



ADAPTATION FUND

AFB/PPRC.27/33  
31 March 2021

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Adaptation Fund Board  
Project and Programme Review Committee  
Twenty-seventh meeting  
Bonn, Germany, (held virtually)  
22-23 March 2021

Agenda item 17

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

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

1. The meeting was opened at 2:00 p.m. Central European Time (UCT+1) on Monday, 22 March 2021, by Mr. Lucas di Pietro (Argentina, Non-annex I Parties), outgoing Chair of the Project and Programme Review Committee (PPRC).

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

2. The outgoing Chair invited the incoming Chair, Ms. Susana Castro-Acuña Baixauli (Spain, Western European and Others) and the incoming Vice-Chair, Ms. Ala Druta (Moldova, Eastern Europe), to conduct the meeting. The incoming Chair thanked the outgoing Chair for his leadership over the previous year and expressed her hope that all the members of the PPRC, and their families, were in good health.

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

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

#### *(a) Adoption of the agenda*

4. The following agenda was based on the provisional agenda for the meeting (AFB/PPRC.27/1) and the annotated provisional agenda (AFB/PPRC.27/2/Rev.1).

1. Opening of the meeting.
2. Transition of the Chair and Vice-Chair.
3. Organizational matters:
  - a) Adoption of the agenda;
  - b) Organization of work.
4. Report of the secretariat on the initial screening/technical review of project and programme proposals.
5. Review of single-country project and programme proposals:
  - a) Indonesia (1);
  - b) Indonesia (2);
  - c) United Republic of Tanzania;
  - d) Djibouti;
  - e) Syrian Arab Republic;
  - f) Zimbabwe;
  - g) Lebanon;
  - h) Viet Nam;
  - i) Yemen.
6. Review of regional project and programme proposals:
  - a) Azerbaijan, Iran (Islamic Republic of);
  - b) Chad, Sudan;
  - c) Guinea, Mali, Mauritania, Senegal;
  - d) Cameroon, Central African Republic, Chad, Niger, Nigeria;
  - e) Costa Rica, Panama.

7. Report of the secretariat on initial screening/technical review of innovation small grant proposals.
8. Review of innovation small grant proposals:
  - a) Bhutan;
  - b) Dominican Republic;
  - c) Zimbabwe.
9. Report of the secretariat on initial screening/technical review of learning grant proposal.
10. Review of learning grant proposal:
  - a) Kenya.
11. Programme on innovation: Large Grants Projects' call for proposals.
12. Report on the Readiness Support Package Pilot.
13. Report of the secretariat on the intersessional review cycle for readiness grants.
14. Request for a change in project approval conditions:
  - a) Fiji (UN-Habitat);
  - b) Solomon Islands (UN-Habitat).
15. Full cost of adaptation reasoning.
16. Other matters.
17. Adoption of the recommendations and report.
18. Closure of the meeting.

*(b) Organization of work*

5. The Chair said that 17 concrete projects and programmes had been processed and technically reviewed by the secretariat for the consideration of the PPRC and the Adaptation Fund Board (Board). Pursuant to Decision B.34/50, the agenda included those proposals that had been technically recommended by the secretariat for endorsement or approval by the Adaptation Fund Board (the Board), and all the innovation small grants and learning grants. The agenda also included all the new submissions for concrete projects even though they had not been recommended for approval or endorsement.

6. One member requested further clarification regarding Decision B.34/50 guiding the processing of submissions, which the secretariat agreed to do. *(Update: the clarification in writing was circulated to the PPRC members on March 24).*

7. The Chair said that she would chair the meeting for the discussions under agenda items 1 to 8 and that the Vice-Chair would chair the meeting for items 9 to 18.

8. The PPRC adopted the organization of work contained in the annotated provisional agenda for the meeting. No other matters were proposed for consideration under agenda item 16, 'Other matters'.

9. The Chair asked to the PPRC members to declare any conflict of interest they might have in relation to any items on the agenda. Consequently, the following members declared a conflict of interest:

Ms. Patience Dampsey (Ghana, Africa);

Mr. Tshering Tashi (Bhutan, Least Developed Countries); and

Mr. Victor Viñas (Dominican Republic, Latin America/Caribbean).

#### **Agenda Item 4: Report of the secretariat on the initial screening/technical review of project and programme proposals**

10. In considering the agenda item the PPRC Chair referred to documents AFB/PPRC.27/4 'Report of the secretariat on initial screening/technical review of the project and programme proposals' and its confidential addendum AFB/PPRC.27/4/Add.1.

##### **Funding status and situation of the pipeline**

11. The representative of the secretariat said that according to the latest Financial Report prepared by the Trustee, as of 31 December 2020 (and contained in document AFB/EFC.27/4), the cumulative funding decisions for projects/programmes submitted by Multilateral Implementing Entities (MIEs) amounted to US\$ 510.08 million, and the cumulative funding decisions for all projects/programmes amounted to US\$ 817.35 million. Funds available to support Adaptation Fund Board funding decisions amounted to US\$ 253.5 million. In accordance with Board decision B.12/9, the funds available for projects submitted by MIEs below the 50 per cent cap amounted to US\$ 36.35 million.

##### **Funding Window for Regional Projects and Programmes**

12. The representative of the secretariat also said that the total amount funded for regional projects and programmes in the fiscal year 2021 to date was US\$ 27.47 million, and that US\$ 2.53 million remained from the initial amount approved for 2021 for regional programming. There were no regional projects or programmes currently on the waitlist for funding.

##### **Status of project/programme waitlist**

13. At the end of the second session of the thirty-fifth meeting of the Adaptation Fund Board, the project/programme waitlist contained projects originally placed there due to the lack of funding under either the MIE cap or provision for regional projects and programmes, or both. Those were: Republic of The Gambia (AFB/PPRC/26.b/7), Jordan, Lebanon (AFB/PPRC/26.a-26.b/32) and Thailand, Viet Nam (AFB/PPRC/26.a-26.b/33). Following transfers to the Trustee of the Adaptation Fund donors' contributions, after the second part of the thirty-fifth meeting of the Board, and based on the Trustee's latest Financial Report, it was determined that the funding for programming under

the MIE cap was sufficient to release all three projects from the waitlist (decisions B.35-36/21; B.35-36/22; and B.35-36/23) so that there are currently no projects on the waitlist.

**Project/programme proposals submitted by implementing entities:**  
***Single-country proposals***

14. Accredited Implementing Entities (IEs) had submitted 10 single-country project proposals to the secretariat, for a total requested funding amounting to US\$ 43,243,906. The proposals included US\$ 3,363,297 or an average of 8.4 per cent in IE management fees and US\$ 3,628,494 or an average of 9.2 per cent in project execution costs.

15. 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 decided on a temporary basis, for each country, in accordance with Decision B.13/23.

16. With respect to the lack of comments by civil society on the proposals posted on the website of the Fund, the representative of the secretariat said that while there had been no comments by civil society during the current review cycle, comments had often been received on the proposals in the past. The procedure followed for that had not changed; civil society had been notified of the deadlines for making comments and had been encouraged to comment on the proposals.

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

17. Accredited Implementing Entities submitted seven proposals for regional projects and programmes, totalling US\$ 89,445,198; all seven were found to be complete and could proceed through the project review cycle. The total requested funding for the two fully-developed project proposals included US\$ 6,977,722 in IE management fees, or 8.5 per cent, on average, and US\$ 7,820,241 or 8.9 per cent, on average, in project execution costs.

**Issues Identified During the Review Process**

***Issues identified with letters of endorsement***

18. During the current cycle a number of proposals were received by the secretariat with invalid Letters of Endorsement (LOEs) that had not been signed by a Designated Authority (DA) duly designated. In such cases, it was often not possible for the implementing entities to procure the correct LOEs in a timely manner with the result that some proposals could not be processed for the meeting of the PPRC. In future review cycles, the secretariat would advise and encourage the implementing entities to submit the LOEs well in advance of the proposals' submission deadline which would enable the secretariat to confirm their validity and to provide time for the necessary feedback to the IEs, allowing them sufficient time to address any issues that had arisen and thus facilitate the timely evaluation of proposals.

***Issues identified in connection with financial arrangements***

19. Some proposals submitted to the Board presented co-financing arrangements but currently the Fund requires that a project "should be able to deliver its outcomes and outputs regardless of the success of other project(s)" which presented some challenges in practice as it often discourages co-financing. Although the issue of the full cost of adaptation reasoning would be considered under

agenda item 15, in practice it is often hard to demonstrate that an Adaptation Fund project could deliver its outcomes regardless of the co-financing. Effective co-financing can strengthen the impact of a project, but at the same time, particularly in cases when co-financing would not materialize, it could present new types of challenges for projects. The opportunities it created needed to be balanced against that potential, and consequently, it had been challenging at times for the secretariat to advise IEs that have asked for guidance on the issue.

20. Another challenge was the application of the Fund's Environmental and Social Policy and Gender Policy when a project was presented with blended finance schemes, especially when the implementing entity was expected to apply the Fund's policies on the totality of a project's activities, including those funded by other sources.

### ***Issues pertaining to submissions of revised proposals***

21. The representative of the secretariat said that it had been noticed that the resubmission of proposals occasionally did not track or highlighted all the changes that had been made by the proponents. She said that those revisions should be signalled, either through track-changes or in highlighted text, and that if the changes were not indicated as required then there was a risk that the secretariat might not be able to complete the timely review of the proposals and be unable to process them. The secretariat intended to remind the implementing entities to track or highlight their changes consistently to avoid the situation where the review of the resubmitted proposals could not be completed due to late discovery of discrepancies in the documents.

