



ADAPTATION FUND

AFB/PPRC.23/5
27 September 2018

Adaptation Fund Board
Project and Programme Review Committee
Twenty-third Meeting
Bonn, Germany, 9-10 October 2018

**PROGRAMME ON INNOVATION:
SELECTION OF THE MULTILATERAL IMPLEMENTING
ENTITY TO ADMINISTER SMALL GRANTS PROJECTS**

Introduction

1. This document presents the Adaptation Fund Programme on Innovation: Small Grants Projects through Direct Access Modality, as per the Medium Term Strategy that was adopted by the Adaptation Fund Board (the Board) in its thirtieth meeting, and specifically the establishment of a dedicated Innovation Facility in order to (a) roll out successful innovations; (b) scale up viable innovations; (c) encourage and accelerate innovations; and, (d) generate evidence of effective and efficient innovation in adaptation; which would include support via grants of up to \$250,000. The background and rationale of the programme is more fully explained in the documents AFB/B.30/5/Rev.1 and AFB/B.31/5/Rev.1.

2. At its thirtieth meeting, the Adaptation Fund Board discussed the draft medium-term strategy, and members of the Board proposed amendments to the document. The secretariat then presented a revised draft, in document AFB/B.30/5/Rev.1. Having considered that document, the Board decided:

(a) *To adopt the medium-term strategy as amended by the Board, as contained in the Annex 1 of the document AFB/B.30/5/Rev.1 (the MTS); and*

(b) *To request the secretariat:*

(i) *To broadly disseminate the MTS and work with key stakeholders to build understanding and support;*

(ii) *To prepare, under the supervision of the MTS task force, a draft implementation plan for operationalizing the MTS, containing a draft budget and addressing key assumptions and risks, including but not limited to funding and political risks, for consideration by the Board at its thirty-first meeting; and*

(iii) *To draft, as part of the implementation plan, the updates/modifications to the operational policies and guidelines of the Adaptation Fund needed to facilitate implementation of the MTS, for consideration by the Board at its thirty-first meeting.*

(Decision B.30/42)

3. Pursuant to decision B.30/42, subparagraph b (ii), the secretariat prepared a draft implementation plan for the MTS, including an assessment of assumptions and risks. The secretariat shared a version of the draft with the MTS task force for comments.

4. The draft implementation plan also contains suggestions for specific funding windows that might be opened under the MTS in complement of the Fund's existing funding windows for single-country and regional adaptation projects and readiness support projects. Following the approval of the implementation plan, the secretariat would present specific proposed details for each new funding window at subsequent

meetings of the Board for its consideration, in accordance with the timeline contained in the implementation plan.

5. At its thirty-first meeting, the Adaptation Fund Board discussed document the draft implementation plan for the MTS, and members of the Board proposed amendments to the document. The secretariat then presented a revised draft, in document AFB/B.31/5/Rev.1. Having considered that document, the Board decided:

- (a) *To approve the implementation plan for the medium-term strategy for the Fund for 2018–2022 contained in the Annex I to document AFB/B.31/5/Rev.1 (the plan);*
- (b) *To request the secretariat:*
 - (i) *To facilitate the implementation of the plan during the period 2018–2022;*
 - (ii) *To include the administrative budget for implementing the plan in the secretariat’s annual administrative budget during the strategy period, for consideration by the Fund’s Ethics and Finance Committee;*
 - (iii) *To prepare, for each proposed new type of grant and funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board’s committees;*
 - (iv) *Following consideration of the new types of support mentioned in subparagraph (b)(iii), to propose, as necessary, amendments to the Fund’s operational policies and guidelines Fund to better facilitate the implementation of such new types of support; and*
 - (v) *To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan; and*
- (c) *(To request the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) to undertake a mid-term review of the medium-term strategy and the plan and report to the Board at its thirty-sixth meeting.*

(Decision B.31/32)

6. The MIE aggregator is described in the MTS as a vehicle through which at least 40 small grants would be awarded to non-accredited entities. The MTS also provides a timeline whereby the MIE “partner(s)” are to be “proposed to Board in October 2018 and announced at COP 24 (Dec 2018)”.

7. Accordingly, a *Call for Expressions of Interest* was issued to MIEs in August 2018 (see Annex 1), requesting such submissions of expressions of interest to be submitted by the Deadline of September 17th, 2018 to the Adaptation Fund Board secretariat. The *Call for Expressions of Interest* provided a background to the initiative, as well as the objectives, provisional criteria, and guidance on the learning aspect of the initiative.

8. The sections further below in this document will present the items outlined in (b)(iii) above for the financing window that would provision small grants through the MIE aggregator.

Objectives

9. The objective of the innovation pillar of the MTS is Support the development and diffusion of innovative adaptation practices, tools, and technologies. This objective will be supported through the establishment of an Innovation Facility, which will include small and large grants. The small grants that will be awarded to a combination of national implementing entities (NIEs) and other entities (organizations, groups, associations, institutions, businesses, agencies, individuals, etc.) that are not accredited with the Fund, using the established NIE modality and through an MIE aggregator delivery mechanism, respectively.

10. For the small grants specifically, two expected results have been identified by the MTS implementation plan:

- (a) *New innovations encouraged and accelerated. Development of innovative adaptation practices, tools and technologies encouraged and accelerated; and,*
- (b) *Evidence base generated. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up.*

11. The MTS implementation plan also states that the expected outcome of the innovation pillar will be that innovation for effective, long-term adaptation to climate change will be accelerated, encouraged and enabled.

12. The MTS implementation plan recalls the cross-cutting themes identified in the MTS, out of which the following were highlighted and are expected to be linked to the award of the small grants for innovation:

- (c) *Engaging, empowering and benefitting the most vulnerable communities and social groups; and,*
- (d) *Advancing gender equality and the empowerment of women and girls.*

Response to the Call for the Expressions of Interest

13. By the deadline, the Adaptation Fund Board secretariat had received three submissions, which are appended to this document (Annexes 2, 3, and 4) for the consideration of the Board.

14. The Adaptation Fund Board secretariat's technical review committee reviewed the submissions, taking into account the following:

- (e) Geographic coverage: how extensive is the reach of the MIE?
- (f) Sectoral coverage: how well are key sectors covered, considering greatest vulnerabilities and adaptation needs?
- (g) Fitness for purpose: how well does the proposal respond to the goal of the innovation program and Adaptation Fund more broadly? This includes a comparative assessment of the overall approach, including target entities/proponents and the criteria proposed.
- (h) Learning and knowledge: how effectively can the MIE gather the evidence base on innovation from the innovation small grant-funded projects, both through the MIE and the NIE (i.e. not administered by the MIE aggregator)?
- (i) Experience: how extensive is the experience of the MIE in administering grants of similar purpose and size?
- (j) Implementation arrangements: how cost-effective are the implementation arrangements?

15. The technical summaries of the submissions are presented in Annex 5 for the consideration of the Board.

Modalities and Procedures for the MIE Aggregator

16. The MIE aggregator would, upon being selected and accepting the role, prepare a proposal, following a one-step process for regional projects and programmes, submitting a fully-developed project proposal, which will be reviewed against the criteria for such projects/programmes, as applicable, for the consideration of the Board at the thirty-third or thirty-fourth meeting.

Recommendation

17. The PPRC may wish to review the three submissions of Expressions of Interest to serve as the MIE aggregator for small grants for innovation and recommend to the Board to:

- (a) Consider the three submissions of Expressions of Interest to serve as the MIE aggregator for small grants for innovation;
- (b) Invite the [NAME OF SELECTED MIE] to serve as the Multilateral Implementing Entity (MIE) aggregator;
- (c) Request the selected MIE aggregator to indicate acceptance by letter to the Chair of the Board by [DATE];

(d) Request the secretariat to engage with the selected MIE aggregator in order to prepare an announcement of initiative at the twenty-fourth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 24);

(e) Invite the MIE aggregator to prepare a proposal using the process elaborated in this document for the consideration of the Board at the thirty-third, or thirty-fourth meeting.

Table of Contents

Annex 1 - CALL FOR EXPRESSIONS OF INTEREST FROM MULTILATERAL IMPLEMENTING ENTITIES OF THE ADAPTATION FUND TO SERVE AS SMALL GRANT AGGREGATOR

Annex 2 – Expression of Interest 1 (United Nations Development Programme)

Annex 3 – Expression of Interest 2 (United Nations Environment)

Annex 4 – Expression of Interest 3 (United Nations Human Settlements Programme)

Annex 5 – Summary of Submissions (CONFIDENTIAL)

Annex 1



ADAPTATION FUND

1 August, 2018

NEW SPECIAL FINANCING WINDOW IN SUPPORT OF INNOVATION FOR
ADAPTATION:
CALL FOR EXPRESSIONS OF INTEREST
FROM
MULTILATERAL IMPLEMENTING ENTITIES OF THE
ADAPTATION FUND TO SERVE AS SMALL GRANT
AGGREGATOR

Background

1. The Adaptation Fund serves the Paris Agreement by accelerating and enhancing the quality of adaptation action in developing countries. The Fund does so by supporting country-driven projects and programmes, innovation, and multi-level learning for effective adaptation. The Fund's activities are designed to engage, empower and benefit the most vulnerable communities and social groups; advance gender equality and the empowerment of women and girls, strengthen long-term institutional and technical capacity for effective adaptation; and build complementarity and coherence between climate finance delivery channels.
2. At the thirty-first meeting of the Adaptation Fund Board, an implementation plan¹ for the medium-term strategy (MTS) for the Fund was adopted by the Adaptation Fund Board (the Board). The implementation plan details the strategic focus on innovation.
3. Among the targeted outcomes, new innovations will be encouraged and accelerated, whereby development of innovative adaptation practices, tools and technologies would be encouraged and accelerated. In addition, evidence of effective,

¹ Contained in the Annex I to document AFB/B.31/5/Rev.1

efficient adaptation practices, products and technologies will be generated as a basis for implementing entities and other funds to assess scaling up.

4. The MTS implementation plan includes the establishment of a micro-grant mechanism to help develop and test innovative adaptation products and technologies, via micro-grants of up to US\$ 250,000, which could be received by the accredited Implementing Entities (IEs) of the Fund, as well as non-accredited entities.

5. In the case of non-accredited entities, the Fund is to partner with one of its Multilateral Implementing Entities (MIEs) to act as an aggregator to enable non-accredited entities to access micro-grants for innovation. In total, four RFPs are expected to be launched²; according to the tentative timeline specified in the “Implementation Plan for Medium-Term Strategy”, the first two at UNFCCC COP 24 in December 2018, and March 2020, for total envelopes at \$4 M and \$12 M, respectively, with an even split between Expected Results 3 and 4 (*ER3: New Innovations encouraged and accelerated*, and *ER4: Evidence base generated*³). For the non-accredited entities, at least 40 micro-grants total are expected to be made available.⁴

6. In adopting the implementation plan, the Board also decided⁵, *inter alia*:

32.b) (iii) To prepare, for each proposed new type of grant and funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board’s committees;

(iv) Following consideration of the new types of support mentioned in subparagraph (b)(iii), to propose, as necessary, amendments to the Fund’s operational policies and guidelines Fund to better facilitate the implementation of such new types of support; and

(v) To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan.

Objective

7. The Adaptation Fund’s mission is to support communities in developing countries that are vulnerable to climate change to adapt and become more resilient. Climate change is already affecting the vulnerable communities around the world, and its

² Please refer to Annex I for details in Table 1.

³ For each of ER3 and ER 4, please refer to Annex I for details in Table 1.

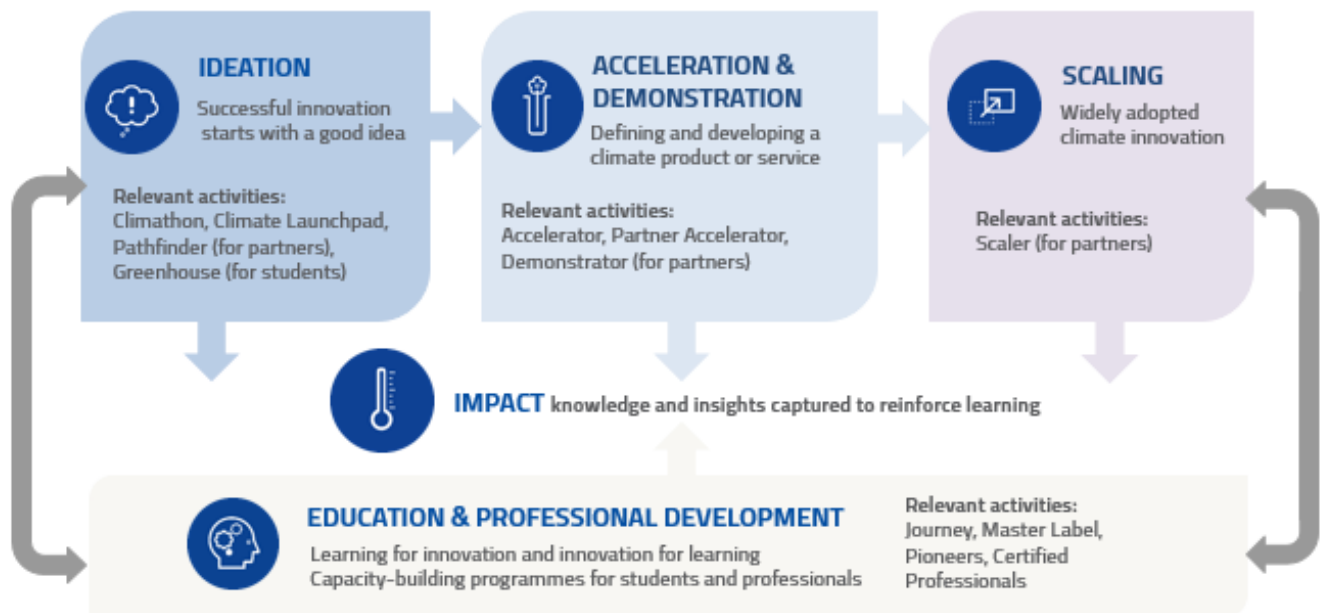
⁴ At least 14 grants are expected to be made available to the accredited IEs.

⁵ Decision B.31/33

impacts are increasing in severity. The impacts on the weather patterns, water availability, land and soil quality and other direct and indirect factors are affecting some of the most critical functions of biophysical environment, with important implications for food security. In the developing world, where urbanization is taking place at unprecedented rate and often in absence of a strategic approach to planning, the number of urban dwellers who are going to be affected by climate change is growing rapidly. These challenges are potentially compounding social inequities, including gender inequalities, and put the rate of progress towards sustainable development goals at risk. Also, climate change is currently expected to persist for decades, and much of the burden of addressing its effects is inevitably going to fall on the future generations.

8. Against this backdrop, it is clear that climate action must be rapidly accelerated. It is critical to utilize the available funding in a way that is innovative and potentially disruptive in beneficial ways, and catalyzes other processes that can support successful adaptation. Development of innovative adaptation practices, tools and technologies must be encouraged and accelerated. Innovated approaches must be quickly identified and their deployment and demonstration brought about quickly. This is the reasoning behind the strategic focus on innovation, and specifically Strategic Focus 2, Expected Result 3: *New Innovations Encouraged and Accelerated*. (For more information on SF2-ER3, please see Annex 1)

End-to-end innovation



Credit: Climate KIC

Provisional Criteria

9. The Adaptation Fund's mission is to support communities in developing countries that are vulnerable to climate change to adapt and become more resilient. In doing so, the Adaptation Fund abides by a number of principles which are reflected in the criteria employed in the routine programming of resources. These include prerequisites such as country, project, and implementing entity eligibility, resource availability. They also include criteria under the implementation arrangements, such as arrangements for project management, risk management, compliance with the Environmental and Social Policy and Gender Policy, budget and breakdown of costs, arrangements of monitoring and evaluation, disbursement and milestone schedule, etc.

10. The proposal to serve as the MIE Aggregator should elaborate small grant proposal review criteria consistent with those used by the Adaptation Fund for resource programming. The criteria for small grant proposal review should be at the appropriate level of detail, given the nature of the grants.

11. In addition to those, given the specific nature of the window on Innovation, the following themes could be emphasized when devising criteria for projects, as well as a subsequent call for small grant funding proposals:

- Urban adaptation
- Food security
- Social innovation
- Nature-based solutions
- Inclusion of youth
- Advancement of gender equality (women and girls' empowerment)
- Focus on communities
- Enhancement of cultural heritage
- Water resources management
- Disaster risk reduction

Learning: Knowledge and Insights Captured to Reinforce Learning

12. This Strategic Focus represents a new explicitly-stated area of operation for the Fund and, as such, will require special attention and technical support during the current MTS cycle. Establishment, learning, and activities associated with specific ERs are detailed in Annex I. Together, they describe a one-year start-up period spanning March 2018 to February 2019 followed by an initial Request for Proposals in 2019 and a second Request for Proposals in 2020. This pathway is intended **to generate essential lessons** for scaling-up SF2 investments during the next MTS cycle.

13. In addition, the process of learning and knowledge capture is also needed to support the function listed in the Decision B.31/33 (Paragraph 32-b)(v) *To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund...*)

Call for Expressions of Interest to Serve as MIE Aggregator

14. The AFB Secretariat is currently welcoming expressions of interest in form of proposals by its currently-accredited MIEs with global reach that have the capacity to serve as grant administrators. The entity should be ready to facilitate a technical review process and all associated activities, including communications, in close consultation with the Adaptation Fund, and to develop a mechanism for capturing and disseminating the knowledge generated through the micro-grant-funded actions in a cost-effective way (for example, preferably using existing mechanisms, platforms, and/or networks.)

15. The interested entities will submit a proposal that will describe the programming model, including the review criteria, and process that would apply to the program as a whole. At the same time, at least 28 out of at least 68 small grants⁶ will be provided via direct access to Adaptation Fund's national accredited entities (NIEs), which will, therefore, not be administered by the MIE Aggregator. However, it would be important to ensure some consistency and parity between applicant NIEs and non-NIEs, in terms of access to information and other support, process, requirements, criteria, as well as inclusion in the learning-and-sharing mechanism. The entities interested in serving as a MIE Aggregator will discuss in their proposal to the Adaptation Fund how NIEs can be supported by the MIE Aggregator while utilizing the Direct Access modality to access the small grant funding.

16. The MIE Aggregator should have a global reach, so as to be able to provide access to all developing countries eligible for support under the Adaptation Fund. The proposals should include a description of:

- a. Elaborated review criteria
- b. Proposed implementation modality or modalities
- c. Proposed review process or processes
- d. Provisional small-grant proposal review template
- e. A provisional reporting plan, with a view to support the fulfillment of the Decision B.31/33, para 32. b-v
- f. Learning-and-sharing mechanism for the innovation window, in line with the MTS's pillar on knowledge and sharing.
- g. Administration cost or management fee or provisional budget, including for coordination, support for NIEs, and other.

Timeline

17. The expressions of interest should be submitted to the AFB Secretariat no later than September 17, 2018.

⁶ As per MTS Implementation Plan, please see Annex I.

Annex I

Objective: Support the development and diffusion of innovative adaptation practices, tools, and technologies

Expected results:

- ER1 – Successful innovations rolled out. Innovative adaptation practices, tools and technologies that have demonstrated success in one country spread to new countries/regions
- ER2 – Viable innovations scaled up. Innovative adaptation practices, tools and technologies that have demonstrated viability at a small scale piloted at larger scales
- ER3 – New innovations encouraged and accelerated. Development of innovative adaptation practices, tools and technologies encouraged and accelerated
- ER4 – Evidence base generated. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up

Outcome: Innovation for effective, long-term adaptation to climate change accelerated, encouraged and enabled

Main activities:

- Launch Innovation Facility
- Build awareness of the Fund's Innovation Facility across adaptation and climate change innovation networks
- Build effective relationships with potential partners and collaborators
- Explore unique/niche opportunities to mobilize public and private resources for the Innovation Facility
- Establish appropriate processes for supporting and reviewing SF2 proposals
- Monitor, evaluate and learn from process-related experiences during current MTS cycle
- Monitor whether activities under SF2 are being implemented and crosscutting themes advanced in-line with the MTS, standards are being met, risks and being managed, targets are being reached and resources are being used efficiently
- Communicate learning from ER 1 & 2 projects, as well as knowledge outputs from ERs 3 & 4, across the international community of adaptation practitioners

Table 1. SF2-ER3 and ER4: INNOVATION – Support the development and diffusion of innovative adaptation practices, tools and technologies

Expected Results	Expected Outputs (delivery methods)	Activities	Output indicators	Tentative timeline	Tentative budget
ER3 – New innovations encouraged and accelerated. Development of innovative adaptation	1. A relevant, efficient, effective and sustainable micro-grant (up to US\$ 250,000) mechanism established to develop and/or test innovative	1.1 Develop and launch a relevant, efficient, effective and sustainable Micro-Grant Mechanism through two pilot versions	Numbers of proposals funded under the direct access RFPs: at least 14* Number of innovative	MIE partner(s) proposed to Board in October 2018 and announced at COP 24 (Dec 2018)	Projected grant funding: 1 st RFP: ca. US\$ 2 M. 2 nd RFP: ca. US\$ 6 M.

practices, tools and technologies encouraged and accelerated	adaptation products (e.g. project management tools) and technologies; <i>link with cross cutting theme 1(vulnerable groups) and 2(gender)</i> 2. At least 14 proposals from Implementing Entities and at least 20 proposals from other entities supported.	1.2 Partner with MIE aggregator to enable Non-Accredited Entities to access micro-grants for innovation 2.1 Issue two RFPs during the 2018-2022 period, both of which will cite requirements to address cross-cutting themes 1 (vulnerable groups) and 2 (gender equality)	adaptation practices, tools and technologies funded through MIE partner: at least 20*	1 st RFP for <i>Direct Access</i> issued at COP 24 (Dec 2018) w/ Board decisions slated for Oct/Nov 2019 2 nd RFP for <i>Direct Access</i> issued in March 2020 w/ Board decisions slated for Oct/Nov 2020	Grant administration will be done initially with existing resources. Consultant inputs for assessment of options: US\$ 20,000 twice during 5 years
ER4 – Evidence base generated – Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up	1. A relevant, efficient, effective and sustainable micro-grant (up to US\$ 250,000) mechanism established to generate evidence base effective, efficient adaptation practices, products and technologies, to enable implementing entities and other funds to assess scaling up; <i>link with cross cutting theme 1 (vulnerable groups) and 2 (gender)</i> 2. At least 14 proposals from Implementing Entities and at least 20 proposals from other entities supported.	1.1 Develop and launch a relevant, efficient, effective and sustainable Micro-Grant Mechanism through two pilot versions 1.2 Partner with MIE aggregator to enable Non-Accredited Entities to access micro-grants for innovation 2.1 Issue two RFPs during the 2018-2022 period, both of which will cite requirements to address cross-cutting themes 1 (vulnerable groups) and 2 (gender equality)	Quantity and quality of key findings on effective, efficient adaptation practices, products and technologies generated through direct access: at least 14* proposals Quantity and quality of key findings on effective, efficient adaptation practices, products and technologies generated through MIE partner: at least 20* proposals	MIE partner(s) proposed to Board in October 2018 and announced at COP 24 (Dec 2018) 1 st RFP for <i>Direct Access</i> issued at COP 24 (Dec 2018) w/ Board decisions slated for Oct/Nov 2019 2 nd RFP for <i>Direct Access</i> issued in March 2020 w/ Board decisions slated for Oct/Nov 2020	Projected grant funding: 1 st RFP: ca. US\$ 2 M. 2 nd RFP: ca. US\$ 6 M. Grant administration will be done initially with existing resources.

Annex 2



*Empowered lives.
Resilient nations.*

**Expression of Interest to serve as Small Grant Aggregator under
the Adaptation Fund**

**The Adaptation Fund's
Innovation Small Grants Aggregator Platform**

in partnership with

United Nations Development Programme (UNDP)

17 September 2018

Table of Contents

Background	17
Why UNDP? Experiences relevant for serving as Small Grant Aggregator and supporting Accelerators for climate change adaptation	17
Experiences in Working with Incubators and Accelerators	19
Our Proposal – AF-UNDP Innovation Small Grants Aggregator Platform.....	22
Details of the Offer	27
How will it work?.....	27
Sourcing, screening, and Selection	28
Grant Administration and Management	29
Aggregated Technical Advisory Support.....	30
.....	30
Knowledge Coordination and Results Aggregation	30
Anticipated Timelines.....	31
Review criteria for the selection of proposals	32
Provisional small-grant proposal review template	34
Scoring Template	35
A provisional reporting plan.....	36
Suggested Annual Monitoring Report - Provisional Table of Contents.....	37
Learning-and-sharing mechanism for the innovation window, in line with the MTS’s Pillar on Knowledge and Sharing	37
Provisional Project Budget.....	39
UNDP Team Designing the Project	42
Annex 1: UNDP Experiences in Working with Incubators and Accelerators	44
Annex 2: Provisional Proposal Template for the AF-UNDP Innovation Platform.....	46

Background

1. **As a part of the implementation of the Medium-Term Strategy (MTS) that focuses on the Strategic Focus 2 “Innovation”, the Adaption Fund (AF) has called for an Expression of Interest (EOI) from Multilateral Implementing Entities to serve as Small Grant Program Aggregator. The AF Small Grant Program aims to encourage and accelerate the development and diffusion of innovative adaptation practices, tools, and technologies.**

2. The call for the Expression of Interest to serve as Small Grant Aggregators for AF’s new ‘Special Financing Window in Supporting of Innovation for Adaptation’ identified several desirable qualifications of an aggregator including (i) accredited as MIE; (ii) global reach; (iii) capacity to serve as grant administrator; (iv) readiness to facilitate a technical review and all associated activities such as communications and development of a mechanism for capturing and disseminating the knowledge generated through the AF’s micro-grant funded actions; and (v) cost effectiveness of grant administration from using existing mechanisms, platforms, and/or networks.

Why UNDP? Experiences relevant for serving as Small Grant Aggregator and supporting Accelerators for climate change adaptation

3. Since 1956, UNDP has worked around the globe to eradicate poverty, reduce inequality and exclusion, and promote sustainable human development. Innovation has been a relatively recent addition to UNDP’s portfolio, but has quickly led to new ways of developing public services by using digital technologies and leveraging government data as well as co-designing of public policy with citizens underpins all initiatives. During the UNDP Executive Board Meeting in May 2018, the initiative “Project Catalyst” was launched with the objective to *advance catalytic innovations that support accelerated action to realize the Sustainable Development Goals*. Today, innovation is one of UNDP’s core services. At the heart of UNDP’s innovation agenda is the belief that addressing complex global challenges (of the kind that underpin the Sustainable Development Goals) via incremental change is not enough. We must learn from the emerging “development mutants” that are radically disrupting the development sectors, leverage UNDP’s global presence and local expertise, and tap into cutting edge development approaches.

