



ADAPTATION FUND

AFB/B.33-34/10  
18 June 2019

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Adaptation Fund Board

**REQUEST FOR INTRODUCTION OF OUTPUT: UNITED  
NATIONS HUMAN SETTLEMENTS PROGRAMME  
(MONGOLIA)**

## Background

1. The Adaptation Fund Board (the Board) at its thirty-first/thirty-second intersessional meeting, approved a four-year project titled “Flood Resilience in Ulaanbaatar Ger Areas – Climate Change Adaptation through community-driven small-scale protective and basic-services interventions” in Mongolia, submitted by the United Nations Human Settlements Programme (UN-Habitat) for a requested amount of US\$ 4,495,235 (decision B. 31-32/12). The overall goal of the project is to enhance the climate change resilience of the seven most vulnerable Ger khoroo settlements focusing on flooding in Ulaanbaatar City by: i) Improving the knowledge on flood hazard and risk exposure and vulnerability for these areas; ii) Improving the resilience and adaptive capacity of the Ger settlements through a Community-Based gender-responsive approach (i.e. building social cohesion per Khoroo); iii) Increasing resilience Ger area physical infrastructure and services, supported by enhanced capacities of responsible district level and khoroo authorities; and iv) Strengthened institutional capacity to reduce risks and capture and replicate lessons and good practices.

2. As mandated by the decision, an agreement was prepared and signed between the Board and UN-Habitat.

3. The first tranche of disbursement for the implementation of the project was released following signature of the agreement in September 2018. As of May 2019, a total amount of US\$ 985,661 had been disbursed to the project by the trustee, corresponding to 22% of the project funding.

4. The project started its implementation on 28 February 2019. On 29 May 2019 the Secretariat had received two requests from UN-Habitat, for the introduction of one output and budget revision, which does not constitute a material change (as per Board Decision B.29/31), nor alters the project management fees (Annex I). UN-Habitat had also provided a letter of endorsement of such changes, signed by the Designated Authority of Mongolia. As mandated by the Adaptation Fund Board Decision B.29/32, for changes in project outputs, including introductions, modifications and deletions, the implementing entities should: (i) obtain prior approval from the Board; (ii) communicate such changes to the secretariat; and (iii) submit a letter from the designated authority endorsing such changes to the secretariat, in order to obtain such approval; UN-Habitat had submitted such request through the secretariat on 29 May 2019, in compliance with the Board Decision.

## Suggested changes in output and related budget

### Change in output and related budget

5. The suggested change in output and related budget are as follows:

Project Component s	Expected Concrete Outputs	Expected Concrete Outcomes	Original Amount (US\$)	Revised Amount (US\$)
Component 1	Output 1.1 One (1) Ulaanbaatar northern Ger-Area* Territorial Land Use	Outcome 1.1	91,790	112,210

National/City Level Producing hazard and risk information / evidence for increasing resilience and developing land use plans to increase this resilience at UB City level.	<b>Plan</b> , with legal framework recommendations and a specific focus on flood risk reduction - building on 1.2 ( <i>includes the three (3) high risk target districts covering the seven (7) most vulnerable khoroos</i> )	Relevant threat, hazard information, evidence and recommendations (on land use and zoning) generated for increasing resilience at the city level		
	<b>Output 1.2. Simulation model</b> for forecasting future impacts of climate change flooding in <b>UB city &amp; Ger-areas</b> established.	(In line with AF outcome 1: reduced exposure at national level (which is also city level in Mongolia) to climate-related hazards and threats).	60,000	50,000
	<b>Output 1.3 Seven (7) Detailed Ger-khoroo level Land Use Plans</b> with specific focus on flood risk reduction and building resilience of the most vulnerable areas and people		250,000	140,000
	<b>Total</b>		<b>401,790</b>	<b>302,210</b>
<b>Component 2</b>  Khoroo/Community level Participative planning and capacity development for flood resilience in Ger-areas at the district / khoroo and community level (including activities to operate and maintain - and mitigate any potential risks related to - the interventions	<b>Output 2.1 Seven (7) Khoroo-level floods resilience action plans</b> to implement the interventions identified under component 3; A series of District, Khoroo and community level consultations / workshops (50 percent women where possible) introducing the People's Process and Community Based Disaster Risk Reduction approach, focused on building social cohesion and consensus on community level implementation of interventions under component 3.	<b>Outcome 2.1.</b>  Target community members are aware of resilience building and climate risk reduction processes and have ownership over proposed interventions at the District, Khoroo and community level	195,390	66,110
	<b>Output 2.2 Khoroo community level interventions operation &amp; maintenance* and awareness</b> campaigns and trainings (50 percent women where possible) to support the sustainable implementation of interventions under component 3.	(In line with AF outcome 3: strengthened awareness and ownership of adaptation and climate risk reduction	212,956	180,235

under component 3).	An Estimated 20.nos. of trainings	processes at local level).		
	<b>Output 2.3</b> <b>Technical studies – Engineering and hydrological</b> - required to implement the interventions under component 3.		50.000	50,000
	<b>Total</b>		<b>458,346</b>	<b>296,345</b>
<b>Component 3</b>  Enhance resilience of community level flood protection assets	<b>Output 3.1.</b> <b>Physical assets developed in response to climate change related flood impacts</b> as prioritized by Khoroo communities the core concrete interventions are flood protection and drainage infrastructure and resilient sanitation to reduce floods impacts – implemented through community contracting.	<b>Outcome 3.1</b>  Increased adaptive capacity within prioritized community assets (In line with AF outcome 4: increased adaptive capacity within relevant development and natural resource sectors).	2,225,904	2,225,904
	<b>Output 3.2</b> <b>Management &amp; operations; design &amp; supervision of assets / physical infrastructure</b> to comply with national and local regulations and processes – procured as consulting services		418,780	399,951
	<b>Total</b>		<b>2,644,684</b>	<b>2,625,855</b>
<b>Component 4</b>  Awareness raising, knowledge management and communication	<b>Output 4.1.</b> <b>Lessons learned and best practices regarding flood-resilient urban community development are generated, captured and distributed to other Districts and khoroo communities</b> , civil society, and policy-makers in government appropriate mechanisms.	<b>Outcome 4.1.</b>  Institutional capacity strengthened to develop and replicate this approach  (In line with AF outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced	244,682	202,044
	<b>Output 4.2</b> <b>Workshops and trainings</b> will be organised targeting city- and district government officials (50 percent women where possible) with a focus on replication of			