22. It was suggested that the proponents should be routinely reminded of the need to track those changes that they had made to their proposals.

### ***Regional project and programme funding provision for fiscal year 2022***

23. Following the established practice, and in line with decisions B.31/3 and B.33/12, the representative of the secretariat suggested that the PPRC might wish to recommend that the Board include in its work programme for fiscal year 2022 the provision for an amount of US\$ 60 million to be provisionally set aside for funding regional projects and programmes.

24. In response to a query, the representative of the secretariat confirmed that with the addition of the suggested amount of US\$ 60 million, the total amount set aside for regional project and programme funding amounted to US\$ 150 million.

25. Having considered the issues raised in document AFB/PPRC.27/4, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board include in its work programme for fiscal year 2022 the provision for an amount of US\$ 60 million to be provisionally set aside as follows:

- a) Up to US\$ 59 million for the funding of regional project and programme proposals; and
- b) 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.27/1)**

### ***Enhanced Direct Access funding provision for fiscal year 2022***

26. Recalling decision B.35.b/10 and document AFB/PPRC.26.b/18, the representative of the secretariat said that the PPRC might wish to recommend that the Board include in its work programme for fiscal year 2022 the provision for an amount of US\$ 20.2 million to be provisionally set aside for Enhanced Direct Access projects and programmes and project formulation funding.

27. In response to a query, the representative of the secretariat explained, with respect to the total amount being set aside for enhanced direct access funding, that it would be the first time such funding was being set aside for that purpose. She also said, in response to a suggestion that the secretariat develop a background document on the issue that such a background document on the funding window on enhanced direct access had been approved at the previous meeting of the Board (Decision B.35.b/10).

28. Having considered the issues raised in document AFB/PPRC.27/4, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board include in its work programme for fiscal year 2022 the provision for an amount of US\$ 20.2 million to be provisionally set aside, as follows:

- a) Up to US\$ 20 million for the funding of Enhanced Direct Access projects; and
- b) Up to US\$ 200,000 for the funding of project formulation and project formulation assistance grant requests for preparing Enhanced Direct Access fully-developed project documents.

### **(Recommendation PPRC.27/2)**

29. The PPRC took note of the report presented by the secretariat on the 'initial screening/technical review of project and programme proposals', contained in document AFB/PPRC.27/4.

### **Agenda Item 5: Review of single-country project and programme proposals**

30. The addendum to the Report of the secretariat on initial review of project and programme proposals (document AFB/PPRC.27/4/Add.1) included the summaries of the technical reviews of project and programme proposals carried out by the secretariat for proposals submitted to the thirty-sixth meeting of the Board, to be discussed at the twenty-seventh meeting of the PPRC. The document was complemented by the proposal-specific documents.

31. Each of the proposal-specific documents included an introduction, a summary prepared by the secretariat, the proposal as it was received, and the technical review undertaken by the secretariat.

### **Single-country projects and programmes**

#### **Fully-developed proposals**

*Proposals from National Implementing Entities (NIEs)*

*Small-size proposals*

Indonesia (1): Enhancing the Adaptation Capability of Coastal Community in Facing the Impacts of Climate Change in Negeri (Village) Asilulu, Ureng and Lima of Leihitu District Maluku Tengah

Regency Maluku Province (Fully-developed project; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/CZM/2019/1; US\$ 963,456).

32. The objective of the proposal was to improve the level of adaptability and resilience, and reduce vulnerability in the social, economic and ecological standpoint from the threat of climate change experienced by coastal communities in three Negeri (Villages) by utilizing sustainability principles in managing and leveraging coastal ecosystem region. This was the fifth submission of the fully developed project proposal, using a two-step approach.

33. The proposal was received and its review completed while the Implementing Entity was accredited; however, it was at the time of the meeting in the status of “under re-accreditation”.

34. The representative of the secretariat explained, in response to a query about the lack of information on the sector being addressed by the project, and the observation that such information was important for statistical purposes, that information of the project sectors was tracked by the secretariat and that the proponents self-selected the project’s sector when filling out the project template for the regional proposals. However, in the current review cycle the secretariat had started to use a new project number that was linked to the project database instead of the previously used diary number and consequently did not indicate the sector to which the project might belong to. That information continued to exist in the project documents and the cover page of the technical review sheets.

35. With respect to when Kemitraan might be reaccredited, she could only say that it did not seem likely to occur at the present Board meeting. Kemitraan had initiated the process and it was hoped that it would be reaccredited soon, but according to the rules of the Board it could not be granted funding until it was reaccredited.

36. Having considered the issues raised in documents AFB/PPRC.27/5 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Note the recommendation that the Adaptation Fund Board:
  - (i) 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;
  - (ii) Approve the funding of US\$ 963,456 for the implementation of the project, as requested by Kemitraan;
  - (iii) Request the secretariat to draft an agreement with Kemitraan as the national implementing entity for the project; and
- b) Consider the recommendation under subparagraphs (a) (i)-(iii) above when Kemitraan has the status of “accredited” with the Fund, as defined in document AFB/B.34/5.

**(Recommendation PPRC.27/3)**



Indonesia (2): EMBRACING THE SUN: Redefining Public Space as a Solution for the Effects of Global Climate Change in Indonesia's Urban Areas (Fully-developed project; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Urban/2019/1; US\$ 824,835).

37. The objective of the proposal was to design climate-resilient urban public spaces as to enable community resilience in Samarinda City, Indonesia. This was the fourth submission of the fully developed project proposal, using a two-step approach.

38. The proposal was received and its review completed while the Implementing Entity was accredited; however, it was at the time of the meeting in the status of “under re-accreditation”.

39. The representative of the secretariat said that the proposal also raised the issue of the selection of an executing entity that was not located in the project country. It was the School of Design Office, Creative Industries Faculty, Queensland University of Technology, and the secretariat was seeking guidance on the issue of allowing an executing entity to be based outside of the country especially where it did not have an office in the country. In response to a query as to why the proponent was suggesting that, it was explained that the first component addressed research and the development of city-wide adaptation to climate change through public spaces. The objective of the project was the design of climate resilient public spaces, and given the project’s strong emphasis on design and urban planning it seemed that it could be appropriate for the selected executing entity to help execute some of the aspects or components of the project.

40. With respect to the core impact indicators on the “number of beneficiaries” and “assets produced, developed, improved or strengthened” it was asked whether that assessment should be done before evaluating the document, especially as this was the fourth iteration of the proposal. The representative of the secretariat explained that given all the other information provided by the proponent the risk was small that the information would not be forthcoming.

41. Having considered the issues raised in documents AFB/PPRC.27/6 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Note the recommendation that the Adaptation Fund Board:
  - (i) 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;
  - (ii) Approve the funding of US\$ 824,835 for the implementation of the project, as requested by Kemitraan;
  - (iii) Request the secretariat to draft an agreement with Kemitraan as the national implementing entity for the project. Prior to first disbursement, Kemitraan should submit a revised result framework of the project that includes the core impact indicator “Number of beneficiaries” including estimations for direct and indirect beneficiaries and a second core indicator related to “Assets produced, developed, improved, or strengthened”; and
- b) Consider the recommendation under subparagraphs (a) (i)-(iii) above when Kemitraan has the status of “accredited” with the Fund, as defined in document AFB/B.34/5.

**(Recommendation PPRC.27/4)***Regular proposals*

Belize: Enhancing the Resilience of Belize's Coastal Communities to Climate Change Impacts (Fully-developed project; Protected Areas Conservation Trust (PACT); BLZ/NIE/CZM/2019/1; US\$ 4,000,000).

42. The objective of the proposal was to address the high vulnerability of Belize's coastal communities through a multi-sector and systemic approach to building coastal resiliency, including local and national knowledge and capacity building approach for ensuring long-term sustainability. This was the first submission of the fully developed project proposal, using a two-step approach.

43. The Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the Protected Areas Conservation Trust (PACT) to the request made by the technical review;
- b) Suggest that PACT 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 further formation on the cost-effectiveness of component 3 which relates to the possible beach stabilization measures to be selected;
  - (ii) The proponent should eliminate inconsistencies throughout the proposal in relation to the environmental impact assessments to be undertaken for the coastal protection measures being chosen;
  - (iii) The proposal needs to further document the full cost of adaptation regarding component 3 and clarify how the project objectives under this component will be achieved if the technical assessments to be undertaken cannot be finalized in the planned timeframe;
  - (iv) The proposal needs to clarify the hard engineering measures which could be selected to guarantee beach stabilization, and to improve the environmental and social risk screening and risk mitigation measures; and
- c) Request PACT to transmit the observations under subparagraph (b) to the Government of Belize.

**(Recommendation PPRC.27/5)**

United Republic of Tanzania: Bunda Climate Resilience and Adaptation Project (Fully-developed project; National Environment Management Council (NEMC); TZA/NIE/Agric/2019/1; US\$ 1,400,000).

44. The objective of the proposal was to enhance resilience and adaptive capacity to the effects of climate change, while reducing the vulnerability of selected communities in Bunda District. This was the third submission of the fully-developed project proposal, using a two-step approach.

45. Having considered the issues raised in documents AFB/PPRC.27/8 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the National Environment Management Council (NEMC) to the request made by the technical review;
- b) Approve the funding of US\$ 1,400,000 for the implementation of the project, as requested by NEMC; and
- c) Request the secretariat to draft an agreement with NEMC as the national implementing entity for the project.

**(Recommendation PPRC.27/6)**

*Proposals from Multilateral Implementing Entities (MIEs)*  
*Regular proposals*

Djibouti: Integrated Water and Soil Resources Management Project (Projet de Gestion Intégrée des Ressources en Eau et des Sols PROGIRES); (Fully-developed project; International Fund for Agricultural Development (IFAD); AF00000249; US\$ 5,339,285).

