



## ADAPTATION FUND

AFB/PPRC.24/48

7 May 2019

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### **ADAPTATION FUND BOARD**

Project and Programme Review Committee  
Bonn, Germany, 12-14 March 2019

### **REPORT OF THE TWENTY-FOURTH MEETING OF THE PROJECT AND PROGRAMME REVIEW COMMITTEE**

#### **Introduction**

1. The Twenty-fourth meeting of the Project and Programme Review Committee (the PPRC) was held at the 'Langer Eugen' United Nations Campus in Bonn, Germany, from 12 to 13 March 2019, in conjunction with the thirty-third meeting of the Adaptation Fund Board (the Board). Owing to the lack of time to complete its work it met again on 14 March 2019 to adopt its recommendations to the Board and agreed to adopt its report intersessionally.

#### **Agenda Item 1: Opening of the meeting**

2. The meeting was opened at 11:40 a.m. on Tuesday, 12 March 2019, by Mr. Patrick Sieber (Switzerland, Annex I Parties), incoming Chair of the PPRC, who welcomed the members. He noted that in light of the lack of quorum the PPRC could wait for an additional member to arrive or, as the PPRC had a very heavy agenda, it might start the meeting and discuss its business but then wait to make any recommendations to the Board until quorum had been achieved.

3. Mr. Philip Weech (Bahamas, Latin America and the Caribbean) joined the PPRC from the Ethics and Finance Committee (the EFC) and quorum was established.

4. The members present at the meeting are listed in Annex I to the present report.

#### **Agenda item 2: Transition of the Chair and the Vice-Chair**

5. The incoming Chair was elected by the Board immediately preceding the present meeting. Subsequently Mr. Lucas di Pietro (Argentina, Latin America and the Caribbean) was elected Vice-Chair of the PPRC.

#### **Agenda Item 3: Organizational matters**

**a) Adoption of the agenda**

6. The following agenda was adopted based on the provisional agenda for the meeting (AFB/PPRC.24/1/Rev.1) and the annotated provisional agenda (AFB/PPRC.24/2).

1. Opening of the meeting.
2. Transition of the Chair and the Vice-Chair.
3. Organizational matters:
  - a) Adoption of the agenda;
  - b) Organization of work.
4. Options for a window on Enhanced Direct Access.
4. Guidance to multilateral implementing entity (MIE) aggregators.
6. Report on the full cost of adaptation reasoning.
7. Report on the intersessional review cycle for readiness grants.
8. Report of the secretariat on the initial screening/technical review of project and programme proposals.
9. Review of single-country project and programme proposals:
  - a) Indonesia (1);
  - b) Armenia;
  - c) Dominican Republic;
  - d) Indonesia (2);
  - e) Saint Lucia;
  - f) Bangladesh;
  - g) Cambodia;
  - h) Georgia;
  - i) Iran (Islamic Republic of);
  - j) Lao Peoples' Democratic Republic;
  - k) Lesotho;
  - l) Sierra Leone;
  - m) Tajikistan;
  - n) Turkmenistan;
  - o) Uganda;
  - p) United Republic of Tanzania (1);
  - q) United Republic of Tanzania (2);
  - r) United Republic of Tanzania (3);
  - s) Afghanistan;
  - t) Congo (Republic of);
  - u) Malawi;
  - v) Moldova;
  - w) Pakistan;
  - x) Viet Nam;
  - y) Zimbabwe.
10. Review of regional project and programme proposals:
  - a) Argentina and Uruguay;
  - b) Benin, Burkina Faso and Niger;
  - c) Albania, North Macedonia and Montenegro;
  - d) Madagascar, Malawi, Mozambique and Comoros;
  - e) Thailand and Viet Nam;
  - f) Jordan and Lebanon;

- g) Belize, Guatemala and Honduras.
- 11. Report of the secretariat on initial screening/technical review of small grant innovation proposals:
  - a) Proposal for Armenia;
  - b) Proposal for Dominican Republic.
- 12. Report of the secretariat on initial screening/technical review of project scale-up grant proposals:
  - a) Proposal for Senegal.
- 13. Report of the secretariat on initial screening/technical review of learning grant proposals:
  - a) Proposal for Senegal.
- 14. Other matters.
- 15. Adoption of the recommendations and report.
- 16. Closure of the meeting.

**b) *Organization of work***

7. The PPRC considered the organization of work proposed by the Chair and decided to take up agenda items 4, 5, 6, and 7 after it had considered agenda items 8, 9, 10, 11, 12 and 13. In adopting the agenda, the PPRC also agreed to discuss the following matter under agenda item 14, 'Other matters': the effect of the procedures and guidelines of the Board on the submission of projects by multilateral development banks.

8. The Chair welcomed the following new members and alternates:

Mr. Philip Weech (Bahamas, Latin America and the Caribbean);

Ms. Susana Castro-Acuña Baixauli (Spain, Western European and Others Group);

Ms. Claudia Keller (Germany, Western European and Others Group); and

Mr. Evans Njewa (Malawi, Non-Annex I Parties).

9. The following members declared a conflict of interest:

Mr. Ibila Djibril (Benin, Africa);

Mr. Victor Viñas (Dominican Republic, Latin America and the Caribbean); and

Evans Njema (Malawi, Non-Annex I Parties).

**Agenda Item 4: Options for a window on Enhanced Direct Access**

10. Owing to the lack of time the PPRC did not take up the agenda item.

**Agenda Item 5: Guidance to multilateral implementing entity (MIE) aggregators**

11. Owing to the lack of time the PPRC did not take up the agenda item.

**Agenda Item 6: Report on the full cost of adaptation reasoning**

12. Owing to the lack of time the PPRC did not take up the agenda item.

**Agenda Item 7: Report on the intersessional review cycle of readiness**

13. Owing to the lack of time the PPRC did not take up the agenda item.

**Agenda Item 8: Report of the secretariat on the initial screening/technical review of project and programme proposals**

14. In considering the agenda item the PPRC had before it the report of the secretariat on initial screening/technical review of the project and programme proposals (documents AFB/PPRC.24/7 and Add.1/Rev.1).

**Funding status and situation of the pipeline**

15. According to the latest Financial Report prepared by the Trustee (AFB/EFC.24/6), as of 31 December 2018 the cumulative funding decisions for projects and programmes submitted by multilateral implementing entities amounted to US\$ 297.57 million, and the cumulative funding decisions for all projects and programmes amounted to US\$ 531.64 million. Funds available to support Adaptation Fund Board funding decisions amounted to US\$ 273.49 million, and in accordance with the Board decision B.12/9, the funds available for projects submitted by multilateral implementing entities (MIEs) amounted to US\$ 115 million.

**Funding Window for Regional Projects and Programmes**

16. The total amount of funding for regional projects and programmes in the fiscal year 2019 to date had been US\$ 45,830,400, and US\$ 417,174 in project formulation grant had been requested for preparing regional projects and programmes in the same fiscal year.

**Project/programme proposals submitted by implementing entities:  
*Single Country proposals***

17. Accredited implementing entities submitted 27 single-country project proposals to the secretariat, with a total requested funding amounting to US\$ 170,434,610. Of those 25, totalling US\$ 150,434,610, were found to be complete and able to proceed through the project review cycle. Those proposals included US\$ 11,432,679 in implementing entity management fees and US\$ 11,841,959 in execution costs, amounting to 8.09 per cent and 8.33 per cent respectively of the project and programme budget requests.

18. All proposals were in compliance with Board Decision B.13/17 to cap execution costs at 9.5 per cent of the project/programme budget and all proposals requested funding below the cap of US \$10 million for each country, in accordance with Decision B.13/23.

**Project/programme proposals submitted by implementing entities:  
*Regional proposals***

19. Accredited MIEs submitted eight proposals for regional projects and programmes, totalling US\$ 96,721,869. Of those, seven, totalling US\$ 82,721,869, were found to be complete and able to proceed through the project review cycle. Among the proposals were five fully-developed project proposals, with a total requested funding of US\$ 56,461,369, one concept requesting US\$ 14,000,000, and one pre-concept requesting US\$ 12,260,500. The requested funding for the regional projects included US\$ 6,420,271 in implementing entity management fees and US\$ 6,443,370 in execution costs, amounting to 8.47 per cent and 8.33 per cent respectively of the project and programme budget requests.

### **Issues Identified During the Review Process**

#### *Review of the project and programme review process*

20. A significant number of submissions did not conform to the new policy on proposal length (Decision B.32/6) and there were a number of resubmissions that exceeded the page limit as well. As this was the first review cycle following using the new requirement, the page limit was not strictly enforced, but going forward the secretariat would inform proponents that it would not review proposals that did not conform to the new page limits. Some proponents, however, had expressed concern regarding the new requirement, finding that the page limits were difficult to conform with when drafting both the main document and the annexes. They had requested that flexibility be applied when considering the length of the annexes.

21. As in previous review cycles, a number of the letters of endorsement by designated authorities had not been submitted in time, and in some instances had only been received later in the review process. The practice of the secretariat had been to review all submissions but only present to the Board those that were accompanied by valid letters of endorsement. That presented a number of challenges for the secretariat, especially when dealing with the growing volume of submissions. It was also possible that some proposals would be reviewed that had not been country driven. With a growing volume of projects, it would be increasingly burdensome to accurately keep track of compliance with that key requirement, especially when the letters were submitted ad hoc during the project review cycle. Consequently, the secretariat would consider the submission of the letter of endorsement as a strict requirement for reviewing the proposals.

22. A number of implementing entities had also raised the issue of the time allowed for the revision of the proposals once they had received the initial comments of the secretariat. Currently, they were given one week, which presented challenges even when only very small changes had been requested. That was particularly true of regional projects and programmes where there were often more complex constraints on staffing and resources. With the growing volume of projects, it was increasingly difficult for the secretariat to extend individual support early enough during the process to help the implementing entities make the most effective use of the comments by the secretariat. Therefore, one implementing entity had suggested increasing the time allowed for revision from one week to three.