	processes, land use plans and interventions and to discuss how lessons can be integrated into existing strategies and plans.	socioeconomic and environmental losses).		
	<b>Output 4.3</b> Technical Support and Coordination: Bringing Global Knowledge on best practices to in country Implementing Partners and communities, customized widely used appropriate tools on adaptation building local capacity			323,047
	Total		<b>244,682</b>	<b>525,091</b>
5. Total components			3,749,501	3,749,501
6. Project/Programme Execution cost			393,593	393,593
7. Total Project/Programme Cost			4,143,094	4,143,094
8. Project/Programme Cycle Management Fee charged by the Implementing Entity			352,141	352,141
<b>Amount of Financing Requested</b>			4,495,235	4,495,235
<b>Total cumulative change</b>				8,3%

6. The addition of a new output 4.3 “Technical Support and Coordination: Bringing Global Knowledge on best practices to in country Implementing Partners and communities, customized widely used appropriate tools on adaptation building local capacity”, was due to the fact that during the inception workshop and during consultations with the government partners, it was observed that there is a greater need to implement a comprehensive knowledge management strategy aiming multi-level stakeholders bringing international expertise under different components in a more integrated manner.

7. The introduction of a new output implied an adjustment of budget at output level. This amounts to 8,3% of the total budget for the project (excluding the project fees), therefore, does not trigger a material change nor does alter the project management costs. The table above shows the proposed output budget reallocation, as well as the extent of the change, compared to the project total budget (see Annex II for budget notes).

### **Secretariat’s review of the request**

8. Following a review of the request, the secretariat finds that given the explanation provided by UN-Habitat, following the Project Working Group recommendations, the request can be recommended for approval. It is also noted, that the proposed budget revision at output level does not constitute a material change, it does not alter the project management costs, nor the

set project's targets. It is also noted that, the added output's budget is derived from other soft outputs, thus not affecting the overall concreteness of the project.

9. Finally, the secretariat acknowledges that this request has been agreed with the Executing Entity and the Designated Authority has been notified, in accordance with the Adaptation Fund Policy for Project Implementation, as specified in Annex III.

### **Recommendation**

1. Therefore, the Board may consider and decide to approve the introduction of a new output for the project "Flood Resilience in Ulaanbaatar Ger Areas – Climate Change Adaptation through community-driven small-scale protective and basic-services interventions" in Mongolia, as requested by UN-Habitat.

### **Annexes**

1. Revised budget at output level in comparison to the original one;
2. Budget notes and clarifications for proposed changes;
3. Three-year project work plan and budget.

## Annex I: Revised budget at output level in comparison to the original one

### Flood Resilience in Ulaanbaatar Ger Areas

#### Climate Change Adaptation

#### through community-driven small-scale protective and basic-services interventions

#### Project work plan and budget

**Table 1: Project components, outputs, outcomes and financing (as in the proposal)** **Table 2:** Project components and financing. To be finalised after PWG group meeting planned for April 2019. UN-Habitat will request the AF to approve changes in the budget.

Project Components	Expected Concrete Outputs	Expected Concrete Outcomes	Original Amount (US\$)	Revised Amount (US\$)
<b>Component 1</b>  National/City Level Producing hazard and risk information / evidence for increasing resilience and developing land use plans to increase this resilience at UB City level.	<b>Output 1.1</b> <b>One (1) Ulaanbaatar northern Ger-Area* Territorial Land Use Plan</b> , with legal framework recommendations and a specific focus on flood risk reduction - building on 1.2 <sup>1</sup> <i>*(includes the three (3) high risk target districts covering the seven (7) most vulnerable khoros)</i>	<b>Outcome 1.1</b>  Relevant threat, hazard information, evidence and recommendations (on land use and zoning) generated for increasing resilience at the city level	91,790	112,210
	<b>Output 1.2.</b> <b>Simulation model</b> for forecasting future impacts of climate change flooding in <b>UB city &amp; Ger-areas</b> established. <sup>2</sup>	(In line with AF outcome 1: reduced exposure at national level (which is also city level in Mongolia) to climate-related hazards and threats).	60,000	50,000
	<b>Output 1.3</b> <b>Seven (7) Detailed Ger-khoroo level Land Use Plans</b> with specific focus on flood risk reduction and building resilience of the most vulnerable areas and people <sup>3</sup>		250,000	140,000
	<b>Total</b>		<b>401,790</b>	<b>302,210</b>

<sup>1</sup> In line with National priority: Nationally Determined Contribution: Relevant adaptation needs: to conduct disaster risk assessments at local and sub-national levels. Also in line with national priority: Green development policy 2014-2030: 6) Develop and implement a population settlement plan in accordance with climate change, while considering the availability of natural resources and the resilience of regions. Also in line with Ulaanbaatar municipality Flood Risk Assessment and Flood Risk Management Strategy (FRMS) of Ulaanbaatar City.

<sup>2</sup> In line with National priority: National Action Programme on Climate Change: 4) Enhance the national climate observation, research and monitoring network and strengthen employees' capacity

<sup>3</sup> In line with National priority: Green development policy 2014-2030: 6.2. Reduction of air, water and soil pollution by implementing improved plan for urban land use, construction zoning and infrastructure and creating appropriate legal framework on accountability