4. **Global Reach:** UNDP works in more than 150 countries and territories, helping to achieve the eradication of poverty and the reduction of inequalities and exclusion. UNDP supports countries in developing policies, leadership skills, networking, institutional capabilities and building resilience in order to sustain development results. As UNDP works on the ground in all member countries and territories, UNDP is a trusted universal partner in the area of technical development assistance and capacity development. Activities that are facilitated, executed, or encouraged through UNDP’s global network not only generates direct development outputs, but also a rich base of collective knowledge. Since 1998, UNDP has been working on ways to tap into this base of experience in order to allow for accelerated lesson sharing and comparative analysis. The cornerstone of this

effort was the establishment of thematic practices and the institutionalization of global knowledge networks.

5. UNDP partners with several global environmental funds to catalyze environmental finance for sustainable development: The key global environmental vertical funds for which UNDP is an accredited implementing entity are those managed by the Global Environmental Facility (GEF); Global Environment Facility Trust Fund (GEF TF); the Nagoya Protocol Implementation Fund (NPIF); the Least Developed Countries Fund (LDCF); and the Special Climate Change Fund (SCCF). In addition to these funds, UNDP is an accredited multilateral entity for the Green Climate Fund (GCF) and the Adaptation Fund (AF). At present, UNDP is overseeing a portfolio of 840 projects with grant investment of US\$3.6 billion, in over 141 countries (2017 figures). This includes overseeing LDCF resources in 47 countries and administering resources from the GCF in 17 countries. Overall, UNDP's portfolio on climate change adaptation is over \$700 million of grant investments. Furthermore, UNDP provides support and access to all developing countries, placing particular focus on Least Developed Countries, Small Island Developing States, as well as countries in post-conflict or crisis status. In short, UNDP has proven track record of effectively and efficiently serving as grant administrator of several multilateral and bilateral development funds with technical, fiduciary, and managerial expertise in appraising proposals; executing and administering project implementation; capturing, codifying, and sharing lessons learned and knowledge; and measuring and evaluating results and impacts of projects/programmes. UNDP also focuses on mainstreaming gender into its projects/programmes and promoting gender equality as well as engaging with other vulnerable groups including indigenous peoples, youth, and persons with disabilities to accelerate adaptation.

6. UNDP is accredited as AF's Multilateral Implementing Entity (MIE) and has a track record of scaling up demonstration and pilot initiatives: To date, UNDP has overseen and managed AF resources of over USD 145 millions in 23 countries which accounts for 35% of the total cumulative funding decisions. These UNDP-supported projects have had profound impacts on improving adaptive capacity and/or reducing vulnerability. For instance, with financing from the AF and support from UNDP, the Government of Myanmar is assisting rural villagers living in drought-stricken areas to collect and store water, rehabilitate landscapes of 4,200 hectares of micro-watersheds and support community-based agro forestry, taking climate change risks into account. In Mauritius, an innovative Early Warning System that is supported by state of the art software, capable of predicting sea swells and possible tsunamis, is being implemented in collaboration with the Department of Meteorological Services.

7. Furthermore, in Ghana, to support adaptation innovation, UNDP opened a call for proposals to award small grants (as a sub-grant to AF-funded projects) to local non-governmental, civil society, and community based organizations for the creation of innovative income generating opportunities in livelihood diversification shifting away from climate dependent sectors. These one-year sub-projects (being implemented by four local NGOs in communities in Yidongo, Gorigo,

Adaboya, Vea, Amanga, Kukua and Aliba) are focused on climate change adaptation and aimed at increasing household income and reducing food insecurity, especially among women. In Maldives, following early incubation support (through AF resources) on integrated water resources practices, UNDP is currently assisting the Government to scale up from 1-2 islands to over 40 islands. These are just a sample of instances where early support to test adaptation options have been scaled up to have significant transformative impacts beyond their original intent.

8. Small Grant Programme Management Experience: UNDP has over 25 years of proven track record in successfully managing the GEF Small Grant Programme (SGP) that has been recognized as a flagship program by the GEF and partners. The program has cumulatively delivered over US\$ 600 million to finance more than 22,000 projects. These projects have benefited over 17,260 civil society organizations (CSOs) and community based organizations in over 125 countries, among which 40 countries are Least Developed Countries (LDCs) and 37 are Small Island Development States (SIDs), including several countries in post-conflict or crisis status. The joint evaluations conducted by the Independent Evaluation Offices of GEF and UNDP recognized innovation as well as strong scaling up and sustainability impacts of the SGP projects. UNDP has a long established efficient and cost effective small grant management mechanism for SGP that includes the technical review of proposals, grant execution, monitoring and evaluation, learning and knowledge dissemination and exchange platform, communication and reporting to GEF Secretariat, GEF Council and development partners.

9. The UNDP-managed GEF SGP has served as a delivery mechanism for a range of donors in relation to social innovation, including support to small and medium-sized enterprises (SMEs), and acceleration of business solutions. With support from the United Nations Foundation, the SGP established the World Heritage Local Ecological Entrepreneurship Programme initiative to create a loan financing and enterprise development facility that provides affordable loans and enterprise development support to community-based sustainable businesses around protected areas. In addition, with the funding from the Government of Australia, SGP also promoted innovation on community-based adaptation initiatives for the past decade, focusing on LDCs and SIDS on agriculture, land, and water management.

Experiences in Working with Incubators and Accelerators

10. UNDP has a proven track record in supporting and championing innovation and entrepreneurship at the country level. Some notable examples include:

- In partnership with the Government of Denmark, UNDP established the Innovation Facility as a global mechanism to support innovation for development. The Facility provides

technical support and funding to test frontier technologies and new approaches to deliver better results.

- In St Lucia in the Caribbean, with support from the UNDP-GEF SGP the community of Laborie fisher folks have designed a portable water desalination plant to produce fresh water from sea water. Its technology is relatively inexpensive but effective and can be managed and operated by the communities themselves. This facility has been very successful, replicated in Nauru in the Pacific to alleviate the scarcity of fresh water in times of disasters and fresh water scarcity.
- In Zambia, UNDP’s Climate Action Hackathon, financed by the LDCF, hosted in Livingstone, brought together young software developers from around the world to develop innovative data and communications technologies to share weather and climate information with communities to better prepare themselves for the realities of climate change.
- Rwanda Meteorology Agency (Meteo) and UNDP Innovation Facility, funded by UNDP, have been testing the application of “Internet of Things” (IoT) technology to improve the accuracy and speed of climate and resources reporting. In February 2018, 68 participants in 18 teams gathered in Kigali to pitch their ideas for web- and mobile- based applications, focusing on what the farmers need.
- UNDP helped the Government of Georgia build its very first public sector innovation lab, called ServiceLab. Based at the national level, it focuses on bringing public servants and citizens into one space to co-design a new generation of public services. Four years and several new services later, ServiceLab has been appointed by the Government as the leading entity in the Public Administration Reform process, to advise on the design and delivery of public services.
- UNDP PNG with PNG’s Department of Finance tested a pilot application to increase accountability in the public sector as part of a Provincial Capacity Building Programme funded by the Australian Government. A simple texting app soon became a game changer in the fight against public corruption in PNG.
- In Armenia, following the successful early investment by UNDP in a social innovation incubator (KolbaLab), UNDP went on to establish the ImpactAim Venture Accelerator”, which aims to develop different, field-based acceleration programs to support early stage and established start-ups that address identified gaps of achieving the SDGs. This is seen as the next-step support pillar for impact ventures via direct equity investments or by growing and maturing viable solutions to the more advanced outcome buying market.
- In Viet Nam, UNDP, in partnership with HATCH! VENTURES, organized the SDG Challenge 2017 competition. The event attracted hundreds of applications and launched the Social Impact Incubation Program to provide business consultancy to the winning teams for further project development.
- Despite disadvantaged conservative rural areas, the circumstances of marginalized groups, such as women in the Federally Administered Tribal Areas (FATA), there are some exceptional women, who are teachers, academics, health workers, and social organizers who are breaking barriers in the region. To learn how they do it, and how others can, UNDP partnered with the Human Development Organization Doaba (HDOD) and local innovators DEMO and Accountability Lab to leverage “Positive Deviance” (PD). This concept translates to identifying community outliers, women who push the traditional boundaries, crowdsourcing what works, and scaling it up.

For further details and examples, see **Annex 1**.

Our Proposal – AF-UNDP Innovation Small Grants Aggregator Platform

11. To serve as AF Small Grant Aggregator, UNDP proposes the establishment of a dedicated window within the organization’s existing and proven mechanisms for incubation and acceleration of innovative ideas focused on climate change risk reduction and/or enhancement of adaptive capacity to manage evolving climate change induced risks.

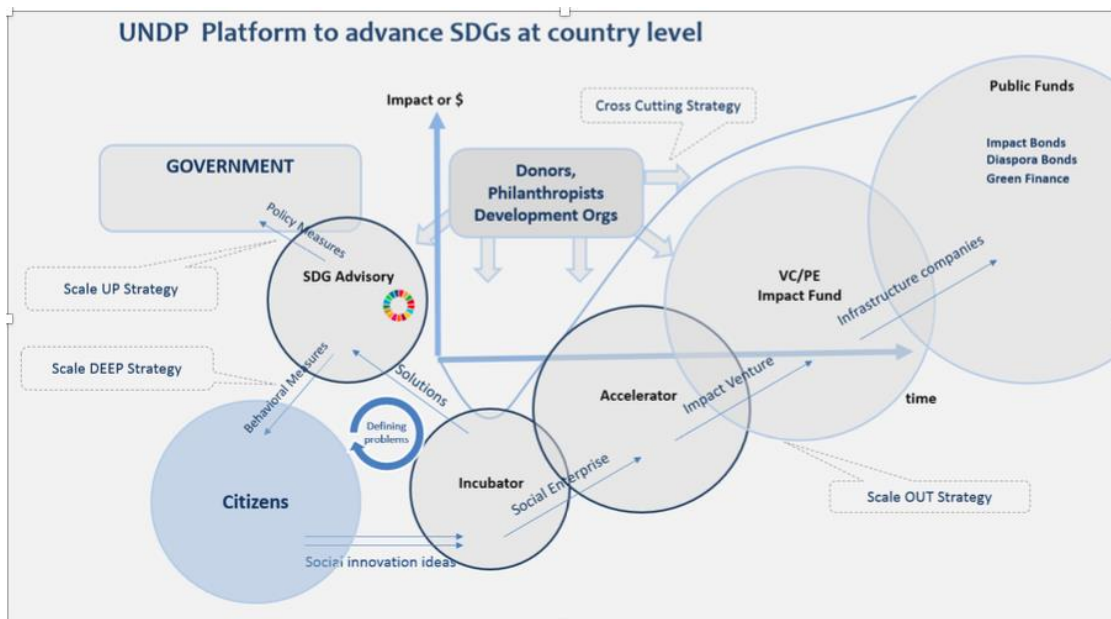
12. The proposed **AF-UNDP Innovation Small Grants Aggregator Platform** will leverage and build upon several ongoing UNDP global service lines to (a) source and select innovative ideas, (b) administer and manage grants (using performance-based payments metrics and modalities), (c) provide technical advisory support on enterprise development, leverage co-financing (from the private sector, foundations and other sources) to support acceleration, and most importantly, (d) promote knowledge and evidence-based learning to scale up innovative solutions for adaptation.

13. The thesis that underpins the **AF-UNDP Innovation Small Grants Aggregator Platform** is that there exists a variety of innovative, potentially scalable, financially sustainable solutions that can support climate change adaptation of people- especially the poor and vulnerable- and ecosystems among the general population which, for a variety of reasons, have not progressed beyond early incubation. To scale these solutions, assistance is required to address four key ingredients:

- *Scaling out* - targeting efforts to increase the number of beneficiaries; replicating of successful solutions, spreading the solutions geographically, reaching a greater number of beneficiaries, disseminating knowledge, and enabling the wide adoption of innovation.
- *Scaling up* - facilitating scaled up impact through policy de-risking, legal modifications; codifying innovation, impact processes, and relevant ecosystems through special laws, policies and designated institutions
- *Scaling Deep* – expanding impact through transformative change in the behavior of people; deepening efforts targeting change in perceptions, relationships and values governing climate risk management.
- *Cross-cutting* - maximizing the effective and efficient use of all available financial and other resources in a coordinated way and building effective partnerships and networks.

(UNDP/UNSIF, 2018)

14. The proposed platform responds to what is well understood within UNDP from experience of working with the universe of impact investors and impact decision-making. Drawing on lessons learned from UNDP’s experiences in supporting incubators and accelerators, the proposed approach draws on key elements of the impact investment ecosystem supported through “institutionalized” functional elements.



15. As depicted above, the proposed approach takes, as a starting point, the prior existence of support for incubation of ideas that have received assistance through systematic innovation design, or through sourcing social innovation ideas and transforming them into early-stage, potentially long-term, financially sustainable solutions. The Small Grants Programme (financed by the GEF, Australian DFAT, and other donors) is an example of such incubation support. UNDP's Youth CO: Lab is another initiative that incubates innovative ideas developed by youth teams in many developing countries. Many others exist around the world such as MIT Development Lab and the Legatum Center, which support entrepreneurship-based development of technologies and innovative solutions for poverty and economic progress. All are potential avenues for discovering promising innovative ideas for adaptation practices, tools and knowledge for scale up with acceleration support with financing support from the Adaptation Fund.

16. In line with the Adaptation Funds' Request for Expressions of Interest, UNDP proposes to provide incubation and acceleration services to these prospective post incubation/pre-acceleration ventures, to further support and nurture social enterprises/impact venture development. This includes crowding in impact venture capital/private equity funds, as well as impact initiatives financed by public funds (Social Impact Bonds, etc.). In other words, Adaptation Fund resources will be largely targeting a scale-out strategy for selected enterprises. This focus will lead to the realization of expected results of AF Strategic Focus 2 Innovation: Expected Results 3: "New innovations encouraged and accelerated. Development of innovative adaptation practices, tools and technologies encouraged and accelerated." As part of the acceleration support, UNDP will also direct AF resources towards results and impacts monitoring to support evidence-based learning. This will contribute towards the Expected Result 4 "Evidence base generated – Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up."

17. Bearing the above principles in mind, the AF-UNDP Innovation Small Grants Aggregator Platform, as called for by the AF's request for EoI, will provide the following services with a primary focus on acceleration support:

- Scouting, sourcing and screening of innovative ideas to scale up adaptation practices, tools, products, and technologies from broad stakeholders and sectors;
- Selection of grantees (based on a defined set of criteria in the Review Criteria section);
- Grant Administration and Management (performance monitoring);
- Technical advisory support (business development, legal support, etc.);
- Leveraging financing from private and public sources;
- Capacity building to non-accredited entities to access micro-grants for innovation;
- Networking and mentoring across grantees including non-accredited entities;
- Monitoring, capture, codification and knowledge exchange; and
- Aggregation of results and impacts, lessons learned and best practices.

18. The AF-UNDP Innovation Small Grants Aggregator Platform for accelerating adaptation action in developing countries will leverage:

- **GEF Small Grants Programme, implemented by UNDP (SGP)** - for globally sourcing ideas from civil society organizations and community based organizations, including vulnerable and marginalized communities. SGP has a well-functioning Country Programmes in 125 countries globally, including an established National Steering Committee (NSC), Technical Advisory Group (TAG) for specific thematic portfolio, an SGP National Coordinator (NC), and technical support from the regional and global levels for channeling financing and managing small-scale projects. SGP Country Programmes have proven track records in effectively managing portfolio of regular grants (up to \$50,000), strategic grants (up to \$150,000), and global/regional grants (up to \$250,000). The primary donor to the SGP has been the Global Environment Facility (GEF), with other donors including the Australian Department of Foreign Affairs and Trade (DFAT) for community-based adaptation in SIDS and in the Asia-Mekong regions, United Nations Foundation for SME development and business development support, Government of Japan through Secretariat of Convention on Biological Diversity on the Satoyama Initiative to enhance resilience in socio-ecological production landscapes and seascapes, German International Climate Initiative (IKI) for the management of Indigenous Peoples and Community Conserved Areas and Territories (ICCAs), Government of New Zealand for the capacity development of communities on environmental issues in the Pacific region, and others. UNDP has served as the implementing agency for the SGP since its inception in 1992, developing a wealth of operational and programmatic experience over its twenty-five year history;
- **UNDP's Innovation Facility**, financed by the Government of Denmark. The facility will be leveraged for technical support to collaborators to scan the horizon for future orientated ways of addressing complex development challenges, identify and secure seed financing, support the design and testing new ways of working and convene and crowd in network of entrepreneurs and investors across 170 countries and territories to explore new approaches to increasingly complex development challenges;
- **UNDP's SDG Impact Finance Team** brings together venture philanthropists, foundations, corporations, government and private investors to chart a new course toward creating a

collaborative financing impact financing models. Practically, UNSIF is supporting various channels of private sector involvement in targeting SDGs mostly based on impact investments approaches. Besides policy an advocacy measures, these include impact measurement and management framework implementation, impact finance research, and facilitation work with impact funds and impact accelerators. Following a successful pilot (ImpactAIM accelerator launched November 2017 in Armenia), UNSIF is currently supporting set-up of similar structures in Indonesia, India, Serbia, Sri Lanka in 2018-2019 and working on creating Impact Accelerator Network Facility that will:

- Serve as a catalyzer to spreading new approach - acceleration of SDG targeting impact ventures - effectively integrating this approach with traditional projects of UNDP, reshaping capacities of its Country Offices and enabling them to structure complex investible initiatives targeting SDGs.
 - Assess feasibility of impact accelerators in specific country ecosystem, plan and outline their parameters, become a centralized source for know-how, acceleration curriculum, mentors base, funding opportunities for the accelerated impact ventures.
 - Provide and support common Impact Measurement and Management framework and methodology in the context of contribution to SDGs.
 - Assist in transferring and expanding successful SDG targeting impact solutions across the borders.
 - Provide global visibility, promotion, incentives via events, awards and exposure to new markets as well as individual and institutional impact investors.
- **Youth CO: Lab Springboard Program.** Co-created in 2017 by UNDP and the Citi Foundation, Youth CO:Lab is a pre-incubation platform for young SDG innovations, aiming to capture and extend the lifespan of ideas sparked during Innovation Challenges and Hackathons, and to provide young social entrepreneurs with networks and resources to increase their impact, employment capability and revenue. It is a skills platform using mentoring, knowledge exchange, networking and showcasing as approaches to provide different skill development opportunities for young social entrepreneurs. In addition to supporting youth entrepreneurship, Youth CO:Lab also works closely with multiple stakeholders across the region, including governments, civil society and the private sector, to strengthen the entrepreneurship ecosystem and policy support to better enable young people to take the lead on new solutions that will help meet the SDGs.
 - The **UNDP Global Environmental Finance Unit** supports developing countries to access grant investments from vertical funds such as the Global Environmental Facility, Green Climate Fund, Adaptation Fund, Least Developed Countries Fund, and Special Climate Change Fund (SCCF) as well as bilateral sources. Currently, this unit manages more than USD US3.6 billion of resources from various global funds. The resources are largely directly used by countries, with oversight from UNDP, to address country priorities on climate action relating to adaptation, mitigation, sustainable management of biodiversity and ecosystems, sustainable affordable and accessible energy services, sustainable management of chemicals and waste and improve water and ocean governance. The extensive support that UNDP provides to countries to access finance for strengthening enabling environments and on-the-ground concrete actions in each of these areas are a critical platform for the eventual long-term sustenance of targeted efforts on accelerating innovation.

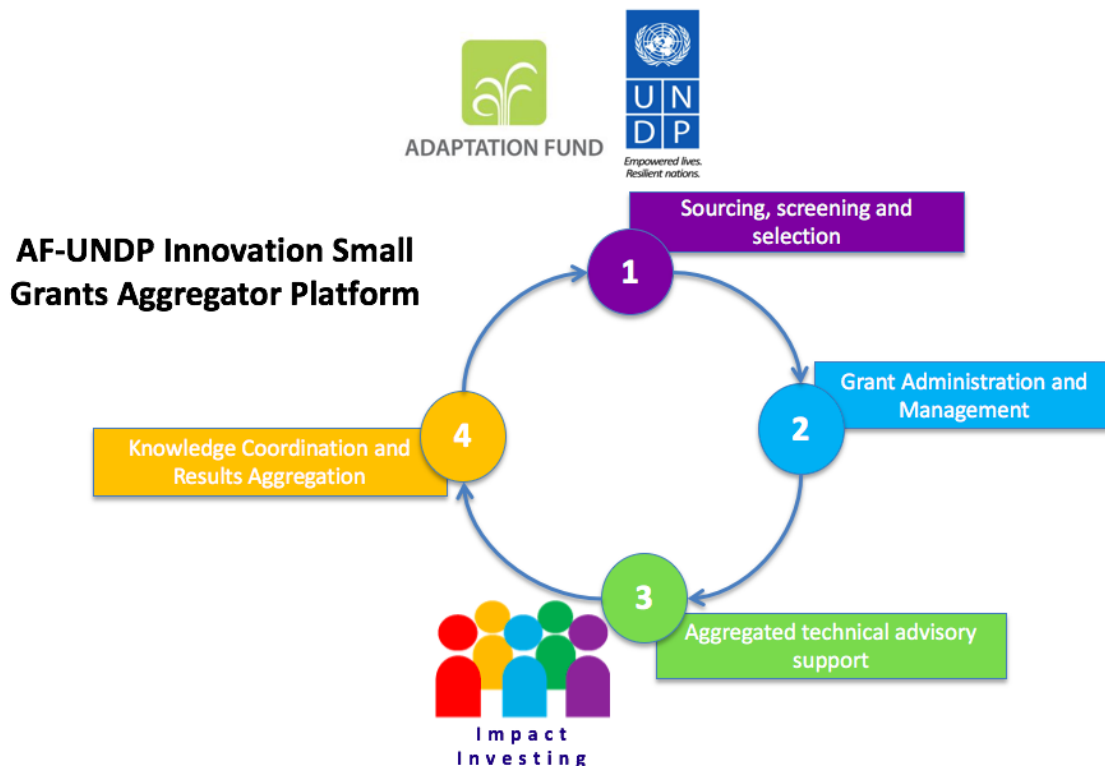
19. The leveraging of these existing initiatives within UNDP as well as our global networks will ensure that AF resources dedicated for supporting innovation for adaptation are maximized in terms of reaching grant recipients and creating impact, while minimizing the cost in setting up a function grant administration mechanism and the provision of top-notch expertise to assist grant recipients to crowd in private and public resources to support acceleration and post-acceleration growth and achieve sustainability of results and impacts.

Details of the Offer

How will it work?

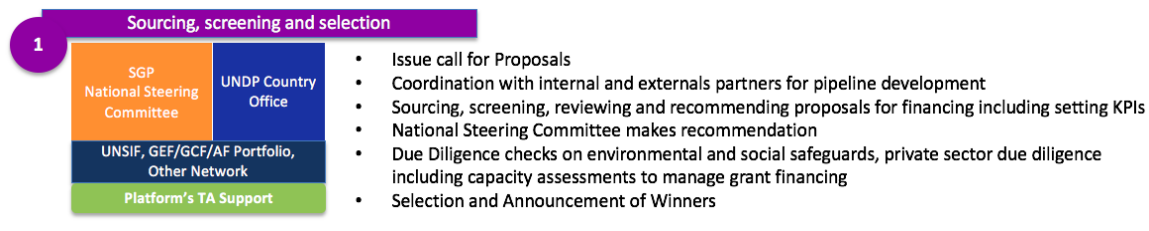
20. The proposed **AF-UNDP Innovation Small Grants Aggregator Platform** (hereafter referred to as the 'Aggregator Platform') will provide an effective end-to-end platform to attract and accelerate innovative ideas to address pressing adaptation challenges at scale. The Aggregator Platform will lean on a simple 4 step process, listed and illustrated below:

1. Sourcing, screening and selection of innovative projects
2. Grant Administration and Management
3. Aggregated Technical Advisory Support
4. Knowledge Coordination and Results Aggregation (including for Direct Access Supported Entities by the Adaptation Fund)



21. The AF-UNDP Small Grants Aggregator Platform will involve four key functions:

Sourcing, screening, and Selection



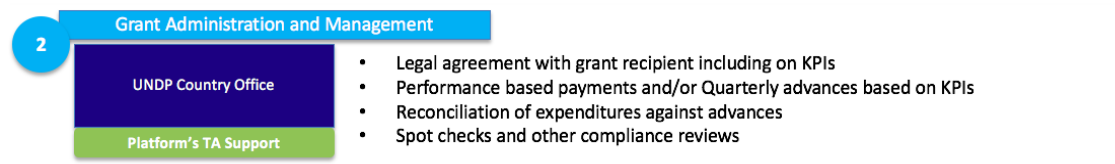
22. The Aggregator Platform will develop a dedicated Call for Proposals at the national level utilizing a variety of mechanisms including the Small Grants Programme, the network of UNDP Country Offices, UNSIF's impact acceleration pilots, Youth CO: Lab, and UNDP's Innovation Facility. The sourcing will be augmented by leveraging the reach of other partners to the Platform (e.g. other UN organizations, MIEs/DAEs to the AF, etc.). Proposals will:

- Go through an initial screening (for example, the SGP National Coordinator with support from a Technical Advisory Group will screen proposals for eligibility) based on specific criteria (see below in the Review Criteria Section) and create a long-list of potential proposals;
- The long-list will be assessed further against the same criteria, but in more depth, using Artificial Intelligence technologies, followed by a vetting of the AI identified options, by a Technical and Business Advisory Group. This will result in a short list of proposals;
- The short list will be submitted to a Vetting Committee convened by the Aggregator Platform at the global level to identify and recommend for approval those proposals that are the most promising for acceleration support. The Vetting Committee will be comprised of UNDP Staff (including the Global Environmental Finance Unit, SGP Central Programme Management Team (CPMT), UNSIF, Youth CO: Lab, UNDP Innovation Facility), as well as selected global leaders on venture capital (such as 500 Startup). Key Performance Indicators (KPIs) for those entities that are to be supported will be recommended. As part of this process, the Vetting Committee and the Technical Business Advisory Group will also identify candidates whose proposed enterprises for acceleration support present opportunities for potential reflows to the Aggregator Platform from eventual revenues/profits. A recommendation to employ UNDP's income contingent grant award option will be examined for such candidates (if selected);
- To foster country ownership, the vetted and recommended list for acceleration support will then be shared with the SGP National Steering Committee (NSC) for selection. The SGP NSC will be provided with guidance on the number of proposals that can be selected given availability of funding. Furthermore, to enable accelerated selection of projects, we may also consider national level selection process in consultation with the global Vetting Committee, particularly for smaller incubator related grant projects, as relevant;
- Those proposals selected by the NSC will then be subject to due diligence checks. UNDP Country Offices, in coordination with the SGP NSCs, will undertake due diligence checks

(on environmental and social safeguards, as well as private sector enterprises); including capacity assessments to manage funds in line with UNDP policies and procedures. Those that receive a clear due diligence report can be forwarded to the NSC for endorsement.

- Announcements of Winners will follow at both national and global levels.

