



ADAPTATION FUND

AFB/PPRC.31/42
27 February 2023

Adaptation Fund Board
Project and Programme Review Committee
Thirty-first meeting
Bonn, Germany, 21-22 March 2023

Agenda Item 7 b)

PROPOSAL FOR ENHANCED DIRECT ACCESS GRANT FOR INDIA

Background

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

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

(b) To request the secretariat:

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

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

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

(Decision B.30/42)

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

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

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

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

(b) To request the secretariat:

[...]

- (iii) *To prepare, for each proposed new type of grant and funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board's committees;*
- (iv) *Following consideration of the new types of support mentioned in subparagraph (b)(iii), to propose, as necessary, amendments to the Fund's operational policies and guidelines Fund to better facilitate the implementation of such new types of support; and*

[...]

(Decision B.31/32)

5. Having recognized that there was a high level of interest among the Fund's stakeholders on Enhanced Direct Access (EDA), a specific funding window on EDA was included in the MTS implementation plan to complement the Fund's existing funding window for single-country projects.

6. At the second session of its thirty-fifth meeting the Board considered the document AFB/PPRC.26.b/18, Window for Enhanced Direct Access under the MTS and the Board decided:

- (a) *To approve the pilot for projects submitted through the window for enhanced direct access (EDA) to promote EDA and further promote locally led adaptation under the Fund;*
- (b) *That the pilot window to promote EDA projects/programmes shall be available to national implementing entities (NIEs) only, in the form of a grant up to a maximum of US\$5 million per country;*
- (c) *That the window for EDA will not count against what the country could access under the country cap established by the Board for regular concrete projects/programmes;*
- (d) *That the execution costs for proposals submitted under the EDA window should be up to a maximum of 12 per cent of the total project/programme budget requested before the implementing entity fees, and should not exceed 1.5 per cent in cases where the Implementing Entity has also taken on the role of Execution Entity for the proposed project/programme activities, and that the implementing entity fee should be up to a maximum of 10 per cent of the total project costs;*
- (e) *That NIEs submitting proposals through the EDA window should do so using the existing approved proposal template and guideline materials for regular concrete projects/programmes nonetheless taking note of the project fees in subparagraph (d) and that EDA proposals submitted through the two-step project approval process are eligible for the project formulation grant and project formulation assistance grant as per the approved criteria by the Board for those grants;*

(f) That the review cycle and approval of projects/programmes submitted through the EDA window shall follow the review and approval process as well as reporting requirements for regular projects/programmes under the Fund notwithstanding adherence to subparagraph where it concerns the review and approval of project fees; and

(g) To request the secretariat to present to the PPRC at its twenty-eighth meeting, an analysis of the project review cycle for EDA projects including an update on the implementation status of the EDA window.

(Decision B.35.b/10)

7. Having considered the recommendation of the Project and Programme Review Committee, the Board decided to include in its work programme for fiscal year 2022 a provision for an amount of US\$ 20.2 million, to be provisionally set aside as follows:

(h) Up to US\$ 20 million for the funding of Enhanced Direct Access projects;

(i) 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.

(Decision B.36/2)

8. Subsequently the first call for project and programme proposals under the indicative set amount of US\$ 20 million was issued to eligible Parties to submit Enhanced Direct Access project and programme proposals to the Fund through accredited NIEs.

9. The following [fully developed/ project concept proposal document titled “Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India” was submitted for India by the National Bank for Agriculture and Rural Development (NABARD), which is a National Implementing Entity of the Adaptation Fund.

10. This is the first submission of the proposal using the two-step submission process.

11. The current submission was received by the secretariat in time to be considered in the fortieth Board meeting. The secretariat carried out a technical review of the project proposal, assigned it the Project ID number AF00000342, and completed a review sheet.

12. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with NABARD and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.

13. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25/15, the proposal is submitted with changes between the initial submission and the revised version highlighted or with track changes.

14.



ADAPTATION FUND

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: EDA - Regular-sized Project Concept

Country/Region:	India	
Project Title:	Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India	
Thematic Focal Area:	Ecosystem-based adaptation	
Implementing Entity:	National Bank for Agriculture and Rural Development (NABARD)	
Executing Entities:	National Bank for Agriculture and Rural Development (NABARD)	
AF Project ID:	AF00000342	
IE Project ID:		Requested Financing from Adaptation Fund (US Dollars): 5,000,000
Reviewer and contact person:	Alyssa Gomes	Co-reviewer(s): Saliha Dobardzic
IE Contact Person:		

Technical Summary	<p>The EDA project “Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India” aims to build the capacity of entities and communities to access climate finance and to enhance the resilience of the natural resource dependent communities through localized interventions.”</p> <p><u>Project/Programme Background and Context:</u></p> <p><u>Component 1:</u> Awareness creation, capacity building and mobilization of proposals. (USD 158,442)</p> <p><u>Component 2:</u> Screening, review and approval of sub- national adaptation proposals. (USD 500,000)</p> <p><u>Component 3:</u> Funding of local adaptation projects. (USD 3,674,293)</p> <p><u>Component 4:</u> Knowledge Management of EDA programme. (USD 200,000)</p> <p><u>Requested financing overview:</u> Project/Programme Execution Cost: USD 12,877 Total Project/Programme Cost: USD 4,545,612 Implementing Fee: USD 454,388 Financing Requested: USD 5,000,000</p>
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	<p>The proposal includes a request for a project formulation grant of USD 50,000</p> <p>The initial technical review raised some issues, such as clarifying the provisional types of EbA interventions that will be targeted by the project cost effectiveness, outcomes of initial consultations, identification of beneficiaries and outcomes of an initial gender assessment as is discussed in the number of Clarification Requests (CRs) and Corrective Action Request (CAR) raised in the review.</p> <p>The final technical review finds that majority of the CRs and CARs are clarified in the response sheet and while useful and not reflected in the proposal main text.</p>
Date:	24 February 2023

Review Criteria	Questions	Comments First Technical Review	Comments Second Technical Review
Country Eligibility	1. Is the country party to the Kyoto Protocol?	Yes	-
	2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?	Yes. India faces some of the highest disaster risk levels in the world, and is ranked 38th out of 191 countries by the 2022 INFORM Risk Index. The country has very high exposure to flooding, including, riverine, flash, and coastal, as well as to tropical cyclones and their associated hazards and drought. As per the Climate Vulnerability Index ¹⁶ released by the Council on Energy, Environment and Water (CEEW), more than 80 per cent Indians live in districts vulnerable to climate risks, while Assam, Andhra Pradesh,	-

		Maharashtra, Karnataka and Bihar are states which are most vulnerable to extreme climate events such as floods, droughts and cyclones.	
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?	Yes , as seen in the LoE signed December 26, 2022	-
	2. Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes?	Yes . The length of the proposal is 40 pages, including Annexes and LoE.	-
	3. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?	<p>Not Cleared.</p> <p>It is welcome that the project seeks to implement priorities identified in the country's National Action Plan on Climate Change (NAPCC), the State Action Plan for Climate Change (SAPCC) and the National Disaster Management Plan. However, the project has not specified provisionally what types of EbA interventions broadly the project will focus. Further, it is not clear of EbA Fund will operate on a national scale or whether certain states will be targeted. The proposal has not clarified the target ecosystems and their geographic</p>	<p>CR1: Cleared, as per the description provided in the review sheet.</p> <p>Although the information provided in the review sheet is satisfactory, please note that it would need to be included in the proposal itself, particularly at the fully-developed proposal stage.</p> <p>At the fully-developed proposal stage, the proposal should clarify the screening process for subprojects under the 7 categories - Agroforestry, Conservation agriculture, Crop diversification, Water management, Livestock management, Soil conservation and management,</p>

		<p>location with specific vulnerabilities.</p> <p>CR1: Please clarify provisionally, the types of EbA activities that could be funded through the EDA mechanism.</p> <p>The IE intends to channel the climate finance to local entities such as sub-national government, civil society organizations (CSO), non-government organizations (NGO) to implement EbA interventions. However, the executing entities are not identified.</p> <p>CR2: Please clarify partnerships with local organizations acting as executing entities undertaken as part of the multilevel decision-making process, including the decision-making process and provide clear description of financial flows to vulnerable groups adversely impacted by the effects of climate change.</p> <p>Please note that EEs need to be identified prior to project approval, as details are required in the project legal agreement.</p> <p>CR3: Please clarify linkages, if any, with programmes and initiatives such as the Watershed Development Fund (WDF) and</p>	<p>Biodiversity conservation.</p> <p>CR2: Cleared, NABARD is expected to execute components 1, 2 and 4 of the projects (this is capped at 1.5%). The sub-national concrete adaptation projects under Component 3 of the project will be executed by entities selected through the call for proposals. The specific regional organizations will be identified during implementation. At the fully-developed proposal stage, the project should detail the process for selection of regional apparatus organizations. The proposal should also provide an indicative idea of the types of entities that that the project will partner with for implementation of subprojects. A flowchart showing the interaction between NABARD and local organizations along with the fund flow mechanism is shown in Annex A.</p> <p>CR3: Not cleared.</p> <p>While the information provided is sufficient for the concept stage, at fully-developed proposal stage, the proposal should define the scope of the expected linkages and knowledge sharing partnerships with the WDF and TDF.</p> <p>In addition, the clarification is provided in the in the response sheet</p>
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		<p>Tribal Development Fund (TDF).</p> <p>The entity has proposed that the beneficiaries will be identified once they are presented in the call for proposals.</p> <p>Pages 19-28 provide an explanation and description of why an EDA mechanism would be best in addressing localized adaptation challenges and needs.</p> <p>The details on the funding model and how will it work for developing specific funding requests and proposals made by local beneficiaries at the subnational level, including the review and decision-making process for those requests have been noted on pages 23-28. The EDA funding mechanism through NABARD will be doing on-granting funding mechanism as noted on page 23. The process of grant selection and the selection criteria are explained on pages 23-28.</p>	<p>but not reflected in the proposal main text.</p>
	<p>4. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the</p>	<p>Not Cleared.</p> <p>An assessment of social, environmental and economic benefits is not possible as the target areas, targets groups and specific livelihood and/ or ecosystem restoration efforts are</p>	<p>CR4: Not Cleared.</p> <p>Details are included in the response sheet but not reflected in the proposal.</p> <p>At the fully-developed proposal stage, the section will need to be</p>

	Environmental and Social Policy and Gender Policy of the Fund?	<p>not known at this time.</p> <p>CR4: Please include a provisional list of EbA interventions that would likely be implemented by the EbA project and their anticipated benefits across the three areas. Quantitative estimates may be provided at fully developed proposal stage.</p> <p>CAR1: Please include an initial gender analysis and/or assessment to determine the different needs, capabilities, roles and knowledge resources of women clarify how the results of this analysis have been incorporated into project design and development.</p> <p>The entity has proposed that the beneficiaries will be identified once they are presented in the call for proposals.</p> <p>CR5: Please clarify how the identification and approval process for sub-projects will ensure equitable distribution of benefits to women, girls, indigenous people, youth and other vulnerable groups.</p>	<p>updated based on the Gender Assessment. Further the anticipated environmental and economic benefits should be updated.</p> <p>CAR1: Cleared at concept note stage, as per the details on pages 30-33. For the fully-developed proposal a detailed Gender Assessment and Action Plan should be included to the expected target locations. Further for subprojects the gender mainstreaming and response approach should be detailed.</p> <p>CR5: Cleared.. Although the information provided in the review sheet is satisfactory, please note that it would need to be included in the proposal itself, particularly at the fully-developed proposal stage.</p> <p>At the fully-developed proposal stage, the detailed plan should be described with clear outputs in the project justification section.</p>
	5. Is the project / programme cost effective?	<p>Not Cleared.</p> <p>The project does not provide a clear description of the alternative options to the proposed measures.</p>	<p>CAR2: Cleared, as per the additional information on pages 33-36.</p>