<b>Component 2</b>  Khoroo/Comm unity level Participative planning and capacity development for flood resilience in Ger-areas at the district / khoroo and community level (including activities to operate and maintain - and mitigate any potential risks related to - the interventions under component 3).	<b>Output 2.1</b> <b>Seven (7) Khoroo-level floods resilience action plans</b> to implement the interventions identified under component 3; A series of District, Khoroo and community level consultations / workshops (50 percent women where possible) introducing the People's Process and Community Based Disaster Risk Reduction approach, focused on building social cohesion and consensus on community level implementation of interventions under component 3. <sup>4</sup>	<b>Outcome 2.1.</b>  Target community members are aware of resilience building and climate risk reduction processes and have ownership over proposed interventions at the District, Khoroo and community level  (In line with AF outcome 3: strengthened awareness and ownership of adaptation and climate risk reduction processes at local level).	195,390	66,110	
	<b>Output 2.2</b> <b>Khoroo community level interventions operation &amp; maintenance* and awareness</b> campaigns and trainings (50 percent women where possible) to support the sustainable implementation of interventions under component 3. An Estimated 20.nos. of trainings <i>*(Awareness will also cover potential risks mitigation)</i>		212,956	180,235	
	<b>Output 2.3</b> <b>Technical studies – Engineering and hydrological</b> - required to implement the interventions under component 3.		50,000	50,000	
	<b>Total</b>			<b>458,346</b>	<b>296,345</b>
	<b>Component 3</b>  Enhance resilience of community level flood protection assets	<b>Output 3.1.</b> <b>Physical assets developed in response to climate change related flood impacts</b> as prioritized by Khoroo communities the core concrete interventions are flood protection and drainage infrastructure <sup>5</sup> and resilient sanitation <sup>6</sup> to reduce floods impacts – implemented through community contracting.  For details see next sections	<b>Outcome 3.1</b>  Increased adaptive capacity within prioritized community assets (In line with AF outcome 4: increased adaptive capacity within relevant development and	2,225,904	2,225,904

<sup>4</sup> In line with National priority: National Action Programme on Climate Change: 5) Conduct public awareness campaigns and support citizen and community participation in actions against climate change

<sup>5</sup> In line with Ulaanbaatar municipality priority: Ulaanbaatar 2020 master plan and development approach for 2030: Storm water and flood management: Engineering flood protection measures will include managing infrequent spring floods, draining rainwater from roads and squares, securing groundwater, strengthening channels and reducing land degradation.

<sup>6</sup> In line with National priority: Green development policy 2014-2030: 2.9. Increase the capacity and productivity of water supply and sewerage facility, provide at least the 90percent of the population with drinking that meets hygiene standards, and provide access to improved sanitation to at least the 60 percent of the population.



	<b>Output 3.2</b> <b>Management &amp; operations; design &amp; supervision of assets / physical infrastructure</b> to comply with national and local regulations and processes – procured as consulting services	natural resource sectors).	418,780	399,951
	<b>Total</b>		<b>2,644,684</b>	<b>2,625,855</b>
Component 4	<b>Output 4.1.</b> <b>Lessons learned and best practices regarding flood-resilient urban community development are generated, captured and distributed to other Districts and khoroo communities</b> , civil society, and policy-makers in government appropriate mechanisms.	Outcome 4.1.	244,682	202,044
Awareness raising, knowledge management and communication	<b>Output 4.2</b> <b>Workshops and trainings</b> will be organised targeting city- and district government officials (50 percent women where possible) with a focus on replication of processes, land use plans and interventions and to discuss how lessons can be integrated into existing strategies and plans. <sup>7</sup>	Institutional capacity strengthened to develop and replicate this approach  (In line with AF outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses).		
	<b>Output 4.3</b> Technical Support and Coordination: Bringing Global Knowledge on best practices to in country Implementing Partners and communities, customized widely used appropriate tools on adaptation building local capacity			323,047
	<b>Total</b>		<b>244,682</b>	<b>525,091</b>
5. Total components			3,749,501	3,749,501
6. Project/Programme Execution cost			393,593	393,593
7. Total Project/Programme Cost			4,143,094	4,143,094
8. Project/Programme Cycle Management Fee charged by the Implementing Entity			352,141	352,141
<b>Amount of Financing Requested</b>			<b>4,495,235</b>	<b>4,495,235</b>

<sup>7</sup> In line with national priority: National Action Programme on Climate Change: 1) Set the legal environment, structure, institutional and management frameworks for addressing on climate change.



[illegible]

[illegible]

[illegible]

[illegible]

Fig.2: budget.

Components		ORIGINAL	REVISED	Year	Year	Year	No.	Rate	Year	Year	Year	Year
			PWG	1	2	3			1	2	3	T
			APPROVED	12 m	12 m	12 m			12	12	12	36
<b>Output 1.1</b>												
Main Partner: Data Collection	AOC	50,000	100,000	90,000	10,000	-						
Workshops, Consultations	IP	2,400	6,930	4,620	2,310	-		385	12	6		18
Report	IP	2,000	5,280	2,640	2,640	-		880	3	3		6
Climate Change Assessment Specialist	IP	20,218	-	-	-	-	1	6,739	2			2
Travel / Mission	IP	17,172	-	-	-	-		5,724	2			2
<b>Sub-total</b>		<b>91,790</b>	<b>112,210</b>	<b>97,260</b>	<b>14,950</b>	<b>-</b>						
<b>Output 1.2</b>												
Main Partner: Simulation Model	AOC	50,000	50,000	40,000	10,000	-						
Knowledge Management Specialist	IP	10,000	-	-	-	-	1	5,000	0	0		
<b>Sub-total</b>		<b>60,000</b>	<b>50,000</b>	<b>40,000</b>	<b>10,000</b>	<b>-</b>						
<b>Output 1.3</b>												
Main Partner: Seven Khoroo Plans	AOC	250,000	140,000	130,000	10,000	-		20,000	2	5		
<b>Sub-total</b>		<b>250,000</b>	<b>140,000</b>	<b>130,000</b>	<b>10,000</b>	<b>-</b>						
<b>TOTAL</b>		<b>401,790</b>	<b>302,210</b>	<b>267,260</b>	<b>34,950</b>	<b>-</b>						
<b>Output 2.1</b>												
Main Partner	AOC	130,000	38,500	38,500	-	-		5,500	7			
Climate Change Assessment Specialist	IP	20,218	-	-	-	-	1	6,739	2			2
Travel / Mission	IP	17,172	-	-	-	-		5,724	2			2
Report	IP	10,000	8,800	2,640	6,160	-		880	3	7		10
Workshops, Consultations, Action Plan	IP	18,000	18,810	8,360	10,450	-		1,045	8	10		18
<b>Sub-total</b>		<b>195,390</b>	<b>66,110</b>	<b>49,500</b>	<b>16,610</b>	<b>-</b>						
<b>Output 2.2</b>												
Community Deve and Infrs Advisor	IP	48,000	-	-	-	-	1	12,000	1	1	1	3
Travel / Mission	IP	22,896	-	-	-	-		5,724	1	1	1	3
Urban Planner	IP	23,346	25,920	8,640	8,640	8,640	1	1,440	6	6	6	18
Social Mobilizers	IP	79,974	82,296	27,432	27,432	27,432	3	1,524	6	6	6	18
Report	IP	10,000	3,961	1,320	1,320	1,320		330	4	4	4	12
Workshops, Consultations, Action Plan	IP	13,440	23,100	9,900	9,900	3,300		550	18	18	6	42
Training	IP	15,300	44,957	18,732	18,732	7,493		1,249	15	15	6	36
<b>Sub-total</b>		<b>212,956</b>	<b>180,235</b>	<b>66,025</b>	<b>66,025</b>	<b>48,185</b>						
<b>Output 2.3</b>												
Main Partner	AOC	50,000	50,000	40,000	10,000	-						
<b>Sub-total</b>		<b>50,000</b>	<b>50,000</b>	<b>40,000</b>	<b>10,000</b>	<b>-</b>						
<b>TOTAL</b>		<b>458,346</b>	<b>296,345</b>	<b>155,525</b>	<b>92,635</b>	<b>48,185</b>						