Grant Administration and Management



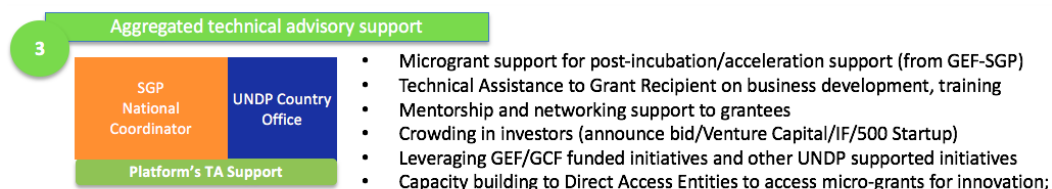
23. The Platform will leverage UNDP’s country presence and extensive experience with implementation and management of vertical fund projects at the country, regional, and global levels. Following Endorsement by the SGP National Steering Committee, prospective entities will enter into legal agreements including KPIs.

24. It is envisaged that prospective recipients of Acceleration Support could benefit from the following range of assistance:

- All will receive technical assistance support (see below (Step 3) for the type of Technical and Business Advisory Support that will be available);
- Grants of up to \$50,000 (approx. 15 grants);
- Grants of up to \$75,000 (approx. 15 grants);
- Grants of up to \$75,000 (approx. 8 grants);
- Grants of up to \$250,000 (approx. 10 grants);

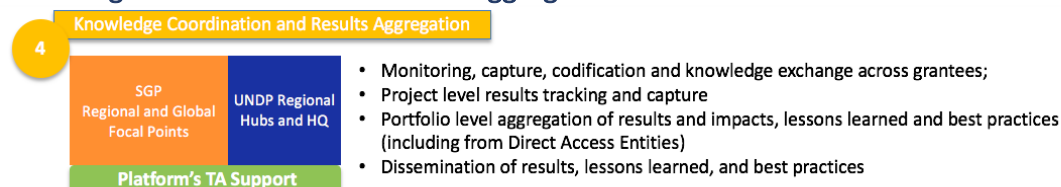
25. Payments will build on UNDP’s experience with grant awarding including via the SGP mechanism. Payments will be based on the achievement of an agreed set of adaptation relevant KPIs (i.e. performance based). For those selected proponents identified as possible candidates for revenue sharing with the Aggregator Platform, UNDP’s income contingent grant award instrument will be utilized. The return of payments made will be utilized to support new ventures in future calls. For all others, the straightforward grant instrument will be employed. Furthermore, all recipients of assistance from the Aggregator Platform will also be required to provide mentoring support to other participants in the Acceleration Platform. A Community of Practice will be fostered to allow for that exchange and cross support.

Aggregated Technical Advisory Support



26. UNDP will leverage a number of its internal service lines and capacities to direct targeted technical advisory support to grant recipients, including the Small Grants Programme, UNDP's Acceleration and Innovation Facility, UNSIF Team and Global Environmental Finance Unit⁷, in partnership with global leaders on venture capital (such as 500 Startup), will work to provide a variety of support services to selected Grantees to crowd in alternative and additional financing to augment resources from the AF. Possible options include the provision of micro-grants for post-incubation/acceleration support including at the national level from the SGP and others, technical assistance and mentoring support as well as crowding in investors from UNDP's Innovation Facility and UNSIF, as well as identifying opportunities to leverage GEF/GCF/AF and other UNDP supported initiatives.

Knowledge Coordination and Results Aggregation



27. The Aggregator Platform, with AF resources, will support knowledge exchange and learning across the portfolio of grantees. The Platform will facilitate generation and codification of knowledge including case studies, lessons learned, best practices, as well as technical reports related to business intelligence, market analytics, investment appraisals, etc. The Platform will also serve as a 'Results Aggregator' ensuring results tracking and monitoring across the portfolio of grantees, coordinating additionally with Direct Access Entities supported under the AF window. At the grant level, beneficiaries will be required to submit information on progress toward KPIs in the form of grant reports through the SGP National Coordinator, who will support monitoring and draw results and lessons from the project/portfolio. Results, lessons learned, and best practices will be disseminated through the AF-UNDP Innovation and Acceleration Network, including with target AF national implementing entities (NIEs) as well as the SGP Global Digital Library, UNDP's and AF's Knowledge Management Portals on Climate Change Adaptation, UN SDG Knowledge Platform, and

⁷ See **Annex 1** for examples of what these sub-units in UNDP have and continue to achieve that forms a sound basis for leverage.

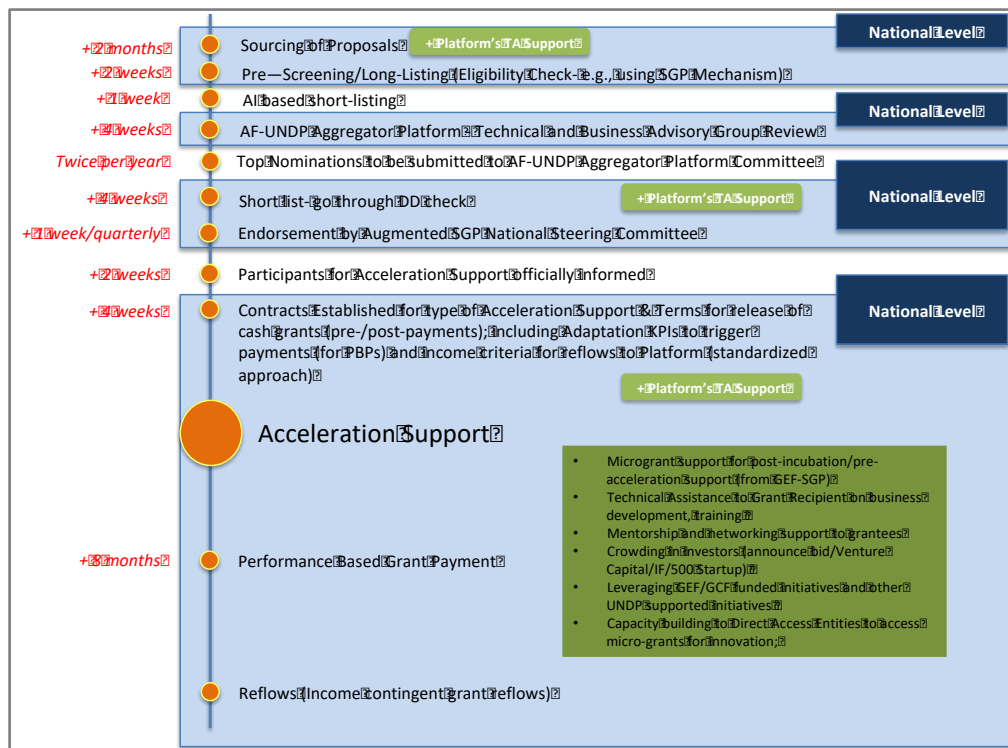
other global KM platforms. Technical assistance will be provided under the Platform to ensure evidence-based learning to scale-up innovation for adaptation.

28. Grant recipients will also be supported to develop and implement impact measurement and monitoring frameworks based on ongoing cutting-edge approaches. As per the AF's MTS and Implementation Plan, expected results and impacts captured will focus on new innovations encouraged and accelerated; development of innovative adaptation practices, tools, and technologies encouraged and accelerated ((ER3); and evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up (ER4). The results captured will be utilized for consultation, learning, and knowledge sharing at the national, regional, and global levels to maximize the potential for replication and cross-fertilization among project developers, entrepreneurs, investors, and policy makers.

Anticipated Timelines

29. Grant awards will be based on 4 calls for proposals, to be made in Oct 2019, Aug 2020, Feb 2021 and Aug 2021. A call for proposals template will be developed at the global level, which will be customized and translated to be disseminated at each selected participating countries (for example, via the SGP). It is envisaged that the cycle for a single Call for Proposals will involve the following timelines:

- Sourcing and submission of proposals: Approximately 2 months from the Call for Proposals. During this time, interested project proponents will prepare and submit their proposals to UNDP, through the SGP Country Programme as well as other channels. The Aggregator Platform's technical personnel will provide necessary guidance and support to ensure that the Call results in a healthy pipeline of initiatives.
- Review and selection of projects at national and global levels (refer above on Review and Selection process): Approximately 3 months. This includes time for:
 - Up front interaction with project proponents and the provision of technical and advisory support to determine the suitability of submissions for incubation and/or acceleration support;
 - Review and recommendations by the AF-UNDP Aggregator Platform Committee.
 - Shortlisting of proposals by the NSC for approval
 - Due diligence checks on short listed proponents
 - Approval/endorsement by the SGP National Steering Committee.
- Contracting by UNDP of entities: Approximately 4 weeks. This includes negotiating on terms for reflows to the Platform, where possible.
- The provision of Acceleration Support will be over a period of (minimum) 8-16 months
- Payments will be made based on achievement of KPIs. Based on UNDP's operational experience, payment could be made in tranches based on reporting (i.e. delivery/achievements of milestones and KPIs) depending on the capacity of the proponents.



Review criteria for the selection of proposals

30. Proposals for support from the **AF-UNDP Innovation Small Grants Aggregator Platform** will be assessed against the following criteria:

(a) Addressing climate change induced risks. The proposal should relate to a sector identified at the national level (i.e. through NDCs, NAPA or National Communications) that is particularly vulnerable to climate change including variability and align with AF's priority themes, i.e., urban adaptation, food security, nature-based solutions (ecosystems approaches, land-based issues), water resources management, disaster risk reduction.

(b) Addressing the adaptive capacity or resilience of a community to climate change., including vulnerable and marginalized peoples: The AF Innovation and Acceleration programme is expected to support projects, which either increase the adaptive capacity of a community, or increase their resilience (including, for example, by increasing the resilience of the natural systems on which they depend) to climate change, including climate variability, as well as in the formation of resilient social networks. Special attention will be made in addressing increased capacity of

women and girls, indigenous peoples, youth, and peoples with disabilities who are particularly vulnerable to climate risks;

(c) Assessment of community vulnerabilities. Proposed projects will be based on the application of the innovation assessment methodologies and will describe the characteristics of community vulnerability and options considered to accelerate tried-and-tested solutions to climate change risks;

(d) Cross-scale policy and acceleration potential. Proposed AF Innovation and Acceleration projects will identify and engage tested solutions for potential replication, up-scaling, or integrating of the innovations to be supported, and describe a process to support such processes (e.g. holding knowledge fairs to promote replication, engagement of social impact investors etc.);

(e) Results Tracking and Monitoring. Proposed AF projects will include a description of the approach for tracking and monitoring baseline and activities to monitor indicators of vulnerability, acceleration potential, and social impact benefits (using the 2030 Sustainable Development Goals targets as a benchmark). How the baseline and indicators are measured and reported should be clearly defined by the proposal.

(f) Learning and Knowledge Sharing. The Proposal should provide a clear learning and knowledge sharing approach to learn from and share lessons with other stakeholders or other project developers.

(g) Replicability and Scalability will be achieved at the global level (through the provision of key lessons learned based on Adaptation Fund-identified acceleration potential); national level (development of national capacity to support innovation); and local level (innovative know-how among local NGOs and CBOs to encourage a scaling up of tried-and-tested solutions), including through crowding-in the private sector and social impact investors.

Innovation for Adaptation Criteria

(h) Different or Better. The proposed idea must be an improvement over existing solution or new solution that is different than the existing adaptation solutions. It must have an added value over and above what the target beneficiary is currently using to solve the adaptation problem that they are facing. These innovative solutions could be new technologies and approaches, but also building on/or reviving traditional knowledge of indigenous peoples and local communities. The proposal must also show potential for systemic intervention.

(i) Delivers Value/Solves an Adaptation Problem. The proposed idea must address a specific and sizable adaptation problem that is incurring a cost (either in cash or in kind) to the target beneficiary. It must deliver value and or impact that can be quantified so that target beneficiaries will be willing to pay (in cash or in kind) for it. It is important to distinguish “wants” versus “needs” – if they need it, they will value it; however, even if they may want it, it may not be a necessity.

(j) Doable/Practical. The proposed idea may be a remarkable idea but if it is beyond the capability of current technologies and not on the cutting-edge of technology development path, it will be difficult/costly to develop the product/service and also will be difficult to convince the target market that they need it. The majority of markets value proven technologies that provide potential solutions that are also testable. Capacity, commitment and track record of the proposal developers are also crucial in determining whether the idea can be realized and further developed into a successful venture.

(k) Cost/Benefit. The proposed idea must clearly illustrate its core value proposition that the target audience need. It must solve a problem at the affordable price point. If the benefit (perceived or actual) of the proposed idea is less than the current cost of addressing the problem, it will not attract any users- especially paid users.

(l) Gender Equality and social inclusion. The proposal should describe how the project would adhere to the AF's Gender policy including gender mainstreaming and women's empowerment. The proposal should ensure that women and men are provided with an equal opportunity to build resilience, address their differentiated vulnerabilities and increase their capability to adapt to climate change impacts. The proposal should illustrate how gender equality is imbedded in the project design, consultation, implementation, monitoring, reporting, and evaluation.

(m) Environment and Social Policy. The proposed project must comply with AF's latest Environment and Social Policy. A summary of the initial screening of potential impacts and risks should be included in the proposal. The proposal should include a brief plan to mitigate potential impacts and risks, if applicable.

(n) Procurement and Financial Management. The proposal should clearly define transparent and efficient procurement procedures, including competition. Furthermore, the proposal should describe procedure to (i) record financial transactions and account balances and (ii) manage and disbursing funds according to the project objectives. This procedure should be in line with acceptable financial management good practices. Financial and budget plan as well as financial audit should be carried out at least once per year.

(o) Risk Assessment and Management. The proposed project should provide a brief risk assessment in relevant aspects of the project idea. Risk mitigation measures should also be provided.

Provisional small-grant proposal review template

31. The proposal review template is designed based on an evaluation matrix approach for ranking all proposals according to the review criteria proposed in Section B. Priority aspects of the criteria will receive relatively higher weight than other criteria. The scoring of each criterion is based on a

five-point scale. Reviewers will be provided with guidance on how to consistently assign a particular score for a criterion. The scoring range starts from 1, which signifies that the proposal does not provide a robust response and supporting evidence to a particular criterion. A score of 5 is given for a strong response that is supported by clear and relevant evidence to a particular criterion. The review guidance and weighting scheme will be provided at the Request for Proposal Stage. A provisional proposal review template is provided below:

Scoring Template

Scoring: 1 = low, 2 = moderately low, 3 = moderate, 4 = moderately high, 5 = high		Climate Vulnerability and Alignment with National Policy	Addressing Adaptive Capacity	Assesment of Community Vulnerability	Acceleration Potential	Monitoring	Learning and Knowledge Sharing	Subtotal	Comment
1	Project A								
2	Project B								

Scoring: 1 = low, 2 = moderately low, 3 = moderate, 4 = moderately high, 5 = high		Different, New, or Better	Delivers value / Solves Adaptation Problem	Doable / Practical	Cost / Benefit	Subtotal	Comment
1	Project A						
2	Project B						

Scoring: 1 = low, 2 = moderately low, 3 = moderate, 4 = moderately high, 5 = high		Gender Equality	Environment and Social Policy	Procurement and Financial Management	Risk Assessment and Management	Subtotal	Comment	Total	Overall Comments
1	Project A								
2	Project B								

A provisional reporting plan

(with a view to support the fulfillment of the Decision B.31/33, para 32. b-v)

32. At a minimum, an annual report will be required as per Decision B.31/33, para 32. B-v), which states that “(v) *To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan.*” The Annual Monitoring Report will be prepared to support the fulfillment of the Adaptation Fund Board Decision B.31/33, para 32. B-v The Annual Monitoring Report will cover the detail performance of UNDP (as the AF’s Small Grant Aggregator) and description of each grantee; and will also provide an overview of the Small Grant portfolio managed by AF through direct access mechanisms and the lessons learned.

Suggested Annual Monitoring Report - Provisional Table of Contents

Executive Summary

Overview of the Adaptation Fund's Innovation Small Grants Aggregator Platform

- Project Implementation Modality
- Innovation Discovery Process
- Grant Approval Process
- Proposal Review Criteria and Results
- Impact Measurement and Monitoring Framework
- Learning and Knowledge Sharing Platform

Portfolio Financial Report

- Distribution of Resources Dedicated for Projects by Thematic/Cross Cutting Areas
- Distribution of Projects by Region/Typology of Countries (LDCs/SIDS etc)
- Diversity of Grantee Partners

Results from Portfolio

Capacity Development Results at the Portfolio Level

Knowledge Sharing and Exchange Results

Measures Undertaken to Address Gender Equality

Measures Undertaken to Address needs of youth, people with disabilities and indigenous peoples

Impact Measurement from Acceleration Support

Risks and Risk Mitigation Strategies

Contribution to Agenda 2030/Sustainable Development Goals

Learning-and-sharing mechanism for the innovation window, in line with the MTS's Pillar on Knowledge and Sharing

33. The learning and sharing mechanism proposed for the AF-UNDP Innovation Small Grant Aggregator Platform will encourage cross-fertilization, scaling up and replication, and problem solving which is in line with the following: AF MTS's Pillar on Knowledge and Sharing, or Strategic Focus 3 (SF3) Learning and Sharing about adaptation finance and action with the following expected results; ER1 Lessons Learned and Shared; and ER2 Knowledge and Guidance Developed.

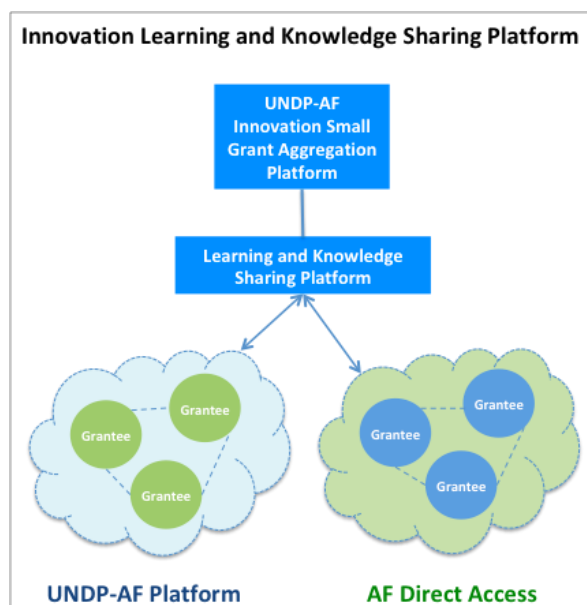
34. Since learning and knowledge sharing are one of the critical factors that feed into innovation as well as replication and scaling up processes, AF-UNDP Innovation Small Grant Aggregator Platform will allocate resources to facilitate learning and knowledge sharing. This will build on what

existing lessons, knowledge, indigenous culture and wisdoms and the rich diversity of experiences and lessons from ongoing initiatives. For example, capitalizing on SGP's experience of setting up a Global Citizens Knowledge Platform or UNDP's work on South-South Cooperation, Knowledge Fairs and other initiatives is seen as an effective and efficient way to operationalize knowledge sharing founded on the work of the Aggregator Platform.

The main objective of a Knowledge Platform associated with the Aggregator Platform will be to support learning and sharing of adaptation finance and actions at national, regional and global levels, through AF small grants channeled via multilateral or direct access channels. Potential activities that could be supported include: knowledge identification, codification, capturing, validation, and packaging periodically to (a) support scaling up efforts; (b) build knowledge management capacity of grantees including youth and women group; and (c) outreach. This Knowledge Platform will utilize all available mediums and communication channels such as social media to encourage exchange of data, information, blog and working paper, ideas, lessons learned, open source code and applications, case studies, good practices, and etc.

35. To broaden the knowledge base, UNDP will facilitate a virtual linkage between the Knowledge Platform and network of leading incubators, accelerators, innovation labs, and climate change adaptation practitioners. To deepen knowledge creation and sharing, result driven knowledge sharing events (such as hackathon, innovation fair, product showcase), will be organized together with UNDP's public and private partners. Both Knowledge Platform and Knowledge Sharing Events will be open for both grantees awarded by the UN-AF Innovation Small Grant Aggregator Platform and grantees awarded by AF's

direct access mechanism. A strategic communication and dissemination program will be developed and implemented to enhance the transparency and visibility of the AF-UNDP Partnership for Small Grant Program among development partners and other stakeholder. The strategy will build on what exists, rather than inventing the wheel. For example, while SGP could possibly lead at the national level, a number of UNDP and AF mechanisms could also be employed to maximize on efficiencies at the regional and global level.



Provisional Project Budget

Item	2019	2020	2021	2022	2023	Total	Notes
Grants							
Accelerator Grants		1,525,000	3,450,000	1,000,000		5,975,000	1
Technical Support to Accelerators							
IC (Business Dev. Advisor, Legal Support, Sourcing)	20,000	150,000	150,000	150,000	100,000	570,000	2
Learning and Knowledge Sharing							
M&E (Surveys, Results, Indicators, KPIs, country level vetting)		21,000	42,000	42,000	42,000	147,000	3
KM (codification, knowledge exchange/lessons/ best practices)			60,400	57,000	91,600	209,000	4
Travel		8,000	10,000	10,000	6000	34,000	5
APR/MTRs/TE		5,000	25,000	5,000	30000	65,000	6
Project Management Costs							
Project Management (administration support, finance associate, associated GEF/SGP admin. cost)	30,000	90,000	90,000	90,000	60,000	360,000	7
Project Budget (sub-total)	50,000	1,799,000	3,827,400	1,354,000	329,600	7,360,000	
AE Oversight Fee							
Agency oversight costs (for project cycle management and oversight costs)						640,000	8
Total Budget	50,000	1,799,000	3,827,400	1,354,000	329,600	8,000,000	

Unit: United States Dollar

Notes:

1. These amounts will be used for Grant awards (in UNDP terminology, these grants are referred to as Low Value Grants). We include here the likely schedule for payments, which can be further refined based on discussions with the Secretariat.

:

2019	2020	2021	2022	2023
Program Start	June- 14 Grants Awards (Response to 1st Call):	Jan - 11 Grants- Awards (Response to 2nd Call):	Jan - 4 Grants- Awards (Response to 4th Call)	Project Close
	5xUS\$50,000; 5xUS\$75,000; 2xUS\$200,000; 2xUS\$250,000 = US\$ 1,525,000	5xUS\$50,000; 5xUS\$75,000; 3xUS\$200,000; 2xUS\$250,000 = US\$1,725,000	4xUS\$250,000 =US\$1,000,000	
Oct- 1st Call for Proposals	Aug- 2nd call for proposals	Feb- 3rd Call		
		Jun - 11 Grants- Awards (Response to 3rd Call):		
		5x\$50,000; 5x\$75,000; 3x\$200,000; 2x\$250,000 = US\$1,725,000		
		Aug- 4th Call		

2. Hiring of technical specialists on business development, legal, etc.) to support both grant recipients and others:

Y1: \$500x40 days;

Y2-Y3: \$500x100 daysx3 persons;

Y4: \$500x100 daysx3 persons.

3. Specialist and SGP cost associated for M&E (surveys, results, indicators, KPIs):

Y2: US\$500x42 days;

Y3-Y5: US\$500x84 days

4. Costs associated with bringing grant recipients together to share experiences, exchange knowledge through knowledge fairs/workshops/digital media. Provision made to bring 3-4 awardees from the direct access window of the AF as well for each annual knowledge exchange, commencing in year 3.

Y3: @3,400 (ticket/DSA x 16 pax + Resource Person(s) (\$10,000 = \$500x12 days));

Y4: @3,400 (ticket/DSA x 15 pax + Resource Person(s) (\$4,000 = \$500x12 days));

Y5: @3,400 (ticket/DSA x 24 pax + Resource Person(s) (\$4,000 = \$500x20 days)).

5. Travel costs estimated using on average US\$3000 per trip (economy airfare plus DSA). Amounts for each year reflect likely travel required.

6. Cost of APR/MTR/TEs based on average costs based on experience for AF projects.

7. Includes cost of:

Project administrator (\$50,000/year);

Finance associate (@US\$40,000 per year); and

Associated SGP administrative cost.

First and last year, costs are pro-rated for estimated months when project management functions are likely to be required (2 months and 9 months, respective).

8. The Accredited Entity Fee is 8% based on UNDP's Executive Board policy for minimum cost recovery.

Note: All figures provided in the Provisional Project Budget are tentative, subject to change based on a thorough market analysis. They are presented above to indicate likely cost envelopes. Final estimates will be provided when/if UNDP is invited to submit a full proposal

UNDP Team Designing the Project

Pradeep Kurukulasuriya leads the United Nation Development Programme's support to countries seeking to access climate finance from various sources including the GEF Family of funds, Adaptation Fund, and the Green Climate Fund. With a team of Regional Technical Advisors and Specialists located in UNDP's Regional Hubs around the world, Pradeep provides the technical and management leadership required to oversee a climate change adaptation portfolio that is active in more than 90 countries around the world. An economist by training, he holds a PhD from Yale and publishes regularly on the subject of economic valuation of climate change impacts and adaptation.

Srilata Kammila is a Regional Technical Advisor working on Climate Change Adaptation across a number of UNDP supported programmes in Asia and Africa supporting countries in accessing bi-lateral and multi-lateral environment finance. Srilata has wide expertise in developing policies and programs related to climate-resilient technologies and practices, livelihoods, and energy access with particular focus on working with the private sector, including MSMEs, in advancing low-emission, climate resilient development. Srilata holds a Bachelor of Science degree from University of Alberta in Canada and a joint Masters in Business Administration from MIT and Master of Public Administration from Harvard, USA.

Artak Melkonyan works on introduction of impact investment approaches to address financing of SDGs through engagements with private sector under various formats: accelerators, investment funds and PPP projects. He set-up ImpactAIM, UNDP's first pilot impact accelerator and contributed to Acceelrate2030 initiative between UNDP and ImpactHUB. Artak has 25-year track record of exposure to businesses and non-profit projects in over 40 countries. Before joining UNDP, he headed a venture philanthropy fund in Eastern Europe; prior to that he was Senior VP with Dun & Bradstreet and led the expansion of the company's financial infrastructure business in Middle East, South Asia and Africa. His previous experience includes management roles in private equity fund, Big4, banking and top government. Artak also served as Dean of Business at French University of Armenia, taught courses in American University of Armenia and Public Administration Academy of Armenia. He holds master degrees from AUA and State Engineering University of Armenia, as well as graduated executive programs at Georgetown University and INSEAD.

Terence Hay-Edie is a Programme Advisor for the Global Environment Facility Small Grants Programme (SGP), implemented by UNDP. Since its inception in 1992, the SGP has provided cumulative funding of over \$800 million to civil society organizations in 128 countries worldwide. Over a fifteen-year period, Terence has developed numerous partnerships and cost sharing agreements with bilateral and multilateral donors which have used the SGP delivery mechanism for the provision of small grants in relation to biodiversity, climate change adaptation, and business development support to SMEs. Terence holds a PhD in Social Anthropology from the University of Cambridge, and Masters and Undergraduate degrees from University of Oxford.

Yoko Watanabe heads the GEF Small Grants Programme, implemented by UNDP, as its Global Manager based in New York. She manages and provides leadership to the global SGP team that is active in 125 countries globally. The flagship program promotes innovative local actions on global environmental issues through empowerment and capacity development of civil society organizations and community-based organizations, including women and girls, indigenous peoples, youth and other vulnerable groups. Yoko has over twenty-five years of experiences in leading and managing biodiversity, climate change, and other global environmental and community development programs/projects at the country, regional and global levels at the GEF Secretariat, UNDP, and WWF. She holds a master degree on development and environment management from the American University in Washington DC.

