



ADAPTATION FUND

AFB/PPRC.26.a-26.b/44/Add.2

25 June, 2020

Adaptation Fund Board
Project and Programme Review Committee

**PROJECT FORMULATION ASSISTANCE GRANT
FOR BHUTAN**

I. Background

1. The Board at its twenty-second meeting, in decision B.22/24, approved the document AFB/B.22/6 which included, in the options for the Readiness Programme, grants for Project Formulation Assistance (PFA) which would provide support for project formulation to accredited National Implementing Entities (NIEs) in addition to Project Formulation Grants (PFGs). NIEs that are at the concept development stage of the Fund's project cycle process have the option to request a PFG up to a maximum of US\$30,000 together with their submission of the project concept to the Board. To compliment the PFG and support the undertaking of specialist technical assessments during project preparation and design, the PFA grant is available for each accredited NIE up to a maximum of US\$20,000 per project and can be accessed by submitting a request to the Board through the Adaptation Fund Board Secretariat.

2. In July 2018, the Fund's Readiness Programme launched a call for PFA grants, which is open throughout the year and does not close. In the call, the Board is inviting accredited NIEs that are going through the 2-step project approval process to apply for a PFA grant to strengthen their capacity to undertake the necessary technical assessments related to the design and development of adaptation projects and programmes. The PFA grants are meant to help NIEs undertake specific technical assessments such as environmental impact assessments and vulnerability assessments to comply with the Fund's Environmental and Social Policy (approved 2013, amended 2016) and Gender Policy (approved 2016). The PFA grant is meant to support, among other areas, the following types of assessments

- Environmental Impact Assessment (EIA)
- Vulnerability Assessment (VA)
- Risk Assessment
- Other Environmental and Social Assessments for adaptation projects

II. The Project Formulation Assistance Grant Request

3. This addendum to the document AFB/PPRC.26.a-26.b/44/Add.2 "Proposal for Bhutan" includes a request for a Project Formulation Assistance Grant, requesting a budget of US\$ 20,000 which was received by the secretariat along with the concept for the project BTN/NIE/Multi/2020/1 "Adaptation to Climate-induced Water Stresses through Integrated Landscape Management in Bhutan". This proposal was submitted by the Bhutan Trust Fund for Environmental Conservation, which is the National Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at intersessional period between the first and the second sessions of the thirty-fifth Board meeting.

4. In accordance with Decision B.22/24, the secretariat carried out an initial review of the PFA request and found that the document provided detailed information on the use of the requested funds. The proposed activities were aligned with the goal of the project and would conduct a feasibility study and a gender/social assessment to support the development of the full funding proposal.

5. Therefore, the PPRC may want to consider and recommend to the Board to approve the PFA Grant Request, provided that the related concept proposal is endorsed.



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

PROJECT CATEGORY: Project Formulation Assistance Grant

Country: **Bhutan**Implementing Entity: **Bhutan Trust Fund for Environmental Conservation**Requested Financing from Adaptation Fund (US Dollars): **20,000**Reviewer and contact person: **Martina Dorigo, Bianka Kretschmer** Co-reviewer(s): /Implementing Entity Contact Person: **Pema Choephyel**

Review Criteria	Questions	Comments
Country Eligibility	1. Is the country Party to the Kyoto Protocol?	Yes.
Eligibility of IE	1. Is the project submitted through an Implementing Entity accredited by the Board?	Yes.
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project?	Yes.
	2. Are the proposed activities within the scope of enabling the implementing entity to undertake special technical assessments to support formulation of a fully developed project proposal?	Yes. The proposed activities will be important to support the development of a fully developed proposal. In fact, the grant will allow the entity to undertake a comprehensive stakeholder consultation in line with the Adaptation Fund's Environmental and Social Policy and Gender Policy of the Fund, and to hire an international consultant to formulate the project proposal.
Resource Availability	1. Is the requested project funding within the cap for Project Formulation Assistance Grants set by the Board?	Yes.
	2. If the implementing entity has requested, is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?	Yes.

Implementation Arrangements	1. Is the timeframe for the proposed activities adequate?	Yes.
	2. Is a summary breakdown of the budget for the proposed activities included?	Yes.
Secretariat's Overall Comment	The proposed activities are eligible for a Project Formulation Assistance Grant and would support the development of the funding proposal of the project "Adaptation to Climate-induced Water Stresses through Integrated Landscape Management in Bhutan".	
Date:	May 26, 2020.	



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Project Formulation Assistance (PFA) Grant

Submission Date: 20 May 2020

Adaptation Fund Project ID: NA

Country: **Bhutan**Title of Project/Programme: **Adaptation to Climate-induced Water Stresses through Integrated Landscape Management in Bhutan**National Implementing Entity: **Bhutan Trust Fund for Environmental Conservation**Executing Entity/ies: **Royal Government of Bhutan****A. Project Preparation Timeframe**

Start date of PFA Grant	15 June 2020
Completion date of PFA Grant	15 August 2020

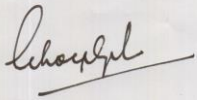
B. Proposed Project Preparation Activities (\$)

Describe the PFA Grant activities and justifications:

List of Proposed Project Preparation Technical Assessments/Studies	Justification of the Requested Technical Assessments/Studies	US\$ Amount
Stakeholder consultation/workshop	The proposed project considers holistic landscape approach to watershed management. From the protection to effective utilization of water for drinking and irrigation; from soil and meteorological management to effective governance. The project has four (4) components executed by different government agencies, therefore, a very understanding of the holistic approach among the stakeholders is inevitable	5,000
Hire of International Consultant	To take local issues to global perspective and to formulate a high quality project proposal for submission	15,000
Total Project Formulation Assistance Grant Requested		20,000

C. Implementing Entity

This request has been prepared in accordance with the Adaptation Fund Board's procedures and meets the Adaptation Fund's criteria for project identification and formulation

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Dr. Pema Choephyel		May 20, 2020	Mr. Ugyen Lhendup	+975-2-339861 +975-17603885	choephyel@bhantrustfund.bt ulhendup@bhantrustfund.bt