		<p>The cost effectiveness analysis for AF projects needs to make a comparison of the proposed project costs to an alternative approach or activities that could achieve the same project results and that could have taken place to help adapt and build resilience in the same sector, geographic region, and/or community. At the concept stage, this can be a general description, including addressing cost-effectiveness from a sustainability point of view.</p> <p>For a fully developed proposal stage, quantitative estimates of cost-effectiveness could be provided where feasible.</p> <p>CAR2: Please provide a clear description of alternative options to the proposed measures that would receive the same outcome, even if preliminary and general, including how proposed cost effectiveness is optimal from a sustainability point of view.</p>	
	6. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national	<p>Not cleared.</p> <p>Alignment with the India's NDC, National Action Plan on Climate Change (NAPCC) as well as State Action Plan on Climate Change</p>	<p>CR6: Cleared.</p> <p>The proponent has clarified that India's NAP is yet to be finalised. However the project is aligned with the National and Subnational strategies for SDGs.</p>

	communications and adaptation programs of action and other relevant instruments?	(SAPCC) is mentioned. CR6: Please clarify alignment with the NAP and NSDS (i.e., SDGs strategies) if they exist.	
	7. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?	Not cleared, the project includes unidentified subprojects. It is expected that during the technical evaluation at the selection stage, due diligence on compliance with existing environmental, social and labour regulations in the country, would be carried out by NABARD (page 32). At fully developed proposal stage please detail the process for compliance if activities are unknown.	Cleared. The revised proposal has acknowledged the presence of USPs. The plan for management and monitoring of USPs should be detailed in the fully-developed proposal.
	8. Is there duplication of project / programme with other funding sources?	Not cleared, CR7: Please include a list of existing projects in the target areas and clarify non-duplication, as well as complementarities and synergies.	CR7: Not cleared. It is well noted that the EDA project is proposed to operate on a national scale. However, once the most vulnerable geographies identified following a vulnerability assessment in agriculture sector, the fully-developed proposal should include a list of potentially overlapping projects. The table should include 2 column describing non-duplication and clarifying synergies. In addition, the details included in the response sheet are not reflected in the proposal.

	9. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?	<p>Cleared, as described on page 33</p> <p>At the full proposal stage, please include a knowledge dissemination strategy for the vulnerable communities in the affected area as well.</p>	-
	10. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	<p>Not Cleared.</p> <p>As described on page 34 preliminary consultations were carried out with the Ministry of Environment Forest and Climate Change (MoEFCC) regarding the application of EDA for boosting the adaptation interventions at local level. Extensive stakeholder consultations will be carried out during the fully-developed proposal stage to identify and prioritize the adaptation intervention under this programme.</p> <p>Please note that the scale of the proposed EDA project warrants a more comprehensive initial consultative process. An initial consultation with beneficiaries in the targeted areas is required.</p> <p>CAR3: Please provide details of</p>	CAR3: Cleared for a concept note, as per the details on pages 39-40.

		<p>initial consultation with project stakeholders that takes gender considerations into account and include how community interests have been taken into consideration in project design and development. Include a list of the stakeholders consulted, and the consultation techniques used.</p> <p>Note that at the fully developed proposal stage, project implementation arrangements should also include a framework that allows for stakeholders' views to be heard during project implementation.</p>	
	11. Is the requested financing justified on the basis of full cost of adaptation reasoning?	<p>Not Cleared.</p> <p>While the benefits of the EDA model in promoting decision-making in the programming of internationally allocated funds to the national and sub-national levels are provided, no description has been provided in the concept note of how the proposed are relevant in addressing the project's adaptation objectives and that, taken solely, without additional leveraged funding the proposed activities would help achieve project objectives.</p> <p>CR8: Please link expected project</p>	<p>CR8: Not cleared,</p> <p>The clarification is provided in the response sheet but is not reflected in the proposal.</p>

		outcomes to the adaptation objectives of the EDA model and approach, and clearly articulate how outcomes will be achieved regardless of the requirement for finance leveraged from other sources.	
	12. Is the project / program aligned with AF's results framework?	<p>Not cleared.</p> <p>CR9: Please clarify alignment with the AF Strategic Outcomes in the description of the project components.</p> <p>A results framework or alignment table is not needed at concept stage. However, alignment with the AF Strategic Outcomes should be mentioned in the description of project components. The AF SRF Outcomes can be found on pages 4-6 of the following document: https://www.adaptation-fund.org/wp-content/uploads/2019/10/Adaptation-Fund-Strategic-Results-Framework-Amended-in-March-2019-2.pdf.</p>	<p>CR9: Not cleared.</p> <p>The details are reflected in the response sheet but not included in the description of the components.</p>
	13. Has the sustainability of the project/programme outcomes been taken into account when designing the project?	<p>Not cleared.</p> <p>A description of sustainability considerations across social, environmental, institution and financial areas is mentioned on pages 35 and 26. However, given that none of the interventions are</p>	<p>CR10: Not cleared.</p> <p>The additional information provided in the response sheet are not reflected in the proposal.</p>

		<p>identified at this stage, the justification provided is not sufficient.</p> <p>CR10: Please clarify using NABARDs experience with implementing EbA projects, how sustainability will be ensured. Specifically clarify longer-term financial sustainability including operation and maintenance of interventions.</p> <p>At the fully developed proposal stage, a clear description of how the combination of roles of government, communities, vulnerable populations, youth and women and related arrangements will ensure that adaptation benefits will be sustained beyond the project lifespan.</p>	
	<p>14. Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p>Not cleared.</p> <p>However, though this is a minor point, due to the nature of unidentified sub-projects (USPs) that arise from the inherent nature of the proposed EDA project, the concept should include an acknowledgement that the ESP risk identification done is not comprehensive, and that there will be need to include measures for identifying and managing</p>	<p>CR11: Not cleared</p> <p>There are no updates to the risk findings in the proposal main text. Furthermore, the process described and clarified in the response sheet are not reflected in the main text.</p>

		<p>environmental, social and gender related risks during project implementation.</p> <p>The proposal has been classified as Category C, as sub projects have been identified to have low adverse environmental or social risks and/or impacts that can be readily addressed through mitigation measures as noted on page 36.</p> <p>The risk table has not elaborated on the on the risk of negative impacts and focuses on perceived positive impacts.</p> <p>CR11: Please update the risk findings to focus on the potential negative impacts, explaining to the extent possible what the anticipate risks are and indicate where mitigation measure might be needed.</p> <p>At the fully developed proposal stage, the proposal must include an Environmental and Social Management Plan (ESMP) that includes a detailed, budgeted process to apply the ESP and the GP to each USP as and when it is being identified and approved by NABARD.</p>	
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Resource Availability	1. Is the requested project / programme funding within the cap of the country?	Yes.	-
	2. Is the Implementing Entity Management Fee at or below 10 per cent of the total project/programme budget before the fee?	Yes. The Implementing Entity fee is within the cap and is 10%.	-
	3. Are the Project/Programme Execution Costs at or below 12 per cent of the total project/programme budget (including the fee)?	Cleared. The Executing Entity fee is within the cap and is at 10.6%. CAR4: Please identify the executing entity/ entities for the project	CAR4: Cleared.
Eligibility of IE	1. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?	The NIE is under Reaccreditation.	The NIE is under Reaccreditation. However, the proposal was initially submitted prior to the expiration of the accreditation.
Implementation Arrangements	1. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	n/a at concept stage	
	2. Are there measures for financial and project/programme risk management?	n/a at concept stage	
	3. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	n/a at concept stage	
	4. Is a budget on the	n/a at concept stage	

	Implementing Entity Management Fee use included?		
	5. Is an explanation and a breakdown of the execution costs included?	n/a at concept stage	
	6. Is a detailed budget including budget notes included?	n/a at concept stage	
	7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	n/a at concept stage	
	8. Does the M&E Framework include a break-down of how implementing entity IE fees will be utilized in the supervision of the M&E function?	n/a at concept stage	
	9. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	n/a at concept stage	
	10. Is a disbursement schedule with time-bound milestones included?	n/a at concept stage	



ADAPTATION FUND

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: EDA - Regular-sized Project Concept

Country/Region: India
Project Title: Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India
Thematic Focal Area: Ecosystem-based adaptation
Implementing Entity: National Bank for Agriculture and Rural Development (NABARD)
Executing Entities: Not listed
AF Project ID:
IE Project ID:
Reviewer and contact person: Alyssa Gomes
IE Contact Person:

Requested Financing from Adaptation Fund (US Dollars): 5,000,000
Co-reviewer(s): Saliha Dobardzic

Commented [NABARD1]: Since revised in the updated CN – NABARD would be the EE

Technical Summary	The EDA project “Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India” aims to build the capacity of entities and communities to access climate finance and to enhance the resilience of the natural resource dependent communities through localized interventions.”
	<u>Project/Programme Background and Context:</u>
	<u>Component 1:</u> Awareness creation, capacity building and mobilization of proposals. (USD 158,442)
	<u>Component 2:</u> Screening, review and approval of sub- national adaptation proposals. (USD 500,000)
	<u>Component 3:</u> Funding of local adaptation projects. (USD 3,200,000)
	<u>Component 4:</u> Knowledge Management of EDA programme. (USD 200,000)
	<u>Requested financing overview:</u>
	Project/Programme Execution Cost: USD 487,013
	Total Project/Programme Cost: USD 4,545,455
	Implementing Fee: USD 45,4545

Commented [NABARD2]: Since modified to USD 3,674,293 in the revised CN.

Commented [NABARD3]: Since modified to USD 12,877 in the revised CN.

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Commented [NABARD5]: Since modified to USD 454,388 in the revised CN.