Savinda Ranathunga is the Regional Youth Project Coordinator for UNDP Bangkok Regional Hub. He is a Civil Engineering graduate from Moratuwa University Sri Lanka, he also possesses chartered qualifications in Management and Marketing and a Diploma in Buddhism. Savinda also possess many experiences with the start-up eco system and his passion is to create an enabling environment for the youth entrepreneurs in Asia-Pacific Region. Currently he is reading for his PhD on Youth Empowerment at Chulalongkorn University, Thailand.

Beniam Gebrezghi is a Programme Specialist on Civil Society and Youth Empowerment. An Eritrean/Swedish national, he has for the past 17 years worked in the field of international development cooperation. In New York, he worked on developing partnerships and policies for UNDP. Prior to that, he worked for Government and NGOs in South Africa and Sweden. He started his career at the Swedish International Development Cooperation Agency (SIDA), where he worked in the Department of Communications and later on in the NGO Section providing grants and capacity development to Civil Society Organisations. He holds a Master's degree in Public Administration from The School of Government, University of the Western Cape, South Africa.

Annex 1: UNDP Experiences in Working with Incubators and Accelerators

UNDP has developed a history of working to champion innovation and entrepreneurship at the country level.

- In partnership with the Government of Denmark, UNDP established the Innovation Facility as a global mechanism to support innovation for development. The Facility provides technical support and funding to test frontier technologies and new approaches to deliver better results. Since then the Facility has invested in over 140 country-level experiments, across 87 countries and territories. The Facility's portfolio is firmly rooted in the 2030 Agenda for Sustainable Development. The portfolio explores current and emerging service lines to: eradicate poverty, protect the planet, prevent violent conflict, manage climate change risk, and advance gender equality, among other development challenges.
- In Zambia, The UNDP's Climate Action Hackathon hosted in Livingstone, Zambia, brought together young software developers from around the world to develop innovative data and communications technologies to share weather and climate information with communities to better prepare themselves for the realities of climate change. Experts from UNDP, Columbia and Stanford University's The Brown Institute for Media Innovations and The International Research Institute for Climate and Society (IRI) were on hand to facilitate discussions, help hackers understand the nuanced approaches necessary, and connect broad sets of data with the unique needs of end users. Examples of the final products include: [The #mLisho Project](#) The mLisho Project created a basic early warning system platform that uses a mobile phone SMS API to send sustainability and market information to nomadic pastoralists based on predictions of range land productivity and market studies. [The Farmers' Guide Project](#) This project works to provide farmers with improved information on when to plant and how to maximize profits and productivity.
- Rwanda is highly prone to natural disaster, including landslides, flash floods, droughts, windstorms, lightning, and earthquakes. Against the rapid changes, traditional meteorological stations fall short. Rwanda Meteorology Agency (Meteo) and UNDP Innovation Facility have been testing the application of "Internet of Things" (IoT) technology to improve the accuracy and speed of climate and resources reporting. In February 2018, 68 participants in 18 teams gathered in Kigali to pitch their ideas for web- and mobile- based applications, focusing on what the farmers need. As such, participants worked closely with the pilot's sectors and visited the communities in Rwinkwavu sector, to observe the IoT sensors and speak with local agronomists and farmers. Six teams were shortlisted to prototype a scalable solution. One product planned is an Early Warning System to improve disaster preparedness.
- Aftermath of the devastated earthquake in Haiti, UNDP, through the *Innovation Facility*, have begun a pilot initiative to give youth the opportunity to start their own businesses. We decided that we would bring innovation to Fort National and came up with a [LIDE Bus](#): Lidé means idea in Creole and is also a French acronym

- for "Laboratory for Innovation and Economic Development". The initiative started with the training of all 300, giving additional business training to 80 who showed the most interest. Based on the knowledge acquired, these young people presented their business plan proposals for funding. There were proposals to develop businesses for organic chocolates, electronics and computer services, a library, a restaurant serving Creole food, and the production of perfumes based on plants native to Haiti. Forty initiatives were selected, and with an initial capital of US\$500 to \$1,500, they could start their company and receive technical support in implementing their business to reduce risk.
- UNDP helped the Government of Georgia build its very first public sector innovation lab, ServiceLab. Based at the national level, it focuses on bringing public servants and citizens into one space to co-design a new generation of public services. Four years and several new services later, ServiceLab has been appointed by the Government as the leading entity in the Public Administration Reform process, to advise on the design and delivery of public services.
 - UNDP PNG with PNG's Department of Finance tested a pilot in the ministry as part of a Provincial Capacity Building Programme funded by the Australian Government. This simple texting app soon became a game changer in the fight against public corruption in PNG.
 - In Armenia, following the successful early investment by UNDP in a social innovation incubator (KolbaLab), UNDP went on to establish the ImpactAim Venture Accelerator", which aims to develop different, field-based acceleration programs to support early stage and established start-ups that address identified gaps of achieving the SDGs. This is seen as the next-step support pillar for impact ventures via direct equity investments or by growing and maturing viable solutions to the more advanced outcome buying market. The selection criteria for the initiatives supported by the Accelerator reflects the mission and programmatic priorities of the UNDP. Recently, UNDP launched the Climate Change Technology Accelerator (CCTA) also in Armenia, in cooperation with ISTC Foundation, Founders Institute Yerevan and Enterprise Incubator Foundation. It is one of the key components of "Addressing Climate Change Impact Through Enhanced Capacity for Wildfires Management in Armenia" Project funded by Russia and implemented jointly with Ministry of Nature Protection of the Republic of Armenia.
 - In Viet Nam, UNDP in partnership with HATCH! VENTURES organized the SDG Challenge 2017 competition. The event attracted hundreds of applications and launched the Social Impact Incubation Program to provide business consultancy to the winning teams for further project development. The four winners; (i) photo/video editing services for disabled persons; (ii) sign language interpretation services; (iii) smart water refill network; and (iv) low-cost systems design of wind turbines and solar panels were awarded in December 2017.

Annex 2: Provisional Proposal Template for the AF-UNDP Innovation Platform

Adaptation Fund Innovation for Adaptation Small Grant Program

PROJECT PROPOSAL TEMPLATE⁸

2. COVER PAGE

Country:.....Submission date.....

Project No. _____ (For Official Use. Do not write anything here)

Project Title: _____

(The title must capture the essence of project and align it to the AF thematic areas)

APPLICANT

Name of Organization: _____

Year established _____ Number of members _____

Number of projects implemented _____

Mailing Address: _____ Physical Address: _____

Telephone: _____

Fax: _____ E-Mail: _____

Principal Officer: _____ (Name and Position)

Project Contact/Manager: _____ (Name and Position)

⁸ This generic project template can be customized if needed in accordance with further discussion and agreement with AF.

PROJECT

AF Thematic and Social Focus Areas. Please mark all that applied.

Thematic Area		Social Focus Area	
	Urban Adaptation		Social Innovation
	Food Security		Inclusion of Youth
	Nature Based Solutions		Advancement of Gender Equality
	Water Resources Management		Focus on Communities
	Disaster Risk Reduction		Enhancement of Cultural Heritage

Proposed Start Date: _____ Expected Project Duration (24 months or less) : _____

FINANCES

Total AF Small Grant Request: [Local currency] _____ [US\$ _____]

Total from Other Sources: [Local currency] _____ [US\$ _____]

Total project cost: [Local currency] _____ [US\$ _____]

UN rate of exchange _____ (For Official Use. Do not write anything here)

3. PROPOSAL**SECTION A: PROJECT RATIONALE AND APPROACH**

1. Project Summary
2. Organizational Background and Capacity to implement the Project
3. Project Objectives
4. What will be the expected impact of the idea/project? How will the impact be measured, monitored, and evaluated?
5. What is the size of the direct and indirect beneficiaries? What is the market size (if any)? Who are the main competitors (if any)? Will the proposed idea depend on other products or services to succeed?
6. Description of Project Activities
7. What is novel/innovative aspect of the proposed idea– in scope or application? What is the problem that will be solved by the proposed idea? How has the problem been solved in the past? How does the proposed idea better (more effective and efficient less expensive, reach wider beneficiaries, higher value, etc.) than other solutions? What is the comparative advantage of the proposed idea over others? What are the factors that prevent other ideas to be as good as the proposed idea? What are the factors that will hinder the proposed idea from reaching the expected impact?
8. How much have already been invested in developing the idea? Who are the initial investors? What was the ticket size of each investor? What are their profiles and track record?

9. How and when will the idea be realized? What do you need to make your idea work? How will the idea/project be sustained beyond the support from AF's small grant? How much are the direct beneficiaries willing to pay for the benefit received from the idea/project?
10. What is the business model?
11. Has the idea been tested before? What has been the result? What has worked well and why? What has not worked well and why?
12. What are the Implementation Plan, Time frame of key milestones?
13. How will the idea be scaled up and/or replicated? What are the prerequisites?
14. How does the proposal take gender, youth, and safeguards considerations into account?
15. How does the proposal address needs of marginalized, vulnerable people?
16. How does the learning plan fit with the Adaptation Fund Medium Term Strategy's Knowledge and Sharing Pillar?
17. How does the idea align with other initiatives?
18. How does the idea comply with AF's review criteria for resource programming? These criteria include eligible country, implementing entity eligibility, resource availability, project implementation arrangement, risk management process, compliance with AF's Environment and Social Policy and Gender Policy, procurement and financial management, and monitoring and evaluation framework.
19. What is the Community Participation plan?
20. What are the Learning and Knowledge Management plan?
21. What are the Gender Equality aspects of the project?
22. Communication of Results and Replication

SECTION B: PROJECT RISKS, MONITORING & EVALUATION

- 2.1. Risks to Successful Implementation
- 2.2. Monitoring, Evaluation Plan and Indicators
- 2.3. Sustainability of Results Achieved

SECTION C: PROJECT BUDGET

- 3.1 Financial Details
- 3.2 Projected Expenditures
- 3.3 Bank Details

ANNEX 1: INDICATORS

- A. AF Small Grant Project Indicators
- B. SGP CBA Project Indicators

Draft Templates:

Activity Planning

Brief description of General Objective of Project:														
Brief Description of Specific Capacity Results Outcomes No 1 ⁹ :														
List the activities necessary to fulfil this outcome. Indicate who is responsible for each activity and an indicator of activity accomplishment.								Duration of Activity in Months (or Quarters)						
Activity	Responsible Party	Indicator	1	2	3	4	5	6	7	8	9	10	11	12
1.1														
1.2														
1.3														
1.4														

Project funding summary

Funding Source	Funding Plan, [local currency]		Total [local currency]	Total US\$
	Year 1	Year 2		
a. AF Small Grant Project				
b. Community				
c. Proposing Organization				
d. Other co-financiers				
Total Project Cost				

⁹ Please indicate as many Capacity Results Outcomes as in the project and include rows as required for the project under preparations.

Proposing organizations contributions

Sources of Contribution	Type	Committed or Projected?	Value, local currency
1.			
2.			
Total			

Projected expenditures

Expenditure Category	Year 1, [local currency]	Year 2, [local currency]	Total, [local currency]	US\$	% Total
1. Personnel / Labour					
2. Equipment / Materials					
3. Training / Seminars / Travel Workshops					
4. Contracts					
7. Other support requested					
Total Project Cost					

Annex 3 – UN-Environment/CTCN submission
Annex 4 – UN-Habitat submission

19/09/2018

RE: CTCN / UN Environment Expression of Interest as a Small Grant Aggregator for the New Special Financing Window in Support of Innovation for Adaptation

Dear Mr. Victor Viñas

I strongly welcome the Adaptation Fund's actions to escalate support for innovations in climate change adaptation as described in your Medium-Term Strategy. Your efforts will certainly complement and enhance the ongoing work of the Climate Technology Centre and Network (CTCN) as we pursue our mandate of facilitating the development, transfer, dissemination and deployment of innovations and technologies for enhanced climate action.

I am also pleased to hear that the Expression of Interest to serve as a small grant aggregator has been made available to the CTCN through our host agency, UN Environment. The CTCN's submission demonstrates concrete and tangible action to implement COP decisions calling for enhanced collaboration between the Technology Mechanism and the Financial Mechanism. I recall, in particular Decision 13/CP.21:

Recognizes the importance of and the need for defined, mutually beneficial and functional linkages between the Technology Mechanism and the Financial Mechanism through its operating entities...

In light of the above, in my capacity as the Chair of the Advisory Board to the CTCN, I express my strong support for the CTCN / UN Environment Expression of Interest. I look forward to our continued collaboration on strengthened linkages between our two bodies.

Yours sincerely,



Maia Tskhvaradze
Chair of Advisory Board, Climate Technology Centre and Network

Mr. Victor Viñas
Chair of Advisory Board, Adaptation Fund
afbsec@adaptation-fund.org

Climate Technology Centre and Network
UN City, Marmorvej 51, 2100 Copenhagen, Denmark
Email: ctcn@unep.org Web : <http://www.ctc-n.org>

17/09/2018

Re: Expression of Interest as a Small Grant Aggregator for the New Special Financing Window in Support of Innovation for Adaptation

Dear, Mr. Victor Viñas

Please find attached the UN Environment / Climate Technology Centre and Network (CTCN) Expression of Interest in response to the call for a multilateral implementing entity of the Adaptation Fund to serve as a small grant aggregator for the new special financing window in support of innovation for adaptation.

The CTCN, hosted by UN Environment, is part of the Technology Mechanism under the UNFCCC and is mandated to facilitate the development, transfer, dissemination and deployment of innovations and technologies for enhanced climate action. As such, we are pleased to submit our expression of interest in the form of a proposal for consideration.

As a summary of the comparative advantage of UN Environment / CTCN:

Technology Focus

- For five years, the CTCN has administered a climate technology assistance programme with a value of up to US\$ 250,000 per investment and total investments in excess of US\$ 13.5 million.
- CTCN completed technical assistance has delivered 130 workshops building the capacity of 2400 people across 160 institutions, leveraged an anticipated US\$ 669.2 million, and improved the livelihoods of an estimated 84.7 million people.

Mandate

- The CTCN is guided by an Advisory Board established by the UNFCCC, as such, the approach, criteria, process and reporting have already been endorsed by the Convention.
- The CTCN and the Adaptation Fund are mandated by the UNFCCC COP to collaborate.
- UN Environment, as the host agency of CTCN, has safeguard and indigenous people policies and procedures that are compliant with Adaptation Fund's requirement.
- The CTCN gender policy, tools and guidelines assure a strong gender component.
- The CTCN technical assistance process is country-driven, requested by the countries based on their national priorities related to climate change.

Network

- The CTCN communication network is well established with a direct reach of over 10,000 stakeholders and in-direct access to over 100,000 users.
- The CTCN draws on a network of over 450 global public and private sector climate innovators to match the global expertise with developing country needs.
- The CTCN knowledge management system is a robust and flexible project management, information sharing and knowledge exchange framework supporting the sharing of essential lessons among the community of practice on climate innovation and technology.
- The CTCN is organized by region with significant regional and national representation through our staff, network members, and consortium partners.

If you have any questions about the Expression of Interest in the form of a proposal, please contact the CTCN Adaptation Manager, Ms. Jaime Webbe at jaime.webbe@un.org.

Yours sincerely,



Jukka Uosukainen

CTCN Director

Mr. Victor Viñas
Chair of Advisory Board, Adaptation Fund

Cc: Mikko Ollikainen
Manager, Adaptation Fund Secretariat
molikainen@adaptation-fund.org

Maia Tskhvaradze
Chair of Advisory Board, Climate Technology Centre and Network
mtskhvaradze@gmail.com

Expression of Interest
New Special Financing Window in Support of Innovation for Adaptation:
Multilateral Implementing Entities of the Adaptation Fund to Serve as Small Grant Aggregator

submitted by

UN Environment / Climate Technology Centre and Network

Section 1: Introducing UN Environment / Climate Technology Centre and Network

Recognizing the need to accelerate and enhance climate technology development and transfer, Parties to the United Nations Framework Convention on Climate Change (UNFCCC) established a Technology Mechanism in 2010. The Technology Mechanism consists of two complementary bodies, a Technology Executive Committee that provides policy guidance and the Climate Technology Centre and Network (CTCN), mandated to match developing country needs for climate technology¹ with world-class and country-appropriate solutions.

The CTCN was established by Parties to the UNFCCC in order to support the development, transfer and dissemination of climate technologies in recognition of the need for additional support by developing country Parties. In particular, the technical assistance approach has been carefully designed to respond to a number of barriers to innovation for climate action including: the lack of endogenous capacity, poor supportive institutional frameworks, gaps in policies and legislations, and inadequate access to finance.

The 2015 Paris Agreement deepened engagement on innovation and technology, creating a Technology Framework and calling for stronger linkages between the Technology Mechanism and the Financial Mechanism of the Convention.

As mandated by the UNFCCC Conference of the Parties (COP), the CTCN facilitates the development, transfer, dissemination and deployment of innovations and technologies through three core services:

- Providing technical assistance at the request of developing countries to accelerate the transfer of climate innovations and technologies;
- Creating access to information and knowledge on climate innovations and technologies; and
- Fostering collaboration among climate innovators and technology stakeholders via the Centre's network of regional and sectoral experts from academia, the private sector, and public and research institutions.

The CTCN is guided by the UNFCCC COP through its Advisory Board and its taskforces on RD&D, finance and operations. The Advisory Board membership is comprised of representatives of developed and developing countries, as well as business, academia and NGOs. The CTCN draws on this broad base of expertise to inform its neutral role as matchmaker, serving the needs of countries and creating opportunities for providers of climate innovation and technology expertise.

¹ As defined by the Intergovernmental Panel on Climate Change (IPCC) climate technologies cover any piece of equipment, technique, practical knowledge or skills for performing a particular activity that can be used to face climate change

The CTCN is jointly hosted by UN Environment and the UN Industrial Development Organization (UNIDO). The Expression of Interest is submitted by UN Environment on behalf of CTCN. All administrative, financial, governance and engagement matters conform to UN Environment regulations and procedures and are processed and approved by UN Environment.

Section 2: Statement of Qualifications

The CTCN has five years' experience in administering technical assistance to support non-Annex 1 countries to test, evaluate, roll out and scale up innovative adaptation practices, products and technologies.

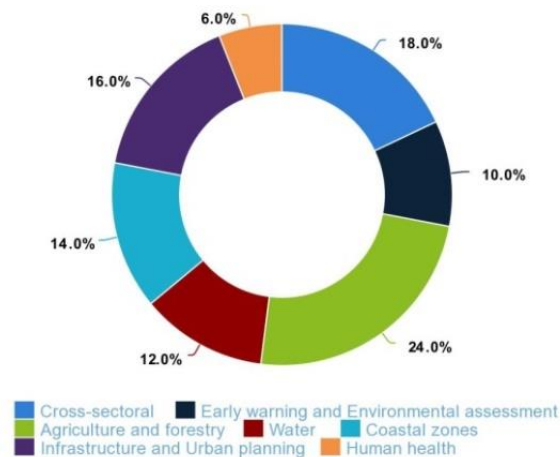
Specifically, the CTCN provides technical assistance up to US\$ 250,000 for climate change innovation and technology in response to requests submitted by developing countries via their nationally-selected focal points, or National Designated Entities (NDEs). Upon receipt of such requests, the Centre quickly mobilizes its global Network of climate technology experts to design and deliver a customized solution in collaboration with local partners so as to enhance endogenous capacity for innovation.

The CTCN delivers five main types of technical support on climate innovation and technologies:

- Assessments including the identification of technology and innovation needs and options and actions to address technology and innovation barriers;
- Support for policy and planning including strategies and policies, roadmaps and action plans, regulations and legal measures supporting climate technology and innovation;
- Training on climate innovation and technology development, transfer and dissemination;
- Development, piloting and local adaptation of innovative tools and methodologies to support climate action; and
- Implementation plans for climate change innovation deployment.

Over five years of operation, the CTCN has responded to 66 requests for support for adaptation innovation and technology development, testing and deployment with an addition 30 technical assistance requests supporting innovation for joint mitigation and adaptation. The CTCN has over US\$ 13.5 million worth of technical assistance under management across 75 countries². Of this total value, 38% targets Least Developed Countries and Small Island Developing States. The sector focus of the CTCN's adaptation portfolio is presented in figure 1 below.

Figure 1: CTCN Adaptation Innovation and Technology Support by Sector



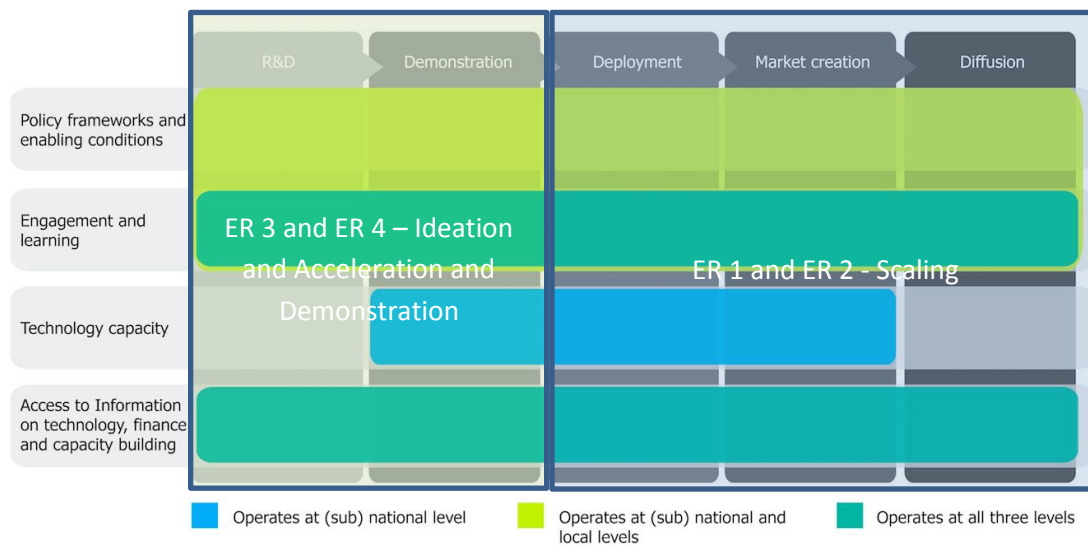
² This total includes adaptation, mitigation and joint mitigation and adaptation technical assistance

When considering the expected priorities for the innovation micro-grant programme the CTCN can offer a number of examples of expertise which are outlined in Annex 1.

Within the CTCN, activities broadly occur at three levels across all stages of the innovation cycle as outlined in figure 2:

- *The local level* where activities directly support stakeholders in technology innovation systems. Activities at this level can impact the entire innovation and technology cycle as well as market formation, endogenous technology, and private sector behaviours.
- *(Sub) National and regional level* where activities support governments’ innovation and technology related actions. These actions focus on strengthening innovation and technology related policy frameworks, including industry and innovation systems, and research and learning.
- *The International level* aimed to support collaboration across governments and stakeholders. This includes global or regional efforts aimed at engaging, informing or strengthening support for climate innovation or technology among and between different stakeholder groups.

Figure 2: Expected Results from CTCN Support Across the Innovation Cycle



Achievements to Date

Through its work, the CTCN has demonstrated its value in de-risking large scale climate change adaptation investments by identifying, piloting and adapting the most suitable and effective innovations and technologies in partnership with client countries. The CTCN’s work has also served to reveal constraints in technology and innovation options, allowing for the re-design of response options to ensure investment in adaptation is appropriate to the country context.

To date the CTCN has engaged over 450 Network members, and 158 NDEs. NDEs are nominated by respective national governments through the UNFCCC climate focal points and are the CTCNs in-country partners.

The CTCN has built a robust communications and knowledge management system, with a vibrant web portal (www.ctc-n.org) containing over 17,000 information resources on climate change adaptation and mitigation innovations (technology case studies, reports, webinars, social media updates and videos, e-newsletter, and presentations). The result has been a consistent stream of climate change innovation technical assistance requests from a growing number of countries.

The CTCN has already completed over forty technical assistance interventions with over 100 additional interventions underway. Figure 3 provides an overview of key quantitative findings for completed technical assistance.

Figure 3: Key Quantitative Findings from Completed Technical Assistance

- 130 workshops building the capacity of 2400 people across 160 institutions.
- \$669.2 million in anticipated investment leveraged as a result of technical assistance activities¹.
- 51 projects implemented deploying 100 technology types.
- Anticipated number of people improving their livelihoods as a co-benefit as a result of technical assistance activities is 84,7 million
- \$41.6 million in avoided costs.

UN Environment's comparative advantage

UNEP has implemented over 50 projects on climate change adaptation at global, regional and national levels in all developing country regions of the world. These projects develop innovative solutions for national governments and local communities to adapt to the predicted effects of climate change in an environmentally sound manner. This is achieved by: i) providing methods and tools to support decision making; ii) addressing barriers to implementation; iii) testing and demonstrating proposed technology solutions and practices; and iv) enhancing climate resilience by restoring valuable ecosystems that are vulnerable to climate change. Investments into ecosystems, flood and coastal protection, water catchment and storage, and alternative livelihoods are aimed at helping people buffer extremes of droughts and floods, sea level rise and to adapt to projected climate change. All field level projects have a strong technology component to them. The small grants Aggregator will draw upon this accumulated body of experience during the design and implementation of the small grants aggregator.

Key features of comparative advantage of CTCN's bid

1. CTCN is mandated to be the technology mechanism of the UNFCCC and mandated to work with the Adaptation Fund, as one of the Financial Mechanisms of the UNFCCC;
2. CTCN can 'hit the ground running' in time to launch the first call for proposals in December 2018 because of the established institutional architecture that can be applied to a competitive small grants facility;
3. CTCN will provide significant co-financing to the running of the Small Grant Aggregator from the CTCN Trust Fund. For a \$10 million grant to the small grants facility, CTCN will contribute an additional \$2 million in additional micro-grants.

4. CTCN has global reach. It has an extensive network of 450 members and 158 national technology focal points will be used to access grantees and to match grantees with support services;
5. CTCN's communication and knowledge management system which can be used to support the NIE-arm of the small grants mechanisms.
6. Support from UN Environment on designing the call for proposals on adaptation and on environmental and social safeguards.

Section 3: Proposed Approach to Managing the MIE Aggregator and Direct Access Support

3.1 Understanding of the Mechanism and Assignment

The CTCN understands the innovation micro-grant programme as having the ultimate objective of supporting countries to test, evaluate, roll out and scale up innovative adaptation practices, products and technologies. We understand that there will be four calls for proposals totaling US\$16 million and representing at 40 to 68 micro-grants, with the first call for proposal in December 2018 at COP 24) and the second in March 2019. 41% of these grants (i.e 28 of a possible 68 of these grants) should be administered by NIEs directly and therefore separate to the Innovation Aggregator. We also understand that half of the grants should contribute to ER3: New innovations encouraged and accelerated, and that half of the funding should contribute to ER4: Evidence base generated. Lastly, we understand that the Aggregator mechanism should support the NIE direct access arm of the small grants programme through information and other process and support requirements as well as inclusion in a learning mechanism.

