



ADAPTATION FUND

AFB/PPRC.23-24/2
19 November 2018

Adaptation Fund Board
Project and Programme Review Committee

TECHNICAL ASSISTANCE GRANT PROPOSAL (ENVIRONMENTAL AND SOCIAL POLICY AND GENDER POLICY) FOR BHUTAN

Background

1. At its twenty-second meeting, the Adaptation Fund Board Secretariat (the secretariat) had prepared document AFB/B.22/6 which outlined the possible elements and options for a phased programme to support readiness for direct access to climate finance for National and Regional Implementing Entities and presented a framework and budget for a first phase of the Programme. Following a discussion of the document, the Board decided to:

(a) *Approve Phase I of the Readiness Programme as detailed in document AFB/B.22/6, on the basis that it would follow performance-based funding principles;*

(b) *Take note of the options provided by the secretariat on a programme to support readiness for direct access to climate finance for national and regional implementing entities;*

(c) *Request the secretariat to submit to the Board intersessionally between the twenty-second and twenty-third meetings, execution arrangements, criteria/eligibility criteria to allocate the funds to the accredited implementing entities for specific activities, as well as a timeline of activities, with a view to start implementing the programme before the twenty-third Board meeting; and*

(d) *Approve an increase in the Administrative Budget of the Board, secretariat and trustee for FY2014 of US\$ 467,000 for the programme described in AFB/B.22/6, and authorize the trustee to transfer such amount to the secretariat and request the trustee to set aside the balance amount of US\$ 503,000 from the Adaptation Fund Trust Fund resources for subsequent commitment and transfer at the instruction of the Board.*

(Decision B.22/24)

2. At the tenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 10), the Parties recognized the Readiness Programme of the Adaptation Fund and decided to:

Invite further support for the readiness programme of the Adaptation Fund Board for direct access to climate finance in accordance with decision 2/CMP.10, paragraph 5;

Decision 1/CMP.10

and also decided to:

Request the Adaptation Fund Board to consider, under its readiness programme, the following options for enhancing the access modalities of the Adaptation Fund:

(a) *Targeted institutional strengthening strategies to assist developing countries, in particular the least developed countries, to accredit more national or regional implementing entities to the Adaptation Fund;*

(b) *Ensuring that accredited national implementing entities have increased and facilitated access to the Adaptation Fund, including for small-sized projects and programmes;*

Decision 2/CMP.10

3. Upon completion of Phase I of the Readiness Programme, the secretariat had prepared document AFB/B.25/5 which outlined the progress made in Phase I and proposed Phase II of the Readiness Programme, taking into account the results from Phase I of the programme and integrating decision 2/CMP10. Following a discussion of the document, the Board decided to:

Approve Phase II of the Readiness Programme, as outlined in document AFB/B.25/5, with a total funding of US\$ 965,000, including funding of US\$ 565,000 to be transferred to the secretariat's budget and funding of US\$ 400,000 to be set aside for small grants to National Implementing Entities from resources of the Adaptation Fund trust fund.

(Decision B.25/27)

4. At its twenty-seventh meeting, the Board decided to integrate the Readiness Programme into the Adaptation Fund (the Fund) work plan and budget and set aside funding for small grants to be directly transferred from the resources of the Adaptation Fund Trust Fund. At this meeting, the Board decided to:

a) Take note of the progress report for phase II of the Readiness Programme;

b) Integrate the Readiness Programme into the Adaptation Fund work plan and budget; and

c) Approve the proposal for the Readiness Programme for the fiscal year 2017 (FY17), comprising its work programme for FY17 with the funding of US\$ 616,500 to be transferred to the secretariat budget and US\$ 590,000 for direct transfers from the resources of the Adaptation Fund Trust Fund for allocation as small grants.

(Decision B.27/38)

5. At its twenty-third meeting, the Board had decided through decision B.23/26 to approve "the execution arrangements, criteria/eligibility criteria to allocate the funds to the accredited implementing entities for specific activities", contained in document AFB/B.23/5, which included grants for technical assistance and South-South (S-S) cooperation. Annex I to document AFB/B.23/5 presented an application form through which implementing entities could submit proposals for technical assistance grants.

6. Based on the Board Decision B.23/26, the first call for readiness project proposals was issued in May 2014 and eligible entities were given the opportunity to submit applications for a readiness grant.

7. It is worth noting that at its twenty-seventh meeting, the Board approved the Gender Policy (GP) of the Fund and consequently, the application template for technical assistance grants was revised to align with requirements of both the Fund's Environmental and Social Policy (ESP) and the GP.

8. According to Board Decision B.28/30, a readiness project proposal can be submitted for consideration by the Project and Programme Review Committee (PPRC) and decision by the Board at the regular meetings of the Board and can also be submitted for review during an intersessional period of less than 24 weeks between two consecutive Board meetings.