46. The objective of the proposal was to improve climate resilience of vulnerable ecosystems and increase the adaptive capacity of the rural poor to respond to the impacts of climate change in Djibouti. This was the first submission of the fully developed project proposal, using a one-step approach.

47. It was suggested that it would be important for the proponent to stress how the project was linked to the African Great Green Wall Initiative or the United Nations Convention to Combat Desertification in the revised proposal; the Adaptation Fund needed to demonstrate that its activities were consistent with those multilateral initiatives. The representative of the secretariat explained that the project was consistent with the country's nationally determined contributions (NDCs) under the United Nations Framework Convention on Climate Change.

48. The project was commended for the use of digital monitoring tools, which would contribute to the sustainability of the project but there was not enough information on local subcontracting, especially for component 2.2. More information was also needed on how all the different stakeholders would work together to avoid delays in project implementation, and it was observed that there seemed to be some irregularities in the budget for staffing. The representative of the secretariat agreed that there was a potential risk as well as benefits associated with the project's coordination structure but said that it was perhaps premature to discuss the budget in detail as the proposal still needed extensive revision.

49. Having considered the issues raised in documents AFB/PPRC.27/9 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend 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 address how the "positive ratio" in component 2 is evaluated for the cost effectiveness of the project;
  - (ii) The proponent should provide more information with regard to how the project will avoid overlap with similar projects implemented in the same areas, and further information on the synergies with the IFAD-funded COSOP/2019-2024 programme, should be provided;
  - (iii) The proposal should include the list of names of the community representatives that took part in the consultative process;
  - (iv) The proponent should provide more information on the baseline scenario in relation to project component 1, improve the justification for the activities selected, and clarify what gaps remain to be addressed vis-à-vis other stakeholders included in the baseline;
  - (v) The proposal should include clearly-defined targets for indirect beneficiaries of the project and a breakdown of the costs for the monitoring and evaluation funding sources; and
- c) Request IFAD to transmit the observations under subparagraph (b) to the Government of Djibouti.

**(Recommendation PPRC.27/7)**

Syrian Arab Republic: Increasing the Climate Change Resilience of Communities in Eastern Ghouta in Rural Damascus to Water Scarcity Challenges through Integrated Natural Resource Management and Immediate Adaptation Interventions (Fully-developed project; United Nations Human Settlements Programme (UN-Habitat); SYR/MIE/Water/2019/1; US\$ 9,997,156).

50. The objective of the proposal was to increase access to sustainable and climate change resilient water supply systems for urban and agriculture purposes and increase the resilience of water-dependent livelihoods. This was the first submission of the fully developed project proposal, using a two-step approach.

51. It was pointed out that it was worrisome that all the executing entities were multilateral entities and it was suggested that it was preferable if local entities could be engaged in the maintenance of local water and irrigation assets. With respect to sustainability, it was pointed out that while both government agencies and the communities were to be involved it was unclear which government agencies would be involved and whether the programme was part of the country's NDCs. Instead, it seemed to be a humanitarian emergency project, in a post conflict setting, and not really a standard adaptation project.

52. The representative of the secretariat confirmed that the project was in line with the country's NDCs and that the entities responsible for its maintenance would be the ministries of public works and the municipalities responsible for water-treatment facilities. The project was integrating climate change needs in the country's reconstruction efforts in terms of water and was taking into account climate needs in a post conflict situation.

53. Having considered the issues raised in documents AFB/PPRC.27/10 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Approve the fully-developed project proposal, 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 the funding of US\$ 9,997,156 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.

**(Recommendation PPRC.27/8)**

Zimbabwe: Strengthening Local Communities' Adaptive Capacity and Resilience to Climate Change through Sustainable Groundwater Exploitation in Zimbabwe (Fully-developed project; United Nations Educational, Scientific and Cultural Organization (UNESCO); ZWE/CIE/Water/2018/1; US\$ 5,000,000).

54. The objective of the proposal was to increase local communities' adaptive capacity and resilience to climate change through sustainable groundwater exploitation for food security and uses in rural areas of Zimbabwe. This was the second submission of the fully developed project proposal, using a two-step approach.

55. In response to a query, the representative of the secretariat confirmed that the reference to UNESCO was a reference to the intergovernmental hydrological programme of UNESCO which had been embedded in the project from its start.

56. Having considered the issues raised in documents AFB/PPRC.27/11 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Approve the fully-developed project, 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) Approve the funding of US\$ 5,000,000 for the implementation of the project, as requested by UNESCO; and
- c) Request the secretariat to draft an agreement with UNESCO as the multilateral implementing entity for the project.

**(Recommendation PPRC.27/9)**

## Concepts

*Proposals from Multilateral Implementing Entities (MIEs)*

*Regular proposals*

Lebanon: Enhancing Water Sector Resilience through Nature-based Adaptation Technologies in North-Lebanon (Concept note; Food and Agriculture Organization of the United Nations (FAO); AF00000254; US\$ 2,139,174).

57. The objective of the proposed project is to increase the capacity of communities and regional institutions to adapt to climate change and decrease vulnerability to climate induced risks and shocks through inclusive planning and implementation of Nature Based Adaptation Technologies (NBATs) and the enhanced monitoring of water resources. This was the first submission of the concept note, using a two-step approach.

58. The mention of the Barcelona Convention was applauded as was the use of digital information but more climate and adaptation information could have been provided. The climate rationale needed to be strengthened and more information provided on potential knowledge sharing and the replication of some of the project activities. Furthermore, information was needed on the use of nature-based adaptation technologies. The programme would address pollution through those nature-based technologies but it was unclear why the underlying causes of pollution was not being addressed as well. It was also asked if there was any overlap between the project and a local desalination project funded by the Green Climate Fund.

59. Having considered the issues raised in documents AFB/PPRC.27/12 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Endorse the concept note as supplemented by the clarification responses provided by the Food and Agriculture Organization of the United Nations (FAO) to the request made by the technical review;
- b) Request the secretariat to notify FAO 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 consider opportunities to link project component 2 to protocols and standards already agreed by countries under the Barcelona Convention frameworks, which may provide a cost-effective way to elevate lessons learnt to the regional level.
- c) Request FAO to transmit the observation under subparagraph (b) to the Government of Lebanon; and
- d) Encourage the Government of Lebanon to submit, through FAO, a fully-developed project proposal that would also address the observation under subparagraph (b), above.

**(Recommendation PPRC.27/10)**

Viet Nam: Building Resilience and Improving Response to Drought and Flood in the North Central Region of Viet Nam to Reduce the Impacts of Climate Change: Inclusive Integrated Management of Drought and Flood (Concept note; United Nations Food and Agriculture Organization (FAO); AF00000252; US\$ 3,580,000).

60. The objective of the proposed concept was to build communities' resilience and improve responses to climate change through inclusive integrated management of drought and flood. This was the first submission of the concept note, using a two-step approach.

61. Having considered the issues raised in documents AFB/PPRC.27/13 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Endorse the concept note as supplemented by the clarification responses provided by the United Nations Food and Agriculture Organization (FAO) to the request made by the technical review;
- b) Request the secretariat to notify FAO 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 enhance opportunities for knowledge exchange and the development of private sector synergies;
  - (ii) The fully-developed project proposal should provide more information on the community's capacity to undertake the management of the small-scale infrastructure to be installed;
  - (iii) The fully-developed project proposal should strengthen the environmental and social risk screening, including impact assessments for the principles for which risks have been identified, with adequate management measures;
- c) Request FAO to transmit the observations under subparagraph (b) to the Government of Viet Nam; and
- d) Encourage the Government of Viet Nam to submit, through FAO, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

**(Recommendation PPRC.27/11)**

Yemen: Increase the Climate Change Resilience to Water Scarcity and Sea Level Rise-related Challenges in the Tuban Delta (Concept note; United Nations Human Settlements Programme (UN-Habitat); AF00000250; US\$ 10,000,000).

62. The objective of the proposed concept was to increase the efficiency, sustainability and climate change resilience of water supply systems for agriculture and urban uses along with reducing water demand from the agriculture sector. This was the first submission of the concept note, using a two-step approach.

63. Questions were asked about the use of nature-based solutions and it was observed that while that was innovative, the Fund needed to be cautious using them as the limits on those solutions were not yet known. Linked to that was the issue of the sustainability of those solutions

and the consequent sustainability of the project. The full-cost of adaptation was also addressed in the project and it was asked why no local executing entities seemed to be engaged with the project.

64. The representative of the secretariat said that while there were limits to nature-based solutions there were also limits to man-made solutions. Nature-based solutions were a promising addition which could be also scaled-up, although the risks of using them were as yet also not well understood. She also said that most of the project activities and foreseen measures had not yet been fully defined and that the issue of executing entities would be raised to the project proponent.

65. It was also pointed out that the proposal would build on a similar project of UN-Habitat but there was no information on the evaluation of that project. That should be made available before the new project was developed in order to better understand the lessons that had been learnt from it, as well as from other projects that had been implemented in the region. It was important to look beyond climate risks, especially to those related to conflicts and more information was needed on the hydrology of the region water usage in a country where it appeared to be mostly used for agriculture and irrigation.

66. However, it was also pointed out that water scarcity was both a chronic problem and a defining issue of the region. The issue of conflict should not be seen as an obstacle to those countries which were in need of projects to address water scarcity but rather be seen as providing an added value to the complexity of the issue. The Adaptation Fund should avoid political discussions and focus on making the best use of its resources to help those vulnerable population which were in need.