	<p>Financing Requested: USD 5,000,000</p> <p>The proposal does not include a request for a project formulation grant and/or project formulation assistance grant.</p> <p>The initial technical review raises some issues, such as clarifying the provisional types of EbA interventions that will be targeted by the project cost effectiveness, outcomes of initial consultations, identification of beneficiaries and outcomes of an initial gender assessment as is discussed in the number of Clarification Requests (CRs) and Corrective Action Request (CAR) raised in the review.</p>
Date:	25 January 2023

Commented [NABARD6]: Request for PFG is being sent separately

Review Criteria	Questions	Comments	Response by NABARD
Country Eligibility	1. Is the country party to the Kyoto Protocol?	Yes	-
	2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?	Yes. India faces some of the highest disaster risk levels in the world, and is ranked 38th out of 191 countries by the 2022 INFORM Risk Index. The country has very high exposure to flooding, including, riverine, flash, and coastal, as well as to tropical cyclones and their associated hazards and drought. As per the Climate Vulnerability Index ¹⁶ released by the Council on Energy, Environment and Water (CEEW), more than 80 per cent Indians live in districts vulnerable to climate risks, while Assam, Andhra Pradesh, Maharashtra, Karnataka and Bihar are states which are most vulnerable to extreme climate events such as floods, droughts and cyclones.	-
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?	Yes, as seen in the LoE signed December 26, 2022	-

Review Criteria	Questions	Comments	Response by NABARD
	2. Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes?	Yes. The length of the proposal is 40 pages, including Annexes and LoE.	-
	3. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?	<p>Not Cleared.</p> <p>It is welcome that the project seeks to implement priorities identified in the country's National Action Plan on Climate Change (NAPCC), the State Action Plan for Climate Change (SAPCC) and the National Disaster Management Plan. However, the project has not specified provisionally what types of EbA interventions broadly the project will focus. Further, it is not clear of EbA Fund will operate on a national scale or whether certain states will be targeted. The proposal has not clarified the target ecosystems and their geographic location with specific vulnerabilities.</p> <p>CR1: Please clarify provisionally, the types of EbA activities that could be funded through the EDA mechanism.</p> <p>The IE intends to channel the climate finance to local entities such as sub-national government, civil society organizations (CSO), non-government organizations (NGO) to implement EbA interventions. However, the executing entities are not identified.</p>	<p>CR1 : Through this EDA, it is proposed to implement agro-ecological management practices in agricultural systems and landscapes aimed at increasing the resilience of smallholder farmers, duly integrated with the elements of global initiative 'Lifestyle for Environment – LiFE' Movement.</p> <p>EbA in agriculture sector will focus on designing and implementing projects through locally-led sustainable practices which are aimed at (a) protecting and enhancing the functioning of the agro-ecosystems and biodiversity, (b) increasing agricultural productivity and the resilience; and (c) ensuring food security and livelihoods in the context of climate change.</p> <p>EbA interventions that are related to agro-ecology promote the use of ecologically based approaches to reduce the</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>vulnerability of communities to the impacts of climate change and enhance the resilience of their livelihoods. By conserving and restoring ecosystems and using ecologically based practices, these interventions can help to ensure the long-term sustainability of agricultural systems and the natural resources on which they depend. Some of the approaches that can be funded under the proposed EDA are:</p> <p>a. Agroforestry: The integration of trees into agricultural landscapes to provide multiple benefits, such as improving soil fertility, reducing soil erosion, providing habitat for wildlife, and producing food, fuel, and non-timber forest products.</p> <p>b. Conservation agriculture: A set of practices that reduce tillage, maintain permanent soil cover, and rotate crops to improve soil health, conserve moisture, and reduce erosion.</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>c. Crop diversification: The introduction of a wider range of crops to reduce the vulnerability of communities to the impacts of climate change, such as drought and pest outbreaks, and to improve food security.</p> <p>d. Water management: The use of water-saving technologies, such as drip irrigation and rainwater harvesting, to conserve water and increase the efficiency of irrigation systems.</p> <p>e. Livestock management: The integration of livestock into agricultural systems to improve soil fertility, control pests, and provide a source of food and income.</p> <p>f. Soil conservation and management: The use of practices, such as cover cropping and terracing, to conserve soil and reduce erosion, improve soil health, and enhance the productivity of agricultural systems.</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>g. Biodiversity conservation: The conservation and management of biodiversity to provide a range of ecosystem services, such as pollination, pest control, and soil fertility, that are essential to sustainable agriculture.</p> <p>The interventions of the projects would be implemented in agriculture sector integrated with livestock management, livelihood initiatives, conservation practices etc. with overall alignment with (a) Ecosystem based Adaptation, (b) Agro-ecological principles and (c) Elements of the Mission LiFE.</p> <p>Further, it is proposed to operate the fund on a national scale; however, the most vulnerable geographies identified in the national level vulnerability assessment in agriculture sector will be targeted for the implementation of sub-projects under this project through call for proposals. Thus, the project areas would be restricted to</p>

Review Criteria	Questions	Comments	Response by NABARD
		<p>CR2: Please clarify partnerships with local organizations acting as executing entities undertaken as part of the multilevel decision-making process, including the decision-making process and provide clear description of financial</p>	<p>rainfed areas and landscapes occupied by Tribal communities. NABARD has recently coined a similar initiative in line with agro-ecological principles titled JIVA, which aims to diversify crop systems, integrate livestock and trees, rejuvenate biological processes, and efficiently manage soil moisture and rainfall. Operation guidelines of JIVA may be accessed from here for ready reference.</p> <p>It is pertinent to mention here that the Natural Resource Management (NRM) projects (especially watershed development projects) supported by NABARD prioritize the implementing geographies as per the vulnerability assessment in terms of specific vulnerability indices.</p> <p>CR2: The project is proposed to be undertaken through 4 components. NABARD will be acting as the Executing Entity of the Component 1, Component 2</p>

Review Criteria	Questions	Comments	Response by NABARD
		<p>flows to vulnerable groups adversely impacted by the effects of climate change.</p> <p>Please note that EEs need to be identified prior to project approval, as details are required in the project legal agreement.</p>	<p>and Component 4 of the project. Through these components, NABARD will launch awareness creation programmes aimed at vulnerable communities, sub-national entities; conduct capacity building programme of sub-national entities in preparing and accessing adaptation finance; launch call for proposals; screen and sanction sub-national adaptation projects through its regional offices and manage & disseminate knowledge through various products.</p> <p>The sub-national concrete adaptation projects as per the Component 3 of the project will be executed by entities selected as executing partners through the call for proposals. NABARD will only administer the grant under this component. NABARD will ensure that the selected local executing partners meet the fiduciary standards and are in alignment with the ESP and GP of AF/ NABARD as per the updated</p>

Review Criteria	Questions	Comments	Response by NABARD
		<p>CR3: Please clarify linkages, if any, with programmes and initiatives such as the Watershed Development Fund (WDF) and Tribal Development Fund (TDF).</p> <p>The entity has proposed that the beneficiaries will be identified once they are presented in the call for proposals.</p> <p>Pages 19-28 provide an explanation and description of why an EDA mechanism would be</p>	<p>guidance on the use of unidentified sub-projects (USP).</p> <p>Community level capacity building, consultations, formulation of beneficiary groups and preparation of the funding proposal will be done by the local level entities. After the approval of the sub-projects by NABARD, the same would be executed by these local level executing partner entities.</p> <p>A flowchart showing the interaction between NABARD and local organizations along with the fund flow mechanism is shown in Annexure A.</p> <p>CR3: NABARD has been implementing its flagship natural resource management interventions through dedicated funding mechanism such as WDF and TDF for the last three decades. The uniqueness of these programmes is people's participation in planning, implementation of the projects, monitoring as well as financial management through</p>

Review Criteria	Questions	Comments	Response by NABARD
		<p>best in addressing localized adaptation challenges and needs.</p> <p>The details on the funding model and how will it work for developing specific funding requests and proposals made by local beneficiaries at the subnational level, including the review and decision-making process for those requests have been noted on pages 23-28. The EDA funding mechanism through NABARD will be doing on-granting funding mechanism as noted on page 23. The process of grant selection and the selection criteria are explained on pages 23-28.</p>	<p>community based organizations.</p> <p>NABARD's watersheds have been impactful and sustainable due to mandatory people's participation in planning and implementation of the projects. These participatory watershed projects since 1990s were aimed at de-risking the earnings of farmers in rain-fed farming systems. By the end of FY2022, 3,557 projects covering more than 25.9 lakh ha across 28 states had been sanctioned with a cumulative amount of INR 23.90 billion. These natural resource management projects have benefitted communities through soil and moisture conservation, higher productivity, climate proofing, and by providing alternative livelihoods, besides ensuring security and sustainability of existing livelihoods.</p> <p>Since inception, NABARD's Tribal Development Fund (TDF) has touched over 5.8 lakh tribal farm-dependent families; <i>wadis</i> (orchards) covering more than 5.5 lakh acre have been</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>developed for the beneficiaries through 898 projects in 28 states and union territories. NABARD partnered with 499 project implementing agencies and cumulatively sanctioned INR 25.41 billion up to FY2022.</p> <p>Further, in the wake of emerging challenges of land degradation, climate change, loss of biodiversity, poor productivity, food and nutrition security concerns and economic distress of farmers due to input intensive mono-cropping and declining net returns, there is a felt need to embrace a transformational approach to address these challenges. In order to address these emerging concerns and to ensure long-term sustainability of its NRM Programme, NABARD has introduced a programme christened as JIVA - meaning thereby "a living being or entity imbued with a life force" - as an agro-ecological transformational approach leveraging the pre-existing social and natural</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>capital in watershed and wadi projects.</p> <p>As a first of its kind, JIVA embraces natural farming to promote agro-ecological approaches in rainfed and vulnerable areas of the country. The programme will be implemented on pilot basis in 25 projects across 11 states, with gradual scaling up across all our NRM projects in due course.</p> <p>The vast experience of NABARD in implementing these programmes will be leveraged for the planning, development and implementation of the proposed EDA.</p>
	4. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	<p>Not Cleared.</p> <p>An assessment of social, environmental and economic benefits is not possible as the target areas, targets groups and specific livelihood and/ or ecosystem restoration efforts are not known at this time.</p> <p>CR4: Please include a provisional list of EbA interventions that would likely be implemented by the EbA project and their anticipated benefits across the three areas. Quantitative estimates</p>	<p>CR4: It is proposed to implement agro-ecological management practices in agricultural systems and landscapes aimed at increasing the resilience of smallholder farmers, integrated with the global initiative 'Lifestyle for Environment – LiFE' Movement. Provisional list of EbA interventions that would likely to</p>

Review Criteria	Questions	Comments	Response by NABARD
		may be provided at fully developed proposal stage.	<p>be implemented are given under CR1.</p> <p>Anticipated benefits of the proposed EbA initiatives are as follows:</p> <p>Social Benefits:</p> <ul style="list-style-type: none"> Improved food security: These practices can help increase local food production, making it more accessible and affordable for communities. Empowerment of small-scale farmers: Proposed practices often prioritize the use of locally-available resources, which can help small-scale farmers become more self-sufficient and less dependent on external inputs. Healthier communities: By reducing the use of harmful pesticides and fertilizers, EbA practices can help improve the health of both farmers and consumers. <p>Environmental Benefits:</p> <ul style="list-style-type: none"> Biodiversity conservation: EbA practices can help to

Review Criteria	Questions	Comments	Response by NABARD
			<p>protect and conserve biodiversity by promoting the use of diverse crops, which can provide habitat for a range of wildlife species.</p> <ul style="list-style-type: none"> • Climate change adaptation and mitigation: EbA practices can help reduce greenhouse gas emissions, increase carbon sequestration in soil, and improve soil health, making farms more resilient to the impacts of climate change. • Reduced soil degradation and erosion: By using techniques such as cover cropping, crop rotation, and reducing tillage, EbA practices can help to conserve soil resources and reduce soil degradation. <p>Economic Benefits:</p> <ul style="list-style-type: none"> • Increased farm profitability: By reducing the costs associated with inputs like pesticides and fertilizers, EbA practices can help farmers increase their profitability. • Improved market opportunities: The demand

Review Criteria	Questions	Comments	Response by NABARD
		<p>CAR1: Please include an initial gender analysis and/or assessment to determine the different needs, capabilities, roles and knowledge resources of women clarify how the results of this analysis have been incorporated into project design and development.</p> <p>The entity has proposed that the beneficiaries will be identified once they are presented in the call for proposals.</p> <p>CR5: Please clarify how the identification and approval process for sub-projects will ensure equitable distribution of benefits to women, girls, indigenous people, youth and other vulnerable groups.</p>	<p>for ecologically-grown food is growing, which can create new market opportunities for farmers who adopt EbA practices.</p> <ul style="list-style-type: none"> • Stimulation of local economies: By promoting local food production and reducing the need for imports, EbA practices can help to stimulate local economies and create jobs in rural areas. <p>CAR1 : Initial gender analysis of the project has been incorporated in the CN (Page 30).</p> <p>CR5: The project measures will be selected through community consultation process. Necessary provisions will be incorporated in the call for proposals regarding the</p>