23. It was asked whether the secretariat was requesting a new recommendation from the PPRC or was simply informing it that it would more strictly apply the rules that were already in place. It was urged that the secretariat stop the practice of reviewing proposals before receiving a letter of endorsement. Proposals were supposed to be country driven and it was asked how they could be if there had been no endorsement by a country's Designated Authority.

24. The representative of the secretariat said that the secretariat would be following a more rigorous application of the rules with regards to the letters of endorsement.

25. Having considered the issues raised in document AFB/PPRC.24/7, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Request the secretariat to undertake a review of the project and programme review process, with the consideration of the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, and present it at the thirty-fourth meeting of the Board.

**(Recommendation PPRC.24/1)**

*Waitlisted projects and programmes*

26. It had been noted that the amount of funding requested for the regional project submissions being recommended for approval exceeded the remaining funding available for them in the current fiscal year by approximately US\$ 50 million. Previously the Board had, in cases where all the projects submitted by MIEs could not be funded, established through decisions B.17/19 and B.19/5 a prioritization process and had decided, in Decision B.28.1, to apply that prioritization process in cases where regional projects and programmes recommended for approval exceeded the funds tentatively set aside for them. She also said that there had been a high demand for such regional projects. Taking that into consideration, and that there was only sufficient funding for one regional project in the current fiscal year, it was being recommended that the Board establish a waitlist of projects and programmes recommended for approval, and include in its work plan for fiscal year 2020 the provision of an amount of US\$ 60 million. That amount would consist of up to US\$ 59 million for the funding of regional projects and programme proposals and up to US\$ 1 million for funding project formulation grant requests.

27. Clarification was sought on: the amount being requested for the upcoming fiscal year, why the projects could not be funded at the present time, when the new funding would be available for those projects in the waitlist and how the funding for those projects would be prioritized. It was also asked what the effect of the waitlist would be on the regional concepts and pre-concepts being considered for endorsement by the PPRC.

28. The representative of the secretariat explained that although funds were available, the Board had set a cap for the funding window for regional projects and programmes and the amount that remained under the cap would only finance one more project during the current fiscal year. The amount being requested for fiscal year 2020 would be in addition to the amounts that had already been set aside for regional projects and programmes. She said that once the new fiscal year had started, funding would be available for those projects on the waitlist. The waitlist was not be applicable to the concepts and pre-concepts; projects and programmes would only enter the waitlist if there was insufficient funding available for them when they were recommended for approval and not when they were endorsed. In response to the question on the amount of US\$ 60 million, she said that it was a response to the high demand for such projects and programmes, and was similar to the amount that had been set aside for fiscal year 2019.

29. It was asked what benefit there was in placing projects on such a waitlist and whether the whole idea of separate regional projects and programmes funding window ought to be

reconsidered as it seemed to be undermining the direct access modality. Although there was agreement on the recommendation, the PPRC needed to keep the issue of regional projects and programmes under review in the future.

30. Having considered the issues raised in documents AFB/PPRC.24/7 and Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) To, in case there would be a need to establish a waitlist with regional projects/programmes that are recommended for approval by the PPRC but could not be immediately funded, consider the waitlisted projects/programmes for approval, subject to the availability of funds, at a future Board meeting, or intersessionally, in the order in which they are prioritized on the waitlist.

**(Recommendation PPRC.24/2)**

*Financing window for regional projects and programmes for fiscal year 2020*

31. Having considered the issues raised in documents AFB/PPRC.24/7 and Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) To include in its work plan for fiscal year 2020 the provision for an amount of US\$ 60 million to be provisionally set aside, as follows:
  - (i) Up to US\$ 59 million for the funding of regional project and programme proposals; and
  - (ii) Up to US\$ 1 million for the funding of project formulation grant requests for preparing regional project and programme concept or fully-developed project documents.

**(Recommendation PPRC.24/3)**

## **Agenda Item 9: Review of single-country project and programme proposals**

### **Fully-developed proposals**

*Proposals from National Implementing Entities (NIEs)*

*Small-size proposals:*

Indonesia (1): Community Adaptation for Forest-Food Based Management in Saddang Watershed Ecosystem (Fully-developed Project Document; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Food/2017/1; US\$ 835,465)

32. The objective of the proposed project was to increase community resilience to food security in Saddang Watershed, as an effort to adapt to climate change. This was the third submission of the proposal, using a two-step approach.

33. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- b) Suggest that Kemitraan reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The total duration of the project needs to be revised, to allow considerable time for the completion of the proposed activities, specifically increasing forest land cover and increase community income through the creation of businesses and food diversification;
  - (ii) The proponent should consider elaborating an Environmental and Social Management Plan, particularly on issues of marginalized and vulnerable people and gender equity. In addition, a gender assessment, in line with the Fund's Gender Policy, should be provided;
  - (iii) The proposal needs to include a description of a grievance mechanism, which is accessible to employees and affected communities. This section should describe arrangements for how the grievance mechanism will be designed to receive and facilitate grievances in a transparent manner; and
- c) Request Kemitraan to transmit the observations under subparagraph b) to the Government of Indonesia.

**(Recommendation PPRC.24/4)**

*Regular proposals:*

Armenia (1): Strengthening land-based adaptation capacity in communities adjacent to protected areas in Armenia (Fully-developed Project Document; Environmental Project Implementation Unit (EPIU) of the Ministry of Nature Protection of Armenia; ARM/NIE/Forest/2017/1; US\$ 2,506,000)

34. The objective of the proposed project was to reduce the climate risk vulnerability of local communities living adjacent to the "Khosrov Forest" and "Dilijan" National Parks by strengthening the adaptive capacity of the agricultural. This was the second submission of the fully-developed proposal, using a two-step approach.

35. The representative of the secretariat said that the only remaining issue with the proposal was that it was too long; but in view of how recent the changes to the format had been the secretariat had recommended it for approval.



36. It was observed that the issue was not a lack of interest in the projects but a lack of time to review them. Some of documents had only been received some days before the present meeting and while the issues might already be understood when the proposals had been previously considered, entirely new proposals needed more time than a week to be fully understood.

37. The Chair said that the issue should be given more consideration under agenda item 14.

38. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Approve the fully-developed project, as supplemented by the clarification responses provided by the Environmental Project Implementation Unit (EPIU) of the Ministry of Nature Protection of Armenia to the request made by the technical review;
- b) Approve the funding of US\$ 2,506,000 for the implementation of the project, as requested by EPIU; and
- c) Request the secretariat to draft an agreement with EPIU as the National Implementing Entity.

**(Recommendation PPRC.24/5)**

Dominican Republic: Enhancing Climate Resilience in San Cristóbal Province, Dominican Republic - Integrated Water Resources Management and Rural Development Programme (Fully-developed Project Document; Dominican Institute of Integral Development (IDDI); DOM/NIE/Water/2016/1; US\$ 9,953,692)

39. The objective of the proposed programme was to increase the resilience and capacity to adapt to the climate impacts on, and the risks for, the water resources of thirty rural communities in the Province of San Cristóbal. This was the second submission of the fully-developed proposal, using a two-step approach.

40. In response to a query on how the proposal differed from a similar proposal for the country, which was to be considered under agenda item 11, the representative of the secretariat explained that the present project was for rural communities in general while the project under agenda item 11 was a small grant for the development of capacities and tools for the diversification of women's livelihoods in the same region.

41. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Approve the fully-developed project, as supplemented by the clarification responses provided by the Dominican Institute of Integral Development (IDDI) to the request made by the technical review;
- b) Approve the funding of US\$ 9,953,692 for the implementation of the project, as requested by IDDI; and
- c) To request the secretariat to draft an agreement with IDDI as the national implementing entity for the project.

**(Recommendation PPRC.24/6)**

Indonesia (2): Building Coastal City Resilience to Climate Change Impacts and Natural Disasters in Pekalongan City, Central Java Province (Fully-developed Project Document; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Multi/2017/1; US\$ 4,127,065)

42. The objective of the proposal was to build coastal resilience to climate change with a particular focus on pro-poor adaptation actions that involved and benefited the most vulnerable communities. This was the second submission of the fully developed proposal, using a two-step approach.

43. Questions were raised about the nature and proposed use of geo-tubes, and Mr. Hugo Remaury had been mentioned in the document when he had resigned from the secretariat.

44. The representative of the secretariat explained that Mr. Remaury was now being employed as a consultant. More information had been sought from the proponents on the use of geo-tubes in the review sheet which would be annexed to the Board's decision.

45. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- b) Suggest that Kemitraan reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should provide the necessary assessments for compliance with the Environmental and Social Policy (ESP) of the Fund;
  - (ii) The proposal should further demonstrate how the program interventions would meet national legislation regarding Environmental Impact Assessments (EIAs), since program activities do not appear to be "cultivation" activities in substance and are thus not likely to benefit from national EIAs exemptions;
  - (iii) The proposal should include evidences of consultations with local communities, financial institutions and land-owners that will be targeted by mangrove restoration activities and demonstrate that the outcomes of such consultations (interests and concerns of stakeholders) are reflected in the design of the interventions;
  - (iv) The proposal should provide evidence of local governments' commitments to maintain and finance the program outcomes (embankments, eco-tourism, latrines, mangroves) after program closure; and

- c) Request Kemitraan to transmit the observations under subparagraph b) to the Government of Indonesia.

**(Recommendation PPRC.24/7)**

*Proposals from Regional Implementing Entities (RIEs)*

*Regular proposals*

Saint Lucia: Building Resilience for Adaptation to Climate Change and Climate Variability in Agriculture in Saint Lucia (Fully-developed Project Document; Caribbean Development Bank (CDB); LCA/NIE/Agric/2019/1; US\$ 9,858,570)

46. The objective of the proposed project was to build the adaptive capacities of agro-ecosystems and livelihoods to the threats posed by climate change climate variability. This was the first submission of the fully developed proposal, using the one-step approach.

