MIE AGGREGATOR PROGRAMME PROPOSAL

PART I: PROGRAMME INFORMATION

Title of Programme: Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP)

Type of Implementing Entity: Multilateral Implementing Entity

Implementing Entity: United Nations Development Programme

Amount of Financing Requested: US$ 5,000,000.00

Programme Background and Context:

Provide brief information on the problem the proposed programme is aiming to solve.

The Multiple Regional Programme proposal is addressing two of the main challenges facing climate change adaptation:

- Limited innovative solutions to increase adaptive capacity of vulnerable communities Article 10, paragraph 5 of the Paris Agreement[1] emphasizes the critical role of innovation in addressing challenges presented by climate change as follows: "*Accelerating, encouraging and enabling innovation is critical for an effective, long-term global response to climate change and promoting economic growth and sustainable development.*"

- Lack of private sector participation/investment in adaptation The 2017 Joint Report on Multilateral Development Banks' Climate Finance[2] clearly shows that adaptation finance by private sector accounts for only 3.33% of the total adaptation finance comparing with 36.3% of mitigation finance by private sector. Furthermore, the total adaptation finance account for only 19.5% of total climate finance from MDB and Co-finance sources.

Programme Objectives:

List the main objectives of the programme.

The AF-UNDP Innovation Small Grant Aggregator Platform (ISGAP) aims to support the development and diffusion of innovative adaptation practices, tools, and technologies with two expected results:

- *New innovations promoted and accelerated:* Development of innovative adaptation practices, tools and technologies encouraged and accelerated and

- *Evidence base generated:* Evidence of effective and efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to enable scaling up.

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[1] UNFCCC, 2015, Paris Agreement https://unfccc.int/sites/default/files/english_paris_agreement.pdf

[2] 2017 Joint Report on Multilateral Development Banks' Climate Finance
https://publications.iadb.org/en/publication/13065/2017-joint-report-multilateral-development-banks-climate-finance

The expected overarching development outcome is innovation for effective, long-term adaptation to climate change accelerated promoted and enabled with particular emphasis on vulnerable groups and gender equity.

ISGAP is designed to meet these objective, results, and outcome through an effective and efficient backbone management architecture and network of global best practitioners to (i) competitively source and screen innovative adaptation project ideas; (ii) grant funding and administering to bring selected project ideas to fruition; (iii) provision of customized technical and business development capacity building, incubation, and acceleration support; and (iv) knowledge management and sharing and result-based monitoring and evaluation.

In parallel, AF is providing direct access to similar innovation small grants through National Implementing Entities (NIEs). Therefore, ISGAP's knowledge management and information sharing design will include joint activities and participation from NIEs that have received the Innovation Small Grants so as to ensure a degree of consistency and parity between NIE and non-NIE recipients of the small grants.

Programme Components and Financing:

Fill in the table presenting the relationships among programme components, outcomes, outputs, and the corresponding budgets.

For the case of a programme, individual components are likely to refer to specific sub-sets of stakeholders, regions and/or sectors that can be addressed through a set of interventions/projects.

| Programme Components	Expected Outcomes	Expected Outputs	Countries	Indicative Amount (US$)
1. Provision of Innovation Small Grants	Development of innovative adaptation practices, tools and technologies promoted and accelerated. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to enable scaling up.	Innovative adaptation practices, tools and technologies promoted through at least 10 small innovation grant projects Quantity and quality of key findings on effective and efficient adaptation practices, products and technologies generated through at least 10 small innovation grant projects	Multi-regional Programme	3,250,000
2. Provision of Technical and Business Development Capacity Building, Incubation, and Acceleration Support	Timely and efficient completion of business milestones demonstrated through additional investment and/or support chaptalized for scaling	Customized technical training, business development and management mentoring, partnering prepared and organized.	Multi-regional Programme	500,000
3. Knowledge Management and sharing and Result-Based Monitoring and Evaluation	Lessons learned codified, documented, and disseminated leading to adoption or replication of project introduced innovations	Annual knowledge sharing and peer learning conference arranged Annual report prepared and disseminated.	Multi-regional Programme	340,910
4. Programme Execution cost				454,545
5. Total Programme Cost				4,545,455
6. Programme Cycle Management Fee charged by the Implementing Entity (if applicable)				454,545
Amount of Financing Requested				**5,000,000**

Projected Calendar:

Indicate the dates of the following milestones for the proposed programme

Milestones	Tentative Expected Dates
Start of Programme Implementation	December 2019
Mid-term Review (if planned)	January 2022
Programme Closing	December 2023
Terminal Evaluation	March 2024

A. Describe the programme components, particularly focusing on the concrete adaptation activities, how these activities would contribute to climate resilience. Please show how the combination of individual projects would contribute to the overall increase in resilience.

In order to achieve the programme's objective of supporting the development and diffusion of innovative adaptation practices, tools, and technologies, ISGAP will be established and managed by UNDP with four main functions: (1) Sourcing, screening, and selection; (2) Grant Administration and Management; (3) Aggregated technical advisory and business development support; and (4) Knowledge coordination and result aggregation.

Figure 1: Major Functions of ISGAP
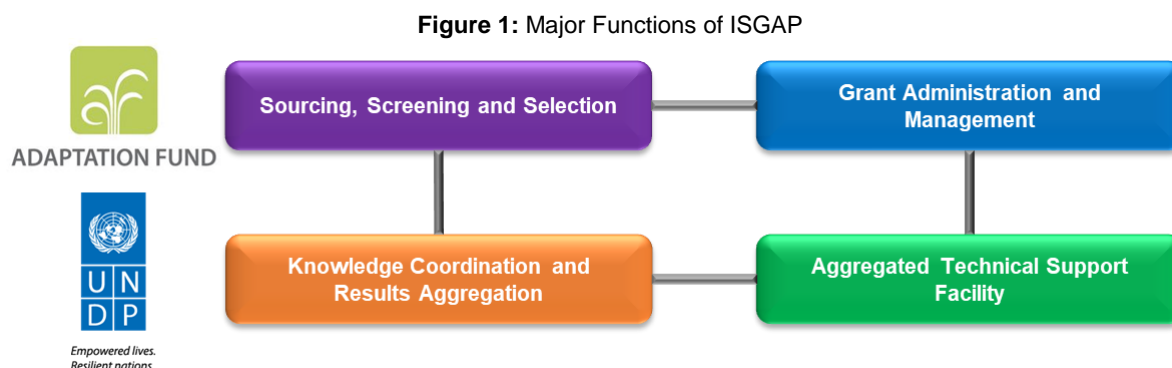
ISGAP programme is comprised of four major components:

1. **Provision of Innovation Small Grants** (USD 3,250,000) The small grant size will be grouped into three categories: (i) USD 75,000 or less; (ii) between USD 75,000 to USD 175,000; and (iii) between USD 175,000 to USD 250,000. Two global calls for proposal will be issued in 2020 and 2021. Each grantee will have up to 24 months to complete the project. Small grants proposals will be reviewed and screened according to the screening criteria that will comply with AF's Guidelines for MIE Aggregators.
2. **Provision of Technical and Business Development Capacity Building, Incubation, and Acceleration Support** (USD 500,000) ISGAP will leverage both in-house expertise as well as external expertise (on competitive basis) to efficiently deliver Technical and Business Development Capacity Building, Incubation, and Acceleration Support.
3. **Knowledge Management and sharing and Result-Based Monitoring and Evaluation** (USD 340,910) ISGAP will coordinate with AF's direct access grantees to share knowledge and lessons learned to further enhance the effectiveness and sustainability of the programme.
4. **Programme Execution and Management** (USD 454,545) This will include grant administration and management as well as results aggregation and reporting.

The small innovation grant proposals will address key adaptation criteria through proposed concrete adaptation activities that lead to stronger climate resilience and achievement of "Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies" and multiple AF's core outcome indicators[3]. The adaptation criteria include:

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[3] Outcome 1: Reduced exposure at national level to climate-related hazards and threats

Addressing climate change induced risks. The proposal should be clearly linked 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 any emerging themes, identified by the government, e.g., urban adaptation, food security, nature-based solutions (ecosystems approaches, land-based issues), water resources management, disaster risk reduction.

Addressing the adaptive capacity or resilience of a community to climate change including vulnerable and marginalized peoples: ISGAP will support projects, that increase the adaptive capacity of a community and/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. All proposed projects will be required to address gender and vulnerability aspects of the target beneficiaries such as how to enhance adaptive capacity of women and girls, indigenous peoples, youth, and peoples with disabilities who are particularly vulnerable to climate risks.

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 and innovative solutions to climate change risks.

Scale-up and replicate successful adaptation innovation results. With UNDP's global network and partners, successful adaptation innovation technologies, practices and business models from ISGAP will be scaled up or replicated through either public or private channels. Public channels include UNDP's adaptation projects supported by AF, GEF and GCF. Private channels include UNDP's partners network and potential private sector investors.

