCCC and focuses exclusively on adaptation. The Global Environment Facility (GEF) was established in 1991 as the first operating entity of the UNFCCC (UNFCCC 1992, Article 11).[20] The Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) were created under the UNFCCC in the same year as the Adaptation Fund, whereas the Adaptation Fund was established under the Kyoto Protocol. The LDCF and SCCF operate under the GEF, which also serves as the interim secretariat for the Adaptation Fund. The most recently established climate fund is the Green Climate Fund (GCF), which was established in 2010 as the second operating entity of the UNFCCC's financial mechanism. The Climate Investment Funds (CIFs) were established outside of the UNFCCC by developed countries and Multilateral Development Banks. The CIFs are comprised of two trust funds, the Clean Technology Fund and the Strategic Climate Fund, the latter of which has three programmes: the Pilot Program for Climate Resilience (PPCR), the Forest Investment Program and the Scaling-Up Renewable Energy in Low Income Countries Program. The PPCR focuses on adaptation. The Adaptation Fund's position within the climate finance architecture is illustrated in Appendix 3, Table 21.

Governance of the Adaptation Fund

The Adaptation Fund is supervised and managed by the Adaptation Fund Board (AFB), which works under the authority of and is accountable to the CMP. The AFB is unique in that the majority of representatives are from developing countries. The AFB has three committees: the Ethics and Finance Committee (EFC), Project and Programme Review Committee (PPRC) and Accreditation Panel (AP). The EFC is responsible for advising the AFB on issues of conflict of interest, ethics, finance, fund and portfolio evaluations and audit.[21] The PPRC is responsible for assisting the AFB with reviewing project proposals and implementing issues, including project-level monitoring and evaluation (M&E).[22] The AP provides recommendations to the AFB regarding the accreditation of new Implementing Entities (IEs) and the suspension, cancellation or re-accreditation of entities already accredited [23] The Adaptation Fund Board Secretariat (AFB Secretariat) manages the day-to-day operations of the Adaptation Fund such as research, advisory and administrative services.[24]

[18] UNFCCC. COP Sixth Session Decision 10/CP.7.
[19] UNFCCC. Decision. CMP Third Session. Decision 1/CMP.3.
[20] WRI. 2017. The Future of the Funds. Exploring the Architecture of Multilateral Climate Finance.
[21] Adaptation Fund. 2015. Ethics and Finance Committee Terms of Reference (Amended in October 2015).
[22] Adaptation Fund. 2015. Project and Programme Review Committee Terms of Reference (Amended in October 2015).
[23] Adaptation Fund. 2012. Terms of Reference for the Establishment of the Adaptation Fund Board Accreditation Panel.
[24] Adaptation Fund. 2015. Governance.

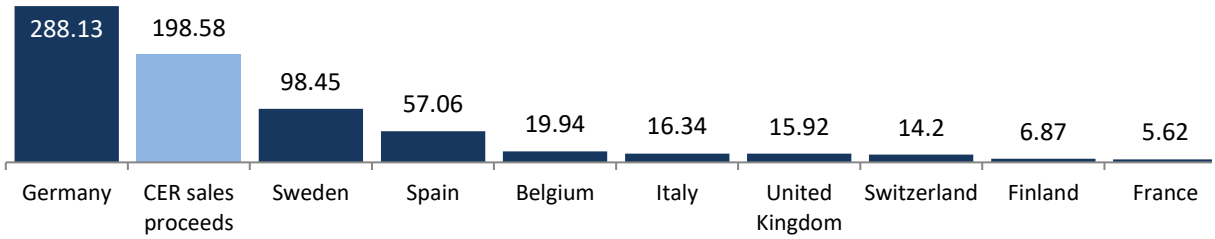
The World Bank serves as the Adaptation Fund's interim Trustee, primarily responsible for Certified Emission Reductions (CER) monetization (described below), but also for fiduciary trust fund management, accounting and reporting and support for financial processes, including donor contributions.

The Adaptation Fund provides funding to developing countries that are Parties to the Kyoto Protocol through accredited IEs. IEs include Multilateral Implementing Entities (MIEs) such as United Nations agencies and development banks, National Implementing Entities (NIEs) such as national government agencies and Non-Governmental Organizations (NGOs) and Regional Implementing Entities (RIEs) such as regional consortia and banks.

Financing of the Adaptation Fund

Funding for the Adaptation Fund comes from two main sources: proceeds from the Clean Development Mechanism (CDM)[25] and voluntary contributions, both of which fluctuate over time. Unexpected price volatility of CERs, namely steep declines in 2012 related to an oversupply in the Emissions Trading Scheme in the European Union,[26] called into question the sustainability, reliability and accessibility of that funding strategy. In 2012, the CMP decided to augment the Adaptation Fund's income during the second commitment period of the Kyoto Protocol through proceeds from Assigned Amount Units (AAUs) and Emission Reduction Units (ERUs) (Decision 1/CMP.8).[27] The Trustee did not expect AAUs and ERUs to provide sufficient or even significant funding.[28] Moreover, the second commitment period (Doha Amendment) has not entered into force, so no AAUs or ERUs have been issued to the Adaptation Fund. Subsequent fundraising strategies have focused more on voluntary contributions from governments (national and sub-national), the private sector and individuals.

Figure 1: Top 10 contributors to the Adaptation Fund as of January 23, 2018 (US$, millions)
CER sales proceeds were meant to be the primary funding source for the Adaptation Fund, but most funding comes from voluntary contributions.



Source: World Bank. 2018. http://fiftrustee.worldbank.org/Pages/adapt.aspx.

The Trustee reported that as of March 31, 2017, the Adaptation Fund had received a cumulative total of just under $634 million.[29] In the first quarter of 2017, the Trustee had generated just $0.56 million through CER sales with a cumulative total of $197.7 million, or 31 percent of total resources, from CER sales since 2009. Cumulative donations totalled $433.3 million, comprising 69 percent of the portfolio value. As of January 2018, Germany had contributed the largest amount at just over $288 million, nine countries have contributed over $522 million, and CER proceeds accounted for just under $200 million.

[25] Meaning two percent of the proceeds from CER credits ("monetization of CERs").
[26] UNFCCC. 2013. CMP Eighth Session. Addendum. FCCC/KP/CMP/2012/13/Add.1.; AFB. 2012. Adaptation Fund Trust Fund: Financial Report Prepared by the Trustee (as at 31 March 2012). AFB/EFC.9/8.
[27] UNFCCC. CMP Eighth Session. FCCC/KP/CMP/2012/13/Add.1.
[28] AFB. 2014. Decisions of the Twenty-Third Meeting of the Adaption Fund Board. AFB/B.23/7. Paragraph 154.
[29] World Bank. 2017. Adaptation Fund Trust Fund Financial Report Prepared by the Trustee as of March 31, 2017.

Key Activities of the Adaptation Fund

Accreditation and direct access Accreditation is the process by which organizations can access Adaptation Fund resources. Accredited entities are the IEs that will bear full responsibility for the overall management of Adaptation Fund-financed projects and programmes.[30] There are two tracks for accreditation: direct access modality through an NIE or using the services of an MIE. The accreditation process is guided by a list of AFB-developed accreditation standards. Accreditation is valid for five years unless there are reasons for cancellation or suspension. The accreditation can be renewed through re-accreditation, as per the approved reaccreditation process in 2013 (Decision B.22/3).

Climate finance readiness The Adaptation Fund's readiness programme aims to increase the preparedness of applicant NIEs seeking Adaptation Fund accreditation and increase the number of high quality project/programme proposals.[31] The overall context of the readiness programme is to further strengthen direct access and provide necessary capacity building for NIEs. The readiness programme was initially designed in two phases, Phase 1 from January 2014 to December 2015 with a budget of $970,000 and Phase 2 from 1 July 2015 to 30 June 2016 with a budget of $965,000.[32] Based on the progress made in the two phases, the readiness programme was institutionalized (integration of readiness to the Adaptation Fund work plan and budget) at the twenty-seventh AFB meeting (Decision B.27/38).[33] Activities include workshops and seminars on direct access, provision of small grants to NIEs to assist them with accreditation and facilitating an online community of practice for NIEs.[34]

Financing windows The Adaptation Fund has two financing windows: small-size projects/ programmes requesting up to $1 million and regular projects/ programmes requesting over $1 million.[35] At its thirteenth meeting, the AFB set a cap where each country will be able to access up to $10 million. At its twelfth meeting, the AFB placed a 50 percent cap on financing for MIE proposals to ensure that NIEs and RIEs could access at least the same amount of funding as MIEs (Decision B.12/9). If the cumulative funding for MIE proposals would reach the 50 percent cap, additional MIE proposals, once approved by the AFB, would be placed in a pipeline and funded when additional funds were received by the Adaptation Fund. There are currently no pipeline projects.[36]

Project cycle The project/programme cycle begins with the IE's submission of a proposal to the AFB Secretariat. This is followed by an initial screening by the AFB Secretariat, followed by a one-week window for the IE to address feedback and requested clarifications. The AFB Secretariat undertakes the final technical review before submitting it for review by the PPRC, which then recommends endorsement/non-endorsement; approval/non-approval. The eligibility criteria are described in the Operational Policies and Guidelines (OPGs). Once a project is approved, the AFB Secretariat prepares a standard legal agreement between the AFB and the IE. The IEs are required to submit annual reports to the AFB Secretariat on a rolling basis one year after the project start date[37] using the Project Performance Report (PPR) template.[38] All completed regular projects and programmes are subject to terminal evaluation (TE) by an independent

[30] Adaptation Fund. N.D. NIE Accreditation Toolkit. Developed with the support of Jyoti Mathur-Filipp and Prakash Bista.
[31] Adaptation Fund. 2014. Readiness Programme for Climate Finance - an Adaptation Fund initiative.
[32] Ibid.
[33] Ibid.
[34] AFB. 2017. Readiness Programme Results Framework. Amended in October 2017. AFB/B.30/8.
[35] Adaptation Fund. N.D. Accessing Resources from the Adaptation Fund: The Handbook, Bonn: Adaptation Fund. Version 2.
[36] Germanwatch. 2016. Adaptation Fund Projects Tracker. Version 7 July 2016.
[37] At the AFB sixteenth meeting it was decided that 'the Adaptation Fund will consider the start date of a project to be the date the inception workshop for the project takes place'.
[38] AFB. 2012. Project Performance Report (PPR) Review Process. AFB/EFC.9/4/Rev.1.

evaluator selected by the IE; small projects and programmes are subject to TE if deemed appropriate by the AFB.[39]

Results-based management The Adaptation Fund has three results frameworks. First is the Adaptation Fund Strategic Results Framework (see

[39] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.

Appendix 5), which guides project design and monitoring and includes seven outcome areas, goal, impact and objectives. The AFB approved two impact-level results and five associated core indicators to track results in aggregate form and demonstrate project value. Project design and reporting must be aligned to the Adaptation Fund Strategic Results Framework and core indicators. The second framework is the Effectiveness and Efficiency Results Framework, which looks at organizational indicators. This framework does not include any indicators on direct access, which is a key feature of the Adaptation Fund, although the Adaptation Fund does monitor basic indicators on NIE accreditation. The framework also does not integrate the results framework of the readiness program, the knowledge management strategy or align to the new gender policy of the Adaptation Fund.

The third results framework (or logframe) is developed by each project or programme. According to the OPGs, each project/programme must embed relevant indicators from the Adaptation Fund Strategic Results Framework including at least one of the core outcome indicators.[40]

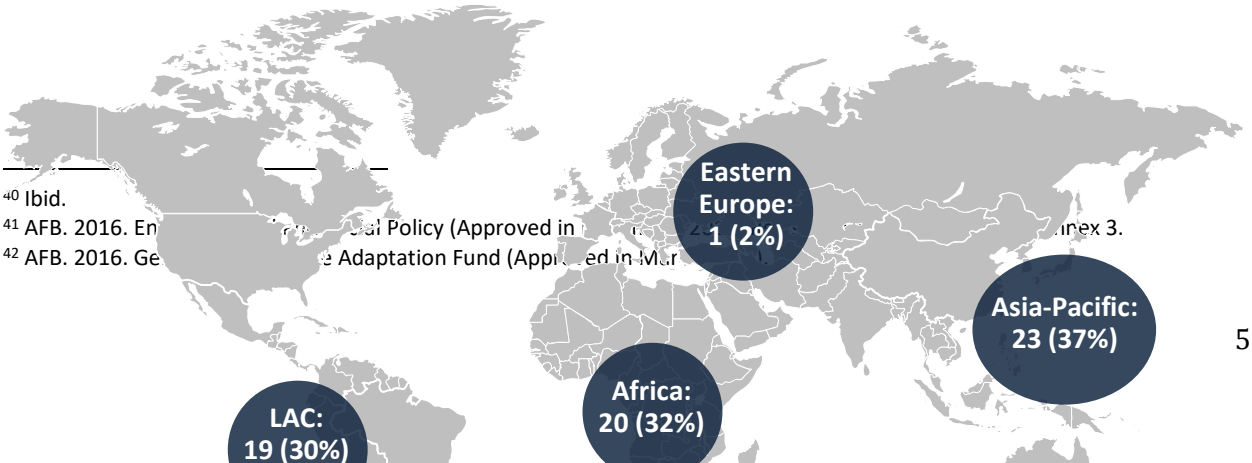
Progress on the Results Framework is monitored through the Adaptation Fund Results Tracker: all projects report via the PPR on progress toward the core indicators at baseline, midterm and project completion stages. The AFB Secretariat consolidates progress data from the PPRs and prepares Annual Performance Reports (APRs) that are discussed during the EFC meeting before approval by the AFB.

Environmental and Social Policy (ESP) and Gender The ESP was first adopted by the Adaptation Fund in 2013 and revised in 2016. It consists of 15 principles, relating to (1) compliance with law, (2) access and equity, (3) marginalized and vulnerable groups, (4) human rights, (5) gender equality and women's empowerment, (6) labour rights, (7) indigenous peoples, (8) involuntary resettlement, (9) protection of natural habitats, (10) conservation of biological diversity, (11) climate change, (12) pollution prevention and resource efficiency, (13) public health, (14) physical and cultural heritage and (15) lands and soil conservation.[41] The Adaptation Fund approved its Gender Policy and multi-year action plan (Fiscal Year 2017-2019) in 2016.[42] The document is built upon the ESP key principles, especially the principles on access and equity, marginalized and vulnerable groups and human rights. The policies are operationalized at the portfolio level at three key stages: during the process of accrediting IEs, project proposal review, and project reporting through the PPR and TEs. Under the climate finance readiness programme, the Adaptation Fund has introduced technical assistance grants to assist NIEs to comply with its ESP and gender policies. The AFB at its thirtieth meeting decided that NIEs that receive such grants be mandated to report on lessons learned from readiness interventions through the PPR (Decision B. 30/45).

Portfolio Analysis

The average grant size of Adaptation Fund projects is $6.6 million. Only two projects (both implemented by the National Bank for Agriculture and Rural Development in India) have a grant less than $1 million (small window category). The projects are distributed across four regions: Asia-Pacific, Africa, Latin America and the Caribbean (LAC) and Eastern Europe (Figure 2). The Asia-Pacific region has the largest number of approved projects (23 projects), whereas Eastern Europe has the fewest, with just one approved project.

Figure 2: Geographic coverage of the portfolio, showing number of projects and the percentage of the portfolio represented



[40] Ibid.
[41] AFB. 2016. En… …al Policy (Approved in … …nex 3.
[42] AFB. 2016. Ge… …e Adaptation Fund (Appr…ed in Mar…

The Adaptation Fund supports a portfolio of projects and programmes implemented at community, national and transboundary levels (see Figure 3, Figure 4 and Figure 5). The Adaptation Fund has approved an average of nearly eight projects per year, approving the most projects in 2011 (13 projects) and the least in 2013 (3 projects). Out of the 63 approved projects in the evaluation period, 34 (54 percent) are underway, 25 (40 percent) had been approved but not begun implementation and 4 (6 percent) have been completed (Figure 4).[43] Funding is almost evenly distributed across six of the eight thematic sectors, with Disaster Risk Reduction (DRR) and forestry receiving the least (8 and 2 percent, respectively) (Figure 5).

[43] At the AFB sixteenth meeting it was decided that 'the Adaptation Fund will consider the start date of a project to be the date the inception workshop for the project takes place.'

Figure 3: Number of projects started and approved, by year

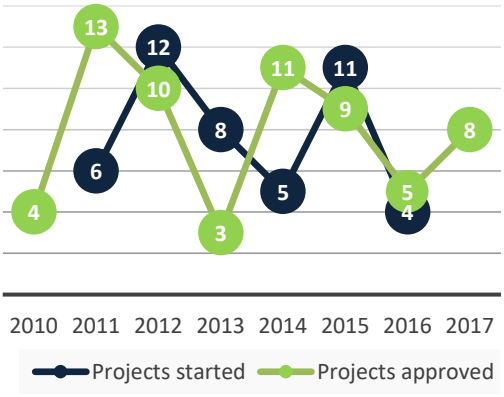


Figure 4: Project implementation status

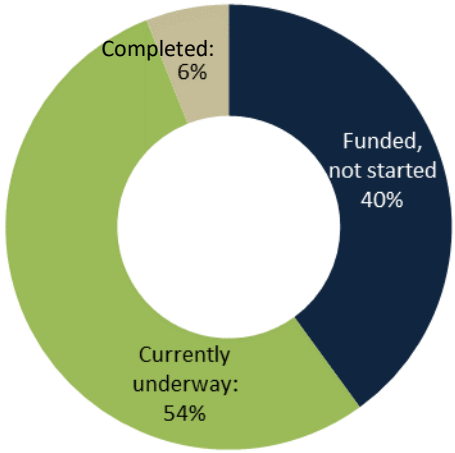
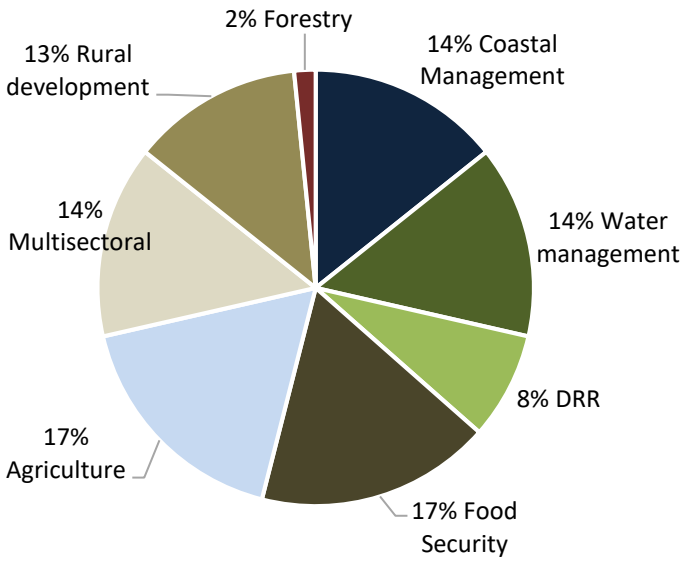
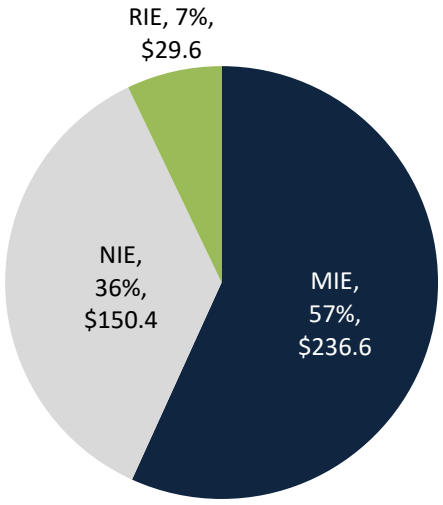


Figure 5: Distribution of projects by thematic sector



Source for Figure 3-Figure 5: Adaptation Fund data from Annex 2 of the Statement of Work (SOW) see Appendix 1

Figure 6: Share of total funding approved by Adaptation Fund, by type of implementing entity (US$, millions)



Source: Adaptation Fund data from Annex 2 of the SOW (see Appendix 1)

As of December 2017, 13 MIEs, 27 NIEs and 6 RIEs had been accredited; 11 NIEs were in the re-accreditation process.[44]

Between 2010 and 2013, the majority of projects were implemented by MIEs. From 2014 onwards, the share of NIE-implemented projects increased. This means that most of the mature projects are MIE-implemented (except for projects in Senegal, Uruguay and Jamaica). Out of the 63 projects approved as of March 2017, most were implemented by MIEs (37 projects), representing 57 percent ($236.6 million) of the overall amount approved for projects (Figure 6). The remaining 43 percent of approved projects were implemented by NIEs (22 projects), comprising 36 percent of the budget ($150.4 million) and RIEs (4 projects) comprising $29.6 million. Among MIEs, United Nations Development Programme (UNDP) has implemented the most projects (23), compared to World Food Programme (5), United Nations Environment Programme (4), World Bank (2), and International Fund for Agricultural Development and UN Habitat (1 each).

2. Evaluation Purpose, Approach and Methodology

2.1 Evaluation Purpose, Objectives, and Scope

In March 2011, the AFB approved the Adaptation Fund's evaluation framework and discussed the need to implement an overall evaluation (Decision B.13/20). Because the Adaptation Fund projects and portfolio were not sufficiently mature for a full evaluation at the time (Decision B.23/18), the evaluation was divided into two phases. Phase 1, implemented from 2014-2015, focused on Adaptation Fund institutional design and processes. Phase 2 focuses primarily on the Adaptation Fund portfolio, including long-term outcomes, impacts and sustainability of Adaptation Fund interventions. This Phase 2 evaluation builds on the Phase I evaluation and two reviews conducted by the CMP in 2011-2012 and 2014; it may overlap with a third review in terms of scope and timing.

The overall objective of the evaluation is to assess the progress of the Adaptation Fund portfolio against the Organization for Economic Cooperation and Development-Development Assistance Committee (OECD DAC) Criteria for Evaluating Development. The criteria include relevance, efficiency, effectiveness, results and sustainability. The Statement of Work (SOW) of the evaluation covered a wide range of evaluation questions that focused both on the fund's institutional aspects and its portfolio (see Appendix 1). Common themes across the main evaluation questions included direct access modality, climate finance readiness, the Adaptation Fund's overall relevance and complementarity within the broader climate and development architecture, gender, environment and social safeguards activities.

[44] Adaptation Fund. 2017. Accreditation status of the Implementing Entities, December 27, 2017. Accessed Jan. 23, 2018.

The evaluation covers the Adaptation Fund portfolio from 2010, the year the AFB approved the first project, until March 2017, the beginning of Phase 2 evaluation activities. It covers 63 projects spanning eight thematic sectors and distributed across Asia-Pacific, Africa, LAC and Eastern Europe. The evaluation was conducted from July 2017 to April 2018 (including report finalization). The Inception Report[45] contains further details about the evaluation methodology, which is summarized below.

2.2 Evaluation Methodology

Overview

Evaluation lines of enquiry, data collection, analysis and reporting of findings followed a structured approach. This section discusses the evaluation methodology applied by the ET, including limitations encountered and any modifications made from the methodology plan outlined in the inception report.

Analytical framework

The ET was able to build on the methodological approach and evaluation matrix outlined in the inception report to further consolidate the more than 50 evaluation questions outlined in the SOW into an analytical framework organized around broader lines of inquiry (see Appendix 3.1). The analytical framework facilitated a manageable analysis and reporting process given the large set of questions and multiple levels of analysis required. This evaluation report outline, including its key headings and sub-headings, aligns to the analytical framework to maintain logical flow and coherency in the overall evaluation narrative.

Under relevance, the evaluation looked at the relevance of the fund and its portfolio to global development agendas, climate finance architecture and relevance to its own mandate and strategic priorities. The evaluation assessed the efficiency of Adaptation Fund activities and portfolio implementation in terms of cost and timeliness and the ET assessed effectiveness in terms of achieving portfolio output and outcome results against the Adaptation Fund Strategic Results Framework. The evaluation then used the Adaptation Fund Theory of Change[46] (see Appendix 3.4) to assess contributions to date against expected results at objective, impact and goal levels, unintended results and the potential for sustainability. The evaluation used the USAID Resilience Measurement Framework to appraise the Adaptation Fund portfolio's contribution to improved resilience. The ET also assessed internal and external factors that affected performance. Finally, based on the findings, the evaluation draws conclusions, which inform practical short- and medium-term recommendations.

Given the expectation in the SOW to assess the progress made towards higher level results and potential impact towards climate change resilience, the ET used the United States Agency for International Development (USAID) resilience measurement framework, [47] widely adopted by many global stakeholders, (see Appendix 3.3). [48] This USAID framework defines resilience as "The ability of people, households, communities, countries, and systems to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth."[49] To assess the extent to which projects in the Adaptation Fund portfolio are contributing to resilience, the ET determined the number of projects contributing to absorptive, adaptive and transformative capacities. Absorptive capacity is comprised of risk management strategies used to help people prepare for or mitigate the impacts of shocks and stresses. Adaptive capacity reflects the ability to make forward-looking decisions and behaviour changes based on past experience and knowledge of future conditions. Transformative

[45] TANGO International. 2017. Overall Evaluation of the Adaptation Fund: Inception Report. Final Version. 27 September 2017.
[46] AFB. 2017. Draft Medium-Term Strategy. AFB/B.30/5/Rev.1. (Decision B.30/42).
[47] USAID. 2017. Resilience Measurement Practical Guidance Series: An Overview. TOPS report for USAID.
[48] See details in Appendix 3.3 and refer to http://tangointernational.com/expertise for current literature on this framework, which is currently informing the resilience measurement approach of USAID, DFID, FSIN, and multiple United Nations agencies.
[49] USAID. 2012. Building resilience to recurrent crisis: USAID Policy and program guidance.

capacity promotes enabling environments that support absorptive and adaptive capacities through good policies and regulations, infrastructure, formal and informal social protection mechanisms, and basic service delivery.

A more thorough impact analysis of improvements to people's ability to prepare for and recover from shocks is limited by lack of data. First, many projects are still underway and improvements to resilience are not yet measurable, especially if a shock has not occurred in the program area. Second, current monitoring and evaluation systems are not set up to report resilience improvements to the Adaptation Fund. The Adaptation Fund's core indicators do measure contributions to resilience such as number of EWSs established, policies introduced or amended to address climate change risks, and natural assets or habitats created, protected or restored. However, information required for robust resilience analysis such as baseline data for well-being indicators, the severity of shocks, or changes in well-being outcomes and coping strategies used after a disaster event or shock is not available.

Evaluation process

The evaluation was conducted in three phases: inception, data collection, and analysis and reporting. Inception phase activities consisted of a literature review and key informant interviews (KIIs) to interpret evaluation questions, review data availability and utility against evaluation questions, develop an analytical framework and prepare a sampling strategy and associated mixed-methods data collection approach, which are detailed in the inception report and appendices to this report. During the data collection phase, the ET continued the literature review and began collecting primary data from online interviews and field visits as described below in "Data Collection Activities". The data collection period (October– November 2017) was extended to January 2018 due to logistical delays (e.g., delayed receipt of stakeholder contact details and scheduling of primary data collection activities). In the analysis and reporting phase, the ET synthesized analyses into draft reports for validation and finalized the report in June 2018.

Data Collection Activities

The ET applied a mixed method approach to data collection consisting of an extensive review of secondary data and a range of primary data collection activities covering the whole project portfolio as well as a portfolio representative sample.

Secondary data collection

The secondary data collection activities included as follows:

- **Structured review of all project proposals –** The ET reviewed all 63 project proposals with a focus on designs, implementation modalities and expected results to map the project components against resilience capacities to do the resilience assessment for the evaluation. The ET then did a more detailed review of projects for the 22 projects sampled for primary data collection (see below), including targeting and adaptation reasoning, to complement the primary data collection of the same projects.
- **Structured review of all available project evaluation reports –** The ET consolidated project evaluation ratings and used a structured approach to review findings of project evaluations against key evaluation questions, identify trends related to relevance, efficiency and effectiveness. The review of evaluation reports included all midterm reviews (MTRs) and terminal (final) evaluations (TEs) completed with the evaluation timeframe: 8 TEs and 16 MTRs (see Table 12).
- **Structured review of PPRs for all projects, where available –** The ET reviewed PPRs to aggregate performance data of projects against the seven outcome areas of the Adaptation Fund Strategic Results framework and to identify challenges and factors affecting project progress. Projects report progress under specific outcome and output indicators in the "results tracker" tab of the PPRs. The ET

consolidated data from the PPR results tracker tabs into a data matrix; these data were analysed based on seven of the Adaptation Fund results framework outcome areas (see Appendix 10). The ET also analysed data from the PPR 'lessons learned' tab to assess factors affecting results. Of the 63 projects included in the scope of this evaluation, only 39 had reached the stage of at least one PPR submission. PPRs were thus available for 39 projects. The ET reviewed, at a minimum, the most recent PPRs for each of these projects to assess results.

- **Comprehensive review of Adaptation Fund related documents –** As part of the literature review, the ET reviewed 78 key Adaptation Fund policy documents, decisions of the CMP/COP/AFB, process manuals and tools (such as the OPGs), APRs, and meeting reports of the AFB, EFC, AP and PPRC (see Annex 3 for list of documents reviewed).
- **Comprehensive review of relevant external studies and assessments –** The ET reviewed available research on climate finance and studies that focus on the Adaptation Fund conducted by external research organizations and international NGOs. This includes 29 external documents such as research and analytical papers relevant to this evaluation, as well as 23 documents from climate financing mechanisms such as GEF, GCF and UNFCCC.

Primary data collection

- **e-Survey for IEs and designated authorities for all 63 projects –** The ET implemented two e-surveys via Survey Monkey to solicit feedback on Adaptation Fund projects and processes. The first targeted IE representatives for each of the 63 projects. In some cases, IEs provided the ET with email addresses for more than one IE representative; the ET opted to send the survey to all IE contacts provided. The ET received 42 responses from 32 discrete projects (51 percent of all projects). The second survey targeted the designated authorities (DAs) in the 53 countries in which the 63 projects are implemented. The ET collected responses from 13 respondents out of 61 projects (21 percent of all projects).[50] The DA survey was extended several times with an additional option provided for in person interviews to try to address the low response rate.[51] See e-survey results in Annex 1.
- **Primary data collection for a portfolio representative sample of 22 projects -** The sampling frame for primary data collection for projects was developed based on implementation status, direct access modality, geographic and sector representativeness, and innovation (see detailed criteria in Appendix 3.2). This yielded a portfolio representative sample of projects in 22 countries against those criteria.[52] Primary data were collected on projects in this sample in two ways: (1) semi-structured key informant interviews guided by topical outlines online or in-person during case study visits) with IEs of 20 of the 22 sampled projects (see

[50] Email addresses were provided for 61 contacts out of 63.

[51] The ET invited 52 out of 53 DAs to participate The ET did not receive contact information for the Jordan focal point.

[52] Honduras has two projects and India has six. The sample, and thus the focus of primary data collection, includes both of the projects in Honduras; the ET gathered information on two of the six India projects, as in it sought to explore the small-project-window experience and readiness support through grants under US$ 1 million in India.

- Appendix 4); and (2) field work in four countries (Argentina, Cambodia, Maldives and South Africa) selected based on direct access modality and priority evaluation topics such as enhanced direct access (see detailed criteria in Appendix 3.2: Project selection criteria and projects selected for KIIs). The case studies served to validate emerging findings and trends through interviews and meetings with project stakeholders (such as DAs, IEs and EEs) and direct project beneficiaries, and direct observation. As part of case study preparation, the ET reviewed all available project documents for the case studies including proposals, PPRs, MTRs or TEs, project reports and knowledge management documentation. Case study results were integrated into the overall analysis and synthesized into four descriptive case studies (see Appendix 11: Case Studies).

Key informant interviews with internal and external stakeholders of the Adaptation Fund – The ET conducted semi-structured interviews guided by topical outlines with internal and external stakeholders including members of the AFB, AFB Secretariat, AP, EFC, the PPRC, representatives of other climate-related funds, international NGOs and climate change/adaptation focal points for multi-lateral agencies such as UNDP, UNEP and WFP. The interviews were conducted online as well as in person during the COP 23 meeting held in Bonn, Germany in November 2017 (see detailed KII list in

- Appendix 4). Interview topics in this category included institutional arrangements, efficiency, relevance and value add of the Adaptation Fund, emerging results of the portfolio and direct access and initiatives such as the gender policy and readiness programme.

Data Quality Assurance

The ET used complementary data collection methods and tools and scheduled data collection in stages to enable data triangulation. During the literature review, the ET identified information gaps and followed up with subsequent data collection through KIIs. Initial KIIs informed the development of e-surveys and topical outlines for later KIIs, which informed and were validated by fieldwork and online KIIs. The ET also organized debrief sessions in-country and with the AFB Secretariat to validate preliminary findings and observations. The ET met regularly throughout the evaluation to ensure quality of results analysis and reporting. In addition, the ET established a rigorous internal review process with attention to the SOW and to United Nations Evaluation Group and internal guidelines.

Gender and Rights Issues

The ET analysed the extent to which (1) projects and programmes have been guided by organizational and system-wide gender objectives such as those in the Gender Policy and Action Plan and (2) activities align with and contribute to global development commitments and other gender rights conventions. At the operational level, the ET assessed Adaptation Fund efforts to build IE capacity to mainstream gender into programmes.

The ET conducted focus group discussions with men and women to assess programme interventions, comparative access to resources and opportunities, Adaptation Fund contributions to change and how the Adaptation Fund promotes gender equity in climate change adaptation in public for and through partnerships and research. To help assess the latter, the ET examined how IEs monitor and report gender-disaggregated data and how those data are used.

Ethical Safeguards

The evaluation observed ethical principles for evaluators such as informed consent, systematic inquiry, respect for people, and responsibilities for public welfare. The ET ensured appropriate ethical considerations were in place for all interviews. All interviewees were informed of the purpose of the interview, its duration, how they were selected to participate, their rights as interviewees, and interview confidentiality. Interviewees were informed that participation was voluntary and that the information they provided would only be used to evaluate the Adaptation Fund with no direct attribution of individual statements. Interviewees were asked whether they consented to the interview through verbal consent, and their choice was respected. Pictures were taken with verbal consent.

2.3 Limitations of the Evaluation

This section summarizes the evaluation's main limitations and mitigation measures (details in Appendix 3.2).

Scope of evaluation questions: The evaluation covered a wide range of monitoring and evaluation lines of inquiry, including questions more commonly addressed through routine internal monitoring. As a result, the evaluation focus was too broad. This resulted in parallel data collection and analysis processes to cover the scope of work within the consultancy timeframe, which complicated the triangulation processes for the ET, and delayed analysis and reporting. The ET addressed this challenge through an extension of the consultancy timeframe.

Data availability and access: Data access was limited with respect to project level information. Out of 63 projects, only 24 projects in the portfolio have undergone either a mid-term or terminal evaluation. Similarly, out of 63 projects, only 39 projects had reached a stage of submitting at the least their first PPR

and limited the availability of PPRs available for review. To address these gaps, the ET included all available evaluation reports and PPRs in the respective reviews.

The availability, completeness and consistency of data in the PPRs affected the assessment of portfolio effectiveness. Data inconsistency in the PPRs occurred due to the existence of two PPR templates.[53] Aggregating data from the two templates was problematic. The ET's review of project proposals and the structured review of project evaluation reports indicate that many projects contribute to several Adaptation Fund results outcome areas but do not report on them because they did not identify those indicators relevant during the proposal stage. For example, most projects integrate an awareness-building components in the project, but only one out of 39 PPRs reviewed reported on the corresponding Outcome 3. Several projects also provide baseline information but do not provide planned targets for outcome and output indicators. The ET had to exclude several analyses on performance because target data were missing in the PPRs.

Another challenge affecting data consistency was the quality of reporting in English, which some key informants said made reporting more time-consuming and compromised the thoroughness of data provided. The ET addressed these gaps through corroborating findings of the structured review of evaluation reports and feedback from online interviews with IEs.

Limited maturity of portfolio projects: Only four projects in the portfolio of 63 projects had completed status where the project was officially considered closed. Most were in progress or have not yet started which limited the scope of assessing higher level results and sustainability. Amongst projects in the portfolio that have matured, fewer were NIE-implemented which also limited the scope of assessing impacts of direct access. To address this, the ET pre-selected all four completed projects in the sample of 22 projects for primary data collection. The ET also selected a balance of NIE and MIE implemented projects in the same sample to gauge emerging results on direct access.

Limitations of methodology: Due to resource limitation, it was not possible to do a detailed interview with representatives of all 63 projects in the portfolio. The primary approach to address coverage of the portfolio was intended through the e-survey, which resulted in a lower response rate. In this case the IEs, the response rate was barely satisfactory at 51 percent; and the e-Survey response rate for DAs was insufficient. We addressed this by extending an additional e-survey round invitation to DA non respondents with the added option of having an interview instead. Four more responses were gathered during this extended round.

3. Main Evaluation Findings

3.1 Relevance

This section describes the Adaptation Fund portfolio's relevance to the fund's mandate, international and national development and climate-change-related commitments. It addresses Evaluation Question 1 regarding "[the] extent to which intended and actual activities are suited to the priorities and policies of beneficiary countries, the COP/CMP guidance, and other Fund key stakeholders, and the degree to which the Adaptation Fund portfolio remains valid to achieve its intended objectives." It also discusses the extent to which the portfolio design is based on sound gender and human rights analyses.

[53] One template is from the Adaptation Fund's early stages, and the second is a later, more detailed version that aligns more closely to the results framework, the Adaptation Fund Results Tracker.

Alignment with Adaptation Fund Mandate and Strategic Priorities (Q1.3)

The mandate of the Adaptation Fund is to finance concrete adaptation projects and programmes.[54] The OPG defines concrete adaptation as a "set of activities aimed at addressing the adverse impacts of and risks posed by climate change. The activities shall aim at producing visible and tangible results on the ground by reducing vulnerability and increasing the adaptive capacity of human and natural systems to respond to the impacts of climate change, including climate variability."[55]

The Adaptation Fund projects meet the "concrete" criterion, as all proposals reviewed contain at least one physical output. This is consistent with a 2015 report which found that 70 percent of project budgets were allocated for structural or physical adaptation measures.[56]

Projects funded by the Adaptation Fund generally meet the OPG "adaptation" definition: "activities [that] respond to impacts of climate change including climate variability by reducing vulnerability and increasing adaptive capacity."[57] A 2015 report found that proposals frequently identified (1) climate drivers such as increased intensity and frequency of extreme events, (2) associated risks including food insecurity and loss of livelihoods and (3) proposed adaptation responses such as securing assets and livelihoods and addressing barriers to adaptation.[58]

Like the 2015 report,[59] the ET found that project proposals address adaptation, but project designs lack explicit problem analysis and thorough adaptation rationale. All proposals reviewed provide some form of problem analysis yet less than half present change pathways in a clear and logical manner and apply a Theory of Change framework. Further, the ET found gaps in the adaptation rationale: more than half of the proposals presented climate change scenarios broadly without clearly linking proposed interventions and specific risks or climate drivers, and one-third of proposals lacked evidence and baselines relating to local climate risks and impacts. While applicants may be constrained by the lack of available data, these gaps were not systematically identified and acknowledged in the proposals. Case study research similarly shows that the explicit link between climate change scenarios to the proposed adaptation solutions is not always made. KIIs with PPRC and AFB members highlighted these gaps and indicated the need to strengthen adaptation rationale in project designs. Case study data and feedback from online interviews show that the activities that revolve around some traditional adaptation solutions, such as activities on water or agriculture, are based on sufficient problem analysis, although the rationale for some more innovative or highly-technical interventions is not as sound.

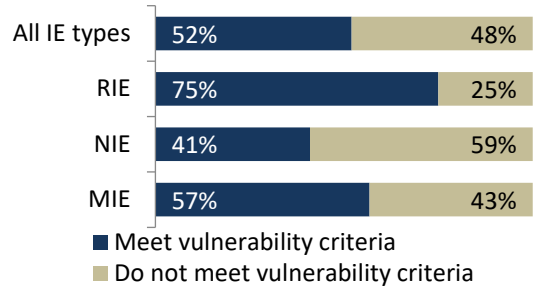
Vulnerability targeting within the portfolio (Q 1.3b)

The Adaptation Fund mandate emphasizes providing finance to countries that are "particularly vulnerable to the adverse effects of climate change" (Decision 1/CMP.3). COP/CMP decisions point to LDCs, SIDS and African countries (Decision 2/CP.15). Thirty-three of 63 projects in the portfolio are either in an African country, LDC and or SIDS (20 projects are in African countries, 16 projects are in LDCs and 11 projects are in SIDS). Figure 7 indicates that a high percentage of direct access projects (41 percent of NIEs) are in countries that fall under the vulnerability criteria composed of LDCs, SIDS and African countries.

[54] AFB. 2016. Strategic Priorities, Policies, and Guidelines of the Adaptation Fund Adopted by the CMP. OPG Annex 1.
[55] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.
[56] AFB. 2015. Analysis of climate change adaptation reasoning across the projects and programmes proposals approved by the Board. 8 September 2015. AFB/PPRC.17.5.
[57] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.
[58] The report analysed the frequency of certain terms in a sample of project proposals to assess the extent to which they focused on climate drivers, climate risks, adaptation needs and measures in line with IPCC guidance. Source: AFB. Analysis of climate change adaptation reasoning across projects and programmes proposals. AFB/PPRC.17.5.
[59] Ibid.

The vulnerability targeting within the Adaptation Fund portfolio is appropriate. To assess whether LDC-SIDS-African criteria accurately reflect vulnerability, this evaluation examined five other vulnerability criteria.[60] All projects in countries ranked low on the HDI and/or classified as low income were also in the SIDS-LDC-Africa category, indicating overlap between those criteria.[61] However, 13 projects outside the SIDS-LDC-Africa category are considered vulnerable to climate change in at least one of three climate change indices. Adding climate risk indices thus increases the proportion of projects in the portfolio that are considered vulnerable compared to using just the SIDS-LDC-Africa criteria.

Figure 7: Proportion of approved projects that meet COP/CMP vulnerability criteria, by IE type



Source: Adaptation Fund data from SOW (see Appendix 1)

Alignment with Adaptation Fund Strategic Priorities

The strategic priorities of the Adaptation Fund are (1) supporting adaptation priorities determined by and within developing countries, (2) consistency with relevant national development, poverty reduction and climate change strategies (3) taking into account existing scientific and political guidance and (4) special attention to the particular needs of the most vulnerable communities.[62]

Alignment to National Priorities and Country Ownership (Q 1.1d, Q 1.1e Q 1.3a and Q1.3d)

The Adaptation Fund requires that project proposals demonstrate alignment to national priorities through the OPG funding criteria and proposal templates.[63] It also mandates that proposals be endorsed by the DA of the respective national government, ensuring that proposals reflect national priorities.[64] The project designs are in general, appropriate to the needs and priorities of the respective countries. The structured review of project evaluation reports shows that almost all projects received a satisfactory or better rating for project relevance, indicating close alignment of the project design to stakeholder needs, climate change adaptation strategies, the National Adaptation Plan of Action (NAPA) and national development plans. Consistent with this finding, the majority of e-survey respondents agree that Adaptation Fund projects are consistent with national climate change and/or adaptation strategies.

The ET further reviewed the portfolio in light of the broader principle of country-driven (-ness) or country ownership.[65] According to a recent study, country ownership typically involves alignment with recipient-country strategies (discussed above), vesting of decision making authority in recipient countries, and the

[60] The ET compared the number of projects meeting the LDC-SIDS-Africa criteria versus other vulnerability criteria, as follows: countries ranked "low" on the Human Development Index (HDI) 2015, "low income" countries, two Climate Risk Indices for long-term risk exposure and one for most affected in the last year, and the Notre Dame Global Adaptation Initiative (ND-GAIN) country vulnerability index. The ET then selected countries ranked as higher risk in the ND-GAIN index (the top one-third of rankings, meaning over a score of 120).

[61] Fourteen projects were approved in countries that are ranked low on the HDI, and 11 are in countries classified as low income countries by the World Bank.

[62] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.

[63] Ibid.

[64] Ibid.

[65] GEF predominantly uses the term country-driven(-ness) instead of, but analogous to country ownership (GEF Independent Evaluation Office. 2013. OPS5 Technical Document #6: Structured review on Country Ownership and Drivenness. GEF. Page 6).

use of national systems to ensure accountability.[66] Further, a core assumption of the concept is that there is broad stakeholder engagement in the development and implementation of national strategies.[67]

The institutional arrangements outlined in the projects' design are conducive to national decision making and the use of national systems. The ET's scan of project information shows that out of 63 projects, 49 projects have a government agency as an executing agency. Online interviews with MIEs confirmed that the selection of government agencies as executing agencies was intended to build national capacity and ownership of the projects implemented.

Existing research on climate finance emphasizes that the direct access modality contributes to national ownership as national agencies have the responsibility and thereby take leadership on project selection and project implementation.[68] The ET's scan of project information shows that out of 63 projects, 22 are implemented by NIEs (direct access) and out of those 22 NIEs, 50 percent are government agencies. NIEs as government agencies further indicate arrangements that utilize national systems in the implementation of projects. Online interviews with NIEs and case studies indicate utilization of government's financial, procurement and project management systems greatly enhances government engagement and leadership in implementing climate finance projects. The e-survey data shows that a higher percentage of NIEs generally agree (88 percent, versus 65 percent of MIEs) that the implementation of the Adaptation Fund in the country has enhanced level of leadership and political will to implement adaptation action.[69]

The enhanced direct access support goes further to foster local ownership and participatory processes. It is distinguished from direct access by the stronger devolution of decision-making and management that takes place at the national level.[70] The South Africa case study shows potential for an institutional model for facilitating enhanced direct access in countries.