Components		ORIGINAL	REVISED	Year	Year	Year	No.	Rate	Year	Year	Year	Year
			PWG	1	2	3			1	2	3	T
			APPROVED	12 m	12 m	12 m			12	12	12	36
<b>Output 3.1</b>												
Physical Infrastructure Implementation	IP	1,455,534	1,455,534	-	891,994	563,539						
Improved Latrine construction support	Comm	749,250	749,250	58,791	455,295	235,165						
AOC processing costs	UN-H	6,120	6,120	720	3,600	1,800						
Audit	IP	15,000	15,000	5,000	5,000	5,000		5,000	1	1	1	
<b>Sub-total</b>		<b>2,225,904</b>	<b>2,225,904</b>	<b>64,511</b>	<b>1,355,889</b>	<b>805,504</b>						
<b>Output 3.2</b>												
Community Deve and Infrass Advisor	IP	72,000	-	-	-	-	1	12,000	1	1	1	3
Travel / Mission	IP	45,792	-	-	-	-		5,724	1	1	1	3
Community Consultations	IP	2,800	12,375	4,950	4,950	2,475		495	10	10	5	25
Urban Planner	IP	23,346	25,920	8,640	8,640	8,640	1	1,440	6	6	6	18
Social Mobilizers	IP	79,974	82,296	27,432	27,432	27,432	3	1,524	6	6	6	18
Social Mobilizers (part time)	IP		17,280	17,280	-	-	2	1,440	6	0	0	6
Field Engineer (Deputy Project Manager)	IP	93,384	46,800	9,360	18,720	18,720	1	1,560	6	12	12	30
Finance Supply Chain Officer	IP		39,600	7,920	15,840	15,840	1	1,320	6	12	12	30
Special Operations Manager (part time)	IP		72,000	14,400	28,800	28,800	1	2,400	6	12	12	30
Finance Officer	IP	101,484	64,800	21,600	21,600	21,600	1	1,800	12	12	12	36
Support Staff	IP		38,880	12,960	12,960	12,960	1	1,080	12	12	12	36
<b>Sub-total</b>		<b>418,780</b>	<b>399,951</b>	<b>124,542</b>	<b>138,942</b>	<b>136,467</b>						
<b>TOTAL</b>		<b>2,644,684</b>	<b>2,625,855</b>	<b>189,053</b>	<b>1,494,831</b>	<b>941,971</b>						
<b>Output 4.1 and 4.2</b>												
Climate Change Assessment Specialist	IP	20,218	-	-	-	-	1	6,739		2	1	3
Travel / Mission	IP	17,172	-	-	-	-		5,724		2	1	3
Field Monitoring, Comm & Coordination Officer	IP	46,692	47,520	15,840	15,840	15,840	1	1,320	12	12	12	36
Measurement of Means of Varification, Inception Report	IP	30,000	13,000	13,000	-	-						
District Level Consultations / Orientation	IP		6,000	6,000	-	-	1	2,000	3			
Community Consultations	IP	2,000	3,850	1,540	1,540	770		385	4	4	2	10
Project Working Group	IP	3,000	2,640	880	880	880		440	2	2	2	6
Local Working Group	IP	2,500	3,850	1,540	1,540	770		385	4	4	2	10
Seminar / Training / Workshops	IP	47,500	47,025	19,800	17,325	9,900		2,475	8	7	4	19
International Workshops & Conferences	IP	40,000	44,000	22,000	22,000	-		22,000	1	1		2
Studies Surveys, Reports	IP	14,000	12,320	3,520	5,280	3,520		880	4	6	4	14
Visibility, Web Development, Advocacy	IP	21,600	21,839	7,280	7,280	7,280		607	12	12	12	36
<b>Sub-total</b>		<b>244,682</b>	<b>202,044</b>	<b>91,400</b>	<b>71,685</b>	<b>38,960</b>						



