



ADAPTATION FUND

AFB/PPRC.29/44
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Adaptation Fund Board
Project and Programme Review Committee
Twenty-Ninth Meeting
Bonn, Germany, 4-8 April 2022

Agenda Item 19.

**GUIDANCE TO IMPLEMENTING ENTITIES FOR
APPLICATION OF INNOVATION INDICATORS FOR FULLY
DEVELOPED PROJECT/PROGRAMME PROPOSALS**

Introduction

1. The Adaptation Fund Board (the Board), through its decision B.35.b/8, requested its secretariat (the secretariat) to develop specific objectives and indicators for the innovation aspects of the large innovation projects. At its 37th meeting the Board discussed the document AFB/B.37/6, on strategic objectives and indicators for the innovation aspects of projects and programmes including specific proposed indicators.

2. Having considered the information contained in document AFB/B.37/6 on the specific objectives and indicators for the innovation aspects of projects and programmes, the Board decided:

(a) To take note of the information presented in document AFB/B.37/6;

(b) To request the secretariat to pilot the use of the indicators set out in document AFB/B.37/6;

(c) To request the secretariat to report on the progress and status of the use of the indicators, including any recommendations, to the Project and Programme Review Committee at its twenty-ninth meeting;

(d) To encourage the secretariat, while piloting the use of indicators, to continue consulting with the Technical Evaluation Reference Group of the Adaptation Fund as needed;

(e) To request the secretariat to provide an update on the matter to the Board at its thirty-ninth meeting, in the light of any relevant developments for the Fund, including those following from subparagraphs (b) and (c) above.

(Decision B.37/39)

Objective of the document

3. The current document therefore aims to 1) report on the progress for piloting the use of indicators laid in document AFB/B.37/6, 2) recommend a revision of outcome 8 of the Strategic Results Framework pertaining to innovation in project/programmes and, 3) presents guidance to implementing entities on how to report on the set of pilot innovation indicators set out in document AFB/B.37/6 and the current document in the funding application template for fully developed proposals with innovative components.

What is this guidance document for?

4. This guidance document is relevant Implementing Entities (IEs) submitting proposals at the fully developed proposal stage, considering that the sections in the application template that focus on result-based management are requested under Implementation Arrangements i.e., Part III of the application template. For [Large Innovation Projects](#), this applies specifically to **Section III. E** ('Include a results framework for the project / programme proposal, including milestones, targets, and indicators') and **Section III. F** ('Demonstrate how the project / programme aligns with the Results Framework of the Adaptation Fund') of the application template for Large Innovation Projects. For [Innovation Small Grants](#) proposals, this guidance is applicable for **Section III. C** ('Include a simple results framework for the project proposal, including milestones, targets and

indicators'), and **Section III. D** ('Demonstrate how the project / programme aligns with the Results Framework of the Adaptation Fund').

5. This document may also apply to [projects and programmes under the action pillar](#) (single country, regional and Enhance Direct Access projects), that may have innovation as component or sub-objective of the project/programme. This applies to **Section III. E** ('Include a results framework for the project / programme proposal, including milestones, targets, and indicators') and **Section III. F** ('Demonstrate how the project / programme aligns with the Results Framework of the Adaptation Fund') of the application template.

Results Framework for the project/programme proposal, including milestones, targets, and indicators

6. **Section III. E** of the **Large Innovation Project Application Form** and **Section III. C** of the **Innovation Small Grant Application Form**, request that the funding proposal include a results framework with realistic, quantified expected results. Whenever possible, the indicators and targets should be gender responsive and disaggregated by sex as appropriate. More guidelines on preparing the project/programme results framework, including a list of standard AF indicators, can be found in the Strategic Results Framework (Amended in March 2019).

7. However, given the more recent developments under the innovation facility, the Board during its 37th meeting approved a set of five pilot indicators¹ for setting targets and monitoring results for the Innovation Small and Large Grants, including the Adaptation Fund Climate Innovation Accelerator (AFCIA) programme.

8. A key consideration is to ensure that additional indicators would complement those already available under the existing Strategic Results Framework (SRF) (e.g., 'Number of Beneficiaries' which is already a core indicator, for measuring progress towards impact level results.) Another is that the indicators should be SMART², and appropriate for project level use by IEs at project development and implementation stage (as opposed, for instance, for impact evaluation stage or indicators appropriate at the level of the portfolio). Table 1 displays the set of performance indicators to measure innovation aspects of projects/programmes of the Fund, and that should be incorporated in the project/programme results framework.