However, country ownership and the extent to which projects are country-driven ("drivenness") are limited by two aspects of project design. First, project stakeholders are concentrated in the environment sector. While this is common to all climate funds and traditionally environment ministries are the recipients of multilateral climate funds, external research highlights that, they often struggle to get broader government buy-in, to implement climate finance.[71] Online interviews with IEs and structured review of evaluation reports highlighted that environment ministries were not always best suited to implement climate finance although they may be better positioned to mobilize finance. In the Solomon Islands, for example, the agriculture ministry has offices and infrastructure in all regions, whereas the environment ministry is smaller and not set up to work with local communities. In Madagascar, the Adaptation Fund project is led by the environment ministry, which lacks a mandate for agricultural projects, raising the question of project sustainability after Adaptation Fund funding ends.[72]

[66] WRI. 2013. Within Reach Strengthening Country Ownership and Accountability in Accessing Climate Finance.
[67] Ibid.
[68] Masullo et. al. 2015. "'Direct Access' to Climate Finance: Lessons Learned by National Institutions." Washington, DC: WRI. N.D. The Future of The Funds Exploring the Architecture of Multilateral Climate Finance.
[69] IE e-survey, question 42.
[70] UNFCCC. 2017. Third review of the Adaptation Fund: Technical paper by the secretariat. FCCC/TP/2017/6.
[71] WRI. N.D. The Future of The Funds Exploring the Architecture of Multilateral Climate Finance
[72] Adaptation Fund. 2016. Enhancing resilience of communities in Solomon Islands to the adverse effects of climate change in agriculture and food security. Terminal Evaluation Report; and Adaptation Fund. 2016. Adaptation Fund project – Promoting Climate Resilience in the Rice Sector through Pilot Investments in Alaotra-Mangoro Region. Midterm Review Report (Madagascar).

The second limitation relating to project design is that although project proposals refer to complementarity with other national programmes, they generally lack a common results framework or adopt national or programmatic indicators in project frameworks. One noteworthy exception is in Argentina, where the Adaptation Fund project and other externally funded projects are channelled through a broader national programme on rural development, the Federal Program of Assistance for Sustainable Rural Development (PROFEDER) (see case study in Appendix 11).[73]

Implications of design changes that may affect alignment of projects to the Adaptation Fund mandate and strategic priorities [Q1.2]

While projects in the Adaptation Fund portfolio undergo frequent revisions, these changes do not substantially change the project relevance or alignment to the Adaptation Fund mandate or strategic priorities. Available data indicate that most Adaptation Fund projects that are underway have undergone changes such as revisions to the budget, timeframe or results framework.[74] The project document review indicates that only three projects have requested that the AFB Secretariat formalize changes to projects' results frameworks, mostly related to revised output targets; no project made substantial design changes affecting higher-level results or project component areas.

Relevance of the small window project facility (Q 1.3c)

The Adaptation Fund has two funding windows: one for projects/programmes with a budget up to $1 million ("small" projects), and one for those with budgets between $1 million and $10 million (herein referred to as "regular" projects, to distinguish them from the small window projects).[75] The OPG indicates two distinguishing features of small projects: first, while it is mandatory for regular projects to conduct a TE, small projects are only subject to evaluation if the AFB deems this appropriate. Second, all small project/programme proposals are eligible for project formulation grant.[76]

The small-window facility does not significantly increase the relevance of the Adaptation Fund funding windows; it has not resulted in expansion of the portfolio to include more small pilots or relatively low-budget projects. Only two of the 63 projects are under $1 million; both are implemented by the same NIE in India. The NIE reported to the ET that it selected small-scale projects to pilot activities with civil society because India is a large country, and the cost of developing an adaptation project would exceed the Adaptation Fund's current cap of $10 million. This indicates that the NIE's decision for a small-size project was based on country context, not features of the small-window facility.

Relevance of gender, environment and social policies

The Adaptation Fund's gender policy and ESP are similar to those of other climate funds including the GEF, GCF and the CIFs, indicating that the policies fit within international standards.[77] The gender policy responds to the Phase I evaluation recommendation to develop a stand-alone gender policy.[78] The Adaptation Fund responded to gaps highlighted in the Phase I evaluation by developing additional

[73] Adaptation Fund. 2013. Project/Programme Proposal. Enhancing the adaptive capacity and increasing resilience of small-scale agriculture producers of the northeast of Argentina.

[74] The data consisted of requests made by the project IEs to the AFB Secretariat. These data were provided by the AFB Secretariat based on a template proposed by the ET.

[75] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.

[76] At the time of endorsement of the concept for such proposal, provided that the total budget of the proposed concept is not less than $500,000. (AFB. OPGs for Parties to Access Resources from The Adaptation Fund. Page 10).

[77] WRI. The Future of the Funds.

[78] TANGO International. Independent Evaluation of the Adaptation Fund. First Phase Evaluation Report.

guidance and providing capacity building to IEs on gender and ESP compliance (this is discussed further in 3.3 Effectiveness).

Alignment with Global Commitments on Climate Finance and Development

COP/CMP Guidance (Q.1.1a)

The Adaptation Fund's portfolio is consistent with the COP/CMP decisions and guidance on the Adaptation Fund. This is achieved through its mandate and strategic priorities. The COP/CMP guidance most relevant to the portfolio is decisions relating to the Adaptation Fund's establishment (10/CP.7) and activities (Decision 5/CMP.2).[79] Under Decision 5/CMP.2, the main approaches and principles outlined are (1) the Adaptation Fund will cover the full cost of approved projects (that is, no co-financing is required); (2) projects may not receive duplicate funding for adaptation activities from the Adaptation Fund and other sources; (3) projects are country driven; and (4) funding supports concrete adaptation projects and programmes in eligible countries.[80]

The Adaptation Fund adopted its mandate and strategic priorities based on these COP/CMP decisions.[81] The AFB in turn ensures that projects meet the mandate and strategic priorities through its funding criteria.[82] The extent to which the portfolio meets the Adaptation Fund's mandate and strategic priorities are discussed in the previous section.

The Cancun Adaptation Framework and the Paris Agreement (Q 1.5)

The Cancun Adaptation Framework (CAF), Paris Agreement and UNFCCC provisions around financing adaptation reiterate the same principles and approaches in Decision 5/CMP.2 and emphasizes country ownership and alignment. As discussed above, the Adaptation Fund mandate and strategic priorities are consistent with these decisions and ensure that its portfolio meets these principles through its funding criteria. The extent to which projects are country driven is analysed above.

Article 7 of the Paris Agreement emphasizes the need for more bottom-up, transparent, participatory and gender-responsive action.[83] The discussion above shows that the Adaptation Fund has taken appropriate steps to mainstream gender within the Adaptation Fund and its portfolio. The design of Adaptation Fund projects support participatory and bottom up decision making. Two-thirds of the project proposals reviewed expected to create space for more bottom-up and participatory adaptation action through planning, producing vulnerability assessments and gathering local climate data, which can support local priority setting and decision making (see further discussion in 3.3 Effectiveness – Outcome 1). The discussion above also highlights that the Adaptation Fund's support in direct access and enhanced direct access reinforce participatory and transparent processes for countries to address adaptation.

Nationally Determined Contributions (NDCs) (Q 1.1c and 1.5)

The Adaptation Fund projects demonstrate relevance to NDCs, however, direct linkages of projects to the NDCs were not notably visible. The Intended Nationally Determined Contributions (INDCs) and the NDCs, which are the post-2020 climate action commitments of countries to implement the 2015 Paris

[79] The COP/CMP decisions relevant to the Adaptation Fund relate to its establishment and operation This includes key decisions on its establishment (10/CP.7), sources of financing (17/CP.7, 3/CMP.1), the institutional, legal arrangements and governance arrangements for the Adaptation Fund (Decision 1/CMP.3) and decisions relating to the principles and modalities for its activities (Decision 5/CMP.2).

[80] UNFCCC. 2007. CMP Second Session. Addendum. FCCC/KP/CMP/2006/10/Add.1. Page 29.

[81] It has adopted its mandate based on the COP/CMP guidance around its establishment (10/CP.7) and developed its strategic priorities policies and guidelines based on the principles under the Decision 5/CMP.2 (AFB. OPGs for Parties to Access Resources from The Adaptation Fund).

[82] AFB. OPGs for Parties to Access Resources from The Adaptation Fund.

[83] UNFCCC. 2015. COP Twenty-First Session. Adoption of the Paris Agreement. Paragraph 5, Paris agreement Article 7. FCCC/CP/2015/L.9.

Agreement, were not referenced in project proposals or evaluation reports reviewed by the ET. This maybe because majority of the projects predate INDCs and the NDCs, the INDCs were introduced in 2014 while the NDCs are reported after individual countries ratify the Paris Agreement. Primary data including feedback from online interviews and e-survey respondents show that projects are relevant to the NDCs although projects interventions may not be directly referenced in the NDCs. Feedback from selected IEs indicated that the systems introduced or concepts/models applied in Adaptation Fund projects are referred to or prioritized in the NDCs. The e-survey data shows that 85 percent of the DA e-survey respondents and 66 percent of IE e-survey participants strongly agree or agree that Adaptation Fund projects contribute to the progress reported under NDCs. The lower response from IEs maybe due to their limited familiarity of the respective country's NDC reporting, the e-survey showed that 14.29 percent of IEs responded 'do not know' to the same statement. Compared to the IEs, the DAs who act as national focal points for climate funds and the UNFCCC are better positioned to know the NDC reporting process and content of a given country.

The Sustainable Development Goals (SDGs) (Q 1.1b)

The Adaptation Fund is formally associated with SDG 13 on climate action, and its portfolio is relevant to other SDGs. Being linked to the UNFCCC brings the Adaptation Fund in line with SDG 13, as the goal acknowledges the UNFCCC as the primary international, intergovernmental forum for negotiating the global response to climate change.[84] The AFB has also recognized the Adaptation Fund's relevance to SDGs, particularly SDG 13.[85] The Adaptation Fund sectors align with SDGs 1, 2, 6, 11, 14 and 15 (see Appendix 8, Table 22).[86] Further, the direct access modality and capacity building of NIEs and RIEs through the climate finance readiness programme align with SDGs 16 and 17.[87]

The scope of this evaluation spans the period of the Millennium Development Goals (MDGs) and the successor SDGs, which became effective in 2015. While a limited number of project proposals and evaluation reports reviewed refer to the MDGs, the e-surveys for this evaluation used terminology relevant to the current SDG framework. The majority of IE survey respondents strongly agree that Adaptation Fund projects contribute to SDG implementation.

Coherence and complementarity with other climate finance institutions [Q1.4]

The Phase 1 evaluation found that "the Adaptation Fund's design is coherent with and complementary to other adaptation efforts under the UNFCCC. It contributes directly to various adaptation work streams and complements the role of other climate funds by extending access to all developing countries."[88] While this is still true, a system to encourage coordination among the climate funds' portfolios is lacking, representing a missed opportunity to leverage similarities and complementarity.

The Adaptation Fund's scope is similar to that of other climate funds, with overlaps in thematic areas, intervention types and geography (Appendix 7Appendix 3, Table 21).[89] KIIs with MIEs that have implemented projects for multiple climate funds indicated that the funds support similar types of adaptation interventions, especially adaptation planning and priorities identified in those plans. The World Resource Institute (WRI) recently found that GCF was trending in the same direction as the Adaptation Fund and SCCF

[84] United Nations. N.D. Transforming Our World: The 2030 Agenda for sustainable Development. A/RES/70/1.
[85] AFB. 2016. Report of the Twenty-Sixth Meeting of the Adaptation Fund Board. AFB/B.26/7.
[86] Although the portfolio of 63 projects reviewed in this evaluation did not categorize any project under the thematic category of urban developed, limited number of projects focused on urban services (for example Honduras).
[87] ODI. 2014. Climate Finance: Is it making a difference? A Review of the effectiveness of Multilateral Climate Funds.
[88] TANGO International and ODI. 2015. Independent Evaluation of the Adaptation Fund. First Phase Evaluation Report.
[89] WRI. The Future of The Funds.

by financing concrete, small-scale adaptation projects.[90] Among 18 countries that implemented PPCR projects, six also had Adaptation Fund projects.[91] However, the ET found no evidence of coordination between PPCR and the Adaptation Fund in five out of six of those countries,[92] which raises a concern that these funds could be financing similar projects in the same country but working independently.

Limited examples exist of differences between the climate funds being leveraged to build complementarity. The main differences across the portfolios are in the scale of projects, the types of financing instruments and implementing modalities.[93] The Adaptation Fund, LDCR, SCCF, and GEF 5& 6 fund smaller projects compared to PPCR and GCF.[94] One strong example of complementarity is the Adaptation Fund's small-scale funding to concrete adaptation projects, which can be linked with larger funding from GCF to support replication and scale-up in subsequent projects, as was done in Georgia, Maldives and Pakistan.[95, 96] The climate funds also differ in the types of finance instruments they offer. Whereas the Adaptation Fund, SCCF and LDCF provide grant funding, the GEF, CIF and GCF provide more diverse options such as loans, equity, and risk mitigation instruments. An Overseas Development Institute (ODI) study suggests that "even relatively small amounts of grant finance can complement the use of less concessional and non-concessional financial instruments, and greatly increase impact."[97] The Adaptation Fund funds the full cost of proposed programs: none of the projects in its portfolio are co-financed. However, the ET found no examples of Adaptation Fund projects being subsequently linked to loans or other climate finance instruments, representing a missed opportunity for increased impact.

While good-practice examples in achieving complementarity exist, processes to enhance complementarity between climate funds are not institutionalized.[98] Case study research shows that lessons learned from the experience with the Adaptation Fund are applied in subsequent projects with GCF, although this happens in an informal way. Interviews with the AFB Secretariat and GCF Secretariat indicate that discussions with GCF to enhance complementarity at activity and national levels are occurring, but this has not been operationalized at the Adaptation Fund level. For example, there is no system to share information across climate funds about project approvals, high-achieving or problematic projects and IEs, projects recommended for additional and/or future financing or harmonizing applications and processes. An example of successful operational linkages is the fast-track accreditation process established between the Adaptation Fund and the GCF, which could provide a foundation for future coordination of portfolio-relevant activities.[99]

Added value of the Adaptation Fund to global finance architecture [Q1.4]

Within the evolving climate finance architecture, the Adaptation Fund remains relevant due to its unique characteristics and services. The Adaptation Fund's medium term strategy (2018-2022) discusses the consolidation of its niche in six areas (i) supporting concrete action, (ii) small-scale ("starter") projects/programmes, typically under US$10 million for a single-country project or US$15 million for a

[90] WRI. The Future of the Funds.
[91] Ibid.
[92] The projects in Samoa had coordination between PPCR and the Adaptation Fund.
[93] The Adaptation Fund – and, more recently GEF 5 and GCF – provides direct-access funding through NIEs, while traditionally most funds, including GEF, channel funding to beneficiary countries through multilateral agencies or MIEs.
[94] Average size of approved projects: $4.5 million (LDCF); $4.6 million (SCCF); $6.5 million (Adaptation Fund); $6.7 million (GEF 5&6); $18 million (PPCR) and $42.4 million (GCF). Source: WRI. The Future of the Funds.
[95] UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6.
[96] In addition, KIIs with IEs in Samoa, Solomon Islands, Turkmenistan and Senegal indicate that the Adaptation Fund projects in their countries are being linked to GCF funding.
[97] Trujillo, Nella C., and Smita Nakhooda. 2013. The effectiveness of climate finance: a review of the Adaptation Fund. Working paper 373. ODI.
[98] Adaptation Fund. 2016. Enhancing resilience of coastal communities of Samoa to climate change. Midterm Review Report.
[99] This means that if re-accredited with the Adaptation Fund, the IEs are eligible for fast-track accreditation with the GCF.

regional, (iii) building the capacities and track records that NIEs (iv) testing new practices, tools, and technologies for effective adaptation and (v) pragmatic learning and sharing, especially through south-south collaboration.

The Adaptation Fund adds value in three aspects; exclusive focus on adaptation, supporting concrete activities and direct access implementation. According to stakeholders, the Adaptation Fund adds value as the only fund dedicated to adaptation because countries are able to prioritize and finance adaptation without any pressure to decide over the trade-offs of adaptation versus mitigation. Similarly, stakeholders recognized the Adaptation Fund's specialized focus in financing concrete action as a strength. The WRI report highlighted that the Adaptation Fund has advantages such as speedy delivery of concrete activities as it can establish clear and specialized processes for concrete projects without having to invest time in planning and coordination activities at national level like other funds.

The ET's review of evidence on the Adaptation Fund's role in supporting innovative adaptation and learning, both of which are recognized as niche areas in the medium term strategy, is mixed. Majority of IE respondents in the e-survey agreed or strongly agreed that Adaptation Fund has a comparative advantage as a knowledge partner (70.5 percent) and in piloting innovative adaptation action (85.29), 17.65 percent neither agreed nor disagreed on Adaptation Fund being a knowledge partner and 8.82 percent disagreed that Adaptation Fund has a comparative advantage in piloting innovative adaptation action. Further inquiry into these findings in the e-Survey comments sections and online interviews confirmed that Adaptation Fund's focus on concrete action has encouraged IEs to design projects that apply proven methods than to pilot new and innovative ideas. Feedback from both AFB stakeholders and external stakeholders recognize the potential role of the Adaptation Fund in learning and knowledge management although this is not fully exercised by the fund at this stage.

The Adaptation Fund steadily adds value to the global finance architecture through its direct access implementation. As highlighted in the Phase I evaluation,[100] it has relatively advanced and efficient processes and systems in place to accredit NIEs and RIEs, and it has the largest network of NIEs and RIEs. As of April 2017, the Adaptation Fund had accredited 25 NIEs and 6 RIEs compared with the GCF's 14 NIEs and 9 RIEs.[101] E-survey data with IEs show that 88 percent of NIEs and 44 percent of MIEs agreed or strongly agreed that the Adaptation Fund has a comparative advantage in direct access implementation (a high percentage of MIEs provided a neutral ranking or 'don't know' to the statement). Almost all IE and international NGO key informants acknowledged the Adaptation Fund for its role in pioneering and expanding direct access and recognized it as a knowledge and thought leader on direct access for climate finance institutions including the GCF, which based its accreditation framework on that of the Adaptation Fund. One MIE key informant suggested that the Adaptation Fund should consolidate its niche by dedicating funding exclusively to direct access implementation.

3.2 Efficiency

This section addresses Key Question 2: Efficiency[102] of the Adaptation Fund portfolio: evaluate the qualitative and quantitative outputs of the portfolio in relation to the inputs provided through the implementation of the portfolio of projects/programmes that the Adaptation Fund is supporting. The

[100] TANGO International. Independent Evaluation of the Adaptation Fund. First Phase Evaluation Report.

[101] UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6.

[102] Efficiency, as defined by the OECD DAC, "measures the outputs - qualitative and quantitative - in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results. This generally requires comparing alternative approaches to achieving the same outputs, to see whether the most efficient process has been adopted."

sections below assess the efficiency of the Adaptation Fund as an institution and in relation to other climate funds, and the efficiency of its portfolio.

Adaptation Fund's institutional efficiency [Q2.1, 2.3b]

The Phase 1 evaluation found that the Adaptation Fund's main processes were reasonably efficient.[103] The ET finds that this is still true. The sections below discuss the Adaptation Fund's efficiency in relation to its portfolio by looking at the two most relevant processes: (1) IE accreditation and (2) the process through which projects are approved and begin implementation.

Time efficiency

The Adaptation Fund has made positive progress in accrediting IEs efficiently over the years but the process is increasingly becoming complex because of an increased number of applicants, new activities such as re-accreditation, and due to the upgrading of the accreditation standards to include compliance with the Adaptation Fund's gender policy and ESP. The average time taken for accreditation for MIEs and NIEs is summarized in Table 1 below. For NIEs, the time taken declined from year on year since Fiscal Year (FY) 14, although time taken has increased in the last fiscal year. The Adaptation Fund is making appropriate measures to address these changes, for example, a recent step to increase efficiency of the accreditation process involved introducing a phased approach of screening applications first to identify missing information and areas that might hinder accreditation early in the process.[104] KIIs with AFB stakeholders further highlighted three factors that prolong the accreditation process: (1) the applicant does not maintain communication with the AP or respond to AP requests for documentation, (2) NIE compliance is constrained by weak in-country institutional systems and (3) the applicant does not have broader government buy-in. The latter point leads to the Adaptation Fund's investing considerable time in field visits to support applicants' accreditation process and gauge government support; the number of field visits, however, is kept low (Table 1).

Table 1: Accreditation efficiency: time between application submission and an AFB decision

Accreditation applications	FY13	FY14	FY15	FY16	FY17
Average months between first submission of accredited application and Board's decision (NIEs and RIEs)	10.6	21.3	20	15.6	19
Average months between first submission of accredited application and Board's decision (MIEs)	n/a	23	n/a	30.5	n/a
Average number of months between first submission of non-accredited applications and Board decision (NIEs and RIEs)	11.3	17	19	n/a	n/a
Total number of field visits	3	4	2	3	1

Source: AFB. 2017. Annual Performance Report for FY 2017. AFB/EFC.21/3/Rev.
Note: The FY runs 1 July 30 June.

The Adaptation Fund's project cycle management is efficient, but increasingly tested by the expanding portfolio and new standards. Project approvals have taken longer, particularly those for two-step projects in FY 2016, which exceeded 31 months; in contrast, the approval time for one-step projects dropped dramatically from over 21 months in FY 2016 to just seven months in FY 2017 (Table 2). The AFB Secretariat attributes the lengthier project approval process to ensuring compliance with ESP and gender policy standards.[105] In contrast, AFB Secretariat and AFB members stated in KIIs that the AFB Secretariat's

[103] TANGO International. Independent Evaluation of the Adaptation Fund. First Phase Evaluation Report.
[104] UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6.
[105] The AFB received 31 concept and project proposals, the second-largest number in the Adaptation Fund's history, for consideration at its meeting in October 2016. By August 2017, this figure had increased to 36 proposals (UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6. Page 6).

responsiveness and efficiency continue to contribute to project cycle efficiency. The AFB Secretariat has indeed maintained its target of screening proposals within two months (Table 2), and 79 percent of IE survey respondents agree or strongly agree that project-level coordination between the IE and AFB Secretariat is adequate.[106]

Table 2: Project cycle efficiency: time needed to approve proposals

Average time	Target	FY 13	FY 14	FY 15	FY 16	FY 17
	(months)					
For AFB Secretariat to review project/programme submissions	2	2	1.5	2	2	2
…from first submission to approval for one-step projects	9	n/a	5.1	10.1	21.4	7
…from first submission to approval for two-step projects	12	12.6	6.4	18.4	31.2	28.8

Source: AFB. Annual Performance Report FY 2017. AFB/EFC.21/3/Rev.
Note: The FY runs 1 July 30 June.

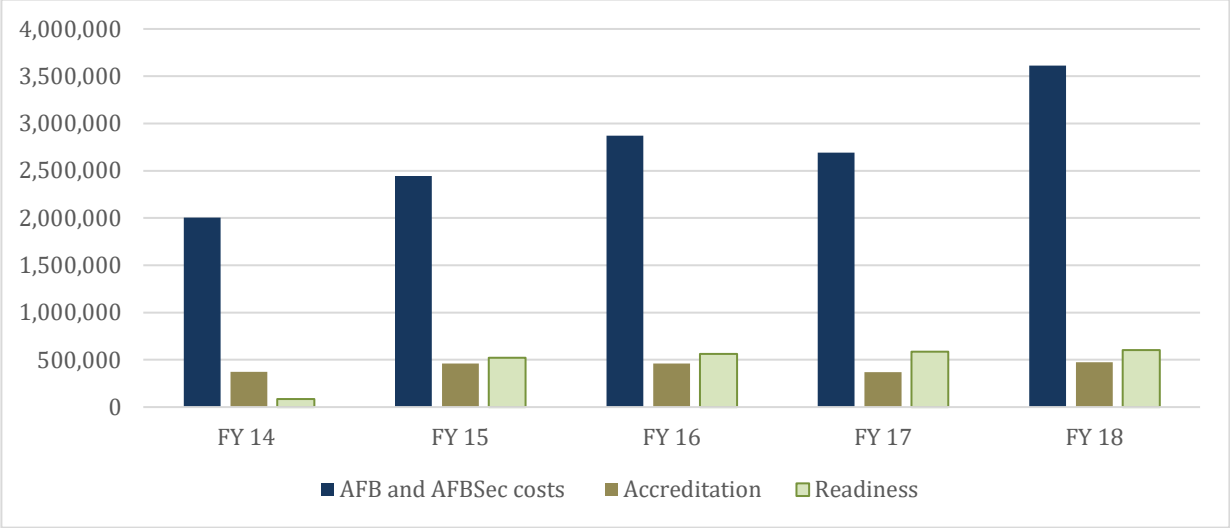
Cost efficiency

The Adaptation Fund's operational costs are increasing as a result of the expanding portfolio and added activities of the Adaptation Fund. The ET compiled and analysed data on operational costs and finds that the administrative budgets of the AFB and AFB Secretariat remained steady between FY 15 and 17 while the proposed budget for FY 18 is relatively higher (Figure 8 below). A detailed review of the budget categories and the administrative budgets compiled show that staff costs account for the largest portion of the administrative budget and the increase in FY 18 budget was due to the addition of two staff positions to the AFB Secretariat; a knowledge management position and communications position. Interviews with internal and external stakeholders show that Adaptation Fund's investments in knowledge management and communications are timely and appropriate given that its portfolio is maturing and that results need to be captured and disseminated. These investments align with recommendations made in the Phase I evaluation of the need for full time positions for knowledge management and resource mobilisation.

As Figure 8 shows, accreditation costs increased slightly from FY 2014 to FY 2016, dipped in FY 2017, and rose moderately in FY 2018. Climate finance readiness activities costs increased threefold between FY 2014 and FY 2017 in association with the growing readiness-grant portfolio and outreach activities.[107] The ET compiled and analysed data on operational costs and finds that although time and cost investments in accreditation and the readiness programme are increasing, these activities demonstrate value for money. The analysis of direct access (see 3.3 Effectiveness) indicates that investments in direct access yield long-term benefits beyond the Adaptation Fund project period and include improved access and capacity to implement climate finance. WRI found that in some cases direct access can enhance efficiency by allowing national institutions to access finance without an international intermediary, potentially reducing the number of actors involved and thus overall costs and coordination challenges.[108] The study further highlighted that in the Adaptation Fund's experience, national intermediaries have generally experienced shorter project inception delays compared to international counterparts. In September 2014, NIEs charged lower IE fees than MIEs (7.2 percent compared to 8.4 percent, respectively), though the gap had been closing over time.[109]

[106] IE e-survey, Question 25.
[107] The value of the readiness grant portfolio increased from $200,000 in December 2014 to $ 700,000 in July 2017 (UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6).
[108] Masullo, Indira, and others. Direct Access to Climate Finance: Lessons Learned by National Institutions.
[109] UNFCCC. 2014. Technical paper on the second review of the Adaptation Fund. FCCC/TP/2014/7.

Figure 8: Costs of Adaptation Fund operations, US$



Source: FY 2014: AFB. 2014. Reconciliation of the Administrative Budgets of the Board and the Secretariat, and the Trustee (AFB/EFC.15/7); FY 2015: AFB. 2015. Board and Secretariat, and Trustee. Administrative Budget for Fiscal Year 2016 (AFB/EFC.16/6); FY 2016: AFB. 2016. Board and Secretariat, and Trustee. Administrative Budget for Fiscal Year 2017 (AFB/EFC.18/9); FY 2017 and 2018: AFB. 2017. Board and Secretariat, and Trustee. Administrative Budget for Fiscal Year 2018 (AFB/EFC.20/8).
Note 1: The FY runs 1 July 30 June.
Note 2: AFB and AFB Secretariat costs include personnel, travel, general operations and meetings. Readiness costs include personnel, travel, general operations and meetings (excludes grants). Accreditation costs include Accreditation Panel member fees and travel of Accreditation Panel members and staff.
Note 3: FY 2014 figures are actual expenditures. FY 2018 is based on the proposed budget. FY 2015 FY 2017 are estimates based expenditures incurred by 31 December of the previous year.

Adaptation Fund efficiency compared to other climate funds [Q2.1]

This section assesses the efficiency of the Adaptation Fund compared to similar multilateral funds.[110] Efficiency has been analysed using available data for indicators of processes relevant to the projects and programmes: accreditation and project cycle.

Time efficiency

The differences between the Adaptation Fund and other climate funds limit comparability. Among the climate funds, only the GCF has an accreditation process similar to the Adaptation Fund's.[111] Adaptation Fund investments in accreditation have resulted in efficiency gains in GCF's accreditation process: the average time to accredit the first 41 GCF entities was 9.9 months, but 31 of those were fast- tracked due to their existing Adaptation Fund accreditation status.[112] In contrast, the Adaptation Fund's four-year average accreditation time was significantly longer, at 16.8 months for NIEs and RIEs and 26.8 months for MIEs.[113] The lengthy MIE accreditation time is because most MIEs were accredited when the Adaptation

[110] Limited information on national climate change initiatives and country-level climate trust funds made meaningful comparison infeasible given the different stages of maturity, scale and scope.
[111] GEF's implementing agencies are relatively fixed, having been expanded only twice in its 25-year history. Source: WRI. The Future of the Funds.
[112] Ibid.
[113] Ibid.

Fund was still developing its accreditation process.[114] Still, the NIE and RIE accreditation processes are also relatively lengthy and have recently become more so due to the increased number of NIE proposals to review and new standards to enforce such as ESP and the gender policy.

In terms of project-approval efficiency, the Adaptation Fund has a clear advantage over other climate funds. The Adaptation Fund averaged 8.1 months to approve one-step projects and 12.6 months for two-step projects; however, this figure is rising (see WRI report data presented in Table 3). This is much faster than the LDCF and SSCF, which implement projects of similar scale and take an average 19 month to approve projects. GCF data on project approval time were not available in the WRI report, but MIE and NGO stakeholders stated in KIIs for this evaluation that the GCF project approval process is slowed by a lack of clarity in GCF procedures and priorities. The GEF's project approval time, at 18-22 months, is much longer than the Adaptation Fund's and excludes accreditation.[115] The PPCR has a different and more complex project identification and approval process than the other funds, involving developing investment plans and identifying and approving projects; this process takes 18 months on average.[116] While most IE survey respondents (almost 70 percent) agree or strongly agree that the Adaptation Fund supports efficient grant management compared to other climate funds, some proportion of respondents (14.7 percent) disagree or strongly disagree with the statement. The ET further reviewed and analysed data from the Heinrich Boll Climate Funds on funding disbursement levels by different climate funds and found that the Adaptation Fund's efficiency in disbursing approved funding compared to other funds was not conclusive. Broader trend analysis combined with feedback from KIIs with external stakeholders show that the speed of disbursement is a function of operational maturity of the fund and its processes; the Adaptation Fund disburses funds more quickly than the GCF but less efficiently than the LDCF and SCCF.

Cost efficiency

Based on the above analysis, the Adaptation Fund is found to be cost-efficient in its operations although costs are rising due to its expanding portfolio and activities. Compared to other climate funds, the Adaptation Fund has a lean structure, with the smallest secretariat of all the climate funds managing a variety of work streams (Table 3). However, based on available data that is comparable across funds and validation from online KIIs[117]indicates that the Adaptation Fund incurs higher transaction costs than other funds, primarily due to its smaller size. The Adaptation Fund administrative budget as a proportion of cumulative contributions is relatively high at 5.6 percent compared to other climate funds, which range from 0.3 to 4.0 percent, because the Adaptation Fund's cumulative contributions are relatively low. The cost per approved project is also higher for the Adaptation Fund, particularly compared to the GEF, LDCF and SCCF, because those funds have larger project portfolios and thus achieve economy of scale in project administration.

Table 3: Summary efficiency indicator data across multi-lateral climate funds

Multi-lateral fund	Full-time staff size of secretariat	Administrative budget[1] per project approved	Administrative budget as % of cumulative	Implementing Entity Fees as % of project costs	Average # of months for project approval (target months in parentheses)

[114] Feedback from the AFB Secretariat confirmed that MIEs were accredited during the period 2010-2015.

[115] GEF projects take more time for approval due to delays in co-financing commitments and iteration of proposals with feedback from GEF Secretariat. Source: GEF Independent Evaluation Office. 2014. OPS5. Fifth Overall Performance Study of the GEF: At the Crossroads for Higher Impact.

[116] The CIFs operate by selecting a small number of partner countries, which then prepare investment plans, after which projects or programmes are bought to the relevant committee (or subcommittee for Strategic Climate Fund projects) for approval. It can take several years for countries to have their investment plans endorsed after being selected as a CIF partner. Source: WRI. The Future of the Funds.

[117] For the KII, written feedback was provided by the UNFCCC Secretariat

			contributions to fund		
Adaptation Fund	10	Just under $600,000	5.6%	7.3%	One-step projects: 8.1 (9) Two-step projects: 12.6 (12)
GCF	76 (as of 2016)	over $1 million	0.3 %	7-10%[2]	No data reported
GEF-5&6	40 serves LDCF & SCCF	$150,000	3.1%	7.18%	Full-size projects: 22 (18) Medium-size projects: 18 (12)
SCCF		$400,000	1.9%	8.82%	19 (18)
LDCF		$200,000	1.0%	8.81%	19 (18)
Strategic Climate Fund (PPCR)	24	$800,000	4.0%	4.02%	18 (target revised from 24 to 18 in May 2013)

Source: WRI. The Future of The Funds. Appendix 1. http://www.wri.org/publication/future-of-the-funds
[1] Administrative budgets cover the costs of fund secretariats and governing bodies.
[2] Fee caps for grants to public sector projects/ programmes (percent of grant): micro (≤$10 million), small (>$10 million and ≤$50 million), medium (>$50 million and ≤$250 million), large (>$250 million)

Time and resource management of the portfolio [Q2.2a, 2.2b, 2.2c]

Time efficiency of projects

Overall, Adaptation Fund projects are delivering results as planned, though there is room for improvement. Projects' self-assessments of progress reported in the annual PPRs increased in each year of project implementation, from over 62 percent of projects rating their progress as satisfactory or better in their first PPR to 82 percent in the third PPR and 100 percent in the fifth; few projects, however, have reached the fourth and fifth PPR stages (Appendix 9, Table 23). In the first and second PPRs, projects showed moderately unsatisfactory or unsatisfactory ratings, but these ratings are less frequent in subsequent PPRs. Although these are self-ratings, they indicate potential project efficiency gains as implementation progressed. However, the e-survey data for IEs show a mixed finding. While most e-survey respondents consider time efficiency of Adaptation Fund projects as satisfactory (29 percent) and highly satisfactory (19 percent), a high percentage (39 percent) of respondents rated 'neutral' and more than six percent of respondents considered project time efficiency to be unsatisfactory. Interviews with project IEs and PPR data show that projects face various start up and implementation delays. The ET notes that 30 of the 39 most recent PPRs reviewed reported implementation delays which often results in project extensions. A list of requests for project extensions compiled by the AFB Secretariat for the ET indicated that project extensions have been requested by 18 out of the 38 projects completed or under implementation.[118] The average extension for the 18 projects is 13 months. Although majority of these extensions are no-cost extensions, the ET's review of evaluation reports highlighted few cases of direct

[118] According to the AFB Secretariat, 16 of these extension requests have been approved by the AFB, and two are pending approval.

costs associated with project extensions such as project management costs.[119] Factors associated with implementation delays are discussed in Section 3.5.

Cost efficiency of projects

Project cost efficiency was difficult to assess for two reasons, despite the fact that projects are delivered within their allocated budget. First, determining whether projects were designed or delivered cost-efficiently was not possible. Although proposals require a section on cost-effectiveness, the nature of the information included the proposals on this topic was inconsistent. Two-thirds of proposals reviewed included a cost-benefit analysis for proposed interventions, whereas the remaining third discuss cost-saving measures in project implementation. Second, the majority of projects did not comprehensively forecast costs during the project design stage, which affected later project activity and budget modifications (discussed in Section 3.5). The only indication of project cost-efficiency that was clearly evident was cost-saving measures undertaken during implementation such as prioritisation of local pay scales over international rates,[120] hiring local labour close to project sites,[121] and receiving government co-financing or in-kind support such as office space and volunteer labour.[122]

3.3 Effectiveness

Portfolio progress toward output and outcome indicators [Q3.1a, 3.4, 4.7]

Any project or programme funded through the Adaptation Fund develops its own results framework. This must be aligned with the Adaptation Fund Strategic Results Framework, which states goal, objective and impact and has seven outcomes and three higher-level result statements.[123] The AFB Secretariat monitors the results framework using the Adaptation Fund Results Tracker tab in the PPRs. All projects should provide updates/progress toward relevant outcomes and core indicators at baseline, midterm and project completion stages in the PPR.[124]

This section discusses findings regarding the portfolio's overall progress against the Adaptation Fund results framework. It is organized by the seven outcome areas identified in the Adaptation Fund Strategic Results Framework. It discusses planned versus actual progress, quality of outputs and outcomes, overall data trends, and concrete examples of successful practices.

Outcome 1: Reduced exposure to climate-related hazards and threats

- ***Output 1.1: Risk and vulnerability assessments conducted and updated***
- ***Output indicator 1.1: # projects/programmes that conduct and update risk and vulnerability assessments***

Of the nine projects with targets for this indicator, six have reported progress in the PPR results tracker (see Appendix 10, Table 24).[125] KIIs indicate that in general, the majority of projects conducted one or more forms of risk assessment activities although they may not report on the indicator in the PPR if this

[119] Adaptation Fund. 2015. Adaptation to coastal erosion in vulnerable areas. Terminal Evaluation Report (Senegal); Adaptation Fund. 2016. Enhancing adaptive capacity of communities to climate change-related floods in the North Coast and Islands Region of PNG. Midterm Review Report.

[120] Adaptation Fund. 2015. Building Resilient Food Security Systems to Benefit the Southern Egypt Region project. Midterm Review Report.

[121] Adaptation Fund. 2016. Building resilience to climate change and variability in vulnerable smallholders. Midterm Review Report (Uruguay).

[122] Adaptation Fund. 2015. Reducing Risks and Vulnerabilities from Glacial Lake Outburst Floods in Northern Pakistan. Terminal Evaluation Report; Egypt MTR.

[123] AFB. 2010. Project Level Result Frameworks and Baseline Guidance Document. AFB/EFC.2/3.

[124] AFB. 2010. Project Level Result Frameworks and Baseline Guidance Document. AFB/EFC.2/3.

[125] Progress on Adaptation Fund result areas are only reported at mid-term or project completion stage in the PPRs.

outcome was not identified as relevant for the project, at the proposal submission stage. Most assessments were localized to targeted geographical areas; and fewer projects supported national-level assessments. Assessments focused on disaster and climate risks, socio-economic risks and environmental stresses.

The risk and vulnerability assessments differed in quality. Online KIIs indicated that in general, the quality of assessments was satisfactory. Good practice examples include the projects in Pakistan and Ecuador, where the quality of assessments was deemed "good" in the respective evaluation reports because of the inclusion of relevant partners and assessment methodology integrating participatory methods. [126] However, the structured review of evaluation reports and online interviews with IEs highlighted gaps in these assessments which limited their utilization, particularly for informing project strategy. Some of the gaps highlighted were that the assessments lacked quality evidence and deeper analysis of risks, and the reports lacked justification for recommended adaptation actions.[127]

- ***Output 1.2: Targeted population groups covered by adequate risk reduction systems***
- ***Output Indicator 1.2: # early warning systems (by scale) and no. of beneficiaries covered***

Of the 17 projects with targets on EWS, five have reported progress. To date, 31 EWS have been completed out of 52 planned.

The PPRs and evaluation reports show that risk reduction systems included early warning, climate monitoring and risk reduction systems. About a third of the planned systems are regional systems; the others are localized systems for project target areas or national systems. These systems collect data and generate information on a range of risks, the majority being drought and inland and coastal flooding.

In general, the risk reduction systems were well designed. The structured review of evaluation reports and feedback from IEs show that several systems integrated features to enhance the reliability of data generated from the systems by employing technology such as automated weather stations or glacial monitoring censors/cameras to feed real-time weather data and forecasts.[128] Other systems aimed to develop user-friendly platforms to increase the utilization of data generated from existing weather systems (for example, the online platform developed for farmers in Egypt, and the integration of climate data into weather forecasts disseminated through media in Madagascar).[129]

The PPR review, structured review of project evaluation reports and KIIs with IEs highlighted instances that limit the utilization of the risk reduction systems developed under the projects. Common issues reported were projects not having the appropriate infrastructure to disseminate information collected through the weather systems, such as internet availability in remote areas; and projects not having relevant platforms in place for data sharing, data integration, data management and/or data analysis.[130] Project reporting also highlighted cases where projects had limited scope for regular updates.

[126] Pakistan TE; Ecuador MTR.

[127] Adaptation Fund. 2016. Enhancing resilience of communities to the adverse effects of climate change on food security, in the province of Pichincha and the Jubones river basin (FORECCSA). Midterm Project Review (Ecuador); Adaptation Fund. 2017. Addressing climate change risks to farming systems in Turkmenistan at national and community level. Terminal Evaluation Report; Solomon Islands TE; Adaptation Fund. 2015. Reduction of Risks and Vulnerability Based on Flooding and Droughts in the Estero Real River Watershed. Terminal Evaluation Report (Nicaragua).

[128] Solomon Islands TE; Pakistan TE.

[129] Egypt MTR; Madagascar MTR.

[130] Solomon Islands TE; Adaptation Fund. 2015. Climate Change Adaptation Programme in the Coastal Zone of Mauritius. Midterm Review Report; Adaptation Fund. 2017. Reduction of climate change risk and vulnerability in the Momposina depression region in Colombia. Midterm Review Report.

- ***Progress toward Outcome 1***
- ***Outcome Indicator 1.1: Relevant threat and hazard information generated and disseminated to stakeholders on a timely basis***

Of the 17 projects with planned targets for this indicator, 15 have reported progress (see Appendix 10, Table 24). The vulnerability assessments and risk reduction systems are generating critical climate and disaster risk information that did not previously exist for several types of risks such as Glacier Lake Outburst Floods (GLOF), and storm surge, and are contributing substantially to the generation of risk information at local levels that did not previously exist (for example, the risk reduction system in Ecuador was the first of its kind implemented at the local level).[131] The risk reduction systems that have been completed are functioning and being utilized for preparedness activities.[132]

While it is premature to make an overall assessment of this outcome as very few projects in the portfolio have completed relevant activities to date, the utilization and sustainability of these systems depend on how well they fit within the institutionalized disaster management/climate response systems and how well these systems are integrated vertically (from local to national level) or horizontally (from water management systems to agriculture systems or across many weather stations). For the majority of the projects, it is also unclear whether plans for periodic upgrades of these systems exist or how this will be financed in the medium to long-term. An example in which some of these issues have been addressed is in the Pakistan TE report, which speaks of various measures taken toward a risk reduction system, spanning from policy making and planning initiatives to training and infrastructure investments.

Outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses

- ***Output 2: Strengthened capacity of national and sub-national centres and networks to respond rapidly to extreme weather events***
- ***Output Indicator 2.1.1: # staff trained to respond to, and mitigate impacts of, climate-related events***

Of the 21 projects with targets for this indicator, 13 have reported progress (see Table 25). To date, 4,263 staff were trained out of the 6,221 staff planned to receive training. Online interviews with IEs indicate that majority of projects conducted one or more forms of training to address climate associated risks.

The PPR review and the structured review of the evaluation reports show that majority of the capacity building activities reported under this output were associated with the operation of risk reduction systems that were developed under Outcome 1, discussed above. Majority of the trainings were highly technical, as they focused on areas such as climate modelling or coastal engineering and or new agriculture techniques.

- ***Output Indicator 2.1.2: # targeted institutions with increased capacity to minimize exposure to climate variability risks***

Of the 22 projects with targets for this indicator, 20 have reported progress. The vast majority of institutions targeted are public/government institutions. Online interviews with IEs show that the trainings targeted organizations such as local and national government agencies, NGOs and community members/groups. At the local level, institutional support was mostly targeted to organizations and committees that were activated to address disaster risk management, ecosystem management and or to maintain infrastructure/assets developed or restored under the projects.

[131] Ecuador MTR.

[132] For example, Pakistan (Pakistan TE), Mauritius (Mauritius MTR) and Solomon Islands (Solomon Islands TE).

Feedback from online interviews, the PPR review and the structured review of project evaluation reports show that in general, the trainings conducted, were relevant and trainers were competent. The trainings equipped the staff with new manuals, tools, IT systems and or new data that did not exist before. Successful aspects of the training programmes included projects ensuring that the trainings were inclusive of all relevant stakeholders (for example DRR trainings including a combination of weather/meteorology departments and disaster management agencies). Quality and sustainability of training programmes were ensured through partnerships with research and training institutes. Some projects ensured that training content was developed in consultation with target groups. Fewer projects stated that trainings emphasized gender balance or gender relevant topics.[133]

- ***Progress toward Outcome 2***
- ***Outcome Indicator 2.1: Capacity of staff to respond to, and mitigate impacts of, climate-related events from targeted institutions increased***

Of the 20 projects with targets for the indicator, 14 have reported progress against the indicator (see Table 25).

Positive impacts of this outcome are emerging as the capacity of staff of target organizations increased due to the knowledge gained from the trainings. Online KIIs confirmed that the capacity building activities of projects were very relevant as they responded to human resources and institutional gaps. Online KIIs with the IE in Honduras indicated that the government had no resources for capacity-building and that the Adaptation Fund's training for decision makers and resource users was instrumental in operationalising the multi-stakeholder coordination mechanism introduced to address adaptation priorities in the country. The ET however notes that given that these trainings introduced new concepts and practice, it is important to have continuous training and hand-holding support readily available for the target institutions. Feedback from interviews with IEs also indicated that conducive systems do not exist for the trained personnel to apply and or utilize the knowledge gained, beyond the lifetime of the Adaptation Fund projects. A commonly referred barrier is institutional transitions and turn-over of personnel particularly associated with political changes (discussed further in Section 3.5 Factors Affecting Results).

An unintended impact on capacity is evident amongst officials from IEs and executing entities (EEs) where, in addition to trainings, the project management experience contributed to enhance capacity of key stakeholders. A large proportion of IEs, during online interviews, reported increased level of knowledge and experience accumulated within IEs and EEs as a result of implementing and or coordinating project activities. Online interview with the IE in Pakistan particularly highlighted that this increased knowledge resulted in the Government of Pakistan recognizing GLOF as a critical disaster risk to the country for the first time.

Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level

- ***Output 3: Targeted population groups participating in adaptation and risk reduction awareness activities***
- ***Output Indicator 3.2: # news outlets in the local press and media that have covered the topic***

The ET's PPR review found that only one project (Senegal's "Adaptation to Coastal Erosion in Vulnerable Areas" project) reported planned targets for the indicator. This is due to the fact that the Adaptation Fund's method of reporting in the PPRs changed to a new "results tracker" format, which does not include reporting on output indicator 3.2. However, the evaluation report structured review and online KIIs

[133] Mauritius MTR; Papua New Guinea MTR.

confirmed that majority of projects utilized local media outlets to disseminate awareness information. Examples include use of radio programmes and documentary making for the project in Solomon Islands and use of radio and print media in the Pakistan GLOF project although these projects did not report under this indicator in the PPRs.[134]

Online interviews with IEs indicate that awareness-raising activities delivered through Adaptation Fund projects cover a variety of adaptation topics including climate change adaptation, agricultural adaptation measures, coastal management, water management, and DRR. These activities aim to increase the population's and target beneficiary groups' knowledge and awareness on climate issues, as well as the target groups' understanding of project interventions.

The quality of awareness programmes conducted in the projects were satisfactory. Positive aspects of the awareness raising programmes included the involvement of appropriate stakeholders and participatory methods that increased the outreach and sustenance of key messages. A good practice example of media engagement was evident in the Pakistan project where complementary training was delivered to journalists and media outlets to increase the uptake of relevant awareness raising content on climate issues.[135]

- ***Progress toward Outcome 3***
- ***Outcome Indicator 3.1: Percentage of targeted population aware of predicted adverse impacts of climate change, and of appropriate responses***
- ***Outcome Indicator 3.2: Percentage of targeted population applying appropriate adaptation responses***

Of the 24 projects with targets for indicator 3.1, 14 have reported progress to date (see Table 26). Similarly, for indicator 3.2, 16 projects had planned targets, and 10 reported progress. Out of 550,341 target beneficiaries, 310,432 beneficiaries (56 percent) have participated in awareness raising activities at time of reporting.

Online KIIs with IEs and project reporting show that projects are demonstrating successful behavioural change trends among target groups on adaptation responses; stopping sand-mining to address coastal protection, adopting innovative climate-friendly agriculture methods and improving attitudes towards prioritising DRR planning.[136] The ET concurs with existing findings of project evaluation reports which identified the need for more continuous and structured awareness building particularly when the aim is to introduce new concepts and topics or influence behavioural change.[137]

Outcome 4: Increased adaptive capacity within relevant development sector services and infrastructure assets

- ***Output 4: Vulnerable development sector services and infrastructure assets strengthened in response to climate change impacts, including variability***
- ***Output Indicator 4.1.1: # and type of development sector services modified to respond to new conditions resulting from climate variability and change (by sector and scale)***

Of the 13 projects with targets for this indicator, 9 have reported progress to date (See Table 27). The majority of projects reported "community water management" as the type of service delivered. Other

[134] Solomon Islands TE; Pakistan TE.
[135] Pakistan TE.
[136] Senegal TE; Solomon Islands TE; Egypt MTR ; Pakistan TE.
[137] The MTR for the project in Cook Islands recommended 'further awareness raising activities, as stakeholders' current awareness of the programme outcomes is limited due to the relative newness of the topic' Adaptation Fund. 2016. Strengthening the Resilience of our Islands and our Communities to Climate Change (SRIC - CC). Midterm Review Report (Cook Islands). Page 26.

types of services reported include agriculture, DRR, coastal management and, multi-sector. Online KIIs indicate that almost all projects involved one or more forms of modification or enhancement of a development service to respond to relevant climate risks although only a third of projects report on this indicator in the PPRs.

- ***Output Indicator 4.1.2: physical assets strengthened or constructed to withstand conditions resulting from climate variability and change (by sector and scale)***

Of the 16 projects with targets for this indicator, 11 have reported progress. The majority of the assets developed under these projects were done at a localized community scale (9 projects) while remaining were implemented at regional/provincial level (4 projects) and fewer projects developed infrastructure at a national scale (3 projects). Online interviews with IEs and the evaluation report structured review show that different types of infrastructure investments were supported in the portfolio such as construction of sea walls, water systems, irrigation systems and terracing and dam building.

The ET was not able assess the quality of activities relevant to indicator 4.1.1 as the scope of development services in general are very broad and the data collected in this evaluation did not provide sufficient evidence to qualify those development services.

The online interviews with IEs, PPR data and structured review of project evaluation reports show that the infrastructures developed were of mixed quality. Emerging good practices to achieve quality include the use of weather resistant building materials and designs, identification of innovative solutions such as bio-engineering and planting initiatives to replace hard infrastructure development and complementing traditional infrastructure development methods with new and innovative approaches. Feedback from IEs shows that prioritising quality has cost compromises for example the project in Senegal reduced the scale of infrastructure originally planned in order to manage costs of using weather resistant materials for the seawall and dykes built.[138] The ET further notes that in selected projects, the quality of infrastructure delivered is of sub-standard. The case study in Maldives shows that the piped water systems delivered in the project resulted in water leakages and disruptions in water supply.

Progress toward Outcome 4

- ***Outcome Indicator 4.1: Responsiveness of development sector services to evolving needs from changing and variable climate***
- ***Outcome Indicator 4.2: Physical infrastructure improved to withstand climate change and variability-induced stress***

Of the 15 projects with targets for indicator 4.1, 13 projects have reported progress. Ten projects reported planned targets for indicator 4.2, and eight reported progress (See Table 27).

In general, positive progress is being made to deliver improved infrastructure in the portfolio, which directly responds to climate impacts, however the Operation and Maintenance (O&M) of these infrastructure is key to ensuring that these gains in adaptive capacity are sustained. This is currently achieved in the projects to various degrees. The PPR review and the structured review of evaluation reports indicate good practice examples which involved setting up management committees, training personnel on O&M, formalizing O&M processes with the government through agreements and introducing innovative methods such as user-fees to cover O&M costs. Fewer evaluation reports have raised concerns that projects do not demonstrate a clear O&M strategy.[139] Limited commitment from governments on financial allocations for O&M is a barrier as well as lack of identification of an appropriate

[138] Senegal TE.

[139] Adaptation Fund. 2017. Climate change adaptation programme in water and agriculture in Anseba region, Eritrea. Midterm Review Report. Page 35; Colombia MTR. Page 7.

stakeholder at the project design stage to manage the infrastructure pose challenges at exit phase of projects. Interviews with IEs of four projects highlighted uncertainty over budget availability from government to finance O&M and poses risks to continued quality of the infrastructure delivered from the Adaptation Fund projects.

Outcome 5: Increased ecosystem resilience in response to climate change and variability-induced stress

- ***Output 5: Vulnerable ecosystem services and natural resource assets strengthened in response to climate change impacts, including variability***
- ***Output Indicator 5.1: # natural resource assets created, maintained or improved to withstand conditions resulting from climate variability and change (aggregate)***

Of the 21 projects with targets for this indicator, 20 have reported progress (see Table 28).[140] Majority of activities relevant to this indicator were implemented at local levels while the remaining projects focussed on regional/provincial scales and at national scale. The types of assets protected include catchment/watershed/aquifers, forests, mangroves, coasts, rangeland, cultivated agricultural land, national parks and or protected Areas.

The structured review of evaluation reports, the PPRs and feedback from online interviews with IEs indicate that interventions to protect natural ecosystems are implemented in a satisfactory manner. Emerging good practices include ensuring that the intervention supported the engagement of appropriate stakeholders both at national and local level (such as the central agencies, local governments, sector-based stakeholders), ensuring direct community participation the development of management plans and ensuring that the management plans are evidence based and supported by baseline data and technical studies.[141] A good example is the project in Mongolia which developed concrete management plans which were based on assessments and baseline studies.

- ***Progress toward Outcome 5***
- ***Outcome Indicator 5.1: Ecosystem services and natural resource assets maintained or improved under climate change and variability-induced stress***

Of the 18 projects with targets for this indicator, 15 have reported progress (See Table 28).

While it is premature to assess results of this outcome at this stage as results from ecosystem management and rehabilitation takes time, the ET notes that continuity of these activities are crucial to achieving results. Primary data from online interviews with IEs highlighted that projects will only sustain if the ecosystem management plans are integrated within institutionalized mechanisms for example, the project in Mongolia ensured that the management plans were mainstreamed into local planning operations.[142] Similarly, feedback from online interviews and structured review of project evaluation reports highlighted that the majority of projects are highly localized or small scale and will require additional scaling up efforts to achieve impact at the ecosystem level.

[140] Figures reported in Table 28 for "type of asset" under 5.1 are aggregates from all projects.
[141] Adaptation Fund. 2015. Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia. Midterm Review Report.
[142] Mongolia MTR. Page 2.

Outcome 6: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas

- ***Output 6: Targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability***
- ***Output Indicator 6.1.1: # and type of adaptation assets (tangible and intangible) created or strengthened in support of individual or community livelihood strategies***

Of the 17 projects with targets for this indicator, 12 have reported progress (see Table 29). The types of assets supported under these projects include development of fish processing areas, communal irrigation system, strengthened infrastructure, community-based adaptation, employee guarantee schemes and water management.

The structured review of project evaluation reports and online interviews with IEs show that majority of projects are addressing adaptation through a range of strategies. This includes innovative farming technology, adoption of climate resistant crops and introducing flood and drought management to farming communities. Selected projects introduce new farming methods to adapt to changing climate (for example the project in Eritrea introduces farming that involves a more sedentary lifestyle for farmers with supplementary irrigation support).[143] Selected projects have introduced alternative livelihood activities such as handicrafts making as a diversification strategy (for example, projects in Mongolia and Morocco). Several projects targeted women's livelihoods as an integral aspect of livelihood adaptation such as food production and water conservation this is analysed in detail in the next section.[144]

Progress toward Outcome 6

- ***Outcome Indicator 6.1: Percentage of households and communities having more secure access to livelihood assets***
- ***Outcome Indicator 6.2: Percentage of targeted population with sustained climate-resilient alternative livelihoods***

Of the 15 projects with targets for indicator 6.1, 13 have reported progress. For indicator 6.2, 14 projects reported planned targets, and 12 reported progress (See Table 29).

While substantial progress is being made under this outcome, the livelihood support under the projects will take time to yield expected results. The projects reviewed in the PPRs and evaluation reports and feedback from online interviews confirm that implementation of interventions at a 'pilot' scale. The progress achieved in this outcome depends on how the piloting and community level efforts get scaled up or integrated into broader economic development strategies including partnerships with private sector. Online interviews with IEs show two cases; the IE in India, which indicated that beneficiary farmers are being linked to formal financial products (e.g., credit) and in Egypt where a pooled finance mechanism is developed to allow collective repayment of loans for improved agriculture.

Unintended impacts on livelihoods as a result of projects include both positive and negative cases. The positive impact was seen in projects where the implementation of the Adaptation Fund projects generated employment opportunities for target communities. For example, in Mauritius, the fisher community earned an alternative livelihood during the project period, by engaging in mangrove restoration which coincided with the low catch period.[145] Similarly, the project in Georgia created

[143] Eritrea MTR.

[145] Mauritius MTR.

employment opportunities during the dam construction period in target communities.[146] The negative result was noted in a unique case where the construction of new and expanded water infrastructure in a project, which was reported in the final evaluation as incentivising water-dependent livelihoods, which may further exacerbate the water stresses driven by climate change.[147]

Outcome 7: Improved policies and regulations that promote and enforce resilience measures

- ***Output 7: Improved integration of climate-resilience strategies into country development plans***
- ***Output Indicator 7.1: # policies introduced or adjusted to address climate change risks (by sector)***

Of the 21 projects with targets for this indicator, 16 have reported progress (see Table 30). Given some projects contributed to several policies, the review indicated a total of 50 policies being developed to address climate change risks. The majority of the policies had a multi-sector focus while policies developed also focussed on environment policy/code, adaptation policy, disaster management plans and laws, water code, coastal zone adaptation and management, land use policy, flood zoning policy and agriculture polices. Majority of the policies were relevant to the national level while fewer were relevant to regional/provincial or local government/project levels.

- ***Output Indicator 7.2: # targeted development strategies with incorporated climate change priorities enforced***

Of the 11 projects with targets for this indicator, 10 have reported progress.

The activities supported under this output which involves development of policies and laws and mainstreaming climate risks into development planning are being implemented in an effective manner. This is indicated in three ways. First, several projects are producing or already have developed policies or laws that will transform a single sector or system by recognizing and enabling rights of those who are either affected by climate risks or are contributing to ecosystem management. A good practice example is the project Turkmenistan which has contributed to the new Water Code (2016) which provides legal status to community-based management of water resources, including rights to water user groups to become full-fledged participants of the agricultural sector.[148] The Water Code also successfully incorporated climate risk management into the various land management instruments including local development plans, land-use plans and regional environmental management plans.[149] Secondly, several projects are contributing to mainstreaming of climate risks into a series of multi-sector policies such as those relating to water, agriculture, flood and landslide control and infrastructure development in a comprehensive manner (for example Honduras).[150] Third, online interviews with IEs and evaluation report structured review indicate that a large proportion of projects have produced the tools and the information base that can support more evidence/risk-based local development decision making. An example of a good practice is the project in Pakistan which developed a GLOF information repository that supports local actors to use risk information in planning.[151]

[146] Adaptation Fund. 2017. Developing climate resilient flood and flash flood management practices to protect vulnerable communities of Georgia. Terminal Evaluation Report.
[147] Turkmenistan TE.
[148] Ibid.
[149] Ibid.
[150] Adaptation Fund. 2016. Addressing Climate Change Risks on Water Resources in Honduras: Increased Systemic Resilience and Reduced Vulnerability of the Urban Poor. Terminal Evaluation Report.
[151] Pakistan TE.

- ***Progress toward Outcome 7***
- ***Outcome Indicator 7.1: Climate change priorities are integrated into national development strategy***

Under Outcome 7, 27 projects reported against one or more indicator (see Table 30).

Significant progress has been made under this outcome for majority of projects while fewer projects have demonstrated limited success. The positive results of projects are evident in the successful uptake of policies and planning practices introduced by the projects by respective governments. Good practice examples include the projects in Mongolia where the Ecosystem Based Approaches have been endorsed by seventeen parliaments and in Colombia where climate risk management has been integrated into a range of planning instruments related to land management.[152] The success of integrating climate change priorities is also evident by the multi-stakeholder engagement strategies which helped to achieve a common agenda and vision for prioritising adaptation in national agendas.

For some projects, the integration of climate risks and adaptation measures into broader development and economic agendas have demonstrated limited success. Of the 17 total projects reporting on the status of development strategy integration into climate change priorities, 11 projects included baseline, mid-term, and targets for project completion reported in the PPRs. Of those 11 projects, 10 demonstrate improvements in the extent to which climate change priorities are integrated into national development strategy. One project met its target at completion at mid-term. Projects that faced challenges to integrate climate risks into development plans were mostly unable to do so because these development plans centred on growth and infrastructure development agendas (for example Solomon Islands).[153] Online interviews highlighted that this was challenging because of the limited progress made in mobilising and engaging policy makers in planning exercises and to sensitize policy makers to prioritize climate risk-based strategies or sustainable practices over interventions that yield short term economic benefits.

Portfolio gender, environment and social safeguards activities [Q3.3]

Gender inclusion

The Adaptation Fund portfolio shows positive steps in mainstreaming gender although this is not achieved systematically across the portfolio. Of the PPRs reviewed, 90 percent of projects reported female participation, 17 percent explicitly stated gender mainstreaming as a programme goal, and 18 percent of projects report activities specifically or exclusively for women such as conducting of studies/surveys on women, engagement of women-led NGOs/civil society organizations (CSOs) in the project, livelihood activities targeting women and training specifically targeting women (Table 32). One of the gaps that limited gender integration in projects in a systematic manner was because gender was not being integrated into project frameworks and baseline studies at project design stage. The structured review of project evaluation reports show only six projects including gender as part of their baseline study and design. Online KIIs with IEs show that stakeholder selection and engagement at project design stage did not systematically address gender relevant stakeholders in most projects. An exception was the project in Solomon Islands, which established partnership with the Ministry of Women, Youths, Children and Family Affairs, and the project in Ecuador, which engaged UN Women.

While the Adaptation Fund has taken appropriate measures to address gender gaps in the portfolio such as introducing the gender policy in 2016 and gender related capacity building through the readiness activities, the Adaptation Fund should further invest in ensuring projects address gender barriers in a meaningful way. Based on KIIs with IEs and the structured review of project evaluation reports, despite

[152] Mongolia MTR ; Colombia MTR.
[153] Solomon Islands TE.

participatory methods and efforts to engage women, projects encountered several obstacles: women often lacked sufficient decision-making power and struggled to voice their opinions in meetings to contribute to project strategies, and they often have limited access to land title in agriculture projects. Further, projects that included physical labour had a hard time engaging women.[154] It is imperative that the Adaptation Fund's capacity building support and guidance material equip IEs and EEs to address these barriers in an effective manner.

Environment and social safeguards

Evidence is limited and fragmented regarding the extent to which environmental and social safeguards have been applied across projects. Among the PPRs, MTRs and TEs reviewed, only six projects reported on environment and social safeguards.[155] A limited number of projects have addressed environmental safeguards by conducting environmental impact assessments or addressing climate- or disaster-related environmental impacts. In some instances, project reports acknowledged the need to address unintended environmental impacts, but how or whether this was achieved is unclear. Limited information was available to assess the quality of environmental assessments or studies that have been carried out in the projects. The structured review of project evaluation reports found one case where the evaluator found that the recommendations in the environmental study were more harmful than helpful to the mangrove ecosystem.[156]

Evidence was limited regarding implementation of social safeguards. Few projects reported on vulnerability targeting, one of which was the case study in Cambodia targeted indigenous populations or female households; beneficiary selection, however, was not supported by a vulnerability assessment. The ET identified just one example of good practice, a project in Pakistan which conducted vulnerability assessments to inform project targeting.[157]

Adaptation Fund support to IEs to systematically apply the ESP is yielding good results. The detailed ESP guidance note was introduced in 2014 and revised in line with the Gender Policy in 2016, and ESP capacity building for IEs through the readiness programme and technical grants came into effect in 2015. In online KIIs, several IEs noted that in the absence of specific guidance on how to apply the ESP, they integrated their own safeguards policies and measures. Four IEs indicated that recent support through readiness grants and seminars has enhanced their knowledge and understanding of the importance environmental and social safeguards and how ESP can be integrated and applied. Several NIEs stated in KIIs that the accreditation process and their organizations' efforts to comply with ESP have strengthened IE's internal safeguard policies (assessed further in the next section). The majority of IE e-survey respondents (78 percent) agree or strongly agree that Adaptation Fund projects enhanced local and national actors' capacity to address environment and social safeguards in project implementation.[158]

[154] Egypt MTR; Pakistan TE.

[155] Adaptation Fund. 2012-2016. Madagascar project. Project Performance Report (PPRs); Adaptation Fund. 2015-2016. Costa Rica project. Project Performance Report (PPR); Pakistan TE; Adaptation Fund. 2016. Increasing Climate Resilience through an Integrated Water Resources Management Programme. Terminal Evaluation Report (Maldives); Senegal TE; Adaptation Fund. 2017. Developing agropastoral shade gardens as an adaptation strategy for poor rural communities'. Midterm Review Report (Djibouti).

[156] Senegal TE

[157] Pakistan TE.

[158] IE e-survey, Question 38.

Direct access modality implementation [Q3.2]

This section looks at the effectiveness of the direct access modality. The ET assessed effectiveness based on two measures; (1) the Adaptation Fund's support to increase access to direct access implementation by countries and (2) the quality of direct access implementation.

The Adaptation Fund has demonstrated significant progress in strengthening direct access opportunities to a wide range of countries and increasing the role of NIEs in its portfolio. It has achieved this by improving the accreditation process and taking specific steps to target NIEs, which have proven effective. The number of NIE applications under consideration has increased since FY 11, and since 2015, the number of NIEs accredited increased from 9 to 13 (Figure 9).

The Adaptation Fund has improved the accreditation guidance and process over time. Guidance includes the NIE toolkit, guidance on accreditation standards and technical guidance notes developed on the Adaptation Fund's gender policy and ESP,[159] which NIEs reported in KIIs are useful. Process developments include the streamlined accreditation process for small entities (Decision B.23/17),[160] the re-accreditation process (Decision B.22/3) [161] and fast-track accreditation with GCF at re-accreditation (Decision B.28/38).[162] Since the approval of the streamlined process in April 2015, three NIEs have been accredited through the streamlined process as of July 2017.[163] AP members report in KIIs that the streamlined accreditation process is effective and beneficial, as demonstrated by the Cook Islands and Armenia, which would have otherwise found accreditation difficult. With respect to fast-track accreditation, as of June 2017, the GCF had fast-track accredited 10 of the 17 NIEs based on their prior accreditation with the Adaptation Fund.[164] According to KIIs with AP members and the AFB Secretariat, the value of the re-accreditation process to NIEs was particularly demonstrated by the increased number of NIEs seeking re-accreditation with the Adaptation Fund, even in cases where countries have reached the $10 million funding cap, which means that they would not be able to receive Adaptation Fund funding even if re-accredited.

Measures, such as the 50/50 funding split between MIE-RIE implemented projects and those by NIEs (Decision B.12/9), have been particularly successful. The Phase I evaluation found that that the 50/50 cap was "absolutely necessary" and has contributed to the success of the direct access modality as it addressed the imbalance of MIE and NIE projects.[165] As a result of these measures and other outreach activities organized with UNFCCC, the number of applications under consideration for NIEs has slightly increased since FY 11 (Figure 9).[166] Other helpful measures include small grant assistance to NIEs and the climate readiness activities. NIEs stated in online KIIs and during the case study research that the project formulation grant was a valuable resource, especially for NIEs with limited time and financial resources to

[159] The Adaptation Fund's accreditation process is composed of a set of accreditation standards that NIEs must meet. This is related to legal status, financial and management integrity, institutional capacity, transparency, self-investigation and anti-corruption. The IEs also must comply with the Adaptation Fund's Environment and Social Safeguards Policy (ESP) and, most recently, its gender policy. The accreditation applications are reviewed by the AP. Accreditation, once achieved, is valid for five years, unless there are reasons for cancellation or suspension of the accreditation. (NIE toolkit)

[160] This process involves taking compensatory measures for current fiduciary standards based on smaller entities' institutional risk profile (AFB. 2014. Options for the Accreditation of Small Entities. AFB/EFC.14/3.)

[161] The accreditation is up to five years. Reaccreditation allows for entities to renew their accreditation at the end of five years (AFB. Options for the Accreditation of Small Entities. AFB/EFC.14/3.)

[162] This means that if re-accredited with the Adaptation Fund, the IEs are eligible for fast-track accreditation with the GCF.

[163] UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6.

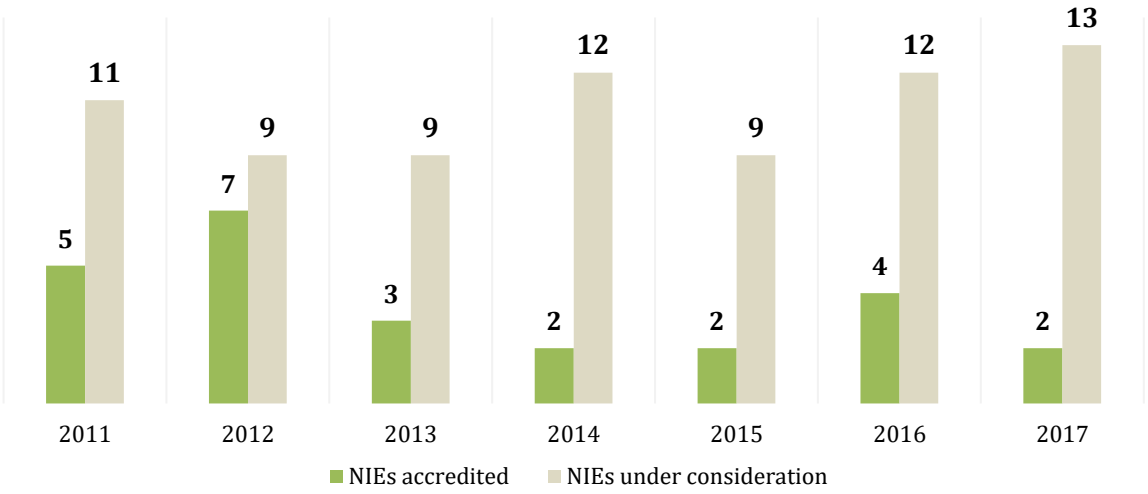
[164] Ibid.

[165] TANGO International. Independent Evaluation of the Adaptation Fund. First Phase Evaluation Report. Page 35.

[166] MIE proposals that are not funded are channelled into a pipeline and funded when additional funds become available, although recent (2016) data indicates that there are no MIE projects under consideration in the pipeline (Source: Germanwatch. Adaptation Fund Projects Tracker).

spend on project scoping assessments. Stakeholders interviewed during case study research indicate a similar experience as project formulation grants are valuable in conducting community needs assessments through participatory methods. Project formulation grants are also useful to hire external consultants whose technical expertise is a valuable input for the design stage. Accredited NIEs reported in KIIs that although the project formulation grant was useful, the $30,000 limit is insufficient for full proposal development. Similarly, technical grants for gender and ESP that were granted were necessary as many NIEs lack internal policies and capacity to apply gender and ESP principles.

Figure 9: Number of applications accredited and under consideration by the AFB by IE, FY11-FY17



Source: AFB. 2013. Annual Performance Report for Fiscal Year 2013. AFB/EFC.13/3.; AFB. 2017. Annual Performance Report for Fiscal Year 2017. AFB/EFC.21/3/Rev.1.; AFB. 2013. Annual Performance Report for Fiscal Year 2013. AFB/EFC.13/3/Rev.1.

Assessing the quality of project implementation by NIEs in comparison to projects implemented by MIEs was challenging because majority of NIE projects are under implementation and have not reached the same level of maturity as most MIE projects. For example only one NIE project was included among 8 TE reports available and only 4 NIE projects were part of the 16 available MTR reports. A detailed look at these NIE evaluation reports however show positive performance including the TE of the Senegal project which was delivered successfully despite the complexity of infrastructure interventions in the project. The Argentina and South Africa case studies and feedback from NIEs interviewed online, confirm that in general, NIEs are adequately implementing projects and coordinating with national EEs although feedback from AFB stakeholders show that MIE projects are typically managed in a smoother manner than NIE projects. This may be due to less experience and institutional capacity of NIEs compared to MIEs in implementing climate fund projects.

At the same time, the direct access implementation is contributing to strengthening the internal capacity of NIEs to manage and implement climate finance. The ET finds that accredited NIEs have improved their project cycle management, financial and accounting systems, monitoring capacity, and knowledge management as a result of Adaptation Fund accreditation criteria. The majority of IE e-survey respondents (58 percent) and all NIEs agree or strongly agree that the direct access modality strengthens national capacity and leadership on adaptation.[167] NIEs stated in online KIIs that, despite initial challenges, NIEs have improved and formalized internal processes related to transparency, accountability and compliance

[167] IE e-survey, Question 46.

with environmental and social safeguards. They are also building on project experience and lessons to improve project delivery in many cases.

As discussed in Section 3.1, the climate finance literature associates direct access with increased country ownership and accountability,[168] which in turnincreases project sustainability. Some NIEs reported in KIIs that they planned to link Adaptation Fund projects to longer-term government budget and policy-making processes. The ET finds that NIEs are better positioned than MIEs to achieve this for two reasons: (1) NIEs will continue to have a presence in the country beyond project period, which may not be true for MIEs,[169] and (2) as highlighted in the relevance section, the majority of NIEs are either government entities or work closely with the government in their respective countries, which increases their leverage to apply project lessons in national dialogues and action on climate change adaptation. Project sustainability is also ensured through additional climate finance to support project replication or scaling up. As discussed above, re-accreditation with the Adaptation Fund has helped NIEs access GCF funding. KIIs with NIEs further confirmed that Adaptation Fund accreditation is a "badge" of credibility within the global climate funds and increases their access climate finance from other sources. NIEs also reported in KIIs that their ability to access climate finance has been strengthened by the capacity they gained in project development process.

Interviews and case study field visits indicate that the enhanced direct access model currently being piloted in South Africa has good potential to further increase local ownership and strengthen accountability in climate finance. Another important emerging result is that this creates opportunities to engage a wider range of stakeholders. Importantly, preliminary findings from South Africa show that enhanced direct access facilitates broader engagement with civil society at national and local levels in planning and implementing adaptation finance than is typically the case in the current direct access projects. The South Africa project has an explicit learning component that includes analysis of the scaling up of the small grants facility model that is used to demonstrate the enhanced direct access. It will be important to review lessons from this project to understand challenges and opportunities related to the small grants model as well as project institutional arrangements that may have implications for broader roll out of enhanced direct access.

Climate finance readiness implementation [Q3.6]

The Adaptation Fund's climate readiness programme is demonstrating positive results. Although the number of NIEs being accredited can be clearly linked to readiness support activities conducted, this is less apparent when looking at whether the Adaptation Fund has been able to increase the number of projects for NIEs as a result of the readiness programme. The number of accredited NIEs increased from 13 in May 2014 to 25 by April 2017 (the same period of readiness programme implementation).[170] As mentioned above the readiness grants are benefiting NIEs to meet accreditation standards and particularly comply with gender and ESP criteria. Feedback received from NIEs highlighted that one-on-one sessions during the readiness seminars have helped NIEs in the accreditation process. With regard to project approvals for NIEs, the number of projects has increased; as of July 2017, 23 approved projects and $151.77 million have been committed to NIEs.[171] While there may be an indirect link; increased accreditation due to support from the readiness programme increasing the volume of project submissions by NIEs, interviews with PPRC members indicated that at this stage, it is not possible to establish a clear

[168] Masullo, Indira, and others. Direct Access to Climate Finance: Lessons Learned by National Institutions.
[169] The ET found that in two MIE projects that have been completed, the project teams have moved on are not operational in the country.
[170] UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6.
[171] Ibid.

link that the readiness programme has contributed to improved quality of proposals submitted by NIEs, thus increasing their likelihood of an Adaptation Fund project.[172]

Some gaps exist in the execution of the readiness programme. Feedback from AFB stakeholders indicated that the effectiveness of the readiness seminars and workshops conducted by the Adaptation Fund are not clear at this stage. One issue highlighted was that they are typically attended by junior or technical officers within the government who do not have leverage to influence or improve the direct access path of that country. It is therefore not clear as to how the knowledge disseminated through these workshops reach government decision makers on climate finance such as the identification of NIEs to seek direct access. Similarly, interviews with NIEs indicated that some were not aware of the Adaptation Fund's community of practice among NIEs.

The readiness programme has also improved partnerships and visibility of the Adaptation Fund. The Adaptation Fund has received recognition as a leader in climate finance readiness.[173] However, an emerging concern is that the surge in climate finance readiness programmes by different organizations has created confusion among developing countries.[174] This indicates the need for greater complementarity between the funds in offering climate finance readiness support.

3.4 Results and Sustainability

Progress towards higher level results [Q3.1b, 3.5, 3.8, 4.1, 4.2b, 4.6]

The section assesses the higher level results of the Adaptation Fund Strategic Results Framework. It also makes an assessment of progress using the USAID resilience measurement framework.

Progress towards Goal

The goal of the Adaptation Fund is to "assist developing-country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change in meeting the costs of concrete adaptation projects and programmes in order to implement climate-resilient measures."

The Adaptation Fund has been able to increase developing countries' access to adaptation finance. The Adaptation Fund portfolio of 63 projects supports adaptation activities in 53 countries. The ET's vulnerability targeting analysis found that the portfolio reaches vulnerable countries and regions (see Section 3.1 Relevance). A comparison of adaptation financing from the Adaptation Fund and other climate funds[175] indicates that the Adaptation Fund's footprint has been significant in several SIDS (Cook Islands, Mauritius, Maldives and Seychelles) and LAC countries (Uruguay, Chile, Colombia, Argentina, Peru, Guatemala, Cuba).[176] However, online and in-person KIIs with IEs and AFB members indicate that the current country cap of US$ 10 million might discourage countries from seeking funding and limits the Adaptation Fund's ability to enable developing countries' access to adaptation finance.

While countries appreciate that the Adaptation Fund dedicates funding for concrete action, the scale of available financing limits the extent to which adaptation costs are met. MIEs and NIEs reported in online KIIs that Adaptation Fund financing is relatively small with respect to the adaptation costs in the countries where it funds projects and when compared with other national, bilateral and multi-lateral funding sources. The Adaptation Fund's contribution to countries' ability to meet costs of adaptation action

[172] According to PPRC members, the quality of proposals differ case by case and with no common trends associated with readiness beneficiaries.
[173] AFB. 2015. Report of the Twenty-Fifth Meeting of the Adaptation Fund Board. AFB/B.25/8.
[174] Druce, Laura, Christine Grüning C. and Carola Menzel. 2013. Key messages on direct access to international climate funds from participants of the NCFISP. Policy Brief.
[175] SCCF, LDCF, PPCR, Small-holder Agricultural Programme.
[176] UNFCCC. Third review of the Adaptation Fund. FCCC/TP/2017/6. Figure 2, Page 9.

depends on how well countries can catalyse finance and programming from the Adaptation Fund grant, as discussed in the section below.

Progress towards impact and objective

The Adaptation Funds impact statement is to achieve "increased *resiliency* at the community, national, and regional levels to climate variability and change." Its objective is to "reduce vulnerability and increase adaptive capacity to respond to the impacts of climate change, including variability at local and national levels."

Given that the impact statement focuses on resilience and the objective focuses on aspects of resilience capacities, the ET analysed progress made toward impact indicators and outcomes using the USAID resilience measurement framework, which covers both and has been widely adopted by many global stakeholders (see Appendix 3.3).[177] The ET looked at the extent to which the Adaptation Fund portfolio has contributed to the three resilience capacities: (1) absorptive, (2) adaptive, and (3) transformative capacity (as defined in Section 2.2 Evaluation Methodology), and whether these combined contributions constitute meaningful progress towards the Adaptation Fund impact statement of increased resilience.

Although evidence of impacts will take time to emerge and robust measurement of resilience is limited by data gaps (as described in Methodology) the analysis below found that, based on project proposals, all 63 projects proposed activities that contribute toward at least one resilience capacity, and 55 projects proposed activities that contribute to more than one, with the most focus on transformative and adaptive capacities. Although many activities contribute to multiple capacities, each activity was counted in the category to which it most strongly contributes. For example, the social capital that develops from improved coordination and collaboration within and across groups contributes to all three resilience capacities, but improved coordination and institutional capacity building were counted toward transformational capacity.[178] Moreover, these activities, with expected strong contributions to adaptation outcomes, align with the Adaptation Fund Theory of Change.

Contribution to absorptive capacity

Project proposals indicate that 21 projects (33 percent of the portfolio) included components that contribute to absorptive capacity, which is comprised of strategies used to prepare for or mitigate the impacts of shocks and stresses. Activities toward Outcomes 1 and 3 contribute to absorptive capacity with their focus on reducing exposure to climate-related hazards. Increased access to risk information improves absorptive capacity by supporting long-term planning and informing people of the need to implement preparedness measures.

The progress reported toward Outcome 1 and 3 (see Section 3.3) indicates that the portfolio is contributing to the Core Indicator Impact 1.[179] The Adaptation Fund's most recent APR aggregated expected results from all project proposals in the portfolio and found that as of June 2017, Adaptation Fund activities toward Impact 1 have supported or aim to support 5.3 million beneficiaries and develop 118 EWSs by the projects' completion dates.[180] Projects are generating new and relevant disaster risk information for multiple risk types, which is being used to identify local hazards and inform preparedness activities. Adaptation Fund projects are replacing outdated systems with more advanced technology,

[177] USAID. Building resilience to recurrent crisis: USAID Policy and program guidance.

[178] Woodson, Lisa, and others. 2016. The Effects of Social Capital on Resilience Capacity: Evidence from Ethiopia, Kenya, Uganda, Niger and Burkina Faso. Feed the Future. Technical Report Series No.2 Report 4.

[179] Impact 1: Reduction in vulnerability of communities and increased adaptive capacity of communities to respond to the impacts of climate change

[180] AFB. Annual Performance Report for Fiscal Year 2017. AFB/EFC.21/3/Rev.1.

facilitating more reliable, real-time data collection and analysis. Similarly, institutional capacity building activities for disaster management agencies, meteorological or climate monitoring departments and local government stakeholders contribute to better risk-based, multi-sectoral planning at local and national levels. Projects have also helped local disaster risk management groups strengthen preparedness activities through improved access to information and awareness of risk management approaches. Case study research shows that some projects are demonstrating innovative disaster risk management approaches such as the weather-based insurance index introduced in Argentina which has demonstrated a high likelihood for continuity beyond Adaptation Fund financing as well as interest from private insurance companies.

Contribution to adaptive capacity

Project proposals review indicate that 55 projects (87 percent of the portfolio) contribute to adaptive capacity, which reflects the ability to make forward-looking decisions and behaviour changes based on past experience and knowledge of future conditions. Activities under Outcomes 6 most strongly contribute to adaptive capacity with their focus on diversifying livelihoods (see Section 3.3 Effectiveness). Although adaptive capacity is frequently reported on due to the Adaptation Fund focus on climate change adaptation, the majority of reports do not concretely report on adaptive capacity. However, most reports describe activities that align with characteristics of adaptive capacity. E-survey results provide further evidence of the portfolio's contributions toward adaptive capacity. Almost all IE e-survey respondents agree or strongly agree that Adaptation Fund projects have successfully demonstrated adaptation actions (97 percent) and that Adaptation Fund projects contributed to both reduced vulnerability and enhanced adaptive capacity (91 percent).[181]

While it is still premature to determine the impact of livelihood diversification projects on adaptive capacity, the analysis in effectiveness section found that the project scale is too small to yield concrete results. The majority of livelihood activities are innovative–for example developing climate resistant crops; introducing water conservation, improved agricultural methods and diversified livelihoods such as hand-crafts–but are implemented as pilots and need to be replicated or scaled up to achieve effective change.

Contribution to transformative capacity

Project proposals review indicate that 58 projects (92 percent of the portfolio) support transformative capacity, which promotes enabling environments that support absorptive and adaptive capacity through good policies and regulations, infrastructure, formal and informal social protection mechanisms, and basic service delivery. Activities toward Outcomes 2, 4, 5 and 7 contribute to transformative capacity with their focus on strengthening institutional capacity to reduce climate-induced risks, creating infrastructure, increasing ecosystem resilience, and improving policies and regulations to promote resilience, respectively. Based on the Adaptation Fund's most recent APR reporting on core indicators,[182] as of June 2017, projects aim to or have developed 54 policies to address climate change risks, protect 121 km of coastline, and restore or protect 138,574 ha of natural habitats, demonstrating progress toward Impacts 2[183] and 3.[184]

Multiple projects have supported capacity building and policy instruments for provincial, regional and local governments and policies. The South Africa case study is an excellent example where local stakeholder engagement particularly helped a civil society team determine and implement adaptation priorities. Another area of contribution is in legislative frameworks and regulations. The Water Code developed in the Turkmenistan project is comprehensive legislation which gives rights to water users. The

[181] IE e-survey, Questions 30 and 31.
[182] AFB. Annual Performance Report for Fiscal Year 2017. AFB/EFC.21/3/Rev.1.
[183] Strengthened policies that integrate climate resilience strategies into local and national plans.
[184] Increased ecosystem resilience in response to climate change induced stresses.

Maldives case study confirmed that the Adaptation Fund project experience and the introduction of Integrated Water Resource Management prompted the government to draft the country's first water act after the project ended. The portfolio has also contributed significantly to increased adaptation and risk management capacity of national and local governments and civil society. Several projects, however, show limitations such as the need to sensitize policy and decision makers to prioritize long-term sustainable practices over short term economic agendas, which will take time. Case study research shows that NIEs benefit from Adaptation Fund financing to pilot and refine adaptation activities by operationalizing projects that had been partially developed by Project Management Unit personnel. The external funding is seen as a key contribution for qualified technical personnel to test activities in various contexts that strengthen learning mechanisms at the government-level.

Similarly, while several projects demonstrate excellent multi-stakeholder models for addressing adaptation, the portfolio as a whole does not intentionally engage stakeholders broadly to catalyse system level change. Several projects, though, demonstrate successful private sector mobilisation to address adaptation. The project in Jamaica worked with tourism sector partners on coastal protection, and the project in Mauritius aims to engage the tourism sector to improve coastal engineering methods and design to address coastal erosion. The Senegal project mobilized private sector funding to complement Adaptation Fund project coastal protection activities. According to IE KIIs, these initiatives indicate the need for raising awareness among private sector stakeholders to prioritize adaptation and recognize their stake in adaptation processes.

Unintended results [4.1, 4.7]

Unintended results emerging from the Adaptation Fund portfolio that were relevant to outcome areas of the Adaptation Fund Strategic Results Framework have been discussed in Section 3.3 Effectiveness.

One unintended effect of the Adaptation Fund portfolio is that the Adaptation Fund has influenced global partners by demonstrating effective climate adaptation strategies. Online interviews with IEs indicate that some of the best practices from Adaptation Fund projects' livelihood support have been adopted by other donors, including GEF and the German Corporation for International Cooperation, indicating a potential for catalytic results. Similarly, one IE reported in a KII that the "Adaptation Fund has been instrumental in piloting adaptation interventions" with women and that lessons learned from the Adaptation Fund project are being channelled into UNDP's future GEF projects. Similarly, a World Food Programme key informant stated in an interview that the organization was developing its first climate adaptation policy, building on its experience implementing Adaptation Fund projects. These examples illustrate the portfolio's broader catalytic changes.

Another unintended positive change is evident in the success of the Adaptation Fund's direct access implementation. AFB stakeholders stated in interviews that when the Adaptation Fund re-accreditation policy came into effect, NIEs responded with overwhelming and unforeseen interest (as described in Section Direct access modality implementation [Q3.2]). This was unexpected because NIEs seeking re-accreditation were from countries that had already reached the $10 million funding cap, which meant that those NIEs would not be eligible for further Adaptation Fund financing. However, NIEs and AFB stakeholders confirmed in KIIs that re-accreditation increases NIE credibility within the climate finance system.

Sustainability of portfolio results [Q 4.1 4.2a, 4.3, 4.5]

The analysis in Section 3.3 Effectiveness highlights the need for sustainability of activities under Outcomes 1-6 to achieve results. Activity continuity beyond the project is critical to the maintenance of DRR/EWS supported under Outcome 1, capacity building and awareness raising under Outcome 2 and 3, O&M for infrastructure projects under Outcome 2, ecosystem management plans under Outcome 5 and for

continuing livelihood support under Outcome 6. Scaling up and replication was most relevant to activities supporting ecosystem protection and projects supporting livelihood activities which are implemented at a 'pilot scale' and will need to be scaled up if projects are to achieve concrete adaptation benefits.

Projects address sustainability to varying degrees though insufficiently in the design stage. The ET's structured proposal review finds that while proposals require a section on sustainability and the AFB Secretariat provides concrete guidance to IEs on proposal development including addressing sustainability in a consistent manner, only a small proportion of proposals (3) provided actionable points. Gaps in proposals included limiting the discussion of sustainability to select activities rather than the whole project, not identifying stakeholders that would have a role in project sustainability and not identifying resource requirements to facilitate sustainability of project activities. Case studies and online interviews indicate that the limited engagement of appropriate stakeholders at the project design stage poses challenges. For example, the Maldives case study shows that utilities were not involved in project implementation and the project encountered several delays and conflicts over handover processes at the project end (Appendix 11.3). An online IE KII indicated that in Tanzania, it is still unclear who will manage and maintain the seawall built by the Adaptation Fund-supported project. The project in Argentina provides an example of good practice: one of the four project components was dedicated to sustainability activities including the development of a project sustainability strategy.

During implementation, IEs gain awareness on the importance of sustainability and do prioritize it as projects mature. The structured review of project evaluation reports and KIIs with IEs and AFB stakeholders provide evidence that the majority of projects are developing or have developed exit strategies such as institutional support and financial commitments to address key risks to project continuity. Another positive indication of the importance placed on sustainability is evident in the IE e-survey data where almost all respondents (93 percent) agree or strongly agree that Adaptation Fund projects will continue. However, addressing sustainability at implementation stage has limitations and needs to be better planned and resourced from the beginning.

Online interviews and the structured review of project evaluation reports show emerging good practices that positively address institutional, socio-political and economic risks. Several projects–for example, in Mongolia, Pakistan and Ecuador–have successfully integrated project activities into local development planning. Online IE KIIs highlighted a successful strategy used in a Honduras watershed management project to broaden its stakeholder engagement from individual municipalities to a consortium of municipalities, which enhanced coherence and continuity of efforts, especially important because watersheds span multiple administrative zones. The analysis of progress toward Outcome 7 (see Section 3.3 Effectiveness) highlights projects that have integrated project activities into policy frameworks such as in Mongolia, Pakistan and Colombia. This supports catalytic change and multi-stakeholder adoption of project activities at national scale. The IE e-survey found that 83 percent of respondents agree or strongly agree that lessons learned that are mainstreamed into broader stakeholder initiatives or programmes support sustainability. GCF funding for projects in Maldives, Pakistan and Georgia (discussed in the Section 3.1 Relevance) has supported scale up and replication of Adaptation Fund project activities. Similarly, the Senegal project successfully mobilised private sector finance for project scale up with complementary activities. However, scaling-up strategies need to be addressed more systematically across the portfolio and at the project design stage.

3.5 Factors Affecting Results

The focus of this section is to identify factors that affected results at the portfolio and/or Adaptation Fund level.