Within this ultimate objective we understand that the micro-grants facility will focus on Medium Term Strategy ER 3 - New innovations encouraged and accelerated (development of innovative adaptation practices, tools and technologies encouraged and accelerated) and ER 4 – Evidence base generated (evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up).

Based on CTCN experience, activities in support of ER 3 and ER 4 will contribute to the achievement of ER 1 and ER 2. As such, it is important, throughout implementation, to consider the financing pathway from development and demonstration to deployment, market creation and diffusion.

With regards to the role as aggregator to enable non-accredited entities to access micro-grants for innovation, the CTCN proposes making use of our existing technical assistance infrastructure to assesses, process, manage and evaluate micro-grants submitted by countries with no NIE.

The same infrastructure would be used to capture information, achievements and impacts of micro-grants implemented by NIEs in order to ensure coherence within the micro-grant window.

3.2 Our Methodology

The CTCN the technical assistance approach has been carefully designed to respond to a number of barriers to innovation for climate action including: the lack of endogenous capacity, poor supportive institutional frameworks, gaps in policies and legislations, and inadequate access to finance.

In order to address the above challenges, key features of the CTCN approach to innovation for adaptation include:

- Work through national focal points
- Provide small, rapid and catalytic support to address barriers to innovation
- Implement through a competitive bidding process by Network members
- Require a national partner for all technical assistance to build endogenous capacity for scaling

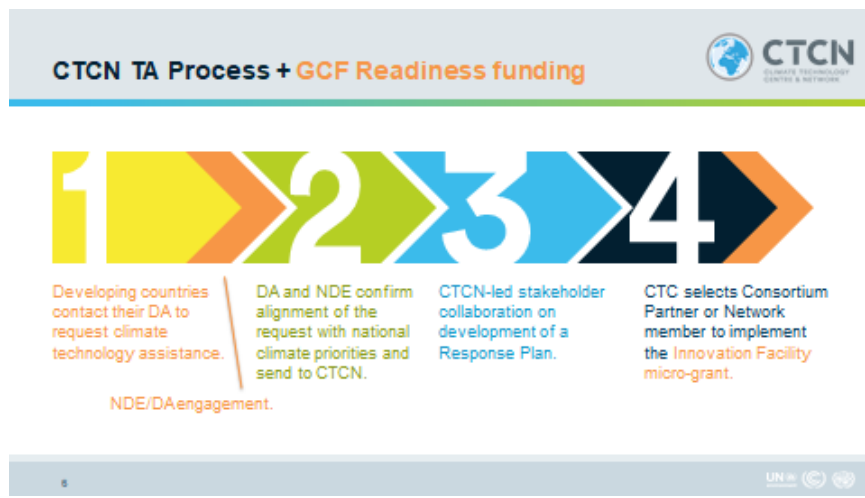
- Maintain a robust knowledge management framework to facilitate continuous learning and support South-South Cooperation
- Ensure links between technical assistance and national planning and budgeting processes

It is suggested that the micro-grants Innovation Facility be administered as a technical assistance process run by the CTCN as per the process endorsed by the Advisory Board and implemented through competitive bidding by CTCN Network members and Consortium Partners.

In order to adapt the CTCN process to the needs of the Adaptation Fund Innovation Facility, the following application and approval process as outlined in figure 4 is proposed for countries with non NIE. The orange text represents the adapted steps envisioned to maintain the competitive application requirement of the Innovation Facility.

Note that this adapted application and approval process has been piloted through GCF Readiness projects implemented with CTCN as a delivery partner with positive results and high delivery rates. The focus of the process is to provide rapid support for requesting countries in a manner that maintains the rigour of the process without adding undue burden.

Figure 4: Proposed Micro-Grant Process



Step 1 of the CTCN process and Adaptation Fund Micro-grant

The CTCN expects to receive applications to the micro-grants Innovation Facility through DAs with support from NDEs in the form of a secondary signature on the request form. Applications would be received on a rolling basis and evaluated against set eligibility and selection criteria by CTCN staff. CTCN staff would also apply balancing criteria to ensure that LDCs, SIDs and vulnerable communities are well served by the micro-grants facility.

As per COP Decisions 2/CP.17, the Advisory Board of the CTCN has provided guidance and approved the prioritization criteria for responding to requests from developing countries Parties, taking into account the strategic considerations and recommendations provided by the Technology Executive Committee (TEC) in relation to decision 1/CP.16. As these criteria have

already been approved by a body reporting to the Convention, it is suggested that the same criteria be applied to the Innovation Facility as outlined in the text box below.

Criteria 1: The support provided will contribute to increased resilience, and is aligned with national plans

- 1.1 Need to strongly demonstrate that the assistance requested directly contributes to adaptation to climate change
- 1.2 The specific topic or innovation should be identified in the NDC that translate the most updated climate change plans and priorities of the countries.
- 1.3 Need to contribute to increased adaptation through removing a specific barrier to innovation or to contribute to the creation of enabling environment
- 1.4 Need to meet the relevant national technical standards, where applicable

Criteria 2: The support will enhance endogenous capacities

- 2.1 Need to demonstrate that the capacities existing in the country (endogenous) are not sufficient and will be strengthened in order to address the specific problem the country wants to solve, and that outside expertise is needed to increase those in the country
- 2.2 Need to be clear how this will enhance capacities and how results will be precisely used by proponent/beneficiaries needs to be laid out very clearly, with a clear plan to use the results produced by the assistance and has actions in mind following the assistance
- 2.3 Need to enhance endogenous capacities to innovate, accelerate or generate the evidence base for a specific innovation

Criteria 3: Processes are in place in the requesting country to monitor and evaluate any support provided (that is, project accountability is ensured)

- 3.1 Need to provide the existence of a monitoring and evaluation plan, where applicable

In addition to the eligibility criteria, the CTCN applies balancing and prioritization criteria with the aim of achieving a balanced and equitable portfolio. Further details on the eligibility, balancing and prioritization criteria are presented in Annex 2.

Step 2 of the CTCN process and Adaptation Fund Micro-grant

Once a request has been accepted, the CTCN would support the elaboration of a response plan. The response plan constitutes the Terms of Reference of the CTCN technical assistance that will be provided to the country. It also provides the formulation of and subsequent basis for the monitoring and evaluation of the Response Plan implementation, as well as its expected outcomes and anticipated impacts. The Response Planning process should be completed over a

period of up to 60 working days (12 weeks) and would include an evaluation of possible gender issues and associated responses.

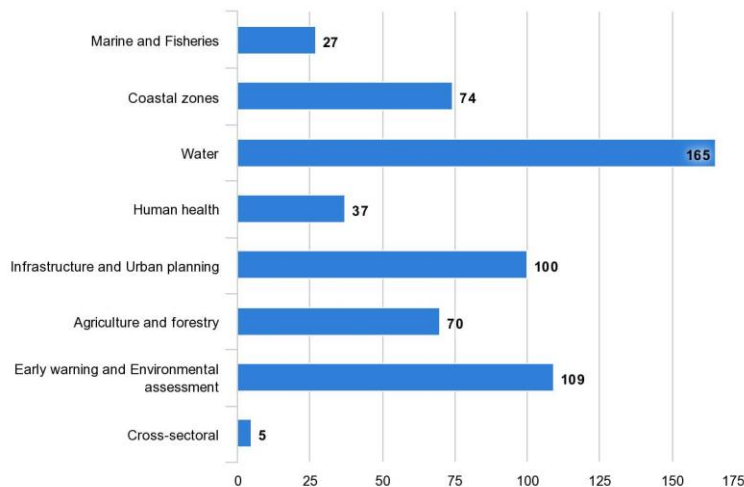
Step 3 of the CTCN process and Adaptation Fund Micro-grant

To implement the micro-grants, a competitive bidding process would be opened to all CTC Network members interested in participating in the implementation of the technical assistance. The bidding process would be managed by UNIDO through its e-Procurement Portal.

The CTC Network includes over 450 of the top actors in the climate change innovation and technology field. Almost half of the network members are from the private sector with research and academic organizations forming the second largest group of members. To date one NIE is registered as a Network member however all NIEs would be eligible to join the Network and participate in micro-grant implementation in non-direct-access countries.

In addition to the Network members, a number of global leaders in adaptation are Consortium Partners to the CTCN and are also invited to bid on implementation of technical assistance. These include ICRAF, CATIE, and the UNEP-DHI Partnership. Together the Network members and Consortium Partners represent expertise that is brought to bear to support developing country innovation needs in a number of priority adaptation areas as illustrated in figure 5 below.

Figure 5: Number of network members by adaptation priority area



The target timeline from development of a response plan to finalization of implementation of the micro-grant is 12 to 18 months. This implementation timeline ensures that innovations remain relevant and cutting edge.

In order to ensure that all micro-grants implemented as technical assistance build endogenous capacity, it is a requirement of all bids that Network Members identify an in-country partner to jointly implement the technical assistance.

Throughout implementation, the CTCN will support Network members, proponents and DAs in ensuring the quality of deliverables by providing review and expert guidance by our adaptation specialists in each region.

Finally, key considerations across all micro-grants implemented as technical assistance include gender responsiveness. As such technical assistance must include a minimum of 1% of the budget allocated for gender specialists and consultations. All technical assistance must also apply the gender tool to ensure the gender responsiveness of activities.

3.3 Monitoring, Evaluation and Reporting

The micro-grants, implemented as technical assistance projects will meet monitoring and reporting requirements through a mandatory monitoring and reporting activity in each micro-grant. The main deliverable from this activity is a closure report designed to (1) communicate publicly in one synthesis document a summary of progress made and lessons learned under the technical assistance towards the anticipated impact, and (2) compile information required for internal use in donor and UN reporting. The template for this closure report is presented in Annex 3.

The CTCN also has a proven and robust project management, system in place which would be applied to the Innovation Facility to facilitate monitoring and reporting throughout implementation thereby facilitating adaptive management and learning by doing. Key features of the project management system include a project tracking tool which: is easy to update; contains information on process/status, financing, country focal points, eligibility and prioritization criteria; is linked to a document database; is tied to reporting and visualization tools that are automatically updated; and differentiates between private and public information.

The project management tool could be made available to NIEs implementing direct-access Innovation Facility micro-grants.

3.4 Safeguards and Risk Management

The UN Environment sets minimum safeguard standards for UN Environment and its implementing/executing partners which enables UN Environment to anticipate and manage associated environmental, social and economic issues in a holistic manner. The Framework serves its broad purposes by employing two overarching Principles--the precautionary approach and human rights-based approach--plus nine Safeguard Standards, which are:

- Biodiversity conservation, natural habitats, and sustainable management of living resources
- Resource efficiency, pollution prevention and management of chemicals and wastes
- Safety of dams
- Involuntary resettlement
- Indigenous peoples
- Labor and working conditions
- Protection of tangible cultural heritage
- Gender equality
- Economic sustainability

These Safeguard Standards mainly reflect a “do no harm” commitment, but as the implementation of the Framework evolves, they will be expanded into a comprehensive “do good” commitment in line with intention of the UN Environment to promote environmental, social and economic sustainability in what the organization does. UN Environment projects and their related Safeguard documents are disclosed to solicit involvement of the concerned stakeholders and public. To support the Framework UN Environment has adopted a number of related policies including:

- Policy guidance on environment, human rights and addressing inequalities
- Indigenous people policy
- Policy and strategy on gender equality and the environment
- Promoting greater protection for environmental defenders
- Partnership policy

The template for safeguards review is presented in Annex 4.

3. 5 Quality Assurance

Independent Assessment of Results

The CTCN reports to the Advisory Board bi-annually on progress in implementation. The Advisory Board is mandated by the UNFCCC COP to, amongst other: ‘Ensure the application of fiduciary standards, and legal and ethical integrity; and monitor, assess and evaluate the timeliness and appropriateness of the responses of the Climate Technology Centre and Network to requests’.

Furthermore, the UNFCCC COP mandates periodic assessments of the Technology Mechanism, including the CTCN. The results of the periodic assessment are presented to Parties to the UNFCCC and guidance is provided accordingly.

The process-related experiences from the implementation of the Innovation Facility would be included in the reporting and assessment outlined above thereby demonstrating to the COP concrete collaboration between the Technology and Financial Mechanisms and ensuring that guidance from COP is integrated into the Innovation Facility micro-grants programme.

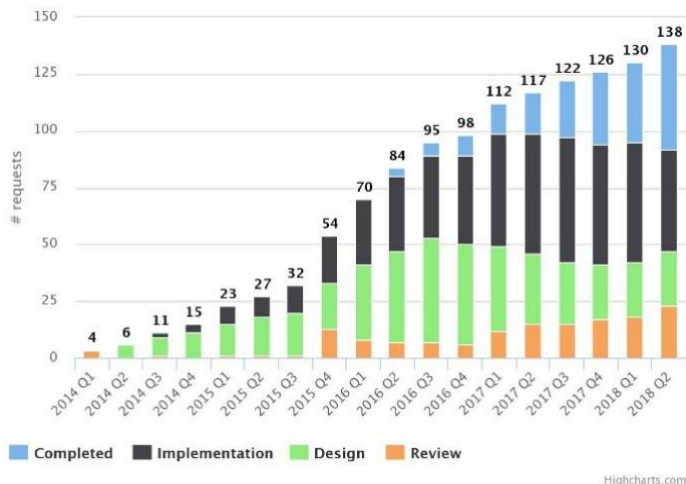
Transparency in Monitoring, Evaluation and Reporting

In order to ensure transparency and easy access to up to date information, the CTCN shares the experience and outcomes from each of its technical assistance by making all project documents and deliverables available through the [CTCN Technical Assistance Portal](#). The already existing knowledge portal would capture and disseminate the knowledge generated through the Innovation Facility micro-grants programme in an effective way without any additional cost to the Adaptation fund.

The portal has a login function for the project management functions including a detailed project management tool tracking the status, key information and documents for each technical assistance. The portals allows for technical assistance to be filtered by countries, objective, adaptation sectors, enablers and UN groups. The Portal also includes detailed graphical information regarding the status of the technical assistance activities, an example of which is

presented in figure 6, below. These features would be made available to NIEs in order to ensure consistent project management and tracking across the micro-grants MIE and direct access windows.

Figure 6: Status of CTCN Technical Assistance



3.6 Learning-and-sharing Mechanism

The CTCN is a trusted source of climate innovation and technology information. The CTCN collaborates with knowledge partners who range from both international and renowned institutions, to local partners with first-hand experience and knowledge of climate change and technology needs. Through such collaboration the CTCN has built a substantial database of resources with publications, webinars, case studies and best practices related to a range of sectors, innovative adaptation practices, tools and technologies.

In cases where knowledge gaps have been identified, the CTCN has worked with knowledge partners to uncover key lessons on topics such as gender and endogenous innovations, making available concrete examples of climate innovations from developed and developing countries.

The CTCN Knowledge Portal contains, amongst other resources, 11,865 innovation and technology publications, case studies, tools and videos, 2,231 national plans (Technology Needs Assessments, Nationally Determined Contributions, National Adaptation Plans), 2,116 climate technology solutions, 94 webinars and 41 original CTCN publications. The Portal provides relevant information on hard as well as soft adaptation technologies and innovations, along with cross-cutting themes such as ecosystems, gender, and disaster risk reduction. All of these knowledge resources can assist in enhancing the quality of the Innovations Facility micro-grants with particular windows developed for the expected priority themes as outlined in the Expression of Interest.

Multiple points of entry and inter-connected keywords allow users to search by country, technology sector and cross-cutting approaches to access adaptation knowledge. Information can be presented in a number of formats including graphically, as case studies, and in thematic data

dashboards. The search function could be adapted to allow for the search of Innovation Facility micro-grants only.

In addition to online tools, the CTCN devotes significant resources to face-to-face learning and knowledge sharing including through: annual regional fora, sponsoring LDC representatives and developing content for the Radboud Summer School course on climate action for sustainable development, co-convening regional Technical Examination Meetings (TEMs), and convening thematic meeting on issues ranging from gender mainstreaming, to climate incubator and accelerators. The CTCN and UN Environment also collaborate on a number of regional initiatives aimed at building capacity for innovation for adaptation including the Regional Gateway for Technology Transfer and Climate Change Action in Latin America and the Caribbean and the AdapAfrica Incubator Fund.

The proponents, implementers, DAs and NIEs involved in the Innovation Facility micro-grants and direct access programme would have access to all of the above in person learning opportunities.

3.7 Provisional Budget

The delivery of Innovation Facility micro-grants as technical assistance will be supported by CTCN’s established project and programme management teams. The composition of the project management team is described in figure 7, below. Note that the proposed project management and project support teams are funded through the CTCN multi-donor trust fund and host agency contributions and, as such, would not require significant additional budget allocation.

Figure 7: CTCN Project Management Teams



Estimated costs for running the aggregator for the four-year period 2019-2022 are presented below:

Cost Category	Description	Adaptation Fund Cost (US\$)	CTCN Contribution (US\$)
Project Execution Costs (CTCN)	Programme Management	159,000	200,000
	Travel	50,000	50,000
	Communications	40,000	100,000
<i>Sub-Total</i>		<i>249,000</i>	<i>350,000</i>
Project assurance and implementation oversight	Task Manager	120,000	
	Portfolio Manager	150,000	100,000
	Finance	33,000	
	Administration	18,000	
	Corporate Fees	380,000	
<i>Sub-Total</i>		<i>701,000</i>	
TOTAL		950,000	450,000

For a \$10 million grant to the small grants facility, CTCN will contribute an additional \$2 million in additional micro-grants.

Section 4: Proposed Approach to Additional Functions

4. 1 Launch and awareness-building for the Innovation Facility

The CTCN has a significant existing networking and communications infrastructure that would be brought to bear to support the launch and awareness raising phase of the Innovation Facility. In particular, the CTCN Knowledge Portal, www.ctc-n.org, reaches over 100,000 visitors per year including climate change professionals, government officials, researchers, and students around the world. It enables users to access information on CTCN activities and their impacts, download publications and case studies, watch live technology-related webinars, and learn more about innovative adaptation practices and tools.

Specific activities which will be undertaken based on existing infrastructure include:

1. *Network* – the CTCN has a Network of 450 climate technology stakeholders, including academic, finance, non-government, private sector, public sector, and research entities. Almost half of these Network members are located in developing countries. The CTCN would use its established communication and outreach channels to engage relevant Network members in the Innovation Facility.
2. *Webinar* – the CTCN regularly hosts webinars to support new innovations or opportunities. To launch the Innovation Facility, the CTCN would organize a webinar which would be accessible both live and as a recorded event. Our existing mailing list for webinars includes 6,000 stakeholders with typical registration for live webinars exceeding 100 stakeholders.
3. *Newsletter* – Bi-weekly the CTCN publishes a newsletter disseminated to over 6,000 registered users. The newsletter is also published on the CTCN website to extend reach further. A special edition of the newsletter would be produced to launch the Innovation Facility.
4. *Designated Authority / National Designated Entity* - Although there is limited overlap between DAs and NDEs, the 158 NDEs to the CTCN serve as an established and effective mechanism for national engagement on climate change adaptation innovation and technology. As such, the Innovation Facility will be communicated to all DAs and NDEs through regular communication as well as featured in Regional Forums organized by CTCN on an annual basis.

4. 2 Building effective relationships with potential partners and collaborators

The CTCN active and engaged Network all meet the following membership criteria:

- One of the following institutional structures: national technology centre or institution; regional climate technology centre or network; intergovernmental, international, regional or sector organization, partnership or initiative that contributes to technology deployment and transfer; or research, academic, financial, non- governmental, private sector or public sector organization, partnership or initiative;
- Demonstrated capability in initiatives aimed at development, transfer and deployment of climate innovations and technologies applicable for developing countries including expertise in policy, capacity building and/or investment;

- Operational and organizational stability, as evidenced by financial, human and other resources relative to their mandate and size that could reasonably be deemed sufficient to deliver the organization's mandate; and
- A pledge to comply with the CTCN code of Conduct.

To facilitate communication with the Network, The [CTCN Knowledge Portal's Network section](#) includes information regarding up-to-date bidding opportunities for technical assistance, profiles of each Network institution with an opportunity to filter institutions based on geographical locations, activities in different regions, sectors, enablers, types of services and approaches and graphical information of the status of the Network.

The Network would be engaged in implementation, capacity building, and knowledge sharing activities of the Innovation Facility. Any partners and collaborators who are not yet Network members can apply as new applications are received and reviewed on a continuous basis. This could include NIEs who could join the network and, in doing so, would be automatically informed of and invited to participate in Innovation Facility activities in countries with no NIE.

Beyond the Network, the CTCN engages with other bodies under the UNFCCC in order to maintain coherence, provide operational input and ensure that experiences are captured and shared. These include the Technology Executive Committee, the Adaptation Committee, the Financial Mechanisms, the Paris Committee on Capacity Building, and the Warsaw International Mechanism for Loss and Damage.

4.3 Mobilizing public and private resources for the Innovation Facility

The CTCN has received funding from 14 bilateral donors and two multilateral funding mechanisms. Furthermore, the CTCN has an established resource mobilization strategy endorsed by the Advisory Board and supported through its Task Forces on Finance and Operations.

Following guidance received from Parties at COP22, the CTCN is engaging with the Global Environment Facility and Green Climate Fund to identify practical ways to enhance collaboration and coherence, as well as with Network members and NDEs for the provision of pro bono and in-kind support to technical assistance requests.

The CTCN is also focused on developing, assessing, and recommending strategies to increase its donor base and level of contribution, including through partnerships with philanthropic foundations, and particularly with new public-private climate technology initiatives that could benefit from the infrastructure of the CTCN and its insight into specific developing country needs.

In mobilizing public and private sector support, the CTCN maintains a focus on the development of projects that have the potential to be scaled up and leverage significant funding from multilateral partners or country funds with targeted regional, development, or innovation and technology objectives.

With regards to leveraging private sector contributions, in addition to existing modalities for pro-bono and in-kind support which are facilitating the implementation of six Technical

Assistance projects, the CTCN Programme of Work for the period 2019-2022 includes the following sub-outcomes:

1. *Supporting mechanisms and policies needed to create enabling environments for private sector investments.* Activities within this stream will focus on addressing barriers to adoption of climate technologies and low-emissions policies and standards; and sharing guidance on climate technology-supportive policy and regulations.
2. *Enhancing the presence and operation of robust national markets for climate technologies.* Private sector engagement will be a key focus of this stream. Activities will focus on helping developing country stakeholders produce higher quality, investible proposals for technology adoption; sharing best practice on de-risking climate technologies for markets; and technical assistance interventions that test the feasibility and appropriateness of climate innovations.
3. *Focusing on the adoption of climate technologies by business and industry.* This will be achieved by enabling the private sector to quantify the financial benefits of climate adaptation and mitigation action; understanding the benefits of these actions; and engaging the private sector in decision-making processes on climate technologies.

4.4 Engaging, Empowering and Benefitting the Most Vulnerable Communities and Social Groups

The Paris Agreement, in its preamble, takes full account of Least Developed Countries (LDCs) specific needs and special situations with regard to funding and technology transfer. Article 11 states that capacity building under the Paris Agreement should facilitate the development, dissemination and deployment of technology to LDCs. Furthermore, Article 10 indicates that support – including financial support – shall be provided to developing countries to strengthen cooperative action on technology development and transfer.

As a body under the UNFCCC, the CTCN is bound to the same commitment to LDCs and includes a LDC representative on its Advisory Board. To date, 38% of CTCN's technical assistance is allocated to LDCs and efforts are underway to increase this, including through the CTCN Incubator Programme. The Incubator Programme is open to LDCs and SIDs only and offers a first step, through the development of technology and innovation roadmaps, to deploy technologies and innovations that will enable countries reach their adaptation and low carbon development targets.

The CTCN also seeks to catalyze further support for traditional knowledge, innovations and practices including by maintaining a database of endogenous climate innovations. In the CTCN context, endogenous innovations refer to innovations developed within a country through research, development, and demonstration. It also refers to technologies acquired through understanding, adapting, utilizing, and replicating already-existing technologies. Many endogenous innovations can also be categorized as, or build upon, indigenous innovations.

4.5 Gender Equality and the Empowerment of Women and Girls

The importance of gender considerations in climate innovation and technology is included the CTCN's mission as well as in numerous COP decisions referring to the CTCN and its Advisory

Board. To address these considerations, a gender coordinator was established within the CTCN Secretariat. Gender considerations have been incorporated internally via staff trainings on gender, as well as through CTCN services, through technical assistance, knowledge sharing, capacity building and outreach activities.

Specific documents and tools developed to support gender mainstreaming of CTCN operations include:

- The CTCN gender strategy and action plan to guide its work in technical assistance, capacity building, knowledge sharing and overall operations. This has gone out for peer review with the Women and Gender Constituency.
- The gender tool applied to all of our technical assistance activities. This enables us to both raise awareness of the need to consider gender in technical assistance as well as to monitor our progress.
- A Gender Hub on our CTCN website with over 400 information resources on gender and innovation (publications, technical assistance examples, webinars, and case studies)

For more training material and case study examples on [gender](#) mainstreaming in climate technology visit CTCN's gender section on our website.

4. 6 Support to NIEs

In order to ensure that the tools implemented through the Innovation Facility micro-grants programme also benefit NIEs, the CTCN will take the following specific steps:

1. Invite all NIEs to become Network members to the CTCN (currently there is one NIE network member).
2. Include NIEs in CTCN regional capacity building events held annually to strengthen capacity for climate innovation.
3. Provide NIEs with access to CTCNs project management system.
4. Extend current match-making activities between Network members and NDEs to DAs and NIEs.
5. Invite NIEs to share their experiences and lessons learned through CTCN's Knowledge Portal through a specific thematic window.