Components		ORIGINAL	REVISED	Year	Year	Year		No.	Rate	Year	Year	Year	Year	Year
			PWG	1	2	3				1	2	3	4	T
			APPROVED	12 m	12 m	12 m				0	12	12	12	36
Output 4.3														
Community Deve Advisor (Coordinator)	IP	-	111,375	37,125	37,125	37,125		1	12,375		3	3	3	9
Travel / Mission	IP	-	71,895	29,977	20,624	21,295					6	4	4	14
Climate Change Assessment Specialist	IP	-	67,723	20,460	22,506	24,757		1	6,820		3	3	3	9
Travel / Mission	IP	-	62,054	20,143	20,676	21,235					4	4	4	12
Knowledge Management Specialist	IP	-	10,000	5,000	5,000	-		1	5,000		1	1		
Sub-total		-	323,047	112,705	105,931	104,411								
TOTAL		244,682	525,091	204,105	177,615	143,371								
PROJECT EXECUTION COST														
UN-Habitat Project Manager	UN-H	17,000	17,000	8,500	4,250	4,250		1	4,250		2	1	1	
National Staff		-												
UN-Habitat Deputy Project Manager	UNH	167,220	120,915	34,821	40,044	46,051		1	-		12	12	12	36
Operations Officer	UNH	-	77,760	25,920	25,920	25,920		1	2,160		12	12	12	36
Drivers	UNH	59,184	38,087	10,968	12,613	14,505		1	-		12	12	12	36
Travel Related to Execution		-												
Travel / Mission	UN-H	12,000	22,400	11,200	5,600	5,600		1	2,800		4	2	2	8
Operations		-												
Procurement	UNH		6,000	6,000	-	-		1	6,000		1	0	0	1
Vehicle Operations & Maintenance	UN-H	36,000	28,800	9,600	9,600	9,600			800		12	12	12	36
Communication	UN-H	3,600	3,600	1,200	1,200	1,200			100		12	12	12	36
Office Rent	UN-H	50,400	36,000	12,000	12,000	12,000			1,000		12	12	12	36
Office Operations	UN-H	12,600	9,000	3,000	3,000	3,000			250		12	12	12	36
Office Supplies and Stationery	UN-H	5,589	4,030	1,400	1,343	1,286			112		12	12	12	36
Project Evaluation	UN-H	30,000	30,000	4,000	4,000	22,000								
TOTAL		393,593	393,593	128,609	119,571	145,412								
Sub- total		4,143,093	4,143,093	944,552	1,919,602	1,278,939								
ROAP	1.16%	48,060	48,060	10,957	22,267	14,836								
Evaluation		10,000	10,000	3,000	3,200	3,800								
Sub- total		4,201,153	4,201,153	958,509	1,945,069	1,297,575								
PSC 7%	7.00%	294,081	294,081	67,096	136,155	90,830								
TOTAL		4,495,234	4,495,234	1,025,605	2,081,224	1,388,405								

Components		ORIGINAL	REVISED	Year	Year	Year		No.	Salary Base Rate	Rate	Year	Year	Year	Year
			PWG	1	2	3					1	2	3	T
	APPROVED		12 m	12 m	12 m		12				12	12	36	
Drainage system														
Khoroo 24 River training to reduce flood impacts by communities. (NOT IN PROPOSAL)		-	-	-	-	-				-				
Khroo 7 Drainage channels	7A1	293,073	177,620	-	115,453	62,167				535	0	216	116	332
		39,650	24,030	-	15,620	8,411				270	0	58	31	89
	7A2	262,177	158,895	-	103,282	55,613				535	0	193	104	297
		31,631	19,170	-	12,461	6,710				270	0	46	25	71
	7A3	385,762	233,795	-	151,967	81,828				535	0	284	153	437
	7A4	83,835	62,100	-	21,735	40,365				270	0	81	150	230
	7A5	240,570	178,200	-	62,370	115,830				270	0	231	429	660
	7A6	243,486	180,360	-	63,126	117,234				270	0	234	434	668
7A7	122,472	90,720	-	31,752	58,968				270	0	118	218	336	
Khoroo 9 Dam at source of secondary stream to lead water into main river		147,000	73,500	-	73,500	-				150		490		490
Khoroo 9 Drainage channels. (50k from row 103 added here)		419,499	209,750	-	209,750	-				197	0	1065		1,065
Bridge		10,000	5,000	-	5,000	-				5,000	0	1		
Design and Supervision required by Law (3%)		68,375	42,394	-	25,980	16,414								
Sub-total		2,347,528	1,455,534	-	891,994	563,539								
Resilient toilets														
Resilient toilets REVISED														
Khoroo 7			20,250	2,025	10,125	8,100				450	5	23	18	45
Khoroo 24			99,900	9,990	49,950	39,960				450	22	111	89	222
Khoroo 25			91,350	9,135	45,675	36,540				450	20	102	81	203
Khoroo 9			27,000	2,700	13,500	10,800				450	6	30	24	60
Khoroo 12			96,750	9,675	48,375	38,700				450	22	108	86	215
Khoroo 13			124,200	12,420	62,100	49,680				450	28	138	110	276
Khoroo 16			90,000	9,000	45,000	36,000				450	20	100	80	200
Sludge Management			150,784		150,784									
Management Cost 7%			49,016	3,846	29,786	15,385								
Sub-total			749,250	58,791	455,295	235,165					122	611	488	1,221
AOC management costs			6,120	720	3,600	1,800				360	2	10	5	17
TOTAL			755,370	59,511	458,895	236,965								

## Annex II: Budget notes and clarifications for proposed changes

### Output 1.1

**One (1) Ulaanbaatar northern Ger-Area (including the three (3) target districts) Territorial Land Use Plan and legal framework recommendations with specific focus on flood risk reduction - building on 1.2**

Original	Revised
Original	Revised
a. An agreement of cooperation (AOC) will be signed with an external partner to prepare land use plans in three target districts for which \$50,000 has been budgeted as a lump sum.	a. After consulting with the potential partners, budget is increased to \$100,000 to include data collection for Outputs 1.2 and 1.3 during this field survey of this component.
b. Consultations at the community level and workshops will be organized during the preparation of the plan and presentation of the findings. \$2,400 has been budget for this.	b. With the increase in scope of data collection (mentioned in "a") the budget is increased to \$6,930
c. \$2,000 has been budgeted for the preparation of three draft and final reports.	c. With the increase in scope of data collection (mentioned in "a") the budget is increased to \$5,280
d. Three person-months (over 18 months) of technical and supervisory support by an International Climate Change Assessment Specialist is budgeted at \$6,739 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for three missions during this period. The total budget is \$20,218 for Consultant fees for three months and \$17,172 for three missions.	d. Moved to new Output 4.3

### Output 1.2

**Simulation model for forecasting future impacts of climate change and flooding in UB city & Ger-areas established**

Original	Revised
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a. An agreement of cooperation (AOC) will be signed with an external partner to prepare a simulation model for which \$50,000 has been budgeted as a lump sum.	a. No change
b. The Knowledge Management Specialist will supervise the preparation of the model. A lump sum of \$10,000 has been provided for the inputs from the Specialist.	b. Moved to new Output 4.3
b. Technical supervisory support by Climate Change Assessment Specialist is budgeted in Output 1.1.	c. No change