¹ AFB/B.37/6 Specific Objectives and Indicators for the Innovation Aspects of the Projects and Programmes. Available at <https://www.adaptation-fund.org/document/specific-objectives-and-indicators-for-the-innovation-aspects-of-the-projects-and-programmes/>

² SMART here refers to "specific", "measurable", "achievable", "relevant", and "time-bound".

Table 1. Set of specific indicators for innovation activities³

Performance Indicator	Definition	Measurement
Number of innovations advanced	<i>Number of new, adapted or improved adaptation solutions, developed contextually⁴ and with the inclusion of the communities most vulnerable to climate change, to enable those communities to become more resilient to climate change. Innovation solutions may include approaches, technologies, and mechanisms.</i>	<i>Number of innovative solutions deployed, adapted or improved</i>
Number of innovators supported	<i>Number of persons or groups who can introduce an innovation, supported.</i>	<i>Number of innovators (persons or groups), disaggregated by gender (male/female/other) and youth status (youth/non-youth⁵)</i>
Number of partnerships in innovation leveraged	<i>Number of partnerships related to innovation, leveraged for exchange of goods or services or ideas, consultations, and assistance (that could be in form of technical assistance, funds, in-kind contributions, and other) between grantee and a stakeholder (for example, contributor, recipient governments, accredited Implementing Entities, the AF CSO Network and other civil society stakeholders, as well as other relevant stakeholders, including unconventional actors.)</i>	<i>Number of innovation related partnerships created</i>
Number of innovation “learning and sharing” initiatives	<i>Number of learning and sharing initiatives undertaken, including communication initiatives. This can include studies and reports, lessons-learned events and workshops, articles, broadcasts, social media. This can also include any “change, learning and new information” initiatives that support iterative deployment of the innovation, and can take innovation projects and programmes in different directions.</i>	<i>Number of “learning and sharing” initiatives in innovation</i>

³ An abridged version of Table 2 is extracted from Document AFB/B.37/6 https://www.adaptation-fund.org/wp-content/uploads/2021/10/AFB.B.37.6_Specific-Objectives-and-Indicators-for-Innovation-Aspects-of-Projects-and-Programmes_final-1.pdf

⁴ “Developed contextually” includes both the transfer and deployment of innovations.

⁵ The grouping of civil society referred to as “youth” shall be defined following each country’s own definition, and should such a definition be unavailable, then the United Nations General Assembly’s (UNGA) definition of youth which is persons between 15 and 24 years of age, shall be applied.

Number of applicants to innovation calls under the project or programme	<i>Number of applications submitted by individuals or organizations to an innovation competition or challenge.</i>	<i>Number of applications (disaggregated by gender, specify if organizational applications are by female-led organizations)</i>
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Alignment with the Strategic Results Framework of the Fund

9. The Adaptation Fund Strategic Results Framework (SRF) includes long-term goal, outcome, outputs, and a small set of indicators for the Fund as a whole. The AF works toward the achievement of the overall goal and outcomes. Consequently, any project or programme funded through the AF must align with the Fund's results framework and directly contribute to the overall objective and outcomes outlined.

10. The SRF of the Fund, amended in March 2019 (AFB/EFC.24/4/Rev.1)⁶ consists of impact level results, with five associated core indicators, as well as outcomes (of which there are eight) and outputs, and indicators associated with the outcomes and outputs. The SRF is intended for all the adaptation projects and programmes of the Fund and, therefore, applies to the funding windows under the Innovation Facility of the Fund.

11. *Specifically, for innovation projects and programmes, project outcomes should be aligned with the Fund level outcome for innovation (Outcome 8) of the Strategic Results Framework and all others that may apply in the context of the project/programme.*

12. The alignment table is requested under **Section III. F** (*'Demonstrate how the project/programme aligns with the Results Framework of the Adaptation Fund'*) of the application template for Innovation Large Projects. For Innovation Small Grants proposals, the alignment table is requested in **Section III. D** (*'Demonstrate how the project/programme aligns with the Results Framework of the Adaptation Fund'*).

13. Any project or programme funded through the Adaptation Fund (AF) must align with the Fund's results framework and directly contribute to the Fund's overall objectives and outcomes outlined. At least one outcome and one output indicator from the Adaptation Fund's Strategic Results Framework must be included at the project design stage.