67. Having considered the issues raised in documents AFB/PPRC.27/14 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Not endorse the concept note, 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; and
- c) Request UN-Habitat to transmit the observations under subparagraph (b) to the Government of Yemen.

**(Recommendation PPRC.27/12)**

## **Agenda Item 6: Review of regional project and programme proposals**

### **Fully-developed proposals**

*Proposals from Regional Implementing Entities (RIEs)*

Angola and Namibia: Resilience Building as Climate Change Adaptation in Drought Struck South Western African Communities (Fully-developed project; Sahara and Sahel Observatory (OSS); AFR/RIE/Rural/2019/PPC/1; US\$ 11,941,038).



68. The objective of the proposed project is to enhance adaptation capacity and resilience of communities to climate change impacts and variability in the transboundary region between Angola and Namibia. This is the first submission of the fully developed project proposal using a three-step approach.

69. The Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Not 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) Suggest that OSS reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision; and
- c) Request OSS to transmit the observations under subparagraph (b) to the Governments of Angola and Namibia.

**(Recommendation PPRC.27/13)**

*Proposals from Multilateral Implementing Entities (MIEs)*

Côte d'Ivoire, Ghana: Improved Resilience of Coastal Communities in Côte d'Ivoire and Ghana (Fully-developed project; United Nations Human Settlements Programme (UN-Habitat); AFR/MIE/DRR/2017/1; US\$ 13,951,160).

70. The objective of the proposal was to increase the climate change resilience of coastal settlements and communities to climate-related coastal hazards in Côte d'Ivoire and Ghana. This was the third submission of the fully developed project proposal, using a three-step approach.

71. The Project and Programme Review Committee decided to recommend 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 focus on climate change adaptation, demonstrating the sustainability and innovative character of its activities whilst showing the added value of the chosen regional approach;
  - (ii) The proponent should demonstrate that the risk of maladaptation is avoided, as well as compliance with the Fund's Environmental and Social Policy and Gender Policy; and

- c) Request UN-Habitat to transmit the observations under subparagraph (b) to the Governments of Côte d'Ivoire and Ghana.

**(Recommendation PPRC.27/14)**

**Concepts**

*Proposals from Multilateral Implementing Entities (MIEs)*

Azerbaijan, Islamic Republic of Iran: Urbanization and Climate Change Adaptation in the Caspian Sea Region (Concept note; United Nations Human Settlements Programme (UN-Habitat); ASI/MIE/Urban/2019/1; US\$ 14,000,000).

72. The objective of the proposed concept was to tackle the impacts of climate change in selected areas of the Caspian Sea Region, particularly in Azerbaijan and the Islamic Republic of Iran. This was the first submission of the regional concept note, using a three-step approach.

73. It was asked how the proposed trust fund would operate and how it could be ensured that the project would meet the full cost of adaptation. It was also suggested that the secretariat final assessments to the clarification requests raised could be summarized.

74. It was explained that the goal of the trust fund was to upscale the concrete project interventions beyond the funding provided by the Adaptation Fund and that it would be promoted among the private sector operating in the region and among international financial institutions. The trust fund could be seen as an option for ensuring the sustainability of the project and it was explained that the budget for establishing the trust fund amounted to US\$ 800,000 and was meant to attract private sector funding that could then be scaled up. It was not a major component of the project which did not depend on it for its success.

75. It was pointed out that if the trust fund was only an option, then the issue of the sustainability of the project was not yet assured; that sustainability should be assured in the short and medium terms as well as in the long-term and the recommendation should make that clear. It was also observed that the project proposed a wide range of activities and that it would benefit from focusing on adaptation needs that had been identified.

76. Having considered the issues raised in documents AFB/PPRC.27/17, AFB/PPRC.27/17/Add.1 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Endorse the regional concept note 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 fully-developed project proposal should ensure that complementary with other projects and programmes is clearly stated;

- (ii) The fully-developed project proposal should specify how much of the intended adaptation funds will be directed towards concrete measures, and their overall sustainability;
  - (iii) The fully-developed project proposal should provide details on the project screening process and should include a full gender assessment;
  - (iv) The fully-developed project proposal should incorporate additional consultations with vulnerable and marginalized communities, as required.
- c) Approve the project formulation grant of US\$ 80,000;
  - d) Request UN-Habitat to transmit the observations under subparagraph (b), above to the Governments of Azerbaijan and the Islamic Republic of Iran; and
  - e) Encourage the Governments of Azerbaijan and the Islamic Republic of Iran to submit, through UN-Habitat, a fully-developed proposal that would also address the observations under subparagraph (b), above.

**(Recommendation PPRC.27/15)**

Chad, Sudan: Strengthening Resilience to Climate and Covid-19 Shocks through Integrated Water Management on the Sudan – Chad Border Area (SCCIWM) (Concept note; United Nations Food and Agriculture Organization (FAO); AF00000248; US\$ 14,000,000).

77. The objective of the proposed project is to strengthen the regional agro-ecology and sanitation resilience to climate change and COVID-19 in the border area between Chad and Sudan, by enhancing early response capacity to drought and flood events, improving water availability, water use efficiency, and promoting adaptive agriculture production systems and multipurpose water technologies for Disaster Risk Reduction improved livelihoods, food security and sanitation of rural households. This was the first submission of the concept note, using a two-step approach.

78. The project was applauded for addressing some impact related to COVID-19, which the Adaptation Fund should stress more visibly in its outreach activities. The project activities were also related to the African Great Green Wall which should also be stressed and the next steps in the development of the proposal should place more emphasis on those two issues.

79. Having considered the issues raised in documents AFB/PPRC.27/18, AFB/PPRC.27/18/Add.1 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Endorse the concept note as supplemented by the clarification responses provided by the United Nations Food and Agriculture Organization (FAO) to the request made by the technical review;
- b) Request the secretariat to notify FAO of the observations in the review sheet annexed to the notification of the Board's decision, as well as well as the following issues:
  - (i) The fully-developed project proposal should provide a more comprehensive analysis to demonstrate its compliance with the Fund's Environmental and Social Policy and Gender Policy;

- (ii) The fully-developed project proposal should further develop its gender assessment.
- c) Approve the project formulation grant of US\$ 100,000;
- d) Request FAO to transmit the observations under subparagraph (b) to the Governments of Chad and Sudan; and
- e) Encourage the Governments of Chad and Sudan to submit, through FAO, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

**(Recommendation PPRC.27/16)**

## **Regional pre-concepts**

### *Proposals from Regional Implementing Entities (RIEs)*

Guinea, Mali, Mauritania, Senegal: Strengthening the Resilience of Climate-vulnerable Communities in the Senegal River Basin Using a Multi-hazard Early Warning System and Enhancing Adaptation Capacity (Pre-concept note; Sahara and Sahel Observatory (OSS); AF00000253; US\$ 14,000,000).

80. The objective of the proposed pre-concept was to improve climate change resilience of rural communities in the Senegal River Basin through the implementation of multi-hazard early warning system and multi-sectoral adaptation actions that strengthen social and environmental systems and result in resilient and sustainable livelihoods. This was the first submission of the pre-concept note, using a three-step approach.

81. It was observed that the project could be classified as being innovative as it was based on the use of information from satellites. However, to be effective that information needed to be analysed on the ground and through field networks, especially where the actions being taken are at the small scale. It was not clearly explained how the project was connected to such local networks and it was unclear what the role of local communities would be in the project and how the vulnerable communities would be involved. The region was already well studied and so it was asked what the additional impact of the Adaptation Fund would be in the region.

82. The representative of the secretariat said that technical solution being proposed, the spatial information provided by satellites, was as yet unclear but as it was a pre-concept that could be drawn to the attention of the proponents, along with the need to explain how vulnerable communities would be involved.

83. It was also asked how the proposal was linked to the multilateral Climate Risk and Early Warning System (CREWS) initiative which was being funded by the European Union, France and Germany. The proponents should address the complementarity and coherence of the proposal with the CREWS project and should also demonstrate its link to the African Great Green Wall Initiative.

84. Having considered the issues raised in documents AFB/PPRC.27/19, AFB/PPRC.27/19/Add.1 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Endorse the pre-concept note as supplemented by the clarification responses provided by the Sahara and Sahel Observatory (OSS) to the request made by the technical review;
- b) Request the secretariat to notify OSS of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
  - (i) The concept note should provide more detail on the specific climate issues and their impacts as well as a detailed approach to establishing early-warning systems and the multisectoral actions, both from the regional perspective and in the individual countries;
  - (ii) The concept note should provide indications of the budgeted amounts to be directly spent in the rural communities in each of the countries;
  - (iii) The concept note should outline options for involving national implementing entities in the project implementation;
  - (iv) Provide more information on complementarity and coherence on existing early warning interventions in the region and individual countries, including the Climate Risk and Early Warning System (CREWS) initiative;
- c) Approve the project formulation grant of US \$20,000;
- d) Request OSS to transmit the observations under subparagraph (b) to the Governments of Guinea, Mali, Mauritania and Senegal; and
- e) Encourage the Governments of Guinea, Mali, Mauritania and Senegal to submit, through OSS, a concept note that would also address the observations under subparagraph (b), above.

**(Recommendation PPRC.27/17)**

*Proposals from Multilateral Implementing Entities (MIEs)*

Cameroon, Central African Republic, Chad, Niger, Nigeria: Integrated Water Resources Management and Early Warning System for Climate Change Resilience in the Lake Chad Basin (Pre-concept note; United Nations World Meteorological Organization (WMO); AF00000224; US\$ 10,620,000).