Global knowledge Centre for Climate Adaptation Innovation. UNDP, UNE will be working together with our partners (Global Resilience Partnership, Climate-KIC) to manage and maintain the knowledge generated from the ISGAP. Lessons learned will be codified, documented, and disseminated leading to improve global practice on resilience building and climate adaptation.

B. Describe how the programme would promote new and innovative solutions to climate change adaptation, such as new approaches, technologies and mechanisms.

All small innovation grant proposals will also be subject to adaptation innovation criteria including: *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/practicing to address the adaptation problem that they are facing. These innovative solutions could be not only new technologies and approaches, but also building on and/or reviving traditional knowledge of

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

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

Outcome 4: Increased adaptive capacity within relevant development and natural resource sectors

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

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

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

Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies

indigenous peoples and local communities. The proposal should also show potential for systemic and sustained improvement of such practices or approaches.

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 beneficiaries. For example, a revival of indigenous technology could be proposed to increase access to water during dry-spell resulting in reduction of multiple planting costs. It must deliver value and or impact that can be quantified. Although, it is not required that the target beneficiaries have to pay (in-kind or in-cash) for such solution, it is crucial that project proponent articulate how the project would be operationally sustainable.

Cross-scale policy and acceleration potential. It is critical that replication and scale up potential are embedded in a project design from the beginning to increase the likelihood of project replicability and scalability. Therefore, all proposed 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.).

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 and costly to develop the product and / or service and will be difficult to convince the target market that they need it. Most 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.

C. Describe how the programme would provide economic, social and environmental benefits, with particular reference to the most vulnerable communities, and vulnerable groups within communities, including gender considerations. Describe how the programme would avoid or mitigate negative impacts, in compliance with the Environmental and Social Policy of the Adaptation Fund.

ISGAP's screening criteria will include a section on value proposition and an economic / financial benefit and cost analysis to clearly and quantitatively (as much as possible) both direct and indirect costs and economic and financial, social and environmental benefits, with specific reference to the most vulnerable communities, and vulnerable groups within communities, including gender considerations. Additionally, the proposal will have to compare the benefit/cost of its innovation against the existing baseline and/or current practices to demonstrate its innovative aspects as well it cost effectiveness of the proposed innovation.

Potential environment and social impacts and their management will also be part of the screening criteria in alignment with Adaptation Fund and UNDP Environmental and Social Policy. The project proponent will provide brief environmental and social impact assessment and the corresponding management and monitoring and evaluation plan as required according to the AF and UNDP relevant policies.

The small grant proposal will 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.

D. Describe or provide an analysis of the cost-effectiveness of the proposed programme and explain how the multi-regional approach would support cost-effectiveness.

To identify and realize the best innovation ideas for adaptation without a priori knowledge of where the best ideas would come from, this programme will not put a limit on a geographical region, but will allow for global (i.e., multi-regional) competition. The selection criteria for the most suitable proposals will take into account the adaptation and innovation, sustainability, and performance based criteria as well as environmental and social policies of both AF and UNDP. Additional attention will be given to proposals that provide tangible economic, social and environmental benefits to the vulnerable groups and gender equality.

Since, UNDP has a long experience in managing multi-regional funding through the GEF SGP and many sustainable development innovation facilities, existing organization structures and expertise are already in place and ready to be deployed, which are much more cost effective than establishing from scratch a new entity and organization structure with new recruits. Furthermore, UNDP will also leverage additional support from development partners who are interested in pulling resources to achieve the same objective of supporting the development and diffusion of innovative adaptation practices, tools, and technologies. As of the submission of this proposal, Global Resilience Partnership (GRP), Climate-KIC, a few private sector companies have indicated their strong interest in collaborating with ISGAP.

E. Describe how the programme is consistent with national or sub-national sustainable development strategies, including, where appropriate, national or sub-national development plans, poverty reduction and climate change strategies, national communications, or national adaptation programs of action, or other relevant instruments, where they exist. If applicable, please refer to relevant regional plans and strategies where they exist.

Alignment with Sustainable Development Goals (SDGs), Paris Agreement and National Determined Contribution (NDC), national and sub-national sustainable development strategies/plans and/or poverty reduction strategies, national communications, or national adaptation programs of action, or other relevant instruments will form part of the selection criteria. The proposal template will required project proponents to describe how their ideas are aligned with the global, national and sub-national sustainable development strategies/plans and/or other relevant instruments. For example, the proposal might describe that the innovative water saving technology designed particularly for women/girls in agriculture sector is aligned with the National Adaptation Plan and NDC, which call for building resilience in water resources sector. The proposal is also aligned with several SDGs such as SDG 2 Zero Hunger, SDG 5 Gender Equality, SDG 6 Clean Water and Sanitation, and SDG 13 Climate Action.

F. Describe how the programme meets relevant national technical standards, where applicable, such as standards for environmental assessment, building codes, etc., and complies with the Environmental and Social Policy of the Adaptation Fund.

Alignment with national priorities and standard as well as the Environmental and Social Policy of the Adaptation Fund are required as a part of the grant proposal and selection criteria. Innovative products and/or services proposed by project proponents will have to comply with relevant national and/or international standard (in case the products/services will be internationally offered). Small grant project proposal will describe how relevant standard will

be complied with. During project implementation phase, the grantees will report on how they have complied with the standards stated in the proposals. Necessary certificate (or similar evidence) will be provided by the grantee and verified by ISGAP through M&E process in partnership with UNDP's country office.

G. Describe if there is duplication of programme with other funding sources, if any.

After a thorough review, no duplication was found with other funding sources. The Global Resilience Partnership (GRP) has reached out to UNDP to explore potential synergy in pursuing a Medium Size Project (up to US$ 2 million) with funding from the Global Environment Facility (GEF), focusing on building resilience for peace and stability in vulnerable and fragile regions. However, no decision has been made toward any concrete activity.

H. If applicable, describe the learning and knowledge management component to capture and disseminate lessons learned.

The learning and sharing mechanism proposed for ISGAP 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.

Since learning and knowledge sharing are one of the critical factors that feed into innovation as well as replication and scaling up processes, ISGAP 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 on-going initiatives with in UNDP. The Platform will rely on UNDP SGP's experience of a Global Citizens Knowledge Platform, UNDP's work on South-South Cooperation, Knowledge Fairs and other existing UNDP initiatives as an effective and efficient way to operationalize knowledge sharing and learning activities.

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 channelled via multilateral (UNDP and UNE) 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. These learning activities will be organized in coordination with UNE and direct access grantees. 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.

To broaden the knowledge base, UNDP through relevant internal units such SGP, FSH, and Youth Co:Lab 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 in coordination with UNE and direct access grantees as well as UNDP's public and private partners. Both Knowledge Platform and Knowledge Sharing Events will be open for both grantees awarded by the ISGAP, UNE, and grantees awarded by AF's direct access mechanism. A strategic communication

and dissemination program will be developed and implemented in coordination with UNE to enhance the transparency and visibility of the AF-UNDP Partnership for Innovation Small Grant Program and UNE Program among development partners and other stakeholder.

Figure 2: ISGAP Innovation Learning and Knowledge Sharing Platform
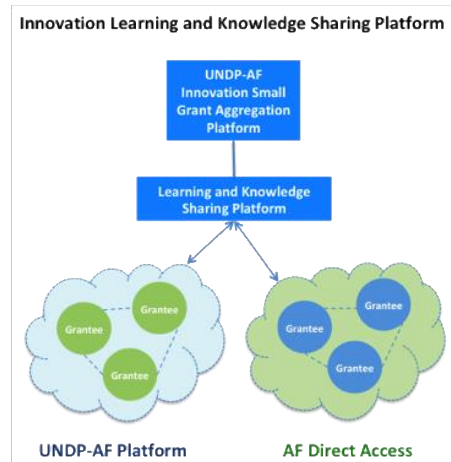
I. Describe the consultative process, including the list of stakeholders consulted, undertaken during programme preparation, with reference to vulnerable groups, including gender considerations, in compliance with the Environmental and Social Policy of the Adaptation Fund.

ISGAP has been designed with consultation with relevant UNDP internal teams and experts in various fields such as youth and gender, governance, innovation and impact investment, social development and several development partners and private sector including Global Resilience Partnership and Climate-KIC, most of whom have extensive experience working with vulnerable groups and demonstrated strong support of the ISGAP concept. Some partners have shown interest in both parallel financing as well as co-financing to further scale up and/or replicate of the selected grantees toward the end of the program.

ISGAP call for proposal will be globally assessable to all stakeholders. Potential applicants do not have any restriction on which MIE they should submit their small innovation grant applications to. ISGAP selection criteria and process will openly disclose at the global level as well as through UNDP country offices around the world and our development partners. Applications will be reviewed and screened based on their merits and how well they match with the section criteria without any prejudice by independent technical panel and global committee.