47. It was observed that although this was the first submission of the project, it was not the first proposal submitted by the Caribbean Development Bank (CDB). While the proposal had been described as strong by the secretariat, it was surprising that such a regional development bank would submit such a weak proposal; it was missing key information and it was asked why the CDB had not been able to provide that.

48. The representative of the secretariat explained that a major difficulty was the lack of a gender assessment. She also said that the proponents had stressed that one week had not been enough time to respond to the requests by the secretariat for additional information and that they had suggested three weeks be allowed for that instead.

49. It was stressed that it had been a lack of time and not a lack of capacity on the part of CDB that had been the problem. It had only been due to a lack of time that the CDB had not been able to fulfil the technical requirements; without that explanation it would have seemed that the problem had been with the capacity of the CDB.

50. In response to a query as to why the proposal had been brought forward in its current form, the representatives of the secretariat explained that by doing so the proposal would now be eligible for intersessional approval.

51. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the Caribbean Development Bank (CDB) to the request made by the technical review;
- b) To suggest that CDB reformulate the proposal, taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should provide a gender assessment that is in line with the Gender Policy of the Adaptation Fund;

- (ii) The proponent should provide further details and an improved screen of environmental and social risks and impacts, in particular in relation to access and equity and marginalized and vulnerable people;
  - (iii) The proponent should elaborate on synergies with other projects, knowledge management, financial sustainability and implementation arrangements; and
- c) To request CDB to transmit the observations under subparagraph b) above to the Government of Saint Lucia.

**(Recommendation PPRC.24/8)**

*Proposals from Multilateral Implementing Entities (MIEs)*

*Regular proposals*

Bangladesh: Adaptation Initiative for climate vulnerable offshore small islands and riverine charland in Bangladesh (Fully-developed Project Document; United Nations Development Programme (UNDP); BGD/MIE/DRR/2019/1; US\$ 9,995,369)

52. The objective of the proposed project was to enhance the climate resilience of vulnerable communities who live on coastal islands and riverine chars in Bangladesh. This was the first submission of the fully developed proposal, using the one-step approach.

53. The proposal was a first submission for an amount close to the country's funding cap, and it was asked whether the sustainability of the project had been considered and how that would be assured when no figures had been provided for the maintenance of the embankments referred to in the proposal. Concern was also expressed about compliance with the policies and guidelines of the Fund, and it was asked whether the project should be approved as that might be seen as giving a 'blank cheque' to the United Nations Development Programme (UNDP) to use its own policies and procedures.

54. The representative of the secretariat said that the project had been very good for a first submission and that much of the required information had been included. The information provided complied with the policies and guidelines of the Fund but was simply not in the right format. It had therefore been thought that the project could be approved conditionally.

55. In response to concerns about the sustainability of the project, the Chair said that repairs would be conducted by the Bangladesh Water Development Board. However, it was pointed out that no information had been provided on the maintenance costs for the embankments, and that such information would be essential to evaluate the sustainability of the proposal. While it seemed that there was a promise by the authorities to do the necessary work, it would be better for them to know what the costs of that promise actually entailed. It was suggested that the condition being proposed should be redrafted and moved from the paragraph in the recommendation on the approval of funding to the paragraph on the drafting of an agreement between the secretariat and the implementing entity. It was agreed that that the proposal could be recommended as redrafted.

56. It was asked when the PPRC would be informed when the condition was fulfilled. The representative of the secretariat said that the PPRC would be informed once UNDP had

complied with the conditions in the recommendation and it was also explained that once the secretariat was satisfied it would notify the Chair of the Board who would inform the Board once the agreement had been signed.

57. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Approve the funding of US\$ 9,995,369 for the implementation of the project, as requested by UNDP;
- c) To request the secretariat to draft an agreement with UNDP as the multilateral implementing entity for the project. The agreement should include a commitment from UNDP that, prior to first disbursement, UNDP will submit the revised environmental and social risk identification and analysis in the format complying with the environmental and social policy and gender policy of the Fund.

**(Recommendation PPRC.24/9)**

Cambodia: Climate Change Adaptation through small-scale & protective infrastructure interventions in coastal settlements of Cambodia (Fully-developed Project Document; United Nations Human Settlements Programme (UN-Habitat); KHM/MIE/Urban/2017/1; US\$ 5,000,000)

58. The overall objective of the project was to enhance climate change adaptation and resilience of the most vulnerable coastal human settlements of Cambodia through concrete adaptation actions. This was the third submission of the proposal using the two-step approach.

59. There was consensus that there were significant issues of compliance with the environmental and social policy (ESP) of the Fund and it was suggested that if UN-Habitat could not resolve those issues then the project should not be approved. This was the third submission of the proposal and the proponent was still having trouble with it. On the other hand, it was argued that there should also be coherence with the treatment of the previous proposal for Bangladesh on the same issue. Concern was also expressed at the secretariat's description of the outstanding issues as being simply 'a few'. That could either mean some outstanding issues of negligible importance or some of major importance. It was urged that it was important to start with the major issues and then progress to those of less importance.

60. The representative of the secretariat agreed to change the order in which the issues were listed and explained that unlike the proposal for Bangladesh, where the necessary information had been submitted, some of the required information was still missing in the proposal under consideration. One difficulty was that in addressing the issues previously raised by the technical review new issues, previously unidentified, had arisen.

61. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project document, as supplemented by the clarification response provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) Request the secretariat to transmit to UN-Habitat the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The fully-developed project document should clarify how support will be provided for climate-informed community decision making on adaptation interventions in the future, either through this or other initiatives;
  - (ii) The proposal should ensure that the environmental and social risks identification and management process for the identified adaptation measures is clearly outlined in the environmental and social management plan of the project, in compliance with the Environmental and Social Policy of the Fund; and
- c) Request UN-Habitat to transmit the observations under subparagraph b) to the Government of Cambodia.

**(Recommendation PPRC.24/10)**

Georgia: Dairy Modernization and Market Access: Adaptation Component (DiMMAdapt) (Fully-developed Project Document; International Fund for Agricultural Development (IFAD); GEO/MIE/Agric/2019/1; US\$ 4,644,794)

62. The objective of the proposed project was to enhance the resilience of vulnerable dairy producers to climate change through the development of pastoral ecosystem services and the introduction of climate-smart technology and livelihood diversification. This was the first submission of the fully developed proposal, using a one-step approach.

63. It was noted that the contact person for the project was not listed in the review posted on the website and it was asked who that was. The representative of the secretariat said that it was Ms. Nicole Tremblay.

64. It was observed that the project seemed to be about modernizing the dairy industry in Georgia and that it was difficult to see a concrete adaptation component to the project. In response to questions on why the implementing entity had not met the policies of the Fund, the representative of the secretariat explained that there had been several cases where the implementing entities had wrongly assumed that there was no need to provide information in accordance with the policies of the Fund and they had followed their own procedures instead. She said that it was important to ensure that policies of the Fund were being followed because it was not feasible for the secretariat to track, ad hoc, all the different formats being used and then decide whether they were really interoperable with the procedures of the Fund. An exception had been proposed for Bangladesh because of the strength of that proposal but the secretariat did not want to make that a practice.

65. In response to a suggestion to simplify the recommendations, the representative of the secretariat explained that sometimes it was necessary to stress certain issues for the proponents.

66. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- b) Suggest that IFAD reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should demonstrate compliance with the Adaptation Fund Environmental and Social Policy (ESP) and Gender Policy (GP);
  - (ii) The proponent should include measures for the management of environmental and social risks in line with the Adaptation Fund ESP and GP;
  - (iii) The proposal should elaborate more on a management response should the heads of cattle rise; and
- c) Request IFAD to transmit the observations under subparagraph b) to the Government of Georgia.

**(Recommendation PPRC.24/11)**

Iran, Islamic Republic of: Reducing vulnerability to climate change in the Lake Bakhtegan Basin (Fully-developed Project Document; United Nations Development Programme (UNDP); IRN/MIE/Water/2018/1; US\$ 9,865,651)

67. The objective of the proposed project was to increase the resilience of communities and the natural environment of the Bakhtegan Basin to climate variability and climate change. This was the first submission of the fully developed proposal using a one-step approach.

68. It was observed that the review by the secretariat had noted that the social and environmental standards (SES) of UNDP had been applied and it was asked how that was compatible with UNDP's compliance with the policies and procedures of the Fund.

69. The representative of the secretariat said that the SES did not meet the standards of the Fund; it was simply a checklist of issues such as risk, funding, evaluation, and benefits, and there was no information on how the checklist had been applied by UNDP.

70. It was suggested that the proposal might be approved conditionally using the same condition that had been applied to the proposal for Bangladesh, but after a discussion it was agreed to retain the text as drafted. In response to a suggestion that the different elements of the recommendation could be combined, the representative of the secretariat explained that they had been presented separately to make it clear to the proponents what they were required to do.

71. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Suggest that UNDP reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should describe the process through which the project benefits will be distributed among the target villages' beneficiaries, including the criteria that will be used to select them, in line with the Environmental and Social Policy (ESP) and Gender Policy;
  - (ii) The proposal should explain how the project will meet relevant national standards (notably environmental assessments, building codes and any other relevant standards) that would apply to the project interventions;
  - (iii) The proposal should clarify for all relevant initiatives identified (including the Women Trust Fund), areas of overlap and complementarity, describe their lessons learned, and explain how they were taken into account in the design of the project activities;
  - (iv) The proposal should describe the governance arrangements for the project, including the grievance mechanism;
  - (v) The proposal should explain the rationale for not fully identifying the activities of components 2 and 3 and reflect this in the implementation schedule and the detailed budget;
  - (vi) The proposal should identify and manage environmental and social risks in line with the ESP of the Adaptation Fund; and
- c) Request UNDP to transmit the observations under subparagraph b) to the Government of the Islamic Republic of Iran.