85. The objective of the proposed pre-concept was to provide concrete technical solutions to climate resilience and water resource management in the Lake Chad basin. This was the second submission of the pre-concept note, using a three-step approach.

86. It was observed that it was important to understand what was being done both in other regional initiatives and what was being done by the Adaptation Fund. The project proposed to develop a hydrological information system, but many tools for that already existed and the next steps in the proposal should focus on the adaptation actions. The proposal needed to make strengthen its the climate rationale and the coherence and complementarity with another World Bank project, which was already being implemented in the region, needed to be explained.

87. Having considered the issues raised in documents AFB/PPRC.27/20, AFB/PPRC.27/20/Add.1 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Endorse the pre-concept note submitted by the United Nations World Meteorological Organization (WMO);
- b) Request the secretariat to notify WMO of the observations in the review sheet annexed to the notification of the board's decision and well as the following issue:
  - (i) The proponent should strengthen the climate change rationale and elaborate on synergies with other projects.
- c) Approve the project formulation grant of US\$ 20,000;
- d) Request WMO to transmit the observation under subparagraph (b) to the Governments of Cameroon, Central African Republic, Chad, Niger and Nigeria; and
- e) Encourage the Governments of Cameroon, Central African Republic, Chad, Niger, and Nigeria to submit, through WMO, a concept note that would also address the observation under subparagraph (b), above.

**(Recommendation PPRC.27/18)**

Costa Rica, Panama: Enhancing the Climate Resilience of Local Livelihoods through Nature-based Tourism in the Caribbean Communities of Limon, Costa Rica, and Bocas del Toro, Panama (Pre-concept note; United Nations Environment Programme (UNEP); AF00000251; US\$ 10,693,000).

88. The objective of the proposed pre-concept was to reduce the vulnerability of communities along Limon and Bocas del Toro Caribbean provinces to flooding and risk caused by extreme events and sea level rise by unlocking the potential for diversification of local livelihoods through a nature-based tourism, and by mainstreaming climate data and adaptation measures into policy and planning. This was the first submission of the pre-concept note, using a three-step approach.

89. It was observed that the project proposed nature-based solutions and that the proponents should explain what the private sector would gain from the project. The recommendations should avoid making abstract requests as they would be hard to implement and could be confusing. The secretariat agreed but stressed that it was important for the proponents to have a clear theory of change and that the project could not be recommended even at the pre-concept stage.

90. Having considered the issues raised in documents AFB/PPRC.27/21, AFB/PPRC.27/21/Add.1 and AFB/PPRC.27/4/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Not endorse the pre-concept, as supplemented by the clarification responses provided by the United Nations Environment Programme (UNEP) to the request made by the technical review;

- b) Suggest that UNEP reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision;
- c) Not approve the project formulation grant of US\$ 20,000; and
- d) Request UNEP to transmit the observations under subparagraph (b) to the Governments of Costa Rica and Panama.

**(Recommendation PPRC.27/19)**

### **Agenda Item 7: Report of the secretariat on initial screening/technical review of innovation small grant proposals**

91. The Chair asked the representative of the secretariat to introduce the report on the initial screening/technical review of innovation small grant proposals (AFB/PPRC.27/22 and its confidential addendum AFB/PPRC.27/22/Add.1) and the three innovation small grants that had been processed and technically reviewed by the secretariat. The representative of the secretariat said accredited NIEs had submitted four innovation small grant proposals to the secretariat, with total requested funding amounting to US\$ 998,704. Of the four submissions three, for a total amount of US\$ 748,704 had met the requirements for a complete technical review. Those proposals included US\$ 46,068, or an average of 6.56 per cent, in IE management fees and US\$ 43,376, or an average of 6.17 per cent, in project execution costs. The three projects submitted were for: Bhutan (AFB/PPRC.27/23), Dominican Republic (AFB/PPRC.27/24) and Zimbabwe (AFB/PPRC.27/25).

92. The PPRC took note of the report presented by the secretariat.

### **Agenda Item 8: Review of innovation small grant project proposals**

Bhutan: Building Adaptive Capacity through Innovative Management of Pests/Disease and Invasive Alien Species (IAS) in Bhutan to Enhance Sustainable Agro-Biodiversity and Livelihoods (Innovation Small Grant; Bhutan Trust Fund for Environmental Conservation (BTFEC); BTN/NIE/Agri/2021/1/Innovation; US\$ 250,000).

93. The objective of the project was to protect agricultural production and improve food security in the district of Mongar in Bhutan through the introduction of innovative pest management systems to eradicate the invasive Giant African Land Snails (GALS). The project is introducing a change from current management practices (salt and hand picking) allowing communities to adapt and become resilient to the changes brought by climate change. This was the first submission of the innovation small grant proposal.

94. More details were requested on the way in which the projects could be considered innovative, what criteria were being used to make that judgement, and to clarify what link there was between that innovation and the climate change reasoning for the projects. In the present project it did not seem that invasive alien species were specifically linked to the problem of climate change. While it might be important to eradicate those pests, there was no information on where they were coming from. It was more important to proactively stop the infestation than to try to eradicate it later; it was important to fight the causes and not just the impacts or consequences.

95. The representative of the secretariat explained that information on the projects was posted on the Fund's website in the same location as to where information on the regular projects could be found. With respect to the criteria for innovation, and whether the project could be considered innovative, she said that the type of innovation being proposed by the project is 'Adaptive' – using and adapting existing approaches in new ways and new contexts. The changing climate is tending towards a warmer and wetter climate, which is more favorable for the pests to thrive. The project was addressing the problem posed by an invasive species the Great African Land Snail (GALS) in Bhutan and that climate change is the major influencing factor for distribution and the outbreak of this species in Bhutan. The project was proposing bait trapping systems that have been adapted for use in Bhutan. The invasive species was expected to migrate to new areas and to have a significant effect on small-holder farmers. GALS are widespread in the region, had been there for over 100 years and it was unclear exactly when they spread to the target area. The two main reasons why the project was not being recommended was the lack of information on how the project would source ideas from local universities, what the trapping system would consist of and why it was relevant for the context of Bhutan.

96. With respect to the issue of complementarity and coherence with other projects, it was observed that the Green Climate Fund was already funding a project for US\$ 58 million with the same implementing agency in the region that was also focusing on agriculture, for which this invasive alien species was a concern. The proponents should explain how the project was additional to that already existing project. It was also suggested that as an existing technology was being proposed for use in a new context, it would be useful for the proponents to focus on the lessons that could be learnt from that and applied the broader problem of addressing invasive species in the agricultural sector.

97. Having considered the issues raised in documents AFB/PPRC.27/23 and AFB/PPRC.27/22/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Not approve the innovation small grant, as supplemented by the clarification responses provided by the Bhutan Trust Fund for Environmental Conservation (BT FEC) to the requests made by the technical review;
- b) Suggest that the BT FEC reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, and the following issue:
  - (i) The proposal should provide more information on learning from the project and wider impacts of Giant African Land Snails eradication for a strategy to deal with invasive species in the agricultural sector in the climate change context; and
- c) Request BT FEC to transmit the observation under subparagraph (b) to the Government of Bhutan.

**(Recommendation PPRC.27/20)**

Dominican Republic: Strengthening of a Replicable Micro Ecosystem for Accelerated Development of Technologies for Climate Change Adaptation of the Dominican Republic - Phase I - Disruptive Modular Dynamic Floating Breakwater Technology (Instituto Dominicano de Desarrollo Integral (IDDI); DOM/NIE/CZM/2021/1/Innovation; US\$ 248,734).



98. The objective of the proposed project was to develop and test, in a small pilot community, a modular dynamic floating breakwater technology that will attenuate wave energy before reaching sandy beaches and therefore lowering the erosion potential of extreme climate events. This was the first submission of the innovation small grant proposal.

99. It was observed that the innovative technology aspect in the project was clear, and it was suggested that in the future, when presenting a summary of the projects, that the secretariat focus on explaining how the projects were innovative. However, it was also asked who would benefit from the project which was supposed to protect the coastal populations. The private sector was also benefiting from the project and it was asked how it would be involved in the process and whether it was financing any of the maintenance costs for the project.

100. The representative of the secretariat explained that both the target beneficiaries and the exact location where the prototype of the proposed technology would be piloted were unknown at the present time. She mentioned that design of the current project was similar to the recently approved innovation micro ecosystem desalination project in Dominican Republic. The proposal outlines an entrepreneurial innovation that involves patent generation and business generation. With regard to the participation by the private sector, it was mentioned that the project has private sector integration that can support the disbursement of risk and also allow future scaling through innovative funding mechanisms such as patent revenue generation, licencing income, and private sector commitment to public adaptation actions. She further mentioned that a Dominican Republic company would hold a share in companies set up from this work and therefore have a stake in taking forward activities and securing funds back to Small Island Developing States (SIDS). This mechanism could help with future scaling and further implementation of technologies developed in the process. The first component of the project was also supposed to be co-financed but that had been dropped because of the Fund's requirement to finance the full-cost of adaptation.

101. It was recalled that the innovative task force group defined innovation as also including vulnerable communities and while it was normal for the private sector to be involved, the focus of the Adaptation Fund should be on the vulnerable communities, which was something that had not been addressed in the project. While the private sector could or even should be involved in the project, the vulnerable communities needed to be integrated as well. The secretariat representative confirmed that indeed an innovation process involves taking into account local knowledge not just from organisations but also from other local stakeholders. Their involvement in the project should be more than just bystanders who are made aware of the activities going on around and should be able to have an active role in shaping and supporting the innovation. It was also asked whether the project needed to be redesigned so that it could still be successful without private sector involvement. The representative of the secretariat said that in the revised proposal, the private company of the proposed micro ecosystem will develop and finance project Component 1. However, this revision of the budget, raised a few questions. The project would need to ensure that it is in compliance with the Fund's policy.