14. Among the eight outcomes listed in the current SRF, Outcome 8, is focused specifically on innovation. Indeed, the objective of the Innovation Strategic Focus under the Implementation Plan of the Medium-Term Strategy (MTS), which is to *"support the development and diffusion of innovative adaptation practices, tools, and technologies"* is aligned to Outcome 8. Its associated

⁶ Strategic Results Framework of the Adaptation Fund (Amended in March 2019) is also available at <https://www.adaptation-fund.org/document/strategic-results-framework-of-the-adaptation-fund-amended-in-march-2019/>

outcome indicators in the current SRF cover some of the ground with respect to measuring the results under the innovation pillar.

15. However, in order to ensure that Outcome 8 of the SRF comprehensively captures the five specific innovation indicators presented in Table 1 above, Table 2 presents a revised strategic results framework for outcome 8. It should be noted that all other outcomes of the Strategic Results Framework remain the same.

16. The revised indicators presented in Table 2 below, should be referenced when presenting alignment of project objectives and outcomes with the Fund level strategic outcome for innovation (Outcome 8). The below indicators are introduced on a pilot basis and SRF will be amended in due time to reflect the new innovation indicators after the pilot phase, should the Board decide to endorse them beyond the pilot phase.

Table 2 Outcome 8 of the Strategic Results Framework (October 2019)

Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies	Indicator 8: Innovative adaptation practices are rolled out, scaled up, encouraged and/or accelerated at regional, national and/or subnational level
Output 8: Viable innovations rolled out, scaled up, encouraged and/or accelerated	Indicator 8.1: No. of innovative adaptation practices, tools and technologies accelerated, scaled-up and/or replicated
	Indicator 8.2: No. of key findings on effective, efficient adaptation practices, products and technologies generated

Table 3 Revised Outcome 8 of the Strategic Results Framework

Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies	8.1 No. of new, adapted or improved adaptation solutions developed contextually and with the inclusion of the communities most vulnerable to climate change
	8.2 No. of key findings ⁷ on effective, efficient adaptation practices, products, and technologies generated and/or “learning and sharing” innovation initiatives undertaken
	8.3 No. of individuals or organizations (disaggregated by gender) that submit an application to an innovation competition or challenge
Output 8: Viable innovations are rolled out, scaled up, encouraged,	8.1.1 No. of innovators supported (disaggregated by gender (male/female/other) and youth status (youth/non-youth)).

⁷ ‘Key findings’ from an innovation project (innovative practice, tool or technology) can be appraised in terms of the evidence for its validity and usefulness for informing the implementation of the existing project i.e., promoting adaptive management (iterative approaches for improving actions and promoting flexible decision making that can be adjusted in the face of uncertainty as new outcomes from management actions and other events develop). Findings may also inform the design of future projects/programmes. Understanding that climate change adaptation and innovation is context specific, qualitative details of findings would be tracked in the ‘lessons learned’ section of the project performance report (PPR) template. Furthermore, the effectiveness of findings for rolling out, scaling up, encouraging and accelerating innovations would be tracked in the Results Tracker section of the PPR.

accelerated, and/or evidence base generated at regional, national, and/or subnational level	8.1.2 No. of innovation related partnerships leveraged for exchange of goods or services or ideas, consultations, and assistance between grantee and stakeholder/s
	8.2.1 No. of key findings generated from an innovation practice, tool, and/or technology
	8.2.2 No. of learning and sharing initiatives undertaken, including communication initiatives
	8.3.1 No. of applications (individuals or organizations) to innovation calls under the project or programme

17. It is worth noting that the indicators may also be applicable to the innovation aspects of the single-country and/or regional projects financed outside the funding provisions established under the Innovation Pillar of the MTS.

Table 4. Illustration of how a project's/programme's objectives and outcomes could be aligned with the AF's outcome and output indicators.

Project Objective(s) ⁸	Project Objective Indicator(s)	Fund Outcome	Fund Outcome Indicator	Expected Results ⁹	Grant Amount (USD)
		Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies (Mandatory)	[Delete this text if not relevant] 8.1 No. of new, adapted, or improved adaptation solutions developed contextually and with the inclusion of the communities most vulnerable to climate change	No. of innovative practices/tools and/or technologies	
			AND/OR 8.2 No. of key findings on effective, efficient	No. of key findings generated Type [Practice, product, technology]	

⁸ The AF utilized OECD/DAC terminology for its results framework. Project proponents may use different terminology, but the overall principle should still apply.