**(Recommendation PPRC.24/12)**

Lao People's Democratic Republic: Building climate and disaster resilience capacities of vulnerable small towns in Lao PDR (Fully-developed Project Document; United Nations Human Settlements Programme (UN-Habitat); LAO/MIE/DRR/2018/1; US\$ 5,500,000)

72. The objective of the proposed project was to build resilience to climate change in communities along the east-west economic corridor in the central region of the Lao People's Democratic Republic. This was the first submission of the fully-developed proposal using a two-step approach.

73. The amount of funding being requested was questioned as was the sustainability of the project. It was also asked whether the environmental impact assessment (EIA) would take place before or after the project was approved and when the environmental and social and management plan (ESMP) would be developed. While the project was interesting, the lack of an EIA was an important consideration.



74. In response to a suggestion by the representative of the secretariat that the water tariff would be kept low to support the needs of the most vulnerable, it was pointed out that if the people could not afford to pay for the water then there should be a commitment by the Government that it would guarantee the success of the project into the future. Gender issues also needed to be specifically addressed in the proposal; the current references to promoting women's health in general were too vague. The name of the contact person for UN-Habitat was also missing from the web-site.

75. The representative of the secretariat agreed that the proposal should include a comprehensive gender assessment specific for the project and the target area.

76. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) Suggest that UN-Habitat reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should demonstrate that comprehensive environmental and social impact assessments have taken place for the dam and intake structures for the two water treatment plants and related infrastructures, to ensure that all adverse impacts are fully identified and mitigated in project design, as well as managed and monitored in an Environmental and Social Management Plan;
  - (ii) The proposal should include a comprehensive Gender Assessment specific to the project and target area;
  - (iii) The financial sustainability of the project and the infrastructure and services it will create is not clear and should be demonstrated in the proposal; and
- c) Request UN-Habitat to transmit the observations under subparagraph b) to the Government of Lao People's Democratic Republic.

**(Recommendation PPRC.24/13)**

Lesotho: Improving adaptive capacity of vulnerable and food-insecure populations in Lesotho (Fully-developed Project Document; The World Food Programme (WFP); LSO/MIE/Food/2018/1; US\$ 9,999,891)

77. The objective of the proposed project was to enhance adaptive capacity and build the resilience of vulnerable and food insecure households and communities to the impacts of climate change. This was the second submission of the proposal using a two-step approach.

78. The secretariat was commended for its recommendation and it was suggested that the wording be used as model for future recommendations. It was asked what forecast-based financing (FbF) added to traditional early-warning systems (EWS), how the two would work together and whether the proposal was simply an awareness raising project.

79. The representative of the secretariat explained FbF and said that while most concrete adaption projects were useful in themselves, EWS needed data, capacity, people and training, so that certain soft elements were required for EWS as a concrete adaption activity.

80. It was pointed out, however, that there did not seem to be any alert system as part of the listed activities, and while EWS were important there did not appear to be any budget for them in the proposal. It was also asked what impact the national climate initiative would have on food security, or how it would help to make useful choices.

81. The representative of the secretariat said that although it was not budgeted for, the World Food Programme (WFP) would work with small holders for cash-based transfers in a manner as yet to be determined. The PPRC was also informed that FbF was an innovative mechanism that had been developed by the Red Cross and would be used in cases of sudden disasters, such as flash floods.

82. It was asked how those issues could be adequately addressed without adequate funding and why the focus was only on floods. Concern was also expressed that the proposal had no concrete adaptation component and seemed to be a trial of a new idea and was therefore really a research project. The WFP should also be asked how it would address the concerns raised in the secretariat's review of the proposal with respect to district level consultations. The benefits for food security, in terms of crops, also had to be better understood, as did the linkages between FbF and EWS, why FbF would be an improvement on traditional EWS, and why the two systems were being compared if this was really a concrete adaptation project and not simply a pilot project.

83. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- b) Suggest that WFP reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should further inform the sustainability and cost-effectiveness of the Forecast-based Financing (FbF) approach;
  - (ii) A comprehensive Environmental and Social Policy screening, in line with the Adaptation Fund policy, is necessary, as is a fully developed grievance mechanism;
  - (iii) The Monitoring and Evaluation costs should be revised, in accordance with the Adaptation Fund guidelines;
  - (iv) The proposal should specify, quantifying where possible, the benefits of the intervention on food security;
  - (v) The proposal should show how the outcomes of the district and community level consultations have been reflected in the project design; and

- c) Request WFP to transmit the observations under subparagraph b) to the Government of Lesotho.

**(Recommendation PPRC.24/14)**

Sierra Leone: Promoting climate resilience in the cocoa and rice sectors as an adaptation strategy in Sierra Leone (Fully-developed Project Document; International Fund for Agricultural Development (IFAD); SLE/MIE/Multi/2018/1/PD; US\$ 9,916,925)

84. The objective of the proposed project was to provide integrated solutions by testing climate resilient rice and cocoa. This was the second submission of the fully developed proposal, using the one-step approach.

85. Questions were asked about the references to tables 5 and H in the draft recommendation and it was observed that without further explanation the references would be unclear to those reading the recommendation. The secretariat was already communicating with the implementing entity and as they were directly involved in the proposal that information should be given directly to them.

86. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review; and
- b) To suggest that IFAD reformulate the proposal, taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The fully-developed proposal should include the table on core impact indicators; a revised Environmental and Social Management Plan clearly mentioning the mitigation measures, significance, management and responsibility for the specific principle that may be triggered and a disbursement schedule presenting the planned outputs under each sub-component per year of implementation;
  - (ii) The fully-developed proposal should clearly list all indicative activities for each component in the project financing table;
  - (iii) The fully-developed proposal should clearly identify the specific national technical standards the project will comply with during the implementation of all planned activities, where relevant;
  - (iv) The fully-developed proposal should clearly highlight the synergies/complementarity with existing initiatives and specify the types of activities, partners and the basis for continuation or upscaling efforts;
  - (v) The fully-developed proposal should include relevant knowledge management outputs that have been budgeted under sub-component 3.2;

- (vi) The fully-developed proposal should clarify the outcomes of the consultative process, concerns raised by the target group, including the involvement of local women's group, and how they have been taken into consideration in the design of project interventions; and
- c) To request IFAD to transmit the observations under subparagraph b) above to the Government of Sierra Leone.

**(Recommendation PPRC.24/15)**

Tajikistan: An integrated landscape approach to enhancing the climate resilience of small-scale farmers and pastoralists in Tajikistan (Fully-developed Project Document; United Nations Development Programme (UNDP); TJK/MIE/Rural/2018/1; US\$ 9,996,441)

87. The project sought to address the negative impacts of climate change on the livelihoods of small-scale rural farmers and pastoralists in the Kofirnighan River Basin (KRB), by developing and then implementing a climate-resilient catchment management strategy for the area. This was the second submission of the fully developed proposal, using the one-step approach.

88. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) To suggest that UNDP reformulate the proposal, taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The fully-developed proposal should submit a revised Environmental and Social Policy risk identification analysis including the significance of the risk identified (e.g. low, medium, high), the outcome of the screening process indicating the risks that may be triggered, as well the relevant environment and social assessments in compliance with the Adaptation Fund Environmental and Social Policy principles;
  - (ii) Since the priority list of ecosystem-based adaptation (EbA) sub-projects that constitute over US\$ 6 million of the budget have been identified, the assessments mentioned in Section V, Annex 4 (gender analysis, marginalized and vulnerable groups assessment, ecological and land use assessment, pasture use assessment and other relevant assessments) should be submitted along with the resubmitted proposal; and
- c) To request UNDP to transmit the observations under subparagraph b) above to the Government of Tajikistan.

**(Recommendation PPRC.24/16)**

Turkmenistan: Scaling Climate Resilience for Farmers in Turkmenistan (Fully-developed Project Document; United Nations Development Programme (UNDP); TKM/MIE/Agric/2018/1; US\$ 7,000,040)

89. The objective of the proposed project was to improve climate resilience among smaller private sector farmers by strengthening the enabling environment, expanding climate resilient services and creating demonstration sites to support communities across farming systems in Turkmenistan. This was the second submission of the proposal using a one-step approach.

90. In response to a query about the unidentified subprojects, and the compliance of the unidentified subprojects with national technical standards, the representative of the secretariat explained that as they were unidentified that was unknown at the present time. The implementing entity had used its own assessment and it was not clear whether that would be in line with the requirements of the ESP of the Fund.

91. It was also explained, in response to a suggestion that the language used in the recommendations should be harmonized, that the findings of the technical reviews were specific to each proposal being reviewed and that consequently so were the recommendations. However, recognizing that did not preclude aligning the language of the different recommendations where possible, and the representative of the secretariat undertook to do that.

92. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Suggest that UNDP reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should include a process of complying with relevant national technical standards for the unidentified sub-projects;
  - (ii) The proponent should clarify in the proposal, how the risks and impacts identification complies with the requirements of the Fund's Environmental and Social Policy, and update the safeguards process of the Environmental and Social Management Framework accordingly; and
- c) Request UNDP to transmit the observations under subparagraph b) to the Government of Turkmenistan.

**(Recommendation PPRC.24/17)**

Uganda: Strengthening Climate Change Adaptation of Small Towns and Peri-Urban Communities (Fully-developed Project Document; African Development Bank (AfDB); UGA/MIE/Water/2018/1; US\$ 2,249,000)

93. The objective of the project was to increase the resilience of water sources to the effects of climate change by protecting the catchment areas of the water supply systems of Kyenjojo-Katoke, Bundibugyo and Kapchorwa in Uganda. This was the first submission of the fully-developed proposal using a two-step approach.