**Output 1.3**

**Seven (7) Detailed Ger-khoroo level Land Use Plans with a specific focus on flood risk reduction and building resilience of the most vulnerable areas and people**

Original	Revised
a. An agreement of cooperation (AOC) will be signed with an external partner to prepare seven land use plans for which \$250,000 has been budgeted as a lump sum.	a. After consulting with the potential partners, budget is decreased to \$140,000. Data collection required for this component is included in Output 1.1.
b. Technical supervisory support by Climate Change Assessment Specialist is budgeted in Output 1.1.	b. No change

**Output 2.1**

**Seven (7) Khoroo-level floods resilience action plans to implement the interventions under component 3; a series of District, Khoroo and community level consultations / workshops introducing the People's Process and Community Based Disaster Risk Reduction approach, focused on building social cohesion and consensus on community level implementation of interventions under component 3.**

Original	Revised
a. An agreement of cooperation (AOC) will be signed with an external partner to prepare seven flood resilience action plans for which \$130,000 has been budgeted as a lump sum.	a. With inputs from the national staff and community members the cost for preparation of each community action plan could be decreased from total cost of \$130,000 to \$38,500. Instead the cost for community consultations and training in Output 2.2 has been increased to involve the community members in this exercise.
b. Consultations at the community level and workshops will	b. The unit cost for community consultation slightly

be organized during the preparation of the plan and presentation of the findings. \$18,000 has been budgeted for this.	increased which increases the budget by \$810 to \$18,810.
c. \$10,000 has been budgeted for the preparation of seven draft and final reports.	c. The unit cost for reports slightly decreased which decreased the budget by \$1,200 to \$8,800.
d. Three person-months (over 18 months) of technical and supervisory support by an International Climate Change Assessment Specialist is budgeted at \$6,739 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for three missions during this period. The total budget is \$20,218 for Consultant fees for three months and \$17,172 for three missions.	d. Moved to new Output 4.3

**Output 2.2**

**Khoroo / Community level interventions operation and maintenance (and potential risks mitigation) awareness campaigns and training to support the sustainable implementation of interventions under component 3.**

<b>Original</b>	<b>Revised</b>
a. An INGO will be contracted to manage this component for which following provisions have been made in the budget.	
- One person-month of advisor support every year (total 4 person-months over the project period) by one international Community and Infrastructure Development Advisor is budgeted at \$12,000 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for one mission per year (total four missions). The total budget is \$48,000 for Consultant fees for four months and \$22,896 for three missions.	- Moved to new Output 4.3
- Training at community level (community organizations,	- The unit cost for this activity has been increased from

local officials) is budgeted at \$15,300 for the project period. Training will be provided to all the Community Development Councils (12 to 15) in the 7 Khorroos on community organization, construction management, management of funds, monitoring, operations & maintenance and preparation of progress reports.	\$425 to \$1135 based on proposal received from potential partners.
- Community consultations and workshops to prepare community action plans to implement the physical infrastructure activities proposed in Output 3.1 is budgeted at \$13,440. Each Community Development Council (12 to 15) in 7 Khorroos will prepare an annual plan, monitor and review progress, and update their annual plan every year.	- The unit cost for this activity has been increased from \$320 to \$550 based on proposal received from potential partners.
- \$10,000 is budgeted to prepare quarterly progress reports to be submitted to the project management.	- The budget for preparation of reports is decreased to \$3,960.
b. One national Urban Planner (part-time, 18 person-months) and three national Social Mobilisers (part-time, 54 person-months) will be recruited through a LICA contract to provide field support. The monthly salary is budgeted at \$1,297 per month for Urban Planner (total \$23,346) and \$1,481 per month for each Social Mobilizer (total \$79,974).	b. After receiving proposals from the prospective partners, the per months cost of the staff has been revised. The monthly salary is budgeted at \$1,440 per month for Urban Planner (total \$25,920) and \$1,524 per month for each Social Mobilizer (total \$82,296).

**Output 2.3****Technical studies – Engineering and hydrological - required to implement the interventions under component 3.**

Original	Revised
a. An agreement of cooperation (AOC) will be signed with an external partner to prepare engineering and hydrological studies for which \$50,000 has been budgeted as a lump sum.	No change
b. Technical supervisory support by Climate Change Assessment Specialist is budgeted in Output 1.1.	No change

**Output 3.1**

**Physical assets developed or strengthened in response to climate change related flood impacts as prioritized by Khorroos.**

- **Flood retention wall and drainage infrastructure**
- **Resilient sanitation delivery**

Original	Revised
a. Following physical infrastructure construction activities are proposed in the budget:	No change
b. Upon approval of the project design by the respective government department, it is officially stipulated that 3% of the project cost is allocated for supervision and completion certification.	No change
c. Annual audit is budget at \$5,000 for which a qualified national auditor firm will be recruited.	No change
d. It is estimated that there will be 17 AOCs to be signed with UNOPS and Community Development Councils. \$360 has been budgeted as processing cost for each AOC.	Changes are shown in (ii) below. Number of unites of latrines have been slighted reduced to incorporate sludge management component for which \$150,000 has been allocated. This activity will be implemented through partner agency. This was agreed after series of deliberations with respective agencies and communities

i. Following drainage construction activities will be contracted through Partner agency:

Activity		Khoroo		Length	Budget	Location
Flood protection and drainage infrastructure	Construct a flood retention wall/ dike	9	Pkg A	490m	\$73,500	B: From #1016, Sharhad 61 to #844, Sharhad 61
	Drainage channels	9	Pkg B Bridge	1065m	\$209,750 \$ 5,000	A: From #832, Sharhad 64 to #959, Sharhad 64 and bridge
		7	Pkg A1a	332m	\$177,620	A1i: From #23, Bayankhoshuu 39 to #41, Bayankhoshuu 39
			Pkg A1b	79m	\$24,030	A1ii: From #14a, Bayankhoshuu 38 to #41, Bayankhoshuu 39
			Pkg A2a	297m	\$158,895	A2i: From #41, Bayankhoshuu 39 to #8, Bayankhoshuu 35.
			Pkg A2b	71m	\$19170	A2ii: From #1, Bayankhoshuu 35 to #8, Bayankhoshuu 35
			Pkg A3	437m	\$233795	A3: From #8, Bayankhoshuu 35 tto #17, Bayankhoshuu 29
			Pkg A4	230m	\$62,100	A4: From #8, Bayankhoshuu 29 to #17, Bayankhoshuu 29
			Pkg A5	660m	\$178,200	A5: From #17, Bayankhoshuu 29 to #45, Tsergiin angi 1
Pkg A6	668m		\$180,360	A6: From #8, Tsergiin anqi 2 to #45Tsergiin angi 2		

			Pkg A7	336m	\$90,720	A6: From #45, Tsergiin angi to #6, Namag 1
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- The total budget for this component is \$1,455,534.

ii. Following units of resilient toilets will be constructed through Community Contracting:

<b>Flood resilient latrines</b>	<b>Khoroo</b>	<b>Units</b>	<b>Revised</b>	<b>Location</b>
Construct suitable latrines (for rocky or muddy underground)	24	320	222	Households in Salhitiin zadgai and Zeeliin zadgai streets
	25	275	203	Households in Khairkhan 7 <sup>th</sup> , 8 <sup>th</sup> and 9 <sup>th</sup> streets, and Odont 24 <sup>th</sup> and 25 <sup>th</sup> streets
	7	50	45	Households in Tsergiin angi 1-4 <sup>th</sup> streets, Monlaa 2 <sup>nd</sup> street, Bayankhoshuu 29 <sup>th</sup> street, Namag 1 <sup>st</sup> street
	9	75	60	Households in Sharhad 60-62 <sup>nd</sup> and 64 <sup>th</sup> streets
	12	260	215	All households in Khangai 1-23 <sup>rd</sup> streets
	13	375	276	Households in Rashaan 9, 10, 14,15, 16 <sup>th</sup> streets, Nogoos talbai 1-5 <sup>th</sup> streets
	16	310	200	Households in Belkh 11-14 <sup>th</sup> Streets
<b>Sludge Management</b>				\$150,000 has been allocated for introducing sludge from the latrines
<b>TOTAL</b>		<b>1665</b>	<b>1221</b>	

### **Output 3.2**

**Management and operations design & supervision of assets / physical infrastructure – procured as consulting services.**

<b>Original</b>	<b>Revised</b>
<p>a. An INGO will be contracted to manage this component for which following provisions have been made in the budget.</p> <p>- One person-month of advisor support every year (total 4 person-months over the project period) by one international Community and Infrastructure Development Advisor is budget at \$12,000 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for one mission per year (total four missions). The total budget is \$48,000 for Consultant fees for four months and \$22,896 for three missions.</p>	<p>a. Moved to new Output 4.3</p>
<p>- \$2,800 is allocated for Community Consultations. Additional budget for community consultations and workshops to prepare community action plans to</p>	<p>- In order to involve the community groups more intensively and extensively the budget for this component had been increased from \$2,800 to \$12,375</p>



implement the physical infrastructure activities is included in Output 2.2.	
- Training at community level (community organizations, local officials) is included in Output 2.2.	No change
- Budget for reporting is included in Output 2.2.	No change
b. Following national staff will be recruited through LICA contracts to provide field support:	b. After receiving proposals from the prospective partners, the per months cost of the staff has been revised.
- Full time (two Field Engineer, one Finance Officer) - Two Field Engineers (72 person-months) will be recruited through LICA contracts to provide field support. The monthly salary is budgeted at \$1,297 per month (total \$93,384). - One Finance (36 person-months) will be recruited through UNDP or LICA contract to provide field support. The monthly salary is budgeted at \$2,819 per month (total \$101,484).	
- Part-time (one Urban Planner, three Social Mobilisers) - One Urban Planner (18 person-months) and three Finance Officer (54 person-months) will be recruited through LICA contracts to provide field support. The monthly salary is budgeted at \$1,297 per month for Urban Planner (total \$23,346) and \$1,481 per month for each Social Mobilizer (total \$79,974).	

**Output 4.1**

**Lessons learned and best practices regarding flood-resilient urban community development are generated, captured and distributed to other Districts and khoroo communities, civil society, and policy-makers in government appropriate mechanisms.**

**Output 4.2**

**Workshops and training are organised targeting city- and district government officials with a focus on replication of processes, land use plans and interventions and to discuss how lessons can be integrated into existing strategies and plans**

Original	Revised
a. Three person-months (over 18 months) of technical and supervisory support by an International Climate Change Assessment Specialist is budgeted at \$6,739 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for three missions during this period. The total budget is \$20,218 for Consultant fees for three months and \$17,172 for three missions.	Moved to new Output 4.3
b. One national Field Monitoring, Communication and Coordination Officer will be recruited for 36 person-months for which \$46,692 has been budgeted (\$1,297 per month).	b. After receiving proposals from the prospective partners, the per months cost of the staff has been revised.
c. A lump sum of \$30,000 is allocated for measurement of Means of Verification and preparation of Inception Report	c. Cost has been decreased to \$19,000 and 3 district level consultations (after the inception workshop) have been included
d. Project Steering Committee will be scheduled every six months, Local Steering Committee (at Khoroo level) will be scheduled every four months. Likewise, community consultations will be scheduled every four months. \$7,500 has been budgeted to cover expenses for these meetings.	d. Slightly adjusted from \$7,000 to \$10,340
e. National level seminars/workshops/consultations will be organized to discuss project experience and findings and seek professional inputs. \$47,500 has been budgeted for this.	e. Slightly adjusted from \$47,500 to \$47,025
f. A budget of \$20,000 in year 2 and 3 (total \$40,000) has been allocated to cover costs for participation in climate change related international conference/workshop by senior government officials.	f. Slightly adjusted from \$40,000 to \$44,000
g. Production of various studies, survey and reports is budget at \$14,000 for the project period.	g. Slightly adjusted from \$14,000 to \$12,320
h. Production of various project visibility and advocacy material and development of web page and maintenance is budgeted at \$21,600.	h. Slightly adjusted from \$21,600 to \$21,939