102. In response to a query about how the floating breakwater would be deployed during bad weather, the representative of the secretariat explained that the early warning system to be used had not yet been defined in the proposal although it was expected that the local communities would deploy the breakwater as needed.

103. Having considered the issues raised in documents AFB/PPRC.27/24 and AFB/PPRC.27/22/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Not approve the innovation small grant, as supplemented by the clarification responses provided by the Instituto Dominicano de Desarrollo Integral (IDDI) to the requests made by the technical review;
- b) Suggest that the IDDI reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision; and
- c) Request IDDI to transmit the observations under subparagraph (b) to the Government of the Dominican Republic.

**(Recommendation PPRC.27/21)**

Zimbabwe: Accelerating Climate Change Resilience through Climate Smart Agriculture and Landscape Management Project in Matobo District, Zimbabwe (Environmental Management Agency (EMA); ZWE/NIE/EBA/2021/1/Innovation; US\$ 249,970).

104. The objective of the proposed project was to foster mechanisms that help communities in the Matobo District to cope with the impacts of droughts in their agriculture productivity, food security and that promote poverty reduction by applying the concept of *Pfumvudza*. This was the first submission of the innovation small grant proposal.

105. Having considered the issues raised in documents AFB/PPRC.27/25 and AFB/PPRC.27/22/Add.1, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Not approve the innovation small grant, as supplemented by the clarification responses provided by the Environmental Management Agency (EMA) to the requests made by the technical review;
- b) Suggest that the EMA reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision; and
- c) Request EMA to transmit the observations under subparagraph (b) to the Government of Zimbabwe.

**(Recommendation PPRC.27/22)**

**Agenda Item 9: Report of the secretariat on initial screening/technical review of learning grant proposal**

106. The Vice-Chair asked the representative of the secretariat to introduce the report on the initial screening/technical review of innovation small grant proposals (AFB/PPRC.27/26 and its confidential addendum AFB/PPRC.27/26/Add.1) and the learning grant for Kenya (AFB/PPRC.27/27) that had been processed and technically reviewed by the secretariat. The representative of the secretariat said that only one proposal had been submitted to the secretariat by an accredited NIE, the National Environment Management Authority (NEMA) of Kenya, with a total requested funding of US\$ 143,545, which included US\$ 11,245, or an average of 8.5 per cent, in IE management fees. She said that some of the issues with the project were that the implementing entity did not offer sufficient information on ways to capture and use the knowledge

proposed by the entity or on dissemination strategies, and the implementing entity needed to offer additional clarification on how some proposed activities would avoid duplication with some of the knowledge management activities already being funded by the Fund.

107. The PPRC took note of the report presented by the secretariat.

#### **Agenda Item 10: Review of learning grant proposals**

Kenya: Grant to Facilitate Learning and Knowledge Sharing (Learning grant; National Environment Management Authority (NEMA); Kenya/NIE/Multi/2021/Learning; (US\$ 143,545).

108. The objective of the proposed project was to complement and enhance the knowledge management and learning activities undertaken under the Kenya Climate Change Adaptation program (KCCAP) by organizing knowledge exchanges among NIEs to increase collaborative learning, creating communities of practice and enhancing the community outreach learning to increase their adaptive capacity to 'adaptation villages'. This was the second submission of the proposal which could not be previously considered because it lacked a valid letter of endorsement.

109. It was asked whether the amount requested was sufficient to address all five components of the project and how the results achieved would be measured. The representative of the secretariat explained that elements consisted mainly of exchange visits between NIEs and between the ten executing entities which were located in different parts of the country, as well as meetings between communities. Those meetings would produce reports, and communication and knowledge materials that would then be shared and a national adaptation workshop was envisioned where different stakeholders could come together and share those materials. That would allow the secretariat to measure the knowledge management products produced.

110. It was pointed out that while that would measure the number of meetings and missions it did not measure the results, the impact, and the outcomes of those missions. Without that it could be that the project would only be supporting physical action without appreciable and real results on the ground.

111. The representative of the secretariat explained that the NIEs were required to submit monitoring reports of the adaptation interventions following the completion of the learning grants which the secretariat could assess at that point.

112. It was whether the proponents could take the opportunity to develop online communications where feasible, which was something that could be developed within the project.

113. It was pointed out that some of the activities, such as the overseas NIE exchanges, would be difficult to conduct due to the current travel restrictions in the world and more clarification should be provided from NEMA in this respect prior to signature.

114. The representative of the secretariat agreed to this and revised the recommendation accordingly.

115. Having considered the issues raised in documents AFB/PPRC.27/26/Add.1 and AFB/PPRC.27/27, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Approve the project, as supplemented by the clarification responses provided by the National Environment Management Authority (NEMA) to the request made by the technical review;
- b) Approve the funding of US\$ 143,545 for the implementation of the project, as requested by NEMA; and
- c) Request the secretariat to draft an agreement with NEMA as the national implementing entity for the project. Prior to signature, NEMA should provide clarification on alternative ways to conduct overseas exchanges in case of travel restrictions related to the COVID-19 pandemic.

**(Recommendation PPRC.27/23)**

### **Agenda Item 11: Programme on innovation: Large Grants Projects' call for proposals**

116. The Vice-Chair asked the representative of the secretariat to introduce the report on large grants for innovation (AFB/PPRC.27/28). The representative of the secretariat explained that at the second session of the twenty-sixth meeting of the PPRC, the secretariat presented a document AFB/PPRC.26.b/16 that described the proposed objectives of the innovation large grants including the review criteria, expected grant sizes, implementation modalities, review process and other relevant features. The Board had approved, through decision B.35.b/8, the process for providing funding for innovation through large grants to implementing entities (IEs), as described in document AFB/PPRC.26.b/16, including the proposed objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features. Through the same decision, under subparagraph (c), the Board had requested the secretariat to prepare the first request for proposals to IEs for US \$30 million to be launched by the first quarter of calendar year 2021. In order to launch the large grants, the secretariat had developed, and had submitted for approval, the project proposal templates (Annex II), the review template (Annex III) and 'Instructions for Preparing a Request for Innovation Large Grants' (Annex IV), to accompany the 'Call for proposals for innovation large grant' presented in Annex I of document AFB/PPRC.27/28. The representative of the secretariat then explained the changes that were being made to the templates.

117. With regard to Annex II it was asked why the concept of sustainability had been dropped and it was observed that innovative projects had to be sustainable as well. It was also asked how the programme of innovation could be approved without also considering the linked document that would clarify what innovation meant, a document which had not yet been circulated. With respect to the different themes being mentioned, it was asked why forests had been dropped as it was a focal area of the Adaptation Fund and should be added in the next iteration of the document.

118. The representative of the secretariat explained the criteria of sustainability had been retained in the templates along with cost-effectiveness and other mandatory criteria such as the environmental and social policy of the Fund. She said that in the current presentation she had only mentioned those changes that had been made to relevant templates for innovation large grant window. She had stressed only the new elements in the presentation, but templates would still retain the criteria used for the other funding windows. Related to sectors, she mentioned that the themes presented is not an exhaustive list and stressed that land use and forests will be added in the call for proposals. It was also pointed out that the document being developed to further clarify the vision of innovation was being prepared at the request of the Board. It was a work in progress and not specific to any particular funding window. That, however, had not hindered the Board for taking decisions on innovation and it had already approved a small innovation grants window as

well as the Innovation Small Grant Aggregator. It would therefore be possible to take a decision on the placeholders for the large grant window for innovation on the understanding that the issue of innovation could be further clarified in the future.

119. It was agreed that the process was dynamic but that in addition to the sustainability of the strategies being developed, the projects and programmes themselves also needed to be sustainable for the credibility of the Fund. It was also pointed out that land use should be included among the themes as well and that the projects, including the innovative projects, should also address the underlying causes of COVID-19. The issue of co-financing should also be addressed as it affected the possibility of scaling up projects.

120. In response to a query by the Vice-Chair, the representative of the secretariat said that the templates would not need to be changed as a result of the discussions but that some of the comments could be included in the instructions document associated with the templates.

121. Having considered the issues raised in document AFB/PPRC.27/28, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Approve the Large Grant Project Proposal template, the Review Criteria template and the Instructions for Preparing a Proposal for Innovation Large Grants as described in Annex II, III and IV of document AFB/PPRC.27/28; and
- b) Launch the request for proposals so that submissions of Innovation Large Grants proposals are invited to be considered as early as the thirty-seventh meeting of the Board.

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

## **Agenda Item 12: Report on the Readiness Support Package Pilot**

122. The Vice-Chair asked the representative of the secretariat to introduce the report on the readiness support package pilot (AFB/PPRC.27/29). The representative of the secretariat explained that the Board had approved the readiness support package grant as a pilot and included it in the workplan for the readiness programme for fiscal year 2018 at its twenty-ninth meeting in March 2017. Following completion of the pilot, the secretariat had undertaken a review and an analysis of the pilot readiness package grant, including grant benefits and added value, challenges faced, and was proposing a way forward regarding the Fund's financial support for NIE accreditation.

123. In response to a query about the reason for the suggested increase in the readiness package grant for accreditation of NIEs of up to a maximum of US\$ 150,000 per country, the representative of the Secretariat said that the initial amount of US\$ 100,000 had been considered insufficient by the NIE given the cost of retaining outside consultants.