94. With regard to the base-line study mentioned in the project document it was asked whether a comprehensive base-line study would be provided in the future. The representative of the secretariat explained that the proposal was based on a previous base-line study but without a recent 'status-quo' baseline study the proposal was difficult to assess.

95. It was observed that the draft recommendation gave the impression that the African Development Bank (AfDB) had not adequately prepared the document and that there was a problem with its capacity to prepare such a proposal. The AfDB had the capacity to address the weaknesses in the document and would do so. The proposal should not have come to the PPRC in its current form and the secretariat should only bring forward those proposals that needed slight improvements.

96. However, it was also pointed out that this was not the first time that the AfDB had submitted a proposal to the Board and it was surprising that such a development bank could not submit the necessary documents. The proponents should be contacted so that the concerns of the PPRC could be explained to them. It was also urged that the knowledge management component be strengthened to include specific information related to benefit sharing at the country level.

97. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project document, as supplemented by the clarification responses provided by the African Development Bank (AfDB) to the request made by the technical review;
- b) Suggest that AfDB reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proponent should provide adequate identification and technical details of the proposed concrete activities and infrastructure to be installed;
  - (ii) The proponent should provide justification why a comprehensive baseline study will only be done at project inception and cannot be undertaken and submitted together with the fully developed project proposal document;
  - (iii) The proposal should provide clarification on the sustainability of project outcomes and in particular, provide justification for why the proposed memoranda of understanding with district and local governments cannot be initiated currently for the initial outcomes from such discussions to be presented together with the fully developed project document;
  - (iv) The proposal should provide consistent and gender-disaggregated data on project beneficiaries and include women beneficiaries in the results framework in a manner consistent with the disaggregated data;

- (v) The proponent should undertake a comprehensive screening and assessment of environmental and social risks and submit together with the fully developed project document a comprehensive environmental and social impact assessment and environmental and social management plan that fully assesses the risk of involuntary resettlement and potential undertaking of project activities within the boundaries of the national park in the Atari river catchment;
  - (vi) The knowledge management plan should be revisited and strengthened with specific information relating to knowledge-sharing at the community level;
  - (vii) The budget should show grand total figures for the annual disbursements; and
- c) Request AfDB to transmit the observations under subparagraph b) to the Government of Uganda.

**(Recommendation PPRC.24/18)**

### Concept proposals

#### *Proposals from National Implementing Entities (NIEs)*

##### *Regular proposals:*

United Republic of Tanzania (1): Bunda Climate Resilient and Adaptation Project (Project Concept; National Environment Management Council (NEMC); TZA/NIE/Agric/2019/1; US\$ 1,400,000)

98. The objective of the proposed project was to promote climate-resilience and socio-economic development in the Bunda District of the United Republic of Tanzania. This was the first submission of the proposal, using a two-step approach.

99. In response to a query about the corrective action requests (CARs), the representative of the secretariat explained that the fifth CAR had addressed implementation fees and the calculation of total project costs. It was important to remember that the project was at the concept stage and that the outstanding issues could be addressed in the fully-developed project document.

100. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept, as supplemented by the clarification responses provided by the National Environment Management Council (NEMC) to the request made by the technical review;
- b) Request the secretariat to notify NEMC of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
  - (i) The calculations for the total project cost (and therefore associated fees) are not correct from the Project Component and Financing Table. The Agency is requested to adjust the Project and Financing Table accordingly;

- c) Approve the project formulation grant of US\$ 30,000;
- d) Request the NEMC to transmit the observations under subparagraph b) to the Government of the United Republic of Tanzania; and
- e) Encourage the Government of the United Republic of Tanzania to submit, through the NEMC, a fully-developed project proposal.

**(Recommendation PPRC.24/19)**

United Republic of Tanzania (2): Enhancing Climate Change Adaptation for Agro-Pastoral Communities in Kongwa District (Project Concept; National Environment Management Council (NEMC); TZA/NIE/Agric/2019/2; US\$ 1,200,000)

101. The objective of the proposed project was to enhance the climate resilience of communities in Kongwa District, a semi-arid area of the Dodoma region of the United Republic of Tanzania. This was the first submission of the proposal, using a two-step approach.

102. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept, as supplemented by the clarification responses provided by the National Environment Management Council (NEMC) to the request made by the technical review;
- b) Request the secretariat to notify NEMC of the observations in the review sheet annexed to the notification of the Board's decision;
- c) Approve the project formulation grant of US \$30,000;
- d) Request the NEMC to transmit the observations under subparagraph b) to the Government of the United Republic of Tanzania; and
- e) Encourage the Government of the United Republic of Tanzania to submit, through the NEMC, a fully-developed project proposal.

**(Recommendation PPRC.24/20)**

United Republic of Tanzania (3): Strategic Water Harvesting Technologies for Enhancing Resilience to Climate Change in Rural Communities in Semi-Arid Areas of Tanzania (SWAHAT) (Project Concept; National Environment Management Council (NEMC); TZA/NIE/Water/2019/1; US\$ 1,280,000)

103. The objective of the proposed project was to support concrete adaptation actions in the Dodoma, Singida and Tabora – semi-arid regions of the United Republic of Tanzania. This was the first submission of the proposal, using a two-step approach.

104. It was pointed out that it would have been useful to have a global map of the regions when trying to understand the three proposals. While it was interesting that the Fund was trying to capture the innovations of others with regard to new technologies, it was asked how those good ideas would be scaled-up, both within the country and beyond.



105. The representative of the secretariat said that it was expected that the lessons learned would be captured and that the knowledge management component would ensure the sharing and implementation of those lessons, although more information on that would be needed in the fully-developed project document.

106. With respect to the need for a common text for the recommendation on compliance with the ESP and gender policies of the Fund, it was suggested that the text should be 'fully-developed proposals shall include an environmental and social impact assessment in line with the Environmental and Social Policy and Gender Policy of the Fund to evaluate the potential risks associated with the project's interventions, along with an Environmental and Social Management Plan, using the format of the Fund'.

107. In response to an observation that the requirement was already in the Fund's guidelines the Chair explained that the PPRC had noted that implementing entities were not complying with that even though the guidelines required them to do so, and consequently the implementing entities should be reminded of that obligation.

108. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept, as supplemented by the clarification responses provided by the National Environment Management Council (NEMC) to the request made by the technical review;
- b) Request the secretariat to notify NEMC of the observations in the review sheet annexed to the notification of the Board's decision;
- c) Approve the project formulation grants of US \$30,000;
- d) Request the NEMC to transmit the observations under subparagraph b) to the Government of the United Republic of Tanzania; and
- e) Encourage the Government of the United Republic of Tanzania to submit, through the NEMC, a fully-developed project proposal.

**(Recommendation PPRC.24/21)**

*Proposals from Multilateral Implementing Entities (MIEs)*

*Regular proposals:*

Afghanistan: Climate change resilient livelihoods advanced in Afghanistan (Project Concept; United Nations Development Programme (UNDP); AFG/MIE/Water/2019/1; US\$ 9,432,556)

109. The objective of the proposed project was to increase the resilience of those rural communities currently depending on irrigated arable farming by ensuring the supply of irrigation water under changing climate conditions. This was the first submission of the proposal, using a two-step process.

110. The lack of a map of the project site was noted as was the lack of information on how the project would be implemented. While non-climatic barriers had been mentioned the major issue in Afghanistan was the lack of security, which was a real risk for the project.

111. The representative of the secretariat said that the project would be implemented by the Ministry of Rural Habitation and Development as the executing entity, and that there were a number of projects being implemented in Afghanistan by other Funds. She also explained that a good part of the proposal addressed traditional, or underground, aqueducts that could be maintained locally.

112. It was observed that the project concept seemed to be to help build capacity and irrigation infrastructure which the proponents would climate-proof later. The ministry might not have the capacity to implement the project. The issue of gender should be included in the recommendation as well, although it was observed that it might be a problem for developing countries such as Afghanistan to do that.

113. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept, as supplemented by the clarification response provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Request the secretariat to notify UNDP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The fully-developed proposal should identify and describe activities to a point where risks related to the Environmental and Social Policy (ESP) and Gender Policy (GP) can be effectively and comprehensively identified;
  - (ii) The fully-developed proposal should further demonstrate how the project design takes into account non-climatic barriers;
  - (iii) The fully-developed proposal should outline the particular benefits the project will provide to marginalized communities, if any, and should include evidence of consultation with such groups, along with a description of how the project document takes into account their interests and concerns, in line with the ESP;
  - (iv) The fully-developed proposal should identify all relevant potentially overlapping initiatives, outline linkages and synergies with the proposed project, draw lessons from earlier initiatives, and establish a framework for coordination during implementation;
  - (v) The fully-developed proposal shall include an Environmental and Social Impact Assessment in line with the ESP and GP of the Fund to evaluate the potential risks associated with the project's interventions, along with an Environmental and Social Management Plan, using the format of the Fund;
- c) Request the UNDP to transmit the observations under subparagraph b) to the Government of Afghanistan; and

- d) Encourage the Government of Afghanistan to submit, through the UNDP, a fully-developed project proposal.

**(Recommendation PPRC.24/22)**

Republic of the Congo: Building Adaptive Capacity to Climate Change in Vulnerable Communities Living in the Congo River Basin (Project Concept; World Food Programme (WFP); COG/MIE/Food/2019/1; US\$ 9,932,901)

114. The objective of the proposed project was to enhance the adaptive capacity of vulnerable communities to the effects of climate change on food security by strengthening the adaptive capacities of vulnerable communities and the ecosystems they depended on. This was the first submission of the concept note, using the two-step approval process.

115. In response to a query as to whether the proposed interventions were concrete adaptation measures, the representative of the secretariat said that they were not but had been mentioned in the project document as being linked to livelihoods. The concrete adaptation measures were assets that did not yet exist but which would be created once a fuller accounting had been taken of the needs of the target communities.