Project scoping and costing

Project results have been affected by inadequate budgets and the ambitious scope of proposed interventions. Most projects faced budget constraints, which resulted in a scaling-down or non-delivery of some project components. KIIs, PPRs and evaluation reports indicate that in many cases the projects' feasibility and costs were not appropriately determined at the project design stage, and IE KIIs substantiated that budget constraints were a challenge.[185] All available evaluation reports for SIDS describe complex and high-cost operating environments due to geographic spread, which was not adequately considered in project design. While budget constraints have impacted results of Adaptation Fund projects, IEs have applied lessons learned to future projects. In the Solomon Islands, for example, high transportation costs influenced UNDP to focus on individual provinces rather than multiple provinces. Other projects underestimated the cost of interventions[186] or did not account for changes in market prices and exchange rates.[187] Interviews with MIEs indicate that in many instances external consultants were involved in the project scoping and design process with limited local stakeholder engagement, which MIEs cite as a main contributing factor to inadequate costing.

Institutional arrangements and processes for project management

Selecting stakeholders for project management, especially the EE, is a concern for project implementers. IEs from several projects during online interviews and case study research reported concerns in KIIs that EEs do not have the relevant infrastructure, capacity and leadership to steer complex projects. As described in Section 3.1 Relevance, the majority of EEs are concentrated in the environment sector, which affects project quality and sustainability. For example, agriculture projects being implemented by the environment ministry limited the EE's ability to take ownership of the project, given that the environment ministry lacks an agriculture mandate. Similarly, the Solomon Islands environment ministry implemented the Adaptation Fund project, even though the agriculture ministry was better positioned to implement project activities given its more developed presence and infrastructure. Further, selecting EEs that lack previous project management experience slows the pace at which EEs are able to assemble PMUs and implement projects. For example, in Papua New Guinea, the PMU was hosted within the newly established Office of Climate Change and Development (OCCD), which lacked experience, contributing to significant delays.

The quality of coordination between IEs and EEs is an important aspect of institutional arrangements that affected whether projects had a shared vision on how to mitigate risks and implement activities. The Maldives case study found that, based on KIIs, limited IE and EE coordination was a key factor contributing to why quality assurance of contractors was not given sufficient attention; this significantly undermined the quality of deliverables. Among NIEs, some projects experienced tensions between the NIE and EE; one NIE stated in a KII that although the project had a steering committee, the equal standing of the NIE and EE made it difficult for the NIE to override decisions by the EE, which led to inefficiencies. An example of a good practice comes from Honduras, where the IE attributed the project's success in part to the high level of synergy and coordination between the MIE and EE (Secretaria del Medio Ambiente and the Secretaria Técnica de Honduras).

Institutional and administrative processes were a key factor for successful project delivery. Given that the majority of projects depend heavily on subcontracting or outsourcing work, procurement delays affected a large proportion of projects' timely implementation and quality. The ET's review of 39 PPRs found that 17 projects reported procurement delays, some of which were attributed to burdensome government

[185] Solomon Islands TE.

[186] Adaptation Fund. 2017. Enhancing the Adaptive Capacity and Increasing Resilience of Small-scale Agriculture Producers of the Northeast of Argentina. Midterm Review Report.

[187] Eritrea MTR.

procedures while others cited a lack of qualified bidders in the procurement process. Online interviews with IEs further reported difficulties identifying qualified consultants due to the highly technical focus and new information and technologies introduced by Adaptation Fund projects. IEs also indicated in KIIs that while consultants and external experts helped improved the quality of project results, systems were not always established for knowledge transfer and institutionalization, which constrained government ownership and use of deliverables. Further, a few projects reported difficulty with staff recruitment and retention, such as in the Solomon Islands, where the MIE reported that the project lacked a PMU for three years due to staff recruitment challenges.[188]

Management and staff capacity

The management skills and experience at both the IE and EE levels affected decision-making effectiveness and efficiency. Interviews with IEs indicate several projects where managers have strong technical knowledge around climate change but lack adequate project management skills. An associated finding is that several MTRs and TEs mention the need to improve work planning processes of projects, confirming a need to strengthen project management capacity at IE and EE levels. Another management gap evident in evaluation reports is the lack of supervision and accountability of consultants and contractors to ensure a high-quality deliverable.

Staff turnover is considered an implementation challenge, but it is not a major factor affecting results. PPRs and evaluation reports indicate that IE and EE staff turnover affected project continuity as replacements were often delayed. IEs stated in KIIs that staff turnover was generally manageable and within normal levels. KIIs did indicate that in some cases appropriate staffing levels and roles were not properly determined at the project outset but were later resolved or were in the process of being resolved.

That being said, case study research finds that PMUs demonstrate dynamism, flexibility, and effective coordination with stakeholders and are highly engaged with beneficiaries and attune to the changing needs of the target communities. While PMUs tend to be made up of a small team of staff with ongoing responsibilities outside the Adaptation Fund project, they are dedicated and responsive. PMUs visited were generally forthcoming with the setbacks they have encountered, which reflects thoughtful commitment to the improvement of the project. In cases where specific activities needed to be adjusted due to delays or changing needs, PMUs were able to respond to effectively manage changes.

Multi-stakeholder engagement and partnerships

Adaptation projects require multi-stakeholder approaches with participation from different sectors and/or levels of government (such as local, regional, and national). The analysis in Section 3.3 Effectiveness highlights the importance of engaging the right stakeholders, particularly when it comes to capacity building, disaster risk coordination, and ecosystem and infrastructure management. The evaluation report structured review found that 20 projects reported stakeholder identification and/or participation as an important factor affecting project implementation. A key lesson from the Jamaica project–where stakeholders opposed hard infrastructure expected to diminish aesthetic appeal in a tourist area–is that without stakeholder buy in, conflict can delay project implementation.

For the majority of projects with community-based interventions, local level engagement and coordination was critical. An example of a good practice comes from the project in Eritrea where frequent delays in fund disbursements were mitigated by using local government resources, thus reducing disruption of project activities. Local stakeholders including local government and civil society actors also

[188] The MTR noted low education/high school completion rates in the country – 40%.

contribute positively to project monitoring, which helped improve project quality. Four IEs reported in online KIIs that local stakeholder engagement was key to tailoring activities to the community context.

Enabling policy and political environment

The external environment hindered project delivery for some projects more than others, particularly personnel changes for government stakeholders directly involved in project implementation. Elections, institutional transitions, and policy changes also affected the project timeliness or quality, as reported in PPRs (see Table 4).

Table 4: Projects reporting political and/or policy changes in their most recent PPR

 # projects reporting political/policy changes in their most recent PPR: 16 (of 39 PPRs reviewed)

Type of change	# projects	Countries
Elections	3	Argentina, Mongolia, Sri Lanka, Tanzania
Institutional transitions	5	Cambodia, Georgia, Mongolia, Pakistan, Sri Lanka
Policy changes	3	Madagascar, Senegal, South Africa
Changes in personnel	10	Ecuador, Jamaica, Madagascar, Mongolia, Pakistan, Papua New Guinea, Samoa, South Africa, Sri Lanka, Uzbekistan

Source: ET review of PPRs.

Primary data indicated similarities among certain projects within the portfolio. For instance, the Sri Lanka project experienced substantial impacts when presidential and parliamentary elections resulted in a series of structural changes in the executing agencies and turnover of government officials. These changes coincided with the project operationalization phase and led to a two-year lapse between project approval date and the inception workshop; the project was not implemented until one more year after that. During this delay, the DA changed three times.[189] The project took more than a year to set up its project support unit due to a recruitment freeze. In a KII, the MIE reported that the complex and bureaucratic government systems in Sri Lanka that have strongly limited project implementation. The most recent PPR available for the project rated project status as "unsatisfactory," and the project timeframe has been extended from its intended duration of three years to seven years.[190] In a project in Senegal, the appointment of a new minister to the EE near the end of the project and subsequent creation of a new team of project counterparts within the ministry caused delays for the NIE. The NIE noted in a KII that a key member of the EE, who had been involved in the project, was reassigned, which was also a challenge.

Monitoring and Evaluation (M&E)

At the Adaptation Fund level, monitoring and evaluation capacity is still emerging. Project monitoring is distributed across several AFB Secretariat staff members who manage a fluid number of projects. The AFB has also approved an evaluation function for the Adaptation Fund by setting up the Technical Evaluation Reference Group (Decision B.30/38).[191] KIIs with the AFB Secretariat indicate that recruitment for the Technical Evaluation Reference Group will begin shortly. While these steps and actions will help to generate data needed to strengthen delivery of Adaptation Fund portfolio activities, the ET notes that these systems and roles need to be activated quickly to keep pace with the quickly growing portfolio.

The AFB Secretariat's key tool for monitoring the portfolio–its portfolio database–can further be strengthened to include performance data of projects. Interviews with the AFB Secretariat confirmed that an information system is currently being established to automate portfolio data compilation and the system will include a dashboard that provides a snapshot of the portfolio. This is a step in the right

[189] Adaptation Fund. 2014-2016. Sri Lanka project. Project Performance Reports (PPRs).
[190] AFB. 2016. Annual Performance Report for the Fiscal Year 2016. AFB/EFC.19/3.
[191] AFB. 2017. Report of the Thirtieth Meeting of the Adaptation Fund Board. AFB/B.30/11

direction to strengthen the management of the database. Review of APRs and interviews with AFB Secretariat however show that only planned targets and data are captured in the portfolio database – progress against outcome and output targets and core indicators are not captured. Other tools for monitoring the portfolio include project reporting and the ET notes that quality assurance of PPRs and evaluation reports needs attention. In some evaluation reports, the accuracy of information was questionable.[192] Similarly, many evaluation reports lacked quality analysis and standardized interpretation of evaluation questions, limiting structured analysis of project evaluation reports. The review of 39 PPRs found several inconsistencies in the way project information is reported in the results tracker. At least one-third of PPRs either did not provide baseline or target information in the results-tracker tab. Similarly, performance data and self-ratings are not reported consistently. This limited the ET's use of PPR data to analyse effectiveness.

The monitoring and evaluation arrangements at project level affect the quality of results and the ability to measure project performance. Although project M&E ratings in evaluation reports show that the majority of projects are "satisfactory" or better (Table 5), several gaps were found in the evaluation report analysis section. One such gap is the design of project results frameworks and logframes where (1) outputs and outcomes are not coherent with the overall project objective, and (2) outputs and indicators were either not selected or sufficiently developed to measure project performance. The structured review of project evaluation reports show that the projects lacked sufficient baseline and endline data. Where baseline information was collected or detailed studies were conducted, the evaluations noted the value of these studies in determining project effectiveness and impact.[193] Other issues are that not enough capacity and time are dedicated to systematic monitoring and follow-up of project activities, and that PPRs and MTRs are not used for early detection of project challenges. Several projects reported that because community-level monitoring was limited, problems were not detected in a timely manner, delaying actions to address them.[194] Moreover, only three of the eight TEs reviewed by the ET provide evidence that the IE followed through on MTR recommendations. In those projects, implementing the recommended actions improved project delivery and quality.[195]

Table 5: Ratings of project M&E, as reported in TEs and MTRs

	TEs			MTRs		
Rating	M&E design at entry	M&E plan implementation	Overall quality of M&E	M&E design at entry	M&E plan implementation	Overall quality of M&E
Highly satisfactory	2	1	2	1	1	1
Satisfactory	2	5	3	3	2	2
Moderately satisfactory	1	0	1	5	7	7
Moderately unsatisfactory	1	1	1	1	0	0
Unsatisfactory	2	1	1	0	0	0

[192] The ET's review of evaluation reports for example showed that the MTRs for projects in Samoa and Cook islands were written by the same consultant, the structure and content of the MTRs were very similar to the extent that information reported on an project area in Cook Islands – Pa Enua was included in the Samoa MTR (Samoa MTR, page 15).

[193] Pakistan TE.

[194] Maldives TE; Papua New Guinea MTR; Djibouti MTR.

[195] The TE of the Solomon Islands project specifically noted the value of the MTR, which "sent shock waves across the involved implementing partners, reaching even the highest levels of decision-making at government and UNDP global levels. …The action taken based on the MTR recommendations combined with profound reforms at the staff of the project management unit and with the new project national leadership that took over by the end of 2013, meant that project implementation effectively took off by 2014." (Solomon Islands TE).

Total # of projects	8	10*

Source: ET review of 8 TEs and 16 MTRs

* Only 10 MTRs provided a rating for these indicators.

Knowledge management

The Adaptation Fund is making progress in knowledge management and has potential to lead knowledge management on adaptation amongst climate finance partners. Interviews with the AFB Secretariat indicate that a new knowledge management officer was recruited in 2017 and feedback from external stakeholders show that Adaptation Fund was producing good quality knowledge products and tools. E-Survey data for IEs show that the majority of respondents agree or strongly agree (67 percent), that the Adaptation Fund's knowledge products are appropriate and accessible while 20.59 percent neither agree nor disagree.[196]

The ET's review of Adaptation Fund documentation and interviews with AFB stakeholders however show that the Adaptation Fund's knowledge products are centred on institutional processes and activities and focus was currently limited on consolidating the portfolio experiences and generating lessons on adaptation projects. The ET also finds that the knowledge gained and documented are not fully institutionalized internally and externally. Interviews with AFB Secretariat staff indicate that while individual members of the AFB Secretariat have read project evaluation reports and accumulated project implementation experience, there is no platform or periodic team activity to foster collective learning from individual projects. Interviews with PPRC and AP members indicate that evaluation report findings and lessons are not systematically used to inform the quality of new proposals or re-accreditation of IEs. The feedback loops and learning within the Adaptation Fund and with other climate finance partners needs to be institutionalized in an organized manner.

4. Conclusions and Recommendations

4.1 Conclusions

Relevance

1. **Value added of the Adaptation Fund:** The Adaptation Fund remains relevant to the global climate finance architecture through its various activities. The fund specifically adds value to the global climate finance architecture in three aspects; exclusive focus on adaptation, supporting concrete activities and direct access implementation. Countries appreciate the Adaptation Fund's exclusive focus on adaptation which aids them in more straightforward decision making on addressing adaptation priorities where as for other funds the option for adaptation versus mitigation funding makes decision making more complex. The support to concrete activities is also considered a strength of the Adaptation Fund; the specialised focus on concrete adaptation action makes its processes more streamlined and provides good quality accompaniment to its projects. Adaptation Fund is also well positioned to continue to champion the direct access modality through effective and efficient accreditation processes and clear guidance, having access to the largest network of NIEs compared to other funds, and in supporting other climate funds such as the GCF to implement direct access.
2. **Complementarity with other climate funds:** The similarities and differences between the Adaptation Fund and other climate funds suggest a strong basis for coordination and collaboration. While good-practice examples in achieving complementarity with other climate funds exist, such as leveraging GCF

[196] E-Survey with IEs – Q28 and 29

financing to scale up Adaptation Fund project activities, a need exists for the funds to establish operational linkages to harmonize portfolios and activities at national level, more systematically.

3. **Portfolio coherence with the Adaptation Fund mandate:** The portfolio is fully aligned to the Adaptation Fund mandate of financing concrete adaptation action. All projects meet the "concrete" criterion as defined by the Adaptation Fund. Projects meet the adaptation criteria by addressing a variety of risks associated with different climate drivers. However, there is room for projects to further strengthen the adaptation rationale by improving the presentation of evidence (or gaps in evidence) more clearly and demonstrating how the proposed adaptation measures address risks associated with relevant climate drivers.

   The Adaptation Fund mandate emphasizes providing finance to countries that are "particularly vulnerable to the adverse effects of climate change" (Decision 1/CMP.3). The vulnerability targeting of the Adaptation Fund portfolio is appropriate. More than half of the projects are in a LDC/SIDS or African country. Including climate risk indices in vulnerability considerations increases the number of projects considered vulnerable, compared to using SIDS-LDC-Africa criteria alone.

4. **Portfolio coherence with Adaptation Fund strategic priorities:** Adaptation Fund strategic priorities centre on principles of national ownership. Projects in the portfolio align closely to national policies and plans on adaptation and national development. The implementation arrangements of projects are conducive to achieving national ownership: the majority of executing agencies are government agencies, indicating potential for national decision making and the use of national systems. The direct access modality and the use of NIEs further reinforce the utilization of national project management, monitoring and financial systems, and leadership. National ownership principles also emphasize broad stakeholder engagement. While some projects in the portfolio are good examples of multi-stakeholder coordination, for the majority of projects, stakeholders involved in project execution are concentrated in the environment sector.

5. **Portfolio alignment to global commitments:** The Adaptation Fund portfolio aligns with various global commitments on climate finance and international development. This is achieved through the Adaptation Fund's mandate and strategic priorities which closely reflect COP/CMP guidance, the principles of the CAF and the Paris Agreement. The portfolio is also relevant to Article 7 of the Paris Agreement, which emphasizes the need for more bottom-up, transparent, participatory and gender-responsive action. The Adaptation Fund gender policy, ESP and direct access modality reinforce these principles. Although the SDG agenda and the Paris Agreement were adopted in 2015 and the majority of projects in the portfolio precede these international agreements, the Adaptation Fund portfolio relevant to the SDGs and the NDCs.

Efficiency

6. **Efficiency of Adaptation Fund processes:** The Adaptation Fund is efficient in managing accreditation and project cycle processes, though time and cost pressures have increased with the expanding portfolio. In addition to the volume of accreditation applications, the accreditation process is in some cases delayed by institutional challenges facing NIEs and a lack of political support within national governments for direct access to climate financing. Project approvals are slowed down by time needed to ensure that projects meet the Adaptation Fund's new gender and revised ESP criteria. Despite the increasing volume of accreditation applications and project proposals, the ET found that the AFB Secretariat remains efficient and responsive to project stakeholders and contributes positively to the overall project cycle efficiency of the fund.

7. **Efficiency compared to other funds:** Compared to other climate funds, the Adaptation Fund has a clear advantage in its efficient processing of project approvals. Data also show that the Adaptation

Fund has a lean structure with the smallest secretariat and manages a variety of work streams, which is indicative of cost efficiency in its operations. When using two standard indicators for which data were available for all funds however: administrative budget as a proportion of cumulative contributions, and cost per approved project, the Adaptation Fund does not have a clear cost advantage compared to other funds as it incurs higher transaction costs, primarily due to its smaller size.

8. **Efficiency of the portfolio:** In general, projects in the Adaptation Fund portfolio are delivered as planned. However, projects were often delayed at start-up and implementation stages, resulting in project timeframe extensions and other revisions. Cost-efficiency aspects of the portfolio were difficult to assess given the gaps in project designs: project costing and forecasting was not done accurately during project formulation and project designs were over-ambitious, which resulted in project activity revisions and budget revisions. Similarly, cost-effectiveness was not viewed and assessed consistently across proposals. The only indication of project cost-efficiency that was clearly evident across the portfolio was the cost-saving measures undertaken by projects during implementation.

Effectiveness

9. **Progress toward outcomes:** The Adaptation Fund is making progress towards the seven outcome areas of the Adaptation Fund Strategic Results Framework. Under Outcome 1, the completed risk reduction systems are functioning and being utilized for preparedness activities. The vulnerability assessments and risk reduction systems are contributing to new localized evidence on climate risk information. Under Outcome 2, project training programmes and capacity-building activities have increased staff and institutional knowledge on addressing climate-related risks and adaptation; they have also increased capacity in technical fields such as climate modelling, climate-smart agriculture or coastal engineering. These capacity-building interventions were highly relevant, responding to human resource and institutional gaps, and necessary for driving adaptation action in the respective countries. Under Outcome 3, projects demonstrate positive trends in behavioural change due to awareness-building activities among target groups in several areas: stopping sand-mining to address coastal protection, adopting innovative climate-friendly agriculture methods and improving attitudes towards prioritising disaster risk reduction planning. Under Outcome 4, progress is being made toward improving infrastructure that directly responds to climate impacts, such as sea walls, flood protection, water management and irrigation systems. Similarly, under Outcome 5, projects are contributing to protection, restoration and rehabilitation of a range of ecosystems including forests, mangroves and river basins. Under Outcome 6, while substantial progress is being made, livelihood support under the projects will take time to yield expected results. The ET also notes that most livelihood interventions are implemented at a pilot scale and that their full impact cannot be realized until project results are integrated into larger national programmes or international funding. Outcome 7 emphasizes the institutional support that complements the support to the physical and concrete adaptation actions. Activities under this outcome show emerging evidence of improved attitudes and capacity to support climate-risk-based planning within target governments, and positive changes in planning practices such as integrating multi-sector and more inclusive processes.

10. **Effectiveness of gender policy and ESP implementation:** The application of ESP and gender principles is not systematic across the portfolio but positive efforts to build IE capacity to implement the gender and ESP criteria are emerging. While positive interventions on gender mainstreaming are apparent in the portfolio, no systematic approach was applied to identify gender issues, address them in project frameworks and implement gender-targeted interventions. Similarly, with reference to social safeguards, selected projects used vulnerability targeting and identified marginalized populations, but this were not done in a systematic manner, such as by conducting a vulnerability assessment or

vulnerability mapping to identify target groups and interventions. Limited evidence was found regarding how projects addressed environmental safeguards during implementation. The ESP and gender policies came into effect in 2013 and 2016, respectively, and that gender and ESP principles may not have been applied in projects approved before the policies came into effect. The Adaptation Fund's responses to address these gaps – such as additional guidance notes for gender and ESP policies, technical grants to IEs to comply with the gender and ESP policies, and readiness seminars covering ESP and gender-related capacity building – are highly appropriate and yielding positive results.

11. **Effectiveness of direct access modality and climate-finance-readiness activities:** The implementation of the direct access modality is a success. Measures targeting NIEs such as the 50/50 cap for MIEs for the portfolio, the project formulation grant and readiness grants have been effective. Other measures to tailor and strengthen the accreditation process such as streamlined accreditation, re-accreditation and fast-track have positively benefited NIEs. Other positive results of the direct access modality include increased capacity of NIEs to manage and implement adaptation projects and increased ability of NIEs to mobilise other sources of climate finance. The direct access modality also increases project sustainability, as NIEs are continuously present in the country and work closely with national stakeholders, which may be the case for some MIEs. The South Africa case study is a successful model for facilitating enhanced direct access to climate financing. The climate finance readiness programme shows emerging positive trends such as the increased submission of accreditation applications by NIEs and increased number of NIEs accreditations.

Results and Sustainability

12. **Progress toward goal:** The Adaptation Fund has increased developing countries' access to adaptation finance. However, the current country cap of $10 million might discourage countries from seeking funding from the Adaptation Fund; it therefore limits the Adaptation Fund's ability to extend access to adaptation finance to developing countries beyond current levels. The general scale of financing available to countries also limits the extent to which adaptation costs can be met.

13. **Progress toward impact and objective:** The Adaptation Fund impact statement focuses on resilience and the objective focuses on aspects of resilience capacities. The ET therefore analysed progress toward impact indicators using the USAID resilience measurement framework. While it is premature to determine long-term results, the ET's assessment of project progress data across the three resilience capacities shows valuable results. Contribution to absorptive capacity is evidenced by projects that are generating new and more reliable disaster risk information that is being used to strengthen risk-based planning and preparedness activities at local and national levels. Contributions to adaptive capacity are evident in project-supported livelihood adaptation and diversification strategies such as developing climate-resistant crops, improving water conservation and agricultural methods, and introducing alternative livelihoods. Contributions to transformative capacity are seen in the development of climate-resilient infrastructure systems, supporting improved ecosystem management and policy building interventions. Projects demonstrate successful integration of climate risks into various development and sectoral policies, the development of legislation, and the establishment of multi-stakeholder models for addressing adaptation.

14. **Sustainability:** While sustainability strategies are less comprehensive at project design stage (as evidenced in project proposals), sustainability is increasingly addressed during project implementation. The majority of projects are developing or have developed exit strategies to mitigate risks to project continuity. However, addressing sustainability at implementation stage has limitations and needs to be better planned and resourced from the beginning. Several projects demonstrated efforts to address these risks. Good practices include integrating project activities into local development planning and

financing, and establishing strategic stakeholder engagement approaches. Projects in the portfolio also have positive strategies for enhancing project sustainability such as mainstreaming activities in policies, mobilizing financing and partnerships for replication, and scaling up of project activities.

Factors Affecting Results

15. **Internal factors:** Project implementation – and to a lesser degree, project results – have been affected by the ambitious scope of project activities and inadequate budgets/costing. This resulted in project revisions and in some cases scaling down of project activities. Evaluation reports available for all SIDS countries highlight complex operating environment and costs that were not appropriately factored into project formulations, especially in the Pacific. Stakeholder selection, institutional arrangements for project implementation, and coordination of key stakeholders were key factors that affected project performance. Several examples show that the identification of appropriate executing agency affects the level of leadership and ability to steer projects and mitigate risks. Management skills of the project team affected the efficiency and quality of project-level decision making and project work planning and forecasting. Projects with good management skills were associated with favourable project results as they were able to forecast project barriers and manage any risks. To address technical capacity and inputs, projects relied heavily on outsourcing and procurement of contractors. While in general, these consultancies improved the quality of project results, systems were not always in place for knowledge transfer and institutionalization. This affected the adaptation to local context and ownership of results. Similarly, the quality of consultants' contributions to results depended on the supervision and accountability measures in place to ensure quality of deliverables.

    At the Adaptation Fund level, monitoring and evaluation capacity is still emerging. Project monitoring is done through a central portfolio database, the management of which is currently being automated. The Adaptation Fund should make efforts to capture progress or performance data, currently only planned targets are included in the database for portfolio monitoring. The establishment of an evaluation function for the Adaptation Fund is another step forward, the ET notes that these systems and roles need to be activated quickly to keep pace with the quickly growing portfolio. At project level, M&E is generally conducted in a favourable manner although some gaps highlighted include the need for improved results frameworks at projects levels to measure impact, the need for more rigorous community based monitoring of activities to detect project problems early.

    The Adaptation Fund is making progress in knowledge management and has potential to lead knowledge management on adaptation amongst climate finance partners. The ET however finds that the Adaptation Fund's knowledge products are currently centred on institutional processes and activities and documentation is only emerging on portfolio experiences.

16. **External factors:** Overall, external factors did not significantly affect the Adaptation Fund portfolio. However, individual projects cited external factors as causing delays in project implementation. The external environment hindered project delivery for some projects more than others, particularly changes in government personnel directly involved in project implementation. Changes in ministry leadership and staffing due to elections or staff turnover were cited as impacting project timelines by causing delays to project activities while new relationships formed. 4.2 Recommendations

Project designs

The Adaptation Fund should strengthen its support and guidance to IEs to address gaps found in project designs across the portfolio. Areas to emphasize are:

a) Improve the presentation of adaptation reasoning and problem analysis in project proposals. Theory of Change is one approach that can be used for good problem analysis and identifying assumptions related to project relevance, effectiveness and sustainability. (Conclusion 3)
b) Identify an appropriate stakeholder engagement strategy including roles for ensuring sustainability beyond the project lifetime. (Conclusion 3, 14 & 15)
c) Design appropriate sustainability strategies taking into account future replication, scaling up and other systemic change that the project intends to catalyse. (Conclusion 14 & 15)
d) Estimate appropriate costing and feasibility of proposed activities (Conclusion 15)

This support to IEs can be extended during climate finance readiness activities and through the proposal screening stage by the AFB Secretariat.

Complementarity of activities

The Adaptation Fund complements other climate funds and partners by exclusively focusing on adaptation and by supporting concrete activities. The Adaptation Fund should build on existing good practice examples in the portfolio to establish systematic linkages with other funds including the GCF to coordinate portfolios and to build complementarity for concrete adaptation projects that it supports. This should intend to build synergies and minimise duplication of projects. This can be achieved through better exchange of portfolio information between the funds and establishing a referral system. Readiness activities can be organized to support IEs to design projects in a programmatic manner and structure financing from multiple sources. (Conclusion 1 & 2)

The Adaptation Fund should support countries to build complementarity of projects at national level supporting harmonization of activities within national programmes and domestic financing schemes. This can be achieved through capacity building of DAs and IEs in the readiness programme and this can be further prioritized through the proposal screening stage by the AFB Secretariat. (Conclusion 2 & 4)

Direct access

Given that positive results are emerging with respect to direct access, the Adaptation Fund should accelerate its direct access support. One way to achieve this is to further reduce the 50 percent cap for MIE proposals to encourage more NIE proposals. Adaptation Fund should continue its outreach on direct access activities through the readiness programme. (Conclusion 1 & 11)

The Adaptation Fund has been effective in supporting direct access to vulnerable countries such as LDCs, SIDS and countries with weak governance or institutional capacity, the Adaptation Fund should build on these experiences to expand direct access to vulnerable countries. One option is to establish a support system that allows a longer period of engagement for the Adaptation Fund to assist NIEs from LDCs, fragile states or countries with weak governance mechanisms to achieve accreditation. (Conclusion 3 & 11)

The Adaptation Fund should promote enhanced direct access implementation building on the lessons from the project in South Africa. (Conclusion 11)

Climate finance readiness

Given that the Adaptation Fund has been implementing climate finance readiness activities since 2014 and positive results are emerging, it is timely to do an in-depth assessment of the readiness activities building on the findings of this evaluation. Such an assessment can help to further streamline and improve effectiveness of the readiness activities. (Conclusion 11)

Based on emerging findings, the ET recommends the following changes to the readiness activities in addition to readiness related recommendations highlighted in other sections:

a) Streamline readiness activities into to two types of support: (i) outreach and support to NIEs to get accreditation and mobilize funding and (ii) capacity building to improve readiness in project implementation/delivery systems. (Conclusion 8 and 11)
b) Strengthen targeted outreach to DAs to mobilize political support and interest for direct access and more closely harmonize project activities with national programmes and other externally funded projects. (Conclusion 6)
c) Strengthen partnership and increase complementarity with other organizations that offer climate readiness support. (Conclusion 11)

Gender and ESP

The Adaptation Fund should continue its ongoing investments in strengthening IE capacity to apply gender and ESP principles in project implementation. (Conclusion 10)

To address lengthening of project approval periods associated with new standards on gender and ESP compliance, the Adaptation Fund should identify bottlenecks facing IEs and EEs and disseminate good practices to IEs during readiness activities, which would also strengthen project conceptualization and implementation. (Conclusion 6)

The Adaptation Fund should review existing barriers to achieving gender outcomes in projects that were evident in this evaluation, identify good practices and strategies to overcome these barriers and ensure that these strategies are incorporated to the existing guidance note to IEs and other resources relevant to gender. The Adaptation Fund should also ensure that these lessons and strategies are applied in project proposals more systematically. (Conclusion 10)

M&E

The Adaptation Fund should ensure performance data are captured and utilized in the portfolio database, in APRs and that the performance data is used for portfolio monitoring. (Conclusion 15)

The Adaptation Fund should prioritize impact monitoring and impact assessments. Given that it is the only dedicated climate fund for adaptation activities and its medium term strategy highlights its role as an entity that promotes learning, it is important that the Adaptation Fund shows leadership in adaptation results measurement and generate evidence on how adaptation is achieved. (Conclusion 15)

Knowledge Management

Given the demands of a rapidly-growing portfolio, it is imperative that knowledge management be prioritized (Conclusion 15). Key actions to take are:

a) Consolidate project experiences and knowledge on adaptation impacts and lessons.
b) The Adaptation Fund should identify channels and feedback loops to systematically apply lessons from the portfolio. Entry points include proposal screening stages and accreditation steps.

Appendices

Appendix 1: Statement of Work

ANNEX B STATEMENT OF WORK (SOW) - SECTION 1

REQUEST FOR PROPOSALS (RFP) FOR OVERALL EVALUATION OF ADAPTATION FUND - RFP NO. 17-0359

BRIEF INTRODUCTION

The Adaptation Fund (hereafter "the Fund") was established "to finance concrete adaptation projects and programmes[197] in developing country Parties that are Parties to the Kyoto Protocol" (Decision 10/CP.7) and those that "are particularly vulnerable to the adverse effects of climate change" (Decision 1/CMP.3). AS of April 2017, the Fund has dedicated $417 million to climate adaptation initiatives in 53 countries. Funds are accessed by developing countries Parties to the Kyoto Protocol through Implementing Entities (IEs) that have been accredited by the Adaptation Fund Board (hereafter "the Board" or "AFB"). 12 multilateral implementing entities (MIEs), 6 regional implementing entities (RIEs) and 25 national implementing entities (NIEs) have been accredited as of April 2017, and are eligible to access finance from the Fund. The Fund is supervised and managed by the Board, who works under the authority of, and is accountable to, the Meeting of the Parties to the Kyoto Protocol. A dedicated team of officials at the Global Environment Facility (GEF) provides secretariat services to the Board (the AFB Secretariat hereafter) on an interim basis and the World Bank serves as the Fund's trustee, also on an interim basis.[198]

BACKGROUND INFORMATION AND RATIONALE

At its thirteenth meeting (March 2011), the Board approved the Fund's evaluation framework and discussed to implement an "overall evaluation" (Decision B.13/20). At the time there were questions about the best time to launch such an evaluation given the fact that only one project was under implementation. This issue was revisited at the twentieth meeting of the Board which requested the AFB Secretariat to submit to the Ethics and Finance Committee (EFC) of the Board at its twelfth meeting a document presenting options to conduct an overall evaluation of the Fund (Decision B.20/14).

At its twenty-third meeting (18-21 March 2014), the Board approved a two-phase evaluation option as presented in the document "Options for an Evaluation of the Fund" (AFB/EFC.14/5). This option responded to 1) the opportunity to present preliminary results of an evaluation to UNFCCC meetings in December 2014 as presented by GEF IEO in document AFB/EFC.12/4 and 2) the concern the AFB had on the lack of portfolio maturity. Therefore, Phase 1 of the evaluation could focus on institutional/fund level processes, leaving Phase 2 to focus on the Fund's on-the-ground interventions and its overall outcomes. Phase 2 of the evaluation was to focus on "an evaluation of the portfolio including long term outcomes, impacts and sustainability of the Fund's interventions" once the portfolio had further matured. Although it was too premature to measure impacts, this second phase would include the review for long term results. During this phase of the evaluation, the main objective of the assessment was to assess the progress towards Fund objectives, the major achievement of results and lessons from the Fund's active portfolio of projects and to formulate recommendations for potential improvement. Therefore, the main

[197] [Concrete] activities shall aim at producing visible and tangible results on the ground by reducing vulnerability and increasing the adaptive capacity of human and natural systems to respond to the impacts of climate change, including climate variability.

[198] Annex A and document AFB.B.11. Inf.3 contain further information.

evaluation question was defined as follow: what are the achievements of the Fund since it was established; and what are the key lessons that can be drawn for the future?

Phase 1 was conducted in 2014-2015 based on terms of reference and an intersessional approval by the Board (B.23-24/10) and was achieved in 2015. The evaluation and an associated management response from the Chair of the Board are available online. Conclusions include, among others, that the Fund has made substantial progress towards establishing processes that support its objective of reducing vulnerability and increasing adaptive capacity to respond to the impacts of climate change, including variability at local and national levels and that the Fund's niche is most likely to be at the nexus of innovation and learning about concrete adaptation activities and access modalities. In addition, lessons learned include, among others, that the modality that the Fund has pioneered for more than six years, the direct access modality, has been a major innovation in climate finance and is appropriate to meeting countries' needs, and that such modality can be a highly relevant, effective, and efficient means of channelling adaptation finance. Furthermore, the evaluation outlines that the Fund's design and operational processes are efficient and largely coherent with UNFCCC guidance and national adaptation priorities, and that the evolution of its operational processes has been appropriate, demonstrating its commitment to continuously improve its operations.

Based on the document "Options for the second phase of the evaluation of the Adaptation Fund" (AFB/EFC.18/3), the Board discussed at its twenty-seventh meeting two options for conducting the second phase of the evaluation of the Adaptation Fund, i.e. an option where the evaluation would be implemented by an independent evaluation firm overseen by an Independent Review Panel (IRP) through a project manager, given that the approach had worked fairly well for the first phase, and another option where the evaluation would be implemented by an independent evaluation firm overseen by the secretariat, with quality assurance by the Independent Evaluation Office of the Global Environment Facility (GEF-IEO). The issue was re-discussed at the Board following presentation of document AFB/EFC.19/4 "Updated Options for the second phase of the evaluation of the Adaptation Fund ", following which the Board decided to approve the option of implementation of Phase 2 of the Evaluation of the Fund by an independent firm, to be overseen by an Independent Review Panel (IRP) (Decision B.28/35). The IRP was to be consisting of three members: (1) an evaluation specialist and (2) an adaptation specialist, one of which would act as the team leader, and (3) a representative from civil society.

Against this background, specific terms of reference (TOR) were designed in order to provide guidance to Phase 2 of the evaluation and were approved by the Board at its twenty-eighth meeting.

THE EVALUATION IN THE CONTEXT OF OTHER REVIEWS AND STUDIES OF THE ADAPTATION FUND

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) undertakes reviews of the AF periodically. The CMP decided "that the interim institutional arrangements […] shall be reviewed after three years at the sixth session" of the CMP (Decision 1/CMP.3, paras 32-33). In 2010, the CMP decided to undertake such review at its seventh session (2011) and every three years thereafter (Decision 6/CMP.6, paragraph 1). The initial review was implemented in 2011 (see AFB/B.16/Inf.6) and completed in 2012 (Decision 4/CMP.8) and the second review was completed in 2014 (Decision 2/CMP.10). In document FCCC/TP/2014/7, CMP 8 recognized the effectiveness and efficiency of the Global Environment Facility as the interim secretariat of the Adaptation Fund Board and the International Bank for Reconstruction and Development (the World Bank), as interim trustee of the Adaptation Fund. Moreover, the CMP encouraged the Adaptation Fund Board to continue working with the interim trustee for the Adaptation Fund on further enhancing the process of monetization of certified emission reductions (CERs). It also encouraged the Board to consider how to further improve accessibility to funding from the Adaptation Fund, especially through its direct access modality. Furthermore, the CMP noted with concern issues related to the sustainability, adequacy and predictability of funding from the

Adaptation Fund based on the current uncertainty regarding the prices of CERs and the continuation of the Fund during and beyond the second commitment period of the Kyoto Protocol. To address this concern, CMP 8 requested the Adaptation Fund Board to report to SBI 38 on the status of the resources of the Adaptation Fund, trends in the flow of resources and any identifiable causes of these trends (Decision 3/CMP.8). In response to this request, the Adaptation Fund Board presented at SBI 38 information on the status of the resources of the Fund, which summarized the trend of funding flows, including the situation of donation and the decreasing prices of CERs.

The CMP also decided (Decision 2/CMP.10) to request the Subsidiary Body for Implementation (SBI), at its forty-fourth session (May 2016), to initiate the third review of the Adaptation Fund, in accordance with the terms of reference contained in the annex to decision 2/CMP.9, or as they may be subsequently amended, and to report back to the CMP at its twelfth session (November–December 2016), with a view to the review being undertaken by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its thirteenth session (November–December 2017)"(Decision 2/CMP.10, para.9).

Based on decision 1/CMP.12 adopted in November 2016, the terms of reference for the third review of the Adaptation Fund, whose objective is to ensure the effectiveness, sustainability and adequacy of the fund and its operations with a view to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) adopting a decision on the matter at CMP 13 (November 2017), have been approved. Furthermore, additional guidance has been provided in terms of the period for Parties and observer organizations, as well as other interested international organizations, stakeholders and non-governmental organizations involved in the activities of the Adaptation Fund, to submit by 30 April 2017 their views on the third review of the Adaptation Fund based on the terms of reference, for consideration by the Subsidiary Body for Implementation at its forty-sixth session (May 2017).

Although the Phase II evaluation and third review are two distinct processes, their overall scopes and timelines may overlap. Results of the Fund's Phase 2 evaluation may inform the third review by the CMP and future reviews and evaluations of the Fund.

The Fund has also been the subject of studies completed by other institutions. These include studies of the Fund's access modalities, governance structure, and comparative analyses with other adaptation and climate change funds[199] and published peer-reviewed journal articles.[200]

In addition, the AFB Secretariat has conducted, following a request made by the Board at its twenty-fifth meeting (Decision B.25/16), an analysis of climate change adaptation reasoning across the projects and programmes proposals approved by the Board. The study looked at the adaptation needs and their relation to climate related drivers and the risks associated with those drivers, and concluded that, among others, with respect to the Fund's alignment with current approaches to adaptation: i) the Fund performs strongly in the aspect of purposefulness; ii) the mandate to finance concrete adaptation projects is not at the expense of considering the social and economic drivers of vulnerability, with outcomes and outputs in the Strategic Results Framework focused on the enabling environment (encompassing such drivers); iii) there is potential for the project outputs financed by the Fund to achieve transformational impacts. It also included insights in terms of adaptation needs, responses, project alignment with the Fund's strategic objectives and current adaptation thinking, lessons learned by projects and reflection on project review criteria.

[199] See Masullo, Indira, and others. Direct Access to Climate Finance: Lessons Learned by National Institutions; Trujillo, Nella. C. The effectiveness of climate finance; WRI. Within Reach Strengthening Country Ownership; Brown, Jessica. Direct Access to the Adaptation Fund: realising the potential of National Implementing Entities; CDKN 2012; CIS 2012; Kaloga 2012; Climate Focus 2011; ECBI 2010; Ratajczak-Juszko 2010; IIED 2009; and Hedger et al. 2008.

[200] see Stadelmann et al. 2013; Barrett 2013; and Horstmann and Abeysinghe 2011.

Focus and scope of the studies vary according to the interest of each institution or researcher. Annex 3 presents main recommendations of the studies identified through a desk review process. These recommendations helped to develop specific sub-questions for the evaluation of the Fund and should be used, together with the findings of reviews and studies, during a more specific definition of these TOR and during the analysis and implementation of the Phase 2 evaluation.

The evaluation team (a team proposed by the selected firm) should also use and consider findings and results of evaluations of other adaptation and climate change funds (i.e., Least Developed Country Fund-LDCF, Special Climate Change Fund-SCCF- and the Climate Investment Fund-CIF) during the design, compilation of information and analysis.

AUDIENCE OF THE EVALUATION

Similar to phase 1, the primary audience of the Phase 2 of the evaluation includes the Board (and its Ethics and Finance Committee -EFC, Project and Programme Review Committee -PPRC and Accreditation Panel-AP), all Parties to the Kyoto Protocol (CMP) and the AFB secretariat. Findings will also be relevant to development partners, the Trustee, the Implementing Entities of the Fund (MIEs, NIEs, RIEs), executing entities, communities implementing and participating in interventions of the Fund, the Designated Authorities, and Fund's observers (UNFCCC Parties, UNFCCC thematic bodies, NGOs and other Civil Society Organisations and International Organisations).

In addition, evaluation results, if available in time, will also be relevant to inform the Fund's third review, and processes and future development of the Fund and other climate change financing mechanisms. Evaluation results may also be useful to Parties to the Kyoto Protocol, the UNFCCC at large, including the Adaptation Committee, developing countries, donors, and agencies and institutions (bilateral, multilateral, national and regional) working on adaptation to climate change and climate finance.

PURPOSE AND OBJECTIVES OF THE EVALUATION

Introduction and scope of the evaluation

This evaluation is the second phase in a two-phased approach to a comprehensive evaluation of the Fund. Whereas the phase 1 was a process evaluation intended to inform discussions and decisions on the Fund's operational aspects, phase 2 intends to assess the progress made across the Fund's active portfolio of projects and programmes, evaluate the major achievements in terms of results and lessons learned, and formulate recommendations for potential improvements. It will analyse the extent to which the Fund's projects and programmes' activities through both 'soft' and 'hard' measures are aligned with the Fund's mandate to finance concrete adaptation projects and programmes in countries that are particularly vulnerable to the adverse effects of climate change. It will analyse potential long term outcomes and impacts, the sustainability of interventions, formulating potential adjustments to its working modalities as required, with a view of improving the delivery of ground-level results. The evaluation will also study the limits of the adaptation reasoning analysis performed by the Fund taking into account the evolutions/changes of the adaptation concept/definition through the successive Assessment Reports of the IPCC, focusing in particular on how resilient, incremental and transformational actions are created across the Fund's portfolio of projects and programmes.

The evaluation will focus on the projects and programmes listed in Annex 2 that are at different level of maturity (see "Inclusion of Interventions According to Status" table below). Throughout the assessment of projects and programmes' potential impacts, the evaluation should also analyse cross-cutting themes related to the project/programme cycle of the Fund such as the project/programme approval process, including criteria used for the technical reviews of proposals, project/programme design and planning by the implementing entities, monitoring, reporting and evaluation at both project/programme and Fund

levels, knowledge management, the gender policy and Environmental and Social Policy of the Fund. Last but not least, the evaluation will need to take into account the dynamic context of the climate change adaptation finance evolving architecture in which the Fund is embedded and operates.

Inclusion of Interventions According to Status

Core Criteria / Status	Relevance	Effectiveness	Efficiency	Results and Sustainability
Completed	Full	Full	Full	Full
Under implementation	Full	Likelihood	Likelihood	Likelihood
Approved, but not under implementation	Expected (1)	N/A	N/A	NA

(1) Quality at entry review.