Annex 1: Examples of CTCN Actions in Innovation Facility Priority Areas

Theme	Approach	Example
Urban adaptation	Enhancing urban flood management	Hydrodynamic modeling for flood reduction and climate resilient infrastructure development pathways in Jakarta
	Urban resilience planning	Resilience to climate variability in the building sector of Antigua and Barbuda
	Urban disaster risk reduction planning	Designing ecosystem-based solution for building resilience of urban populations in Lao PDR
	Urban preparedness	Strengthening Bangkok's Early Warning System to respond to climate induced flooding
Food security	Increasing agricultural production	Sustainable land and runoff water management to increase agricultural productivity in Senegal
	Reducing the impacts of climate change on agricultural production	Improving resiliency of crops to drought through strengthened early warning within Ghana
	Identification of technology options	Strengthening of the implementation of climate change adaptation and clean development actions by rural communities in Mali
	Planning for technology uptake	Design and financing for crop drying and storage technologies to strengthen food security in the face of climate change
Social innovation	Providing training on innovation and technology development	Creating a technology development and education centre to address climate change
	Promoting endogenous innovations	Identification of climate adaptation technologies with rural communities
	Providing support for the mobilization of financing for local innovation	Design and financing for crop drying and storage technologies to strengthen food security in the face of climate change
	Providing training in information technologies	Strengthening technical capacities for the implementation of a Guatemalan online climate platform
Nature-based solutions	Implementing ecosystem-based approaches to adaptation - rural	Design of an ecological response and restoration platform against fires for the Chilean silvo-farming sector

	Implementing ecosystem-based approaches to adaptation - urban	City Climate Vulnerability Assessment and Identification of Ecosystem-based Adaptation Intervention
	Increasing the resilience of natural systems	Design of a knowledge management system for tropical forests management and ecosystem services
	Identification of possible sites for land-based sand mining	Identification, Characterization and exploitation of Potential Offshore Sand Banks/Deposits
Advancement of gender equality	Mainstreaming gender considerations into technology identification	Technology Guidance and Support for Conducting the Technology Needs Assessment (TNA)
Focus on communities	Enhancing the resilience of communities	Saline water purification for households and low-cost durable housing technology for coastal areas of Bangladesh
	Building capacity of the most vulnerable communities	Strengthening Capacities to Assess Climate Change Vulnerability and Impacts to Shape Investments in Adaptation Technology for Azerbaijan's Mountain Regions
	Facilitating community-based adaptation planning	Development of a protocol for the planning, management and implementation of adaptation measures in land use planning at the level of Local Governments
Enhancement of cultural heritage	Identification and dissemination of indigenous adaptation innovations	Endogenous Technology Case Study Database
Water resources management	Reducing non-revenue water loss	Improvement of water supply management through GIS-based monitoring and control system for water loss reduction
	Improved watershed management	Application of environmental flows and river basin management framework for the Tebicuary river basin
	Technology transfer	Technical assistance for saline water purification technology at household level and low-cost durable housing technology for coastal areas of Bangladesh
	Identification of technology options	Identification and prioritization of technologies to address water scarcity and climate change impacts in Namibia

Disaster risk reduction	Improving flood and drought management	Promoting data for climate change, drought and flood management in Myanmar
	Enhancing the resilience of infrastructure to extreme weather events	Climate Change Vulnerability and Adaptation Study for the Port of Port Louis
	Identification of technology options	Catalysing low cost green technologies for sustainable water service delivery in northern Kenya
	Identification of technology options	A Community based early Warning System in every pocket from Santo Domingo, D.N.

Annex 2 - CTCN Request Review Template

Country(ies):	
Request title:	
CTCN Request reference number:	
Climate Technology Manager:	
Recommendation for the CTCN Director on the request:	<input type="checkbox"/> Request not eligible <input type="checkbox"/> Request eligible and prioritized <input type="checkbox"/> Request eligible but not prioritized

Eligibility Criteria

#	Criteria	Yes/No	Comments
1	The request has a clear and positive benefit to the requesting country in adapting to the negative effect of, climate change.		
	The request is in line with national strategies and plans ³		
2	The request enhances endogenous capacities. ⁴		
3	Processes in place in the requesting country to monitor and evaluate any support provided. ⁵		

Prioritization Criteria

#	Criteria	Yes/No	Comments
1	Does the request promote endogenous and appropriate technologies and processes? ⁶		
2	Does the request demonstrate “project readiness” and have the potential for replication or scaling up (nationally, regionally, and/or internationally)?		
3	Does the request promote collaboration amongst and between stakeholders, including between countries (South – South, bilateral, or multilateral cooperation)?		
4	Does the request enable leveraging of public and/or private financing? ⁷		

³ Including inter alia National Development Plans, sectoral plans, Technology Needs Assessments, Nationally Appropriate Mitigation Actions, National Adaptation Programmes of Action, National Adaptation Plans, National Biodiversity Strategies and Actions, etc.

⁴ Enhancement of endogenous capacities refers to international technology transfer through technical assistance.

⁵ The NDE / NA ensures to work with the CTCN to monitor the support provided by indicating this in the Request.

⁶ Including climate technology innovations.

⁷ Including if the request demonstrated the potential for financing from private or public sector ('bankability') opportunities.

5	Does the request promote and demonstrate social and economic benefits?		
6	Does the request promote and demonstrate gender equality, and empowerment of vulnerable groups, including women and youth?		
<i>Insert total number of Yes:</i>			

Balancing Criteria

#	Criteria	Yes/No	Comments
1	Does the request contribute to Inter and intra-regional equity, with a preference for requests submitted by LDCs and other highly vulnerable and low capacity countries?		
3	Does the request contribute to a balance of technological related activities spanning the technology cycle?		
<i>Insert total number of Yes:</i>			

Annex 3 – Public Closure and Data Collection Report for CTCN Technical Assistance

1. Basic information

Title of response plan	
Country / countries	
NDE focal point and organisation	
Proponent focal point and organisation	
Sector(s) addressed	
Technologies supported	Instruction: Please indicate the type of technologies supported by this assistance, referring to the taxonomy of climate sectors and technologies available (download in pdf format and choose from column C) : https://www.ctc-n.org/about-ctcn/open-data
Implementation period and total duration	
Total budget for implementation	Instruction: In addition to financial value of the technical assistance, please also include if any pro bono or in-kind support has been provided by both the implementer and/or the national counterparts.
Designer of the response plan	
Implementer of response plan	

2. Summary of all activities, outputs and products that contribute to the expected impact of the technical assistance.

Description of delivered outputs and products as well as the activities undertaken to achieve them. In doing so, review the log frame of the original response plan and refer to it as appropriate	
Partners organisations	Instruction: Implementers and other partner organisations are defined as the people and institutions engaged in the implementation of the TA
Beneficiaries	Instruction: Beneficiaries are defined as people and institutions benefitting from the TA
Methodologies applied to produce outputs and products	Instruction: Examples of methodologies: E.g. Cost-benefit analysis; surveys and structured interviews with key stakeholders; etc.
Deviations	Instruction: Please describe any deviations from the response plan against the actual implemented activities, outputs and products.
Achieved or anticipated gender benefits from the TA	Instruction: Please describe expected gender benefits as described in the response plan.
Achieved or anticipated co-benefits from the TA	Instruction: Please describe expected co-benefits as described in the response plan.
Anticipated follow up activities and next steps	Instruction: Please describe how the Proponent, partner organisations and beneficiaries will use outputs and products and how these will contribute to the expected impact of the TA.

1. Lessons learnt

	Lessons learnt	Recommendations
Lessons learnt for this TA.		

Describe essential factors contributing to successful implementation, as well as specific challenges. Recommendations include considerations on what would need to be in place for increasing success of similar efforts (i.e. regulatory, legal, stakeholders, communication, etc.)		
Lessons learnt related to climate technology transfer Describe opportunities, challenges and barriers for the use and deployment of the technology or technologies supported by the TA. The objective is to identify specific success factors for technology transfer		
Lessons learnt related the CTCN process for TA		

4. Illustration of the TA and photos

For communication purposes, please provide 2-4 Power Point slides with illustrations or charts showing the TA process, applied methodology, activities, outputs and achieved results. The illustrations must be copied into the TA Closure report but must also be delivered as power point files. Also, please provide at least five high-resolution pictures in jpg format, capturing technical assistance. The pictures should illustrate how the TA has impacted the lives of the beneficiaries in particular and the communities in general.

5. Information for TA impact description

The information in the table below will be used to produce the CTCN TA Impact Description. The TA Impact description is a 2-page summary document for communication purposes. Please copy information from sections above and technical delivery reports as required.

Challenge: Approx. 500 characters with spaces	
CTCN Assistance: 2 to 4 bullet points. Approximately 450 characters with spaces	
Anticipated impact: 2 to 4 bullet points to summarise anticipated impact. Approximately 250 characters with spaces. As a minimum, please include one of the following: i) Quantity of greenhouse gas emissions reduced, avoided or sequestered; or ii) Number of people with increased capacity to adapt to the impacts of climate variability and change.	
Linkages and contribution to NDC: 2 to 4 bullet points. Approximately 350 characters with spaces	
The narrative story: Approximately 1200 characters with spaces	
Contribution to SDGs: Always include contribution to SDG 13, and to the extent possible, please include contribution to 2 other SDGs, describing the contribution with a few	

<p>sentence for each SDGs concerned. A complete list of SDGs and their targets is available here: https://sustainabledevelopment.un.org/partnership/register/</p>	
--	--

Internal Closure Report for Use in Donor and UN Reporting

A. Standardised CTCN performance indicators for donor and UN internal reporting

Please add quantitative values for indicators relevant to the particular TA in the list below. Non-relevant indicators should be left blank. Please only fill in the table for activities and outputs conducted or produced directly by the CTCN assistance.

CTCN standardised performance indicators	Quantitative value	Qualitative description
1. Overview		
Number of active person-days (not full duration) of technical assistance provided to counterparts or stakeholders by international experts and consultants		
Number of active person-days (not full duration) of technical assistance provided to counterparts or stakeholders by national experts and consultants		
Number of for external communication and outreach activities conducted to showcase the assistance (news release, newsletters, articles on website, etc.)		
2. Events (other than trainings) held as part of the assistance		
Number of international and multi-country (at regional or sub-regional level) technology and knowledge sharing events		
Number of participants in the events above		
Number of national technology and knowledge sharing events		
Number of participants in the events above		
Number of public-private events related to technologies		
Number of participants in the events above		
3. Training and capacity building activities conducted during the assistance		
Number of training sessions and capacity strengthening activities		
Number of people who received the training		
Number of men		
Number of women		
Total number of organisations trained		
Number of research organisations, laboratories and universities		
Number of private companies		
Number of cities and local government		
Number of communities		
Number of ministries		
Number of specialised governmental institutions		
Number of non-profit organisations		

Level of satisfaction of participants after the training (from training feedback form). Categories include: From very satisfied, satisfied, partly not satisfied, not satisfied at all		
Percentage of participants that increased their capacities thanks to the training (from training feedback form). Categories include: Significantly, very, moderately, to none.		
Percentage of men		
Percentage of women		
4. Tools, technical reports and information material supported by the assistance		
Total number of tools, technical reports and information material supported by the assistance (excluding mission, progress and internal reports)		
Number of tools strengthened, revised or developed		
Number of technical reports strengthened, revised or created		
Number of other information materials strengthened, revised or created		
5. Policies, laws and regulations supported by the assistance		
Number of policies, strategies, and plans drafted addressing climate change adaptation		
Number of policies, strategies, and plans drafted addressing climate change mitigation		
Number of documents developed to inform other policies, strategies, and plans on climate change adaptation (sectoral strategies, national development plans, etc.)		
Number of documents developed to inform other policies, strategies, and plans on climate change mitigation (sectoral strategies, national development plans, etc.)		
Number of laws, agreements, or regulations drafted addressing climate change adaptation		
Number of laws, agreements, or regulations drafted addressing climate change mitigation		
Number of documents developed to inform laws, agreements, or regulations on climate change adaptation		
Number of documents developed to inform laws, agreements, or regulations on climate change mitigation		
6. Institutional strengthening supported by the assistance		
Number of institutional arrangements in place to coordinate near and long-term national adaptation plans (NAPs)		
Number of organisations with increased technical capacity to advance near and long term national adaptation plans (NAPs) which integrate EbA		
Number of organisations with increase awareness and knowledge among countries to better own and drive national adaptation planning processes		
7. Partnerships and cooperation		
Number of private companies directly engaged in the assistance (that partnered with the proponent, the beneficiaries or the CTCN to implement the assistance)		

Number of South-South collaboration enabled during or through the assistance, when stakeholders from other countries were involved in the assistance		
Number of North-South collaboration enabled during or through the assistance, when stakeholders from other countries were involved in the assistance		
Number of Triangular collaboration enabled during or through the assistance, when stakeholders from other countries were involved in the assistance		

B. Indicators of anticipated impacts that may occur after the TA is completed

CTCN standardised performance indicators	Quantitative value Insert the request value and unit	Content List the elements included in the number provided	Expected timeline Indicate when the indicator and value are expected to be achieved	Responsible institution Indicate the institution(s) that will play leading role in enabling the indicators and anticipated values to be achieved
16. Anticipated finance mobilised				
a) Anticipated amount of public/donor investment mobilised (in USD) from the beneficiary country for climate change activities as a result of the TA				
b) Anticipated amount of public/donor investment mobilized (in USD) from international and regional sources for climate change activities as a result of the TA				
c) Anticipated amount of private investment mobilised (in USD) from the beneficiary country for climate change activities as a result of the TA				
d) Anticipated amount of private investment mobilised (in USD) from international and regional sources for climate change activities as a result of the TA				
17. Policies				
a) Anticipated number of policies, strategies, plans, addressing climate change mitigation officially proposed, adopted, or implemented as a result of the TA				
Anticipated number of policies, strategies, plans, addressing climate change adaptation officially proposed, adopted, or implemented as a result of the TA.				
b) Anticipated number of laws, agreements, or regulations addressing climate change				

mitigation officially proposed, adopted, or implemented as a result of the TA.				
Anticipated number of laws, agreements, or regulations addressing climate change adaptation officially proposed, adopted, or implemented as a result of the TA.				
c) Anticipated laws, policies, regulations, strategies and plans where climate change mitigation will be mainstreamed as a result of the TA				
Anticipated laws, policies, regulations, strategies and plans where climate change adaptation will be mainstreamed as a result of the TA				
18. Anticipated number of public-private partnerships created				
19. Anticipated twinning arrangements created as a result of the TA				
20. Anticipated number of technology projects prepared and implemented to support action on low emission and climate-resilient development				
21. Anticipated number of strengthened National Systems of Innovation and technology innovation centres in recipient country				
22. Anticipated Clean Energy Generation Capacity Clean supported by the TA that has achieved financial closure				
23. Anticipated and projected GHG reductions. Quantity of greenhouse gas (GHG) emissions, measured in metric tons of CO _{2-e} , anticipated to be reduced or sequestered as a result of projects supported by the TA				
24. Anticipated clean energy generation capacity supported by the TA that has achieved financial closure				
25. Anticipated and projected greenhouse gas emissions reduced or avoided through 2030, in metric tons of CO _{2-e} , from adopted laws, policies, regulations, or technologies related to clean energy/sustainable landscapes as a result of the TA				

26. Anticipated number of people improving their livelihood as co-benefits as a result of the TA				
27. Anticipated technology types effectively deployed in the country				
28. Anticipated UNFCCC processes implemented as a result of the TA (NAMA, NAPA, NDC, etc.)				
29. Anticipated Technology Needs Assessments (TNA) and technology Action Plans (TAP) as a result of the TA				
30. Anticipated cooperative research, development and demonstration programmes within and between developed and developing country Parties facilitated as a result of the TA				
31. Anticipated improved climate change observation systems and related information management in developing country Parties.				

Annex 4 – UNEP Environmental, Social and Economic Review Note (ESERN)

I. Project Overview

Identification	<i>Insert Project ID# from Programme Framework Table</i>
Project Title	<i>Insert title (adding words 'project preparation proposal for' before title)</i>
Managing Division	
Type/Location	<i>[Global/Normative; Regional; National]</i>
Region	<i>(Africa/ Europe/ North America/ Asia Pacific/ Latin America Caribbean/ West Asia)</i>
List Countries	<i>Enter country name(s)</i>
Project Description	<i>Provide the project summary and description in 2-3 paragraphs</i>
Estimated duration of project:	<i>Provide the estimate in months from project kickoff to completion. Do not include time spent on concept or design.</i>
Estimated cost of the project :	<i>Provide the estimated cost for entire project in USD.</i>

II. Environmental Social and Economic Screening Determination

A. Summary of the Safeguard Risks Triggered			
Safeguard Standard Triggered by the Project	Impact of Risk⁸ (1-5)	Probability of Risk (1-5)	Significance of Risk (L, M, H)
SS 1: Biodiversity, natural habitat and Sustainable Management of Living Resources			
SS 2: Resource Efficiency, Pollution Prevention and Management of Chemicals and Wastes			
SS 3: Safety of Dams			
SS 4: Involuntary resettlement			
SS 5: Indigenous peoples			
SS 6: Labor and working conditions			
SS 7: Cultural Heritage			
SS 8: Gender equity			
SS 9: Economic Sustainability			

⁸ Refer to UNEP Environment, Social and Economic Sustainability (ESES): Implementation Guidance Note to assign values to the Impact of Risk and the Probability of Risk to determine the overall significance of Risk (Low, Moderate or High).

Additional Safeguard questions for projects seeking GCF-funding (Section IV)			
<p>B. ESE Screening Decision⁹ (Refer to the UNEP ESES Framework (Chapter 2) and the UNEP's ESES Guidelines.)</p> <p>Low risk <input type="checkbox"/> Moderate risk <input type="checkbox"/> High risk <input type="checkbox"/> Additional information required <input type="checkbox"/></p> <p>C. Development of ESE Review Note and Screening Decision:</p> <p>Prepared by: Name: _____ Date: _____</p> <p>Safeguard Advisor: Name: _____ Date: _____</p> <p>Project Manager: Name: _____ Date: _____</p> <p>D. Recommended further action from the Safeguard Advisor:</p>			

⁹ **Low risk:** Negative impacts negligible: no further study or impact management required.

Moderate risk: Potential negative impacts, but less significant; few if any impacts irreversible; impact amenable to management using standard mitigation measures; limited environmental or social analysis may be required to develop a ESEMP. Straightforward application of good practice may be sufficient without additional study.

High risk: Potential for significant negative impacts, possibly irreversible, ESEA including a full impact assessment may be required, followed by an effective safeguard management plan.

III. ESES Principle and Safeguard checklist

Precautionary Approach
The project will take precautionary measures even if some cause and effect relationships are not fully established scientifically and there is risk of causing harm to the people or to the environment.
Human Rights Principle
The project will make an effort to include any potentially affected stakeholders, in particular vulnerable and marginalized groups; from the decision making process that may affect them.
The project will respond to any significant concerns or disputes raised during the stakeholder engagement process.
The project will make an effort to avoid inequitable or discriminatory negative impacts on the quality of and access to resources or basic services, on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups. ¹⁰

Screening checklist
Will the proposed project support directly or indirectly any activities that significantly convert or degrade biodiversity and habitat including modified habitat, natural habitat and critical natural habitat?
Will the proposed project likely convert or degrade habitats that are legally protected?
Will the proposed project likely convert or degrade habitats that are officially proposed for protection? (e.g.; National Park, Nature Conservancy, Indigenous Community Conserved Area, (ICCA); etc.)
Will the proposed project likely convert or degrade habitats that are identified by authoritative sources for their high conservation and biodiversity value?
Will the proposed project likely convert or degrade habitats that are recognized- including by authoritative sources and /or the national and local government entity, as protected and conserved by traditional local communities?
Will the proposed project approach possibly not be legally permitted or inconsistent with any officially recognized management plans for the area?
Will the proposed project activities result in soils deterioration and land degradation?
Will the proposed project interventions cause any changes to the quality or quantity of water in rivers, ponds, lakes or other wetlands?
Will the proposed project possibly introduce or utilize any invasive alien species of flora and fauna, whether accidental or intentional?
Will the proposed project likely result in the significant release of pollutants to air, water or soil?
Will the proposed project likely consume or cause significant consumption of water, energy or other resources through its own footprint or through the boundary of influence of the activity?
Will the proposed project likely cause significant generation of Green House Gas (GHG) emissions during and/or after the project?
Will the proposed project likely generate wastes, including hazardous waste that cannot be reused, recycled or disposed in an environmentally sound and safe manner?
Will the proposed project use, cause the use of, or manage the use of, storage and disposal of hazardous chemicals, including pesticides?

¹⁰ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to “women and men” or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

Will the proposed project involve the manufacturing, trade, release and/or use of hazardous materials subject to international action bans or phase-outs, such as DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Convention on Persistent Organic Pollutants or the Montreal Protocol?
Will the proposed project require the procurement of chemical pesticides that is not a component of integrated pest management (IPM) ¹¹ or integrated vector management (IVM) ¹² approaches?
Will the proposed project require inclusion of chemical pesticides that are included in IPM or IVM but high in human toxicity?
Will the proposed project have difficulty in abiding to FAO's International Code of Conduct ¹³ in terms of handling, storage, application and disposal of pesticides?
Will the proposed project potentially expose the public to hazardous materials and substances and pose potentially serious risk to human health and the environment?
Will the proposed project involve constructing a new dam(s)?
Will the proposed project involve rehabilitating an existing dam(s)?
Will the proposed project activities involve dam safety operations?
Will the proposed project likely involve full or partial physical displacement or relocation of people?
Will the proposed project involve involuntary restrictions on land use that deny a community the use of resources to which they have traditional or recognizable use rights?
Will the proposed project likely cause restrictions on access to land or use of resources that are sources of livelihood?
Will the proposed project likely cause or involve temporary/permanent loss of land?
Will the proposed project likely cause or involve economic displacements affecting their crops, businesses, income generation sources and assets?
Will the proposed project likely cause or involve forced eviction?
Will the proposed project likely affect land tenure arrangements, including communal and/or customary/traditional land tenure patterns negatively?
Will indigenous peoples be present in the proposed project area or area of influence?
Will the proposed project be located on lands and territories claimed by indigenous peoples?
Will the proposed project likely affect livelihoods of indigenous peoples negatively through affecting the rights, lands and territories claimed by them?
Will the proposed project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?
Will the project negatively affect the development priorities of indigenous peoples defined by them?
Will the project potentially affect the traditional livelihoods, physical and cultural survival of indigenous peoples?
Will the project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?
Will the proposed project involve the use of forced labor and child labor?
Will the proposed project cause the increase of local or regional un-employment?
Will the proposed project potentially have negative impact on objects with historical, cultural, artistic, traditional or religious values and archeological sites that are internationally recognized or legally protected?
Will the proposed project rely on or profit from tangible cultural heritage (e.g., tourism)?

¹¹ "Integrated Pest Management (IPM) means the careful consideration of all available pest control techniques and subsequent integration of appropriate measures that discourage the development of pest populations and keep pesticides and other interventions to levels that are economically justified and reduce or minimize risks to human health and the environment. IPM emphasizes the growth of a healthy crop with the least possible disruption to agro-ecosystems and encourages natural pest control mechanisms <http://www.fao.org/agriculture/crops/thematic-sitemap/theme/pests/ipm/en/>

¹² "IVM is a rational decision-making process for the optimal use of resources for vector control. The approach seeks to improve the efficacy, cost-effectiveness, ecological soundness and sustainability of disease-vector control. The ultimate goal is to prevent the transmission of vector-borne diseases such as malaria, dengue, Japanese encephalitis, leishmaniasis, schistosomiasis and Chagas disease." (http://www.who.int/neglected_diseases/vector_ecology/ivm_concept/en/)

¹³ Find more information from http://www.fao.org/fileadmin/templates/agphome/documents/Pests_Pesticides/Code/CODE_2014Sep_ENG.pdf

Will the proposed project involve land clearing or excavation with the possibility of encountering previously undetected tangible cultural heritage?
Will the proposed project involve in land clearing or excavation?
Will the proposed project likely have inequitable negative impacts on gender equality and/or the situation of women and girls?
Will the proposed project potentially discriminate against women or other groups based on gender, especially regarding participation in the design and implementation or access to opportunities and benefits?
Will the proposed project have impacts that could negatively affect women's and men's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?
Will the proposed project likely bring immediate or short-term net gain to the local communities or countries at the risk of generating long-term economic burden (e.g., agriculture for food vs. biofuel; mangrove vs. commercial shrimp farm in terms of fishing, forest products and protection, etc.)?
Will the proposed project likely bring unequal economic benefits to a limited subset of the target group?

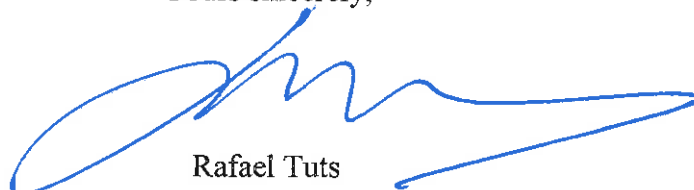
Nairobi, 17.09.2018

Dear Adaptation Fund Secretariat,
Dear colleagues,

We appreciate having received the Call for Expression of Interest to serve as small grant aggregator in support of innovation for climate change adaptation from the Adaptation Fund.

Please find enclosed our Expression of Interest with detailed information on our proposal. We stand ready to provide further information if and when required, and look forward to discussing potential next steps in close partnership with the Adaptation Fund.

Yours sincerely,



Rafael Tuts
Director, Programme Division
Adaptation Fund Focal Point
UN-Habitat

Adaptation Fund Board Secretariat;
Mikko Ollikainen, Manager, Adaptation Fund Board Secretariat;
Saliha Dobardzic, Senior Climate Change Specialist.



United Nations Human Settlements Programme
P.O. Box 30030, Nairobi 00100, KENYA
Tel: +254-20 7623120, Fax: +254-20 7624266/7
infohabitat@unhabitat.org, www.unhabitat.org

Expression of Interest from the United Nations Human Settlements Programme (UN-Habitat) to serve as small grant aggregator in support of innovation for climate change adaptation.

Nairobi, 17th of September 2018

Project Category:	Expression of Interest from the United Nations Human Settlements Programme (UN-Habitat), under the new special financing window in support of innovation for adaptation
Target Countries	Global
Title of Project/Programme:	Small Grants Aggregator
Type of Implementing Entity	Multilateral Implementing Entity (MIE)
Implementing Entity	United Nations Human Settlements Programme - UN-Habitat
Amount of Financing Requested	1.502.280 US\$
Duration/Timeframe	48 Month (1 January 2019 - 31 December 2022)

Table of Content

1. Background and Context:	3
2. Project Objectives	5
3. Proposed Components and Financing:	6
3a. Elaborated review criteria	8
3b. Proposed implementation modality or modalities	10
3c. Proposed review process or processes	12
3d. Provisional small-grant proposal review template	13
3e. Provisional Reporting Plan	14
3f. Learning and Sharing Mechanism for the innovation window, in line with the MTS's pillar on knowledge and sharing	16
3g. Administration cost or management fee or provisional budget, including for coordination, support for NIE, and other	21
Annex A: Elaborated review criteria	23
Annex B: Provisional small-grant proposal review template	25

1. Background and Context:

Climate Change and Innovation

Climate Change is threatening hundreds of Million people around the world today. With the almost universal adoption of the Paris Agreement on Climate Change in 2015, countries have set ambitious goals for climate change mitigation and adaptation, and it is hoped by many that the Agreement will be the global turning point to address the climate challenge. The Paris Agreement highlights the central importance of innovation¹ to meeting the many challenges posed by climate change. The need for collaborative approaches to spur '*innovation to solving sustainable development challenges*' is also highlighted in the Agenda 2030 for Sustainable Development² (Paragraph 67, Goal 9 & 17), in the Sendai Framework for Disaster Risk Reduction and in New Urban Agenda.

It is therefore crucial for an effective, long-term global response to climate change and promoting economic growth and sustainable development to accelerate, encourage and enable innovation. The promise seen in innovation as a tool to tackle challenges, implies a quite wide definition of innovation, including technology, social innovations and business model innovations. This is important, considering that many technical solutions to tackle challenges are already out there - what is needed is perhaps better instruments for upscaling, replication and working together for implementation. Challenges identified for innovation are the lack of sufficient funding, the inability to scale innovations to a wider market, the lack of adequate skill sets and the inability of businesses and institutions to take risks.