116. It was observed that sometimes project formulation grants (PFGs) were not requested for the projects. At the country level they were always required and requests for PFGs should be standard language in every concept proposal.

117. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- b) Request the secretariat to notify WFP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should clarify whether and how the chosen approach and project activities were decided upon after examining alternatives during project formulation;
  - (ii) The proposal should clarify whether and how the project is in line with the National Communications or other relevant national or sub-national development strategies and plans;
  - (iii) The full proposal should identify all relevant potentially overlapping initiatives, outline linkages and synergies with the proposed project;
  - (iv) The fully-developed proposal shall include an Environmental and Social Impact Assessment in line with the Environmental and Social Policy and Gender Policy of the Fund to evaluate the potential risks associated with the project's interventions, along with an Environmental and Social Management Plan, using the format of the Fund;

- c) Request WFP to transmit the observations under subparagraph b) to the Government of the Republic of Congo; and
- d) Encourage the Government of the Republic of Congo to submit, through the WFP, a fully-developed project proposal.

**(Recommendation PPRC.24/23)**

Malawi: Enhancing Adaptive Capacity and Livelihood Diversification for the Rural Poor of Northern Malawi (Project Concept; African Development Bank (AfDB); MWI/MIE/Rural/2019/1; US\$ 4,662,000)

118. The objective of the proposed Project was to improve the adaptive capacity of vulnerable communities in Northern Malawi through the implementation of rainwater harvesting technologies and storage facilities. This was the first submission of the concept note, using a two-step approach.

119. It was asked how the issue of the inability of the AfDB to agree to use the operational policies and guidelines of the Fund should be addressed.

120. The Chair clarified that the PPRC would only be technically endorsing the proposal and that the issue would be resolved by the Board.

121. In response to that clarification, it was pointed out that the recommendation would still need to include the standard language that had been developed when considering the third proposal for the United Republic of Tanzania.

122. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept as supplemented by the clarification responses provided by African Development Bank (AfDB) to the request made by the technical review;
- b) Request the secretariat to notify AfDB of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
  - (i) The fully-developed proposal shall include an Environmental and Social Impact Assessment in line with the Environmental and Social Policy and Gender Policy of the Fund to evaluate the potential risks associated with the project's interventions, along with an Environmental and Social Management Plan, using the format of the Fund;
- c) Request AfDB to transmit the observations under subparagraph b) to the Government of Malawi; and
- d) Encourage the Government of Malawi to submit, through AfDB, a fully-developed project proposal.

**(Recommendation PPRC.24/24)**

Moldova: Talent-retention for Rural Transformation – Adapt (TART-Adapt) (Project Concept; International Fund for Agricultural Development (IFAD); MDA/MIE/Food/2019/1; US\$ 6,035,421)

123. The objective of the proposed project was to enhance climate change adaptation and food security through facilitating access to climate resilient technologies and enhancing policy and decision-making capacities. This was the first submission of the concept note, using a two-step approach.

124. While Moldova was a small country the budget for the proposal seemed large, and it was suggested that the implementing entity should be asked to demonstrate the cost-effectiveness of the proposal and how it fit with the other ongoing projects in Moldova. It was asked, however, what justification there would be for requiring that information at the concept stage. While it was possible to take note of those concerns, it should be remembered that the issue had not been raised by the secretariat in its review of the proposal. The demonstration of the cost-effectiveness of the project would come later, in the fully-developed project document.

125. With respect to gender, the representative of the secretariat said that although the issue of gender had been raised in the proposal, the proponents had to go beyond gender sensitivity and demonstrate gender responsiveness as well.

126. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- b) Request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The fully-developed proposal should further demonstrate cost-effectiveness and sustainability;
  - (ii) The full proposal should identify all relevant potentially overlapping initiatives, outline linkages and synergies with the proposed project;
  - (iii) The fully-developed project proposal should include the environmental and social assessments, and gender assessments as annexes;
  - (iv) The fully-developed project proposal should include a detailed consultation that should take place taking into account the most vulnerable groups and considering Adaptation Fund environmental and gender policies;
  - (v) The fully-developed proposal shall include an Environmental and Social Impact Assessment in line with the Environmental and Social Policy and Gender Policy of the Fund to evaluate the potential risks associated with the project's interventions, along with an Environmental and Social Management Plan, using the format of the Fund;
- c) Request IFAD to transmit the observations under subparagraph b) to the Government of Moldova; and

- d) Encourage the Government of Moldova to submit, through IFAD, a fully-developed project proposal.

**(Recommendation PPRC.24/25)**

Pakistan: Enhance community and local and national-level government capacities to address climate change interrelated urban flood and drought risks and impacts (Project Concept; United Nations Human Settlements Programme (UN-Habitat); PAK/MIE/Urban/2018/1; US\$ 6,094,000)

127. The objective of the proposal was to enhance community, local and national-level capacities to address climate change related flood and water scarcity issues and tackle flooding and the rising temperatures that exacerbated those conditions in the target regions. This was the second submission of the proposal, using the two-step approach.

128. It was observed that as there had been a reduction in the proposed activities in the new document there should be a reduction in the amount of funding being requested for those activities as well. The representative of the secretariat explained that first proposal had included a range of activities but the second version had eliminated some of them to better focus the project on water as a priority. While the project would comply with national standards, compliance with international standards was not assured, although the project might open the door to those standards. With regard to public health the representative of the secretariat said that principle 13 of the operational policies and guidelines would apply.

129. It was pointed out that the lack of relevant figures for the cost of the remaining elements made it difficult to evaluate the cost-effectiveness of the proposal, which had also not addressed the issue of potable water. Gender considerations should be added to the recommendation, although that might be difficult when complying with national standards

130. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) To request the secretariat to notify UN-Habitat of the observations in the review sheet annexed to the notification of the Board decision, as well as the following issues:
  - (i) The fully-developed proposal should provide an exhaustive list of eligible concrete intervention measures stemming from community consultation and vulnerability assessments;
  - (ii) In the case of unidentified sub projects (USPs), the fully-developed project proposal should provide clear justification and an environmental and social management system (ESMS) for the USPs;
  - (iii) The fully-developed proposal shall include an Environmental and Social Impact Assessment in line with the Environmental and Social Policy (ESP) and Gender Policy of the Fund to evaluate the potential risks associated with the project's interventions, along with an Environmental and Social

Management Plan, using the format of the Fund, including a clear process of risks identification during project implementation;

- (iv) The proposal should provide a description of the requirements for the project activities and how the project will comply with the national technical standards, in accordance with the Adaptation Fund's ESP, specifically in relation to Principle 13 (Public Health);
  - (v) The proposal should clearly outline the linkages and synergies with all relevant, potentially overlapping projects and programmes;
  - (vi) The proposal should provide evidence of a comprehensive, gender-responsive consultative process involving key stakeholders of the proposed project and should demonstrate that the outcomes of the consultative process were considered in the design of the proposed interventions;
- c) Request UN-Habitat to transmit the observations under subparagraph b) to the Government of Pakistan; and
  - d) To encourage the Government of Pakistan to submit, through UN-Habitat, a fully-developed project proposal that would address the observations under subparagraph (b), above.

**(Recommendation PPRC.24/26)**

Viet Nam: Enhancing the resilience inclusive and sustainable eco-human settlement development through small scale infrastructure interventions in the coastal regions of the Mekong Delta (Project Concept; United Nations Human Settlements Programme (UN-Habitat); VNM/MIE/Urban/2019/1; US\$ 5,754,840)

131. The objective of the proposed project was to enhance resilience and sustainable eco-human settlement development through small scale infrastructure interventions in the coastal regions of the Mekong Delta. This was the first submission of the concept note, using a two-step approach.

132. There were concerns with the proposed use of water desalination and that there had been no justification by the proponent for the technology being proposed, which was expensive and required intensive energy consumption. Water desalination was typically used when there was a shortage of water, which was not the case in Viet Nam where the real issue was the loss of water in the existing systems. The water leakage rate approached 50 per cent and that should be addressed before the flow of water was increased. The proponents should be open to all technological solutions and not simply use the easiest; more guidance on that was needed. Water was also just one element of the project and there was little information on the sustainability or cost-effectiveness of the other elements.

133. The representative of the secretariat reminded the PPRC that the proposal was a concept responding to the new page limit that had been set for concepts. While many questions remained, it was important to address the issues that were important at the concept stage. On desalination she agreed that it was generally used under conditions of water scarcity which raised the question whether it was the right option for the proposal. That said, there was still a need to justify the other options as well.

134. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not endorse the project concept, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) Request the secretariat to notify UN-Habitat of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The project concept should address the issue of a lack of management capacity for water-related infrastructure, and the absence of an effective policy framework for Viet Nam, which might be detrimental to the sustainability, operationality and scale-up potential of the project;
  - (ii) The project concept should further explore the alternatives to the proposed technology;
  - (iii) The proposal should further inform on its cost-effectiveness and sustainability;
  - (iv) The proposal should report of previous initiatives and further clarify on potential synergies and complementarities with other initiatives in the target area; and
- c) Request UN-Habitat to transmit the observations under subparagraph b) to the Government of Viet Nam.

**(Recommendation PPRC.24/27)**

Zimbabwe: Strengthening local communities' adaptive capacity and resilience to climate change through sustainable groundwater exploitation in Zimbabwe (Project Concept; United Nations Educational, Scientific and Cultural Organization (UNESCO); ZWE/CIE/Water/2018/1; US\$ 4,817,400)

135. The objective of the proposed project was to increase local adaptive capacity and resilience to climate change through increased groundwater exploitation for food security and other productive uses in the rural areas of Zimbabwe. This was the second submission of the project concept, using a two-step approach.