Expected depth and scope

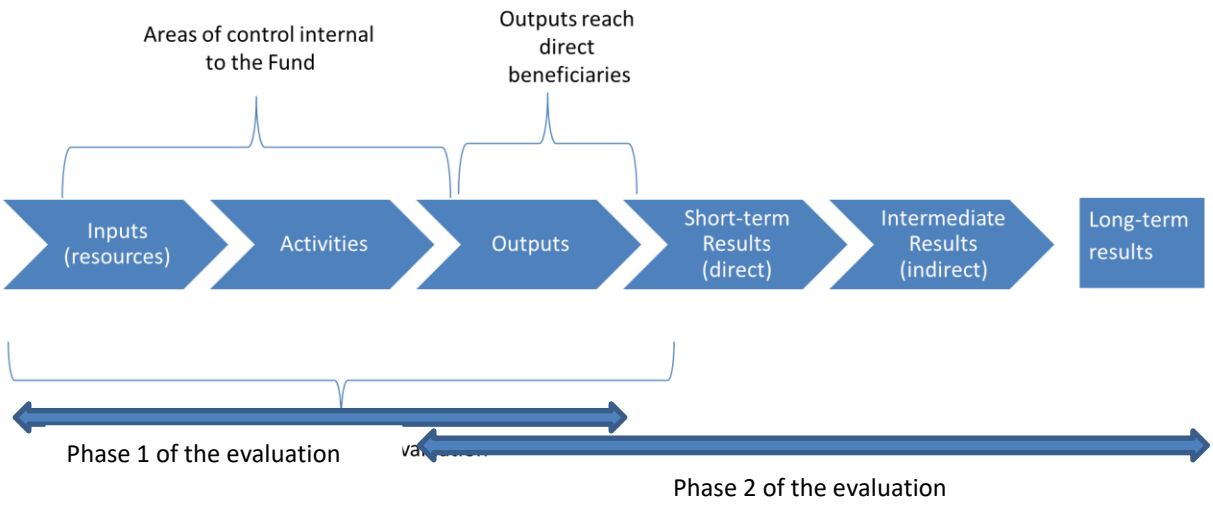
The evaluation will cover the portfolio of the Fund from 2010 (year of the approval of the first project by the Board) until the launch of the Phase 2 of the evaluation. It will cover ongoing and completed projects/programmes, focusing on those that have provided enough information to enable an objective assessment of their outputs given their implementation status (see Annex 2 and "inclusion of interventions according to status" table above). In parallel, the evaluation will consider lessons learned in the context of Phase I findings.

Objective of the evaluation

The objective of the evaluation is to examine and assess the Fund portfolio of projects/programmes' progress towards their objectives of financing concrete adaptation projects and programmes in developing countries Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change, analyse results and lessons from the Fund's portfolio, and formulate recommendations on how key lessons that can be drawn for the Future of the Fund's portfolio.

Specifically, it will assess the Fund portfolio's relevance, efficiency, effectiveness, potential impacts, and sustainability in delivering concrete adaptation interventions. As highlighted in Figure 1 below, and whereas the Phase 1 focused on a process evaluation, Phase 2 will focus on assessing the second part of the evaluation logic model, i.e. starting from the delivery of outputs to main short-term results/outcomes and long-term results, as possible, taking into account an evolving context of adaptation support

Figure 1. Fund level simplified logic model to frame evaluation objective and questions (Adapted from p.223, Morra Imas and Rist, 2009)



EVALUATION QUESTIONS

The question asked by the evaluation is: What is the overall relevance, effectiveness, efficiency, broader progress to and sustainability of results (technical, institutional, and financial) of the Fund's portfolio of projects/programmes, and what are the main lessons and recommendations which can be drawn upon for any future operations?

Sub-questions of the evaluation: Main sub-questions were developed and structured using the OECD DAC criteria (relevance, efficiency, effectiveness, results and sustainability), adapting sub-questions of previous evaluations of other programmes, funds, etc., for example, FCPF evaluation, SCCF and LDCF evaluations, CIF evaluation, among others, and reviewing frameworks and results of studies presented in Annex 3.

Relevance of Fund's portfolio

These questions build the context in which the projects/programmes financed by the AF are operating. Relevance is the extent to which intended and actual activities are suited to the priorities and policies of beneficiary countries, the COP/CMP guidance, and other Fund key stakeholders, and the degree to which the Fund's portfolio remain valid to achieve its intended objectives.

- How relevant[201] is the Fund's portfolio of projects/programmes to the COP/CMP guidance, the Sustainable Development Goals, Nationally Determined Contributions (NDC), regional sustainable development strategies and adaptation programmes, national sustainable development strategies, national development plans, poverty reduction strategies, national communications and national adaptation programmes of action and any other relevant instruments?
- What is the relevance of the Fund's intended and actual projects/programmes within the context of adaptation to climate change at the global and national levels? Are there gaps between the

[201] Relevance (as defined by OECD DAC): "The extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor."

relevance of intended and actual projects/programmes? How can the Fund address such gaps, including through any future readiness programme?

Are the activities and outputs of projects/programmes supported by the AF consistent with the AF mandate? Have they led to, or assisted in the achievement of such mandate at the local (national or regional as appropriate) level(s)? To what extent the readiness programme helps in achieving this goal? To what extent are the AF projects/programmes delivering concrete adaptation results to countries that are particularly vulnerable to climate change? How relevant is the distinction between small-size projects/programmes compared to regular ones?

To what extent are the scope of activities and actions of the AF different or similar to those of other institutions addressing similar climate-related challenges, including the GEF, the LDCF, the SCCF, the CIF, the GCF, and other climate-relevant activities? Have complementarities been identified with institutions addressing similar climate-related challenges? What are the comparative advantages or added value of the Fund, notably with respect to the direct access modality, in comparison with those programmes?

Can the fund assist Parties under the Paris Agreement achieve their Nationally Determined Contributions (NDCs) for adaptation actions? How can it help to achieve the commitments of countries of Art 7. of the Paris Agreement, the Cancun Adaptation Framework 1/CP.16 and the adaptation specific provision of the UNFCCC?

What lessons can be drawn on the relevance of the AF processes and used, in any future readiness programme?

Efficiency of the Fund's portfolio[202]

These questions assess the efficiency in supporting concrete adaptation activities throughout the AF portfolio of projects/programmes. It will evaluate the qualitative and quantitative outputs of the portfolio in relation to the inputs provided through the implementation of the portfolio of projects/programmes that the Fund is supporting. Given the existence of other Funds and mechanisms that address adaptation to climate change, the evaluation will also assess the level of efficiency of the AF in achieving concrete adaptation.

What is the efficiency of the Fund's intended and actual projects/programmes within the context of adaptation to climate change at the global and national levels, including in comparison with other financial mechanisms that address adaptation to climate change?

How efficiently have the resources provided by the Fund's portfolio been converted into expected results? To what extent have the Fund portfolio of projects/programmes been efficient in helping beneficiary countries to achieve concrete adaptation results? What lessons can be gleaned for any future readiness programme on how efficient has the fund been in supporting the development and implementation of projects/programmes of the Fund's portfolio? To what extent have the projects/programme been designed and implemented, and their outputs achieved in a cost-effective way? Have they provided synergies among any other goal than concrete adaptation?

How efficient are the governance and institutional arrangements' structure across the Fund's portfolio? How efficient is the Fund's project cycle and management of funds and resources, at project stages?

[202] Efficiency, as defined by the OECD DAC, "measures the outputs - qualitative and quantitative - in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results. This generally requires comparing alternative approaches to achieving the same outputs, to see whether the most efficient process has been adopted"

What has been the efficiency of the results-based management framework, including the monitoring, reporting and evaluation system, in supporting the delivery of concrete adaptation activities across the Fund's portfolio of projects and programmes?

How efficient is the Fund in gathering and disseminating lessons learned from its portfolio of projects/programmes?

How can lessons learned on the efficiency of the Fund's processes be used to inform any future readiness programme?

Effectiveness of the Fund's portfolio[203]

These questions assess how effective are the design and implementation of the projects/programmes, and their transparency and accountability.

How effective is the Fund's portfolio in achieving expected outcomes or progress towards achieving expected outcomes and impacts? Have the concrete adaptation measures supported by the Fund portfolio addressed the adverse impacts of and risks posed by climate change at the international, regional or national levels? What are the major factors enabling or hindering the effectiveness of the projects/programmes?

What elements have positively or negatively affected the effectiveness of the projects/programmes supported by the Fund? How effective is the Fund as an international organization in providing direct access to funds by developing countries?

How effective have the projects and programmes been in addressing the Environmental and Social Policy during the design and implementation of the activities at the national and regional levels as appropriate? What positive or negative effects have the Fund projects and programmes had on the resilience of target communities, and their social and environmental environment, including gender equality? What are the likely or observed impacts on women, poor and marginalized groups, and indigenous groups?

To what extent has the Fund's project and programmes supported beneficiary countries in reaching their national adaptation plans? How are the Fund's projects and programmes likely to contribute to the effective implementation of the countries' Nationally Determined Contributions (NDCs) pledged under the Paris Agreement?

What has been the AF added-value from the perspective of the beneficiary countries in implementing concrete adaptation projects/programmes? What opportunities and challenges, if any, has the Fund presented to beneficiary countries in implementing concrete adaptation activities?

What has been the effectiveness of the results-based management framework, including the monitoring, reporting and evaluation system, in supporting the delivery of concrete adaptation activities across the Fund's portfolio of projects and programmes?

Has the readiness programme been effective in supporting the delivery of concrete adaptation activities?

How effective is the Fund in gathering and disseminating lessons learned from its portfolio of projects/programmes? What kind of learning has been achieved?

To what extent have the projects/programmes of the Fund allowed a transformational change at the regional and national level and where relevant regional level(s) as appropriate?

How can lessons learned on the effectiveness of the Fund's processes be used to inform any future readiness programme?

Results/Sustainability

[203] Effectiveness (as defined by the OECD DAC): "A measure of the extent to which an aid activity attains its objectives."

These questions assess the sustainability of the Fund's results from an economic, social, environmental, institution and financial standpoint. The evaluation will consider major factors influencing whether or not the Fund's portfolio of projects/programmes achieves sustainability.

- What are the positive and negative, foreseen or unforeseen effects produced by the Fund's portfolio at this point, including results already achieved by the Fund's projects and programmes, and how sustainable are these results?
- To what extent are the benefits arising from the projects likely to be sustained or replicated after the projects/programmes' completion? To what extent are these expectations based on well-founded assumptions, logic, and observations? How does the direct access modality impact results and, or the sustainability of the projects and programmes in comparison to multilateral/regional access?
- To what extent have the project designs identified risks to the sustainability of the benefits and any steps taken to mitigate risks?
- What lessons can be gleaned on the Results/Sustainability of the Fund's processes and used to inform any future readiness programme?
- To what extend does the involvement of local communities, community-based organizations and other relevant stakeholder increase the ownership and sustainability of the project?
- Do the projects/programmes manage to enhance the adaptive capacities of the most vulnerable group and improve their living conditions?
- Have there been unintended impacts for the countries / communities caused by the projects?

PROPOSED EVALUATION APPROACH AND METHODOLOGY

Inception: These TORs and the evaluation framework contained therein will guide the evaluation. The information included here concerning overall approach, methodologies, timeline, etc. is indicative, and the evaluation team (a team proposed by the selected firm) could, through the inception report, to finalize some methodological aspects, if needed. The evaluation framework will describe the main sub-questions to be addressed by the evaluation team under the Organisation for Economic Cooperation and Development - Development Assistance Committee Criteria for Evaluating Development Assistance, the evaluation will consist of a mix of quantitative and qualitative methods, tools and approaches. The Evaluation team will also clarify the vocabulary that will be used during the evaluation in a glossary.

Data collection: Primary and secondary data and information will be collected through a mix of methods, tools and approaches, including: a literature review of background documents related to the Fund, especially the projects/programmes documentation available to date (see annex 2), project and programme technical reviews of proposals; a review of the Fund's portfolio consisting of a structured review of existing evaluations (mid-term and final) and project performance reports, an analysis of the portfolio database; an assessment of the CMP guidance; and interviews of stakeholders, including PPRC members, projects beneficiaries and Implementing Entities. Such data and information will be collected through interviews, project desk documents reviews, assessment of the M&E system, collection from existing internal databases such as the Financial Intermediary Fund platform, site visits to projects and Implementing Entities (number of country visits to be determined during the inception phase). The evaluation team will develop and use data compilation instruments (for example, protocols for questionnaires) that consider available resources and evaluation questions. Following international standards, data collection biases and criteria for the selection of samples (including limitations on representativeness of the sample) will be identified and discussed as needed.

Existing evaluations, assessments and reviews, in particular, the analysis of the climate change adaptation reasoning in project and programme approved by the Board (AFB/PPRC.17/.5), the first phase of the overall evaluation of the Fund (AFB/EFC.17/3), performance of the AFB Secretariat and Trustee (AFB/B.16/Inf.6) and the Fiduciary Review of the Adaptation Fund (2010), and results of the LDCF, SCCF,

CIF and other previous and present evaluations of climate change adaptation finance mechanisms will inform the evaluation.

Analysis: Quantitative and qualitative data analysis will be used as appropriate. Data and qualitative information triangulation will be employed for cross verification and validation of data and information collected, and analysis.

Reporting: see "Deliverables" section below.

The evaluation questions and methodology shall be further refined during the evaluation's inception phase by the selected evaluation team. It should also include transversal issues such as gender, results based management and environmental and social policy.

Limitations

The main limitations identified at this stage are included below. This list is not intended to be exhaustive. The evaluation team should review and report other limitations as encounter or identified during the evaluation's design and implementation.

Access to certain stakeholders for interviews may be limited given the fact that community-level beneficiaries of the AF-supported projects/programmes may not be easily reachable, even remotely.

Changes in processes, operations and policies occurred since the Fund has been operationalized. The Environmental and Social Policy and the gender policy and action plan have for instance been approved during the last couple of years. Such updates and/or policies need to be accounted for during the evaluation.

Finally, budget and time constraints will need to be taken into account by the evaluation firm and stakeholders involved into the implementation of the evaluation.

ESTIMATED SCHEDULE AND DELIVERABLES

A period of ten months has been estimated for the implementation of the Phase 2 of the evaluation. Table 1 below presents the projected level of effort (estimated schedule) for the evaluation.

Table 1. Estimated schedule of the evaluation

Tasks / Months	1	2	3	4	5	6	7	8	9	10
Evaluation Design										
TORs										
Select Consultants										
Protocol Development / Inception Report										
Evaluation Context										
Literature Review										
Portfolio review										
Conventions Guidance										
Data Collection										
Interviews										

Tasks / Months	1	2	3	4	5	6	7	8	9	10
Project Desk Review										
M&E Systems Assessment										
Field Visits										
Analysis										
Data analysis										
Draft Report										
Consultation Workshop										
Report / presentation to the Board										
Final Document										
Presentation to the Board										
Dissemination										

DELIVERABLES

The Evaluation Team is expected to deliver the following main products:

Inception report with evaluation framework, work plan, methodology, including selection tool, etc.
Preliminary report with preliminary conclusions and recommendations.
Draft evaluation report, which will be drafted based on feedback received from the review of the preliminary results report.
Final evaluation report. This report will consider and integrate, as relevant, comments received, and it will be translated in the Fund's languages.
Originals of any other sub products used during the analysis for the evaluation (survey result reports, graphs, maps, tables).

Submission guidelines

The evaluation team will submit an inception report, preliminary conclusions and recommendations report, as well as draft and final evaluation reports in English to the Project Manager. A provisional evaluation report template is provided in Annex 4. The evaluation team should revise and modify the template as needed. The format to utilize and the average length of the document will be defined beforehand.

CODE OF CONDUCT OR GUIDING PRINCIPLES AND VALUES OF THE EVALUATION AND CONFLICT OF INTERESTS

This evaluation will be conducted in a professional and ethical manner. The evaluation process will show sensitivity to gender, beliefs, and customs of all stakeholders and shall be undertaken with integrity and honesty. The rights and welfare of participants in the evaluation shall be protected. Anonymity and confidentiality of individual informants shall be protected when requested and/or as required (p.5, OECD-DAC 2006) and sensitive and confidential data should be managed following the World Bank's Code of Professional Ethics.

Code of conduct and guiding principles and values will be used to coordinate, implement, and independently review the Fund's evaluation. The Evaluation Team and any entity involved in the evaluation will sign a code of conduct agreement following World Bank rules and guidelines and observe principles and best practices included in Table 2, below.

Table 2. Principles and best practices for implementing evaluations and selection of evaluation teams.

Evaluations should be implemented based on best practise on evaluation, under the following principles	The following principles and guidelines in selecting independent evaluators/evaluation teams to conduct evaluations should be observed
• Independence from policy-making process and management • Impartiality: giving accounts from all stakeholders • Transparency: clear communication concerning the purpose of the evaluation, its intended use, data and analysis • Disclosure: lessons shared with general public • Ethics: regard for the welfare, beliefs, and customs of those involved or affected • Avoidance of conflict of interest • Competencies and Capacities: selection of the required expertise for evaluations • Credibility based on reliable data, observations, methods and analysis • Partnerships: between implementing entities, governments, civil society, and beneficiaries • Utility: serve decision-making processes and information needs of the intended users	• Evaluators/evaluation teams will be independent of both the policy-making process and the delivery and management of assistance to the project they are evaluating • Evaluators will be impartial and present a comprehensive and balanced appraisal of the strengths and weaknesses of the project/programme being evaluated • The evaluation team should be comprised of professionals with strong evaluation experience, requisite expertise in the project subject matter, and experience in economic and social development issues as well as accounting, institutional governance • Evaluators should be knowledgeable about Fund's operations and strategy, and about relevant Fund's policies such as those on project life cycle, M&E, etc. • Evaluators should take into account the views of all relevant stakeholders in conducting final evaluations • Evaluators will become familiar with the project/programme document and will use the information generated by the project including, but not limited to, baseline data and information generated by the project M&E system • Evaluators should also seek the necessary contextual information to assess the significance and relevance of results; and • Evaluators will abide by the Implementing Entity Ethical Guidelines and other policies relevant to evaluations, if available and applicable.

Based in the GEF IEO Ethical Guidelines

ORGANIZATIONAL ASPECTS

A Project Manager (PM) will be responsible for the overall coordination of the work of the selected independent firm. The latter has to submit the deliverables both to the PM and the IRP members. IRP members' responsibilities are to provide quality assurance during the evaluation process, by overseeing the work of the evaluation firm to ensure the timely delivery of the evaluation. The IRP will also coordinate the inputs of the CSO representative (see below), and report on progress of the evaluation to the EFC. The IRP is comprised of two International Experts (i) an evaluation specialist (who is the IRP Team Leader) and (ii) an adaptation specialist, both specifically recruited for this role by the WBG. In addition to those IRP members, a representative from civil society is invited to participate into the discussions held at the IRP level to ensure that CSO views are taken into account during the evaluation process. The AFB Secretariat will provide administrative support to the IRP and to the evaluation firm (e.g. processing the firm and IRP's contracts and payments, arranging their travels, etc.).

The Evaluation Team (a team proposed by the selected firm) will implement the evaluation. In doing so, the Evaluation Team will provide inputs to the evaluation design, review information made available to

them and also other information needed to implement the evaluation, design and refine tools to collect data, conduct interviews, among other tasks described below. The organization of the Evaluation Team work is the responsibility of the Team itself. The Evaluation Team will participate in meetings with the IRP as required. Annex 5 describes desired and minimum skills of the Evaluation Team.

Role and responsibilities of the Evaluation Team:

The Evaluation Team implementing the Fund's evaluation is responsible to:

- Follow the ethical guidelines during the entire evaluation
- Maintain regular communication with the PM and the IRP
- Provide inputs to the evaluation design and develop the evaluation inception report including finalizing with the IRP the questions, scope of the evaluation and the evaluation matrix
- Develop and follow the evaluation plan and implement the evaluation following the refined methodological approach in the TOR, if needed
- Solicit information from the IRP and/or the Secretariat when needed for the evaluation, review information made available by the IRP and/or the Secretariat and compile and review other information needed to implement the evaluation
- Design and refine tools to collect data as needed
- Arrange and conduct interviews, with the initial support of the Secretariat if needed
- Keep abreast of the implementation of the Fund's Third Review and remain available for meetings to discuss overlaps and collaboration with the team implementing the Review, as needed
- Provide progress reports to the IRP through the PM
- Analyse and synthesize information, interpret findings, develop and discuss conclusions and recommendations of the evaluation
- Develop a preliminary results report and distribute it to the IRP through the PM
- Draft the evaluation report taking into consideration comments and correct factual errors or misinterpretations, and distribute it to the IRP through the PM
- Brainstorm with the IRP and Secretariat best ways to present findings
- Finalize and present the final report to stakeholders, specifically the AFB

ANNEXES

- Overview of the Adaptation Fund
- List of Projects approved by the Fund through March 2017
- Recommendations result of studies of the Adaptation Fund completed by other institutions
- Suggested report outline
- Description of desired and minimum skills of the Evaluation Team
- Adaptation Fund Theory of Change
- References and relevant publication

Appendix 2: Evaluation Matrix

Table 6: Evaluation matrix

No.	Sub-questions	Measure/indicator	Main Sources of Information	Data Collection Methods	Data Analysis Methods	Evidence quality
Overall question: What is the overall relevance, effectiveness, efficiency, broader progress to and sustainability of results (technical, institutional, and financial) of the Fund's portfolio of projects/programmes, and what are the main lessons and recommendations which can be drawn upon for any future operations?						
Key Question 1: Relevance of Fund's portfolio - Extent to which intended and actual activities are suited to the priorities and policies of beneficiary countries, the COP/CMP guidance, and other Fund key stakeholders, and the degree to which the Fund's portfolio remain valid to achieve its intended objectives.						
1.1	How relevant is the Fund's portfolio of projects/programmes to: (a) COP/CMP guidance, (b) Sustainable Development Goals (SDGs), (c) Nationally Determined Contributions (NDC) – link to sub-question 1.5. (d) Regional sustainable development strategies and adaptation programmes, (e) National sustainable development strategies, national development plans, poverty reduction strategies, national communications and national adaptation programmes of action and any other relevant instruments.	• Description of key functions, strategic policies and mandate of the Adaption Fund. • Description of Fund's portfolio. • Linkages of the mandate, strategic priorities and portfolio of the Adaptation Fund with global climate agreements and commitments. • Types of national policy instruments and commitments relevant to adaptation/climate change issues • Alignment of projects to the national policies and commitments.	CMP documents, SDG and NDC documents, Paris Agreement, national-level policy documents, project related documents (proposal, progress reports, MTRs and evaluations), Adaptation Fund's strategy document. UNFCCC secretariat, AFBSec, PPRC, IEs, Designated authorities and Executing agencies.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants.	High
1.2	What is the relevance of the Fund's intended and actual projects/programmes within the context of adaptation to climate change at the global and national levels? Are there gaps between the relevance of intended and actual projects/programmes? How can the Fund address	• Project designs, project results frameworks.	Project proposals, project documents, PPRs, MTRs and evaluation reports. Feedback from	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs	Comparative analysis of documentation with feedback from	Medium

	such gaps, including through any future readiness programme?		implementing entities and executing entities.	with national stakeholders.	key informants.	
1.3	Are the activities and outputs of projects/ programmes supported by the AF consistent with the AF mandate? (a) Have they led to, or assisted in the achievement of such mandate at the local (national or regional as appropriate) level(s)? *(This question will be addressed under sub-question 3.4)* (b) To what extent are the AF projects/programmes delivering concrete adaptation results to countries that are particularly vulnerable to climate change? *(This question will be addressed under sub-question 3.5)* (c) How relevant is the distinction between small-size projects/programmes compared to regular ones? (d) To what extent the readiness programme helps in achieving this goal?	• Description of the Adaptation Fund mandate and strategic priorities. • Adaptation Fund RBM indicators • Linkages between the Adaptation Fund portfolio and the mandate and RBM. • Description of readiness programmes, small size projects and readiness results framework • Linkages of readiness programme to the mandate.	Adaptation Fund's strategy document. PPR reports on core indicators. Data on number of NIEs supports through readiness. Feedback on quality of projects.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants.	High
1.4	To what extent are the scope of activities and actions of the AF different or similar to those of other institutions addressing similar climate-related challenges, including the GEF, the LDCF, the SCCF, the CIF, the GCF, and other climate-relevant activities? Have complementarities been identified with institutions addressing similar climate-related challenges? What are the comparative advantages or added value of the Fund, notably with respect to the direct access modality, in comparison with those programmes?	• Description of mandates of Adaptation Fund and other funds. • Comparison of access modalities, readiness, thematic/geographic focus and scale of the portfolio. • Linkages established on accreditation and other areas including gender, environment and social safeguards, knowledge production and readiness.	Documents of the Adaptation Fund and other funds. Research on climate finance architecture. AFB meeting reports and supporting documents on linkages between AF and GCF.	Literature review, e-survey, online KIIs.	Comparative analysis of documentation with feedback from key informants.	High

1.5	Can the fund assist Parties under the Paris Agreement achieve their Nationally Determined Contributions (NDCs) for adaptation actions? How can it help to achieve the commitments of countries of Art 7. of the Paris Agreement, the Cancun Adaptation Framework 1/CP.16 and the adaptation specific provision of the UNFCCC?	• Description of Paris Agreement and NDCs/country commitment, Cancun framework and UNFCCC • Linkages between Adaptation Fund and the global commitments to adaptation.	Documents. AFB, AFBSec, UNFCCC secretariat, designated authorities and IEs.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants.	High
1.6	What lessons can be drawn on the relevance of the AF processes and used, in any future readiness programme?	• Fund's processes including accreditation, project cycle, monitoring and review, knowledgment management. • Relevance of processes to AF project implementation • Lessons on processes	OPG and other guidelines and templates. MTRs, Final evaluations. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, designated authorities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants	Medium
Key Question 2: Efficiency of the Fund's portfolio[204] - evaluate the qualitative and quantitative outputs of the portfolio in relation to the inputs provided through the implementation of the portfolio of projects/programmes that the Fund is supporting						
2.1	What is the efficiency of the Fund's intended and actual projects/programmes within the context of adaptation to climate change at the global and national levels, including in comparison with other financial mechanisms that address adaptation to climate change?	• Description of accreditation, project cycle processes, monitoring, review and knowledge management of the Adaptation Fund and other climate funds. • Efficiency indicators • Technical, organizational and human resource	OPG/accessing resources handbook, project management guidelines, templates and guidance documents. EFC reports. APRs. Feedback from AFB, AFBSec, PPRC,	Literature review, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Descriptive analysis	High

[204] Efficiency, as defined by the OECD DAC, "measures the outputs - qualitative and quantitative - in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results. This generally requires comparing alternative approaches to achieving the same outputs, to see whether the most efficient process has been adopted"

		capacity to support project cycle • Availability of clear guidance	NIEs and executing entities, other climate funds			
2.2	• How efficiently have the resources provided by the Fund's portfolio been converted into expected results? (a) To what extent have the Fund portfolio of projects/programmes been efficient in helping beneficiary countries to achieve concrete adaptation results? (b) What lessons can be gleaned for any future readiness programme on how efficient has the fund been in supporting the development and implementation of projects/programmes of the Fund's portfolio? (c) To what extent have the projects/programme been designed and implemented, and their outputs achieved in a cost-effective way? Have they provided synergies among any other goal than concrete adaptation? Should be elsewhere?	• Description of accreditation, project cycle processes, monitoring, review and knowledge management of the Adaptation Fund and other climate funds. • Efficiency indicators • Technical, organizational and human resource capacity to support project cycle • Availability of clear guidance	OPG/accessing resources handbook, project management guidelines, templates and guidance documents. EFC reports. APRs. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, other climate funds	Literature review, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Descriptive analysis	High
2.3	• (a) How efficient are the governance and institutional arrangements' structure across the Fund's portfolio? • (b) How efficient is the Fund's project cycle and management of funds and resources, at project stages?	• Description of accreditation, project cycle processes, monitoring, review and knowledge management of the Adaptation Fund and other climate funds. • Efficiency indicators • Technical, organizational and human resource capacity to support project cycle • Availability of clear guidance	OPG/accessing resources handbook, project management guidelines, templates and guidance documents. EFC reports. APRs. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, other climate funds	Literature review, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Descriptive analysis	High

2.4	• What has been the efficiency of the results-based management framework, including the monitoring, reporting and evaluation system, in supporting the delivery of concrete adaptation activities across the Fund's portfolio of projects and programmes?	• RBM and indicators • Monitoring and reporting activities • Technical, organizational and human resource capacity to support project cycle • Availability of clear guidance	OPG/accessing resources handbook, project management guidelines, templates and guidance documents. EFC reports. APRs. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, other climate funds	Literature review, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Descriptive analysis	High
2.5	• How efficient is the Fund in gathering and disseminating lessons learned from its portfolio of projects/programmes?	• Documentation of lessons • Application of lessons within AF • Dissemination of lessons to external stakeholders	KM strategies, AFB reports on KM activities, evaluation reports, monitoring mission reports. APRs. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, other climate funds	Literature review, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Descriptive analysis	High
2.6	• How can lessons learned on the efficiency of the Fund's processes be used to inform any future readiness programme?	• Documentation of lessons • Application of lessons within readiness programmes	KM strategies, AFB reports on KM activities, evaluation reports, monitoring mission reports. APRs. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, other climate funds	Literature review, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Descriptive analysis	High

Key Question 3: Effectiveness of the Fund's portfolio[205] How effective are the design and implementation of the projects/programmes, and their transparency and accountability.						
3.1	• (a) How effective is the Fund's portfolio in achieving expected outcomes or progress towards achieving expected outcomes and impacts? (b) Have the concrete adaptation measures supported by the Fund portfolio addressed the adverse impacts of and risks posed by climate change at the international, regional or national levels? (c) What are the major factors enabling or hindering the effectiveness of the projects/programmes? (d) What elements have positively or negatively affected the effectiveness of the projects/programmes supported by the Fund?	• Adaptation Fund RBM indicators • Project results framework and indicators • Progress towards project indicators and AF indicators • Factors contributing to progress/results	Adaptation Fund RBM framework document, Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs, executing entities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders, project partners and FGDs with beneficiaries.	Longitudinal data analysis. Validation of documentation with feedback from key informants and focus group participants.	High
3.2	• How effective is the Fund as an international organization in providing direct access to funds by developing countries?	• Accreditation guidelines • Comparison of direct access modalities of other funds. • List of accredited entities • Policies on NIE/MIE proportion of portfolio • Results of projects implemented by NIEs • Readiness programme • Lessons on accreditation	OPG, Accessing Resources Handbook, AFB decisions on accreditation, PPRs and evaluation of projects by NIEs. AP, AFBSec, AFB, NIEs, RIEs, MIEs	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Longitudinal data analysis. Validation of documentation with feedback from key informants and focus group participants.	High
3.3	• How effective have the projects and programmes been in addressing the Environmental and Social Policy during the design and implementation of the activities at the national and regional levels as appropriate? What positive or negative effects have the Fund projects and programmes had on	• Environment and social safeguards standards and application processes.	Environment and social safeguards policy and guidance document.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national	Comparative analysis of documentation with feedback from	High

[205] Effectiveness (as defined by the OECD DAC): "A measure of the extent to which an aid activity attains its objectives."

	the resilience of target communities, and their social and environmental environment, including gender equality? What are the likely or observed impacts on women, poor and marginalized groups, and indigenous groups?		Technical assistance grant reports. PPRC reports. PPRC, AFBSec, AFB and project stakeholders.	stakeholders, project partners and FGDs with beneficiaries.	key informants.	
3.4	• To what extent has the Fund's project and programmes supported beneficiary countries in reaching their national adaptation plans? How are the Fund's projects and programmes likely to contribute to the effective implementation of the countries' Nationally Determined Contributions (NDCs) pledged under the Paris Agreement? (*The analysis will build on sub-question 1.1 c, 1.1e and 1.5))*	• Paris agreement and NDC commitments of countries with AF projects. • Linkages between AF portfolio and NDCs.	Paris agreement. NDC reports of countries. Project documentation. AFBSec, AFB, designated authority, IEs and executing entities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants.	High
3.5	• What has been the AF added-value from the perspective of the beneficiary countries in implementing concrete adaptation projects/programmes? What opportunities and challenges, if any, has the Fund presented to beneficiary countries in implementing concrete adaptation activities? (*This question will be combined with sub-question 3.1b and addressed together)*	• Types of concrete adaptation actions • Options for scaling up • Capacity development • Policy reform • Partnerships • Adaptation lessons	Project document, PPRs, MTR, final evaluation reports. Feedback from AFB, AFBSec, IEs, Designated Authorities and executing entities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants.	High
3.6	• Has the readiness programme been effective in supporting the delivery of concrete adaptation activities?	• Readiness programme activities • Recipients of readiness grants • NIEs accredited due to readiness • Changes in number and quality of proposals • Number of partners to implement readiness activities • NIE COP/South-South cooperation	Readiness programme framework document, work plans, workshop reports, grant reports, data. Feedback from AFB, AFBSec, PPRC, NIEs and partners	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants	High

			collaborating on readiness.			
3.7	(a) How effective is the Fund in gathering and disseminating lessons learned from its portfolio of projects/programmes? What kind of learning has been achieved? (b) What has been the effectiveness of the results-based management framework, including the monitoring, reporting and evaluation system, in supporting the delivery of concrete adaptation activities across the Fund's portfolio of projects and programmes?	• Knowledge management and communication strategies, activities. • Availability of data and consolidated lessons/analysis at AF portfolio level and country/project level.	KM strategy, AFB meeting reports, AFBSec activities reports, KM products, national level lessons learning activities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants	Medium
3.8	• To what extent have the projects/programmes of the Fund allowed a transformational change at the regional and national level and where relevant regional level(s) as appropriate? (*This question will be addressed with sub-question 3.4)*	• Types of transformational changes – national policies, laws, reforms, coordination mechanisms, scaling up of adaptation, application of lessons from projects.	MTRs, Final evaluations. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, designated authorities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants	Medium
3.9	• How can lessons learned on the effectiveness of the Fund's processes be used to inform any future readiness programme?	• Fund's processes including accreditation, project cycle, monitoring and review, knowledgement management. • Progress towards facilitating AF project implementation • Lessons on processes	OPG and other guidelines and templates. MTRs, Final evaluations. Feedback from AFB, AFBSec, PPRC, NIEs and executing entities, designated authorities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders.	Comparative analysis of documentation with feedback from key informants	Medium
Key Question 4: Results/Sustainability These questions assess the sustainability of the Fund's results from an economic, social, environmental, institution and financial standpoint. The evaluation will consider major factors influencing whether or not the Fund's portfolio of projects/programmes achieves sustainability.						

4.1	• What are the positive and negative, foreseen or unforeseen effects produced by the Fund's portfolio at this point, including results already achieved by the Fund's projects and programmes, and how sustainable are these results? *(This question will be addressed with sub-question 3.1*)	• Adaptation Fund RBM indicators • Project results framework and indicators • Progress towards project indicators and AF indicators • Quality of results/outcomes • Factors contributing to sustainability of results	Adaptation Fund RBM framework document, Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs, executing entities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders, project partners and FGDs with beneficiaries.	Longitudinal data analysis. Validation of documentation with feedback from key informants and focus group participants.	High
4.2	• To what extent are the benefits arising from the projects likely to be sustained or replicated after the projects/programmes' completion? (a) To what extent are these expectations based on well-founded assumptions, logic, and observations? (b) How does the direct access modality impact results and, or the sustainability of the projects and programmes in comparison to multilateral/regional access?	• Opportunities and potential for sustainability • Factors contributing to sustainability such as level ownership of project, lessons from the project, partnerships, financing and advocacy to inform policy reforms.	Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs, executing entities, project partners, designated authority.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders, project partners and FGDs with beneficiaries.	Comparative analysis of documentation with feedback from key informants	High
4.3	• To what extent have the project designs identified risks to the sustainability of the benefits and any steps taken to mitigate risks?	• Risks and assumptions frameworks • Risks to sustainability • Mitigation strategies	Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs, executing entities, project partners, designated authority.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders, project partners and FGDs with beneficiaries.	Comparative analysis of documentation with feedback from key informants	High
4.4	• What lessons can be gleaned on the Results/Sustainability of the Fund's processes and used to inform any future readiness programme?	• Lessons on project sustainability • Factors contributing to sustainability such as level ownership of project, lessons from the project, partnerships,	Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs,	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national	Comparative analysis of documentation with feedback from key informants	High

		financing and advocacy to inform policy reforms.	executing entities, project partners, designated authority.	stakeholders, project partners and FGDs with beneficiaries.		
4.5	• To what extend does the involvement of local communities, community-based organizations and other relevant stakeholder increase the ownership and sustainability of the project?	• Partnerships • Level of ownership • Change in knowledge, perceptions and attitudes towards adaptation • Capacity in project management	Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs, executing entities, project partners, designated authority.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders, project partners and FGDs with beneficiaries.	Comparative analysis of documentation with feedback from key informants	High
4.6	• Do the projects/programmes manage to enhance the adaptive capacities of the most vulnerable group and improve their living conditions?	• Adaptation Fund RBM indicators • Project results framework and indicators • Progress towards project indicators and AF indicators • Quality of results/outcomes • Factors contributing to sustainability of results	Adaptation Fund RBM framework document, Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs, executing entities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders, project partners and FGDs with beneficiaries.	Longitudinal data analysis. Validation of documentation with feedback from key informants and focus group participants.	High
4.7	• Have there been unintended impacts for the countries / communities caused by the projects? *(This question will be addressed with sub-question 4.1)*	• Adaptation Fund RBM indicators • Project results framework and indicators • Progress towards project indicators and AF indicators • Quality of results/outcomes • Factors contributing to sustainability of results	Adaptation Fund RBM framework document, Project documents, baseline assessments, PPRs, MTR, project final evaluation reports. AFB, AFBSec, IEs, executing entities.	Literature review, e-survey, online KIIs, in-country evaluation workshop and KIIs with national stakeholders, project partners and FGDs with beneficiaries.	Longitudinal data analysis. Validation of documentation with feedback from key informants and focus group participants.	High

Appendix 3: Methodology

Appendix 3.1: Supplementary tables

Table 7: Analytical framework

Area of focus	Specific lines of enquiry	Activities and sources
Relevance	a) Assessment of alignment of AF mandate and activity with COP/CMP, CAF, Paris Agreement and MDGs/SDGs [Q1.1a, 1.1b, 1.5] b) Assessment of portfolio alignment with (1) AF mandate, including the definition of concrete adaptation projects, and (2) the AF strategic priorities (meets national priorities incl. NDCs and MDG/SDGs commitments), consistent with national policy/planning, builds on available guidance, addresses vulnerability) [Q1.1b, 1.1c, 1.1d, 1.1e, 1.3] c) Assessment of implications of design changes that may affect alignment with AF mandate and strategic priorities [Q1.2] d) Assessment of coherency and complementarity of portfolio scope of activities with other climate finance institutions [Q1.4] e) Assessment of value add of AF actions to global finance architecture: focus on direct access [Q1.4] f) Assessment of gender, environment and social safeguard frameworks in AF g) Assessment of implications for future AF activity [Q1.6]	Review of global climate finance literature and AF documentation Structured review of project proposal documents and MTRs/TEs for referencing of global commitments Review of PPRs, annual performance reports and Secretariat information for project changes E-survey for NDAs and IEs Key informant interviews with AF and project stakeholders (in-person, distance and through case studies)
Efficiency	a) Assessment of AF time efficiency in institutional processes and cost efficiency [Q2.1, 2.3b] b) Assessment of AF efficiency compared to other climate funds [Q2.1] c) Assessment of AF portfolio time and resource management, and overall value for money of the portfolio [Q2.2a, 2.2b, 2.2c] d) Assessment of implications for future AF activity [Q2.6]	a) Review of global climate finance literature and AF documentation b) Structured review of project proposal documents and MTRs/TEs for referencing of global commitments c) Review of PPRs, annual performance reports and Secretariat information for project changes d) E-survey for NDAs and IEs e) Interviews with AP members f) Documentation related to accreditation and identification of IEs; project cycle-related documents
Effectiveness Addresses evaluation	a) Assessment of portfolio progress on AF output and outcome indicators, and quality of outputs and outcomes [Q3.1a, 3.4] b) Assessment of portfolio gender, environment and social safeguards activities [Q3.3]	a) Structured review of project proposal documents and MTRs/TEs for referencing of global commitments

matrix questions:	c) Assessment of direct access modality implementation [Q3.2] d) Assessment of climate finance readiness implementation [Q3.6] e) Assessment of implications for future AF activity [Q3.9}	b) Review of PPRs, annual performance reports and Secretariat information for project changes c) Key informant interviews with AF and project stakeholders (in-person, distance and through case studies)
Results and sustainability	a) Assessment of portfolio progress towards AF goal, impact and objective [Q3.1b, 3.5, 4.1, 4.2b, 3.8] b) Assessment of unintended results [4.1, 4.7] c) Assessment of sustainability of portfolio results: ownership, continuation, mainstreaming, replication, scale up [Q4.2a, 4.3, 4.5, 4.6} d) Assessment of implications for future AF activity [Q4.4]	a) Structured review of project proposal documents and MTRs/TEs for referencing of global commitments b) Review of PPRs, annual performance reports and Secretariat information for project changes c) E-survey for NDAs and IEs d) Key informant interviews with AF and project stakeholders (in-person, distance and through case studies)
Factors affecting results	a) Assessment of internal factors that affect results: stakeholder participation/ partnerships, technical and management capacity, human resource capacity, adaptive management, monitoring and evaluation, knowledge management [Q2.3a, 3.1d, 3.1c, 3.7a, 3.7b, 2.4, 2.5] b) Assessment of external factors that affect results [Q3.1d, 3.1c]: policy and political environment, funding, extreme and unpredictable climate variability	a) Structured review of project proposal documents and MTRs/TEs for referencing of global commitments b) Review of PPRs, annual performance reports and Secretariat information for project changes c) Key informant interviews with AF and project stakeholders (in-person, distance and through case studies)
Conclusions	Builds on findings	
Lessons and recommenda-tions	Builds on conclusions	

Table 8: Approaches and sources to evaluation areas of focus

Area of focus	Approach	Sources
Relevance Addresses evaluation matrix questions: 1.1-1.6	Assessment of alignment of AF mandate and activity with COP/CMP, CAF, Paris Agreement and MDGs/SDGs [Q1.1a, 1.1b, 1.5] Assessment of portfolio alignment with (1) AF mandate, including the definition of concrete adaptation projects, and (2) the AF strategic priorities (meets national priorities incl. NDCs and MDG/SDGs commitments),	Review of global climate finance literature and AF documentation Structured review of project proposal documents and MTRs/TEs for referencing of global commitments Review of PPRs, annual performance reports and

	consistent with national policy/planning, builds on available guidance, addresses vulnerability) [Q1.1b, 1.1c, 1.1d, 1.1e, 1.3] Assessment of implications of design changes that may affect alignment with AF mandate and strategic priorities [Q1.2] Assessment of coherency and complementarity of portfolio scope of activities with other climate finance institutions [Q1.4] Assessment of value add of AF actions to global finance architecture: focus on direct access [Q1.4] Assessment of gender, environment and social safeguard frameworks in AF Assessment of implications for future AF activity [Q1.6]	Secretariat information for project changes E-survey for NDAs and IEs Key informant interviews with AF and project stakeholders (in-person, distance and through case studies)
Efficiency	Assessment of AF time efficiency in institutional processes and cost efficiency [Q2.1, 2.3b] Assessment of AF efficiency compared to other climate funds [Q2.1] Assessment of AF portfolio time and resource management, and overall value for money of the portfolio [Q2.2a, 2.2b, 2.2c] Assessment of implications for future AF activity [Q2.6]	
Effectiveness Addresses evaluation matrix questions:	Assessment of portfolio progress on AF output and outcome indicators, and quality of outputs and outcomes [Q3.1a, 3.4] Assessment of portfolio gender, environment and social safeguards activities [Q3.3] Assessment of direct access modality implementation [Q3.2] Assessment of climate finance readiness implementation [Q3.6] Assessment of implications for future AF activity [Q3.9]	
Results and sustainability	Assessment of portfolio progress towards AF goal, impact and objective [Q3.1b, 3.5, 4.1, 4.2b, 3.8] Assessment of unintended results [4.1, 4.7]	

	Assessment of sustainability of portfolio results: ownership, continuation, mainstreaming, replication, scale up [Q4.2a, 4.3, 4.5, 4.6 Assessment of implications for future AF activity [Q4.4]	
Factors affecting results	Assessment of internal factors that affect results: stakeholder participation/ partnerships, technical and management capacity, human resource capacity, adaptive management, monitoring and evaluation, knowledge management [Q2.3a, 3.1d, 3.1c, 3.7a, 3.7b, 2.4, 2.5] Assessment of external factors that affect results [Q3.1d, 3.1c]: policy and political environment, funding, extreme and unpredictable climate variability	
Conclusions	Builds on findings	
Lessons and recommendations	Builds on conclusions	

Table 9: Evaluation limitations and mitigation strategies

Limitation	Description	Mitigation Strategy
Large and complex portfolio	The Adaptation Fund consisted of a large portfolio of 63 projects in diverse geographic and contextual settings. The projects are of different scale and responds to diverse adaptation needs. Capturing feedback and aggregating results of the projects is a potential challenge.	The ET has added an e-Survey targeting all 63 project stakeholders to provide the opportunity for broad-based feedback and reflection from all projects. The ET also reduced the number of fieldwork countries in order to allow time/days for online KIIs. This has allowed for selection of 22 projects for in-depth study and represents 35 percent of the Adaptation Fund portfolio that is being evaluated.
Institutional Knowledge	Staff turnover amongst key stakeholders will affect the level of knowledge and familiarity with the Adaptation Fund operations and its projects. It will also affect capturing insights and lessons from the country level.	The ET will take a structured approach to stakeholder listing and analysis, in close consultation with the AFBSec to identify the most appropriate key informants. The ET will also remain flexible to accommodate time for online KIIs and during fieldwork to interview staff involved in the past as much as possible. The ET prioritized field work in two countries where ET members are physically present. The ET's physical presence will allow time flexibility for interviewing past project staff if staff turnover is reported.
Language requirements	The different countries may have varying language requirements, which can affect the quality of feedback and interaction from project stakeholders.	The ET will conduct interviews in French and Spanish where needed. The ET will also translate e-survey to French and Spanish to encourage response and comprehensive feedback from project stakeholders in French and Spanish Speaking countries.
Level of	The Adaptation Fund has only 4	The ET pre-selected all 4 completed projects for online

maturity of the portfolio	projects that have completed status. The majority of the projects in the portfolio are under implementation or have not started implementation. This affects the level of assessment that can be made on the overall results and sustainability of projects.	KIIs. The ET will also conduct a structured review of project MTRs and final evaluations for projects that have made progress on implementation to capture lessons and sustainability elements as much as possible.
Limited number of projects with NIEs with sufficient implementation progress	Although direct access modality is a key theme of the evaluation, relatively fewer projects are implemented through NIEs with sufficient progress/maturity.	The ET prioritized NIE implemented projects in the sampling for online KIIs and fieldwork. The ET also allocated 1 day (3 KIIs) to interview NIEs benefiting from the readiness programme/grants and the streamlined accreditation process.
Secondary data quality and organization	Inconsistencies/gaps in documentation and data. This may also be affected by different monitoring systems, indicators and information access in different countries. Furthermore, an introductory call with AFBSec indicated that the results tracker data reported by projects in PPRs against Adaptation Fund outcomes and indicators is not consolidated at the portfolio level due to the absence of an information system.	The ET is taking a structured approach to the secondary data review. The ET is currently coordinating with AFBSec to check the status of available data, aggregated data and any gaps in consolidation of data.
Changes in processes, operations and policies of the Adaption Fund	The level of application of processes, policies will depend on the timing of decisions on these points. The Environmental and Social Policy and the gender policy and action plan have for instance been approved during the last couple of years. Such updates and/or policies need to be accounted for during the evaluation.	The ET will conduct the literature review in an organized manner so as to understand the changes in processes, policies and guidelines and will reflect these changes/timing in the evaluation. The inception report summarizes 'new initiatives' section to recognize these changes.
Multiple stakeholders in the evaluation process	During the evaluation, the ET has to coordinate with and respond to the IRP, the Evaluation Consultant, the AFB Sec and the AFB. Stakeholders may have different expectations of the evaluation process, which are not manageable by the ET if not coordinated. This increases the transaction costs for the ET in the evaluation, with more time spent on process and packaging then on progressing towards a substantive final product.	The ET will request clear structure for the various types of engagement, including specific formats for comments/inputs. This is necessary to manage inputs from multiple stakeholders. The ET will also request better management of expectations.
Measuring/ assessing adaptation results	It is well established that Adaptation lacks a straightforward metric, which can be easily counted, is a poor methodological fit for	Our analysis will emphasize the learning questions and evaluation themes, and explore the extent to which funded programmes rest on a strong adaptation rationale and contribute to the adaptation evidence

	standardized indicators.[206] This is because adaptation is multi-dimensional, spans across sectors, countries and regions. It is difficult to measure because while climate change is global, adaptation issues are highly local and context specific.	base.