The Adaptation Fund has included innovation as a core pillar of its new Mid-Term Strategy, and aims to accelerate, encourage and enable innovation by others, building on the Adaptation Fund's operating modalities, internal competencies and external relationships. In order to support this renewed focus on innovation, the Adaptation Fund is currently welcoming expressions of interest in form of proposals by its currently-accredited MIEs with global reach that have the capacity to serve as grant administrators.

UN-Habitat and Innovation

UN-Habitat has been increasingly requested by member states and development partners to help spur urban innovation through both normative and operational activities. UN-Habitat has been implementing several initiatives on innovation, whether it is the deployment of innovative technologies as part of our work on smart cities, testing innovative new approaches to our urban planning work in the Urban Planning and Design Lab, or embracing innovative approaches in our global public space programme, where we help citizens and especially young people to virtually design and visualize public space improvements using the Minecraft software and technology. It is through such innovative initiatives that we strongly foster a culture of embracing and promoting innovation globally, and it is our aim to capture and internalize new experiences and approaches on innovation. Innovation is emerging as an important area of focus in UN-Habitat's new strategic plan (2020-2025), which currently is being developed.

¹ see Article 10, paragraph 5

² see paragraph 67, and Goals 9 & 17.

We therefore believe that by partnering with the Adaptation Fund on such a necessary and timely initiative will not only allow new approaches for innovation in climate change adaptation to be promoted, but also consolidate UN-Habitat's role as a learning and innovating organization.



Innovation contests

One methodology that has shown great potential to support innovation is innovation contests to incentivize innovators to come up with solutions to a specific identified problems, and to learn from the new approaches taken and communicate new solutions.

In recent years, national and local governments, development agencies and multilateral institutions have increasingly started using challenge-driven innovation processes to solve pressing problems, with some of the most prominent being NASA's Centennial Challenges, and the World Bank Innovation Marketplace, that have crowdsourced a range of innovative solutions from students, citizen inventors, and entrepreneurial firms. The India Smart City Challenge took a challenge-driven approach to select cities that are eligible for funding for urban regeneration and retrofitting. Sida's Innovations Against Poverty programme challenges the private sector to develop products, services and business models that can contribute to the fight against poverty and climate change. The UN-Habitat Innovate Kenya Counties Challenge, used challenge prizes to connect Kenyan Counties with youth innovators. UNDP in 2016 made open innovation challenges official policy as part of a change to its procurement rules.

Innovation contests have in the last 15 years or so experienced a kind of renaissance. According to a McKinsey's 2009 report³ on innovation challenge prizes, this is because of a new appreciation for the multiple ways in which they can produce change, including identifying new levels of excellence and by encouraging specific innovations, but also by changing wider perceptions, improving the performance of communities of problem-solvers, building the skills of individuals and mobilization of capital.

³ McKinsey & Company, 2009 - And the winner is ... - Capturing the promise of philanthropic prizes.
www.mckinsey.com

2. Project Objectives

The overall objective of the proposed UN-Habitat Small-Grants Aggregator is to support the Adaptation Fund in the facilitation of a global small-grants programme for non-accredited entities in the MTS timeframe 2019-2022, and to support the Adaptation Fund to achieve the results under SF2 set out in the Mid Term Strategy and supporting fulfillment of the Decision B.31/31, para 32. b-v.

- ★ **Objective: Successful global implementation of the Adaptation Fund's small-grants programme for non-accredited entities.**

The high-level objective will be realized through the establishment of a dedicated project-based small grants aggregator facility on climate change adaptation innovation at the UN-Habitat Headquarters in Nairobi, Kenya, one of the innovation Hubs of the global South. The facility will seek to accomplish the overall objective through successfully delivering the following two components.

- ★ **Expected Accomplishment 1** - Establish and implement an appropriate process for small-grant aggregation for non-accredited entities, including technical support to applicants.
- ★ **Expected Accomplishment 2** - Successfully capture and disseminate knowledge and lessons of the small-grants programme across the international community of adaptation and innovation practitioners.

This proposed project is aligned to the Adaptation Fund's mission to support communities in developing countries that are vulnerable to climate change to adapt and become more resilient, by helping the Fund to spur innovation in four key areas:

1. **Successful innovations rolled out.** Innovative adaptation practices, tools (i.e. processes and products) and technologies that have demonstrated success in one country spread to new countries/regions;
2. **Viable innovations scaled up.** Innovative adaptation practices, tools (i.e. processes and products) and technologies that have demonstrated viability at a small scale piloted at larger scales;
3. **New innovations encouraged** and accelerated. Development of innovative adaptation practices, tools (i.e. processes and products) and technologies encouraged and accelerated;
4. **Evidence base generated.** Evidence of effective, efficient adaptation practices, products (i.e. processes and products) and technologies generated as a basis for implementing entities and other funds to assess scaling up.

The focus will be on the following key themes:

- ❖ Urban adaptation
- ❖ Food security
- ❖ Social innovation
- ❖ Nature-based solutions
- ❖ Inclusion of youth
- ❖ Advancement of gender equality (women and girls' empowerment)
- ❖ Focus on communities

- ❖ Enhancement of cultural heritage
- ❖ Water resources management
- ❖ Disaster risk reduction

The global implementation of the small-grants programme for non-accredited entities will significantly contribute to the successful establishment of an Adaptation Fund micro-grant mechanism to help develop and test innovative adaptation processes, products and technologies and encourage and accelerate these innovations. The knowledge management component will assure that evidence of effective, efficient adaptation practices, products and technologies will be generated as a basis for implementing entities and other funds to assess scaling up.

3. Proposed Components and Financing:

The UN-Habitat anchored Small grants Aggregator facility will accomplish the overall objective through successfully delivering the following 2 components

Component 1 - Establish and implement appropriate process for small-grant aggregation for non-accredited entities, including technical support to applicants.

Expected accomplishment 1 comprises 3 components,

- 1.1 grant announcement, collection and review process,
- 1.2 technical support to applicants and the Adaptation Fund
- 1.3 facilitation of independent reviewers and reviews

Component 2 - Successfully capture and disseminate knowledge and lessons of the small-grants programme across the international community of adaptation and innovation practitioners.

Expected accomplishment 2 comprises further 2 components;

- 2.1 knowledge management, capturing and synthesizing knowledge
- 2.3 communication and outreach

UN-Habitat proposes to establish an appropriate and cost-effective process for small-grant aggregation –described in the following- by building upon an already established grant aggregation mechanism with global reach within UN-Habitat, namely the UN-Habitat Urban Youth Fund. Since its inception, the Fund has impacted individual lives, communities, and countries. The Urban Youth Fund projects have:

- ✓ Operated in 172 cities and 63 countries in Africa, Asia and the Pacific, Latin America, and the Caribbean
- ✓ Helped youth gain employable skills and opportunities
- ✓ Sponsored vocational training and credit mechanisms for entrepreneurship and employment
- ✓ Promoted gender equality in urban developments in the global South
- ✓ Increased the involvement of young people in local governance
- ✓ Worked to stop sexual harassment of women through the use of ICT
- ✓ Mapped informal settlements using GIS tools

- ✓ Improved perception of youth in the local communities⁴

At the same time, the small-grants aggregator will allow UN-Habitat to further develop and refine the urban youth fund approach to support member states in finding innovative solutions to the climate challenge, and implement our mandate to support implementation of the Agenda 2030 on sustainable development. The mechanism will be enhanced through our substantive knowledge, partnerships and communities of practice on Climate Change Adaptation.

UN-Habitat Youth Fund

Supported by the Government of Norway, The Urban Youth Fund was established in 2009 to empower youth globally by providing grants and capacity building to selected organizations in developing countries. Since its inception 284 groups youth-led groups have been funded in 66 countries and 172 cities in the developing world. From these 549 social enterprises have been formed and over 30,000 youth trained. For the Global fund, approximately 8,000 youth-led organizations applied per year to be part of the program with approximately 30 organizations selected yearly to receive small grants (USD 25.0000) and capacity building.

These organizations span various sectors, from technology and agriculture to education and poverty reduction. Since 2014, there have been national, regional and private sector funds such as the India Youth Fund, the Lotte Youth Fund and the most recent being the Somalia Innovation Fund and the Colombia Youth Fund focused on peacebuilding and entrepreneurship.

Every year, the Fund supports new and innovative ideas and solutions for job creation, good governance, adequate shelter and secure tenure planned and implemented by youth-led groups globally. By undertaking research on best practices in youth-led development the fund also creates greater awareness through publications of youth-led development and the urgency to ensure that youth perspectives are integrated into local, national and international development policies and strategies. Support is provided through face to face training, mentorship and the E- Learning programs is provided for projects encouraging gender equality or involving partnerships with the government or the private sector.

In the nine years of administering public calls for proposals to the Fund, UN-Habitat has systematically captured and disseminated knowledge about youth group applications to the Fund (through which means), and used that information to advance the knowledge on youth in development globally.

Applications submitted to the Youth Fund go through a thorough evaluation process to guarantee impartiality and equal treatment of applicants.

The process consists of five steps:

1. Applications are registered and given a unique reference number in the online database.
2. Applications are subjected to an eligibility check to verify that they fulfil the basic criteria required to receive grants from the fund.
3. Eligible applicants go through a quality assessment and are scored on different criteria related to the quality of the project proposal and the priorities and objectives of the Urban Youth Fund.
4. The highest rated applications from each geographical region are shortlisted.

⁴ <https://unhabitat.org/urban-initiatives/initiatives-programmes/urban-youth-fund/>

5. The Steering Committee of the Fund reviews the shortlisted applications and decides on which applications to approve⁵

Eligibility Criteria:

- ✓ Applicant organization must be led by youth aged 15-32 years. However, adults above the age of 32 years may still take part in the organization and youth-adult partnerships are highly encouraged.
- ✓ Applicant organizations must be legally registered for at least one (1) year by the relevant national, regional or local authority.
- ✓ Applicants must be non-profit, non-governmental organizations. UN institutions, governmental organizations and private enterprises may engage in partnerships with youth-led organizations applying for a grant.
- ✓ Applicant organizations must be legally registered in one of the following developing regions – Africa, Latin-America and the Caribbean, Asia (excluding Japan) and Oceania (excluding Australia and New Zealand).
- ✓ Applicant organizations must involve girls and young women in decision-making at all levels of the organization. This includes senior management level and board.
- ✓ The applicant organization must have a bank account in the name of the organization. This name has to be identical to the name of the legal registration certificate.
- ✓ Organizations that carry out religious evangelization are not eligible to apply for a grant. However, development organizations affiliated to religious bodies may apply.
- ✓ Organizations that are affiliated to political parties are not eligible to apply for a grant.

3a. Elaborated review criteria

In order to effectively accelerate, encourage and enable innovation by others, entities need to essentially be open to more untested, not-yet-established and higher risk proposals, while establishing clear environmental and social safeguards and clear result areas. One cannot simply expect to invite highly innovative proposal while employing standard established rigorous procedures. The review criteria for the small innovation grants therefore have to be more flexible than for example the rigorous review of multi-million-dollar infrastructure projects, while maintaining clear criteria for minimum social and environmental standards, gender and financial and management solidity.

For the review criteria, we propose to closely follow the established review criteria employed by the Adaptation Fund in its project review, softening some of the rigorous criteria, and adding more outcome-oriented criteria on the four results areas of innovation. Allowing more flexibility on the ‘how’ while maintaining clear guidance on the ‘what’, namely innovative climate change innovation.

We propose five set of criteria or checks, for a full list of elaborated review criteria, please see Annex A.

Criteria	Purpose
Applicant Eligibility Check	The purpose of this initial check is to establish if the applicant is eligible to submit a proposal, based on few formal requirements, for example if the applicant is a non-accredited entity, if the proposals originates from a registered entity, if the activity targets a developing country

⁵ <https://www2.fundsforgos.org/cat/un-habitat-urban-youth-fund/>

	vulnerable to the adverse effects of climate change.
Project Eligibility Check	The purpose of this check is to establish if the project meets the core requirements of the Adaptation Fund, for example cost-effectiveness, non-duplication, and alignment to national development policies, plans and strategies, and if the project meets the AF Environmental and Social Policy.
Innovation Check	The purpose of this check is to evaluate if the proposal targets at least one dimension of climate change adaptation innovation, and if the goals/targets of the project are generally in-line with innovative approaches to adaptation and follow a gender sensitive approach.
Implementation Check	The purpose of this criteria is to establish if minimum requirements in terms of project management are met by the applicant, in order to assure a certain level of successful implementation
Financial check	The purpose of this check is to establish minimum requirements for financial solidity, whether the applicant has a history of, or capacity to implement the requested amount of funding, whether a financial plan supports the proposal, and whether the relevant management and execution costs are within acceptable limits.

The review criteria for the small-grants proposals needs to be sufficiently flexible to allow untested, innovative and new approaches to transfer, scale or implement adaptation in order to be eligible to be awarded a grant, while at the same time maintaining sufficient safeguard that allow risk reduction and mitigation and cost-effective implementation.

In line with the Adaptation Fund’s Environment and Social Policy (ESP) and Gender Policy (GP). UN-Habitat will ensure potential environmental and social risks and impacts of grant applications for innovations are identified and if required mitigated. At the same time, benefits to women and vulnerable groups of the innovation need to be identified and promoted. This is reflected in the proposal review criteria and application format.

In line with the general AF proposal submission requirements, grant applicants will be required to identify and align with the main national sustainable development strategies is relevant. This is reflected in the proposal review criteria and application format.

In line with the general AF proposal submission requirements, grant applicants will be required to identify and align with the main national technical standards that are relevant to the innovation and its scale-up. This is reflected in the proposal review criteria and application format.

In line with the general AF proposal submission requirements, grant applicants will be required to show that the innovation is indeed an innovation and not a duplication of another innovation / project. This is reflected in the proposal review criteria and application format

In line with the general AF proposal submission requirements, grant applicants will be required to describe how the innovation can be sustained, replicated / scaled-up. This is reflected in the proposal review criteria and application format

In line with the AF ESP and GP, UN-Habitat will ensure potential environmental and social risks and impacts of grant applications for innovations are identified and if required mitigated. At the same time, benefits to women and vulnerable groups of the innovation need to be identified and promoted. This is reflected in the proposal review criteria and application format.

3b. Proposed implementation modality or modalities

UN-Habitat proposes to be subcontracted by the Adaptation Fund in its capacity as Multilateral Implementing Agency in order to set-up a dedicated project for the duration of the grants' programme (2019-2022) under its Climate Change Planning Unit (CCPU), Urban Planning and Design Branch (UPDB) - the focal point and coordinator for all climate change work within the agency and the dedicated Adaptation Fund liaison unit. CCPU will be accountable for the successful implementation of the small-grants aggregator. CCPU will collaborate with the Youth Unit, which is successfully implementing UN-Habitat's largest small-grants programme since 2009 to date and has the capacity to support the proposed project with relevant process knowledge and staff capacity. Together, a combination of staff from both units will compose the Project Management Unit (PMU) for the present project, taking advantage of synergies with existing structures, programmes and networks on climate change and the leading small-grants initiatives, likely to commit a moderate contribution and co-financing⁶ and therefore assure a cost-effective delivery.

This Project Management Unit will be responsible and accountable for implementing the small-grants facility and for delivery of the knowledge management strategy and products, and will oversee the legal, financial and partner interactions. The PMU will support the Adaptation in the announcement of the small-grants programme, activating our Global, regional, national and local offices⁷, networks and contacts, and traditional and social media. The PMU will set up a technical support unit that is in charge of the 'mechanics' and day-to-day operations. The PMU will further assure the selection, contracting, availability and briefing of the independent review panel, consisting of climate change, development and innovation experts that will independently review and rate all received eligible proposals in a consistent and standardized manner.

The Technical Support Unit comprises of all assigned project staff and short term assignments and will be in charge of the 'mechanics' of the small grants proposal process and for communication with the applicants, and the timely filing and collection of received proposals, and during the proposal submission timeframe will provide non-discriminatory technical support to non-accredited applicants as well as NIE applicants that will be directed to the TSU from the adaptation Fund. This support will entail basic Q & A support to applicants, providing latest relevant documents and policies, and a limited support with the AF ESP/Gender Policy. The technical support unit will also be the reference point for knowledge capture and interviewing applicants for relevant lessons learned and feedback.

Independent Review Panel: Based on the recommendations of the review panel, the short-listed eligible proposals will be then tabled for decision by an independent external advisory board that will select the (minimum) 40 proposals to be proposed to the Adaptation Fund Board for approval, together with a technical evaluation and recommendation matrix to allow for a transparent decision-making process. Based on the preference by the Adaptation Fund, the small grants aggregator could

⁶ UN-Habitat can commit a moderate amount of co-funding for linking up unsuccessful applicants with other development partners, or could co-fund few small grant proposal in the field of urban adaptation ourselves.

⁷ Headquartered in Nairobi, Kenya, UN-Habitat has 7 regional and liaison offices in Fukuoka (Japan), Bangkok (Thailand), Cairo (Egypt), Nairobi (Kenya), Brussels (Belgium), New York (USA), and Rio de Janeiro (Brazil), and over 55 country offices in developing countries in Asia-Pacific, Africa and Latin America and the Caribbean.

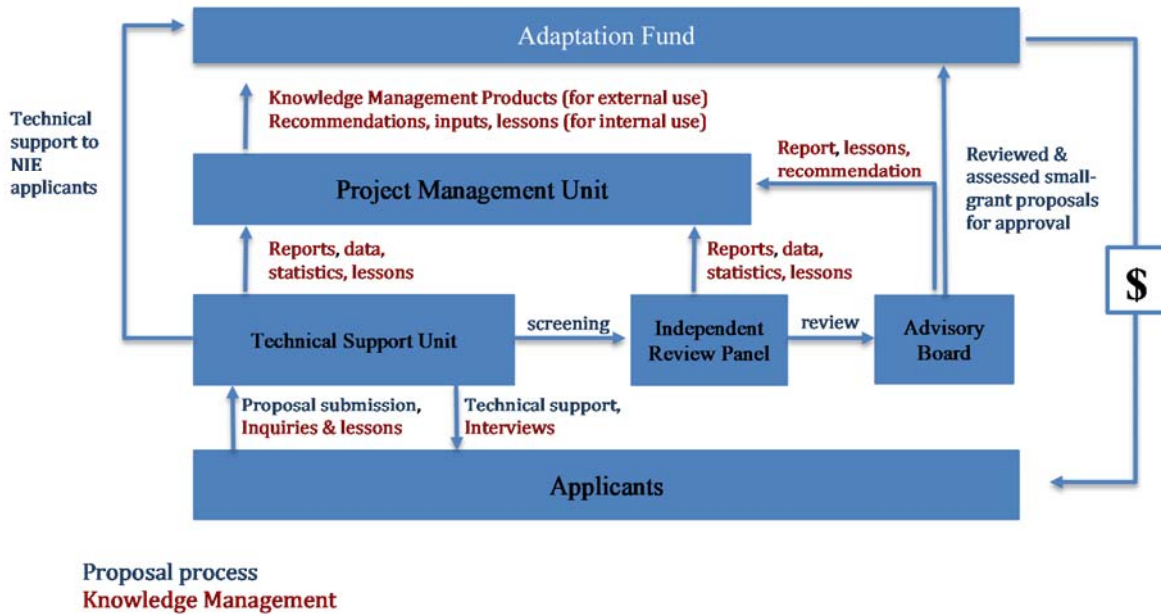
send the appropriate number of proposals to the AF Board (i.e. the maximum number of proposals +10%) to allow for certain flexibility in balancing proposals by the AF Board either make a final selection of grants to be awarded.

The Advisory Board will consist of seasoned international experts in climate change adaptation and innovation, and will cover expertise in all 10 relevant sectors set out in the call for expression of interest, (i) Urban adaptation, (ii) Food security, (iii) Social innovation, (iv) Nature-based solutions, (v) Inclusion of youth, (vi) Advancement of gender equality (women and girls’ empowerment), (vii) Focus on communities, (viii) Enhancement of cultural heritage, (ix) Water resources management, (x) Disaster risk reduction. The advisory board will meet in person in Nairobi⁸ to discuss and determine the recommendation to the AD Board.

Body	Purpose
Project Management Unit (PMU)	The PMU is responsible for the delivery of the expected accomplishments to the Adaptation Fund, developing the knowledge management strategy, and legal, financial and project management oversight.
Independent Review Panel (IRP)	The IRP will review and score the eligible proposals, and will provide recommendations to the advisory board on final selection of proposals.
advisory board	The Advisory Board is tasked with the final review and selection of proposals to be presented to the Adaptation Fund Secretariat and Board
Technical Support Unit	The technical support unit will ensure that applicants, partners and the Adaptation Fund will receive the technical support necessary, and is tasked with implementation of the knowledge management strategy.

Illustration 1: Schematic of the implementation modality, process and learning mechanism

⁸ Or in a location of the Adaptation Fund’s choice.



Source: UN-Habitat

3c. Proposed review process or processes

UN-Habitat proposes a five-step small-grant process,

Step	1. Call for Proposals	2. Collection of Proposals and Screening	3. Eligibility & Quality check	4. Selection	Legal/Financial agreements & Project implementation	5. Finalization review
Lead	AF & UN-Habitat	UN-Habitat	UN-Habitat (Review panel)	UN-Habitat (advisory board)	AF & applicants	AF & UN-Habitat

The proposed review process as follows:

Step 1 - Inviting Proposals: Complementary to the formal announcement of the small-grants window of the Adaptation Fund, UN-Habitat will support the announcement, distribution and marketing of the grants-facility to interested entities via our established global, national and local networks in climate change and innovation. This distribution will be supported via announcement at relevant events, E-Mail distribution lists, newsletters and social media. We decided to include this call in the formal review process, as we will closely monitor uptake of different regions and target group

according to the various channels used. This process includes the following documentation to guide it and ensure transparency and a higher number of eligible and successful applications. Guidelines for applications, which include eligibility criteria, award criteria and assessment weight, activity, administration, and non-eligible costs; guidance on submitting an application, including: completing the application online, the logical framework, budget, and necessary background documents; as well as details of selection procedure, and Guidance and FAQ guidelines for applicants, including detailing the online application portal.

Step 2 - Collection of Proposals and screening: Until the proposals submission deadline, UN-Habitat will systematically collect, account and screen submitted proposals, confirm receipt and employ a basic screening (see review criteria) in order to send back incomplete, foreign language and non-targeted proposals, or in case of NIE originating proposals send them directly to the Adaptation Fund. Applications are digitally pre-screened to ensure that only applications with all the required documents uploaded are considered, and then a manual screening process takes place to ensure the necessary information is provided.

Step 3 - Eligibility & Quality check is the first qualitative review of the proposals and will be coordinated by UN-Habitat and done by the independent review panel. This is done using several tools, including an internal guide to quality assessments for the evaluators, detailing criteria for the scoring and sub-categories which help to assess the quality of the project proposal. Evaluations are done by the evaluator through an online CMS system, with name and time logged in for the assessment for easy and transparent access in the future, and a second co-reviewer will be cross-checking proposals to ensure a consistent process.

Step 4 - Selection Based on the 'long list' of eligible proposals reviewed by the independent panel, an independent advisory board is responsible for recommending the final 'short list' of proposals to the Adaptation Fund Board for final decision. This Body will comprise of selected and respected experts in the field of innovation and climate change adaptation, with broad experience from all relevant sectors Urban adaptation, Food security, Social innovation, Nature-based solutions, Inclusion of youth, Advancement of gender equality (women and girls' empowerment), Focus on communities, Enhancement of cultural heritage, Water resources management, Disaster risk reduction.

Step 5 – Finalization Review. The technical support unit will review project implementation progress and assess the projects upon completion based on the reports and data received and outcomes observed against the original proposal. This will serve in order to capture the essential lessons on adaptation and on the process for all small grant projects (NIE and non-accredited entities).

3d. Provisional small-grant proposal review template

Please see annex B

3e. Provisional Reporting Plan

UN-Habitats' provisional reporting plan aims to support the fulfilment of Decision B.31/31 (para 32. b-v).

UN-Habitats will prepare, for each Board meeting during the implementation period 2019-2022, a specific document containing:

- ❖ Experiences, lessons learned and recommendations stemming from the small-grants programme in terms of process and substance, with a view to help the AF Secretariat fulfill decision 31/31.

UN-Habitats will prepare, for the Oct/Nov 2019 and Oct/Nov 2020 Board meeting, a specific submission containing:

- ❖ Experiences, lessons learned and recommendations stemming from the 1st and 2nd RFP (respectively) for the small-grants programme in terms of process, with a view to help the AF Secretariat fulfill decision 31/31.
- ❖ Complete set of eligible and reviewed Small-grant proposals and a short (max 2 min) film from each project proponent introducing the project and team. Each proposal will be accompanied by the filled review template (in line with above review criteria and the AF Project Review Criteria) with recommendations and ranking of eligible proposals to be awarded the small-grants. The proposals/project documents will be in a state to be made public (if the Adaptation Fund wishes to do so, which we recommend).

UN-Habitats will prepare, for each UNFCCC Conference of Parties (COP) a specific submission containing:

- ❖ Synthesize knowledge, experiences and lessons-learned from the project proposals on innovation with a view to promote innovative adaptation approaches and linking up innovative proposals with the wider climate change and development community
- ❖ UN-Habitat proposes, and is ready to prepare, an event at one of the COP's during the project implementation period⁹ a specific learning and sharing event to showcase as many eligible innovation proposals as possible in a 'Marketplace'-style event in order to promote innovative approaches to adaptation and potential linking up (unsuccessful and successful) applicants with Parties and development partners with a view to upscale and link with other potential donors.

UN-Habitats will prepare, upon completion of the small-grants aggregator project (and not later than 2022,

- ❖ a full report containing lessons learned from the small grants programme under our purview (including lessons from the NIE portion, if the AF wishes to share these lessons, which we recommend)

⁹ (preferable once the 2nd RFP has been decided upon, likely COP-26)

Decision B.31/31, para 32, (highlights UN-Habitat)

32. Having considered the draft implementation plan for the medium-term strategy (MTS) for the Adaptation Fund (the Fund) contained in the Annex I to document AFB/B.31/5/Rev.1, the Adaptation Fund Board (the Board) decided:

(a) To approve the implementation plan for the medium-term strategy for the Fund for 2018–2022 contained in the Annex I to document AFB/B.31/5/Rev.1 (the plan);

(b) To request the secretariat:

(i) To facilitate the implementation of the plan during the period 2018–2022;

(ii) To include the administrative budget for implementing the plan in the secretariat's annual administrative budget during the strategy period, for consideration by the Fund's Ethics and Finance Committee;

(iii) To prepare, for each proposed new type of grant and funding window, **a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration** in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board's committees;

(iv) Following consideration of the new types of support mentioned in subparagraph (b)(iii), to **propose, as necessary, amendments to the Fund's operational policies and guidelines Fund to better facilitate the implementation of such new types of support**; and

(v) **To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund**, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan; and

(c) To request the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) to undertake a mid-term review of the medium-term strategy and the plan and report to the Board at its thirty-sixth meeting.