136. The proposed budget and the sustainability of the project were questioned and, as the population were highly vulnerable, it was asked whether the United Nations Educational, Scientific and Cultural Organization (UNESCO) was an appropriate implementing entity for the project. In response, it was explained that the proposal was very interesting and would support ground water in Africa, which was a major issue of concern. UNESCO was the only agency of the United Nations working with ground water and was therefore highly suitable as the implementing entity for the project.

137. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:



- a) Endorse the project concept, as supplemented by the clarification responses provided by the United Nations Educational, Scientific and Cultural Organization (UNESCO) to the request made by the technical review;
- b) Request the secretariat to notify UNESCO of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
  - (i) The fully developed proposal should pay special attention to the national institutions that will participate in the project; the creation of a National Centre for Groundwater Research and Training; and the project's plans to strengthen the national institutions for managing groundwater, with considerations for cost-effectiveness and sustainability;
  - (ii) The fully-developed proposal shall include an Environmental and Social Impact Assessment in line with the Environmental and Social Policy and Gender Policy of the Fund to evaluate the potential risks associated with the project's interventions, along with an Environmental and Social Management Plan, using the format of the Fund;
- c) Request UNESCO to transmit the observations under subparagraph b) to the Government of Zimbabwe; and
- d) Encourage the Government of Zimbabwe to submit through UNESCO, a fully-developed project proposal that would address the observations under subparagraph b), above.

**(Recommendation PPRC.24/28)**

**Agenda Item 10: Review of regional project and programme proposals  
Fully-developed proposals**

138. The Chair reminded the PPRC that the total funding being requested under the funding window for regional projects and programmes exceeded the amount of funding available and that the recommendations being considered would need to be adjusted to reflect that.

139. It was observed that there had been no comments from civil society on the proposals being considered and that civil society would again be asking for more active participation in the work of the Board and its committees. In reply, the representative of the secretariat said that civil society had commented on the proposal for Senegal and to some extent on the proposal for Saint Lucia as well.

140. There was some discomfort with approving projects subject to the availability of funds. Concern was also expressed at the time that had been allocated to the PPRC for its deliberations; the PPRC had too much work to do in the time allotted to it. It was suggested that there should also be a cap on how long the PPRC should work each day and that an extra day added to allow the PPRC to complete its work. The Chair said that the issue would be discussed under agenda item 14.

*Proposals from Regional Implementing Entities (RIEs)*

Argentina and Uruguay: Climate change adaptation in vulnerable coastal cities and ecosystems of the Uruguay River (Fully-developed Project Document; *Banco de Desarrollo de America Latina* (CAF; Development Bank of Latin America); LAC/RIE/DRR/2017/1; US\$ 13,999,996)

141. The objective of the project was to build the resilience of vulnerable coastal cities and ecosystems throughout the Uruguay River, in both Argentina and Uruguay. This was the third submission of the regional fully-developed project document using the three-step submission process.

142. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Approve the fully-developed project, as supplemented by the clarification responses provided by the Banco de Desarrollo de America Latina (CAF; Development Bank of Latin America) to the request made by the technical review;
- b) Approve, subject to the availability of funds, the funding of US\$ 13,999,996 for the implementation of the project, as requested by CAF; and
- c) Request the secretariat to draft an agreement with CAF as the regional implementing entity for the project.

**(Recommendation PPRC.24/29)**

Benin, Burkina Faso, Niger: Integration of Climate Change Adaptation Measures in the Concerted Management of the WAP Transboundary Complex: ADAPT-WAP (Fully-developed Project Document; Sahara and Sahel Observatory (OSS); AFR/RIE/DRR/2016/1; US\$ 11,536,200)

143. The objective of the proposed project was to strengthen the resilience of ecosystems and improve livelihoods through the establishment of a Multi-Risk Early Warning System and the implementation of concrete adaptation measures. This was the second submission of the fully developed proposal using a three-step approach.

144. It was pointed out that when the implementing entity received the recommendation it would not know when the project would be funded. The representative of the secretariat explained that it was expected that the funding would be available in the new fiscal year and would be forthcoming at that time. She reminded the PPRC that the language being used had been used in the past and meant that the funding would be provided once it was available.

145. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Approve the fully-developed project, as supplemented by the clarification responses provided by the Sahara and Sahel Observatory (OSS) to the request made by the technical review;
- b) Approve, subject to the availability of funds, the funding of US\$ 11,536,200 for the implementation of the project, as requested by OSS; and

- c) Request the secretariat to draft an agreement with OSS as the regional implementing entity for the project.

**(Recommendation PPRC.24/30)**

*Proposals from Multilateral Implementing Entities (MIEs)*

Albania, the Former Yugoslav Republic of Macedonia and Montenegro: Integrated climate-resilient transboundary flood risk management in the Drin River basin in the Western Balkans (Fully-developed Project Document; United Nations Development Programme (UNDP); EE/MIE/DRR/2018/PPC/1; US\$ 9,927,750).

146. The objective of the project was to assist the riparian countries in the implementation of an integrated management approach to improve existing capacity to manage flood risk at regional, national and local levels. This was the third submission of the regional proposal using the three-step submission process.

147. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Approve the funding of US\$ 9,927,750 for the implementation of the project, as requested by UNDP; and
- c) Request the secretariat to draft an agreement with UNDP as the multilateral implementing entity for the project.

**(Recommendation PPRC.24/31)**

Madagascar, Malawi, Mozambique, Comoros: Building urban climate resilience in south-eastern Africa (Fully-developed Project Document; United Nations Human Settlements Programme (UN-Habitat); AFR/MIE/DRR/2016/1; US\$ 13,997,423)

148. The objective of the proposal was to develop capacities to adapt to the adverse effects of climate change in vulnerable cities of Madagascar, Malawi, Mozambique and Comoros. This was the second submission of the fully developed proposal, using a three-step approach.

149. In response to a query about voluntary resettlement, the representative of the secretariat explained that it meant those cases where people had no opportunity to refuse resettlement. The representative of the secretariat said that the language had been taken from principle 8 of the operational policies and guidelines of the Fund.

150. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;

- b) Approve, subject to the availability of funds, the funding of US\$ 13,997,423 for the implementation of the project, as requested by UN-Habitat; and
- c) Request the secretariat to draft an agreement with UN-Habitat as the multilateral implementing entity for the project. The agreement should include a commitment from UN-Habitat that, prior to first disbursement, UN-Habitat will submit an the fully developed project document, which is updated to include:
  - (i) Adequate provisions for utilising the specific expertise that is already present in each of the participating countries and a corresponding item of the budget;
  - (ii) Specific monitoring and annual reporting on the management arrangements for involuntary resettlement as well as on the information provided to affected parties on the grievance mechanism; and
  - (iii) A plan that a detailed intervention location-specific gender assessment will be carried out during project inception and that the findings thereof will be used as baseline for project monitoring both for Environmental and Social Policy and Gender Policy purposes.

**(Recommendation PPRC.24/32)**

Thailand, Viet Nam: Mekong EbA south: Enhancing climate resilience in the Greater Mekong sub-region through Ecosystem based Adaptation in the context of south-south cooperation (Fully-developed Project Document; United Nations Environment Programme (UN Environment); ASI/MIE/WATER/2016/1; US\$ 7,000,000)

151. The objective of the proposed project was to strengthen awareness and the ability of governments and communities in the Greater Mekong Sub-region (GMS) to adapt to climate change using an ecosystem-based approach (EbA). This was the first submission of the fully developed proposal, using a two-step approach.

152. It was suggested to add a reference to the Gender policy of the Fund and that it would be important for the proposal to demonstrate the cost-effectiveness and sustainability of the project.

153. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Environment Programme (UN Environment) to the request made by the technical review;
- b) Suggest that UN Environment reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The proposal should describe how the two countries' "drivenness" will be ensured for activities that involve other countries;

- (ii) The proponent should list all the relevant national technical standards, and explain how the project interventions meet them;
  - (iii) The proposal should explain the arrangements through which the project will sustain the project benefits (financially, socially and technically) over time;
  - (iv) The proposal should bring the risk identification section in line with the Environmental and Social Policy requirements and Gender Policy, in light of project interventions described in supplement documents I and II, and should provide an Environmental and Social Management Plan commensurate to such risks; and
- c) Request UN Environment to transmit the observations under subparagraph b) to the Governments of Thailand and Viet Nam.

**(Recommendation PPRC.24/33)**

**Concept proposals**

*Proposals from Multilateral Implementing Entities (MIEs)*

Jordan, Lebanon: Increasing the Resilience of Displaced Persons to Climate Change-related Water Challenges in Urban Host Settlements (Project Concept; United Nations Human Settlements Program (UN-Habitat); ASI/MIE/Urban/2018/PPC/1; US\$ 14,000,000)

154. The objective of the proposed was to support the development of a comprehensive response framework to climate change by identifying effective approaches and best practices to build urban resilience. This was the first submission of the concept note, using a three-step approach.

155. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project concept as supplemented by the clarification responses provided by the United Nations Human Settlements Program (UN-Habitat) to the request made by the technical review;
- b) Request the secretariat to notify UN-Habitat of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The fully-developed project proposal should provide more detailed information on projected future climate impacts for the region;
  - (ii) The fully-developed project proposal should provide more information on the municipal plans, how they will effectively contribute to building resilience and what particular measures it may contain to support adaptation;
  - (iii) The fully-developed project proposal should further clarify financial sustainability after the project has ended and undertake a detailed risk and impact screening as well as gender related assessments in line with the Adaptation Fund's policies;

- c) Approve the project formulation grant of US\$ 80,000;
- d) Request to transmit the observations under subparagraph b) to the Governments of Jordan and Lebanon; and
- e) Encourage the Governments of Jordan and Lebanon to submit, through UN-Habitat, a fully-developed proposal that would also address the observations under subparagraph b), above.