For the small grant project proposal, stakeholder consultation results will be part of the information included in the application form and screening criteria with specific reference to vulnerable groups and gender consideration. Stakeholder meeting summary and response matrix to stakeholder comments and suggestions are required and will be appended to the application forms.

J. Provide justification for funding requested.

Baseline Scenario

The current global climate finance landscape focus heavily on efforts to mitigate future temperature rise by removing greenhouse gas emissions. However, a lot less attention has been paid to risk reduction and adaptation. According to the Climate Policy Initiative, only $22 billion per year, goes to climate change adaptation comparing to the $436 billion per year for climate change mitigation.

Adaptation is a much-complicated challenge as there is no single common unit of measure such as greenhouse gas emission. There is no "one size fits all" solution; which may, in part, explain why adaptation receives less attention and funding. This is especially true for the investment in adaptation innovation. However, the very natural of non-standard solution of adaptation is a massive opportunity. Entrepreneurship in all forms, whether is non-profit, social, for profit and partnership is a great approach to find potential multi-functional solutions for adaptation challenges.

The scale of finance from private sector in the SME market space is very limited, only private equity and venture capital funds are activity in this landscape. In developing countries, this constrain is even more obvious. Therefore, entrepreneurs in developing countries face expensive debt & equity cost and many entrepreneurs choose not to receive equity funding as they don't want to lose ownership of their company. Innovative non-profit organisations and social enterprises suffer more due to their limited ability to take on equity or debt finance; further restricting their ability to grow and expand.

Climate change adaptation innovation has been identified as a new pathway to address climate change challenges by a few governments and vertical funds. Public funding is proven to be extremely crucial for incubating and accelerating innovation when entrepreneurs are still operating at pre-seed stage with limited (or no) revenue potential. Therefore, the objectives of this AF-UNDP Innovation Small Grant Aggregator Platform: 1. New innovations promoted and accelerated, 2. Evidence base generated; are essential building blocks of the global climate change adaptation work; filling in the current vacuum of pre-seed adaptation innovation funding.

Additionality

ISGAP is designed to develop and diffuse of innovative adaptation practices, tools, and technologies that will result in improved climate resilient of the target beneficiaries over the baseline or business as usual scenario. The programme is aimed to provide 10 small grants to promote innovative adaptation practices, business models and technologies; 10 small to medium size grants to accelerate innovative adaptation practices, business models and technologies with scaling potential. Technical assistance from the network of UNDP and partners will be provided to grantees to enhance the results. ISGAP is also providing grantees a pathway to scale, either through public funding projects or through potential private funding channels brokered by UNDP and partners.

In coordination with UNE and Utilizing existing networks, ISGAP also aims to share lessons learned and best practices through an open platform. Sharing best practices can help individuals/organisations in different regions of the world to better prioritize their options based on need and capacity. UNDP's vertical fund portfolio works directly with agricultural enterprises and farmer cooperatives, these businesses are perfect distribution channels for adaptation resources, since they aggregate hundreds or even thousands of farmers.

The results of the ISGAP will assist the landscape innovation for climate change adaptation with the focus on pre-seed non-profit organisations and social enterprises while sharing the experience and evidence of adaptation innovations with global communities.

K. Describe how the sustainability of the programme outcomes has been considered, when designing the programme.

All small grant proposals are required to describe clear pathway on how the proposed projects will be technically, financially, and operationally sustainable. Evidence of project equity, existing funding, and forthcoming funding will be demonstrated by the project developers. Fund raising strategy and relevant partners should also be included. Project risk assessment and management as pertaining to the project's expected outcome and its sustainability will be part of the proposal and screening criteria. Exit strategy will be designed for each grantee and a portion of the technical assistance facility will be dedicated to ensure the exit strategy of grantees are implemented.

Furthermore, the proposal should clearly define transparent and efficient procurement procedures, including competition. 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.

The project will be audited as per UNDP Financial Regulations and Rules and applicable audit policies. Audit cycle and process must be discussed during the inception workshop.

L. Provide an overview of the environmental and social impacts and risks identified as being relevant to the programme.

All grant proposals will be screened and evaluated according to AF and UNDP environmental and social impacts and gender policies as well as additional risk factors listed below at the short list stage. Additional screening will be carried out prior to signing grant agreements with the selected grantees. During projects implementation, grantees are required to provide Quarterly Progress Briefs highlighting progress of their projects as well as status of compliance with AF and UNDP environment, social, and gender policy. PMU will carry out regular monitoring of the compliance with required environmental and social management plan and risk management plan. Findings will be documented in the annual evaluation report.

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
Compliance with the Law	Risk assessment will be required as a part of small grant proposal and screening criteria. If further assessment is required, ISGAP will communicate with the applicants and request additional assessment and corresponding risk management and monitoring plan.	
Access and Equity		
Marginalized and Vulnerable Groups		
Human Rights		
Gender Equity and Women's Empowerment		

Core Labour Rights	
Indigenous Peoples	
Involuntary Resettlement	
Protection of Natural Habitats	
Conservation of Biological Diversity	
Climate Change	
Pollution Prevention and Resource Efficiency	
Public Health	
Physical and Cultural Heritage	
Lands and Soil Conservation	

PART III: IMPLEMENTATION ARRANGEMENTS

A. Describe the arrangements for programme management at the regional and national level, including coordination arrangements within countries and among them. Describe how the potential to partner with national institutions, and when possible, national implementing entities (NIEs), has been considered, and included in the management arrangements.

ISGAP is established and managed by UNDP with the support of global and regional teams and shared experience from GEF SGP, UNDP Innovation Facility, YouthCO:Lab, as well as over 150 country offices. As a Multilateral Implementing Entity (MIE), UNDP is responsible for providing a number of key oversight and specialized technical support services. These services are provided through UNDP's global network of country, regional and headquarters offices and units and include assistance in: project formulation and appraisal; determination of execution modality and local capacity assessment; briefing and de-briefing of staff and consultants; general oversight and monitoring, including participation in reviews; receipt, allocation and reporting to the donor of financial resources; thematic and technical backstopping; provision of systems, IT infrastructure, branding, and knowledge transfer; research and development; participation in policy negotiations; policy advisory services; programme identification and development; identifying, accessing, combining and sequencing financing; troubleshooting; identification and consolidation of learning; and training and capacity building. UNDP will also work in coordination with network of development partners, who share similar passion and objective of building climate resilience through innovation and participation from private sector.

The project will be executed by the UNDP Project Management Unit (PMU) based in Bangkok under the UNDP Direct Implementation Modality (DIM) in line with UNDP's Programme and Operations Policies and Procedures and Bangkok Regional Hub Standard Operating Procedures for Regional Programme Management. UNDP PMU will be responsible for overall management, ensuring project coherence, the preparation and implementation of work plans and annual audit plans; preparation and operation of budgets and budget revisions; disbursement and administration of funds; recruitment of national and international consultants and personnel; financial and progress reporting; and monitoring and evaluation.

In summary, the following process map illustrates the key components of the ISGAP:

Step 1. Global Call of Proposal

Step 2. First Stage Screening – PMU
Step 3. Second Stage Screening – Technical Panel (on adaptation, resilience building, etc)
Step 4. Final Stage Screening -Investment Panel (on scalability, financial potential & sustainability, cost benefit)
Step 5. Global Committee decision
Step 6. Winners Announcement & Grant Signing
Step 7. For Private Sector – Performance based Payment or Grant administrated through partner, e.g.,: UNCDF, GCF. For NGOs/CSOs– UNDP low value grant agreement.
Step 8. UNDP Oversight and M&E, Independent Assurance M&E (if needed), impact report
Step 9. PMU generates donor specific reports
Step 10. Best Practices, Lessons learnt, Knowledge products, knowledge sharing with donors (in coordination with UNE).

Exit Strategy: Including scale-up with AF, GEF, GCF projects, or with a concessional finance facility supported by other development partners. This entail support to develop market/business strategy, networking/matchmaking, legal due-diligence, etc.

UNDP ISGAP Project Management Unit (PMU) will include dedicated specialists with experience in climate change adaptation, grant execution and management, and innovation facility. The Team is accountable to deliver the expected outcomes of the programme according to AF's requirement and will directly report to UNDP senior management of the Environmental Finance, the office of which will provide overall quality assurance of the project. The quality assurance activities include monitoring of overall project progress against input/output/outcome indicators; overseeing project budgets and expenses; and procurement of key personnel and services. The PMU will be led by a full-time ISGAP Manager, who will be responsible for overseeing day to day operations of ISGAP, internal collaboration with relevant UNDP teams (SGP, Accelerator Labs, and YouthCO:Lab) and country offices and external coordination with AF, network of development partners, grantees, and government counterparts.