Review Criteria	Questions	Comments	Response by NABARD
			selection of interventions and beneficiaries. Beneficiary level village committee will be formulated for the selection of proposed treatment measure at the field level through consultation and input from technical personnel / engineers. The process ensures participation of marginalized community also and eliminates any likely issues arising related to access and equity. The equitable distribution of benefits to the eligible beneficiaries out of the project components will be ensured through prioritization of beneficiaries for each activity (need based) on the basis of detail livelihoods profile, vulnerability mapping / assessment, and need assessment.
	5. Is the project / programme cost effective?	<p>Not Cleared.</p> <p>The project does not provide a clear description of the alternative options to the proposed measures. The cost effectiveness analysis for AF projects needs to make a comparison of the proposed project costs to an alternative approach or activities that could achieve the same project results and that could have taken place to help adapt and build resilience in the same sector,</p>	<p>CAR2: Description of alternative options to the proposed measures are presented in the revised CN (page 33).</p>

Review Criteria	Questions	Comments	Response by NABARD
		<p>geographic region, and/or community. At the concept stage, this can be a general description, including addressing cost-effectiveness from a sustainability point of view.</p> <p>For a fully developed proposal stage, quantitative estimates of cost-effectiveness could be provided where feasible.</p> <p>CAR2: Please provide a clear description of alternative options to the proposed measures that would receive the same outcome, even if preliminary and general, including how proposed cost effectiveness is optimal from a sustainability point of view.</p>	
	6. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?	<p>Not cleared.</p> <p>Alignment with the India's NDC, National Action Plan on Climate Change (NAPCC) as well as State Action Plan on Climate Change (SAPCC) is mentioned.</p> <p>CR6: Please clarify alignment with the NAP and NSDS (i.e., SDGs strategies) if they exist.</p>	<p>CR6: NAP is yet to be finalised.</p> <p>In the second Voluntary National Review of SDGs submitted by India in 2020 to United Nations, India has articulated its National strategies for SDGs. India's commitment to the SDGs is reflected in its convergence with the national development agenda as reflected in the motto of <i>Sabka Saath Sabka Vikaas</i> (Collective Efforts for Inclusive Growth). Based on the evidence from the SDG India Index, which measures</p>

Review Criteria	Questions	Comments	Response by NABARD
			progress at the subnational level, the country has developed a robust SDG localization model centered on adoption, implementation and monitoring at the State and district levels. At the subnational level, States and districts drive the adoption of the Global Goals and targets, determine the local means of implementation, and design the monitoring and evaluation frameworks. Centered on a blended collaborative learning approach, the model epitomises the ethos of cooperative and competitive federalism. In view of India's strategy to localise the global goal for effective achievement, the proposal of EDA for locally led adaptation measures are in alignment with the national strategies for SDGs.
	7. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?	<p>Not cleared, the project includes unidentified subprojects.</p> <p>It is expected that during the technical evaluation at the selection stage, due diligence on compliance with existing environmental, social and labour regulations in the country, would be carried out by NABARD (page 32). At fully</p>	Suitable terms and conditions will be incorporated in the call for proposals regarding the compliance with the existing ESP. During the technical evaluation of the proposals by NABARD, the proposals will be evaluated for compliance with

Review Criteria	Questions	Comments	Response by NABARD
		developed proposal stage please detail the process for compliance if activities are unknown.	the policy as well as other technical standards.
	8. Is there duplication of project / programme with other funding sources?	Not cleared, CR7: Please include a list of existing projects in the target areas and clarify non-duplication, as well as complementarities and synergies.	CR7: It is proposed to operate the EDA on a national scale, however the most vulnerable geographies identified in the national level vulnerability assessment in agriculture sector will be targeted for the implementation of sub projects under this programme through call for proposals. Adaptation projects are being implemented in India under National Adaptation Fund for Climate Change (NAFCC) constituted by Govt. of India. So far, 30 projects are sanctioned under NAFCC covering 130 districts located in 25 States and 2 Union Territories in India. However, the exact details of the proposed sub-projects would be known after the call for proposals under EDA. During the project selection process, NABARD will ensure that there will not be any duplication with other funding sources.
	9. Does the project / programme have a learning and knowledge	Cleared, as described on page 33	Agreed. Knowledge dissemination strategy for the vulnerable communities in the

Review Criteria	Questions	Comments	Response by NABARD
	management component to capture and feedback lessons?	At the full proposal stage, please include a knowledge dissemination strategy for the vulnerable communities in the affected area as well.	affected area as well would be included in the full funding proposal.
	10. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	<p>Not Cleared.</p> <p>As described on page 34 preliminary consultations were carried out with the Ministry of Environment Forest and Climate Change (MoEFCC) regarding the application of EDA for boosting the adaptation interventions at local level. Extensive stakeholder consultations will be carried out during the fully-developed proposal stage to identify and prioritize the adaptation intervention under this programme.</p> <p>Please note that the scale of the proposed EDA project warrants a more comprehensive initial consultative process. An initial consultation with beneficiaries in the targeted areas is required.</p> <p>CAR3: Please provide details of initial consultation with project stakeholders that takes gender considerations into account and include how community interests have been taken into consideration in project design and development. Include a list of the stakeholders consulted, and the consultation techniques used.</p>	CAR3: Details of initial consultation with project stakeholders are incorporated in the revised CN (page 39)

Review Criteria	Questions	Comments	Response by NABARD
		Note that at the fully developed proposal stage, project implementation arrangements should also include a framework that allows for stakeholders' views to be heard during project implementation.	
	11. Is the requested financing justified on the basis of full cost of adaptation reasoning?	<p>Not Cleared.</p> <p>While the benefits of the EDA model in promoting decision-making in the programming of internationally allocated funds to the national and sub-national levels are provided, no description has been provided in the concept note of how the proposed are relevant in addressing the project's adaptation objectives and that, taken solely, without additional leveraged funding the proposed activities would help achieve project objectives.</p> <p>CR8: Please link expected project outcomes to the adaptation objectives of the EDA model and approach, and clearly articulate how outcomes will be achieved regardless of the requirement for finance leveraged from other sources.</p>	<p>CR8: The proposed EDA consists of activities related to capacity building of NABARD, local organization to develop and process adaptation proposals, implementation of locally led adaptation project and compile and disseminate the lessons learned on the project. With the experience of NABARD in implementing the natural resource management projects all over India through its partners such as community organizations, sub-national government etc., the EDA proposal does not require co-financing. The outcome 1 of the project is intended to increased the readiness and capacity of local organization so that their decision making capacities will be enhanced. Outcome 2 is aimed at improving the decision making and capacity of NABARD as an executing entity on the adaptation solutions. By implementing the project, the</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>outcome 3 aimed at concrete adaptation interventions at local level, as the capacity of the local entities are enhanced through the component 1 of the project. Information and knowledge dissemination will be carried out by NABARD to achieve the Outcome 4 of the project, with its experience in the similar sustainability initiatives.</p> <p>Overall, the components of EDA are designed to embed technical, institutional, and operational sustainability at local levels so as to reduce the level of incremental cost and the dependence on co-financing for the project</p>
	12. Is the project / program aligned with AF's results framework?	<p>Not cleared.</p> <p>CR9: Please clarify alignment with the AF Strategic Outcomes in the description of the project components.</p> <p>A results framework or alignment table is not needed at concept stage. However, alignment with the AF Strategic Outcomes should be mentioned in the description of project components. The AF SRF Outcomes can be found on pages 4-6 of the following document:</p>	<p>CR9: The components of EDA proposal is in alignment with the following AF strategic Outcomes</p> <p>Component 1: Awareness creation, capacity building and mobilization of proposals - This is in alignment with Outcome 2 and Outcome 3 of AF Strategic Outcomes.</p>

Review Criteria	Questions	Comments	Response by NABARD
		https://www.adaptation-fund.org/wp-content/uploads/2019/10/Adaptation-Fund-Strategic-Results-Framework-Amended-in-March-2019-2.pdf .	<p>Component 2: Screening, Review and Approval of Sub-National Adaptation Proposals – through this process, it is envisaged to enhance readiness and capacity of national and sub-national entities to directly access and program adaptation finance, thereby in aligned with Outcome 2 of AF Strategic Outcomes.</p> <p>Component 3: Funding of local adaptation projects – through this component, it is envisaged to fund locally led innovative adaptation interventions thereby enhance awareness and capacity of communities, increase resilience of vulnerable communities and improve the livelihoods through diversification and strengthening. This component is in alignment with Outcome 3, outcome 5, Outcome 6 and outcome 8 of AF Strategic Outcomes.</p> <p>Component 4: Knowledge Management of EDA programme – As this</p>

Review Criteria	Questions	Comments	Response by NABARD
			component proposed to capture and disseminate knowledge and learning, it is in alignment with outcome 3 of AF Strategic Outcomes.
	13. Has the sustainability of the project/programme outcomes been taken into account when designing the project?	<p>Not cleared.</p> <p>A description of sustainability considerations across social, environmental, institution and financial areas is mentioned on pages 35 and 26. However, given that none of the interventions are identified at this stage, the justification provided is not sufficient.</p> <p>CR10: Please clarify using NABARDs experience with implementing EbA projects, how sustainability will be ensured. Specifically clarify longer-term financial sustainability including operation and maintenance of interventions.</p> <p>At the fully developed proposal stage, a clear description of how the combination of roles of government, communities, vulnerable populations, youth and women and related arrangements will ensure that adaptation benefits will be sustained beyond the project lifespan.</p>	<p>CR10: Sustainability is the core agenda of NABARD in its participatory flagship developmental and promotional programmes through channel partners at the grass root level. The proposed EbA interventions will sustain for a longer period as it is going to benefit the target mass, both directly and indirectly, supporting them enhancing their income and building resilience. Apart from that, as the strategy to be adopted is comprehensive and integrated, it can be safely said that project will sustain after its life.</p> <p>Economic and Financial viability of watershed interventions under NABARD's watershed programmes already implemented has been well established through various field evaluation studies. Financial</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>viability for watershed project with an average cost of Rs.158 lakh (USD 0.263 million) in Tamil Nadu has been estimated for a paddy based cropping pattern and it was found that BCR has been working out at 3.88 and IRR at 66.73% thereby indicating high economic profitability. Similarly, evaluation study of Shedashi Wavoshi Watershed in Maharashtra State funded by KfW has reported an ERR of 41%. In another Study of Mendhawan Watershed ERR of 37% was estimated.</p> <p>Through the field level experience of NABARD, it was observed that long term sustainability of the EbA can be achieved if there is improvement in the level of income of the beneficiaries. A comprehensive approach of natural resource management projects is important for its long term sustainability and significant impacts on the society.</p> <p>For sustainability, the project will take two prong approach, i.e., sustenance of the process by the community, realising the</p>

Review Criteria	Questions	Comments	Response by NABARD
			benefits of adaptation measures and secondly, accessing resources from Government and other agencies, under different schemes / programme and managing / maintaining the project outcome and building upon it further.
	14. Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	<p>Not cleared.</p> <p>However, though this is a minor point, due to the nature of unidentified sub-projects (USPs) that arise from the inherent nature of the proposed EDA project, the concept should include an acknowledgement that the ESP risk identification done is not comprehensive, and that there will be need to include measures for identifying and managing environmental, social and gender related risks during project implementation.</p> <p>The proposal has been classified as Category C, as sub projects have been identified to have low adverse environmental or social risks and/or impacts that can be readily addressed through mitigation measures as noted on page 36.</p> <p>The risk table has not elaborated on the on the risk of negative impacts and focuses on perceived positive impacts.</p> <p>CR11: Please update the risk findings to focus on the potential negative impacts, explaining to the</p>	<p>CR11: It is acknowledged that the ESP risk identification done is not comprehensive, and measures for identifying and managing environmental, social and gender related risks during project implementation would be incorporated due to the inherent nature of USPs in EDA.</p> <p>Preliminary risk findings of the proposal are given below:</p> <p>Technical Risks:</p> <ul style="list-style-type: none"> • Inadequate knowledge and skills among farmers and stakeholders to implement EbA practices • Inadequate technology and equipment. <p>Environmental Risks:</p> <ul style="list-style-type: none"> • Climate variability and extreme weather events.