**(Recommendation PPRC.24/34)**

### **Pre-concept proposals**

#### *Proposals from Multilateral Implementing Entities (MIEs)*

Belize, Guatemala and Honduras: Increasing climate resilience through restoration of degraded landscapes in the Atlantic region of Central America (Project Pre-concept; United Nations Environment Programme (UN Environment); LAC/MIE/DRR/2018/PPC/1; US\$ 12,260,500)

156. The project's objective was to strengthen resilience in the coastal Atlantic region of Belize and Guatemala to the impacts of the intensification of extremes in the weather. This was the second submission of the regional project pre-concept following a three-step submission process.

157. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Endorse the project pre-concept, as supplemented by the clarification response provided by UN Environment to the request made by the technical review;
- b) Request the secretariat to transmit to UN Environment the observations in the review sheet annexed to the notification of the Board's decision, as well as the following recommendations:
  - (i) The concept document should elaborate on and strengthen the rationale for the regional approach, including following the consultation process during concept development;
  - (ii) At the concept stage, the role of national ministries and institutions, as relevant, in the execution of the project should be further described and their designation, as relevant, as executing entities for this project should be formalized in the document;
  - (iii) The concept document should clarify the budget structure of the execution costs, taking into account the different layers of international, regional, national and eventually local organizations that will be involved in the execution of the project;
  - (iv) The concept document should clarify the role of UN Environment in the development process of the project;

- c) Request UN Environment to transmit the observations referred to in sub-paragraph b) to the Governments of Belize, Guatemala and Honduras; and
- d) Encourage the Governments of Belize, Guatemala and Honduras to submit, through UN Environment, a project concept proposal that would also address the observations under subparagraph b), above.

**(Recommendation PPRC.24/35)**

Prioritization of Projects on the Waitlist

158. During the adoption of the recommendations, the representative of the secretariat presented a recommendation for the prioritization of those projects which had been recommended for approval but for which funding remaining from the current fiscal year's allocation was insufficient. She said that they would be placed on a waitlist according to the prioritization criteria established in Decision B.17/19, as clarified by Decision B.19/5; they would be funded later in the order in which they were ranked, subject to the availability of funds.

159. In response to a query as to when the funds would be available she said that it was expected that the funding for regional projects would be made available starting the upcoming fiscal year, subject to the Board taking the decision to allocate such funding for the upcoming fiscal year.

160. Having considered the issues raised in document AFB/PPRC.24/7/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Note the recommendation of the Project and Programme Review Committee to approve the following projects/programmes;
  - (i) Benin, Burkina Faso, Niger (AFB/PPRC.24/34);
  - (ii) Madagascar, Malawi, Mozambique, Comoros (AFB/PPRC.24/37);
  - (iii) Argentina, Uruguay (AFB/PPRC.24/33);
- b) Establish the waitlist for fully-developed regional project/programmes according to subparagraph (b) (ii) of Decision B.28/1;
- c) Place on the waitlist the project/programmes listed in subparagraph a) above according to the prioritization criteria established in Decision B.17/19 and clarified in Decision B.19/5; and
- d) Consider the projects/programmes on the waitlist for intersessional or Board meeting approval in the order of rank in which they are listed in subparagraph a) above, and subject to the availability of funds.

**(Recommendation PPRC.24/36)**

**Agenda Item 11: Report of the secretariat on initial screening/technical review of small grant innovation proposals**

161. Owing to a lack of time the PPRC did not take up the agenda item.

**Agenda Item 12: Report of the secretariat on initial screening/technical review of project scale-up grant proposals**

162. The representative of the secretariat introduced the report of the secretariat on initial screen/technical review of project scale-up grant proposals (documents AFB/PPRC.24/44 and Add.1), and reminded the PPRC that pursuant to decision Decision B.31/32 the Board had approved the Fund's implementation plan for its mid-term strategy in which the secretariat had been requested to, inter alia, prepare for each proposed new type of grant and funding window a document containing the objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit that to the Board for its consideration.

163. Subsequently, the secretariat had presented to the Board at its thirty-second meeting a document (AFB/B.32/10) which outlined those objectives, review criteria, expected grant sizes, implementation modalities, review process and eligibility criteria for project scale-up grants. At that meeting the Board had decided, in Decision B.32/39, to inter alia, make project scale-up grants available, up to a maximum of US\$ 200,000 per year, for national implementing entities, between financial years 2019 and 2023. It had also requested the PPRC to review project scale-up grant proposals, and requested the secretariat to develop and present to the Board, at its thirty-third meeting, a standard legal agreement for project scale-up grants, as well as notification templates for the start and completion of project scale-up grants; monitoring and evaluation templates for project scale-up grants; and a results framework for project scale-up grants.

164. A call for proposals for project scale-up grants had gone out in November 2018 and a proposal had been submitted to the secretariat and screened in line with the readiness grant approval procedures approved by the Board. A number of issues had been identified during that process. Inadequate information had been provided by the implementing entity and it had not been possible to understand the goal in scaling-up the proposed project, the justification for the selected project components or how they would be scaled-up. A telephone call had revealed that implementing entity did not have an adequate understanding of the information required and consequently it was being proposed that that the implementing entities could benefit from further guidance on the required information by making minor updates to: the application form, the project review template and the project-screening review sheet. The representative of the secretariat then introduced the adjustments being proposed.

165. The secretariat was thanked for its presentation but it was not thought that the PPRC was ready to make a recommendation to the Board at the present time. It was suggested that the secretariat should work with the implementing entities to finalize the suggested changes. It was also observed that only one implementing entity had made a submission and it was asked whether the PPRC should enter into a discussion to amend the forms on the basis of that single application. It was asked whether it would help the proponents to improve the quality of their proposal if the secretariat did an assessment of that project first.



166. It was agreed that while more time was needed to discuss the issue and that the PPRC had already exceeded the amount of time allocated for the day's discussions. There might soon be a lack of quorum. The agenda of the meeting had been very heavy and it was suggested that one solution might be to continue the discussion the following day. It was also suggested that in the future the PPRC should plan to work for three days instead of two days so that it would be able to complete its work.

167. The PPRC resumed its discussions immediately following the completion of the first day of work of the Board at its thirty-third meeting. The representative of the secretariat introduced a draft recommendation to allow the PPRC to intersessionally consider the technical reviews of the proposals for innovation, scale-up and learning grants contained in documents AFB/PPRC.24/42, AFB/PPRC.24/43, AFB/PPRC.24/35 and AFB/PPRC.24/47 and make intersessional recommendations to the Board on them. It also recommended that the Board request the secretariat to present, at the next meeting of the PPRC, an analysis of the intersessional review cycle.

168. It was pointed out that the PPRC had been late in starting its work for the day as the meeting of the Board had run late and consequently there was no time to consider the issue. The PPRC should take note of the recommendation or suspend the meeting and reconvene again at 8.30 a.m. the following day. The manager of the secretariat explained that such a meeting would not be possible as there would be a planning meeting for the Board at that time. The choice was either to recommend taking an intersessional decision or to postpone considering the issue until the next regular meeting of the PPRC, which would have negative implications for the proponents of the proposals. The suggestion by the secretariat was an attempt to avoid that outcome and help with the planning of the work of the PPRC. He said that there would be a further chance to reflect on the small grants issue at the next meeting of the PPRC.

169. It was agreed to follow the process suggested by the manager of the secretariat on a one-time basis provided that it did not set a policy precedent and on the understanding that the intersessional approval would take place over a two week period on a non-objection basis.

170. The Project and Programme Review Committee recommended that the Adaptation Fund Board:

- a) Request the Project and Programme Review Committee (PPRC) to consider intersessionally the technical review of the innovation grant (AFB/PPRC.24/42) and (AFB/PPRC.24/43), scale-up grant (AFB/PPRC.24/45) and learning grant (AFB/PPRC.24/47) proposals prepared by the secretariat and to make intersessional recommendations to the Board;
- b) Consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure of the Adaptation Fund; and
- c) Request the secretariat to present, at the twenty-fifth meeting of the PPRC, an analysis of the intersessional review cycle.

**(Recommendation PPRC.24/37)**

**Agenda Item 13: Report of the secretariat on initial screening/technical review of learning grant proposals**

171. Owing to a lack of time, the Board did not take up the agenda item.

**Agenda Item 14: Other matters**

172. Owing to a lack of time, the Board did not take up the agenda item.

**Agenda item 15: Adoption of the report**

173. The adoption of the recommendations took place immediately following the completion of the first day of work of the Board at its thirty-third meeting.

174. The present report was adopted intersessionally by the Board following its thirty-third meeting on the basis of recommendations of the PPRC to the Board (AFB/PPRC.24/48).

**Agenda item 16: closure of the meeting**

175. Following the customary exchange of courtesies, the Chair declared the meeting closed at 7:00 p.m. on 14 March 2019.

## **ANNEX I**

### **Project and Programme Review Committee Twenty-fourth Meeting Bonn, 12-13 March, 2019**

#### **PPRC members present in the meeting**

Mr. Ibila DJIBRIL (Benin, Africa)

Mr. Albara E. TAWFIQ (Saudi Arabia, Asia-Pacific)

Mr. Ahmed WAHEED (Maldives, Asia-Pacific)

Mr. Victor VIÑAS (Dominican Republic, Latin America and the Caribbean)

Mr. Philip WEECH (Bahamas, Latin America and the Caribbean)

Ms. Susana CASTRO-ACUÑA BAIXAULI (Spain, Western European and Others Group)

Ms. Claudia KELLER (Germany, Western European and Others Group)

Mr. Paul E. PHILLIP (Grenada, Small island Developing States)

Mr. Marc-Antoine MARTIN (France, Annex I Parties)

Mr. Patrick SIEBER (Chair, Switzerland, Annex I Parties)

Mr. Charles MUTAI (Kenya, Non-Annex I Parties)

Mr. Evans NJEWA (Malawi, Non-Annex I Parties)