



## ADAPTATION FUND

16 July 2018

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Adaptation Fund Board

### Proposal for Ecuador (CAF)

Ecuador: Increasing adaptive capacity of local communities, ecosystems and hydroelectric systems in the Toachi-Pilatón watershed with a focus on Ecosystem and Community Based Adaptation and Integrated Adaptive Watershed Management (Fully-developed project document; *Banco de Desarrollo de America Latina* (CAF, Latin American Development Bank); ECU/RIE/Rural/2016/1; US \$2,489,373)

Having considered the intersessional technical review of the fully-developed project document carried out by the secretariat and the Project and Programme Review Committee (PPRC), and the recommendation of the PPRC, the Adaptation Fund Board decides to:

- (a) Approve the project document, as supplemented by the clarification response provided by the *Banco de Desarrollo de America Latina* (CAF, Latin American Development Bank) to the request made by the technical review;
- (b) Approve the funding of US\$ 2,489,373 for the implementation of the project, as requested by CAF;
- (c) Request the secretariat to draft an agreement with CAF as the Regional Implementing Entity for the project. The agreement should include the following items, to be supplied by CAF:
  - (i) The fully-developed project document which is updated to remove any inconsistencies throughout the document. This includes updating Section III.C of the proposal to include a reference to the Environmental and Social Management Plan (ESMP) mechanism for compliance with the Environmental and Social Policy (ESP) of the Fund for the unidentified sub-projects (USPs) and an explanation of how this will be implemented; and,
  - (ii) The ESMP of the project which is updated, including amendment of the Monitoring, evaluation and oversight programme, clarifying how monitoring, evaluation and oversight requirements emanating from the reviews of the USPs will be integrated in the overall project monitoring and evaluation activities.
- (d) Request the secretariat to draft an agreement with CAF as the Regional Implementing Entity for the project, once the fully-developed project document and ESMP have been updated to address the issues referred to under (c) above and submitted to the secretariat.

**Decision B.31-32/9**