Source: TANGO International. 2017. Overall Evaluation of the Adaptation Fund: Inception Report. Final Version. 27 September.

Appendix 3.2: Project selection criteria and projects selected for KIIs

Criterion 1: Implementation status. The main criterion for selection of projects was the project implementation status as it affects the level of documentation, feedback and data collection that is feasible. Out of 63 projects in the portfolio, 4 projects have been completed, 25 are funded but not started (no progress reports are available), and 33 are under implementation. Within these categories, selection sub-criteria were applied as follows:

- ***Category 1: Completed status:*** The ET pre-selected all four projects that have completed status as the projects provide the opportunity to understand the full project cycle experience and to assess results and sustainability potential.
- ***Category 2: Projects approved but not started (sub-criterion: gap between approval and start date):*** Based on project status, the ET also pre-selected four projects that have "funded status," which means the projects have not done any progress reporting and are in the early stages of implementation. Amongst these projects, preference was given to those projects that have a significant gap between project approval date and project start date.[207] This is to get in-depth understanding of the nature of initial delays to get project started, to understand whether these delays are context-specific or project-related, how these delays affect overall efficiency of the portfolio and what lessons can be applied to avoid these delays in the future. The selected projects include two of the four projects that are implemented by RIEs. This provides an opportunity to understand the RIE accreditation process, obtain insights on the gaps between RIE accreditation and project submission approval, and understand the value-added of RIEs for Adaptation Fund projects. The India projects also allow exploration of the small-project-window experience and readiness support grants.[208]
- ***Category 3: Projects under implementation (sub-criterion: Implementation Progress (IP) rating):*** For projects under implementation, which is the category of main interest to the evaluation and which represents the majority of projects in the portfolio, the ET applied sub-criteria of IP ratings. The rating applied by the Adaptation Fund based on project progress reports was taken from the latest annual performance report available.[209] The representation of projects with different ratings informs understanding of the different implementation experiences, challenges and lessons although these ratings were self-assessed by IEs.

Criterion 2: Implementation modality: When applying Criterion 1, the ET prioritized projects under NIE implementation. This is because most projects in the portfolio are MIE-implemented and the majority of projects in Category 3 under Criterion 1 are MIE-implemented. The ET prioritized NIE-implemented projects to achieve a balance in the NIE and MIE projects in the selection. By including NIE-implemented

[206] Bours et al. 2014. Guidance Note 2: Selecting indicators for climate change adaptation programming.

[207] At the AFB sixteenth meeting it was decided that "the Adaptation Fund will consider the start date of a project to be the date the inception workshop for the project takes place."'

[208] Projects below $1 million

[209] AF. 2016 Annual Performance Report for the Fiscal Year 2016 - AFB/EFC.19/3

projects, the ET seeks to capture the results of the direct access modality and any unique characteristics of projects implemented by NIEs in terms of quality of projects results, ownership, local capacity and potential for sustainability.

Criterion 3: Geographic and sector representation: When applying Criterion 1, the ET ensured balanced representation of regions (Africa, Asia-Pacific, LAC) and sectors as much as possible to identify potential trends based on geographic and sectoral context. The selection includes three Small Island Developing States (SIDS) countries[210] and nine Least Developed Countries (LDC) countries[211] to identify any issues specific to countries in these categories. The ET took note of recipients of Project Formulation Grants (PFGs) and readiness grants (technical assistance grants for gender and ESP) within the selected projects.

Criterion 4: Innovative and/or pilot projects: The ET selected South Africa as its small grant facility project. Implemented by an NIE, South African National Biodiversity Institute (SANBI), it is recognized as the first "enhanced direct access" project of the Adaptation Fund.

Table 10. List of projects selected for online KIIs and in-country field work

Criteria 1 Implementation status				
Category 1 Projects with completed status	(1) Senegal • NIE • Africa • Coastal management • LDC • Technical assistance grants	(2) Nicaragua • MIE-UNDP • LAC • Water management	(3) Pakistan • MIE-UNDP • Asia Pacific • DRR	(4) Solomon Islands • MIE-UNDP • Asia Pacific • Food security • SIDS/LDC
Category 2 ***Projects with 'funded status' with a gap between approval and start date***	5) India (NABARD)[212] • NIE • Asia Pacific • Coastal management/agriculture/forestry • Small project window • Technical assistance grants	(6) Chile (AGCI)[213] • NIE • LAC • Agriculture	(7) Niger (BOAD)[214] • RIE • Africa • Food security • LDC	(8) Uganda (OSS)[215] • RIE • Africa • Water management • LDC
Category 3 Projects under implementation Sub-criteria: IP ratings – satisfactory, moderately or highly satisfactory	(9) Egypt[216] • MIE-WFP • Africa[217] • Food security	(10) Honduras • MIE-UNDP • LAC • Multisector	(11) Cambodia • MIE –UNEP • Asia Pacific • Food security • LDC	(12) Argentina • NIE • LAC • Agriculture • PFG
	(13) Uruguay • NIE	(14) Jamaica • NIE	(15) Rwanda • NIE	

[210] Based on list in https://sustainabledevelopment.un.org/topics/sids/list
[211] Based on list as of June 2017 - https://www.un.org/development/desa/dpad/least-developed-country-category/ldcs-at-a-glance.html
[212] Two projects approved on 9/10/2015 but not started to date.
[213] Project approved on 9/10/2015 but not started to date.
[214] Project approved on 7/5/2016 but not started to date
[215] Project approved 7/5/2016 but not started to date
[216] Only country with consistent highly satisfactory (HS) ratings
[217] The ET has classified Egypt to this region as AF documentation does not show regional reference for the country.

	• LAC • Agriculture • PFG	• LAC • Agriculture • SIDS • PFG	• Africa • Rural development • LDC • Technical assistance grant	
Category 3 Projects under implementation Sub-criteria: IP ratings – unsatisfactory, moderately or highly unsatisfactory	(16) Samoa • MIE-UNDP • Asia Pacific • Coastal management • SIDS	(17) Tanzania • MIE-UNEP • Africa • Coastal management • LDC		
Category 3 Projects under implementation Sub-criteria: IP ratings – unsatisfactory, moderately or highly unsatisfactory	(18) Maldives • MIE- UNDP • Asia Pacific • Water management • SIDS	(19) Ecuador • MIE- WFP • LAC • Food security	(20) Madagascar • MIE-UNEP • Africa • Agriculture • LDC	(21) Turkmenistan • MIE-UNDP • Asia Pacific, • Agriculture
Criteria 4 – Innovative and pilot projects				
	(22) South Africa • NIE/ SGF – enhanced direct access pilot • Africa • Water management/multi sector projects • Technical assistance grant –ESP • PFG			

Table 11. Selection of countries for in-country visits	
Project/country	Justification
1. Enhancing Climate Resilience of Rural Communities Living in Protected Areas of Cambodia	• Food security project – majority of projects in the portfolio are food security projects. • MIE (UNEP) implementation – to compare and get insights to different implementation modalities on the ground. • LDC status – to explore whether LDC countries have any specific/unique experiences to accessing resources (accreditation) and in project implementation/sustainability. • Access to stakeholders and familiarity with country context – ET members' physical presence, expert country knowledge and familiarity with country context, policy environment and governance systems. The ET's physical presence an allow time flexibility for interviewing past project staff if staff turnover is reported.
2. Increasing climate resilience through an Integrated	• Water management project - third most common type of projects in the portfolio.

	Water Resource Management Programme in HA. Ihavandhoo, ADh. Mahibadhoo and GDh. Gadhdhoo Island - Maldives	• MIE (UNDP) implementation – to compare and get insights to different implementation modalities on the ground. UNDP is the most common MIE for the portfolio. • Understand/draw lessons from unsatisfactory to satisfactory implementation rating of the project. • SIDS status - to explore whether SIDS countries have any specific/unique in project implementation (for example dependency on off-shore technical expertise which affected initial delays in project implementation to design the water systems). The ET will also explore whether any barriers exist to direct access as a SIDS especially when the country has gained experience from several climate funds including GEF, AF and GCF. • Case demonstrating direct linkage between AF and GCF financing.[218] Maldives was amongst the first 8 beneficiaries of GCF projects approved in November 2015.[219] This will provide insights to the outcomes of GCF linkages with AF on the ground. The approved GCF project design recognizes linkages with the Adaptation Fund project to scale up water management systems. The project will show case linkages/benefits of Adaptation Fund in several areas: environmental/social safeguards application, technical solutions/blueprints designs developed in the project, programmatic approach lessons, stakeholder capacity and sustainability due to these linkages. • Access to stakeholders and familiarity with country context – ET members' physical presence, expert country knowledge and familiarity with country context, policy environment and governance systems. The ET's physical presence an allow time flexibility for interviewing past project staff if staff turnover is reported.
3.	Enhancing the Adaptive Capacity and Increasing Resilience of Small-size Agriculture Producers of the Northeast of Argentina	• Agriculture project - second most common sector in the Adaptation Fund portfolio. • NIE implementation with Unidad Para El Cambio Rural –unit for rural change of Argentina (UCAR). Insights to accreditation and project implementation/sustainability potential. UCAR has also benefited from the Adaptation Fund supported fast-track accreditation with GCF.[220] This will provide insights to the outcomes of GCF linkages with AF on the ground. • Option to review a second Adaptation Fund project being implemented in Argentina by the World Bank; Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province.
4.	Taking Adaptation to the Ground: A Small Grants Facility for Enabling Local Level Responses to Climate Change (South Africa)	• Enhanced direct access pilot – demonstrate methodologies for facilitating enhanced direct access. The project has potential to generate key lessons on level of project ownership, sustainability, community capacity building due to enhanced direct access mechanism. The project can also provide new thinking and inform strategies for future Adaptation Fund implementation modalities. • NIE implementation with SANBI. Insights to accreditation and project implementation/sustainability potential. SANBI has also benefited from the Adaptation Fund supported fast-track accreditation with GCF.[221] This will provide insights to the outcomes of GCF linkages with AF on the ground. • As a multi-sector project, the ET will be able to get an idea of the diverse range of interventions supported by the Adaptation Fund. • Option to review a second Adaptation Fund project implemented in the country by SANBI; Building Resilience in the Greater uMngeni Catchment Project.

[218] GCF. 2015. Consideration of Funding Proposals – Addendum. Funding Proposal Package for FP007. GCF/B.11/04/Add.07.
[219] GCF. 2015. Press release - Green Climate Fund approves first 8 investments.
[220] GCF. 2016. Decisions of the Board – Twelfth Meeting of the Board, 8-10 March 2016. GCF/B.12/32.
[221] GCF. 2016. Decisions of the Board – Fourteenth Meeting of the Board, 12-14 October 2016. GCF/B.14/17.

	Table 12: List of TEs and MTRs reviewed	
	Terminal evaluations	
1	AF. 2015. Pakistan	AF. 2015. Reducing Risks and Vulnerabilities from Glacial Lake Outburst Floods in Northern Pakistan. Terminal Evaluation Report.
2	AF. 2015. Nicaragua.	AF. 2015. Reduction of Risks and Vulnerability Based on Flooding and Droughts in the Estero Real River Watershed. Terminal Evaluation Report.
3	AF. 2015. Senegal	AF. 2015. Adaptation to coastal erosion in vulnerable areas. Terminal Evaluation Report.
4	AF. 2016. Honduras.	AF. 2016. Addressing Climate Change Risks on Water Resources in Honduras: Increased Systemic Resilience and Reduced Vulnerability of the Urban Poor. Terminal Evaluation Report.
5	AF. 2016. Solomon Islands	AF. 2016. Enhancing resilience of communities in Solomon Islands to the adverse effects of climate change in agriculture and food security. Terminal Evaluation Report.
6	AF. 2016. Maldives	AF. 2016. Increasing Climate Resilience through an Integrated Water Resources Management Programme. Terminal Evaluation Report.
7	AF. 2017. Turkmenistan	AF. 2017. Addressing climate change risks to farming systems in Turkmenistan at national and community level. Terminal Evaluation Report.
8	AF. 2017. Georgia	AF. 2017. Developing climate resilient flood and flash flood management practices to protect vulnerable communities of Georgia. Terminal Evaluation Report.
	Midterm review	
1	AF. 2015. Egypt	AF. 2015. Building Resilient Food Security Systems to Benefit the Southern Egypt Region project. Midterm Review Report.
2	AF. 2015. Mauritius	AF. 2015. Climate Change Adaptation Programme in the Coastal Zone of Mauritius. Midterm Review Report.
3	AF. 2015. Mongolia	AF. 2015. Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia. Midterm Review Report.
4	AF. 2015. Ecuador	AF. 2015. Enhancing resilience of communities to the adverse effects of climate change on food security, in Pichincha Province and the Jubones River basin. Midterm Review Report.
5	AF. 2016. Madagascar	AF. 2016. Adaptation Fund project – Promoting Climate Resilience in the Rice Sector through Pilot Investments in Alaotra-Mangoro Region. Midterm Review Report.
6	AF. 2016. Papua New Guinea	AF. 2016. Enhancing adaptive capacity of communities to climate change-related floods in the North Coast and Islands Region of PNG. Midterm Review Report.
7	AF. 2016. Cook Islands	AF. 2016. Strengthening the Resilience of our Islands and our Communities to Climate Change. Midterm Review Report.
8	AF. 2016. Jamaica	AF. 2016. Enhancing the Resilience of the Agricultural Sector and Coastal Areas to Protect Livelihoods and Improve Food Security. Midterm Review Report.
9	AF. 2016. Uruguay	AF. 2016. Uruguay: Helping Small Farmers Adapt to Climate Change. Midterm Review Report.
10	AF. 2016. Samoa	AF. 2016. Enhancing resilience of coastal communities of Samoa to climate change. Midterm Review Report.
11	AF. 2017. Colombia	AF. 2017. Reducing Risk and Vulnerability to Climate Change in the Region of La Depresion Momposina in Colombia. Midterm Review Report.

12	AF. 2017. Eritrea	AF. 2017. Climate Change Adaptation Programme in Water and Agriculture in Anseba Region, Eritrea. Midterm Review Report.
13	AF. 2017. Djibouti	AF. 2017. Developing agropastoral shade gardens as an adaptation strategy for poor rural communities. Midterm Review Report.
14	AF. 2017. Argentina	AF. 2017. Enhancing the Adaptive Capacity and Increasing Resilience of Small-scale Agriculture Producers of the Northeast of Argentina. Midterm Review Report.
15	AF. 2017. Tanzania	AF. 2017. Implementation of Concrete Adaptation Measures to Reduce Vulnerability of Livelihood and Economy of Coastal Communities in Tanzania. Midterm Review Report.
16	AF. 2017. Rwanda	AF. 2017. Reducing Vulnerability to Climate Change in North West Rwanda through Community based adaptation. Midterm Review Report.

Table 13: Projects not included in the PPR analysis

These projects have been funded but not initiated prior to commencement of this Evaluation

1. Lebanon, Climate Smart Agriculture: Enhancing Adaptive Capacity of the Rural Communities in Lebanon (AgriCAL)
2. India, Enhancing Adaptive Capacity and Increasing Resilience of Small and Marginal Farmers in Purulia and Bankura Districts of West Bengal
3. Kenya, Integrated Programme to Build Resilience to Climate Change & Adaptive Capacity of Vulnerable Communities
4. Mali, Programme Support for Climate Change Adaptation in the vulnerable regions of Mopti and Timbuktu
5. Nepal, Adapting to climate induced threats to food production and food security in the Karnali Region of Nepal
6. Jordan, Increasing the resilience of poor and vulnerable communities to climate change impacts in Jordan through implementing innovative projects in water and agriculture in support of adaptation to climate change
7. India, Building adaptive capacities of small inland fishers for climate resilience and livelihood security, Madhya Pradesh
8. India, Climate Smart Actions and Strategies in North Western Himalayan Region for Sustainable livelihoods of agriculture dependent communities
9. India, Climate Proofing of Watershed Development Projects in the States of Rajasthan and Tamil Nadu
10. Chile, Enhancing resilience to climate change of the small agriculture in the Chilean region of O'Higgins
11. Peru, Adaptation to the Impacts of Climate Change on Peru's Coastal Marine Ecosystem and Fisheries
12. Niger, Enhancing Resilience of Agriculture to Climate Change to Support Food Security in Niger, through Modern Irrigation Techniques

13. Uganda, Enhancing Resilience of Communities to Climate Change through Catchment Based Integrated Management of Water and Related Resources in Uganda
14. India, Building Adaptive Capacities in Communities, Livelihoods and Ecological Security in the Kanha-Pench Corridor in Madhya Pradesh
15. Lao People's Democratic Republic. Enhancing the climate and disaster resilience of the most vulnerable rural and emerging urban human settlements in Lao PDR
16. Antigua and Barbuda, An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed
17. Ethiopia, Climate Smart Integrated Rural Development Project
18. Honduras, Ecosystem-Based Adaptation at Communities of the Central Forest Corridor in Tegucigalpa
19. Micronesia, Federated States, Enhancing the Climate Change Resilience of Vulnerable Island Communities in Federated States of Micronesia
20. Panama, Adapting to climate change through integrated water management in Panama
21. Paraguay, Ecosystem Based Approaches for Reducing the Vulnerability of Food Security to the Impacts of Climate Change in the Chaco region of Paraguay
22. Peru, AYNINACUY: Strategies for adaptation to climate change, for the preservation of livestock capital and livelihoods in highland rural communities
23. Ethiopia, Kenya, Uganda, Agricultural Climate Resilience Enhancement Initiative (ACREI)

Appendix 3.3: Resilience Measurement Conceptual Framework

The following is excerpted from "Resilience Measurement Practical Guidance Series: An Overview" by Sarah Henly-Shepard and Bradley Sagara, 2017. TOPS report for USAID.

USAID defines resilience as "the ability of people, households, communities, countries and systems to mitigate, adapt to and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth."[222] Fundamental to this definition is that resilience is shaped by a set of capacities than enable people to absorb and recover from shocks and stresses, while adapting and transforming their communities and livelihoods to withstand future events. Important to measuring resilience is that these capacities are used in the face of shocks and stresses, and measured against well-being and other core development outcomes of interest. Components of a resilience analysis are described below and visualized in Figure 10.

1. **Capacities** that people, groups, or systems draw on to manage or adapt to shocks and stressors – such as livelihood opportunities, social networks, or access to and use of essential services. Systematic measurement of changes in resilience requires measuring baseline levels of all capacities (absorptive, adaptive and transformative), the severity of a shock that occurred, and resulting changes in resilience

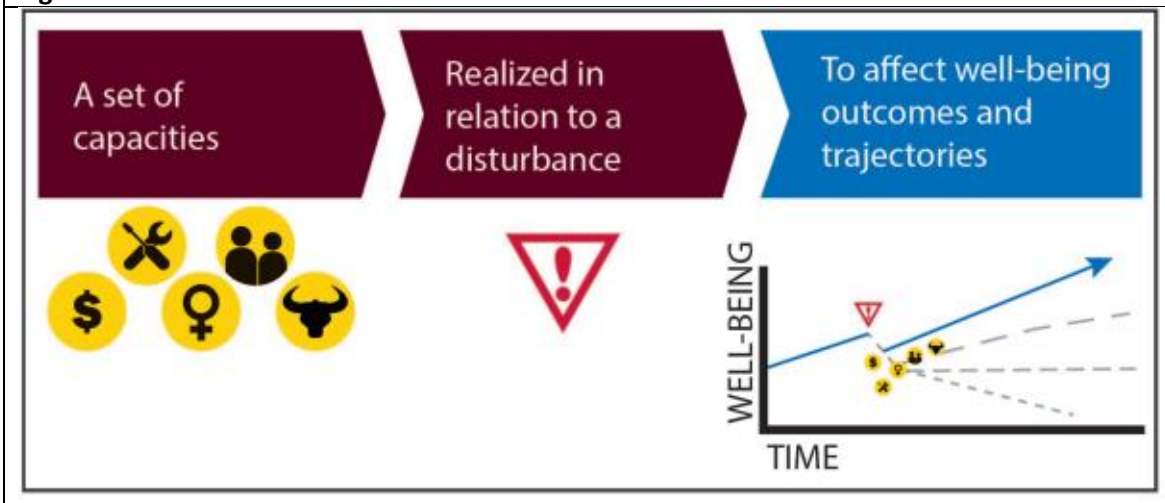
[222] USAID Resilience Fact Sheet. https://scms.usaid.gov/sites/default/files/documents/1867/06.30.2015%20-%20Resilience%20Fact%20Sheet.pdf Accessed Dec. 6, 2016.

capacities.[223] Urban programmes often focus more on systems-level efforts to improve resilience through infrastructure and policy, whereas rural programmes may use more household and community-level interventions such as agricultural and livelihood diversification and access to information through early warning systems (EWS).

2. **Shocks and stresses** that individuals, households, communities or systems are exposed to – such as droughts, conflict, food-price spikes, or illness.

3. **Development (or well-being) outcomes**, such as food security, improved health or reduced poverty that people seek to maintain or quickly recover when faced with a shock or stress.

Figure 10 Resilience measurement framework



(Adapted from Mercy Corps' Simplified Resilience Measurement Framework)

This conceptual framework illustrates how resilience capacities, when measured in connection with a shock or stress, can help us understand programs' impacts upon development and well-being outcomes. Measuring resilience is different from measurement of other program objectives or concepts in several key ways. As such, the Guidance Notes will be grounded in the following core concepts:

Concept 1: Resilience Demands a Contextualized, Systems Approach
Resilience measurement requires understanding the dynamic, complex and interrelated social, ecological, political, and economic systems within which communities exist. As such, practitioners will need to appropriately identify, understand, measure and address the specific shocks, stresses and resilience capacities across and within systems.

Concept 2: Resilience is Not an End
Typically, when evaluating impact changes in well-being and development outcomes (such as poverty, nutritional status, educational attainment, or health) are tracked over time. Resilience, in contrast, is not a well-being outcome in and of itself. Rather, resilience is an ability, driven by certain capacities, that shapes how and why outcomes change over time, specifically in the face of shocks and stresses.

Concept 3: Resilience as a Set of Capacities and Responses

[223] Frankenberger, Tim, and Olga Petryniak. 2016. Should Resilience be Conceptualized and Measured Differently in Asian Rural and Urban Contexts? Report by TANGO International and Mercy Corps for Save the Children, USAID, and TOPS.

Operationally, sources of resilience are captured by the context-specific capacities and responses that individuals, households, and communities use in the face of shocks and stresses. Resilience capacities are resources, strategies, and behaviors that include:

- proactive actions taken in advance of a crisis to help mitigate its effect (adaptive capacities),
- strategies taken in the midst of a crisis to manage it when it occurs (absorptive capacities), and
- fundamental shifts to the enabling environments for individuals, households and communities to strengthen social, environmental and economic systems in the face of shocks and stresses (transformative capacities).

Concept 4: Measuring Resilience is a Long-term Commitment

Programmatically, strengthening resilience is a long-term commitment that cannot be achieved within a single project cycle; it must be a coordinated effort across a portfolio of activities spanning multiple project cycles. Resilience measurement efforts must therefore respond to this programmatic demand by making analyses both holistic and context-specific within and beyond project timelines. To this end, resilience measurement captures dynamics between shocks, responses, and effects over time, ideally across multiple scales of analysis (individual, household, community, etc.).

Guiding Questions for a Resilience Measurement Process

Resilience measurement should aim to develop in-depth understanding of the complex risk environments in which we operate, as well as the factors that help individuals, households and communities manage and adapt to risk. To that end, there are five critical guiding questions that facilitate resilience measurement across assessment, monitoring and evaluation:[224]

1. *Resilience for Whom?:* The target populations and their attributes that include location (urban, periurban, rural), demographic factors (sex, age, ethnicity) and livelihood (agriculture, trade, unskilled labor).
2. *Resilience of What?*: The enabling environment, including formal and informal institutions, infrastructure, social, ecological and economic factors that impact the target population's ability to anticipate, absorb and adapt to risks.
3. *Resilience to What?*: The complex and compounding shocks and stresses that impact people's capacities to achieve development outcomes.
4. *Resilience Through What?*: The absorptive, adaptive and transformative capacities that strengthen the ability of target populations to mitigate risk.
5. *Resilience to What End?*: The primary wellbeing or development outcomes for which we want to build resilience.

[224] Mercy Corps (n.d.) The STRESS Process at Mercy Corps. Retrieved from: https://d2zyf8ayvg1369.cloudfront.net/sites/default/files/STRESS_Doc_R7%20%281%29.pdf

Appendix 3.4: Theory of Change

Figure 11 Theory of Change

Source: AFB. 2017. Draft Medium-Term Strategy 2018-2022, Illus. 2. AFB/B.30/5/Rev.1

Appendix 4: Key Informant Interviews

Table 14: Key Informant Interviews with internal and external stakeholders to the Adaptation Fund

#	Name	Title	Organization	Location/mode	Date
1	Sam Bickersteth	CEO	CDKN	Online	06.11.2017
2	Martina Dorigo	Program Analyst	AF	COP 23 meeting, Bonn	24.10.2017
3	Mikko Ollikainen	AFB Sec Manager	AF	Online	24.10.2017
4	David Kaluba	AFB Member	AF	Online	25.10.2017
5	Silvia Mancini	Accreditation Officer, AFB Sec	AF	Online	31.10.2017
6	Graham Joscelyne	AP Member	AF	Online	01.11.2017
7	Marc-Antoine Martin	AP Member / PPRC Member	AF	Online	01.11.2017
8	Yuka Greiler	PPRC Member	AF	Online	01.11.2017
9	Bert Keuppens	AP Member	AF	Online	02.11.2017
10	Michael Kracht	AFB Chair	AF	Online	02.11.2017
11	Mikko Ollikainen	AFB Sec Manager	AF	COP 23 meeting, Bonn	06.11.2017
12	Barney Dickson	Head of Climate change and Biodiversity	UNEP	COP 23 meeting, Bonn	06.11.2017
13	Ahmed Waheed	AFB Member	AF	COP 23 meeting, Bonn	08.11.2017
14	Liane Schalatek	Associate Director	Heinrich Boell Foundation	COP 23 meeting, Bonn	08.11.2017
15	Patiency Damptey	AFB/EFC Member	AF	COP 23 meeting, Bonn	08.11.2017
16	Lucas Di Pietro	AFB	AF	COP 23 meeting, Bonn	08.11.2017
17	Daouda Ndiaye	Senior Climate Change Specialist	AF	COP 23 meeting, Bonn	09.11.2017
18	Julia Grimm	Policy Advisor – Climate Finance	German Watch	COP 23 meeting, Bonn	09.11.2017
19	Pradeep Kurukulasuriya	Head – Climate Change Adaptation	UNDP	COP 23 meeting, Bonn	09.11.2017
20	Matthew Trevor Pueschel	AFB Sec	AF	COP 23 meeting, Bonn	10.11.2017
21	Tania Osejo	Climate Adaption specialist	WFP	COP 23 meeting, Bonn	11.11.2017
22	Jaime Webb	Adaptation Technology Manager	Climate Technology Centre and Network (CTCN)	Online	13.04.2018
23	Juan Hoffmaister	International Climate Policy Specialist	GCF	Online	16.04.2018
24	Tracey Lue	Programme Officer	UNFCCC Secretariat	Written feedback	19.04.2018
25	Yasemin Biro	Senior KM Officer	GEF	Online	25.04.2018
26	Loreta Rufo	Climate Change Specialist	CIF	Online	01.06.2018

Table 15: Key Informant Interviews – Project-focused interviews with IEs						
#	**Name**	**Implementing Organization type and name**	**Country**	**Location**	**Date**	**Project name**
1	Anna Kontorov, Lars Christiensan	MIE - UNEP	Madagascar, Tanzania	Online	30.11.2017	Madagascar: Promoting Climate Resilience in the Rice Sector Tanzania: Implementation of Concrete Adaptation Measures to Reduce Vulnerability of Livelihood and Economy of Coastal Communities in Tanzania
2	Dethie S. Ndiaye	NIE - Centre de Suivi Ecologique	Senegal	Online	08.12.2017	Adaptation to Coastal Erosion in Vulnerable Areas
3	Khatim Kherraz Nabil Ben Khatra Khaoula Jaqui	NIE - OSS	Uganda	Online	12.12.2017	Enhancing resilience of communities to climate change through catchment based integrated management of water and related resources in Uganda
4	Sachim Kamble, T.S. Raji Gain	NIE - NABARD	India	Online	14.12.2017	Conservation and Management of Coastal Resources as a Potential Adaptation Strategy for Sea Level Rise Climate smart actions and strategies in north western Himalayan region for sustainable livelihoods of agriculture-dependent hill communities
5	Rwibasira Xavier Innocent Musabyimana	NIE - MINERWA	Rwanda	Online	14.12.2017	Reducing Vulnerability to Climate Change in North West Rwanda through Community based adaptation.
6	Khalil Ahmed	MIE - UNDP	Pakistan	Online	14.12.2017	Reducing Risks and Vulnerabilities from Glacier Lake Outburst Floods in Northern Pakistan
7	Claire Bernard, Shelia, Lean Roper	NIE - Planning Institute of Jamaica (PIOJ)	Jamaica	Online	19.12.2017	Enhancing the resilience of the agriculture sector and coastal areas to protect livelihoods and improve food security
8	Dennis Funes, Rafael Martins	MIE - UNDP	Honduras	Online	21.12.2017	Addressing Climate Change Risks on Water Resources in Honduras: Increased Systemic Resilience and Reduced Vulnerability of the Urban Poor
9	Lynelle Popot, Deltina Solomon	MIE - UNDP	Solomon Islands	Online	10.01.2018	Enhancing Resilience in Agriculture and Food Security in the Solomon Islands to the adverse effects of climate change in agriculture and food security (SWoCK)
10	Rahmanberdi Hanekov, Rovshen Nurmuhamedov, Natalia Olofinskaya	MIE - UNDP	Turkmenistan	Online	11.01.2018	Addressing climate change risks to farming systems in Turkmenistan at national and community level

11	Tessa Tafua	MIE - UNDP	Samoa	Online	11.01.2018	Enhancing resilience of coastal communities of Samoa to climate change
12	Karine Carmen Kyungan Park	MIE - WFP	Ecuador	Online	16.01.2018	Enhancing resilience of communities to the adverse effects of climate change on food security, in Pichincha Province and the Jubones River basin (FORECCSA)
13	Ibrahim Traore, Bio-Sawe Yacoubou, Toe Dhisso Honoré	RIE - BOAD	Niger	Online	19.01.2018	Enhancing resilience of agriculture to climate change to support food security in Niger, through modern irrigation techniques
14	Marcelo Batto	NIE - ANII	Uruguay	Online	26.01.2018	Building resilience to climate change and variability in vulnerable smallholders
15	Enrique O´Farrill-Julien	NIE - AGCI	Chile	Online	29.01.2018	Enhancing resilience to climate change of the small agriculture in the Chilean region of O'Higgins

Note: The ET was not able to organize IE interviews for Egypt and Nicaragua .

Table 16: Key informant interviews (KIIs) and evaluation workshop participants[225]					
#	**Name**	**Title**	**Organization**	**Location/mode**	**Date**
1	Kung Seakly (+ staff)	Director of Local Community Livelihood Department	Ministry of Environment	Cambodia	16.10.2017
2	Edward Maningo	M&E Consultant	Ministry of Environment	Cambodia	16.10.2017
3	Som Sopheak	Director	Action for Development	Cambodia	18.10.2017
4	Chhao Buntheoeu	Director of Boeung Per Wildlife Sanctuary	Ministry of Environment	Cambodia	20.10.2017
5	Ouk Navann	National Project Coordinator	Ministry of Environment	Cambodia	20.10.2017
6	Kim Sarin	Team Leader, Boeung Per Protected Area	Ministry of Environment	Cambodia	24.10.2017
7	Nicholas Tye	Technical Advisor	C4ES	South Africa	24.10.2017
8	Yin Kimsean	Chair of Project Board	Ministry of Environment	Cambodia	25.10.2017
9	Tin Ponlok	Head, Climate Change Department	Ministry of Environment	Cambodia	25.10.2017
10	Aminath Nawal	Senior Programme Manager	UNOPS	Maldives	29.10.2017
11	Najfa Razee	Project manager	UNOPS?	Maldives	30.10.2017
12	Ahmed Shifaz	ARR Climate	UNDP	Maldives	30.10.2017
13	Aysha Solih	Programme Officer	UNDP	Maldives	30.10.2017
14	Umna Luthfee	Programme Assistant	UNDP	Maldives	30.10.2017
15	Mohamed Rasheed	Founding Member	Water Care (NGO)	Maldives	31.10.2017
16	Ahmed Saif	Director, Head of Projects Planning and Implementation Department	STELCO	Maldives	31.10.2017
17	Ahmed Sharneez	Head of Regional Department	STELCO	Maldives	31.10.2017
18	Lahiru Perera	Procurement and Project Support Officer / Project Manager, Support Service Unit	UNOPS	Maldives	31.10.2017
19	Atifa Kassan	Climate Change Adaptation Unit	United Nations Environment Programme	Kenya	06.11.2017
20	Laura Abram Alberdi	Director of UGAS (Unidad de Gestión Ambiental y Social) and General Coordinator with the Adaptation Fund project within UCAR	UCAR	Argentina	13.11.2017
21	Jorge Arias Almonacid	Coordination Team of the Adaptation Fund project within UCAR	UCAR	Argentina	13.11.2017
22	María Soledad Moreriras	Coordination Team of the Adaptation Fund project within UCAR	UCAR	Argentina	13.11.2017
23	Iris Barth	Technical Consultant, Responsible for Component 3 of Adaptation Fund project	INTA	Argentina	14.11.2017
24	Marcelo Belloni	Researcher, INTA Climate and Water Office	INTA	Argentina	14.11.2017
25	Raul Castellini	Programme Officer, Program Management	UCAR	Argentina	14.11.2017

[225] Representatives from the IE and from the EE in each country accompanied visiting ET members throughout the fieldwork and were present in all site visits; total number of men and women key informants have been aggregated by type of stakeholder.

26	Milagros Castro Rios	Technical Consultant, Responsible for UCAR and Green Climate Fund Coordination	UCAR	Argentina	14.11.2017
27	María Julia Lardone	Monitoring Officer of Externally Funded Projects	The Ministry of Foreign Affairs and Worship	Argentina	14.11.2017
28	Daniel Fernando Miguez	Assessment Manager for Risk and Safety Agriculture and Livestock Programs	ORA (Oficina de Riesgos Agropecuarios)	Argentina	14.11.2017
29	Andrés Guido Nakab	Monitoring Consultant, Responsible for Monitoring of Adaptation Fund Project Subcomponent 1.1 and 1.3	UCAR	Argentina	14.11.2017
30	Mario Nanclares	Institutional Management Team Leader	UCAR	Argentina	14.11.2017
31	Sandra Occhiuzzi	Coordination Risk Officer, Agriculture and Livestock Programs	Ministry of Agroindustry	Argentina	14.11.2017
32	Carlos Pacho	Program Analyst, Coordinator between National Authority and Green Climate Fund	Ministry of Finances	Argentina	14.11.2017
33	Mariano Poledo	Internal Management and Control Officer	UCAR	Argentina	14.11.2017
34	Jorgelina Salvo	Program Officer, National Directorate on Climate Change	Ministry of Environment and Sustainable Development	Argentina	14.11.2017
35	Soledad Toriggia	Administrative Officer, Climate Change Projects	INTA	Argentina	14.11.2017
36	Lucas Vazquez	Technical Coordinator, Responsible for Water Access component and Optimization of Agricultural Livestock Practices	INTA	Argentina	14.11.2017
37	Abdon Zavaleta	Program Analyst	Ministry of Finances	Argentina	14.11.2017
38	Mandy Barnett	Director, Climate Change Adaptation	South African National Biodiversity Institute (SANBI)	South Africa	22.11.2017
39	Mpfunzeni Tshindane	Project Officer, Climate Change Adaptation	South African National Biodiversity Institute (SANBI)	South Africa	22.11.2017
40	Carl Wesselink	Project Director, SouthSouthNorth	SouthSouthNorth (SSN)	South Africa	22.11.2017
41	Louise Vaughan	Project Manager (Technical)	SouthSouthNorth (SSN)	South Africa	22.11.2017
42	Lorraine Dimairho	Project Manager (Operations)	SouthSouthNorth (SSN)	South Africa	22.11.2017
43	Sarah Frazee	Supervising Manager	Conservation South Africa (CSA)	South Africa	22.11.2017
44	Nikki Stuart-Thompson	Director	CHoiCe Trust – Via Skype	South Africa	22.11.2017
45	Thabang Phago	Project Officer	Conservation South Africa (CSA)	South Africa	23.11.2017
46	Siyabonga Myeza	Project Manager	Environmental Monitoring Group	South Africa	23.11.2017
47	Alida Afrika	General Manager	Heiveld Cooperative	South Africa	23.11.2017
48	Jozua Lambert	Technical Expert Facilitator	Gondwana Alive	South Africa	24.11.2017
49	Genevieve Nero	Field Officer	SaveAct	South Africa	24.11.2017
50	Gasim Shihan	Council member	Mahibadhoo Island Council	Maldives	04.01.2018
51	Mohamed Naushad	Assistant Director	Mahibadhoo Island Council	Maldives	04.01.2018
52	Mohamed Faiz	Director (FZ)	Mahibadhoo Island Council	Maldives	04.01.2018
53	Hussein Saleem	Assistant Planning Officer	Mahibadhoo Island Council	Maldives	04.01.2018
54	Mohamed Riza	Engine Operator	STELCO	Maldives	04.01.2018

55	Hassan Faseel	Assistant Station Manager	STELCO	Maldives	04.01.2018
56	Moosa Nashid	Engine Operator	STELCO	Maldives	04.01.2018
57	Moosa Rasheed	Technician	STELCO	Maldives	04.01.2018
58	Muneefa Adam	Committee member	Women's Development Committee	Maldives	04.01.2018
59	Aminath Faiz	Committee member	Women's Development Committee	Maldives	04.01.2018
60	Faheema Mohamed	VicePresident	Women's Development Committee	Maldives	04.01.2018
61	Aishath Jeeza	President	Women's Development Committee	Maldives	04.01.2018
62	Gasim Moosa	Community representative/leading teacher	Not applicable	Maldives	04.01.2018
63	Moosa Rasheed	Vice President	Mahibadhoo Sports Club	Maldives	04.01.2018
64	Abdulla Naeem	Secretary	Albayyinath NGO	Maldives	04.01.2018

Table 17: Beneficiary interviews (FGDs/in-depth interviews)[226]

Country	District / province /region	Male	Female
South Africa	Nieuwoudtville, Northern Cape Province	5	3
	Leliefontein, Northern Cape Province	7	9
Argentina	Chaco, Chaco province	3	27
	Machagai, Chaco province	20	-
	Corrientes, Corrientes province	20	5
Cambodia	Preah Vihear Province	5	6
	Kampong Thom Province	4	1
Maldives	AA Mahibadhoo, Alif Dhaal Atoll	4	3
	Sub-total	**68**	**54**
	TOTAL	**122**	

[226] Total number of male and female beneficiaries have been disaggregated by location.

Appendix 5: Adaptation Fund results framework and core indicators

Table 18: Adaptation Fund strategic results framework	
Objective: Reduce vulnerability and increase adaptive capacity to respond to the impacts of climate change, including variability at local and national levels.	
Expected results	**Indicators**
Goal: Assist developing-country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change in meeting the costs of concrete adaptation projects and programmes in order to implement climate-resilient measures.	
Impact: Increased resiliency at the community, national, and regional levels to climate variability and change.	
Outcome 1: Reduced exposure to climate-related hazards and threats	1. Relevant threat and hazard information generated and disseminated to stakeholders on a timely basis
Output 1.1: Risk and vulnerability assessments conducted and updated	1.1. No. of projects/programmes that conduct and update risk and vulnerability assessments (by sector and scale)
	1.2 No. of early warning systems (by scale) and no. of beneficiaries covered
Output 1.2: Targeted population groups covered by adequate risk reduction systems	1.2.1. Percentage of target population covered by adequate risk-reduction systems
Outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses	2.1. Capacity of staff to respond to, and mitigate impacts of, climate-related events from targeted institutions increased
Output 2: Strengthened capacity of national and sub-national centres and networks to respond rapidly to extreme weather events	2.1.1. No. of staff trained to respond to, and mitigate impacts of, climate-related events (by gender) 2.1.2 No. of targeted institutions with increased capacity to minimize exposure to climate variability risks (by type, sector and scale)
Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level	3.1. Percentage of targeted population aware of predicted adverse impacts of climate change, and of appropriate responses
	3.2. Percentage of targeted population applying appropriate adaptation responses
Output 3: Targeted population groups participating in adaptation and risk reduction awareness activities	3.1 No. of news outlets in the local press and media that have covered the topic
Outcome 4: Increased adaptive capacity within relevant development sector services and infrastructure assets	4.1. Responsiveness of development sector services to evolving needs from changing and variable climate
	4.2. Physical infrastructure improved to withstand climate change and variability-induced stress
Output 4: Vulnerable development sector services and infrastructure assets strengthened in response to climate change impacts, including variability	4.1.1. No. and type of development sector services modified to respond to new conditions resulting from climate variability and change (by sector and scale)

	4.1.2. No. of physical assets strengthened or constructed to withstand conditions resulting from climate variability and change (by sector and scale)
Outcome 5: Increased ecosystem resilience in response to climate change and variability-induced stress	5. Ecosystem services and natural resource assets maintained or improved under climate change and variability-induced stress
Output 5: Vulnerable ecosystem services and natural resource assets strengthened in response to climate change impacts, including variability	5.1. No. of natural resource assets created, maintained or improved to withstand conditions resulting from climate variability and change (by type and scale)
Outcome 6: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas	6.1 Percentage of households and communities having more secure access to livelihood assets
	6.2. Percentage of targeted population with sustained climate-resilient alternative livelihoods
Output 6: Targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability	6.1.1. No. and type of adaptation assets (tangible and intangible) created or strengthened in support of individual or community livelihood strategies
	6.2.1. Type of income sources for households generated under climate change scenario
Outcome 7: Improved policies and regulations that promote and enforce resilience measures	7. Climate change priorities are integrated into national development strategy
Output 7: Improved integration of climate-resilience strategies into country development plans	7.1. No. of policies introduced or adjusted to address climate change risks (by sector)
	7.2. No. of targeted development strategies with incorporated climate change priorities enforced

Table 19: Adaptation Fund core indicators	
Increased adaptive capacity of communities to respond to the impacts of climate change	Number of beneficiaries (direct and indirect)
	Number of early warning systems
	Assets produced, developed, improved, or strengthened
	Increased income, or avoided decrease in income
Increased ecosystem resilience in response to climate change-induced stresses Natural	Natural assets protected or rehabilitated

Appendix 6: Timeline of Adaptation Fund key events, major policies and processes

Table 20. Timeline of Adaptation Fund key events, major policies and processes	
1992	UNFCCC adopted
1997	Kyoto Protocol adopted
2001	Adaptation Fund established
2005	Kyoto Protocol activated
2007	AFB created
2008	Memorandum of understanding between the CMP and the GEF regarding Secretariat services, and the terms and conditions of services to be provided by the Trustee Strategic priorities, policies, and guidelines of the Adaptation Fund adopted
2009	Fiduciary standards adopted First sales of CERs EFC and PPRC established Initial review of the Adaptation Fund
2010	3 Implementing Entities accredited (CSE, UNDP, World Bank) First projects funded (Senegal, Honduras)
2011	AFB acquires legal capacity
2011	Knowledge Management Strategy adopted
2012	Fundraising target set ($100 million)
2013	Fundraising goals surpassed ($104 million) Environmental and Social Policy (ESP) approved
2014	Readiness Program started New resource mobilization target ($160 million) Completion of the first Adaptation Fund project in Senegal
2015	Adaptation Fund first phase evaluation Pilot regional programme launched
2016	Climate Finance Ready website Gender Policy and Action Plan adopted Guidance note for gender and ESP adopted.
2017	Adaptation Fund second phase evaluation

Appendix 7: Portfolio analysis

Table 21: Multilateral financial mechanisms focused on adaptation

Fund	Administered by	Thematic areas	Geographic distribution	Implementing modalities	Average project size[5]	Financing instruments[6]	Financial mechanism
Adaptation Fund	GEF Secretariat	Food security, agriculture; coastal and water mgmt.; urban and rural development; DRR, forestry and multi-sector	Developing country Parties to the Kyoto Protocol"[2] that "are particularly vulnerable to the adverse effects of climate change."[3]	Multi-lateral implementation and direct access modality	$6.5 million	Grant	UNFCCC
Global Environment Facility (GEF)		Biodiversity, international waters, land degradation, chemicals, waste	Developing countries	Mainly multi-lateral agencies; 3 national entities accredited	$6.7 million (GEF 5 & 6)	Loans, equity, risk mitigation instruments	
Least Developed Countries Fund (LDCF)		(1) Develop NAPA (2) implement projects under NAPA	LDCs	Through GEF agencies	$4.5 million	Grant	
Special Climate Change Fund		Land and water resource mgmt., agriculture, health, infrastructure development, fragile ecosystem mgmt. (mountains, coasts)	Countries that are not benefiting from LDCF	Through GEF agencies	$4.6 million	Grant	
Green Climate Fund (GCF)	**GCF**	livelihoods, health (including food and water security), resilient infrastructure and ecosystems[1]	50% of adaptation funding to developing countries that are particularly vulnerable to adverse effects of climate change (LDCs, SIDS, Africa)[4]	Multi-lateral implementation and direct access modality	$42.4 million	Loans, equity, and risk mitigation instruments	
Adaptation for Smallholder Agriculture Programme[7]	International Fund for Agricultural Development (IFAD)	smallholder farmers access to information, tools and technologies that will help build their resilience to climate change	IFAD partner countries	Through IFAD. Projects and programmes are implemented through gov't ministries	unknown	Concessional Loans, Grants, Market-rate Loans	non-UNFCCC
Pilot Program for Climate Resilience (PPCR)	Climate Investment Funds (CIFs) administered by World Bank	Adaptation sectors	18 countries	Mainly through multi-lateral development banks	$18 million	Loans, equity, and risk mitigation instruments	

Source: Table modified from (1) GEF Independent Evaluation Office. 2017. Program Evaluation of the SCCF 2017 (Figure 2) and (2) World Resources Institute. 2017. The Future of The Funds Exploring the Architecture of Multilateral Climate Finance. http://www.wri.org/sites/default/files/The_Future_of_the_Funds_0.pdf Accessed Feb. 23, 2018.