The ISGAP manager will be supported by technical coordinator and grant administrator as well as on-demand subject matter specialists from within UNDP as well as from external sources and development partners. The Technical Coordinator will be in responsible for the effective operations of the technical and business development/acceleration component of the program while the full-time Grant Administrator will be responsible for all aspects of efficient grant administration including accounting and financial management, budget tracking, logistic support, and liaison with AF's administration team. The ISGAP Operations Team will mobilize UNDP's corporate knowledge Management and Learning expertise as well as Results-Based Monitoring and Evaluation Expertise through out the Programme implementation. On demand subject matter specialists will be sourced from within UNDP and network of development partners on a competitive basis.

Technical Panel will be responsible for providing (i) unbiased review of small grant proposals and recommendation for the lists of semi-finalists and finalists and (ii) technical advice to the finalists during the Programme implementation. Technical Panel will comprise of 5 experts and practitioners selected by ISGAP Operations Team in consultation with AF, the senior management of UNDP-Environmental Finance, and development partners, from relevant fields such as climate change adaptation, innovation development, venture capital, seasoned entrepreneurs, engineers, gender specialist and social scientists.

Global Committee (also called Project Board) will comprise of 5-7 globally recognized leaders in relevant fields and be invited by UNDP. The Committee will be responsible for reviewing and making the final decision on the list of finalists based on recommendations from ISGAP Operations Team and the Technical Panel. If required, donor representatives can also be part of the global committee. The Global Committee is also responsible for taking corrective action as needed to ensure the project achieves the programme objective and the desired results. In case consensus cannot be reached within the Committee, the UNDP senior management of the Environmental Finance (or their designated) will mediate to find consensus and, if this cannot be found, will take the final decision to ensure programme implementation is not unduly delayed. The Project Management Structure at the Global and National Levels is illustrated in Figure 3.1

Figure 3.1 Project Management Structure at the Global and National Levels
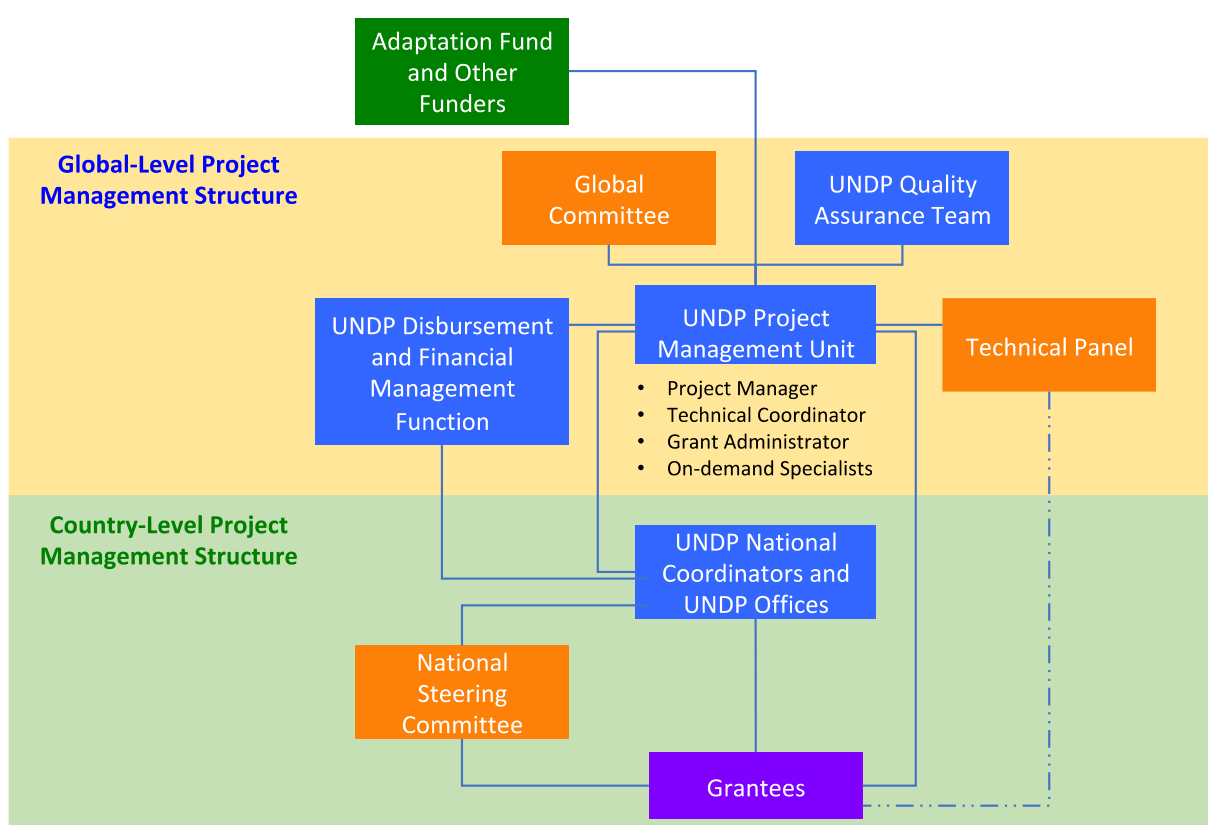
The UNDP Country Offices (Cos) will provide support in the implementation of in-country activities as per agreed workplans. PMU will ensure financial allocations to Country Offices as per established workplans / activities for each of the country where the grantee is located. The assigned CO staff will provide necessary support the project implementation, monitoring, and contribute to the financial and operational closure and final reporting. National Coordinators will be coordinating all project activities at the national level, including: (i) identification and engagement of key stakeholders in the country and arranging regular consultations with them; (ii) keeping track of the financial status of the activities and allocations at all times, to control expenses, to handle outstanding commitments, to make payments and to monitor the performance of contractors; (iii) organizing and supporting National Steering Committee

meetings and national stakeholder consultation workshops and events; (iv) ensuring regular communication and coordination with the national government counterparts; (vi) overall project management at the national level and reporting to the PMU.

UNDP will provide Direct Project Services (DPS). DPS costs are those incurred by UNDP for the provision of services that are execution driven and can be traced in full to the delivery of project inputs. Direct Project Services are over and above the project cycle management services. They relate to operational and administrative support activities carried out by UNDP. DPS include the provision of the following estimated services: i) Payments, disbursements and other financial transactions; ii) Recruitment of staff, project personnel, and consultants; iii) Procurement of services and equipment, including disposal; iv) Organization of training activities, conferences, and workshops, including fellowships; v) Travel authorization, visa requests, ticketing, and travel arrangements; vi) Shipment, custom clearance, vehicle registration, and accreditation. These service costs are assigned as Project Management Cost, identified in the project budget as Direct Project Costs. Eligible Direct Project Costs should not be charged as a flat percentage. They should be calculated on the basis of estimated actual or transaction-based costs and should be charged to the direct project costs account codes: "64397 – 'Services to projects – CO staff' and 74596 – 'Services to projects – GOE for CO'. UNDP recognizes that these services are not mandatory and will only be provided in full compliance with the UNDP recovery of direct costs policies. The DPS will be charged annually using the UNDP Universal Price List. For DPC breakdown, please refer to Total Budget and Workplan.

Globally Competitive and Transparent Innovation Sourcing and Screening Process
Once the ISGAP is operationalized, operational procedure and supporting document will be prepared, finalized, and publicly made available through ISGAP web site and other social media channels. These documents include Small Grant Application form (electronic as well as paper based), screening criteria, draft grant agreement, procurement and financial management guideline, grant monitoring report template, and Terms of References for the Technical Panel and Global Committee. UNDP in consultation with network of part will set up the Technical Panel and Global Committee and by the middle of 2020, the first global call for proposal will be prepared and issued through UNDP's country offices and network of development partners.

Global Environment Facility (GEF) Small Grant Programme (SGP), UNDP
SGP will have two sourcing mechanics. One: select existing portfolio projects that both fit the criteria of ISGAP and scale up potential to enter the global call of proposal. Two: Sourcing new grantees using theme ISGAP's global call of proposal with the criteria of ISGAP. SGP channels will be working in coordination with the SGP National Steering Committee network with great domestic reach and assistance with pre-screening.

UNDP Youth Co:Lab
Youth Co:Lab will select their successful entrepreneurs that are ready to scale-up to apply for the ISGAP's global call of proposal. New entrepreneurs from the Youth Co:Lab network that meet the criteria of ISGAP will also be encouraged to apply from the global call of proposal. Youth Co:Lab will perform pre-screening before submitting proposals.

UNDP Finance Sector Hub
UNDP Finance Sector Hub includes UNSIF team and International Center for Private Sector In Development and their venture acceleration service and network. The ISGAP global call of

proposal will be distributed through these internal partners to reach the ecosystem of impact oriented start-up, growth stage ventures for greater outreach and pre-screening.