124. Having considered the issues raised in document AFB/PPRC.27/29, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Approve the Readiness Package Grant as a standing window and replacement to South-South Cooperation Grants under the Readiness Programme to provide support for the accreditation of a National Implementing Entity (NIE) of the Fund;

- b) That the Readiness Package Grant shall be available for accreditation of NIEs only, up to a maximum of US\$ 150,000 per country;
- c) That Implementing Entities submitting proposals for the Readiness Package Grant should do so using the application form in Annex I of document AFB/PPRC.27/29 and that such proposals should be reviewed using the review sheet in Annex II of document AFB/PPRC.27/29;
- d) That the review cycle and approval of Readiness Package Grants shall follow the review and approval process as well as reporting requirements for readiness grants under the Fund;
- e) That already approved South-South Cooperation grants should continue implementation and fulfil all reporting requirements until completion;
- f) Request the secretariat to prepare an analysis for opening the Readiness Package Grant to non-NIE intermediaries that are accredited implementing entities of the Fund; and
- g) Also request the secretariat to notify all accredited implementing entities of this decision by the Board on the Readiness Package Grant and South-South Cooperation Grants.

**(Recommendation PPRC.27/25)**

**Agenda Item 13: Report of the secretariat on the intersessional review cycle for readiness grants**

125. The Vice-Chair asked the representative of the secretariat to introduce the report on the intersessional review cycle for readiness grants (AFB/PPRC.27/30). The representative of the secretariat explained that this was the sixth intersessional review, that three readiness grants had been approved by the Board during the intersessional review period between the thirty-fifth and thirty-sixth meetings of the Board and that the grants included two technical assistance grants for the Environmental and Social Policy and Gender Policy (TA-ESGP) and one technical assistance grant for the Gender Policy (TA-GP). The document presented an analysis of the review cycle for the intersessional period and presented a proposed way forward for increasing access to the readiness grants. He said that the one observation was that there had been a decrease in the number of proposals being submitted by accredited NIEs when compared with the previous intersessional review cycle, which was probably linked to the number of NIEs that had already received technical assistance grants, or in the case of gender policy they had either used their own funding or had received funding from other sources such as the Green Climate Fund. There had also been no proposals submitted for South-South cooperation grants and it was suggested that the grants should be made available throughout the year and not just once a year.

126. In response to a request for clarification on the nature of the funding window for the readiness grants, the representative of the secretariat explained that the window was not related to the US\$ 20 million window for enhanced direct access (EDA) and was not included within it. The enhanced direct access funding window allows those national implementing entities already accredited to submit concrete project and programmes under the EDA modality, whereas the readiness programme helped in the accreditation of entities which would then be able to submit such concrete proposals.

127. He also explained that the review cycle was determined by the Board and happened between successive Board meetings which meant that the intersessional period referred to the period between Board meetings and not the period between meetings of the PPRC.

128. Having considered the issues raised in document AFB/PPRC.27/30, and recalling, and recalling decision B.28/30, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Request the secretariat to review readiness grant proposals during all intersessional periods between Board meetings while recognizing that such grants may also be reviewed at regular meetings of the Board;
- b) Also request the PPRC to consider intersessionally the technical review of such readiness grant proposals as prepared by the secretariat and to make intersessional recommendations to the Board;
- c) Consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure;
- d) Request the secretariat to send a notification to implementing entities and other stakeholders informing them about the new arrangement; and
- e) Further request the secretariat to present in the twenty-eighth meeting of the PPRC, and to subsequent PPRC meetings following each intersessional review cycle for readiness grants, an analysis of the intersessional review cycle.

**(Recommendation PPRC.27/26)**

**Agenda Item 14: Request for a change in project approval conditions:**

129. The Vice-Chair asked the representative of the secretariat to introduce the two requests for changes in project approval conditions: Fiji (AFB/PPRC.27/31) and the Solomon Islands (AFB/PPRC.27/32). The representative of the secretariat explained that the Board, through Decisions B.30/24 and B.30/26, approved projects in Fiji and Solomon Islands implemented by the United Nations Human Settlement Programme (UN-Habitat) with the condition that an updated Environmental and Social Management Plan (ESMP) had to be submitted to the Board no later than the date of submission of the first Project Performance Report (PPR). The updated ESMP for both projects was linked with the finalization of comprehensive climate change vulnerability and disaster risk assessments in the target cities and informal settlements and was to remove any unidentified sub-project and reflect all environmental and social risks inherent with the identified adaptation activities. However, the implementing entity had informed the secretariat that the condition of submitting an updated ESMP at the time of the first PPR was not in line with the approved workplan of the projects and that they were unable to comply with the Board's condition because specific activities to be undertaken in years two and three of project implementation directly contributed to the finalization of the environmental and social and gender assessments which in turn would lead to the finalization of ESMP after year three. Therefore, the implementing entity had submitted a request for a change in the projects' approval conditions.

130. It was suggested that the change could be approved, but the need for the request demonstrated the problem of unidentified sub-projects which would continue to be a problem in the future. It was suggested that further guidance was needed on how to limit their use.

Fiji: Increasing the Resilience of Informal Urban Settlements in Fiji that are Highly Vulnerable to Climate Change and Disaster Risks (United Nations Human Settlements Programme (UN-Habitat); FJI/NIE/Urban/2016/1; US\$ 4,235,995) (Decision B.30/24).

131. Having considered the issues raised in document AFB/PPRC.27/31, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Take note of the justification for the request for change in the approval conditions provided by the United Nations Human Settlements Programme (UN-Habitat) for the project “Increasing the resilience of informal urban settlements in Fiji that are highly vulnerable to climate change and disaster risks (the Project),” as described in Annex 2 and Annex 6 of document AFB/PPRC.27/31;
- b) Approve, on an exceptional basis, the change in project conditions as referred to in decision B.30/24, subparagraph (d), by replacing it in its entirety by the following:

“UN-Habitat shall report to the Board through the annual Project Performance Reports (PPRs), following the guidance document on unidentified sub-projects (USPs) compliance (document AFB/B.32-33/7):

- (i) The progress and performance in applying the Adaptation Fund’s Environmental and Social Policy (ESP) to the USPs and demonstrating compliance of all the project/programme activities with the ESP;
- (ii) An updated Environmental and Social Management Plan (ESMP) of the project that would cover all USPs it has identified during the relevant reporting period including a description of the fully formulated USPs, details on their characteristics and, the specific environmental and social setting in which the USPs will be implemented; and
- (iii) The updated ESMP which is to be prepared following the identification of USPs in compliance with the Fund’s ESP is to be attached to the annual PPR”.

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

Solomon Islands: Enhancing Urban Resilience to Climate Change Impacts and Natural Disasters: Honiara (United Nations Human Settlements Programme (UN-Habitat); SLB/MIE/Urban/2016/1; US\$ 4,395,877) (Decision B.30/26).

132. Having considered the issues raised in document AFB/PPRC.27/32, the Project and Programme Review Committee decided to recommend that the Adaptation Fund Board:

- a) Take note of the justification for the request for change in the approval conditions provided by the United Nations Human Settlements Programme (UN-Habitat) for the project “Enhancing urban resilience to climate change impacts and natural disasters: Honiara (the Project),” as described in Annex 2 and Annex 6 of document AFB/PPRC.27/32;
- b) Approve, on an exceptional basis, the change in project conditions as referred to in decision B.30/26, subparagraph (d), by replacing it in its entirety by the following:



“UN-Habitat shall report to the Board through the annual Project Performance Reports (PPRs), following the guidance document on unidentified sub-projects (USPs) compliance (document AFB/B.32-33/7):

- (i) The progress and performance in applying the Adaptation Fund’s Environmental and Social Policy (ESP) to the USPs and demonstrating compliance of all the project/programme activities with the ESP;
- (ii) An updated Environmental and Social Management Plan (ESMP) of the project that would cover all USPs it has identified during the relevant reporting period including a description of the fully formulated USPs, details on their characteristics and, the specific environmental and social setting in which the USPs will be implemented; and
- (iii) The updated ESMP which is to be prepared following the identification of USPs in compliance with the Fund’s ESP is to be attached to the annual PPR”.

**(Recommendation PPRC.27/28)**

#### **Agenda Item 15: Full cost of adaptation reasoning**

133. The Vice-Chair asked the representative of the secretariat to introduce the note on the process for updating the full cost of adaptation reasoning (AFB/PPRC.27/3). The representative of the secretariat said at its second meeting in November 2006, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) had decided that the Adaptation Fund would be guided by a series of principles, among which was “Funding on full adaptation cost basis of projects and programmes to address the adverse effects of climate change” (Decision 5/CMP.2). She also said that for the Adaptation Fund, the full-cost of adaptation has been interpreted as “the costs associated with implementing concrete adaptation activities that address the adverse effects of climate change”, as specified in the Fund’s Operational Policies and Guidelines (OPG) and that as stated in the OPG, Annex 5, “proposals should demonstrate that the project/programme activities are relevant in addressing its adaptation objectives and that, taken solely, without additional funding from other donors, they will help achieve these objectives. Although co-financing is not required, it is possible and often cost-effective to implement Adaptation Fund projects in parallel with projects funded from other sources. In such a situation, the Adaptation Fund project should be able to deliver its outcomes and outputs regardless of the success of the other project(s)”.