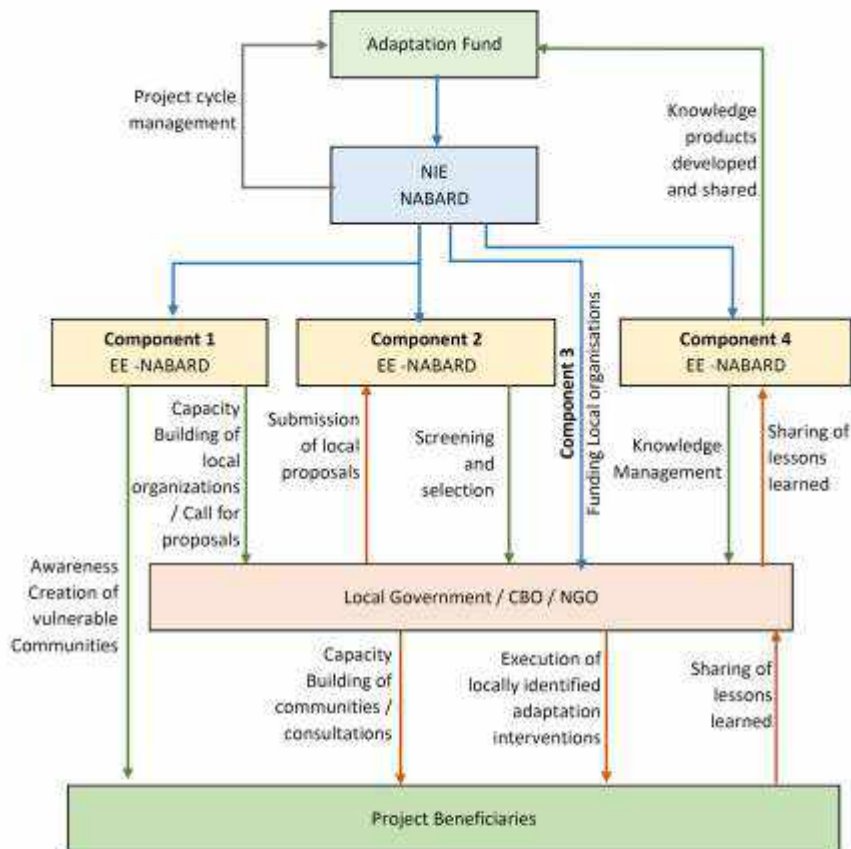
Review Criteria	Questions	Comments	Response by NABARD
		<p>extent possible what the anticipate risks are and indicate where mitigation measure might be needed.</p> <p>At the fully developed proposal stage, the proposal must include an Environmental and Social Management Plan (ESMP) that includes a detailed, budgeted process to apply the ESP and the GP to each USP as and when it is being identified and approved by NABARD.</p>	<ul style="list-style-type: none"> Degraded Natural resource <p>Social Risks:</p> <ul style="list-style-type: none"> Resistance to change and lack of community engagement Relapse of beneficiaries due to change in infrastructure, policy, market trend etc. <p>Mitigation Measures:</p> <ul style="list-style-type: none"> Provide training and capacity building for farmers and stakeholders to improve their knowledge and skills related to EbA practices. Develop partnerships with technology providers and equipment suppliers to ensure that farmers have access to the necessary technology and equipment to implement EbA practices. Develop and implement a monitoring and evaluation system to track the impacts of climate variability and extreme weather events on crops and ecosystems.

Review Criteria	Questions	Comments	Response by NABARD
			<ul style="list-style-type: none"> Develop a strategy to promote sustainable natural resource management to reduce the risk of natural resource degradation. Engage with communities and other stakeholders to raise awareness and support for the project and its activities. <p>In line with the Adaptation Fund Guidance Document for Project/ Programme with Unidentified Sub-Projects, an additional level of due diligence will be undertaken, to ensure compliance of proposals with Adaptation Fund Environmental and Social Policy (ESP) and Gender Policy. At the fully developed proposal stage, NABARD will develop an Environmental and Social Management Plan (ESMP) which consists of detailed, budgeted process to apply the ESP and the GP to each USP.</p>
Resource Availability	1. Is the requested project / programme funding within the cap of the country?	Yes.	-

Review Criteria	Questions	Comments	Response by NABARD
	2. Is the Implementing Entity Management Fee at or below 10 per cent of the total project/programme budget before the fee?	Yes. The Implementing Entity fee is within the cap and is 10%.	-
	3. Are the Project/Programme Execution Costs at or below 12 per cent of the total project/programme budget (including the fee)?	<p>Cleared.</p> <p>The Executing Entity fee is within the cap and is at 10.6%</p> <p>CAR4: Please identify the executing entity/entities for the project.</p>	<p>Executing Entity for the EDA project is NABARD and sub-projects under the component 3 would be executed through various local executing partners to be identified after call for proposals.</p> <p>As the NABARD will be acting as both IE and EE of the project, project execution cost to NABARD is restricted to 1.5% of the Component 1, Component 2 and Component 4.</p> <p>Also, in order to meet the cost of execution of the concrete adaptation sub-projects (Component 3) through local executing partners, a provision of 12% execution cost is envisaged under the Component 3. Detailed budget along with budget notes will be provided during funding proposal stage.</p>

Review Criteria	Questions	Comments	Response by NABARD
			<p>A flowchart showing the relationship between NABARD and local organizations along with the fund flow mechanism is shown in Annexure A.</p> <p>Revised components and financing are provided in Page 16-17 of the revised CN.</p>
Eligibility of IE	1. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?	The NIE is under reaccreditation.	-
Implementation Arrangements	1. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	n/a at concept stage	
	2. Are there measures for financial and project/programme risk management?	n/a at concept stage	
	3. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	n/a at concept stage	
	4. Is a budget on the Implementing Entity Management Fee use included?	n/a at concept stage	

Review Criteria	Questions	Comments	Response by NABARD
	5. Is an explanation and a breakdown of the execution costs included?	n/a at concept stage	
	6. Is a detailed budget including budget notes included?	n/a at concept stage	
	7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	n/a at concept stage	
	8. Does the M&E Framework include a break-down of how implementing entity IE fees will be utilized in the supervision of the M&E function?	n/a at concept stage	
	9. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	n/a at concept stage	
	10. Is a disbursement schedule with time-bound milestones included?	n/a at concept stage	

FLOW CHART – Project Components, Activities and Fund Flow**Components**

- Component 1: Awareness creation, capacity building and mobilization of proposals
 Component 2: Screening, Review and Approval of Sub-National Adaptation Proposals
 Component 3: Funding of local adaptation projects
 Component 4: Knowledge Management of EDA programme

Fund Flow and Execution

- NABARD will be acting as the Executing Entity of the EDA and will be executing the Components 1, 2 and 4. Execution cost eligible for NABARD is restricted to 1.5% of the cost of Component 1, 2 and 4.
- Component 3 will be executed at field level through local executing partners, which will be identified through call for proposals. Execution cost at 12% of project measures to these executing partners are envisaged under Component 3.

Legend

Fund Flow → Activities -EE → Activities – Local Govt. /CBO/NGO etc. →



REQUEST FOR PROJECT/PROGRAMME FUNDING FROM THE ADAPTATION FUND

The annexed form should be completed and transmitted to the Adaptation Fund Board Secretariat by email or fax.

Please type in the responses using the template provided. The instructions attached to the form provide guidance to filling out the template.

Please note that a project/programme must be fully prepared (i.e., fully appraised for feasibility) when the request is submitted. The final project/programme document resulting from the appraisal process should be attached to this request for funding.

Complete documentation should be sent to:

The Adaptation Fund Board Secretariat 1818 H Street NW
MSN N7-700

Washington, D.C., 20433 U.S.A

Fax: +1 (202) 522-3240/5

Email: afbsec@adaptation-fund.org



PROJECT/PROGRAMME PROPOSAL TO THE ADAPTATION FUND

PART I: PROJECT/PROGRAMME INFORMATION

Project/Programme Category	: Enhanced Direct Access - Regular Project
Country	: India
Title of Project/Programme	: Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India
Type of Implementing Entity	: National Implementing Entity (NIE)
Implementing Entity	: National Bank for Agriculture and Rural Development (NABARD)
Executing Entity/ies	: National Bank for Agriculture and Rural Development (NABARD)
Amount of Financing Requested	: U.S Dollars 5,000,000.00

Project / Programme Background and Context:

Provide brief information on the problem the proposed project/programme is aiming to solve. Outline the economic social, development and environmental context in which the project would operate.

India is the seventh largest country in the world, with a total land area of 3.28 million sq. km. It measures 3,214 km from North to South and 2,993 km from East to West. It has a land frontier of 15,200 km and a coastline of 7,517 km¹. The population of the country as per census 2011 is 1210.85 million of which 623.27 million (51.54%) are males and 587.58 million (48.46%) are female². India holds only 2.4% of total land surface but it hosts more than 18% of the world population.

The impacts of climate change are being felt all over the world. It is becoming warmer, rainfall is more erratic, the sea level is slowly rising and extreme weather events are becoming more frequent and intense. Prolonged periods of drought, floods and shifting climatic zones are

¹ MoEF&CC (2009): State of the Environment Report-2009, MoEF&CC, GoI

² Census (2011): Registrar General of India, Ministry of Home Affairs, Government of India

endangering development successes. The poor and marginalized are often most affected by climate variability and change. IPCC AR6³ observed with *high confidence* that human-induced climate change, including more frequent and intense extreme events, has caused widespread adverse impacts and related losses and damages to nature and people, beyond natural climate variability.

India is a large emerging economy with a great variety of geographical regions, biodiversity and natural resources. However, the country is one of the most vulnerable to climate change risks worldwide. As per the Global Climate Risk Index 2021 by Germanwatch, which analyses the extent to which countries and regions have been affected by impacts of weather-related loss events (storms, floods, heat waves etc.), India is ranked as 7th most vulnerable country. More than half of India's population lives in rural areas and depends on climate-sensitive sectors like agriculture, fisheries and forestry for their livelihoods. Natural resources and the environment are already under pressure as a result of rapid urbanisation, industrialisation and economic development. Climate change is projected to exacerbate these pressures.

India's natural resources are already under tremendous pressure due to various human activities and population growth. Climate change could change the distribution and quality of India's natural resources and affect people's livelihoods. The most vulnerable groups in Indian society are the rural poor, who often depend on natural resources such as agriculture, fishing and forestry for their livelihoods. India, whose economy is closely linked to natural resources and climate-sensitive sectors such as agriculture, water and forestry, could face greater threats from projected climate change⁴.

Economic, Social, Development and Environmental Context

Economic Context

India is predominantly a rural country. As per the 2011 Census, 68.8 per cent of country's population and 72.4 per cent of workforce resided in rural areas⁵. However, steady transition to urbanization over the years is leading to the decline in the rural share in population, workforce and GDP of the country. Between 2001 and 2011, India's urban population increased by 31.8 per cent as compared to 12.18 per cent increase in the rural population. Over fifty per cent of the increase in urban population during this period was attributed to the rural-urban migration and re-classification of rural settlements into urban. Population projections indicate that India will continue to be predominantly rural till the year 2050 after which urban population is estimated to overtake rural population⁶.