More specifically sourcing and solicitation for proposals and application this will be channelled through the following:

1) Network of operational and ecosystem integrated venture accelerators in Armenia, Serbia, Indonesia, Philippines, Turkey, Denmark, which by end of 2019 will be expanded to include India, Thailand and Singapore.
2) Accelrate2030, UNDP's joint initiative with ImpactHub which, since 2016 has been sourcing, selecting and accelerating SDG targeting impact ventures from 16 countries (Nigeria, South Africa, Zimbabwe, Cambodia, Indonesia, Malaysia, Philippines, Brazil, Colombia, Costa Rica, El Salvador, Mexico, Venezuela, Armenia, Serbia, Turkey).
3) UNDP's SDG Finance Geneva Summit (SGS Geneva) that brings together high-level decision makers and investors with 20 developing country entrepreneurs, early stage and advanced growth stage – sourced through global accelerators, impact funds, family offices, and venture philanthropists to pitch products and services that advance the implementation of the SDGs.
4) Business Call to Action (BctA), IICPSD's initiative which provides guidance on inclusive business models and impact measurement and management advisory have already reached over 200 companies, ranging from multinationals to social enterprises working in 70 countries committed to impact activities targeting lives and livelihoods of millions and environmental sustainability in developing countries.
5) Network of dedicated focal points in Cos specialised in engagements with private sector, social entrepreneurship and impact investment that are guided through advisory support of UNSIF, IICPSD and regional private sector engagement teams under FSH.

Solicitation and pre-screening of the proposals depends on several aspects of the targeted country / ecosystem and will be in a range of $5-10K per country.

ISGAP PMU Outreach
Existing Government Focal Points from vertical funds (AF, GEF, GCF, etc) would be contacted to advise on the launching of ISGAP global call of proposal. Current existing partners that are working with GEF and GCF projects will also be contacted and encouraged to apply for the global call of proposal. The PMU will also coordinate with SGP NSC on the launch and outreach activities at the national level.

The ISGAP will review proposals submitted from all the UNDP networks and prepare review summary and recommendation for further consideration by the Technical Panel. The Technical Panel will be virtually convened by ISGAP to make final decision on the semi-finalists according to the screening criteria and the available funding in the first tranche. The semi-finalists will be notified and invited to participate in capacity development webinar to refine and enhance the quality of the proposals. Through UNDP partnership network, ISGAP will provide virtual one-on-one mentoring from global experts in the specific fields to further strengthen and finalize the proposals.

ISGAP structural diagram with Sourcing, Screening, and Selection process is illustrated in Figure 3.2.

Figure 3.2: ISGAP Structure with Sourcing, Screening, and Selection Process

Sourcing management: UNDP
Sourcing channels: SGP network, UNDP Accelerator Labs, UNDP Youth Programme, FSH network, GRP network
First Stage: PMU; Second State: UNDP Specialists, ESG, Gender Specialist, Investment Specialist
Global Steering Committee: UNDP, donor representatives (if required)

The semi-finalists will be invited to submit the final proposal accompanied by a 10-minute video pitch (TBD) to the ISGAP, who will prepare a review summary and recommendation for the consideration of the Global Committee. ISGAP will organize a virtual meeting of the Global Committee to select the finalists, which will be web cast via UNDP country offices and Internet where the semi-finalists along with national partners and government representatives are invited to participate. After the finalists are announced, arrangement by ISGAP in coordination with country offices will be made for the grantees to seek endorsement or no objection letter[4] from their respective government prior to the signing of the Grant Agreement as well as submission of government endorsement letter or no objection letter (in case an endorsement letter is not available). The semi-finalists who are not selected in the final round will be advised to refine their ideas/products/services according to the comments from the Global Committee/Technical Panel and seek further support from the network of development partners including national government agencies.

Results Oriented Grant Implementation Process

ISGAP structure with grant implementation, learning, and monitoring and evaluation process is depicted in Figure 3.3. The grant implementation process starts with grantees' orientation, which will be arranged in coordination with development partners via webinar through country offices and SGP country teams. Direct Access grantees (NIEs) will also invited to join the orientation webinar. Web link will also be shared with UNE. Grantees will be provided with required information to efficiently and transparently manage the grants, according to AF and UNDP's fiduciary requirements (governance, procurement and financial management, environmental and social policy, and gender) as well as results-based monitoring and evaluation procedure. Cloud based collaboration platform will be created, which is accessible (with different level of accessibility) by all grantees, ISGAP Operations Team, development partners, mentors/experts.

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[4] Letter of Endorsement is required in a case that a grantee is a public entity while No Objection Letter is required in a case that a grantee is a non-public entity.

Figure 3.3: ISGAP Structure with Implementation, Learning, and Monitoring and Evaluation Process

Project Oversight and Assurance

GEF Small Grant Programme (SGP), UNDP

The implementation and oversight function of the ISGAP grants will also be performed by the NSC. SGP will also provide their current TA support functions to the ISGAP grantees.

UNDP Youth Co:Lab

Youth Co:Lab currently provide support to a network of over 500 social entrepreneurs across the Asia-Pacific region and expect to engage more youth led SDG solutions in near future. Based on the key requirements, Youth Co:Lab will select their successful entrepreneurs that are ready to scale-up to apply for the ISGAP's global call of proposal. The implementation and oversight function of the ISGAP grants in respect to youth led solutions in Asia-Pacific will also be performed by the Youth Co:Lab country teams. In addition, Youth Co:Lab will also provide their current TA support functions to the ISGAP grantees.

UNDP Finance Sector Hub

The standard oversight measures (methods, instructions, controls etc.) of the program will be focused on the core aspect of the functional stages. At the sourcing stage the focus of the focal points will be made on managing proper outreach to potential participants in terms of effectiveness of the channels, clarity of commutations on the requirements, follow-up before and after proposal submitting. At the screening stage focus will be made on following range of specified exclusion criteria. At screening and selection assurance of impartial review (excluding conflict of interests and biased judgements) is necessary, at the same time strategic "pig picture" program priorities should be followed. Effectiveness and relevance would be the major aspects of the TA stage and could be controlled through curriculum management, intelligent selection of consultants and mentors, as well as periodic surveys of the participants.

ISGAP PMU

For grantees coming from the global call of proposal and not from any of the existing internal network, ISGAP PMU will support grant implementation by assisting
in monitoring project budgets and expenditures, recruiting and contracting project personnel and consultant services, subcontracting and procuring equipment. At a global level, PMU in

coordination with country office focal points will also monitor the result and achievement of the grantees and ensure the efficient use of donor funds through an assigned the Project Manager.

Technical Assistance Ecosystem

Technical and business development/acceleration support will be designed and planned according to the results of the rapid demand[5] and capacity assessment carried out by ISGAP in close collaboration with each grantee and the Technical Panel.

Figure 3.4 ISGAP Technical Assistance Ecosystem
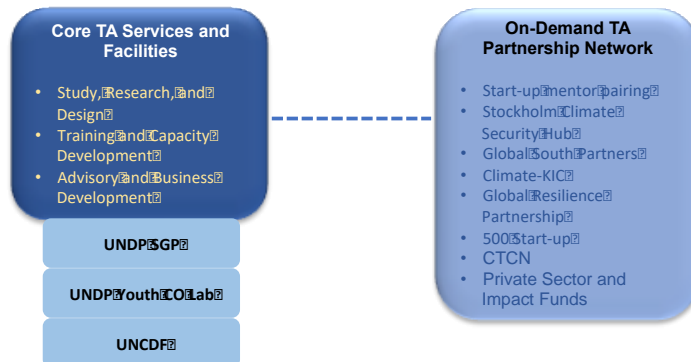
Existing UNDP networks (SGP and its capacity building initiatives, Youth Co:Lab, FSH) will provide their technical assistance support (in-kind support) to the grantees with their current capacity through their local network by involving grantees in relevant trainings, booth camps, consulting and mentorship sessions as periodically done by these structures. In certain cases, whenever organisation specific engagements are required (diagnostics, narrow domain specific technical advisory, business management advisory, local market intelligence, impact management and measurement) the local level support will be factored and provided based at full the cost recovery mechanism within the limits pre-agreed with ISGAP PMU. Additional global technical assistance will be established by the ISGAP PMU with two key components:

One centralised online portal with common business development/mentorship function that is opened to all grantees. This is designed to achieve cost efficient business development and innovation support that is commonly applied to all grantees.

A global expert network for specific innovation assistance. UNDP will work with global partners such as Global Resilience Partnership, Climate-KIC, Stockholm Climate Security Hub, 500 Start-ups and Global South Partners to augment resources from the AF and provide tailored assistance to grantees in required and/or common fields to fill the remaining demand. The global experts will be on stand by to provide just-in-time mentoring and advice through out the programme. The PMU will also provide match making service to grantees to find the right global partner to assist the grantee' innovation. This continuous process aims to improve the likelihood of success in translating proposed innovative idea into a workable prototype/model that can be further tested, refined, and ultimately commercially/widely rolled out. The grantees are encouraged to collaborate with relevant national institutions and private sector to further enhance their ideas.

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[5] Technical and business development/acceleration capacity development request is included in the application form.