134. At its nineteenth meeting, the PPRC had discussed a proposal that included activities that, if funded by the Adaptation Fund, would have been highly dependent on the implementation and delivery of other adaptation activities from a co-financed component, and as a result there was a need to explore ways to address cases where the delivery of Fund-supported activities was dependent on delivery of co-financed activities. At its twentieth meeting, the PPRC had discussed a proposal for clarifying the scope of application of the full cost of adaptation reasoning criterion, following which the Board decided to reconfirm the definition of the “full costs of adaptation” as stated in the OPG and to request the secretariat, taking into account the Medium-term Strategy (MTS) of the Adaptation Fund, to perform an analysis and collect the lessons learnt on how the full costs of adaptation has been applied by the Adaptation Fund and make recommendation on the way forward including potential further conceptual development of applying the full costs of adaptation, for consideration of the PPRC at its twenty-second meeting (Decision B.29/3).

135. At the twenty-second PPRC meeting, the secretariat was requested to develop an analysis on the full cost of adaptation revised in accordance with the MTS and its implementation plan, to be discussed the twenty-fourth meeting of the PPRC.

136. Following Board Decision B.31/23, the secretariat developed a report to be presented at the twenty-fourth PPRC meeting, but its discussion has been deferred since then. The present document (PPRC.27/3) includes the background on the full cost of adaptation and a rationale for the suggested process and timeline for developing a report which includes elements to be discussed when defining the scope of the application of the full cost of adaptation reasoning criterion. The original report is attached to the document as Annex I.

137. It was observed that it was a unique characteristic of the Adaptation Fund to fund projects and programme on the full-cost of adaptation and that it was not found in other climate funds. It was also suggested that, while the secretariat could explore the issue, there should be no basic change to that rule which had been reiterated several times by the Board.

138. The representative of the secretariat said that the recommendation did not suggest such a change and only provided for a way forward to revisit co-financing and manage the risks associated with co-financing schemes and other innovative approaches. The PPRC and the Board could then provide further guidance to implementing entities on how to deal with potential risks in cases where the foreseen co-financing does not materialize, which was especially important as more proposals submitted for the Board's consideration presented blended finance schemes which might be otherwise inadvertently blocked.

139. It was noted that while the issue of the full cost of adaptation had been decided as a core principle when the Fund when it was established, the experience and knowledge that had been developed since then on adaptation, and the paradigm shift needed to support sustainability and scaling up of projects, meant that at some point it would be necessary to revisit the OPG. While the Green Climate Fund had a requirement of co-financing, the Fund might want to keep the feature that it was not a required element, which seemed to also be the opinion of civil society. However, co-financing could be encouraged where applicable and available, but it was also stressed that co-financing could not become a requirement for the projects as the Fund had been created to fund the full-cost of adaptation.

140. Having considered the issues raised in document AFB/PPRC.27/3, the Project and Programme Review Committee (PPRC) decided to recommend that the Adaptation Fund Board request the secretariat to develop a report including elements for defining the scope of application of the full cost of adaptation reasoning criterion, taking into consideration the programmatic developments of the Fund, and the views of the Fund's relevant stakeholders and Board members, in a two-stage manner for consideration at the twenty-eight and twenty-ninth PPRC meetings.

**(Recommendation PPRC.27/29)**

#### **Agenda Item 16: Other matters**

141. One member said that at each meeting of the PPRC, during the adoption of the agenda, the Chair or the Vice-Chair or the secretariat should specifically draw the attention of the members of the PPRC to those proposals that had not been technically recommended and not placed on the agenda for discussion by the PPRC in order to allow any of the members to place those proposals on the agenda of the meeting should they wish them to be discussed.

**Agenda Item 17: Adoption of the Recommendations and the Report**

142. The representative of the secretariat explained that Secretariat would consolidate all inputs from the meeting, as well as any comments shared in writing ahead of the meeting, and prepare the recommendations of the PPRC to the Board and circulate them to the PPRC several days before the thirty-sixth meeting of the Board. The present report was adopted intersessionally by the PPRC following its twenty-seventh meeting.

**Agenda Item 18: Closure of the meeting**

143. Following the customary exchange of courtesies, the Vice-Chair declared the meeting closed at 6:10 p.m. Central European Time (UCT+1).

## Annex I

### **Project and Programme Review Committee Twenty-seventh Meeting Bonn, (virtually held) 22-23 March, 2021**

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

Ms. Patience DAMPTEY (Ghana, Africa)

Ms. Fatou NDEYE GAYE (The Gambia, Africa)

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

Mr. Ahmed WAHEED (Maldives, Asia-Pacific)

Ms. Ala DRUTA (Vice-Chair, Moldova, Eastern Europe)

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

Ms. Margarita CASO CHÁVEZ (Mexico, Latin America and the Caribbean)

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

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

Mr. Tshering TASHI (Bhutan, Least Developed Countries)

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

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

Mr. Lucas DI PIETRO (Argentina, Non-Annex I Parties)

## Annex II

## AFB36: Summary of recommendations for projects and programmes at the twenty-seventh meeting of the Project and Programme Review Committee

1. Full Proposals: Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>NIE</b>								
	Indonesia (1)	Kemitraan	AFB/PPRC.27/5	963,456			Pending*	0
	Indonesia (2)	Kemitraan	AFB/PPRC.27/6	824,835			Pending*	0
	Belize	PACT	AFB/PPRC.27/7	4,000,000			Not approve	0
	Tanzania (United Republic of)	NEMC	AFB/PPRC.27/8	1,400,000			Approve	1,400,000
<b>MIE</b>								
	Djibouti	IFAD	AFB/PPRC.27/9			5,339,285	Not approve	0
	Syrian Arab Republic	UN-Habitat	AFB/PPRC.27/10			9,997,156	Approve	9,997,156
	Zimbabwe	UNESCO	AFB/PPRC.27/11			5,000,000	Approve	5,000,000
	<b>Sub-total, USD</b>			<b>5,400,000</b>	<b>-</b>	<b>20,336,441</b>		<b>16,397,156</b>
2. Concepts: Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>MIE</b>								
	Lebanon	FAO	AFB/PPRC.27/12			2,139,174	Endorse	-
	Viet Nam	FAO	AFB/PPRC.27/13			3,580,000	Endorse	-
	Yemen	UN-Habitat	AFB/PPRC.27/14			10,000,000	Not endorse	-
	<b>Sub-total, USD</b>			<b>-</b>	<b>-</b>	<b>15,719,174</b>		<b>-</b>
3. Full Proposals: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>RIE</b>								
	Angola, Namibia	OSS	AFB/PPRC.27/15		11,941,038		Not approve	0
<b>MIE</b>								
	Côte d'Ivoire, Ghana	UN-Habitat	AFB/PPRC.27/16			13,951,160	Not approve	0
	<b>Sub-total, USD</b>				<b>11,941,038</b>	<b>13,951,160</b>		<b>0</b>
4. Concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>MIE</b>								
	Azerbaijan, Iran (Islamic Republic of)	UN-Habitat	AFB/PPRC.27/17			14,000,000	Endorse	-
	Chad, Sudan	FAO	AFB/PPRC.27/18			14,000,000	Endorse	-
	<b>Sub-total, USD</b>					<b>28,000,000</b>		<b>-</b>
5. Project Formulation Grants: Regional Concepts	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>MIE</b>								
	Azerbaijan, Iran (Islamic Republic of)	UN-Habitat	AFB/PPRC.27/17/Add.1			80,000	Approve	80,000
	Chad, Sudan	FAO	AFB/PPRC.27/18/Add.1			100,000	Approve	100,000
	<b>Sub-total, USD</b>					<b>180,000</b>		<b>180,000</b>
6. Pre-concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>RIE</b>								
	Guinea, Mali, Mauritania, Senegal	OSS	AFB/PPRC.27/19		14,000,000		Endorse	-
<b>MIE</b>								
	Cameroon, Central African Republic, Chad, Niger, Nigeria	WMO	AFB/PPRC.27/20			10,620,000	Endorse	-
	Costa Rica, Panama	UNEP	AFB/PPRC.27/21			10,693,000	Not endorse	-
	<b>Sub-total, USD</b>				<b>14,000,000</b>	<b>21,313,000</b>		<b>-</b>
7. Project Formulation Grants: Regional pre-concepts	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>RIE</b>								
	Guinea, Mali, Mauritania, Senegal	OSS	AFB/PPRC.27/19/Add.1		20,000		Approve	20,000
<b>MIE</b>								
	Cameroon, Central African Republic, Chad, Niger, Nigeria	WMO	AFB/PPRC.27/20/Add.1			20,000	Approve	20,000
	Costa Rica, Panama	UNEP	AFB/PPRC.27/21/Add.1			20,000	Not approve	0
	<b>Sub-total, USD</b>				<b>20,000</b>	<b>40,000</b>		<b>40,000</b>
<b>TOTAL (1+2+3+4+5+6+7)</b>				<b>5,400,000</b>	<b>25,961,038</b>	<b>99,539,775</b>		<b>16,617,156</b>

\* Approval will be considered after the status of the IE changes to "accredited".

8. Innovation Small Grants	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>NIE</b>								
	Bhutan	BTSEC	AFB/PPRC.27/23	250,000			Not approve	0
	Dominican Republic	IDD1	AFB/PPRC.27/24	248,734			Not approve	0
	Zimbabwe	EMA	AFB/PPRC.27/25	249,970			Not approve	0
	<b>Sub-total, USD</b>			<b>748,704</b>				<b>-</b>
9. Learning Grants	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>NIE</b>								
	Kenya	NEMA	AFB/PPRC.27/27	143,545			Approve	143,545
	<b>Sub-total, USD</b>			<b>143,545</b>	<b>-</b>	<b>-</b>		<b>143,545</b>
	<b>GRAND TOTAL (1+2+3+4+5+6+7+8+9)</b>			<b>6,292,249</b>	<b>25,961,038</b>	<b>99,539,775</b>		<b>16,760,701</b>