9. Following Decision B.31/28 by the Board to approve the secretariat work schedule and work plan for fiscal year 2019 as contained in document AFB/EFC.22/7, the secretariat launched a call for project proposals intersessionally between the thirty-first and thirty-second Board meetings and eligible accredited national implementing entities (NIEs) were given the opportunity to submit applications for a Technical Assistance Grant for the Environmental and Social Policy and Gender Policy (TA-ESGP).

10. All accredited NIEs that had not previously received a technical assistance grant were eligible to receive a TA-ESGP based on the relevance of the capacity and needs assessment as outlined in document AFB/B.23/5, and up to a maximum of US\$ 25,000 per NIE as outlined in document AFB/B.27/7. The NIEs would be expected to build capacity on environmental and social safeguards and gender related issues simultaneously and had to submit satisfactory grant proposals that met all the following criteria as at the time of the 23-24 intersessional review cycle:

- Have been accredited by the Board,
- Have submitted a request document/grant proposal to the secretariat within the given deadline and with a clear description of the areas of support needed and budget for the requested support.

11. It is expected that the technical assistance grants will enable NIEs to source external expertise through short-term consultancies for more targeted technical assistance where such a need is identified to improve their capacity for assessment and management of environmental, social and gender related issues and subsequent compliance with the Fund's ESP and GP. This may include developing or strengthening a particular function relevant to the environmental and social, and gender policies such as an integrated environmental and social management system that addresses gender issues, a risk management system that is gender responsive, or familiarization with the principles of the ESP and/or GP.

12. The following readiness project proposal was submitted by an accredited NIE eligible to receive the TA-ESGP, i.e. the Bhutan Trust Fund for Environment Conservation (BTFEC).

13. The present document introduces the TA-ESGP project proposal submitted by BTFEC. It includes a request for funding of US\$ 25,000 outlining the activities to be undertaken by BTFEC to build its capacity for assessment and management of environmental, social and gender related issues and compliance with the Fund's ESP and GP.

14. The secretariat carried out a technical review of the project proposal and completed a review sheet.

15. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with BTFEC, and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.

16. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25.15, the proposal is submitted with changes between the initial submission and the revised version highlighted.

Project Summary

Project – Application for a grant to Project to source technical assistance for assessment and management of environmental, social and gender related issues and for compliance with the Fund’s Environmental and Social Policy and Gender Policy in Bhutan

Implementing Entity: Bhutan Trust Fund for Environment Conservation (BT FEC)

Project Execution Cost: 0

Total Project Cost: USD 25,000

Implementing Fee: USD 0

Financing Requested: USD 25,000

Project Background:

The Bhutan Trust Fund for Environment Conservation (BT FEC), as an accredited NIE of the Fund, proposes to commission the services of a consulting firm to develop a dashboard for social and environmental safeguards and gender related risk mitigation. Proposed activities include: Development of procedures/manuals/guidelines for screening projects for environmental and social risks as well as gender-related risks; Development of procedures manual/guidelines for undertaking project environmental and social risk assessment, gender assessment, and for formulating risk management plans that are gender responsive; and the training of staff to carry out the relevant tasks related to the implementation of the Fund’s Environmental and Social Policy and the Gender Policy.



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ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT PROPOSAL UNDER THE READINESS PROGRAMME

PROJECT CATEGORY: Technical Assistance Grant for the ESP and GP

Country: **Bhutan**Implementing Entity: **Bhutan Trust Fund for Environment Conservation (BT FEC)**Requested Financing from Adaptation Fund (US Dollars): **25,000**Reviewer and contact person: **Farayi Madziwa**Co-reviewer(s): **Mourad Shalaby**Implementing Entity Contact Person: **Ms. Sonam Wangmo**

Review Criteria	Questions	Comments 5 November 2018	Comments 13 November 2018
Country Eligibility	1. Is the country Party to the Kyoto Protocol?	Yes	
Eligibility of IE	1. Is the project submitted through an Implementing Entity accredited by the Board?	Yes	
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project?	Yes	

	<p>2. Are the proposed activities to support the implementing entity to implement the Environmental and Social Policy and/or the Gender Policy of the Fund adequate?</p>	<p>Unclear. CR1: Please explain whether procedures/manuals/guidelines for screening projects against environmental, social and gender risks already exist and how the proposed dashboard is linked to these?</p> <p>CR2: Please explain if a complaint handling mechanism already exists for addressing complaints or grievances related to environmental and social risks as well as gender issues at the entity level and clarify what output is expected from the national consultant.</p> <p>CR3: Please clarify if the consultant will be an individual or firm.</p>	<p>CR1: Addressed. BTFEC already has procedures/manuals/guidelines for screening projects against environmental, social and gender risks. The proposed dashboard will dashboard to link the existing environmental, social and gender risks to project proposal screening as well as for real time risk management.</p> <p>CR2: Addressed. BTFEC plans to make improvements on the existing complaint handling mechanism.</p> <p>CR3: Addressed. The consultant will be a firm.</p>
<p>Resource Availability</p>	<p>1. Is the requested project funding within the cap for Technical Assistance Grants for the Environmental and Social Policy and Gender Policy set by the Board?</p>	<p>Yes</p>	
	<p>2. If the implementing entity has requested, is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?</p>	<p>Not applicable. No implementing entity fee was requested.</p>	