[1] Decision B.07/04; [2] Decision 10/CP.7; [3] Decision 1/CMP.3; [4] Decision B.06/06; [5] The future of funds; [6] The future of funds; [72]IFAD. N.d., https://www.ifad.org/topic/asap/overview Accessed Jan. 24, 2018 and NDC Partnership. 2017. ASAP. http://ndcpartnership.org/funding-and-initiatives-navigator/adaptation-smallholder-agriculture-program-asap Accessed Feb. 23, 2018.

Appendix 8: Relevance analysis

Table 22: Alignment of Adaptation Fund sectors with SDGs

Adaptation Fund sectors	Relevant SDGs	% of Adaptation Fund-approved projects in this thematic area
Agriculture and	Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture	17%
Food Security		17%
Coastal Zone Management	Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	14%
Water Management	Goal 6. Ensure availability and sustainable management of water and sanitation for all Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	14%
Multi-sector projects	Goal 1. End poverty in all its forms everywhere	14%
Rural Development		13%
Disaster Risk Reduction	Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	8%
Forests	Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	2%
Urban Development	Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable	-

Source: The Adaptation Fund projects are categorized into nine sectors: Agriculture, Coastal Zone Management, Disaster Risk Reduction, Food Security, Forests, Multisector Projects, Rural Development, Urban Development, Water Management (https://www.adaptation-fund.org/projects-programmes/project-sectors/) The % of approved projects was estimated from Adaptation Fund data from Annex 2 of the SOW (see Appendix 1).

Appendix 9: Efficiency analysis

Table 23 summarizes the implementation status of 39 projects for which PPRs were available in the portfolio at every PPR stage, categorized by the annual PPR self-ratings.

Table 23: Summary of PPR ratings of projects implementation progress (IP)

Rating scores[1]	1st PPR IP rating	% of projects	2nd PPR IP rating	% of projects	3rd PPR IP rating	% of projects	4th PPR IP rating	% of projects	5th PPR IP rating	% of projects
HS	4	10.81	3	9.091	16	42.10	2	16.67	0	0
S	19	51.35	19	57.58	15	39.47	9	75.00	2	100
MS	8	21.62	7	21.21	7	18.42	1	8.33	0	0
MU	2	5.41	3	9.091	0	0	0		0	0
U	4	10.81	1	3.03	0	0	0		0	0
	37	100.00	33	100.00	38	100.00	12	100.00	2	100.00

Source: PPRs of 39 projects 'rating tab'

[1]Highly Satisfactory (HS): Project actions/activities planned for current reporting period are progressing on track or exceeding expectations to achieve all major objectives/outcomes for given reporting period, without major shortcomings. The project can be presented as "good practice." Satisfactory (S): Project actions/activities planned for current reporting period are progressing on track to achieve most of its major objectives/outcomes with only minor shortcomings. Marginally Satisfactory (MS): Project actions/activities planned for current reporting period are progressing on track to achieve most major relevant objectives/outcomes, but with either significant shortcomings or modest overall relevance. Marginally Unsatisfactory (MU): Project actions/activities planned for current reporting period are not progressing on track to achieve major objectives/outcomes with major shortcomings or are expected to achieve only some of its major objectives/outcomes. Unsatisfactory (U): Project actions/activities planned for current reporting period are not progressing on track to achieve most of its major objectives/outcomes. Highly Unsatisfactory (U): Project actions/activities planned for current reporting period are not on track and show that it is failing to achieve, and is not expected to achieve, any of its objectives/outcomes.

Appendix 10: Results analysis

PPR Data Summary

The ET reviewed the most recent PPRs available on the Adaptation Fund website as of October 2017. Of the 63 projects included in this evaluation, only 39 had progressed far enough through the project cycle to have produced at least one PPR.[227] The analysis of PPR data thus excludes the remaining 24 projects.

The PPRs vary between two different templates, as a new format for reporting was introduced since the initial PPR template was issued. The new structure, organized by outcome in which projects report a mix of qualitative and quantitative results by specific indicator, was used as a model for a matrix designed by the ET (see Appendix 3) to facilitate the PPR analysis. The ET populated the matrices with data from the "Results Tracker," "Lessons Learned" and "Ratings" tabs on the PPRs.

As per the Adaptation Fund's requirements, the projects report to one or more of the outcomes. The tables below indicate the total number of projects ("*n*") reporting to the specified outcome. That number should be understood as the number of projects out of the 39 projects reporting progress at the time of this evaluation. For example (*n*=16) indicates that 16 projects reported progress toward a given indicator. All categories presented in the tables and following analysis were designated by the ET, as reported in the PPRs.

(Tables start on next page)

[227] See Appendix 3.2, Table 14 for full list of projects not included in analysis.

Table 24: Progress toward Outcome 1, per PPR analysis

Outcome 1: Reduced exposure to climate-related hazards and threats	
No. projects reporting against one or more component under Outcome 1.	24
Grant amount allocated (Cumulative figure of all proposals approved up to 30 June 2017)	$27.6M (APR 2017)
Outcome indicator: Relevant threat and hazard information generated and disseminated to stakeholders on a timely basis	
Total projects reporting planned targets	17
Total projects reporting progress (have reported data at midterm or project completion)	15
Output 1.1: **Risk and vulnerability assessments conducted and updated**	
1.1. No. of projects/programmes that conduct and update risk and vulnerability assessments	
Total projects reporting planned assessments	9
Total projects reporting progress (have reported data at midterm or project completion)	6
Total projects reporting completed assessments	0
Summary: Types of assessments conducted	Risk assessments and vulnerability assessments (DRR focused (11) Climate Assessments (1) Socio-Economic Assessments (2) Environmental Assessments (2)
Summary: Scope of assessments conducted	System/sector level assessment (4) National level assessment (2) Localized assessment for target geographic area (10)
Output 1.2*:* **Targeted population groups covered by adequate risk reduction systems**	
1.2 No. of early warning systems and no. beneficiaries covered	118[1] (APR 2017)
Number of projects reporting data on EWS	17
Number of projects reporting progress on EWS	5
Number of projects reporting completed EWS	2
Reported number of EWS planned	52
Reported number of EWS completed	31
Summary: Types of EWS developed	Wind (2) GLOF (1) Drought (9) Hurricane (3) Coastal Storm Surges (3) Flooding (inland & coastal) (7) Weather/Meteorological System (5) Climate Information System (1)
Summary: Scope of EWS developed	National System (8) Regional System (13) Localized system for project target areas (10)

Source: ET Review of PPRs for AF projects 1 63

Note: indicator 1.2.1 under Outcome 1 of the Adaptation Fund Strategic Results framework was not included in the PPR "results tracker" reporting template.

[1] Includes projects targeting several small-scale EWS at the village level as well as those targeting one large regional system.

Table 25: Progress toward Outcome 2, per PPR analysis

Outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses	
No. projects reporting against one or more component under Outcome two	28
Grant amount allocated (Cumulative figure of all proposals approved up to 30 June 2017)	$37.3M (APR 2017)
Outcome indicator 2.1: Capacity of staff to respond to, and mitigate impacts of, climate-related events from targeted institutions increased	
Total projects reporting planned targets	20
Total projects reporting progress (have reported data at midterm or project completion)	14
***Output 2*: Strengthened capacity of national and sub-national centres and networks to respond rapidly to extreme weather events** **2.1.1. No. of staff trained to respond to, and mitigate impacts of, climate-related events**	
Total projects reporting planned targets	21
Total projects reporting progress (have reported data at midterm or project completion)	13
Total projects reporting exceeding targets for their projects[1]	3
Summary: Status of trainings conducted	4,263 staff actually trained at time of reporting 6,221 total staff targeted at project completion[2]
Summary: Types of training conducted	Public (8) "Staff"[3] (10) NGO (2) Institutional (1) Community (1) Local Government Officials (1)
2.1.2 No. of targeted institutions with increased capacity to minimize exposure to climate variability risks	
Total projects reporting planned targets	22
Total projects reporting progress (have reported data at midterm or project completion)	20
Summary: Types of institutions capacitated	Public (18); Private (1); NGO (1)
Summary: Types of institutions targeted (sector)	Water (2) Food Security (1) Agriculture (5) Multi-Sector (9) Disaster Risk Reduction (1) Coastal Management (1)
Summary: level of institutions targeted (scale)	Local (10); National (8); Regional (2)

Source: ET Review of PPRs for AF projects 1 63

[1] Cook Islands: trained 1,050 staff by the midterm evaluation, and had a planned target of only 670. Mauritius: trained 800 people from coastal communities and 362 officials (Ministries/departments/local authorities/private sector), and had a planned target of only 300. Honduras: trained 783 people, and had a planned target of only 300.

[2] Staff targeted at programme completion refers to the reported "target at endline" in PPRs, whereas the staff trained at time of reporting refers to the reported total in the most recent and available PPR document.

[3] "Staff" refers to all projects reporting on this indicator but did not elaborate further on type of staff trained.

Table 26: Progress toward Outcome 3, per PPR analysis

Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level			
No. projects reporting against one or more component under Outcome 3	26		
Grant amount spent	$39.4M (APR 2017)		
Outcome Indicator 3.1 **Percentage of targeted population aware of predicted adverse impacts of climate change, and of appropriate responses**			
Total projects reporting planned targets	24		
Total projects reporting progress	14		
Summary: Status of awareness conducted	Current status of 310,432 beneficiaries participating in awareness raising activities at time of reporting. Planned target of 550,341 beneficiaries total at project completion.		
Summary: Types of awareness conducted	Climate Change Adaptations (5) Adverse Impacts of Climate Change (1) GLOF Issues and Challenges (1) Agricultural Adaptation Measures (3) Disaster Risk Reduction (2) Coastal Management Adaptation (2) Water Management Adaptation (1) Multi-Sector (2)		
Summary: Scope of awareness conducted	Baseline	Midterm	Target at Completion
	Not aware (7) Partially not aware (8) Partially aware (5) Non reporting (2)	Partially aware (7) Mostly aware (1) Aware (1) Fully aware (1) Non reporting (12)	Partially aware (2) Mostly aware (11) Fully aware (9)
Outcome indicator 3.2**: Percentage of targeted population applying appropriate adaptation responses**			
Total projects reporting planned targets	16		
Total projects reporting progress (have reported data at midterm or project completion)	10		
Output 3**: Targeted population groups participating in adaptation and risk reduction awareness activities** ***3.2*** **No. of news outlets in the local press and media that have covered the topic**			
Total Projects reporting planned targets	Only one project[1] reported on this indicator: 104 radio programmes produced in 3 radios located in the sites.		

Source: ET Review of PPRs for AF projects 1 63

Note: indicator 3.1 under Outcome 3 of the Adaptation Fund Strategic Results framework was not included in the updated PPR "results tracker" reporting template, so only one project which was still utilizing the old template reported on this indicator.

[1] PPR (2013) Senegal, Adaptation to Coastal Erosion in Vulnerable Areas

Table 27: Progress toward Outcome 4, per PPR analysis

Outcome 4: Increased adaptive capacity within relevant development sector services and infrastructure assets	
No. projects reporting against one or more component under Outcome 4	22
Grant amount allocated (Cumulative figure of all proposals approved up to 30 June 2017)	$98.7M (APR 2017)
Outcome indicator 4.1: **Increased responsiveness of development sector services to evolving needs from changing and variable climate**	
Total projects reporting planned targets	15
Total projects reporting progress (have reported data at midterm or project completion)	13
Outcome indicator 4.2: **Physical infrastructure improved to withstand climate change and variability-induced stress**	
Total projects reporting planned targets	10
Total projects reporting progress (have reported data at midterm or project completion)	8
Output 4: **Vulnerable development sector services and infrastructure assets strengthened in response to climate change impacts, including variability** ***4.1.1.*** **No. and type of development sector services modified to respond to new conditions resulting from climate variability and change**	
Total projects reporting planned targets	13
Total projects reporting progress (have reported data at midterm or project completion)	9
Summary: Types of services delivered	Water tanks (2) Irrigation (4) Dams (3) Community water management (2,203) Multi-sector (63) Multi-community agriculture (83) Disaster risk reduction (3)
Summary: Sector of services delivered	Water Management, Agriculture, Disaster Risk-Reduction, Multi-Sector, Coastal Management
4.1.2. **No. of physical assets strengthened or constructed to withstand conditions resulting from climate variability and change**	
Total projects reporting planned targets	16
Total projects reporting progress (have reported data at midterm or project completion)	11
Summary: Status of assets delivered at midterm reporting	Fully Improved (1) Mostly Improved (3) Moderately Improved (4) Somewhat Improved (2) Not Improved (6)
Summary: Types of assets delivered	Physical Assets (16 out of 16 projects reporting)
Summary: Scope of assets delivered	National (3) Regional Provincial (4) Localized (9)

Source: ET Review of PPRs for AF projects 1 63

Table 28: Progress toward Outcome 5, per PPR analysis

Outcome 5: Increased ecosystem resilience in response to climate change and variability-induced stress			
No. projects reporting against one or more component under Outcome 5	23		
Grant amount allocated (Cumulative figure of all proposals approved up to 30 June 2017)	$72.9M (APR 2017)		
Outcome indicator 5.1: **Ecosystem services and natural resource assets maintained or improved under climate change and variability-induced stress**			
Total projects reporting planned targets	18		
Total projects reporting progress (have reported data at midterm or project completion)	15		
Output 5*:* **Vulnerable ecosystem services and natural resource assets strengthened in response to climate change impacts, including variability** ***5.1.1 N*o. of natural resource assets created, maintained or improved to withstand conditions resulting from climate variability and change**			
Total projects reporting planned targets	21		
Total projects reporting progress (have reported data at midterm or project completion)	20		
Summary: Status of ecosystems protected	Baseline	Midterm	Target at completion
	Ineffective (11) Partially effective (9)	Partially effective (6) Effective (3) Non reporting (11)	Partially effective (4) Effective (11) Very effective (5)
Summary: Types of ecosystems	Coastal (4) Watershed/Aquifers (10) Land Management (14) Forests (8)		
Summary: Scope of ecosystems	National (6) Regional Provincial Level (6) Localized for project target areas only (8)		

Source: ET Review of PPRs for AF projects 1 63

Note: Although projects reported quality as both "partially" and "moderately" effective under indicator 5.1.1, for the purposes of this evaluation the ET has aggregated these two under "partially effective" as these terms are interchangeable.

Table 29: Progress toward Outcome 6, per PPR analysis

Outcome 6: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas			
No. projects reporting against one or more component under Outcome 6	20		
Grant amount allocated (Cumulative figure of all proposals approved up to 30 June 2017)	$52.5M (APR 2017)		
***Outcome indicator 6.1*: Increase of households and communities having more secure access to livelihood assets**			
Total projects reporting planned targets	15		
Total projects reporting progress (have reported data at midterm or project completion)	13		
***Outcome indicator 6.2*: Increase of targeted population with sustained climate-resilient alternative livelihoods**			
Total projects reporting planned targets	14		
Total projects reporting progress (have reported data at midterm or project completion)	12		
***Output 6:* Targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability** ***6.1.1.* No. and type of adaptation assets (tangible and intangible) created or strengthened in support of individual or community livelihood strategies**			
Total projects reporting planned targets	17		
Total projects reporting progress (have reported data at midterm or project completion)	12		
Summary: Types of adaptation assets	Fish processing area developed (1) Communal Irrigation System (2) Infrastructure Strengthened (1) Community Based Adaptation (5) Employee Guarantee Scheme (1)[1] Water Management (3)		
Summary: Status of livelihood adaptation strategies, households and communities having more secure (increased) access to livelihood assets.	Baseline	Midterm	Target at Completion
	No improvement (5) Limited improvement (6) Moderate improvement (1)	Limited improvement (2) Moderate Improvement (3) High Improvement (3) Non reporting (4)	Moderate improvement (2) High Improvement (9) Very high improvement (1)
Summary: Types of livelihoods	Agriculture (13) Agribusiness (3) Agroforestry (1) Forestry (2) Fish Processing (2) Tourism (4)[2] Livestock Production (4) Multi-Sector (3)		

Source: ET Review of PPRs for AF projects 1 63

Note: indicator 6.2.1 under Outcome 6 of the Adaptation Fund Strategic Results framework was not included in the PPR "results tracker" reporting template.

Note: Although projects reported quality as both "limited" and "moderate" improvement under indicator 6.1.1, for the purposes of this evaluation the ET has aggregated these two under "partially effective" as these terms are interchangeable.

[1] Reported for project number 12, Georgia, stating: "Employee guarantee scheme has been prepared and consulted with target six municipalities. The scheme was used in the project activities such as agroforestry"

[2] Two projects, Mongolia and Morocco, reported "handicrafts" as the alternative type of livelihood. For the purposes of this evaluation, "handicrafts" is incorporated into "tourism."

Table 30: Progress toward Outcome 7, per PPR analysis

Outcome 7: Improved policies and regulations that promote and enforce resilience measures			
No. projects reporting against one or more component under Outcome 7	27		
Grant amount allocated (Cumulative figure of all proposals approved up to 30 June 2017)	$11.6M (APR 2017)		
***Outcome indicator 7.1*: Climate change priorities are integrated into national development strategy**			
Total projects reporting planned targets	21		
Total projects reporting progress (have reported data at midterm or project completion)	16		
Summary: Status of development strategies/plans integrating climate change priorities	Baseline	Midterm	Target at Completion
	None (6) Most not integrated (7) Some integrated (2) Most integrated (1) Non reporting (1)	Most not integrated (3) Some integrated (5) Most integrated (3) Non reporting (6)	Some integrated (4) Most integrated (10) All fully integrated (3)
***Output 7:* Improved integration of climate-resilience strategies into country development plans** ***7.1.* No. of policies introduced or adjusted to address climate change risks**			
Total projects reporting planned targets	25		
Total projects reporting progress (have reported data at midterm or project completion)	15		
Total number of reported policies introduced or adjusted	50		
Summary: Sector of policies	Environmental Code /Policy (4) Multi-Sector (31) Climate Change Adaptation Plan Policy (4) National Disaster Management Plan and Act DRR (4) Water Code (1) Coastal Zone Adaptation Strategy /Management (2) Land Use Policy (1) Flood Zoning Policy (1) Agriculture (2)		
Summary: Types of policies	National Sector Policy or Strategy (5) National Law (3) Regional Development Plan (2) Local/Provincial Law (1)		
Summary: Scope of policies	National Central Government Level (10) Regional Provincial Level (1) Local Government Project Area Level (2)		
***7.2.* No. of targeted development strategies with incorporated climate change priorities enforced**			
Total projects reporting planned targets	11		
Total projects reporting progress	10		
Summary of enforcement level:	Baseline	Midterm	Target at Completion
	Ineffective (10) Partially effective (1)	Partially effective (6) Very effective (1) Non reporting (4)	Partially effective (3) Effective (8)

Source: ET Review of PPRs for AF projects 1 63

Note: Although projects reported quality as both "partially" and "moderately" effective under indicator 7.2, for the purposes of this evaluation the ET has aggregated these two under "partially effective" as these terms are interchangeable.

Table 31: Overview of project interventions supporting the implementation of risk reduction systems

Country	Source document	# approaches used	Risk reduction system approach		
			Institutional	*Structural*	*Non-structural*
Argentina	MTR	3	x	x	x
Pakistan	TE	3	x	x	x
Papua New Guinea	TE	3	x	x	x
Turkmenistan	MTR	3	x	x	x
Colombia	MTR	2		x	x
Cook Islands	MTR	2		x	x
Djibouti	MTR	2		x	x
Egypt	MTR	2		x	x
Georgia	TE	2	x		x
Jamaica	MTR	2		x	x
Mauritius	MTR	2		x	x
Nicaragua	TE	2		x	x
Senegal	TE	2		x	x
Ecuador	MTR	1			x
Honduras	TE	1		x	
Madagascar	MTR	1			x
Rwanda	MTR	1		x	
Solomon Islands	TE	1		x	
Uruguay	MTR	1			x

Table 32: Summary of gender relevant information in PPRs reviewed by ET	
Number of projects reporting	39
Number of projects reporting women directly participate in project activities	35
Number of projects reporting women's participation is monitored	32
Projects reported the inclusion of an activity specifically/exclusively for women	7
Projects reporting inclusion of an activity specifically/exclusively for women	Belize, Sri Lanka, Djibouti, Mauritius, Turkmenistan, Solomon Islands, Pakistan
Source: ET Review of PPRs for AF projects The data was consolidated from information bar in the PPR which asked 'How have gender considerations been taken into consideration during the reporting period'. 'What have been the lessons learned as a consequence of inclusion of such considerations on project performance or impacts'?	

Appendix 11: Case Studies

Appendix 11.1: Argentina

Overall Evaluation of the Adaptation Fund

Case study – Argentina

Project name	Enhancing the Adaptive Capacity and Increasing Resilience of Small-Scale Agriculture Producers of the Northeast of Argentina
Implementing entity	Unidad Para El Cambio Rural (UCAR – Unit For Rural Change)
Executing agency(ies)	Ministry of Agroindustry;[1] National Institute of Agriculture Technology (INTA), and; the National Secretariat of Environment and Sustainable Development (SAyDS);
Designated Authority	Ministry of Environment and Sustainable Development (Ministerio de Ambiente y Desarrollo Sustentable)[2]
Sector /target areas	Agriculture and Risk Reduction
Project amount	US$5,640,000
Project start date	24 October 2013
Project duration	4.5 years (2013-2018)
Total number of beneficiaries	4,200 (4,000 producers and 200 technicians from five government institutions)

Source: Adaptation Fund. 2013. Project/Programme Proposal for Argentina. Enhancing the Adaptive Capacity and Increasing Resilience of Small-Scale Agriculture Producers of the Northeast of Argentina.

Criteria for case study selection

- Prioritization of a project in the agriculture and risk reduction sectors. and is representative of the Adaptation Fund portfolio in which agriculture was the second most common type of projects in the portfolio.
- The project is implemented through a National Implementing Entity (NIE), UCAR. Projects with different implementing modalities were selected to compare and get insights to capture any different experiences. This project is also benefitted from the Adaptation Fund supported fast-track accreditation process and GCF financing which has demonstrated GCF and AF linkages.
- Argentina is a country in the Latin America and Caribbean region (LAC); it was selected to explore the specific/unique experiences in project implementation of LAC countries.

Note: [1] Formerly known as the Ministry of Agriculture, Livestock and Fishery.
[2]The Ministry of Environment and Sustainable Development was originally called the Climate Change Office of the Secretariat of Environment.

1. **Introduction and Context**

This goal of the project is to "increase the adaptive capacity and to build resilience of small-scale family agricultural producers in the face of climate change and climate variability impacts" with particular focus on the impacts due to an in increased intensity of floods and droughts and hydro-meteorological events. The specific objectives of the project are (1) To enhance the resilience of small-scale agricultural producers from the Northeast in light of climate change and variability; (2) To strengthen hydro-meteorological and agro-production monitoring systems to improve the institutional capacity of assessing, and planning for, climate change impacts in the agricultural subsistence systems; and (3) To enhance institutional capacity, both at national and provincial/local level, for decision making and management of the implementation of adaptation measures and actions to address climate change and variability in northern Argentina.[228] The project operates in four areas in Northeastern Argentina: Chaco, Santa Fe, Santiago del Estero, and Corrientes, a total area with a combined population of over 4,200 people.[229]

1.1 Problem analysis and adaptation rationale

Climate rationale. The Northeast of Argentina faces extreme weather events such as dynamic floods and drought pulse patterns that leave communities facing both abnormally extreme rain and extreme drought during various seasons throughout the year.[230] These conditions create heat waves and violent winds. Data reported in the project proposal indicates that, over the past five decades summer rainfall has oscillated between 30-50 percent above or below the mean value,[231] a factor that contributes to extreme variations in rainfall patterns. Project documents cite United Nations Framework Convention on Climate Change (UNFCCC) data [232] which projects increases in both the mean temperature and extreme temperatures as well as changes in precipitation patterns. Intergovernmental Panel on Climate Change (IPCC) climate change scenarios also predict a warming trend across the northern part of Argentina. While seasonal and regional variations can be expected in a large territory, changes are expected to increase aridity, desertification, and impact the water deficit.[233]

Limited potable water for household consumption and for agriculture. Such extreme climate patterns pose a challenge for remote communities as water availability for household consumption diminishes. The productive cycle of agricultural and livestock herding families see more unpredictable resources, affecting livelihood options. This is particularly difficult for small-holder farmers in the Northeastern region of the country, who make up 80 percent of farming households in the region. In an area that has nearly 20 percent unemployment rates, livelihood activities that are climate-dependent are increasingly unstable.[234]

Assessment of adaptation rationale. While other areas in the country face more extreme climate change events, the intervention sites receive the highest number of days of intense rain as well as the longest intervals between wet and dry days in the country. Although agriculture is not a principal contributor to the national GDP, the dire situation faced by rural communities in the region is an urgent and the project's

[228] Adaptation Fund. 2013. Project/Programme Proposal for Argentina. Page 35.
[229] Adaptation Fund. N.d. Informe de Gestion – Enhancing the Adpative Capacity and Increasing Resilience of Small-Scale Agricultural Producers of the Northeast of Argentina. English.
[230] AFB. 2017. Midterm review for project "Enhancing the Adaptive Capacity and Increasing Resilience of Small-Scale Agriculture Producers of the Northeast of Argentina." Final Review. Prepared by Penélope Vaca Ávila. 31 January.
[231] Ibid. Page. 18.
[232] UNFCCC predictions are for the 2080-2090 period.
[233] Adaptation Fund. 2013. Project/Programme Proposal for Argentina.
[234] Ibid.

components are appropriate to address beneficiary needs. The project is particularly useful since less than 35-40 percent of producers in the region receive agricultural support.[235] While Argentina is classified as a middle-income country, the residents of the project areas are highly vulnerable to variations in climate change. The project's objectives adequately target the need for water conservation efforts for rural communities which provide support to strengthen household and agricultural strategies, especially around water availability.

1.2 Project design

The project plans to increase the resilience of small-holder farming families with localized water catchment units as well as investing in hydro-meteorological and agro-production systems to collect local climate data. The project includes a capacity-building component aimed at various levels of stakeholders (producers and government technical staff) to complement activities in the first two components. Thanks to the Project Formulation Grant (PFG), UCAR was able to channel funds from the Adaptation Fund toward the assessment of the project. This allowed the project the flexibility for field technicians to conduct visits to remote communities to gather insight into areas to design a vital community-led needs assessment.

Component 1: Improvement of the capacity of adaptation to climate change and variability of small-scale family producers of North-eastern Argentina.

1.1. Implementation of improvements in the efficient use, catchment, harvesting, and storage of water in the areas of intervention.

1.2. Implementation of a system for the management and transfer of risks targeting small- and mid-scale agricultural producers. Development of two pilot tests in the region selected.

1.3. Optimisation practices of agricultural, farming, and forestry production management in each one of the areas of intervention.

Component 2: Strengthening of information, monitoring and climate information management systems.

2.1. Integration and expansion of the project area's agro-hydro meteorological networks.

2.2. Development of an integrated Early Warning and Decision-making system to assess and manage climate risks, including extreme events.

Component 3: Generation of local and regional capabilities on the impact of climate change and variability and implementation of adaptation measures.

3.1. Development of training and communication modules on risk management and transfer for governmental technical experts and small-scale agricultural producers.

3.2. Training and formation addressed to municipal and provincial governmental units for hydro meteorological management and monitoring, analysis of climate information, use of methodological tools and development of modules of adaptation.

1.3 Project implementation arrangements

The Project Management Unit consists of a small team of staff in the Environmental and Social Unit housed within UCAR. The project has multiple executing entities responsible for carrying out the proposed activities who have signed agreements with UCAR at various stages of the project. The National Institute of Agricultural Technology (INTA) became involved in 2013 while the Agricultural Risk Office (ORA) of the Ministry of Agroindustry became involved in 2014. The National Institute of Industrial Technology (INTI) provides technical assistance based on an agreement entered into with INTA.

2. **Results**

[235] AFB. 2017. Midterm review.

2.1 Progress toward results

Component 1: Under this component, the project is adopting a three-pronged approach to improve the lives of smallholder farmers through the construction of water catchment units (1.1), the development of an innovative insurance scheme (1.2), and investments in optimizing management practices (1.3). Activities under output 1.1, which is the current focus of the project, includes catchment and storage water solutions for both household consumption and for the improvement of livelihoods. Activities under output 1.1 vary by sites and include a variety of localized solutions, such as the drilling of wells to tap into underground water sources, constructions for the catchment of rainwater through roofs and cisterns, and the construction of water reservoirs for livestock and for farming. The latest progress reports[236] indicate that while substantial gains have been made toward the activities surrounding the wells and the construction of cisterns, with 64 percent and 113 percent of the targets reached for each activity respectively, the activity aims to build community reservoirs is lagging with less than 20 percent of the target reached. Both the construction of wells and the construction of cisterns have had a high degree of success at targeting and reaching families represented by women and by youth. Data collected by focus group discussions with women in during the evaluation field visit indicates that there these water activities are making a significant and meaningful difference in the lives of beneficiaries. For instance, female beneficiaries practicing smallholder agriculture have seen an increase in their incomes as a result of water towers and water cisterns which allow them to expand their plots of cultivated land and to diversify their crops. Interviews with stakeholders also indicate that school enrollment for the children of families has increased as a result of modern water cisterns with electric pumps being replacing outdated and fragile water cisterns (aljibes) in schools which were less effective at conserving water. These changes have encouraged children to continue to attend school.[237] Beneficiaries from an indigenous community visited during fieldwork highlight that the project has greatly contributed to a communally-managed plot that provides vegetables and herbs for consumption. Whereas households previously depended on water being transported by the municipality twice a week with water trucks, the water tower, which is equipped with a windmill that delivers water to the adjacent field, has increased the cultivated area.

Under output 1.2, the project is developing an innovative agricultural insurance scheme that covers small-holder farmers cultivating less than one hectare of land. The plan covers the plastic roofs of greenhouses as they become damaged due to strong winds, torrential rain, severe heat, or freezing temperatures. The latest PPR document [238] indicates that the project is reaching its targets, with a particularly high achievement of targets aimed at youth. Initially, both producers and the private insurance company had reservations in early stages of the activity implementation as to the expected benefits, given that agricultural insurance aimed at small-holder farmers is a new model in Argentina. Stakeholders indicate that the project has managed to assuage fears from insurance companies. Although beneficiary satisfaction on this activity was hampered by a one-time lag in coverage during an intense rain spell, stakeholder indicate that steps have been taken to prevent a similar gap in insurance coverage from occurring

Set-backs in achieving Output 1.3 are due to the feedback from community members who could not work their farms without first meeting water catchment efforts.[239] Interviews with the Project Management Unit suggest that beneficiary feedback has propelled the project to reoriented its focus to invest more heavily in meeting output 1.1. and reallocating funding more heavily toward water conservation efforts.

[236] Adaptation Fund. 2013-2017. Argentina project. Project Performance Reports (PPRs).
[237] UCAR. 2017. Project Results Identified to Date. Presented during the Evaluation Workshop, November 2017.
[238] Adaptation Fund. 2013-2016. Argentina project. Project Performance Reports (PPRs).
[239] AFB. 2017. Midterm review.

Component 2: Under the second component, the project constructs hydro-meteorological stations (2.1.) and develops risk reduction mechanisms using climate data for early warning systems to strengthen farmers' decision-making in the face of climate change events (2.2.). The project is on its way to meeting its goals with the achievement of most of the targets ranging from 40 to 100 percent according to the latest monitoring reports.[240] Interviews with technical experts from the field indicate that activities under this component have been very useful in gathering local data which is important in a country with a high degree of variability in climate patterns. The weather stations constructed as part of this project replace outdated stations, the latter of which only captured a fraction of the information that the current stations monitor. The information from assessments and weather stations feeds into national monitoring efforts and is contributing toward the development of manuals, conventions, and policies which had previously been using outdated information. At the time of the field visit, the information from weather stations had not been developed into publicly-available reports and the early warning systems under output 2.2. were on standby until the finalization of climate data standardization. While the online platform that contains the analyzed data is publicly available, the information is currently primarily being used by specialized technical agents with future plans to widen its use to producers.

Component 3: The main outputs under this component include building the capacity of technical staff, smallholder farmers (3.1.), and government institutions (3.2.) to respond to and mitigate climate change-related events. The aim of the activities under component 3 is to ensure that stakeholders in communities are able to strengthen their capacities to be able to better disseminate information to local communities. Since INTA has a strong presence in Argentina with offices throughout the project sites, the project is a valuable opportunity to roll out capacity-building for personnel who are already familiar with climate change. Although the midterm review indicates that capacity-building efforts were low during that review period, more recent PPR tracking reports indicate improvements. Data gathered during this evaluation's field visit reveals that the project is addressing this by working with direct beneficiaries who receive ongoing training sessions so that they in turn disseminate information to other households outside the project's direct reach.

2.2 Progress toward project goal and objective.

Overall, the project goal to increase the adaptive capacity and build the resilience of smallholder agriculturalists facing extreme events due to climate change is on track to being met. Modifications to the original activities have been made in response to updated information from community members which reflects a flexible and highly adaptable project. Information from stakeholders indicates that 47 percent of the budget is dedicated to activities around water catchment under component 1. Given that Argentina has not developed a policy that establishes the provision of water to rural communities,[241] the project stakeholders have made the most appropriate choice in reallocating funds toward an urgent need that needs to be addressed. Progress in water catchment, storage, and improved access to water will influence whether any other intervention succeeds – beneficiaries met during the field visit clearly expressed that efforts seeing to promote water security resilience are needed before any other wellbeing outcomes are achieved. Maintenance under component 1 is ensured by the project and interviews with project staff suggest that future costs will be absorbed by the executing entities (EEs) involved, with local EE personnel ensuring maintenance is kept up.

Given that the insurance scheme under this project is the first agricultural insurance program in Argentina aimed at small-holder farmers, the project has garnered a number of lessons learned that will be applied

[240] Adaptation Fund. 2013-2017. Argentina project. Project Performance Reports (PPRs).
[241] Evaluation workshop, 14 Nov 2017.

to a future insurance scheme, making it an important pilot program with the potential to be a model for additional programs in the country aimed at vulnerable households. The Project Management Unit recognizes that it was necessary for the various government stakeholders to become involved to incentivize private insurance companies, which has resulted in satisfaction among stakeholders at multiple levels. The insurance scheme has successfully promoted a long-term vision for a successful agricultural insurance program with the potential for replicability, scalability, and continuity involved that will likely involve small-holder farmers directly. The technical staff intends to continue this insurance scheme once Adaptation Fund financing ends, making it available to additional beneficiaries. It is unclear whether farmers will be keen to participate in future insurance schemes in which they will be required to pay a fee to participate as the current scheme is essentially free for beneficiaries. However, the project has worked with private insurance companies and has built partnerships that project staff expect will ensure sustainable results so if future iterations capture lessons learned from the current insurance scheme under this project, it is expected that these activities will have meaningful and lasting results.

2.3 Gender and Social Inclusion

The project has effectively integrated women, youth, and Indigenous communities in the various project activities, in large part due to the Project Management Unit's familiarity with established internal protocols on social risks and gender considerations. Project indicators have been set using disaggregated targets under all three components. The project directly engages with women-led households, namely under component 1, whose lives have been greatly improved. The water catchment efforts which have helped schoolchildren remain in school have stemmed the tide of youth migrating from the rural Northeast to urban centres and to the capital where they may face an uncertain future. This has implications that address socio-economic changes in a rural and poor setting. The project has also purposefully targeted Indigenous communities under component 1 with active engagement of vulnerable communities, led by local field staff.

3. **Emerging lessons from the project**

Project management arrangements and capacities. One of the main contributing factors to the success of the project stems from a strong Project Management Unit and excellent collaboration between the NIE and the EEs. Interviews with technical staff, management staff from the field visit suggests that there is a high level of enthusiasm and dedication to meeting the project's goals. Modifications to various activities have resulted in some low indicator achievements in some areas (for example, output 1.3) and some initial dissatisfaction from beneficiaries (for example, output 1.2); yet the arrangements among the various stakeholders has led to an excellent level of responsiveness. This is rooted in an internal monitoring system that provides feedback from beneficiaries and from community members. UCAR's role to create synergies between the multiple EEs involved in the project has been successful. The strengths of the EEs are also explained by their presence through regular field-based staff across project sites and throughout Argentina and is another contributing factor to the success of the project.

Selection and involvement of stakeholders. While the midterm review indicated that UCAR's role was ambiguous and that the role clarity among implementing entities and the various executing entities has led to inefficiencies in earlier stages, the complex organizational structure has led to mutual learning that has ultimately served to promote the project's objectives.[242] This is partially explained by the tendency of UCAR staff to act as executing agents during early stages of implementation. At the time of the field visit, the close collaboration and involvement of UCAR, INTA/INTI, ORA, and SAyDS staff was evident as role clarity seems to no longer be an issue. Observations from the field visit suggest that the stakeholders have

[242] AFB. 2017. Midterm review.

refined their ongoing partnership and responsibilities in a way that plays to the advantage of each office's strengths. What's more, local ORA, INTA, and INTI staff who support headquarters-based teams are responsive and engaged with beneficiaries, contributing to the overall success of the project.

Program procurement processes. Activities around the first component faced delays in securing material around water activities due to the time it took to process the acquiring of hardware. Since the Northeastern area of the country is so removed from capital-based suppliers, the distance and time to obtain some materials was also an initial issue as the territorial spread and low number of suppliers can be an issue. Processes take time and are sometimes complex, yet the Project Management Unit has acknowledged these issues and is aware of what steps are needed to minimize delays.

Appropriateness to context. Overall, the project is highly appropriate to the context as it has built a multi-pronged approach to address water scarcity as its primary focus. Components around climate change information monitoring and capacity-building have also demonstrated that they are contributing to the long-term efforts to improve adaptation strategies. While the water activities are primordial for current beneficiaries and are the foundation for any other activity, the latter two components are key in driving sustainable change with the potential for benefits impacting a wide number of people to adapt to extreme climate change events.

Acronyms/glossary – Argentina case study

Acronym	***Original language***	**English**
UCAR	Unidad Para el Cambio Rural	Unit for Rural Change
INTA	Instituto Nacional de Tecnología de Agropecuaria	National Institute of Agricultural Technology
ORA	Oficina de Riesgo Agropecuario	Agricultural Risk Office
~~MINAGRO~~	Ministerio de AGroindustria	Ministry of Agroindustry
MAGyP	Ministerio de Agricultura, Ganaderia y Pesca	Ministry of Agriculture, Livestock, and Fishery
SAyDS	Secretaria de Ambiento y Desarrollo Social	National Secretariat of Environment and Sustainable Development
NEA	-	Northeast Argentina
PMU	-	Project Management Unit

Appendix 11.2: Cambodia

Overall Evaluation of the Adaptation Fund

Case Study – Cambodia

Project name	Enhancing Climate Resilience of Rural Communities Living in Protected Areas of Cambodia
Implementing entity	UNEP
Executing agency(ies)	Ministry of Environment
Designated Authority	Ministry of Environment
Sector /target areas	Food Security
Project amount	US$ 4,954,273
Project start date	21 May 2013
Project duration	4 years (2013-2017)
Total number of beneficiaries	1,000 total beneficiaries (of which 50% are women)[1]

Source: Adaptation Fund. 2012. Project/Programme Proposal for Cambodia. Enhancing Climate Resilience of Rural Communities Living in Protected Areas of Cambodia.

Criteria for selection:

- Prioritization of a food security project as one of the more common type of projects in the portfolio.
- Implementation by a MIE through UNEP.
- Selection of a project operating in a LDC to explore whether LDC countries have any specific/unique experiences in regards to the accreditation process and in project implementation/sustainability.

Note: [1] Total project beneficiary number reflects the beneficiaries benefitting from the project's ecoagriculture interventions.

1. **Introduction and Context**

The overall goal of the Enhancing Climate Resilience of Rural Communities Living in Protected Areas of Cambodia project is to increase food supply and reduce soil erosion in communities around five Community Protected Areas. Its objective is to enhance resilience to the climate change-induced hazard of erratic rainfall of the communities living around five Community Protected Areas as well as downstream communities. Community Protected Areas encompass various officially-recognized nature sanctuaries.[243]

1.1 Problem Analysis

Climate rationale. Cambodia is highly vulnerable to the impacts of climate change, due to the frequency of natural disasters and to high levels of poverty. It is commonly identified as one of the most at-risk countries in the world on global indices of climate vulnerability. Both socioeconomic and environmental co-factors underpin this vulnerability. Erratic rainfall is a chief hazard – and one that is already being felt. Both droughts and floods have become more frequent and severe, and this is only expected to worsen. The annual onset of the rainy season is also becoming unpredictable.

Population Vulnerability. Erratic rainfall patterns pose a challenge for a population characterized by high levels of poverty, inequality, and dependency on rain-fed agriculture. Rural communities living in Community Protected Areas are particularly vulnerable and have seen a decrease in agricultural productivity, leading toward dependence of unpredictable livelihoods and a lack of climate-resilient livelihood options.

Assessment of adaptation rationale. Overall, the project is built on a strong and sound adaptation rationale. This community-based project is best understood as a broad-based subsistence food security project nested within ecosystem-based adaptation and integrated rural development approaches. It squarely addresses the intersection of climate hazards and population vulnerability in a way which advances both human livelihoods and environmental sustainability.

1.2 Project design

The project's interventions are intended to generate food and revenue and, ultimately, reduce the pressure on forests through ecoagriculture approaches, that is, "a landscape approach to natural resources management that seeks to sustain agricultural/food production, conserve biodiversity and ecosystems and support local livelihoods."[244] The benefits of this approach are expected to extend to communities beyond the intervention sites.

Component 1. Bio-physical, ecological and socio-economic research to develop restoration and conservation agriculture protocols to be implemented in component 2.

1.1. Information generated on climate change impacts and preferred eco-agriculture interventions through a consultative and participatory approach

1.2. Economic assessments undertaken to identify most appropriate eco-agriculture interventions and associated microfinance and insurance products.

1.3. Forest restoration and conservation agriculture protocols developed for Community Protected Areas intervention sites based on results from Output 1.1 and 1.2.

[243] Adaptation Fund. 2012. Project/Programme Proposal for Cambodia.

[244] Scherr and McNeely, 2009 as cited in Adaptation Fund. 2012. Project/Programme Proposal for Cambodia. Page 16.

Component 2. Ensure that the restored forests and productive agricultural areas are maintained and the benefits maximized. Alternative livelihoods established through the project will increase the resilience of local communities to the effects of climate change.

2.1. Capacity of local community for building climate resilience increased, including capacity to plan, implement and maintain eco-agriculture interventions under Output 2.2.

2.2. Forest restoration and conservation agriculture protocols implemented to build climate resilience (developed in component 1) in Community Protected Areas intervention sites.

2.3. Local communities' livelihoods enhanced and diversified through sustainable development of non-forest timber products and the promotion of sustainable alternative livelihood strategies.

2.4. Socio-economic and ecosystem monitoring of the project impacts downstream of Community Protected Areas intervention sites.

Component 3. Create an enabling environment for the eco-agriculture concept to be implemented in other Protected Areas in Cambodia, through awareness raised at a local and national level, and an upscaling strategy supported by policy revision where required.

3.1. Awareness increased at a local level of the importance of eco-agriculture for protecting and enhancing commercial and subsistence activities.

3.2. Eco-agriculture activities promoted through institutional capacity building and proposed revisions to policies, strategies and legislation.