Apart from producing almost all agricultural output, rural areas contribute about half of the manufacturing and construction sectors' output and one quarter of the services sectors output in the country. The rural areas are characterized by a low level and wide disparity in worker productivity. During the four decades from 1970-71 to 2011-12, rural output increased almost seven times (at constant prices) and rural economy has now turned more non-agricultural with

³ Climate Change 2022: Impacts, Adaptation and Vulnerability. Working Group II Contribution to the IPCC Sixth Assessment Report

⁴ NAPCC: National Action Plan on Climate Change, Government of India

⁵ NITI Aayog (2017): Changing Structure of Rural Economy of India, National Institution for Transforming India

⁶ United Nations (2012): World Urbanization Prospects: The 2011 Revision

the share of agriculture in rural income reduced to 39 per cent. However, the rural employment during this period could not even double. In fact, employment growth decelerated over time and reached a negative range after the year 2004-05. The decline in rural employment between 2004-05 and 2011-12 was due to withdrawal of labour force from the agriculture sector, the majority of whom did not join the non-farm sectors⁷. The employment insensitive growth in rural areas warrants special attention towards the non-farm sectors, particularly manufacturing and services sectors, to provide productive employment to the rising population and labour force leaving agriculture.

Social Context

“India lives in its villages”- these words of M.K. Gandhi summarize the significance of villages in Indian society. Until independence, the majority of the population lived in villages. After that, the process of urbanization was accelerated and the urban population grew faster. Even till date, according to the Census of Indian (2011), majority of Indian population (about 69 %) live in about 649481 villages⁸. The rural society has its unique social structure and a way of living that is different from the urban society.

Agricultural land is the single most important resource and form of property in rural society. But it is not equally distributed among people living in a particular village or region. Nor does everyone have access to land. In fact, the distribution of landholdings in most regions is highly unequal among households. In some parts of India, the majority of rural households own at least some land – usually very small plots. In other areas as many as 40 to 50 per cent of families do not own any land at all. This means that they are dependent on agricultural labour or other kinds of work for their livelihoods.

Since its independence over the last 75 years, the country has undergone significant social changes. Increase in literacy rate, measures to empower weaker sections, women and social movements in many states have helped in transforming the socio-economic lives of millions.

Environmental Context

India is incredibly diverse, not only in terms of climate, geo-geography and ecological regimes, but also in people and culture. With the Tropic of Cancer passing through the centre of India, the climate is predominantly tropical but owing to a vast range in altitudes and topographies, and the national borders traversing through mountainous and coastal territory, a variety of climate contexts are experienced across the country. This also translates into a multitude of agro-ecological systems and the intertwined evolution of unique cultural contexts. The country has an abundance of natural resources and biodiversity wealth that is also closely interlinked with the lives and livelihoods of the people, especially in the rural and remote areas.

India is one of the mega-diverse countries of the world, harbouring nearly 7-8 per cent of the recorded species of the world, and representing four of the 34 globally identified biodiversity hotspots. The country is also a vast repository of traditional knowledge associated with

⁷ NITI Aayog (2017) : Changing Structure of Rural Economy of India Implications for Employment and Growth, Discussion Paper, National Institution for Transforming India

⁸ MHRD (2020): Rural Management-Rural Society and Polity, Ministry of Human Resource Development, Government of India

biological resources. So far, over 91,200 species of animals and 45,500 species of plants have been documented across the ten biogeographic regions of the country. Inventories of floral and faunal diversity are being progressively updated with several new discoveries through the conduct of continuous surveys and exploration.

India faces the challenge of supporting its growing population and sustaining economic growth while protecting the natural environment and integrating sustainability into natural resource management. India's economic growth in recent years has raised the prospect of eradicating widespread poverty within a generation. But this growth has been overshadowed by a degraded physical environment and a scarcity of natural resources needed to sustain continued growth and alleviate poverty. Environmental sustainability is rapidly emerging as the next major development and policy challenge facing the country.

Assessment of Climate Change over the Indian region

The impact of climate change on the Indian subcontinent involves complex physical processes at different spatial and temporal scales, especially since the region's mean climate is often determined shaped by the Indian monsoon and unique high-altitude geographical features such as the Himalayas, Western Ghats, the Tibetan Plateau and the adjacent Indian Ocean, the Arabian Sea and the Bay of Bengal.

Observed Changes in Global Climate

The likely range of total human-caused global surface temperature increase from 1850–1900 to 2010–2019 is 0.8°C to 1.3°C, with a best estimate of 1.07°C⁹. Warming since the 1950s has already contributed to a significant increase in weather and climate extremes globally (e.g., heat waves, droughts, heavy precipitation, and severe cyclones), changes in precipitation and wind patterns (including shifts in the global monsoon systems), warming and acidification of the global oceans, melting of sea ice and glaciers, rising sea levels, and changes in marine and terrestrial ecosystems.

Projected Changes in Global Climate

Global climate models project a continuation of human-induced climate change during the twenty-first century and beyond. If current rates of GHG emissions continue, average global temperatures are expected to increase by nearly 5 °C or more by the end of the 21st century. Even if all the commitments are made under the Paris agreement 2015 is met, global warming is expected to exceed 3°C by the end of the century. However, the increase in temperature will not be uniform across the planet; Some regions of the world will experience warming above the global average. Such large temperature changes will significantly accelerate other changes taking place in the climate system, such as changing precipitation patterns and increasing temperature extremes.

Climate Change in India: Observed and Projected Changes

➤ Temperature Rise Over India

⁹ IPCC, 2021: Summary for Policymakers. In: Climate Change 2021: The Physical Science Basis. Contribution of WGI to the Sixth Assessment Report of IPCC

India's average temperature has risen by around 0.7°C during 1901–2018¹⁰. This rise in temperature is largely on account of GHG-induced warming, partially offset by forcing due to anthropogenic aerosols and changes in LULC. By the end of the twenty-first century, average temperature over India is projected to rise by approximately 4.4°C relative to the recent past (1976–2005 average) (Figure 1), under the RCP8.5 scenario.

➤ Changes in Rainfall

The summer monsoon precipitation (June to September) over India has declined by around 6% from 1951 to 2015, with notable decreases over the Indo-Gangetic Plains and the Western Ghats. There has been a shift in the recent period toward more frequent dry spells (27% higher during 1981–2011 relative to 1951–1980) and more intense wet spells during the summer monsoon season. Over central India, the frequency of daily precipitation extremes with rainfall intensities exceeding 150 mm per day increased by about 75% during 1950–2015. With continued global warming and anticipated reductions in anthropogenic aerosol emissions in the future, CMIP5 models project an increase in the mean (Fig. 1) and variability of monsoon precipitation by the end of the twenty-first century, together with substantial increases in daily precipitation extremes.

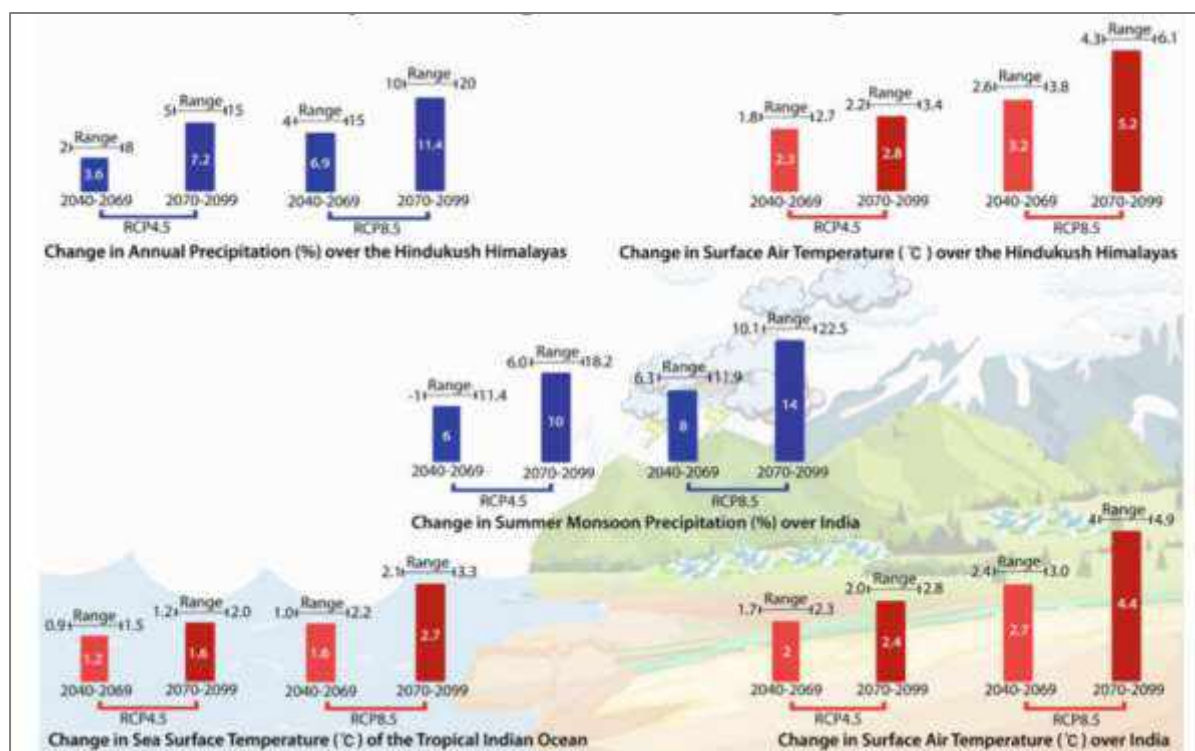


Figure 1. Projected changes of Climate over Indian Region

➤ Droughts

The overall decrease of seasonal summer monsoon rainfall during the last 6–7 decades has led to an increased propensity for droughts over India. Both the frequency and spatial extent of droughts have increased significantly during 1951–2016. In particular, areas over central India, southwest coast, southern peninsula and north-eastern India have experienced more than 2 droughts per decade, on average, during this period. The area affected by drought has

¹⁰ MoES (2020): Assessment of climate change over the Indian region: A report of the Ministry of Earth Sciences (MoES), Government of India

also increased by 1.3% per decade over the same period. Climate model projections indicate a high likelihood of increase in the frequency (>2 events per decade), intensity and area under drought conditions in India by the end of the twenty-first century under the RCP8.5 scenario, resulting from the increased variability of monsoon precipitation and increased water vapour demand in a warmer atmosphere.

Existing level of vulnerability

India was ranked the seventh worst-hit country in 2019 in the Global Climate Risk Index 2021¹¹, which analyses to what extent countries and regions have been affected by impacts of weather-related loss events. According to the Index, floods caused by heavy rain in 2019 took 1,800 lives across 14 States in India and displaced 1.8 million people. Overall, the intense monsoon season affected 11.8 million people, with the economic damage estimated to be \$10 billion.

Due to a combination of political, geographic, and social factors, India is recognized as vulnerable to climate change impacts, ranked 111th out of 182 countries in the 2022 ND-GAIN Index¹². The ND-GAIN Index ranks 182 countries using a score which calculates a country's vulnerability to climate change and other global challenges as well as their readiness to improve resilience. As per the latest assessment, India is on the road to responding effectively to climate change, but the adaptation needs and urgency to act are greater. India is the 51st most vulnerable country and the 104th most ready country.