**Output 4.3 (New)**

**Bringing Global Knowledge on best practices to in country Implementing Partners and communities, customized widely used appropriate tools on adaptation building local capacity**

Original	Revised
<p><b><u>Moved from Output 1.1</u></b>  d. Three person-months (over 18 months) of technical and supervisory support by an International Climate Change Assessment Specialist is budgeted at \$6,739 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for three missions during this period. The total budget is \$20,218 for Consultant fees for three months and \$17,172 for three missions.</p>	<p>The original allocation for Climate Change Assessment Specialist was as follows:  - Fees: \$60,653 for 9 person months  - Travel: \$51,516 for 9 missions  After receiving proposals from the prospective partners, the cost has been revised.  - Fees: \$67,723 for 8 person months  - Travel: \$62,723 for 12 missions</p>
<p><b><u>Moved from Output 2.1</u></b>  d. Three person-months (over 18 months) of technical and supervisory support by an International Climate Change Assessment Specialist is budgeted at \$6,739 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for three missions during this period. The total budget is \$20,218 for Consultant fees for three months and \$17,172 for three missions.</p>	
<p><b><u>Moved from Output 4.1 &amp; 4.2</u></b>  a. Three person-months (over 18 months) of technical and supervisory support by an International Climate Change Assessment Specialist is budgeted at \$6,739 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for three missions during this period. The total budget is \$20,218 for Consultant fees for three months and \$17,172 for three missions.</p>	
<p><b><u>Moved from Output 2.2</u></b></p>	<p>The original allocation for Community and Infrastructure</p>

<p>- One person-month of advisor support every year (total 4 person-months over the project period) by one international Community and Infrastructure Development Advisor is budgeted at \$12,000 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for one mission per year (total four missions). The total budget is \$48,000 for Consultant fees for four months and \$22,896 for three missions.</p>	<p>Development Advisor was as follows:</p> <ul style="list-style-type: none"> <li>- Fees: \$120,000 for 10 person months</li> <li>- Travel: \$68,688 for 12 missions</li> </ul> <p>After receiving proposals from the prospective partners, the cost has been revised.</p> <ul style="list-style-type: none"> <li>- Fees: \$111,375 for 9 person months</li> <li>- Travel: \$71,894 for 14 missions</li> </ul>
<p><b><u>Moved from Output 3.2</u></b></p> <p>- One person-month of advisor support every year (total 4 person-months over the project period) by one international Community and Infrastructure Development Advisor is budget at \$12,000 per month. Travel and DSA (14 days for each mission) for the Consultant is budgeted at \$5,724 per mission for one mission per year (total four missions). The total budget is \$48,000 for Consultant fees for four months and \$22,896 for three missions.</p>	
<p><b><u>Moved from Output 1.2</u></b></p> <p>b. The Knowledge Management Specialist will supervise the preparation of the model. A lump sum of \$10,000 has been provided for the inputs from the Specialist.</p>	<p>No change</p>

### Project Execution Cost

Original	Revised
<p>Total budget \$393,593</p>	<p>Without increasing the total cost some adjustments have been made in individual budget lines. The total allocation is still \$393,594.</p>
<p>a. The Human Settlement Officer at the Regional Office of UN-Habitat will provide oversight support for which \$4,250 is budgeted every year with a total budget of \$17,000 for the project period.</p>	<p>a. No change</p>

b. The above Officer will visit the Project area for monitoring the activities. Four missions are scheduled for the project period for which \$12,000 is allocated.	b. This has been increased to \$22,400.
c. Following national staff are budgeted: - Deputy Program Manager for 36 person-months at \$4,645 per month with a total allocation of \$167,220. The staff member will be contracted through UNDP or LICA. - Two drivers for 72 person-months at \$822 per month with a total allocation of \$59,184.	c. By reducing the monthly rate for the Deputy Program Manager, one Operations Officer has been added.
d. Following Operations costs are budgeted: - Operation of two vehicles including fuel, maintenance, insurance, parking at \$1,000 per month. Total budget \$36,000. - Communication costs at \$100 per month. Total budget \$3,600. - Office rent at \$1,400 per month. Total budget \$50,400. - Office operations at \$350 per month. Total budget \$12,600. - Office supplies and stationery at \$155 per month. Total budget \$5,589	d. Small adjustments have been made in individual budget lines
e. \$30,000 has been budgeted for project evaluation including support from UN-Habitat HQ.	e. No change

### Project Cycle Management Fee

Original	Revised
a. Project Support Cost by the UN-Habitat Regional Office is budgeted at 1.15% of total cost.	No change
b. UN-Habitat HQ Project Support Cost is budgeted at 7% of total cost.	No change
c. \$10,000 has been budget for UN-Habitat HQ Evaluation Unit support to the project	No change

### Annex III: Endorsement Letter from the Designated Authority



**MINISTRY OF ENVIRONMENT,  
AND TOURISM**

**ENVIRONMENT AND CLIMATE FUND**

7th floor, 22 building, Amar street, 8th micro-district,  
Sukhbaatar district, Ulaanbaatar, Mongolia  
Tel: (976-11) 70000753, Fax: (976-11) 70000743  
E-mail: [contact@ncf.mn](mailto:contact@ncf.mn), <http://www.ncf.mn>

Date 2019.06.03 № 95

Letter of endorsement by government

Subject: Endorsement for Budget Revision of the Flood Resilience in Ulaanbaatar Ger areas (FRUGA) project.

In my capacity as designated authority for the Adaptation Fund in Mongolia, I'm pleased to endorse the Budget Revision prepared by the UN-Habitat. The revised budget at output-level with comparison to the original was approved by Project Working Group and written clarification on the material change is annexed for your consideration.

Thank you for your cooperation and collaboration.

Sincerely,

Dr. Batjargal Zamba,  
National Designated Authority for the AF

The Adaptation Fund Board  
c/o Adaptation Fund Board Secretariat  
Email: [Secretariat@Adaptation-Fund.org](mailto:Secretariat@Adaptation-Fund.org)  
Fax: 202 522 3240/5