3.3. National eco-agriculture upscaling strategy developed and institutionalized for Community Protected Areas in Cambodia.[245]

1.3 Project Implementation arrangements

The Project Management Unit is housed in the Ministry of Environment's Department of Local Livelihoods. The project is implemented in villages populated by indigenous peoples living in selected Community Protected Areas. The Ministry of Environment also hosts the National Climate Change Committee and has its own Climate Change Department. Within the Department of Local Livelihoods, the project funds three program staff: Project Manager, Financial Manager, and Administrative Assistant. The PMU has further technical and other part-time support from Ministry of Environment staff and consultants, including one part-time international chief technical advisor. In addition, there are three field-based teams (Leader and Assistant) composed of Ministry of Environment staff assigned to this project. The Project Board/Project Steering Committee is responsible for making management decisions for the project. In addition, the Board: (1) undertakes project assurance (monitoring and evaluation); (2) ensures performance improvement; and (3) ensures accountability and learning. The Board is comprised of designated senior technical representatives (Director Generals) from relevant ministries, and representatives from local District Administrator offices. The Project Manager serves as secretary to the Board. The Board approves annual work plans and procurement plans, and reviews periodical project reports as well as any deviations from the approved plans.

2. **Results**

2.1 Progress towards results

Component 1. While some stakeholders expressed satisfaction with the research and satisfaction with the overall project, this component is a focus of dissatisfaction for others. Some of the issues highlighted include the lack of communication about research findings with field-level staff and communities, including the lack of some reports in English. With some exceptions, findings are not effectively

[245] Adaptation Fund. 2012. Project/Programme Proposal for Cambodia.

communicated and disseminated. Some field-level staff complain that much of the budget goes towards research rather than action on the ground. Community-level research is sometimes conducted during exceptionally busy spells in the agricultural cycle. Some express that local-level knowledge, insight, and requests are ignored or overruled, such as the expectation that villagers should plant trees or crops even if they know these cannot grow in local soil. There is a sense from some that decisions are pre-determined by outside experts and that the project cannot or will not change track to take into account local knowledge and experience in an ongoing way. Research reports come too late after activities are already underway and are considered lacking in several key areas. However, it must be acknowledged that the benefits of applied research may simply be intangible, and sound underlying technical analysis undoubtedly underpins much of the program's success in other areas. More effective communication about research findings and how they are used may alleviate many concerns that were expressed.

Component 2: According to most stakeholders, component 2 represents the 'heart and soul' of this project as the interventions directly and usually successfully improved the livelihoods and well-being of the villagers. Stakeholders are rightly proud that the project is ahead of schedule on achieving its targets early while spending less money than anticipated. Villagers enthusiastically assert how successful and welcome the community-based activities have been, especially home gardening. While at the national level some stakeholders expressed concern that the home gardens do not generate cash income, the villagers themselves articulated how they eat more food, healthier food, and save money because they can grow what they previously had to purchase. Moreover, the typical rural Cambodian diet is highly monotonous, which is both climate-vulnerable and nutritiously inadequate. The home gardens thus improve villagers' health and well-being, save money that would otherwise be spent on food and medicine, and reduce their vulnerability to climate change by diversifying their sources of food. Stakeholders attribute this success to a variety of reasons, including sound baseline analysis; competence of staff and beneficiaries; building trust and commitment from target communities; and flexible, responsive, and effective project management.

One area of improvement typically cited by stakeholders are the tree planting activities. Two issues that people agree on are that there is more focus on good tree nurseries than on a comprehensive reforestation strategy, and that the villagers "just plant the seedlings anywhere in order to collect the [cash] benefit."[246] The underlying reason for the latter issue is that the villagers expect the seedlings to die, so do not go the extra mile. At the time of the field visit, senior management highlighted that they are aware of the issues and have already taken specific and sensible steps to modify the replanting efforts, specifically to reduce the number of seedlings that are planted while improving the quality of the overall effort.

Component 3: The most recent PPR data (May 2016) available at time of writing suggests that moderate progress has been made for outputs 3.1 and 3.2. However, the project is only mid-way through and activities under this component (which focuses on policy, creating an enabling environment, and scaling the model up and out) are concentrated at later stages. To date, it appears that the project is not breaking new programmatic ground per se in terms of eco-agriculture but is doing an outstanding job implementing and modelling it for others. The program has a high profile within the Ministry of Environment and, therefore nationally. This high profile is seen as both a cause and result of its successes to date. The support and interest at high levels has been an enabling factor which contributes to effective program management. Although NGOs and other actors have successfully implemented similar interventions, stakeholder interviews suggest that the project's position within the Ministry of Environment both

[246] Interview conducted during ET field visit, 2017.

legitimizes it and allows it to serve as a springboard to scale up and out. Key players are exploring funding options to do just that.

2.2 Progress towards project goal and objective.

The project's goal and objective offer a way for a new type of natural capital to be produced that is specifically tailored, using ecological and soil science expertise, to enable local communities to adapt to climate change. The increased agricultural productivity from the conservation agriculture interventions is intended to provide communities with food and revenue and reduce the pressure on forests, making the forests and the services they provide more resilient to climate change. The benefits of this landscape management to enhance ecosystem services will extend to downstream communities, beyond the Community Protected Area intervention sites. The objective of the project is consequently to enhance the climate change resilience of communities living around five Community Protected Area intervention sites, as well as downstream communities, to the climate change-induced hazard of erratic rainfall.

The project is only midway to completion, and while it is premature to draw firm conclusions about its ultimate success and impact, field visit data suggests that it is progressing in largely the right direction. Villagers are able to provide enthusiastic and detailed answers about how the project has helped them, and how they can and will continue over the long term. Reforestation efforts are proving more problematic insofar as the seedlings are dying, although the Project Management Unit is aware of this issue and is trying to address this. While the ecotourism efforts are in the early pilot stage, incisive market research is needed to explore the viability of this effort. Nevertheless, the project is overall strong, sound, and on the right track; moreover, its high-profile and early successes position it to scale ecoagriculture up and out. One recommendation is to sensitize staff to better appreciate the value of non-cash improvements to local livelihoods, rather than fixate on income per se. Indeed, the impression is that subsistence-oriented activities are the most effective and sustainable.

2.3 Gender and Social Inclusion

The project is meeting expectations at the community-level for gender and social inclusion by targeting indigenous groups and by developing activities that involve women closely. Women's participation – including local-level leadership – is appropriately high. While the project has done very good work with women at thee village-level, this is partially because activities overlap with traditional women's work. The project has neither challenged the boundaries of women's work, nor contributed to mainstreaming beyond the village level. There are lost opportunities in this project to consider a fuller range of gender dimensions and issues, for example through output 1.1's graduate student research scholarships, which does not reserve half of the scholarships for women. This hampers efforts to overcoming the extreme gender imbalances at professional leadership levels which – like this project – are usually led by all-male teams.

3. **Emerging lessons from the project**

Project management arrangements and capacity. The project team is justifiably enthusiastic and proud of their project's performance and successes so far. Many were also open and forthcoming about weak spots – which only demonstrates their thoughtful commitment to making a good project better. Nearly everyone attributed the project's achievements to strong, fair, and committed management and leadership by the Ministry of Environment, and their aptitude for both community-based project management and navigating the government bureaucracy. Indeed, it is probable that stakeholders are open about certain missteps precisely because they are working in a project that is grounded in community-level work and thoughtful reflection.

Selection and involvement of stakeholders. The institutional arrangement between the Adaptation Fund and UNEP has gone very smoothly with all parties indicating that they are satisfied with the present set-up. The Adaptation Fund is universally regarded as a 'hands-off' donor. The Ministry of Environment has effectively managed the project, and while UNEP does not have a presence in Cambodia, this has not been an impediment and the ongoing remote support is welcome. These arrangements have worked well for everyone.

Program procurement processes. There have been some hiccups in regards to cash flow between UNEP and the project, with cascade effects down to the field level. This mainly occurred when there were significant delays while UNEP transitioned from one financial management system to another. This problem was not unique to the Cambodia project, and is resolved. One ongoing issue that bears mentioning is that the Adaptation Fund is seen as disengaged on the substance of the program even whilst requiring extra paperwork for routine financial transactions involving petty sums of money.

Appropriateness to context. Overall, the project was appropriate to the context. It directly addresses both climate hazards and underlying drivers of population vulnerability, as well as sustainable natural resource management. By partnering with villages located within Community Protected Areas, vulnerable indigenous people are supported through eco-agriculture and other interventions which enable them to remain in their traditional communities, improve health and livelihoods, and enhance the integrity of the surrounding forest. The project includes a diverse set of activities which aim to stabilize and diversify local livelihoods and food security in a holistic way.

Appendix 11.3: Maldives

Overall Evaluation of the Adaptation Fund

Case study – Maldives

Project name	Increasing Climate Resilience through an Integrated Water Resource Management Programme in HA. Ihavandhoo, ADh. Mahibadhoo and GDh. Gadhdhoo Islands
Implementing entity	UNDP
Executing agency(ies)	Ministry of Environment and Energy (MEE). At the time of project proposal, it was the Ministry of Housing and Environment (MHE), which was later restructured and is now known as the MEE.
Designated Authority	Ministry of Environment and Energy (MEE). At the time of project proposal, it was the Ministry of Housing and Environment (MHE)
Sector /target areas	Water Management
Project amount	US$ 8,989,225
Project start date	20 June 2012
Project duration	4 years (2012-2016)
Total number of beneficiaries	6,209 (inhabitants of 3 project sites)

Source: AFB. 2011. Project/Programme Proposal for Maldives. Increasing Climate Resilience through an Integrated Water Resource Management Programme in HA. Ihavandhoo, ADh. Mahibadhoo and GDh. Gadhdhoo Islands June 2011. AFB/PPRC.5/10.

Criteria for case study selection:

- Prioritization of a water management project as water management is the third most common type of project in the Adaptation Fund portfolio.
- Implementation by a multilateral implementing entity through UNDP. Moreover, UNDP as a MIE, has the largest share of projects in the portfolio.
- Selection of a project operating in a SIDS country to explore whether SIDS countries have any specific/unique experiences in regards to the accreditation process and in project implementation.
- Evidence of direct linkage between Adaptation Fund and GCF financing.[1] Maldives was amongst the first eight beneficiaries of GCF projects approved in November 2015.[1] The approved GCF project design recognizes linkages with the Adaptation Fund project to scale up water management systems

1. **Introduction and context**

The project goal was to increase the adaptive capacity of Maldivian communities to the adverse effects of climate change, by ensuring a reliable and safe freshwater supply for Maldivian communities. The project aimed to increase the sustainability of freshwater resources, for a combined population of over 6,000[247] people, through an integrated water management system in three islands: Mahibadhoo (Alifu Dhaalu Atoll), Ihavandhoo (Haa Alifu Atoll) and Gadhdhoo (Gaaf Dhaal Atoll)[248].

1.1 Problem analysis

Climate rationale. The main climate driver for this project scenario was the decreased precipitation affecting rain water collection/supply and recharge of ground water aquifers. The main climate risks posed by this scenario of sea level rise and decreased precipitation was the breakdown of traditional water supply systems (rain water harvesting and ground water extraction) as well as health risks of the population exposed to saline/contaminated ground water. According to the project proposal Maldives faced a number of barriers to effective climate change adaptation in the domain of water management, namely: (1) Public financing shortfalls lead to insufficient coverage of islands with integrated climate-resilient water management systems; (2) Lack of awareness about the impact of climate change on freshwater resources; (3) Current practices of wastewater management undermine the resilience of natural freshwater storage again climate change; (4) Institutional capacity barriers; and (5) Insufficient Policy Implementation and Enforcement.

High reliance on rain water for drinking and rain water harvesting affected by irregular rainfall. According to the project proposal, assessment missions carried out at the selected project sites confirmed that the inhabitants of all three islands rely on rainwater for drinking water and groundwater for all other water uses (such as cooking, washing bathing, agriculture). However, there has been a decline in the quantity and quality of drinking water on the islands due to increasingly irregular rainfall patterns. In the face of these water shortages, the National Disaster Management Center has over the past few years started distributing potable water to those islands facing acute water shortages particularly during the dry seasons, costing the government over US$ 2 million every year.

Increased use of ground water coupled with increased salinity/contamination of ground water. The salinity of groundwater has significantly increased as a result of reduced ground water recharge due to irregular rain fall patterns and increased outtake due to population growth and increase in built structures limits surface area for natural recharge. Ground water was also contaminated because of poor sanitation facilities and poor waste water management in the islands. According to data provided in the project proposal, studies have shown that 30 percent of rainwater tanks and 40 percent of groundwater wells on a random sample of target islands had fecal contamination.

Assessment of adaptation rationale. According to data provided in the proposal,[249] patterns in rainfall fluctuations occurred, although the project document does not provide concrete evidence of decreased precipitation. The project proposal also links the ground water salinity to sea level rise, but to date, there is no evidence in Maldives that links sea level rise to groundwater salination. However, the proposal

[247] See https://www.unops.org/english/News/Pages/Bringing-water-to-communities-in-the-Maldives.aspx

[248] Adaptation Fund. 2011. Project/Programme Proposal for Maldives. Increasing Climate Resilience through an Integrated Water Resource Management Programme in HA. Ihavandhoo, ADh. Mahibadhoo and GDh. Gadhdhoo Islands June 2011. AFB/PPRC.5/10.

[249] AFB. 2011. Project/Programme Proposal for Maldives.

provided climate forecasts which provided evidence for future trends that could contribute to increased water insecurity due to rain water shortages and the salinity of ground water.

1.2 Project design

The project planned to develop and implement an Integrated Water Resources Management (IWRM) in the three target locations to ensure development and operation of multiple water sources (including, harvested rain water, ground water and desalinated water) by mitigating climate-change-related risks (for example, greater rainfall variability, unreliable recharge of aquifers, longer dry spells) while also addressing other development issues (for example, insufficient sewage and wastewater treatment, lack of water conservation, lack of environmental awareness).

Component 1: Establishment of integrated, climate-resilient water supply and -management systems in HA. Ihavandhoo, ADh. Mahibadhoo and GDh. Gadhdhoo

1.1. Artificial groundwater recharge systems established to protect groundwater resources from salinization and improve aquifer yields in dry seasons

1.2. Rainwater harvesting schemes redesigned, interconnected and structurally improved to buffer climatic extremes and ensure equal water supply for all households during dry periods

1.3. Production and distribution system for desalinated water supply established

1.4. Existing wastewater management systems redesigned and improved

Component 2: Increase participation in the development, allocation and monitoring of freshwater use in a changing climate

2.1. Community consultations on each target island ensure participative design, sustainability and continued maintenance of integrated water resource management schemes

2.2. Targeted training events conducted in each region to strengthen water user participation and skills in adaptive, integrated water resource management.

Component 3: Replication and upscaling of climate-resilient freshwater management

3.1. Training of technicians in the design, operation and management of integrated water resource management systems

3.2. Institutional mechanisms created to integrate adaptive management of freshwater resources into the design and rollout of new water management projects and schemes

3.3. Action plan developed and financing mobilized to replicate integrated, climate resilient freshwater management on at least 4 additional islands.[250]

1.3 Project implementation arrangements

The Project Management Unit (PMU) placed three staff members with the Water and Sanitation Department of the Ministry of Environment and Energy (MEE), headed by the project director. The PMU board included several stakeholders including UNDP, Ministry of Housing and Environment (MHE), the National Disaster Management Centre, and the Local Government Authority. At the start of the project, the MEE made a decision to outsource component 1 and 2 to United Nations Office of Project Services (UNOP) through a bilateral understanding to build the water management infrastructure on the three islands.

[250] AFB. 2011. Project/Programme Proposal for Maldives.

2. **Results**

2.1 Progress towards results

Component 1. Under component 1, only the rain water harvesting (1.2) and desalination plants (1.3) were delivered. The implementation of the component was outsourced to UNOPs by the executing agency, MHE. Output 1.1 on groundwater re-charge system and output 1.4 on waste water management were not delivered. According to the final evaluation report and consultations held with project stakeholders, output 1.1 was dropped as there was no consensus between MHE, UNOPs and the project board on the type of ground water recharge system or design to implement. By 2014, the project had limited budget to implement this component. Similarly, there was no agreed method for addressing output 1.4, which proved costly. Due to budget constraints this output was also dropped. As a result,

The desalination plants and rainwater harvesting facilities have been handed over to the respective utility companies operating water systems on the project islands where the water systems blend both rain water and desalinated water to be delivered to households through piped systems. The desalinated water plants are powered with solar panels which can substantially reduce the operational costs of the plants. Interview data with technicians operating the systems during a field visit to one of the project sites suggests that the desalination plants are fully powered by the solar panels and excess energy is channeled into the island's power grid. However, interview data gathered from utility company staff operating the water systems in the project sites suggests that the operation of the desalination plant was not satisfactory as some parts, such as small valves, get damaged frequently. This is further complicated by the lack of replacement parts in Maldives and the fact that the utility company has not been able to find a supplier from abroad. Observation of the water plant site in one of the project islands illustrated that only one out of the two systems is operational due to the unavailability of replacement parts for the second system. Furthermore, staff at the utility company have raised issues of rusting, an indication that the systems were not salt resistant despite frequent cleaning and maintenance. While the rain water harvesting systems (output 1.2) were delivered, interview data from island residents indicated that systems installed in the community buildings of the island did not have appropriate drainage channels for excess water leading to mosquito breeding sites in several parts of the island.

Additionally, the piping works and quality of piping network to households was of sub-standard quality leading to frequent leakage, water disruption and eventual replacement of connections to 1500 households. As noted in the evaluation report, the presidential inauguration ceremony planned in Ihavandhoo in March 2015 for World Water Day was cancelled due to a major leak which resulted in the loss of nine tonnes of water. According to interviews with island council representatives and former PMU staff, the disruptive installation process at the island level generated significant reputational costs for MHE and the island authorities vis-à-vis the island communities, and distress costs for the island communities during a disruptive two-and-a-half-year implementation period.

With regard to water utilization, according to the utility company staff, 80 percent of the households in AA. Mahibadhoo used the piped water. The community now has access to a reliable water system which can address shortages particularly encountered during the dry season. However, uptake of the water service is slow as it requires behavioural change, people choosing piped water over traditional water sources. Data from focus group discussions with beneficiaries of the water system and NGOs, indicate that the majority of households still rely on ground water for bathing, cooking and washing and the main drinking water source remained bottled water and/or harvested rain water. Metered water from the

utility company was used partially. Feedback received during focus group discussions suggested that beneficiaries avoided the use of metered water from the project water systems, because the tariffs were too high and they could access ground water for free. The beneficiaries also indicate that they do not trust the metered water for drinking and do not like the taste.

Component 2. This component was to be implemented directly by MHE, however this component was not delivered in a complete manner. This was validated during the interviews with UNOPs and project field site staff, who stated that there was limited engagement of MHE personnel with community members on outreach activities and the lack of effort to sensitize community members on the project deliverables. Feedback from UNOPs which was responsible for delivering the hardware under component 1 further highlighted the lack of coordination, between MHE, UNOPs, UNDP or other partners, in the implementation of most activities carried out under this component. This led to serious problems including the commencement of water system construction (Hardware) *without* adequate consultation, participation, and communication with local community members who were affected by the construction process on the island.

Component 3. This component was to be delivered by MHE directly while UNOPs was expected to deliver output 3.1 (training technicians to manage the system). UNOPs' expected training programme was to assist MHE in enhancing project management, procurement, environmental management and project planning. However, the only capacity building that materialized was UNOPs hiring local staff and training them on Operations and Maintenance (O&M) of the water systems. A majority of these trained staff were later hired by the utility companies to run the systems. Interviews with trained staff in one of the islands point out that their training was more on-the-job training for O&M and did not involve any technical knowledge transfer on IWRM. According to UNDP additional 12 week intensive trainings were conducted in collaboration with Maldives National University on theoretical aspects and with Maldives Water and Sewerage Company on practical areas.

According to the final evaluation report, it is not clear to what extent output 2.3 and 2.4 were delivered. The project progress reports (PPRs) indicated that MHE mobilized additional finances from the national budget to finance the water systems on the three islands. Interviews with UNOPs inform the ET that they were contracted by USAID to develop two IWRM systems on two islands in Maldives which consolidates and applies lessons from the Adaptation Fund project. Interview data with UNDP representatives indicated that funding has been secured from the Green Climate Fund (GCF) to expand water supply systems on 49 islands in Maldives.

2.2 Progress towards project goal and objective.

The project delivered the water systems on the three islands and was successfully handed over to the utility companies which are currently operating the systems. While the piped water systems are partially utilized by residents on the islands, the islands have improved water supply, storage capacity and are better positioned to address any water shortages from dry spells. The final evaluation report notes that the water systems did not comply fully with IWRM principles and the ground water re-charge was dropped from the design, an essential adaptation approach was compromised because of the widely accepted ecosystem resilience principle that in diversity lies resilience.

Focusing the project on a two-water source model rather than a three-water source model[251] reduced the potential of the project to build island communities' resilience to changing patterns of rainfall and dry periods. This also affected the ability to capitalize from climate change regarding the expected increased

[251] A two-water source model refers to a model which uses desalination first supplemented with rainwater second; AFB. 2011. Project/Programme Proposal for Maldives.

amounts of rainfall and heavier bursts of rainfall, which would facilitate recharge, together with abstraction management. The project however did lay the ground work to study the context of Maldives for a ground water recharge system and to better understand how a controlled recharge system can be part of an integrated water supply system.

There is a lack of understanding by the evaluator that the assumption that the groundwater was well studied in Maldives did not hold during the implementation. The project did not take a risk of undertaking an artificial groundwater recharge without a fundamental assessment that was lacing. The evaluation does not recognize that the project in fact invested in such study to lay the foundation to future efforts. The project commissioned IWMI to deliver such a study. Groundwater extraction is a huge safeguards issue in Maldives and the project never intended to extract groundwater. The intention was to improve recharge as part of the integrated system through an excess rainfall outflow. However, such pilot in Maldives that the AF project counted to rely on was not successful and in fact resulted in clogging a recharge pit and increased a risk of contamination. Therefore, the project, as part of the adaptive management principle backed out from the groundwater and established that without careful study and further examination a controlled recharge cannot be implemented. Risks were too high given the knowledge limitations

The final evaluation report noted the catalytic effect of the project in changing mind-sets on how to implement IWRM than in implementing a successful adaptation model. Interviews with the executing agency, UNDP and UNOPs confirmed that IWRM principles are integral to the design of several new donor projects including the USAID project, GCF project and projects funded through the national budget. Interviews with executing agency staff further noted that the project experience and knowledge gained by the organization influenced the design of a new legislation for the water sector, 'the Water Act'.

2.3 Gender and social inclusion

Component 2 of the program encompassed the soft sides of this IWRM program, and did *not* meet expectations in regards to communication, participation, etc. It appears that there were no efforts at all in regards to gender and social inclusion. The program did not engage with beneficiaries beyond local government committees which were populated entirely by men, nor was anyone aware that women had been trained to maintain or repair local infrastructure. There was no explicit effort to directly engage women, the particularly poor, or other marginalized populations. When asked direct questions, project stakeholders had nothing to say on gender within the project beyond some acknowledgement that women are the primary users and managers of water within households.

3. **Emerging lessons from the project**

Project management arrangements and capacity. The project management arrangements were not organized in manner that allowed for the quality assurance of the key sub-contractor in this project. The main component of the project was outsourced by the executing agency, MHE, to UNOPs. Interviews with former PMU staff show that this arrangement was made through a one-page memo with no quality assurance measures or common understanding of roles and responsibilities between MHE and UNOPs. The implementing entity (IE), UNDP, also had no quality assurance leverage with UNOPs as it was MHE which contracted UNOPs. Interview data with former PMU staff indicate that the PMU staff did stay engaged with UNOPs on project implementation and that the team took more of a 'back seat' role given that as UNOPs was an international agency; they entrusted UNOPs to deliver the project in a quality manner.

The third PPR of the project stated the limited technical capacity within PMU to provide quality assurance to UNOPs and indicated that a quality control engineer, paid by the project and hired to work in the interest of the beneficiary, should approve the process, materials and outputs. However, UNOPS was the contractor for building the water system so the designer, supervisor and quality control person was responsible to UNOPs and not PMU; consequently oversight and due diligence were not adequately addressed. The final evaluation report, validated with interview data from several stakeholders, further noted the limited project management capacity and leadership from the PMU/MHE and UNDP to prioritize the project's implementation – as UNDP and MHE outsourced infrastructure to UNOPS. According to PMU staff and project stakeholders including UNOPs, project coordination meetings were inadequate and frequent meetings at the latter stage of the project improved project delivery and working relationship between the agencies.

Selection and involvement of stakeholders. A key lesson from the project is to ensure that appropriate stakeholders are identified at the project outset. For example, while MHE was the executing agency implementing the project, the entity responsible for managing and operating the water systems was not involved. Following a policy decision by the government to hand-over such systems to government utility companies, it was critical that these utilities be brought on board to be included in the project board to engage them in the project implementation and decision-making process.

Program procurement processes. The third PPR also noted the trade-offs between quality and cost in procurement process. Bidding processes need to place more emphasis on the quality of products and/or technical solutions being offered rather than price as was the case with UNOPs procurement of materials and civil works. By placing more marks for price, the beneficiaries end up without dated technologies and/or defective and faulty supplies as experienced in this project. Moreover, local suppliers were not selected because they were more costly than foreign contractors, but local suppliers would have ensured a more regular supply of spare parts which is affecting current operations of the water systems.

Appropriateness to context. The feasibility of designs and costing has to be appropriate for small island contexts. For example, the final evaluation report discusses the excess capacity of the large desalination plants that have been installed. Similarly, the project's budgeting carried out by UNDP was ambitious and did not factor the added logistical costs of construction on small islands which tend to be costly due to import costs of materials and high transport costs. Similarly, interviews with utility company staff in one island indicated that they repeatedly requested UNOPs to ensure that the systems be weather/salt resistant so that they are long lasting – however these requests were not factored.

Acronyms- Maldives Case Study

Acronym	English
ET	Evaluation Team
GCF	Green Climate Fund
IWRM	Integrated Water Resources Management
MIE	Multilateral Implementing Entity
MEE	Ministry of Environment and Energy
MHE	Ministry of Housing and Environment
PMU	Project Management Unit
PPR	project progress reports
SIDS	Small Island Development State
UNOP	United Nations Office of Project Services
USAID	United States Agency for International Development

Appendix 11.4: South Africa

Overall Evaluation of the Adaptation Fund

Case study – South Africa

Project name	Taking Adaptation to the Ground: A Small Grants Facility for Enabling Local Level Responses to Climate Change
Implementing entity	South African National Biodiversity Institute (SANBI)
Executing agency	SouthSouthNorth
Designated Authority	National Department of Environmental Affairs
Sector /target areas	Multi-Sector
Project amount	US$ 2.44 million
Project start date	16 September 2015[1]
Project duration	4 years (2015- 2019)
Total number of beneficiaries	1,583 total beneficiaries (975 beneficiaries from local grant projects under implementation; 1,956 beneficiaries for local grant projects approved but not yet implemented)[2,3]

Source: Adaptation Fund. 2014. Project/Programme Proposal for South Africa. Taking Adaptation to the Ground: A Small Grants Facility for Enabling Local Level Responses to Climate Change. AFB/PPRC.15/17.

Criteria for case selection:

- Opportunity to gain insight on project ownership, sustainability, and community capacity from a pilot project that adopts the enhanced direct access modality. As the only project within the Adaptation Fund portfolio to employ the enhanced direct access modality, this provides insight on innovative strategies for future Adaptation Fund implementation mechanisms.
- Implementation by a national implementing entity, the South African National Biodiversity Institute (SANBI). SANBI has also benefited from the Adaptation Fund supported fast-track accreditation with GCF,[4] which provides a learning opportunity for GCF linkages with Adaptation Fund on the ground.
- Prioritization of a multi-sector project to get an idea of the diverse range of interventions supported by the Adaptation Fund.

Notes: [1] The date of inception workshop is considered the start date of the project according to AFB (16th meeting).

[2] The number of beneficiaries from projects under implementation reflects the following projects: (1) Two Communities Adapting Together, (2) Biodiversity and Red Meat Cooperative – land & livestock adaptation, (3) Climate Proofing Small-Scale Rooibos Production project, and (4) Building Resilience to Climate Change by Promoting Saving; The number of beneficiaries from projects approved but not yet implemented reflects the following projects: (1) Drought Resilient Agriculture Project, (2) Enhancing Food Security through Climate-Smart Agriculture, (3) Hlula Ndlala Project, (4) Ga-Ntata Rainwater Harvesting System and Rain Gauge, and (5) Resilient community resource management for sustainable agriculture.

[3] Beneficiary numbers reflect the most recent data available from July 2017; Small Grants Facility. Detailed summary of small grants projects to be funded by the Small Grant Facility.

[4] GCF. 2016. Decisions of the Board – Fourteenth Meeting of the Board, 12-14 October 2016. GCF/B.14/17.

1. **Introduction and context**

The South Africa case study reflects the Adaptation Fund's innovative pilot program aimed at building local capacity to increase climate resilience through a multi-sector approach with the Taking Adaptation to the Ground: A Small Grants Facility for Enabling Local Level Responses to Climate Change.[252] The project's national implementing entity, the South African National Biodiversity Institute (SANBI), was identified by the Adaptation Fund as an accredited entity after a rigorous selection process. It was selected as the recipient of the Community Adaptation Small Grants Facility (SGF).[253] SANBI benefited from the enhanced direct access modality, a unique modality that empowered the organization to select and fund their own adaptation projects while building national capacity to increase resilience to climate change. The interventions focused on "climate resilient livelihoods, climate smart agriculture and climate-proofing infrastructure."[254] The project selected two regions within South Africa to target: the Mopani District (Limpopo Province) and the Namakwa District (Northern Cape Province) based on climate change projections derived from climate science studies[255] as well as their socio-economic profiles.

1.1 Problem Analysis

Climate rationale. Mopani and Namakwa districts are both prone to increasingly extreme weather variations. Historical weather data and future projections point to a distinct warming trend as well as erratic and extreme rainfalls in the two areas.[256] The dry spells and subsequent droughts are expected to amplify water scarcity and are expected to impact agricultural production, livestock, household food security and community health, with young children being particularly vulnerable to malnutrition-related illnesses. Extreme rainfall, meanwhile, damages crop yields and human settlements. Two of Mopani's municipalities are amongst the country's 20 most vulnerable to climate change: Greater Letaba (Letaba) and Greater Giyani (Giyani)[257] so in the Mopani District, the Small Grants Facility (SGF) chose to support projects in those two areas specifically.

Assessment of Adaptation rationale. Project documents indicate that SANBI took the necessary steps to address concerns from the project's initial technical review, namely in (1) the involvement of local communities in project identification, (2) the criteria for grant recipient selection, (3) the level of involvement of municipal and national government representatives in project activities, and, (4) the set of indicators under the project results framework.[258] However, while the project's overarching assessment is sound, the screening for adaptation rationale of the individual local grant projects (see Table 33) that the project is implementing could be strengthened. The activities are innovative, yet it is less clear

[252] Here after referred to as "the project;" the ET distinguishes the project with the projects implemented by the local institutions by referring to the latter as "local grant projects."
[253] Adaptation Fund. 2017. Adaptation Fund Story: South Africa for the "Taking Adaptation to the Ground: A Small Grants Facility for Enabling Local Level Responses to Climate Change" project. 3 May 2017.
[254] Adaptation Fund. 2017. Adaptation Fund Story: South Africa. Page 1.
[255] These include the studies that were undertaken as part of the Long-Term Adaptation Scenarios process and downscaled projections for the Mopani and Namakwa District municipalities that were developed by the African Climate and Development Initiative- see SANBI.ORG. November 2016. The Community Adaptation Small Grants Facility.
[256] Adaptation Fund. 2014. Project/Programme Proposal for South Africa.
[257] According to the Fiscal and Financial Commission's submission to the 2013-2014 Division of Revenue, see Adaptation Fund. 2014. Project/Programme Proposal for South Africa.
[258] AFB. 2014. Report of The Fifteenth Meeting of The Project and Programme Review Committee. AFB/PPRC.15/22. 8th October 2014.

to what extent specific adaptation activities are addressing the most urgent basic needs of the target communities to better prepare them for climate change extremes and how scalable these solutions are.

1.2 Project design

The project was designed to work directly with local stakeholders and anticipated beneficiaries through a small granting mechanism, allowing the project to identify adaptation measures and receive direct access to required funding. A Project Formulation Grant (PFG) of US$ 30,000 was allocated to assist with (1) the project situational analysis, (2) community engagement in the two target districts, (3) the identification of the executing entity and institutional cost analysis, (4) project scoping and strategy development, and (5) the project's baseline development.[259] It is expected that 12 small grants of approximately US$ 100,000 each will be allocated to local institutions throughout the course of the project. The overall SGF project objectives included an analysis of possible up-scaling of the small granting model to check whether this type of financing could be replicated. The project has three main components:

Component 1: Small grants to vulnerable communities deliver tangible and sustainable benefits.

1.1. Adaptation assets strengthened through the implementation of at least 12 small grants (approximately USS 100,000 each) disbursed to at least 12 local institutions in the Mopani and Namakwa District Municipalities.

Component 2: Local institutions empowered to identify and implement adaptation response measures.

2.1. At least 12 local institutions in the Mopani and Namakwa Districts are supported to develop small grant projects for local-level adaptation.

2.2. At least 12 local institutions in the Mopani and Namakwa Districts are supported to implement integrated climate adaptation responses.

Component 3: Lessons learned facilitate future scaling-up and replication of small grant-financing approach.

3.1. Training opportunities are provided for Small Grant Recipients.

3.2. Local networks for reducing climate change vulnerability and risk reduction are developed, expanded and strengthened.

3.3. Case studies and policy recommendations are developed for reflecting on, replicating and scaling up small grant financing approaches.

1.3 Project implementation arrangements

The project counts on SANBI as the NIE and on SouthSouthNorth as the EE as well as on Facilitating Agencies from the two districts in which the project operates. SANBI provides support through the monitoring of project budgets, recruitment and contracting support and monitors overall project implementation towards the achievement of outcomes/outputs. As the EE, SouthSouthNorth administers the project and is responsible for receiving and disbursing funds, contracting the two Facilitating Agencies, as well as the contracting arrangements with the Small Grant Recipients. It was selected as a result of an advertised competitive process, with the NIE Steering Committee reviewing applications and selecting the preferred supplier. The Facilitating Agencies include Conservation South Africa (Namakwa District) and Choice Trust (Mopani District). SouthSouthNorth also appointed the Project Manager whose role is to ensure the project meets its objectives. The Project Management Team includes a small team of experts from SouthSouthNorth and the two Facilitating Agencies. The Project Management Team also may include to co-opt experts from the SANBI or from the National Climate Funds Advisory Body.[260] Oversight for the

[259] AFB. 2013. PPRC. Project Formulation Grant for South Africa. AFB/PPRC.12/6.Add.1

[260] Formally the NIE Steering Committee.

project is provided through the committees at different levels of the project implementation through the Technical Advisory Group, the Project Advisory Group, and the NIE Steering Committee (which is made up from SANBI's Climate Funds Oversight Committee and SANBI's National Climate Funds Advisory Body) [261,262]

2. **Results**

2.1 Progress towards results

Component 1. The project's approach to finance at least 12 local institutions (output 1.1) is currently being implemented. As of September 2016, the project had begun implementing four SGF projects in Namakwa District and by September 2017, there were eight contracted projects due to start implementation (see Table 33 below). Local institutions in Mopani District have signed contracts but have not begun implementing projects, causing delays under this component. The project aims to fund local grant projects within three intervention windows: (1) Climate-Smart Agriculture, (2) Climate-Resilient Livelihoods, and (3) Climate-Proof Settlements. Interview data suggests that there are no clear standard operating procedures for the types of grants to be approved; this has led to lags in the processing and approval of local grant project applications.

Progress with each of the four local grant projects is mixed, due to some minor delays. The most recent progress reports (June 2017)[263] for the local grant projects indicate that three of the four local grant projects are not on track to reach their goals. The Two Communities Adapting Together local grant project is on its way to meeting targets with approximately half of beneficiaries reached. Although the local grant project has documented a number of forecasted activities that will help meet its goals, challenges in uptake and in interest in some of the proposed technologies have resulted in delays. In addition, information from SANBI indicates that the Grant Recipient has not completed the phase one report which is needed to inform phase two. The Climate Proofing Small-Scale Rooibos Production project is not on track – project documents suggest that it faced reporting issues that affected disbursement of payments, causing a slight delay in activity implementation while the main challenge faced has been drought. The Building Resilience to Climate Change by Promoting Saving local grant project is not on track since it faced initial challenges recruiting participants. The Biodiversity and Red Meat Cooperative land & livestock adaptation is on track to achieving its goals. This local grant project has reached nearly half of its expected beneficiaries and has exceeded the number of targeted households that have been engaged in regular adaptive grazing planning activities.

Despite the various delays, monitoring data reviewed by the ET suggests that the small grant recipient organizations have all taken steps to directly address the issues causing setbacks. The general success to-date of the local grant projects is due in part to the leadership of the four grant recipients: Environmental Monitoring Group, Gondwana Alive, Heiveld Cooperative, and SaveAct Trust.

A report[264] from SANBI detailing a 2017 visit by SANBI, SouthSouthNorth, and Conservation South Africa that preceded the evaluation team's (ET) field visit, suggests that despite some delays, the local grant projects are resulting in positive impacts that improve the wellbeing of residents with respect to their agricultural and livestock activities. Rural residents demonstrated uptake in adaptation measures

[261] Adaptation Fund. 2014. Project/Programme Proposal for South Africa.
[262] Formally the NIE Steering Committee.
[263] Adaptation Fund. Detailed summary of small grants projects to be funded by the SGF. Third quarter, Appendix 3: Small Grant Recipients Projects Summaries Reporting Period: Q3Y2 (April – June) 2017.
[264] Adaptation Fund. 2017. Adaptation Fund Story: South Africa

including practices in climate resilient livelihood strategies and improved water harvesting and storage options for food and water security. The EEs internal monitoring report suggests that local grant projects are also having a positive impact for indirect beneficiaries – a how-to guide on compost toilets and on improved housing insulation has been shared with communities outside the target areas.

Table 33: Local grant projects under implementation under the South Africa Small Grants Facility, Namakwa District

Grant Recipient: Project name	Objectives	Activities, (expected no. of beneficiaries)
Environmental Monitoring Group: Two Communities Adapting Together	(1) To respond to increasingly high temperatures and diminished precipitation, and therefore limited availability of water resources, through water saving techniques (such as compost toilets), water reticulation and water harvesting (such as storage of rainwater) and implementing innovative water-wise vegetable gardening adapted to changing climatic conditions. To enable people to adapt to temperature extremes and safeguard human health and well-being under changing climate conditions through architectural innovation (such as insulating roofs and walls) (2) To increase awareness of the value and increasing scarcity of water resources and facilitate experimentation with and learning from new technologies within both communities	Installation of water tanks and compost toilets; workshops on water management, (350 beneficiaries)
Gondwana Alive: Biodiversity and Red Meat Cooperative land & livestock adaptation	(1) To replace climate vulnerable commercial livestock breeds with hardier, heat and drought tolerant semi-indigenous livestock that are more resilient to heat, more disease-resistant, graze less selectively and still fetch the premium prices. Specifically, breeding stock of Meatmaster sheep with 50% Damara genetics and indigenous veld goats crossed with local boer goats will be introduced to the existing flocks to genetically improve livestock adaptive capacity. (2) To improve the resilience of local farmers by implement[ing] carefully planned and scientifically sound grazing management regimes that maintain grazing and water availability for livestock and prevent the further degradation of natural resources. (3) To involve local unemployed youth in farming in a climate-wise manner.	Introducing new climate-resilient breeds of livestock in the community of Leliefontein, (260 beneficiaries)
Heiveld Cooperative: Climate Proofing Small-Scale Rooibos Production project	(1) To enhance the resilience of [farmers'] rooibos production and processing systems and optimize sustainable use of land and water resources (2) To ensure that rooibos farmers in the Suid Bokkeveld and their collective business adapt successfully to increased climate variability and change by implementing effective adaptation options and enhancing their knowledge of the climate, its anticipated impacts, and adaptive responses, on their enterprises.	Increase farmers' knowledge & capacities to deal with effects of climate change on rooibos production. Monitoring of trial sites, water tanks + pumps installation, compost installation, (145 beneficiaries)
SaveAct Trust: Building Resilience to	(1) To ensure that vulnerable communities in Namakwa have access to financial services such as savings and credit which	Mitigate financial impact of climate

Climate Change by Promoting Saving	bring about significant opportunities to build adaptive capacity via better financial management and securing tangible economic and social benefits to increase their climate resilience. A critical element of adaptive capacity is sound financial decision-making and risk management through which vulnerable communities gain access to a range of options to sustain their livelihoods under different climatic conditions. (2) To ensure that financial planning is informed by knowledge of climate change risks and adaptation options to enable farmers, fishers, and remote rural communities to plan and implement more adaptive livelihood responses.	change by creating and supporting savings groups within the Springbok community (220 beneficiaries)
Source: Adaptation Fund. 2017. Adaptation Fund Story: South Africa; Adaptation Fund. Small Grants Facility. Detailed summary of small grants projects to be funded by the SGF.		

Component 2. The most recent PPR data (September 2016) indicates that the project is on track to achieve its targets under the second component. The project has met or nearly met all activities under Output 2.1 to support local institutions with the development of local grant projects. Site visits guided by Facilitating Agencies under Output 2.2 are being conducted. While there is evidence from the field visit that the project is promoting successful coordination between Facilitating Agencies and the IE, there have been delays in the implementation of activities under this component.

Component 3. As of September 2016, activities under the third component have not yet been achieved. However, interview data shows that momentum is building with development of a knowledge management strategy to guide component 3 activities. In addition to the component 3 budget, each SGR also has a budget dedicated to their participation in component 3 activities. As the SGR portfolio advances, more projects will be able to engage in documentation and knowledge management, which will further increase rate of achievement of the component 3 learning results.

2.2 Progress towards project goal and objective

The project appears on track to achieving, and in some cases exceeding, the objective level targets and achieving the project goal. The most recent PPR data (September 2016) indicates that by September eight projects were contracted of which 4 are currently under implementation. Inputs received from SANBI indicate that in September 2017 an additional 3 projects were approved for contracting. Through these projects, the project is reaching vulnerable community members with interventions that reduce their risk to extreme weather events. Interview data and direct observation show that these activities are generally of good quality and beneficiary satisfaction is high. Interview data indicates that SGRs and associated institutions are increasingly empowered to take action on climate change adaptions, including actively looking for other financing to continue their activities. The project is demonstrating that enhanced direct access is a relevant and effective modality for local adaptation, and the project learning activities have the potential to document this model for scale and replication.

2.3 Gender and social inclusion

The most recent PPR data[265] indicates that the project has taken important steps to ensure that local grant projects are meeting gender guidelines by explicitly focusing on gender representation among local

[265] SANBI. 2017. Risk dashboard Guideline document.

institutions as well as on the targeting of female beneficiaries. Field visit data demonstrate a strong commitment to gender and social inclusion principles among project stakeholders and participants. Interviews also suggests that while project stakeholders are keen to follow gender and social considerations, the priority to date has mainly been on activity implementation to absorb previous delays. In addition, SGR representatives indicated that their own organizations require additional capacity strengthening to be in a better position to achieve the gender and social inclusion results expected under the Adaptation Fund policies.

2.4 Direct Access modality and accreditation

SANBI's accreditation in 2011 was based on its experience in the management and conservation of biodiversity[266] and on its ability to meet the Adaptation Fund's fiduciary standards. As the sole project in the Adaptation Fund portfolio implementing the enhanced direct access modality, the South Africa project has enabled local institutions to access Adaptation Fund financing through the National Implementing Entity (NIE) directly. The decision to implement enhanced direct access in this project was based on requests from South African civil society to bring the principle of direct access closer to vulnerable communities to enable them to decide how climate finance should be used. This approach integrated institutional capacity-building for the implementation of adaptation efforts at the local level. Interviews show that this requires a range of technical and management capacities at multiple levels within the enhanced direct access mechanism; some of which need strengthening for the mechanism as a whole to be effective.

It is also important to mention that SANBI's accreditation with the Adaptation Fund allowed it to benefit from the fast-track accreditation under the GCF – in July 2017, SANBI was in the process of applying for a US$ 10 million grant through GCF.[267]

3. **Emerging lessons from the project**

Project management arrangements and capacity. SANBI and SSN collaborate closely on project implementation with regular engagement from Choice Trust and Conservation South Africa. This collaboration is increasingly effective due to improved clarity in roles and responsibilities, which is enabling the project to absorb many of the earlier implementation delays. This is, in turn, based on improved understanding of and appreciation for the complementary strengths of the partner organizations – both traditional institutional strengths as well as new capacities that have emerged through this project. Interview and direct observation show that a strong collaborative approach like this can be instrumental for the success of new initiatives, like enhance direct access.

Small grant selection. The types of projects currently under implementation demonstrate a high level of innovation. This introduction of new technology and techniques is appropriate to the needs of the SGF project participants. However, interviews and direct observation show such project may be challenging to scale up with the current climate finance landscape in South Africa. Selection of projects that do not easily lend themselves to scaling up may not be appropriate when the SGF project objectives include an analysis of possible up-scaling of the small granting model itself. Instead, also including projects that can better demonstrate results and potential for scaling up within the project timeframe would strengthen the effectiveness of the SGF as it stands now, which makes a stronger argument for whether this model should be scaled up.

[266] AFB. 2011. Report of the Accreditation Panel on the Accreditation Application of the South African National Biodiversity Institute (SANBI). AFB/B.15/4.
[267] SANBI. 2017. Draft minutes: Inaugural National Climate Funds Coordination Committee Meeting.

Acronyms- South Africa Case Study

Acronym	English
ET	Evaluation Team
GCF	Green Climate Fund
IE	Implementing Entity
LCD	Less Development Country
MIE	Multilateral Entity
NIE	National Implementing Entity
PFG	Project Formulation Grant
PMU	Project Management Unit
PPR	Project Progress Reports
SANBI	South African National Biodiversity Institute
SGF	Community Adaptation Small Grants Facility
UNEP	United Nations Environmental Program
USAID	United States Agency for International Development