Grant disbursement will be made to grantees accounts according to the agreed performance milestones such as Proof of Concept, Prototyping, Customer/Client Analysis, and Pilot/Demonstration. Procurement of goods and services by the grantees will comply with AF and UNDP procurement guidelines. A summary of financial transaction will be included as a part of periodic progress report while a financial audit will be part of an annual progress report.

Knowledge Management
During the Programme implementation, ISGAP will coordinate with UNE (another MIE aggregator), NIEs, and network of development partners will periodically organize Peer learning and knowledge sharing events such as hackathon, boot camp, an business pitching workshop, to foster collaboration, Knowledge fairs and networking of all grantees funded by AF's innovation small grant programs to learn from one another as well as from global experts and guest speakers in specific fields suggested by the grantees themselves. More detail of the Knowledge Sharing and Learning strategy is provided under section II.H above.

Exiting Strategy
Toward the end of a grant implementation cycle (up to 24 months), a Project Pitching event will be organized by ISGAP aiming to provide scale up and replication opportunity to the grantees. Invitees include UNE and their grantees, grantees from direct access channels, venture capitalists, social impact investors, representatives from international financial institutions, global environment funds such as GEF and GCF, philanthropists, and private sector. One of the key success indicators of ISGAP is how much support the grantees receive from the Project Pitching event.

Mechanisms for local participation
The project will use the existing locally established mechanisms for local consultation and participation (SGP national committee, Youth Co:Lab Country team, UNDP Country Office).

B. Describe the measures for financial and programme risk management.

The following table provides a summary of potential financial and programme risks and corresponding risk management strategy.

Potential Risk	Risk Level	Risk Management Strategy
Misappropriation of the grant funding	Low	Performance based disbursement will be used instead of providing the total grant amount at the grant signing stage. Grantees may be asked to get an agreement from ISGAP (with advise from UNDP country office) if procurement of goods/services exceeds a certain threshold. Financial audit is required as a part of the annual progress report.
Lack of participation at the global call for proposals	Low	During the global call for proposals, ISGAP will also actively source innovation ideas from the network of development partners who are working on innovation, incubation, and acceleration topics. With the extensive network of SGP, Accelerator Labs, Youth CO:Lab, the risk of lacking participation is relatively low.

Potential Risk	Risk Level	Risk Management Strategy
Project implementation delay	Medium	ISGAP, through the on demand and continual technical and business development/acceleration support, will (i) closely monitor the progress of each grantee and discover challenges and barriers that could prevent timely completion of the project and (ii) devise mitigation strategy to resolve the challenges.
Success is overstated in the progress report while failure is understated or unreported	Medium	It is crucial that both success and failure are documented and analysed by the grantees. It is a critical part of the knowledge sharing and lessons learned. In fact, one often learns from failure than success. This message will be communicated throughout the programme implementation cycle and regularly monitored.
Grantees fail in securing scale up and replication support and funding from other sources after the completion of the project	Medium/High	It is critical to note that the success rate of any start-up or innovation venture is quite low. With all the support provided by ISGAP and its partners, it is anticipated that the success would be in the range of 20%-30%.
Environmental, social and governance risk not managed, triggering risk events	Medium	Environmental, social and governance criteria will be established in every step of the ISGAP programme. UNDP Social and Environmental Safeguards Procedure (SESP) will be used to ensure the controls of this risk are in place. ESG management plan will be prepared before the programme implementation. Call of proposal will highlight potential ESG risk, selection template will contain ESG risk identification questions, ESG expert will be presented in the technical panel, M&E will also contain a ESG reporting section.
ISGAP does not attract sufficient support from private sector	Medium	Throughout the various project phases (launch, global call, evaluation, fund disbursement, showcasing etc.), emphasis will be given to engaging like minded private sector partners. Specific conversations related to unlocking private sector support to this agenda will be curated alongside the key project activities. Also engage local and global private sector partners in evaluation panels.

Financial Risk Management Potential financial risks include misappropriation of the grant funding which will be mitigated by performance-based disbursement and monitoring of procurement practices and financial transaction over a certain threshold.

C. Describe the measures for environmental and social risk management, in line with the Environmental and Social Policy of the Adaptation Fund.

Since the environmental and social risk is not known at the proposal preparation time, the environmental and risk assessment according to Adaptation Fund and UNDP Social and

Environmental Policy will be carried out during the Programme implementation as a part of small grant proposal screening. The checklist of environmental and social principles provided in Section II.L will also be followed. The grantees will comply with the agreed environment and social management plan if their projects are found to have adverse environment and social impacts. During project implementation, the grantees will report on the results of their implementation of the environment and social management plan, which will be verified by ISGAP.

D. Describe the monitoring and evaluation arrangements and provide a budgeted M&E plan.

Project monitoring and evaluation (M&E) will be carried out in accordance with established AF Guideline and UNDP procedures by the PMU and project team and verified by UNDP Climate Change Adaptation Team and Country Offices where the grantees are located. Dedicated support by the Adaptation team in the relevant UNDP regional hubs and UNDP-Global Environment Finance New York will be provided on a regular basis. Furthermore, UNDP will take advantage of M&E capability of participating internal teams depending on which channels the grantees get their applications through. For example, if the grantee is identified through UNDP SGP channel and networks, the PMU will work with SGP's M&E structure at the national level with specific ISGAP innovation and adaptation performance indicators. M&E activities will be arranged in coordination with UNE who will manage another AF MIE Aggregator Program. Joint M&E activities and communication with AF could be collaboratively designed and carry out, accordingly. PMU will be in regular communication with UNE focal point to ensure effective cooperation between the two MIEs.

A comprehensive Performance and Results Based Framework for the project will define execution indicators for project implementation as well as the respective means of measurement and frequency, reporting, and verification. A Monitoring and Evaluation system for the project will be established based on these indicators and means of verification.

Targeted M&E activities for the proposed project include the following:

A Project Launch Workshop within three months of project start with the full PMU team, relevant partners and stakeholder. The Launch Workshop is crucial to building ownership for the project results and planning the first-year annual work plan. A fundamental objective of the Launch Workshop will be to present the modalities of project implementation and execution, document mutual agreement for the proposed executive arrangements amongst stakeholders and assist the PMU to understand and take ownership of the project's goals and objectives.

Another key objective of the Launch Workshop is to introduce the project team, which will support the project during its implementation. A Launch Summary will be prepared and shared with participants to formalize various agreements decided during the meeting.

The PMU will regularly review and update the risk matrix in intervals of no less than every six months in which critical risks to the project have been identified.

Grantees are required to prepare Quarterly Performance Briefs on the progress of their projects including status of their compliance with AF and UNDP environment, social, and gender policy. Input and feedback from national coordinators, mentors/advisors and other TA providers will be attached to each Brief. PMU will aggregate and synthesize the briefs for review by the Global Committee on a regular basis to identify gaps and form response

measures. Occasionally, Technical (non-proprietary information) Brief/blog on specific topics may be prepared and made publically available for knowledge.

Monitoring of the program effectiveness would be based on examining qualitative aspects of TA (e.g. effectiveness of the trainings, mentorship support, specific support services such as business plan development, due diligence, valuation, access to funding sources etc.) Practical aspects shall be tracked at program management level through analysis of the feedback from Mentors/ Advisors on the progress achieved by the ventures (a special scoring after each milestone presentation, pitch competitions, demo-days, etc.)

Business performance shall be based on relevant parameters such as market indicators (e.g. client base, revenue per customer and related parameters); economic and financial indicators (profitability, sales, growth rate etc.); as well as auditing strategic expansion plans in theirs of business models for scalability and replicability;

Comprehensive Impact Measurement and Management framework for ventures will assume the following major elements:

1. Defining the impact intent in the context of Adaptation as well as other impact criteria (if any) in the context of SDGs.
2. Setting the logic model based on Result/Impact Value Chain, Logical Chain, and Theory of Change (e.g., Need/Challenge, Inputs, Outputs, Outcome, Impact/SDG Context)
3. Identify Indicators (according to SMART principles per SROI) addressing the impact goals using IMP framework (5 dimensions of impact, impact data categories relevant to Adaptation, ABC framework, grantor/investor contribution strategies, impact risks)
4. Setting Monitoring plan (baselines, targets, sources, means of data collection, parameterization: frequency of collection, population and sample size, geo locations, verification methods).
5. Analysis and Management (venture level; and the program cohort level)

Annual Project Performance Reports (PPR) will be prepared to monitor progress made since project start and for the previous reporting period. These reports will be structured as the following:

- Executive Summary
- Overview of the Adaptation Fund's Innovation Small Grants Aggregator Platform
  - o Project Implementation Modality
  - o Innovation Discovery Process
  - o Grant Approval Process
  - o Proposal Review Criteria and Results
  - o Impact Measurement and Monitoring Framework
  - o Learning and Knowledge Sharing Platform
- Portfolio Financial Report
  - o Distribution of Resources Dedicated for Projects by Thematic/Cross Cutting Areas
  - o Distribution of Projects by Region/Typology of Countries (LDCs/SIDS etc.)
  - o Diversity of Grantee Partners
- Results from Portfolio

- o Progress made toward project objective and project outcomes and challenges faced during the implementation – each with indicators, baseline data and end-of-project targets (cumulative)
  - o Review of compliance with environmental and social as well as gender policies
  - o Project outputs delivered per project Outcome (annual)
  - o Capacity Development Results
  - o Knowledge Sharing and Exchange Results
  - o Measures Undertaken to Address Gender Equality
  - o Measures Undertaken to Address needs of youth, people with disabilities and indigenous peoples
  - o Impact Measurement from Acceleration Support
  - o Reporting on project risk management
- Contribution to Agenda 2030/Sustainable Development Goals

Government authorities, members of Global Committee and responsible UNDP staff will conduct regular field visits to project sites based on the agreed schedule with the grantees in Annual Work Plan to assess first hand project progress.