(i) In support of **Decision B.31/31, para 32, element (b) (iii)** UN-Habitat, upon selection¹⁰, is ready to support and facilitate further inputs into an advanced draft document in the fields of (i) objectives, (ii) final review criteria, (iii) expected grant sizes, (iv) final implementation modalities, (v) review process and other relevant features, in order for the Adaptation Fund Secretariat to submit a further refined documents to the Board for its consideration.

(ii) In support of **Decision B.31/31, para 32, element (b) (iv)** UN-Habitat, upon selection¹¹, is ready to facilitate further inputs and suggestions to propose, as necessary, amendments to the Fund's operational policies and guidelines Fund to better facilitate the implementation of the Innovation financing window. Mindful of the timeframe, we propose a dedicated mid-term review after the conclusion of the first Request for Proposals (RFP), planned for 2019 as stipulated in the call for

¹⁰ Considerate of the timeframe envisioned by the Fund, UN-Habitat commits to dedicate at least some moderate amount of time and work towards this accomplishment before any potential legal and financial agreements have been finalized and signed.

¹¹ Considerate of the timeframe envisioned by the Fund, UN-Habitat commits to dedicate at least some moderate amount of time and work towards this accomplishment before any potential legal and financial agreements have been finalized and signed.

expression of interests, Table 1. UN-Habitat will capture operation and qualitative lessons from the facilitation of the first RFP, in order to propose lessons-learned and suggestions to propose, as necessary, amendments to the Fund's operational policies and guidelines Fund to better facilitate the implementation of the Innovation financing window. We propose such a review to be systematically completed by the finalization of the small grants programme 2019-2022, as well.

(iii) In support of **Decision B.31/31, para 32, element (b) (v)** UN-Habitat will report annually prior to the AF Board meeting in the second half of each calendar year on the progress of implementation of the small-grants programme for non-accredited entities to support AF secretariat reporting on the wider implementation of the AF mid-term Strategy.

3f. Learning and Sharing Mechanism for the innovation window, in line with the MTS's pillar on knowledge and sharing

UN-Habitat will, upon selection, and in close consultation with the AF Secretariat, develop a comprehensive knowledge management and communication strategy and reporting plan within the first quarter, that will guide both internal and external knowledge management, reporting and communication and will align with the Knowledge Management Strategy and Action Plan¹² (AFB/EFC 19.6), supporting the Adaptation Fund's vision to be a key institution generating, managing and sharing knowledge in adaptation and climate finance, and facilitating the access and use of that knowledge by other stakeholders.

For the purpose of this expression of interest, we propose to capture, synthesize and disseminate both process and substantive knowledge throughout the full duration of the project, and to develop various knowledge products at different points in time to assure dissemination, use and longevity of the knowledge captured from the small-grants programme on adaptation innovation.

The knowledge management will serve three purposes:

- Provide lessons and knowledge in support of internal Adaptation Fund discussions and review towards fulfillment of the Decision B.31/33, para 32. b-v;
- Support disseminating the lessons learned from the small grants programme, in order to improve and replicate grants, or challenge-based innovation programs on climate change adaptation
- Disseminate the innovative approaches and practices, and experience and innovations stemming from the project implementation to a wider audience in order to improve adaptation practices.

UN-Habitat will support the AF its various knowledge partners to capture and manage the knowledge generated by (i) the respective project proponents, and by the (ii) small-grants programme at large, and we propose that this will include dedicated knowledge products, events, publications and audio-visual materials, as well as employ AF's ICT systems in order to capture, classify, codify, and present the knowledge¹³.

Regarding process learning, in order to monitor whether the process and quality of submittals and review is improving over time, UN-Habitat will support the Secretariat in capturing, accumulating,

¹² found on 17.09.2018 at <https://www.adaptation-fund.org/wp-content/uploads/2016/09/AFB-EFC.19.6-Updated-Knowledge-Management-Strategy-and-Action-Plan.pdf>

¹³ UN-Habitat will happily mirror such a web repository on its own ICT system, and make the products publically available to others.

and managing knowledge on this topic. Analysis may include, for example, whether the time, iterations and quality of proposals submitted (as measured by quantitative scores): (i) improves over time; (ii) varies by type of regional or stakeholder group (origin); and so on. We further propose learning on the interaction with the Adaptation Fund's procedures and guidelines and processes once the proposals are formally submitted to the Board, in order for the AF to evaluate appropriateness of said systems for this new innovation window. UN-Habitat will support and provide inputs to AF's existing approach and goals in relation to reporting and knowledge-sharing via, for example, the following proposed overarching products.

Externally-facing knowledge will be categorized into two types: (i) synthetic knowledge; and (ii) project knowledge.

(i) Synthetic knowledge will include the types of knowledge products typical for such a grants programme, like case studies, interviews, intermediate and final reports on implementation, lessons-learned publications, videos. This could be organized externally in a way that is centered around how partners and stakeholder would best take advantage of that knowledge (i.e. guidance for countries, guidance for entities, specific tools categorized by region or programme type).

(ii) Project knowledge: The Adaptation Fund's website currently features approved and several endorsed projects and allows for project and programme information to be filtered by key indicators. UN-Habitat proposes to utilize the AF ICT platform and its knowledge partners, along with the information emerging from the NIE country and entity programming, to create a clearly categorized project information system oriented not only to be searchable by country, region, theme, and type, but also to be filtered by the implementer (city-level government, NGO, research institution, urban planning association, etc.) and the specific key words and innovation categories addressed. Knowledge products proposed are standardized public versions of the project proposals, project team and idea videos, and an impact, outcome summary.

In order to reach some the most critical stakeholders, national governments and parties to the UNFCCC, we further propose some targeted COP outreach events and materials,

- Innovation marketplace at the annual conference of parties (COP26) to potentially link up best proposal proponents with governments and development partners,
- Regular Innovation events at COP's
- Innovation guide for parties

We will work with the Adaptation Fund to harmonize the proposed knowledge management strategy with the existing knowledge management strategy that will be employed for the NIE originating proposals. In addition to providing support and guidance regarding proposals, based on its experience, UN-Habitat proposes to support AF in converting the information from its various proposals, projects, programs, experts, existing knowledge in its thematic areas, and expertise from its communities of practice, into systematized knowledge products and in user-friendly knowledge management and learning systems in support of assist to (i) review project proposals (ii) amass successful practices, challenges, and lessons learned from a wide array of projects and locations for public consumption, and (iii) improve country and entity programming systems, such as those discussed.

The proposed learning-and-sharing mechanism for the innovation window, in line with the MTS's pillar on knowledge and sharing. The proposed mechanism for capturing and disseminating the knowledge generated through the micro-grant-funded actions in a cost-effective way entails using the existing mechanism, platform and networks established by UN-Habitat, through its Cities and

Climate Change Initiative network and urban youth fund grantees in developing countries system. This mechanism is in line with the AF knowledge management strategy¹⁴ and UN-Habitats' Knowledge Management and Learning in resource-based management concepts and tools¹⁵. Consistency and parity between applicant NIEs and non-NIEs, in terms of learning-and-sharing mechanism will be ensured by using / linking with established Adaptation Fund knowledge management and lessons learned mechanism and platform in parallel. The proposed mechanism enables UN-Habitat and the AF to extract / collect, organize, analyze, learn and share lessons from the innovative adaptation practices, tools and technologies by showing:

1. Why the innovations are viable (through demonstrating pilot details / evidence of adoption of best practices)
2. Why the innovations are successful (through demonstrating replication (potential), including technique and cost/resource/time of adaptation / cost avoidance/savings achieved through adoption)

Types of knowledge to be captured and proposed knowledge products			
Knowledge captured	Means, origin of Lessons	Purpose	Knowledge Product
Process knowledge	-proposal response process -Q & A, applicant feedback	Knowledge on the mechanics of the application process and applicant feedback can help improve the criteria and management of the call for proposals in order to improve second call and future repetitions. Informs also on adequacy of AF processes and guidelines for this new financing window, supporting support of Decision B.31/31, para 32, element (b) (iv) and (v)	-Applicant Feedback report, -Mid-term report on 1st RFP, - Team and project presentations & short videos ¹⁶
	-review and vetting process	Knowledge on the mechanics of the review process and quality/quantity of proposals can help improve the criteria and proposal review template, as well as the dissemination of the RFP and support to applicants.	- Statistics on received proposals, -Report on the proposals review, - Recommendation for second RFP,,
	-grant awarding,	Knowledge on the quality of proposals and on the quality of technical review and final vetting proposals will inform balance of proposals and quality of review,	-Published proposals, -Report on full review and recommendations to AF Board,
	implementation &	knowledge on the outcomes of the small-	-Final report, -Lessons-

¹⁴ Adaptation Fund Knowledge management strategy: <https://www.adaptation-fund.org/wp-content/uploads/2017/09/KM-strategy-action-plan.pdf>

¹⁵ UN-Habitat resource based management: <https://unhabitat.org/?rbm-handbook=part-5-capacity-building-knowledge-management-and-innovations-in-rbm>

¹⁶ We prose each applicant to record a (max) 2 minute video presenting the project team and project idea, such a method has proved successful in capturing initial lessons and motivation of applicants.

	finalization	grants awarded, lessons from the implementation and impact will serve as a final evaluation on the innovative nature or projects and will provide the lessons learned	learned publication ¹⁷
Knowledge on Innovation in Adaptation	content proposals	One of the main areas of knowledge is the applicants innovative approaches to adaptation challenges, to be captured and disseminated for learning purposes and to inspire the wider adaptation community. This area of knowledge is essential to capture to correlate against the final outcomes of the projects.	-Published proposals, -Team and project presentations & short videos
	approaches and areas of innovation		- Innovation Expo at COP26 (tbc), Published proposals, - Summary report to board Published proposals, -Team and project presentations & short videos
	applicants	Vast knowledge can be captured by the framing of adaptation proposals from the applicants, one can hope to learn new local understanding of adaptation challenges and solutions, and learn about understanding of actions from different stakeholder groups	Team and project presentations & short video, - Statistics on received proposals,
	implementation of projects	The final knowledge and learning to be generated through the evaluation of actual project implementation, generating hard evidence on innovation, scalability, transferability and learning itself.	final report, short movies on implementation, website

Another major focus on of the learning component is the internal process learning at mid-point (after the first RFP) to adapt the small grants aggregator for the second RFP, and in order feed lessons to the Adaptation Fund (see reporting plan).

As mandated by our member states, and following Adaptation Fund guidance, independent evaluations constitute another important learning element. The present proposal foresees and has budgeted 2 independent evaluations at mid-point (2020) and after completion (2022)

Knowledge management, learning and sharing at UN-Habitat

¹⁷ a good reference for such a synthetic lessons-learned report is from the 2009 Development Marketplace on climate change adaptation (The World Bank)
<http://documents.worldbank.org/curated/en/285621468163147904/Community-based-adaptation-lessons-from-the-development-marketplace-2009-on-adaptation-to-climate-change>

UN-Habitat is currently operationalizing its Knowledge Management Strategy, which was created in 2015, alongside an accompanying action plan, with expected full results and implementation by 2021 to will further reinforce the agency's culture of learning and exchange. Under the umbrella of this strategy, the following are some relevant knowledge management experiences relevant to the work of the Small Grants Aggregator.

“UrbanLex – The Urban Law Database”: UrbanLex is a global collection of urban laws, compiling urban laws from 190+ member nations in a fully relational database. The laws are fully searchable by region and categorized by the following key topics: urban planning; natural and cultural resources; taxation, finance, and economic development; building and construction; disaster recovery and resilient cities; infrastructure and basic services (water, sewerage, electricity, transportation); and governance and government. [See <http://urbanlex.unhabitat.org/>]

“State of the Cities Report Series” UN-Habitat successfully disseminates the latest evidence-based knowledge at the global and regional levels through the “Global Report on Human Settlements,” “The State of the World’s Cities Report,” and the following regional reports: “The State of African Cities”; “The State of Asian Cities”; “The State of Latin American and Caribbean Cities”; “The State of Arab Cities”; The State of European Cities in Transition”; and “The State of Chinese Cities.” [See: <http://mirror.unhabitat.org/categories.asp?catid=557>]

Global Urban Lectures”: UN-Habitat also disseminates knowledge in audio-visual format to reach wide and new groups, and its Global Urban Lectures Series is produced in partnership with universities worldwide to provide free video lectures to capture and disseminate expertise from top academics and professionals in the sustainable urban development area. [See: <https://unhabitat.org/urban-knowledge/urban-lectures/>]

UN-Habitat Urban Youth Fund”: In nine years of administering public calls for proposals to the Urban Youth Fund, UN-Habitat has systematically captured and disseminated knowledge about youth group applications to the Fund and used that information to improve grants management and inform programming decisions. UN-Habitat has made much of this knowledge publicly available via its ‘Global Youth-led Development Report Series’. The themes of these reports reflect the gradual accumulation of knowledge over time: the first set of reports capture more basic information about youth groups, a second set emphasizes case studies of successful applications, while the most recent set of publications takes stock of key themes of interest to youth groups. [See: https://www.dropbox.com/sh/qtncutscbqx9f0z/AAC5PMMPQdSrRvq-6e_DilTOa?dl=0]

“Cities and Climate Change Science Conference” UN-Habitat co-organized the Cities IPCC Cities and Climate Change Science Conference, held in Edmonton, Canada, March 5-7, aimed at enhanced the understanding of the various impacts of climate change at the urban level, along with the range of possible responses, and the role of cities in the implementation of the Paris agreement and other international global agendas. The agency collaborated with UN Environment, Cities alliance, C40, ICLEI, Future Earth, the Intergovernmental Panel on climate Change (IPCC), the World Climate Research Programme, the Sustainable Development Solutions Network, and United Cities and Local Governments (UCLG) to organize the conference. The Conference produced a global research agenda on cities and climate change which advances climate change science and gives recognition and visibility to the knowledge generated by urban actors. UN-Habitat has captured knowledge from this Conference in its publication “International Conference on Climate Change and Cities” which includes conference proceedings, content from the conference, research, and the action

agenda, on behalf of the Cities IPCC coalition. This documentation will be published before COP-24. [see www.citiesipcc.org]

“One UN Climate Change Learning Partnership (UN CC:Learn)” UNCC:Learn is a collaborative initiative of more than 30 multilateral organizations, including UN-Habitat, supporting countries to design and implement systematic, recurrent and results-oriented climate change learning. UN-Habitat has developed training modules, tools, and products for this platform, including the “Specialized Module on Cities and Climate Change”, the “Resource Guide for Advanced learning on Climate Change and Cities,” and many technical documents such as “Clean Water and Sanitation,” “Talanoa and Beyond: Raising Ambition with Cities and Regions” “Collection Methodology for Key Performance Indicators for Smart Sustainable Cities,” “Connecting Cities and Communities with the Sustainable Development Goals,” and “Enhancing Innovation and Participation in Smart Sustainable Cities” [see unccllearn.org]

3g. Administration cost or management fee or provisional budget, including for coordination, support for NIE, and other

UN-Habitat has calculated the proposals to cost a total of 1.502.280 US\$ for the 2019-2022 period¹⁸.

Assumptions:

1. This estimation is based on the assumption that the actual grant funding will be managed by the Adaptation Fund directly and no financial ‘pass-through’ role is envisaged for the small grants aggregator.
2. The numbers given in the call for EoI indicate a minimum of 40 small grants to be awarded, suggesting up to four-digit numbers in received proposals (screening) with at least 400-500 proposals to review in-depth.
3. Maximum 2-year project proposal implementation period.
4. The knowledge management products proposed are all included in the total cost, if the adaptation fund wishes to define a smaller subset of products, events and channels to be used and produced, the relevant cost of this component can be further refined in partnership with the Fund.
5. Considering the RFP’s will be issued in the 2019-2020, the major portion of costs will also be produced during these initial 2 years, with year 3 and 4 monitoring, evaluation and knowledge management on proposal implementation and communication.
6. Actual work starting around COP-24, while financial and legal arrangements are still tbc, this will be considered co-contribution from UN-Habitat.

The three largest cost centers are:

1. staff time for collection, filing and screening of proposals, technical support to applicants;
2. Contractual arrangements for the Independent review panel and advisory board
3. Knowledge management products

Detailed breakdown of costs per component

¹⁸ In 2018 US\$, assuming an annual installment schedule.

Project/Programme Components	Expected Concrete Outputs	Expected Outcomes	Amount (US\$)
Small-Grants Aggregation process	(i) Independently reviewed proposals for adaptation innovation from two separate RFP's are timely presented to the AF board for decision.	Establish and implement appropriate process for small-grant aggregation for non-accredited entities,	784.000
Knowledge management and Reporting	(i) Evidence-based inputs provided to AF to help review modalities, processes, operational policies and guidelines to better facilitate the implementation of new MTS. [internal] (ii) capture relevant lessons from innovation proposals to advance and disseminate knowledge on innovation to the wider adaptation community [external]	Successfully capture and disseminate knowledge and lessons of the small-grants programme across the international community of adaptation and innovation practitioners.	620.000
7. Total Project/Programme Cost			1.404.000
8. Project/Programme Cycle Management Fee charged by the Implementing Entity 7%			98.280
Amount of Financing Requested			1.502.280

Year	2019	2020	2021	2022	4 years
Amount	435.490	628.090	219.350	219.350	1.502.280

Projected Calendar:

Indicate the dates of the following milestones for the proposed project/programme

Milestones	Expected Dates
Start of Project/Programme Implementation	1 December 2018
1st RFP decided by AF Board	Oct/Nov 2019
2nd RFP decided by AF Board	Oct/Nov 2020
Mid-term Review (after conclusion of first RFP and launch of 2nd RFP)	1 December 2020
Project/Programme Closing	30 November 2022

Terminal Evaluation

December 2022

Annex A: Elaborated review criteria

These include prerequisites such as country, project, and implementing entity eligibility, resource availability. They also include criteria under the implementation arrangements, such as arrangements for project management, risk management, compliance with the Environmental and Social Policy and Gender Policy, budget and breakdown of costs, arrangements of monitoring and evaluation, disbursement and milestone schedule, etc.

Criteria	Purpose and sample questions ¹⁹
Screening and completeness check	This first check is in order to swiftly identify non-eligible proposals shortly after submission, in order to give applicants a chance to review their proposals, and (after the deadline) to eliminate proposals. Is the proposal originating from a non-accredited entity? Is this

¹⁹

	<p>the only proposal per entity? Does the proposal follow the official template, content and language guidance? Is the requested amount within the stipulated maximum grant size, and project duration? Is the proposal targeting an activity focused on climate change adaptation?</p>
<p>Applicant Eligibility</p>	<p>This criterion is primarily to review the applicant in order to establish the eligibility in more detail than the screening. Is the proposal targeting an activity in a country party to the Kyoto Protocol? Is the applicant or activity located in a developing country particularly vulnerable to the adverse effects of climate change? Is the entity a registered entity (and non-accredited entity to the AF)</p>
<p>Proposal Eligibility Check</p>	<p>Does the proposed innovation support the country or vulnerable groups in addressing the adverse effects of climate change and build in climate change resilience? Does the proposed innovation provide economic, social and environmental benefits, with particular reference to the most vulnerable communities, including gender considerations? Is the proposed innovation cost-effective / low cost? Is the proposed innovation consistent with national sustainable development strategies, national development plans, poverty reduction strategies, national communications or adaptation programs of action, or other relevant instruments? Does the proposed innovation meet the relevant national technical standards, where applicable? Is there duplication of the proposed innovation? Has the proposal provided justification for the funding requested on the basis of the full cost of adaptation? Has the sustainability of the proposed innovation been considered, especially with regard to replication / scale-up potential?</p>
<p>Project Results criteria</p>	<p>Does the Project foster innovation in one of the four key results areas:</p> <ol style="list-style-type: none"> 1. innovations rolled out. Innovative adaptation practices, tools and technologies that have demonstrated success in one country spread to new countries/regions • 2. Viable innovations scaled up. Innovative adaptation practices, tools and technologies that have demonstrated viability at a small scale piloted at larger scales • 3. New innovations encouraged and accelerated. Development of innovative adaptation practices, tools and technologies encouraged and accelerated • 4. Evidence base generated. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up Delivery model.

	<ul style="list-style-type: none"> - does the project have a learning and knowledge management component to capture and feedback lessons - has the sustainability of the project programme outcomes been taken into account when designing the project
Implementation arrangements Check	Is there an adequate arrangement for project management? Is a results framework included, are relevant targets and indicators disaggregated by sex (if applicable)? Are arrangements for M&E clearly defined, included in the proposal? are there measures for financial and project risk management?
Financial check	Is the requested funding within the available budget of the small-grants amount? Does the applicant entity has the capacity to implement the request funding (ie financial statement, bank account) Is the entity management fee at or below a certain amount of the total project budget before the fee? <i>[tbc with AF]</i> ? Is the entity project execution costs at or below a certain amount of the project costs before the fee? <i>[tbc with AF]</i>

Annex B: Provisional small-grant proposal review template

Please see separate document submitted: *Annex B – preliminary review template –final 17 sept.doc*

■ End



**SMALL GRANTS PROGRAMME ON ADAPTATION INNOVATION
TECHNICAL REVIEW OF PROJECT PROPOSAL**

Country/Region:	Kenya, Africa
Project Title:	Small Grants Aggregator for the Adaptation Fund
Innovation Focal Area:	<input type="checkbox"/> Successful innovations rolled out. <input type="checkbox"/> Viable innovations scaled up. <input checked="" type="checkbox"/> New innovations encouraged <input type="checkbox"/> Evidence base generated.
Theme(s)	<input type="checkbox"/> Urban adaptation <input type="checkbox"/> Food security <input type="checkbox"/> Social innovation <input type="checkbox"/> Nature-based solutions <input type="checkbox"/> Inclusion of youth <input type="checkbox"/> Advancement of gender equality (women and girls' empowerment) <input type="checkbox"/> Focus on communities <input type="checkbox"/> Enhancement of cultural heritage <input type="checkbox"/> Water resources management <input type="checkbox"/> Disaster risk reduction
Applicant Entity Contact:	UN-Habitat raf.tuts@un.org
Team & Project video received	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Project ID:	SGA/Innovation/001
Requested Amount (US Dollars):	250,000
Lead Reviewer and contact person: Co-reviewer:	Shipra Narang Suri Pontus Westerberg

1st Level Screening		
Criteria	Questions	Comment
Initial Screening	Is the proposal originating from a non-accredited entity?	
	Is this the only proposal per entity?	
	Does the proposal follow the official template, content and language guidance?	
	Is the requested amount within the stipulated maximum grant size, and project duration?	
	Is the proposal targeting an activity focused on climate change adaptation?	
Screening Contact		
Date		

Full Review		
Review Criteria	Questions	Comments
Applicant Eligibility	1. Is the proposal targeting an activity in a country party to the Kyoto Protocol?	
	2. Is the applicant located in a developing country particularly vulnerable to the adverse effects of climate change?	
	3. Is the entity registered?	
	4. Is the entity a non-accredited entity to the AF;	

	<p>1. Does the proposed project / innovation support the country or vulnerable groups in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?</p>	
<p>Proposal Eligibility Check</p>	<p>2. Does the proposed project / innovation provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	
	<p>3. Is the proposed project / innovation cost effective / low cost?</p>	
	<p>4. Is the proposed project / innovation consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?</p>	
	<p>5. Does the proposed project / innovation meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund??</p>	
	<p>6. Is there duplication of the proposed project / innovation?</p>	

	7. Does the proposal have a learning and knowledge management component to capture and feedback lessons, especially focused on replication / scale-up of the innovation?	
	8. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	
	9. Is the requested financing justified on the basis of full cost of adaptation reasoning?	
	10. Is the proposed innovation aligned with AF's results framework?	
	11. Has the sustainability of the proposed innovation been taken into account, especially with regard to replication / scale-up potential?	
	12. Have potential environmental and social risks and impacts of the proposed innovation been identified and if needed, avoided / mitigated, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	
Proposal results / innovation eligibility	<p>1. Does the Project foster innovation in one or more of the broad types of innovation:</p> <p><input type="checkbox"/> New processes, including new mechanisms to deliver products and services (e.g. New technologies and</p>	

communication tools to translate weather and climate information for local use; new technology, standards and practices that are resilient to climate change and climate-related disasters, including for the themes mentioned below, etc.)

New products (e.g. Rapid participatory testing of new products and practices for new climates; New community-based approaches to deliver safety nets and micro-insurance for managing climate risk; New means to equip urban planners with knowledge and tools to adopt standards of climate-resilient assets and ecosystems; New products and practices that support innovation in below themes, etc.)

New technologies (e.g. New processes that enable rapid exchange of adaptation knowledge among women, vulnerable groups, indigenous groups; New types of incentives to spur adoption of practices that better manage the risks from new climates; New approaches, including those that draw from multiple sources of knowledge (scientists, practitioners) to identify and target communities and households vulnerable to climate risks; New types of partnerships to share and act upon land, water and soil management knowledge; New types of partnerships to help stakeholders access markets, products and services for climate-risk

	<p>management; Novel micro-finance schemes geared toward managing climate risks or improving the value chain, etc.)</p>	
	<p>1. Does the Project foster innovation in one or more of the four key results areas:</p> <p><input type="checkbox"/> Innovations rolled out. Innovative adaptation processes, products and technologies that demonstrate (potential) success in one country / area spread to new countries / areas</p> <p><input type="checkbox"/> Viable innovations scaled up. Innovative adaptation processes, products and technologies demonstrate viability at a small scale piloted at larger scales</p> <p><input type="checkbox"/> New innovations encouraged and accelerated. Encourage and accelerate development of innovative adaptation processes, products and technologies</p> <p><input type="checkbox"/> Evidence base generated. Generated evidence of effective, efficient adaptation processes, products and technologies as a basis for implementing entities and other funds to assess scaling up Delivery model.</p>	
	<p>2. Does the proposed project / innovation focus on one or more of the following themes?</p> <p><input type="checkbox"/> Urban adaptation</p> <p><input type="checkbox"/> Food security</p>	

	<input type="checkbox"/> Social innovation <input type="checkbox"/> Nature-based solutions <input type="checkbox"/> Inclusion of youth <input type="checkbox"/> Advancement of gender equality (women and girls' empowerment) <input type="checkbox"/> Focus on communities <input type="checkbox"/> Enhancement of cultural heritage <input type="checkbox"/> Water resources management <input type="checkbox"/> Disaster risk reduction	
Implementation Arrangements	1. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	
	2. Are there measures for financial and project/programme risk management?	
	3. Is a preliminary plan included for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	
	4.	
	5. Is a detailed budget included?	
	6. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	
	7. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	
	8. Is a disbursement schedule with time-bound milestones included?	

Financial check	1. Is the requested funding within the USD 250.000 cap	
	2. Does the applicant show capacity to implement the requested grant amount, is a financial statement attached	
	3. Is an explanation and a breakdown of the management and execution costs included? What is the percentage of each?	

Technical Summary	This is an excellent proposals which meets all requirements, and which is suitable for encouraging innovation on a large scale.	
Recommendation to the Advisory Board	The Adaptation Fund Board shall consider awarding this contract to UN-Habitat.	
Date:	17 September 2018	