



ADAPTATION FUND

AFB/PPRC.25/37  
30 September 2019

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Adaptation Fund Board  
Project and Programme Review Committee  
Twenty-fifth Meeting  
Bonn, Germany, 7-9 October 2019

Agenda item 9

**REPORT OF THE SECRETARIAT ON INITIAL  
SCREENING/TECHNICAL REVIEW  
OF INNOVATION SMALL GRANT PROPOSALS**

## Background

1. This document presents to the Project and Programme Review Committee (PPRC) of the Adaptation Fund Board (the Board) an overview of the innovation small grant proposals submitted by National Implementing Entities (NIE) to the current meeting, and the process of screening and technical review undertaken by the secretariat.

2. The analysis of the proposals mentioned above is contained in a separate addendum to this document.

3. At its thirtieth meeting, having considered document AFB/B.30/5/Rev.1, the Adaptation Fund Board decided:

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

(b) *To request the secretariat:*

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

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

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

*(Decision B.30/42)*

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

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

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

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

(b) *To request the secretariat:*

[...]

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

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

[...]

*(Decision B.31/32)*

5. At its thirty-second meeting, the Board considered document AFB/PPRC.23/4/Rev.2, *Program on Innovation: Small Grants Projects through Direct Access Modality*, and the Board decided:

(a) *To approve the process for providing funding for innovation through small grants to National Implementing Entities (NIEs), as described in document AFB/PPRC.23/4/Rev.2, including the proposed objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features as described in the document; and*

(b) *To request the secretariat to prepare the first request for proposals to NIEs for US\$ 2 million, to be launched at the twenty-fourth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in December 2018.*

*(Decision B.32/4)*

6. Subsequently, the first request for proposals to NIEs for US\$ 2 million was launched at the UNFCCC Conference of the Parties in December 2018.

### **Innovation Small Grant Proposals Submitted by National Implementing Entities**

7. Accredited national implementing entities submitted five innovation small grant proposals to the secretariat, with the total requested funding amounting to US\$ 1,206,075. Of these, three, totaling US\$ 711,250, were found to be complete and could proceed through the project review cycle. These proposals included US\$ 44,685 (average of 6.71%) in Implementing Entities management fees and US\$ 39,681 or an average of 4.02% in execution costs.

8. The projects were submitted by National Implementing Entities (NIE) for Armenia, Chile and United Republic of Tanzania. Details of the proposals are contained in the separate PPRC working documents, as follows:

- (a) Armenia: AFB/PPRC.25/38; and
- (b) Dominican Republic: AFB/PPRC.25/39.
- (c) United Republic of Tanzania: AFB/PPRC.25/40.

### Review Process

9. In accordance with the operational policies and guidelines, the secretariat screened and prepared technical reviews of the three proposals submitted. All three met the requirements for undergoing a complete technical review.

10. In line with the Board request at its tenth meeting, the secretariat shared the initial technical review findings with the NIEs that had submitted the proposals and solicited their responses to specific items requiring clarification. Responses were requested by e-mail, and the time allowed for the Implementing Entities to respond was one week.

11. The secretariat subsequently reviewed the resubmissions that IEs' responses to the clarification requests, and compiled comments and recommendations that are presented in the addendum to this document (AFB/PPRC.25/37/Add.1).

### III. ISSUES IDENTIFIED DURING THE REVIEW PROCESS

12. There were no issues identified during the review process specific to this type of modality.

**Table 1: Innovation small grant proposals submitted to the regular review cycle for consideration at the thirty-fourth Adaptation Fund Board meeting**

Innovation Small Grant	Country	IE	Grant Size, USD	IE Fee, USD	IE Fee %	Execution Cost, USD	EC %
<b>NIE</b>							
	Armenia	EPIU	231,250	18,100	8.49%	3,150	1.48%
	Chile	AGCID	230,000	7,000	3.14%	15,000	1.23%
	United Republic of Tanzania	NEMC	250,000	19,585	8.50%	21,531	9.34%
<b>TOTAL</b>			<b>476,135</b>	<b>44,685</b>		<b>39,681</b>	