The project will undergo an independent Mid-Term Evaluation (MTE) at the mid-point of project implementation, which will determine progress being made toward the achievement of outcomes and identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term.

Final External Evaluation will be conducted no later than 3 months before project closure.

Budgeted Monitoring and Evaluation Plan

Type of M&E activity	Responsible Parties	Budget USD	Timeframe
Building web-based monitoring and evaluation interface with data query and reporting capability	PMU	40,000	Within 9 months after the project start
Project Inception Workshop (Project Launch Workshop) and Report	PMU in coordination with partners UNDP	10,000	Within 3 months after the project start
Quarterly Performance Briefs	PMU in coordination with partners	None	Quarterly
Annual reports (PPR)	PMU in coordination with partners UNDP	None	Annually
Annual Showcasing Events	PMU in coordination with partners	40,000 (10,000 per year)	Annually

Web-based publication/blog of lessons learned	PMU	12,000 (3,000 per year)	Annually
Technical briefs/blogs and reports	PMU and external consultants	None	To be determined by PMU
Oversight missions	UNDP	None	Troubleshooting as needed
Mid-term Review report	PMU and external consultants	15,000	By the end of the second year (of the four-year project)
Final external evaluation	PMU and external consultants	25,000	End of project implementation
Final report	PMU and external consultants	None	At least one month before end of project
Project board meetings and report	PMU in coordination with partners	6,000 (1,500 per year)	Annually
Audit	PMU	20,000 (5,000 per year)	Annually
Total Indicative Cost		**USD 168,000**	

E. Include a results framework for the programme proposal, including milestones, targets and indicators.

Objective: to support the development and diffusion of innovative adaptation practices, tools, and technologies.					
Item	**Indicator**	**Baseline**	**Target at Project Completion**	**Mean of Verification**	**Risk and Assumption**
Outcome 1.1: Development of innovative adaptation practices, tools and technologies encouraged and accelerated	Number of innovative adaptation practices, tools and technologies funded	0	Minimum of 5 out of 10 funded projects with innovative adaptation practices, tools and technologies (up to 50% with women as a team leader)	Quarterly Performance Briefs; Annual Monitoring Reports including feedback from mentors/TA providers, and field visit/web cast/video submission	Sufficient pool of applicants with innovative ideas after the global call for proposals with proactive sourcing from development partners with particular emphasis on LDCs/SIDs, women and other vulnerable groups
Outcome 1.2: Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up	Quantity and quality of key findings on effective, efficient adaptation practices, products and technologies generated	0	Minimum of 5 out of 10 funded projects that demonstrate findings and evidences of effective and efficient adaptation practices, products, and technologies (up to 50% with women as a team leader)	Quarterly Performance Briefs; Annual Monitoring Reports including feedback from mentors/TA providers as well as assessment from users of adaptation practices, products, and technologies; and field visit/web cast/video submission	Successful generation of findings and evidences of effective and efficient adaptation practices, products and technologies from the funded projects
Outcome 2: Grantees' innovation and business development capacity enhanced	Number of grantees that successfully complete innovation and business development milestones and grant disbursement according to agreed grantees' performance target	Grantees with limited technical, innovation, and business development capacity	All grantees complete grant disbursement against performance target within 24 months after grant agreement signed	Quarterly Performance Briefs; Annual Monitoring Reports including feedback from mentors/TA providers	With technical and business development/acceleration support, all grantees can achieve their performance and disbursement target within 24 months provided there are no force majeure events

		0	At least half of the grantees received additional support/funding to scale up and/or replication	Summary report of the final pitching events and investors/funders feedback	There are sufficient pool of investors and funders as well as proven innovative projects funded by ISGAP
	Number of grantees that receive additional support/funding to scale up and/or replication				
Outcome 3: Lessons learned are codified, documented, and disseminated/shared leading to adoption or replication of project ideas by others	Citation and/or adoption of shared lessons learned and codified knowledge	0	Four annual web-based publication/blog and lessons learned, and at least four technical brief/blog on specific topics	Annual Monitoring Reports, web posting of lessons learned and occasional technical briefs/blog and annual traffic count of the web pages	Lessons learned and codified knowledge are widely shared with potential users

F. Demonstrate how the programme aligns with the Results Framework of the Adaptation Fund

Programme Objective(s)[6]	Programme Objective Indicat	Fund Outcome	Fund Outcome Indicator	Grant Amount (USD)
The AF-UNDP Innovation Small Grant Aggregator Platform (ISGAP) aims to support the development and diffusion of innovative adaptation practices, tools, and technologies	Number of Innovative adaptation practices, tools, and technologies projects funded by ISGAP that generate finding and evidence of effective and efficient adaptation practices, products, and technologies by the targeted users	**Outcome 8**: Support the development and diffusion of innovative adaptation practices, tools and technologies	**8.** Innovative adaptation practices are rolled out, scaled up, encouraged and/or accelerated at regional, national and/or subnational level.	5,000,000

Programme Outcome(s)	Programme Outcome Indicator(s)	Fund Output	Fund Output Indicator	Grant Amount (USD)
Outcome 1.1: AF MTS ER3 – Development of innovative adaptation practices, tools and technologies encouraged and accelerated	Number of innovative adaptation projects funded by the ISGAP	**Output 8**: Viable innovations are rolled out, scaled up, encouraged and/or accelerated.	**8.1.** No. of innovative adaptation practices, tools and technologies accelerated, scaled-up and/or replicated	3,250,000
Outcome 1.2: AF MTS ER4 – Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up	Number and quality of findings and evidences of effective and efficient adaptation practices, products, and technologies generated by the project funded by ISGAP		**8.2.** No. of key findings on effective, efficient adaptation practices, products and technologies generated	
Outcome 2: Grantees' innovation and business development capacity enhanced	Number of grantees that successfully complete innovation and business	**Output 2.1**: Strengthened capacity of national and regional centers and networks to respond rapidly to extreme weather events	Number of staff trained to respond to, and mitigate impacts of, climate-related events	500,000

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[6] The AF utilized OECD/DAC terminology for its results framework. Programme proponents may use different terminology but the overall principle should still apply

	development milestones and grant disbursement according to agreed grantees' performance target Number of grantees that receive additional support/funding to scale up and/or replication		Capacity of staff to respond to, and mitigate impacts of, climate-related events from targeted institutions increased	
Outcome 3: Lessons learned are codified, documented, and disseminated/shared leading to adoption or replication of project ideas by others	Citation and/or adoption of shared lessons learned and codified knowledge	**Output 3.2**: Strengthened capacity of national and subnational stakeholders and entities to capture and disseminate knowledge and learning	Number of national and subnational stakeholders and entities received capacity support and participated in knowledge sharing and learning activities.	340,910

G. Include a detailed budget with budget notes, broken down by country as applicable, a budget on the Implementing Entity management fee use, and an explanation of the execution costs.