Implementation Arrangements	1. Is the timeframe for the proposed activities adequate?	Yes	
	2. Is a summary breakdown of the budget for the proposed activities included?	Yes. However, the budget for training a single staff member seems high. CR4: Please clarify why the training budget for a single staff member would be as high as US\$10,000.	CR4: Addressed.
Secretariat's Overall Comment	<p>The Bhutan Trust Fund for Environment Conservation (BT FEC) proposes to commission the services of a consultant to develop a dashboard for social and environment safeguards and gender related risk mitigation.</p> <p>The initial technical found that the proposal had not clarified whether the requested support was to address new or existing environmental, social and gender safeguards and complaint handling mechanism. The proposal had also not specified whether the consultant to be contracted would be an individual or firm and had presented a high budget for training.</p> <p>The final review finds that the revised proposal has sufficiently addressed the clarification requests made in the initial technical review.</p>		
Date:	13 November 2018		



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Request for assistance in complying with the Fund's Environmental and Social Policy and Gender Policy

Submission Date: 17 October 2018

Adaptation Fund Grant ID:

Country: Bhutan

Implementing Entity: Bhutan Trust Fund for Environmental Conservation

A. Timeframe of Activity

Expected start date of activity	01 January 2019
Completion date of activity	30 June 2019

B. Type of support requested

Describe the activities to be undertaken to support the compliance of the NIE with the Fund's Environmental and Social policy and Gender policy

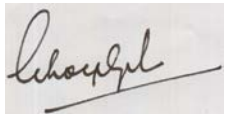
Types of Support Activities	Support requested (please provide short description)	Type/name of provider for the requested support ¹	Requested budget (USD)
Development of procedures/manuals/guidelines for screening projects for environmental and social risks as well as gender-related risks	Development of Dashboard for Social and Environment Safeguard and gender related risk mitigation. <u>BTFEC already have procedures/manuals/guidelines for screening projects against environmental, social and gender risks.</u> <u>The proposed fund is to hire a consultant firm to develop a</u>	<u>Hiring of Consulting firm for Dashboard development</u>	10,000

¹ Specify if it is an institution, consulting firm or individual consultant. When possible, provide the name of the institution, firm or individual identified or selected.

	<u>dashboard to link the existing environmental, social and gender risk to project proposal screening, as well as for real time risk management. The dashboard will provide guidance in project formulation, and will also have indicators to monitor environmental, social and gender risks.</u>		
Development of transparent, accessible, fair and effective mechanisms for receiving and addressing complaints about environmental or social harms and complaints related to gender inequalities and other adverse gender impacts caused by projects/programmes during implementation	<u>Hiring of -Consultant for compliant redressal BTFEC have a general complaint handling mechanism to address issues related to environmental and social risks as well as gender issues. The consultant is expected to make improvements on the existing complaint handling mechanisms based on the international best practices.</u>	<u>National Consulting Firm</u>	5,000
Training of select entity staff to carry out the relevant tasks related to the implementation of the Fund’s Environmental and Social Policy and the Gender Policy	<u>Train at least one staff in ESP&GP The proposed budget was based on past experience however, the exact training budget will be determined by the firm offering the training. In the event, the training cost is less than the proposed budget, BTFEC can then increase the number of participants based on the budget availability.</u>		10,000
Other type of support requested (please describe)			
Total Grant Requested (USD)			25,000

C. Implementing Entity

This request has been prepared in accordance with the Adaptation Fund Board's procedures

Head of Implementing Entity	Signature	Date (Month, day, year)	Implementing Entity Contact Person	Telephone	Email Address
Dr. Pema Choephyel		17 th October 2018	Ms. Sonam Wangmo	+00975-(02) 339861	sonam@bhantrustfund.bt

D. Record of endorsement on behalf of the government

Provide the name and position of the government official, Designated Authority (DA) of the Adaptation Fund, and indicate date of endorsement. The DA endorsement letter must be attached as an annex to the request.

<i>(Enter Name, Position, Ministry)</i>	<i>Date: (Month, day, year)</i>



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Royal Government of Bhutan
Gross National Happiness Commission



GNHC/DCD/AF/2018/

[17th October 2018]

To: The Adaptation Fund Board
c/o Adaptation Fund Board Secretariat
Email: Secretariat@Adaptation-Fund.org
Fax: 202 522 3240/5

Subject: Endorsement of request for Technical Assistance Grant

In my capacity as the designated authority for the Adaptation Fund in Bhutan, I confirm that the above request for Technical assistance will contribute to the government's national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in Bhutan.

Accordingly, I am pleased to endorse the above grant request with support from the Adaptation Fund. If approved, it will be implemented by the Bhutan Trust Fund for Environmental Conservation who is the National Implementing Entity (NIE) to the Adaptation Fund.

Sincerely,


Director
Gross National Happiness
Commission

Rinchin Wangdi
Designated Authority for AF in Bhutan and
Director, Gross National Happiness Commission