India faces some of the highest disaster risk levels in the world, ranked 38th out of 191 countries by the 2022 INFORM Risk Index¹³. India has very high exposure to flooding, including, riverine, flash, and coastal, as well as high exposure to tropical cyclones and their associated hazards and drought. Hazard and exposure ranking of India is 24. Disaster risk in India is also driven by its social vulnerability. India's vulnerability ranking (57th) is driven by its high levels of socioeconomic deprivation. India scores markedly better in terms of its coping capacity.

India's vulnerability to climate change can be elaborated further by breaking down the country into regions susceptible to changes in climatic conditions and frequency of disaster occurrences. According to the report by INCCA¹⁴, India primarily has four climate sensitive regions namely, Himalayan Region, Western Ghats, North-Eastern Region and Coastal Region.

Vulnerability Assessment of Indian States

National level assessment of climate vulnerability¹⁵ of states and districts all over India,

¹¹ Germanwatch (2021): Global Climate Risk Index 2021 <https://www.germanwatch.org/en/19777>

¹² University of Notre Dame (2022). Notre Dame Global Adaptation Initiative. URL: <https://gain.nd.edu/our-work/country-index/>

¹³ INFORM Index for Risk Management. India Country Profile. URL: <https://drmkc.jrc.ec.europa.eu/inform-index/INFORM-Risk>

¹⁴ INCCA (2010): Climate Change and India: A 4x4 Assessment, MoEF&CC. https://gbpihed.gov.in/PDF/Publication/Climate_change_4_4.pdf

¹⁵ DST (2021): Climate Vulnerability Assessment for Adaptation Planning in India Using a Common Framework

conducted by Department of Science and Technology (DST), Govt. of India, identifies and categorizes the most vulnerable states in India and the main drivers of their vulnerability with respect to current climate risks. A total of 29 states are considered for the analysis with an objective to assess the relative vulnerability of the states, based on a common set of indicators. The study has identified Jharkhand, Mizoram, Orissa, Chhattisgarh, Assam, Bihar, Arunachal Pradesh, and West Bengal as states highly vulnerable to climate change. These states, mostly in the eastern part of the country, require prioritization of adaptation interventions, the report pointed out. The report has also conducted district level vulnerability assessment and district level index is given in Figure 2.

As per the Climate Vulnerability Index¹⁶ released by the Council on Energy, Environment and Water (CEEW), more than 80 per cent Indians live in districts vulnerable to climate risks, while Assam, Andhra Pradesh, Maharashtra, Karnataka and Bihar are states which are most vulnerable to extreme climate events such as floods, droughts and cyclones in India. 463 out of 640 districts in India are vulnerable to extreme floods, droughts and cyclones. More than 45 per cent of these districts have undergone unsustainable landscape and infrastructure changes. Further, 183 hotspot districts are highly vulnerable to more than one extreme climate event and more than 60 per cent of Indian districts have medium to low adaptive capacity. As per CEEW report, more than 80 per cent Indians live in districts vulnerable to climate risks, vulnerable to extreme climate events such as floods, droughts and cyclones in India

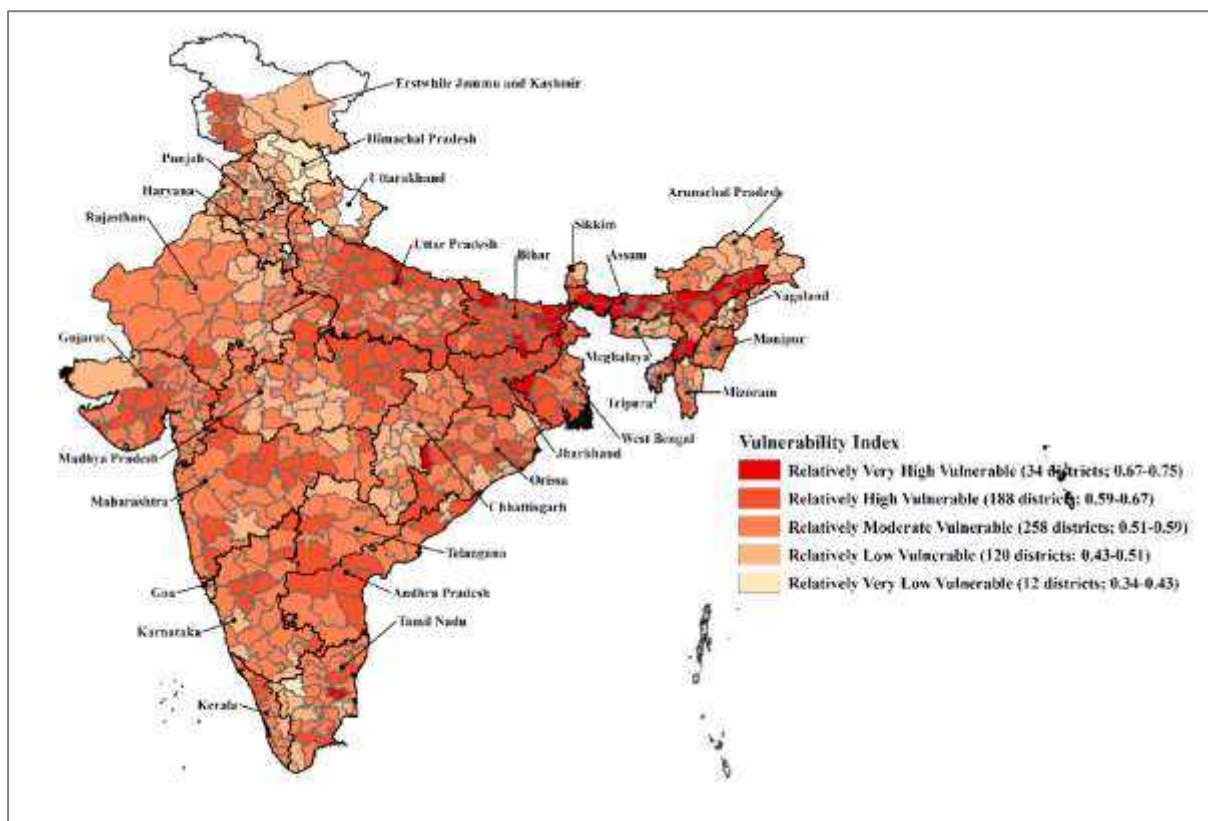


Figure 2. District Level Vulnerability Index-DST

¹⁶ CEEW (2021). Mapping India's Climate Vulnerability – A District Level Assessment.

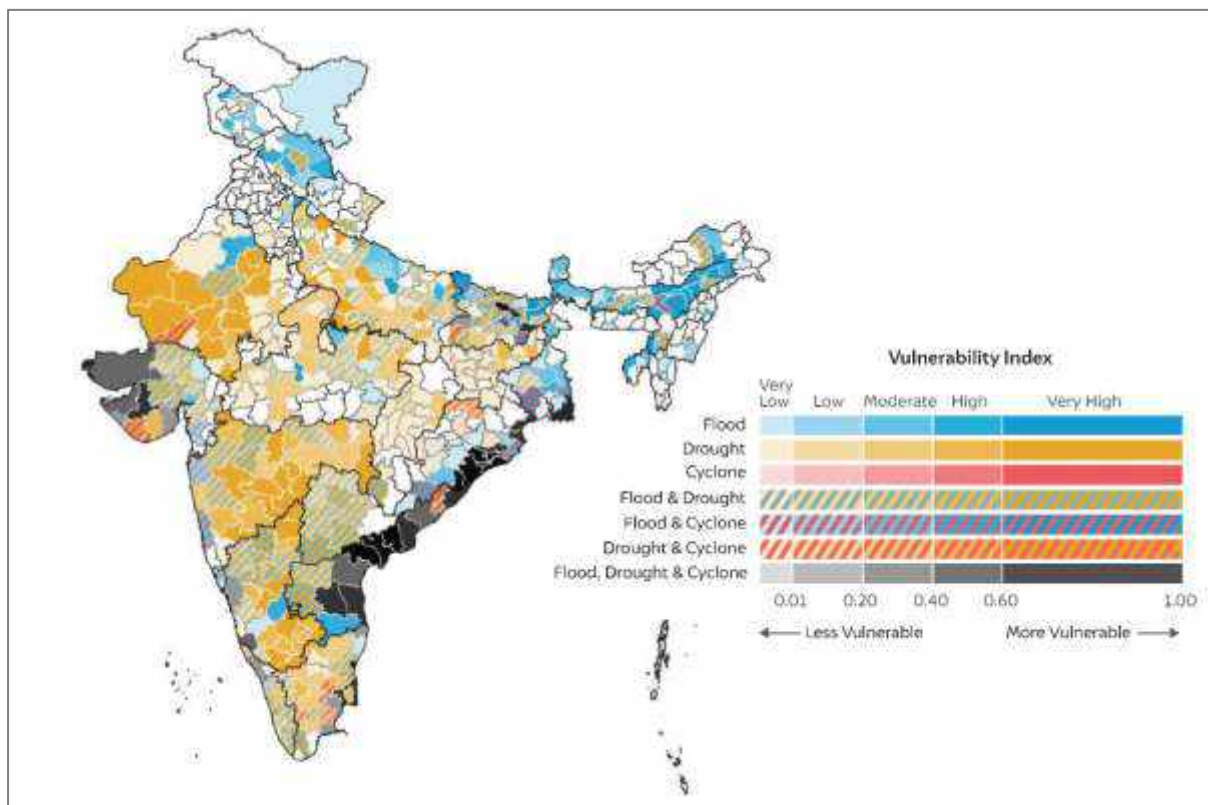


Figure 3. District Level Vulnerability Index-CEEW

Vulnerability of Indian Agriculture

Agriculture, as a biological production process, is clearly affected by climate and, therefore, climate change is expected to have impacts on the sustainability of agricultural production and livelihoods. who depend on agriculture. As climate change exacerbates all other problems such as land degradation, market volatility, rising input costs, a slow response to additional inputs hindering agricultural growth, it is considered a potential threat to the sustainability of agriculture. Developing countries like India, which are relatively more dependent on agriculture for their livelihoods, are more likely to suffer from such climate change.

Agriculture in India faces more complex challenges, due to diverse factors such as the shrinking amount of agricultural land, depletion of water and irrigation sources and increased labour costs. Rainfed agriculture occupies about 51 percent¹⁷ of the country's net sown area and accounts for nearly 40 percent of the total food production. Rainfed agriculture is complex, highly diverse and risk prone. Climate change would not only affect the overall production of food crops and the food security of millions of people, but also threaten their livelihoods.

There is emerging evidence that the productivity of crops, livestock and fish is likely to be affected with implications to food security, livelihoods and sustainability in agriculture. In India, several studies have projected declining crop yields, in the absence of adaptation, in response to changing climate characterized by rising temperature. Impact of climate change on Indian

¹⁷ Rainfed Farming System, Ministry of Agriculture & Farmers Welfare, GoI. <https://agricoop.nic.in/en/divisiontype/rainfed-farming-system>

agriculture was studied under National Innovations in Climate Resilient Agriculture (NICRA)¹⁸. Rainfed rice yields in India are projected to reduce marginally (<2.5%) in 2050 and 2080 and irrigated rice yields by 7% in 2050 and 10% in 2080 scenarios. Further, wheat yield is projected to reduce by 6-25% in 2100 and maize yields by 18-23%.

A subnational level assessment¹⁹ for climate change impacts at district level for major food crops using the district level climate projections for two time periods were carried out viz., mid-century (2021–2050) and end-century (2071–2098). Based on this assessment, yields of most crops are projected to decrease in a majority of districts during mid-century period. The yield impacts are deeper and wider during end-century period.