Award ID:	TBA		Project ID:	TBA
Award Title:	Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP)			
Business Unit:	UNDP1			
Project Title:	Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP)			
PIMS no.	6266			
Implementing Partner (Executing Agency)	United Nations Development Programme (UNDP)			

Outcome/Atlas Activity	Fund ID	Atlas Budgetary Account Code	ATLAS Budget Description	Amount USD (year 1)	Amount USD (year 2)	Amount USD (year 3)	Amount USD (year 4)	Total Amount USD	Budget note
Component 1: Provision of Innovation Small Grants	62040	72600	Grants	500,000	1,350,000	900,000	500,000	3,250,000	1
Total Component 1				500,000	1,350,000	900,000	500,000	3,250,000	
Component 2: Provision of Technical and Business Development Capacity Building, Incubation, and Acceleration Support	62040	61300	Salary & Post Adj Cst-IP Staff	41,250	41,250	41,250	41,250	165,000	2
		71200	International Consultants	27,500	27,500	27,500	27,500	110,000	3
		72100	Contractual Services-Companies	24,250	24,250	24,250	24,250	97,000	4
		71600	Travel	9,000	9,000	9,000	9,000	36,000	5
		75700	Training, Workshops and Conferences	17,000	29,000	13,000	21,000	80,000	6
		74200	Audio Visual&Print Prod Costs	2,000	2,000	2,000	2,000	8,000	7

		74500	Miscellaneous	1,000	1,000	1,000	1,000	4,000	8
Total Component 2				122,000	134,000	118,000	126,000	500,000	
Component 3: Knowledge Management and sharing and Result-Based Monitoring and Evaluation	62040	61300	Salary & Post Adj Cst-IP Staff	32,500	32,500	32,500	32,500	130,000	9
		72100	Contractual Services-Companies	19,000	19,000	19,000	19,000	76,000	10
		75700	Training, Workshops and Conferences	25,500	43,500	19,500	31,500	120,000	11
		74200	Audio Visual&Print Prod Costs	2,500	2,500	2,500	3,410	10,910	12
		74500	Miscellaneous	1,000	1,000	1,000	1,000	4,000	13
Total Component 3				80,500	98,500	74,500	87,410	340,910	
Project Management	62040	61300	Salary & Post Adj Cst-IP Staff	45,000	45,000	45,000	45,000	180,000	14
		71400	Contractual Services-Indiv	22,000	22,000	22,000	22,000	88,000	15
		74100	Professional Services	5,000	5,000	5,000	5,000	20,000	16
		71600	Travel	5,000	5,000	5,000	5,000	20,000	17
		75700	Training, Workshops and Conferences	17,500	7,500	7,500	50,045	82,545	18
		71200	International Consultants		15,000		25,000	40,000	19
		74500	Project services – GOE	6,000	6,000	6,000	6,000	24,000	20
Total Project management				100,500	105,500	90,500	158,045	454,545	
TOTAL PROJECT COSTS				803,000	1,688,000	1,183,000	871,455	4,545,455	

Note: Please see Annex 1 for a breakdown of the MIE fee.

Budget Note:

Budget Note No.	Clarification of the budget items
1	Provision of small innovation grants of up to USD 250,000 per grants following two global calls for proposal in year 1 and year 2. The grant disbursement is based on the grantees' performance and agreed milestone.
2	ISGAP Project Manager. Post estimated at USD 110,000 per year for 4 years. 130,000 is budgeted under Outcome 2 and 3 each; and 180,000 under PMC.; UNDP technical support provided to project implementation and grantees (including business development, business advisory, financial brokering) at an estimated cost of 8,750/year
3	Technical Coordinator. The consultant(s) will provide technical support on common technical assistance needs requested by grantees at USD 550 per day for 50 days in a year for four years
4	Firm to provide business development support (component 2) to grantees as well as knowledge sharing services (component 3) to the platform, lump sum estimation of USD 133,000 over four years (USD 97,000 for component 2 and USD 36,000 for component 3)
5	Travels by international and regional experts/mentors estimated for 3 persons at USD 3000/person/year
6	Consultation, hackathon, training workshop/webinar. Expected one workshop per year, to be attended by grantees from all regions. Approx. 20 grantees for year 1; 30 for year 2; and 50 for year 3 and 4
7	Audio equipment rental and printing cost for the workshop estimated at USD 2,000 per year for four year
8	Miscellaneous expenses
9	ISGAP Project Manager. Post estimated at USD 110,000 per year for 4 years. 130,000 is budgeted under Outcome 2 and 3 each; and 180,000 under PMC
10	Firm to provide business development support (component 2) to grantees as well as knowledge sharing services (component 3) to the platform, lump sum estimation of USD 133,000 over four years (USD 97,000 for component 2 and USD 36,000 for component 3) Web/cloud-based project portal with graphic user interface, application program interface, database, query, and automated report capability, design, hosting, and maintenance service provider at lump sum cost of USD 10,000 per year for four years
11	Knowledge sharing workshop/webinar/podcast/blog post, annual idea showcasing, and monitoring conferences. Cost estimation is based on expected participants/grantees from all regions. Approx. 20 grantees for year 1; 30 for year 2; and 50 for year 3 and 4
12	Audio equipment and printing cost for the workshop and annual report estimated at USD 2,500 per year for the first three years. USD 3,410 for final year
13	Miscellaneous expenses
14	ISGAP Project Manager. Post estimated at USD 110,000 per year for 4 years. 130,000 is budgeted under Outcome 2 and 3; and 180,000 under PMC
15	Project staff to provide operations and administrative support. Salary of approx. USD 22,000 per year for four years

Budget Note No.	Clarification of the budget items
16	Annual consolidated financial audits at USD 5,000 per year
17	PMU office travels for selective site visits during project implementation at 5,000/annum throughout the 4-year project
18	Inception Workshop ($10,000) in Year 1 Board meetings (1,500/year) Consultations workshops for the first three years at $6,000/year and one final project pitching and scale up match-making event at the last year at USD 48,545
19	Mid-term review report ($15,000) and Terminal Evaluation ($25,000)
20	UNDP general operational expenses - admin, procurement, travel, IT, finance services provided to the project at approx. $6,000/ year for 4 years. Estimated breakdown; $9,142 for HR, $528 for hiring consultant, $9,337 for finance processing, $1,770 for procurement of goods/services, $2,688 for travel management, $171 for IT and $390 for admin.

H. Include a disbursement schedule with time-bound milestones.

Disbursement schedule					
	Upon signature of Agreement	**One Year after Project Start**	**Year 2**	**Year 3**	**Total**
Scheduled date	December 2019	December 2020	December 2021	December 2022	
Project Funds	803,000	1,688,000	1,183,000	871,455	4,545,455
Implementing Entity Fees	229,998	101,280	70,980	52,287	454,545
Total	**1,032,998**	**1,789,280**	**1,253,980**	**923,742**	**5,000,000**

PART IV: CERTIFICATION BY THE IMPLEMENTING ENTITY

A. Implementing Entity certification *Provide the name and signature of the Implementing Entity Coordinator and the date of signature. Provide also the programme contact person's name, telephone number and email address*

I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board and subject to the approval by the Adaptation Fund Board, <u>commit to implementing the programme in compliance with the Environmental and Social Policy of the Adaptation Fund.</u>

Pradeep Kurukulasuriya Executive Coordinator & Director- Global Environmental Finance Lead, Natural Capital and Environment Bureau for Policy and Programme Support (BPPS) Global Policy Network United Nations Development Programme	
Date: August 11, 2019	Tel.: +1 212 906 5143 Email: pradeep.kurukulasuriya@undp.org
Programme Contact Person: Srilata Kammila	
Tel.: +66 92 987 4508; Email: srilata.kammila@undp.org	

Annex 1 A breakdown of the MIE fee

Category	Services Provided by UNDP	MIE Fee
Identification, Sourcing and Screening of Ideas	Provide information on substantive issues in adaptation and innovation associated with the purpose of the Adaptation Fund (AF). Engage in upstream policy dialogue related to a potential application to the AF. Verify soundness & potential eligibility of identified ideas for AF.	$22,727
Feasibility Assessment / Due Diligence Review	Provide up-front guidance on converting general idea into a feasible project/programme. Source technical expertise in line with the scope of the project/programme. Verify technical reports and project conceptualization. Provide detailed screening against technical, financial, social and risk criteria and provide statement of likely eligibility against AF requirements. Determination of execution modality and local capacity assessment of the executing entity Assist in identifying technical partners. Validate partner technical abilities. Obtain clearances from AF.	$68,182
Development & Preparation	Provide technical support, backstopping and troubleshooting to convert the idea into a technically feasible and operationally viable project/programme. Source technical expertise in line with the scope of the project/programme needs. Verify technical reports and project conceptualization. Verify technical soundness, quality of preparation, and match with AF expectations. Negotiate and obtain clearances by AF. Respond to information requests, arrange revisions etc.	$90,909
Implementation	Technical support in preparing TORs and verifying expertise for technical positions. Provide technical and operational guidance project teams. Verification of technical validity / match with AF expectations of inception report. Provide technical information as needed to facilitate implementation of the project activities. Provide advisory services as required. Provide technical support, participation as necessary during project activities.	$204,545

Category	Services Provided by UNDP	MIE Fee
	Provide troubleshooting support if needed. Provide support and oversight missions as necessary.	
	Provide technical monitoring, progress monitoring, validation and quality assurance throughout.	
	Allocate and monitor Annual Spending Limits based on agreed work plans.	
	Receipt, allocation and reporting to the AFB of financial resources.	
	Oversight and monitoring of AF funds.	
	Return unspent funds to AF.	
Evaluation and Reporting	Provide technical support in preparing TOR and verify expertise for technical positions involving evaluation and reporting. Participate in briefing / debriefing. Verify technical validity / match with AF expectations of all evaluation and other reports Undertake technical analysis, validate results, and compile lessons. Disseminate technical findings	$68,182
Total		**$454,545**