⁹ Expected results for innovation should be incorporated following the indicators listed in Table 1 of this document.

			adaptation practices, products and technologies generated, and/or “learning and sharing” initiatives undertaken [Delete this text if not relevant]	and/or No. of learning and sharing initiatives undertaken, including communication initiatives	
			AND/OR 8.3 No. of individuals or organizations that submit an application to an innovation competition or challenge [Delete this text if not relevant]	No. of applicants to innovation calls under the project or programme	
		Other Outcome/s from the Strategic Results Framework (SRF) that might apply (i.e., Outcomes 1 – 7) ¹⁰		For SRF Outcomes 1 to 7, project/ programme proponents should include a separate table to define and measure core indicators to assess progress at the project level.¹¹	
Project Outcome(s)	Project Outcome Indicator(s)	Fund Output	Fund Output Indicator	Expected Results	Grant Amount (USD)
		Output 8: Viable innovations are	8.1.1 No. of innovators	No. of persons disaggregated by	

¹⁰ Strategic Results Framework of the Adaptation Fund (Amended in March 2019). Available at <https://www.adaptation-fund.org/document/strategic-results-framework-of-the-adaptation-fund-amended-in-march-2019/>

¹¹ The guidance document to assist Adaptation Fund project proponents to define and measure core indicators in order to assess progress at the project level is available at <https://www.adaptation-fund.org/document/methodologies-for-reporting-adaptation-fund-core-impact-indicators-march-2014/>

		rolled out, scaled up, encouraged, and/or accelerated	supported who can introduce an innovation	gender (male/female/other) and youth status (youth/non-youth)	
			8.1.2 No. of partnerships leveraged for exchange of goods or services or ideas, consultations and assistance between grantee and stakeholder/s	No. and type of partnerships [e.g., technical assistance, funds, in-kind contributions, or others]	
			8.2.1 No. of key findings generated from an innovation practice, tool, and/or technology	No. and type of key findings Type [Practice, product, technology]	
			8.2.2 No. of learning and sharing initiatives undertaken, including communication initiatives	No. and type [e.g., studies and reports, lessons-learned events and workshops, articles, broadcasts, social media, "change, learning and new information" initiatives that support iterative deployment of the innovation]	
			8.3.1 No. of applications to innovation calls under the project or programme	No. and type of applicant/s [individual/s or organization/s]	
		Other outputs and output indicators from the SRF that apply (i.e., Outcomes 1 – 7)		Include relevant Core impact indicator methodology tables after the project results framework.	

Proposed next steps

18. The current guidance document will be made available to implementing entities and other relevant stakeholders via the AF innovation microsite and through readiness webinars/ knowledge sharing events hosted by the secretariat.

19. Once a project is approved and the first funds are transferred to the project, the implementing entity is required to submit a project/programme performance report (PPR) on an annual basis using the PPR template approved by the Board through Decision B.16/21. In order to enhance reporting consistency in the PPRs some sections were partially revised through decision B.18/29. With the approval of the MTS, the PPR template was further updated to be aligned with the MTS to allow capture key information, including for example, lessons learned on innovation stemming from projects. Amendments to outcome 8 of the results tracker were also included through Decision B.34/44 (October 2019).

20. The Adaptation Fund's results tracker is a core part of the annual PPR to track specific indicators across its portfolio. It includes indicators from both (i) the Adaptation Fund Strategic Results Framework, and (ii) the Fund's five core indicators. Therefore, following the pilot phase for innovation indicators, and taking into consideration any relevant developments resulting from the launch of the next MTS, the secretariat will propose amendments to the Strategic Results Framework (October 2019), the 'Results tracker', 'Lessons learned' and other relevant sections of the PPR to monitor the performance of innovation indicators and capture learning from innovation projects/programmes.

21. Following the pilot phase for application of innovation indicators, the secretariat will propose revisions to the SRF, the PPR and other relevant documents for consideration of the Project and Programme Review Committee and a decision by the Board. Following a decision from the Board, the Board would give a mandate to the secretariat to implement the revised SRF, PPR and relevant documents.

Proposed recommendation

22. Having considered the information contained in document AFB/PPRC.29/44 on the indicators for the innovation aspects of projects and programmes, the Board may wish to decide:

- a) To approve the revised outcome 8 of the Strategic Results Framework (SRF), as laid out in Table 3 on a pilot basis, as well as the guidance to implementing entities for application of innovation indicators in projects/programmes described in document AFB/PPRC.29/44; and
- b) To request the secretariat to propose amendments to the Strategic Results Framework, Project Performance Reports and other relevant documents following the pilot

phase for application of innovation indicators to the Project and Programme Review Committee.