Vulnerability assessment of Indian Agriculture to climate change was undertaken by Indian Council of Agricultural Research (ICAR)²⁰, following the framework given by the Fifth Assessment Report of IPCC. Based on this district level study, 109 districts out of 573 rural districts (19% of total districts) are 'very high-risk' districts, while 201 districts are risk districts. Risk index of Indian agriculture sector due to climate change is shown in Figure 4.

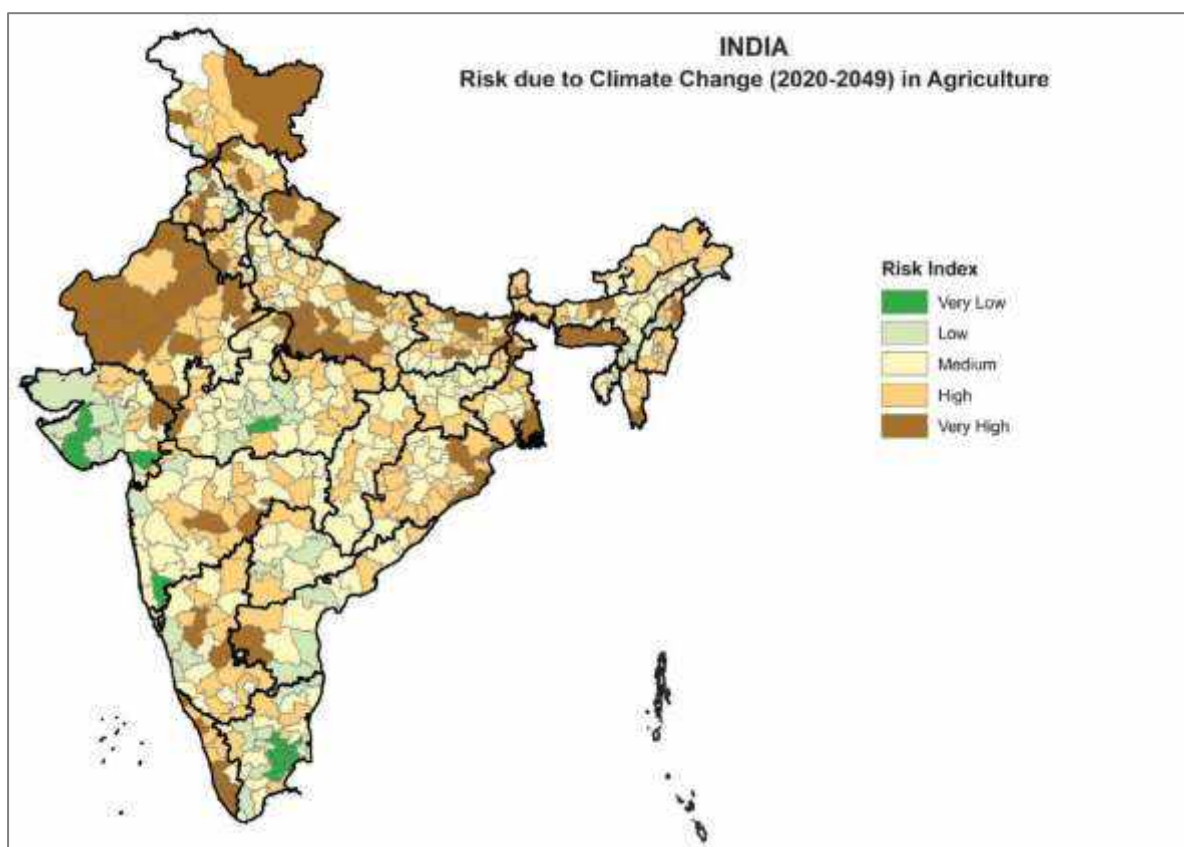


Figure 4. Risk due to Climate Change in Agriculture-ICAR

¹⁸ MoAFW (2021) : Effect of Climate Change on Agriculture, Ministry of Agriculture & Farmers Welfare, GoI <https://pib.gov.in/PressReleasePage.aspx?PRID=1696468>

¹⁹ CRIDA (2022) : Impact of climate change on productivity of food crops: a subnational level assessment for India, ICAR-CRIDA

²⁰ NICRA (2019): Risk and Vulnerability Assessment of Indian Agriculture to Climate Change, ICAR.

Problem Context and Rationale for project

In 2021, India has seen a number of intensely stratified risk scenarios. Amid the Delta variant of COVID-19 causing the second wave, India has faced several cyclones in the Bay of Bengal and the Arabian Sea. The erratic monsoons left the trail of devastating floods across Tamil Nadu, Maharashtra, Kerala, Bihar, Uttarakhand, Uttar Pradesh and Assam. As 2021 reveals the challenges of a riskier world, it is also an opportunity to chart India's path to adaptation and resilience.

India's National Multidimensional Poverty Index (MPI) baseline report²¹ defines poverty as the deprivation of crucial and basic parameters of health, education and living standards. States with the highest population of multi-dimensional poor are Bihar followed by Jharkhand and Uttar Pradesh. Further, the third edition of the SDG India Index and Dashboard 2020–21²², developed by NITI Aayog in collaboration with the United Nations (UN) tracks progress of all States and UTs on 115 indicators for 16 out of 17 SDGs. In 2021, states that ranked the lowest were Bihar, Jharkhand, Assam, Arunachal Pradesh, Meghalaya, Rajasthan and Uttar Pradesh.

Detailed national level assessment of climate vulnerability of states and districts in India²³ identifies the most vulnerable states and districts in India. The states with relatively high vulnerability are Jharkhand, Mizoram, Orissa, Chhattisgarh, Assam, Bihar, Arunachal Pradesh, and West Bengal. It also captures district-level vulnerabilities and identifies that in Assam, Bihar, and Jharkhand, over 60% districts are in the highly vulnerable category.

Results from the abovementioned reports show that states with higher climate vulnerabilities are also multi-dimensionally poor and feature at the bottom of SDG matrix pyramid. Therefore, managing the risk assumes key significance in building India's resilient future. Ecosystem-based Adaptation (EbA) is defined as the use of biodiversity and ecosystem services as part of an overall adaptation strategy to help people adapt to the adverse effects of climate change²⁴. EbA practices can potentially benefit smallholders in multiple ways beyond helping them adapt to climate change. The most obvious benefits of EbA practices are that they help ensure the continued provision of key ecosystem services (water provision, food provision, nutrient regulation, pest control, pollination) on which farming depends. Thus EbA can be considered as one of the proven initiatives for building the resilience of vulnerable communities depending on natural resources in India.

India's climate risk and adaptation

The Risk and Resilience Portal²⁵ of the UN Economic and Social Commission for Asia and the Pacific (UNESCAP) estimates the annualized average loss (AAL) for India that includes both

²¹ NITI Aayog-OPHI-UNDP, 2021: INDIA-National Multidimensional Poverty Index, Baseline Report https://www.niti.gov.in/sites/default/files/2021-11/National_MPI_India-11242021.pdf

²² NITI Aayog, 2021: SDG India Index and Dashboard 2020–21 <https://pib.gov.in/PressReleasePage.aspx?PRID=1723952>

²³ DST (2021): Climate Vulnerability Assessment for Adaptation Planning in India Using a Common Framework

²⁴ The Convention on Biological Diversity (CBD), UNEP (2009)

²⁵ ESCAP Risk and resilience portal, Asia-Pacific Disaster Resilience Network <https://rrp.unescap.org/>

slow onset (drought), extreme events and biological hazards at \$93 billion (3.35 per cent of India's GDP). Drought contributes more than 70 per cent to India's riskscape followed by floods, cyclone and earthquake/tsunami. The AAL increases to \$132 billion (4.75 per cent of India GDP) and \$224 billion (8.84 per cent of India GDP) under the moderate and worst climate change scenarios of representative concentration pathways 4.5 and 8.5. The total climate adaptation costs for cascading hazards in India (natural and biological) under extreme climate change scenario at US\$ 43.3 billion (1.6 per cent of India's GDP). It is evident that an investment of US\$1 in adaptation contributes to a reduction in AAL by US\$5.5.

The Adaptation Gap Report 2021 finds that there is an urgent need to step up climate adaptation finance. Estimated adaptation costs in developing countries are five to ten times greater than current public adaptation finance flows, and the adaptation finance gap is widening.

Recent report of IPCC concludes that some impacts of climate change are irreversible, even under highly ambitious mitigation regimes. Adaptation can significantly reduce loss and damage, particularly in the second half of the century, when climate impacts will accelerate. While strong mitigation is the way to minimize impacts and long-term costs, increased ambition in terms of adaptation, particularly for finance and implementation, is critical to prevent existing gaps widening.

The Global Commission on Adaptation estimates that investing \$1.8 trillion globally into climate resilience from 2020 to 2030 could produce \$7.1 trillion in total benefits, nearly a four-to-one return. Thus, it's clear that there is an urgent need to accelerate adaptation actions, which have multiplier benefits in terms of avoided losses, positive economic benefits, and resultant social and environmental advantages.

Further, IPCC AR6 has warned that the window of opportunity to address climate change is rapidly narrowing and climate-resilient development pathways are being progressively constrained by every increment of warming. Beyond a certain level of global temperature rise, there's a point of diminishing returns for all the adaptation strategies. The current scenario makes an urgent call for enhancing the adaptive capacity of vulnerable sections and to pursue climate resilient development.

Adaptation priorities and key policy actions

Adaptation priorities derived from India's unique riskscape include making new infrastructure resilient, strengthening early warning systems, making water resource management resilient and improving dryland agriculture crop production followed by protecting mangroves in the East and West coasts of India. While this allows prioritization of adaptation action and investment at the country level, more granular risk analysis and profiles can help target appropriate adaptation action locally. India launched the National Action Plan on Climate Change (NAPCC) in 2008, establishing eight National Missions to advance action on the country's climate priorities.

Nationally, India has a dedicated National Adaptation Fund for Climate Change (NAFCC)²⁶,

²⁶ National Adaptation Fund for Climate Change (NAFCC): <https://www.nabard.org/content.aspx?id=585>

launched in 2015, to support adaptation activities in the States and Union Territories (UTs) of India that are vulnerable to the adverse effects of climate change. NAFCC is implemented in project mode and till date, 30 projects are sanctioned in 27 States and UTs. It is a federal grant that was introduced to fulfil the objectives of the National Action Plan on Climate Change (NAPCC) and support state governments in operationalizing the State Action Plans on Climate Change (SAPCC) and implementing adaptation projects.

Apart from the dedicated adaptation programmes, there are many schemes which address the adaptation priorities. For instance, Mahatma Gandhi National Employment Guarantee Act (MNREGA) with an annual budget of \$10 billion (2022)²⁷ addresses all the adaptation priorities substantially. 65 per cent of the allocated MNREGA budget goes into natural resources management, water management, drought proofing, building grey and green infrastructure including nature-based solutions. It helps build community resilience through natural resource management, inclusion, and livelihood security of poor and marginalized.

Policy coherence

India's commitments made under the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement, reflect the principles of equity, common but differentiated responsibilities and respective capabilities in the light of national circumstances. India's climate vision is also integrally linked to India's vision of development that foregrounds the goals of poverty eradication and guaranteeing basic well-being as an immediate necessity to meet the challenge of global warming.

The National Action Plan on Climate Change (NAPCC) and the State Action Plan for Climate Change (SAPCC) have specific focus on climate adaptation programmes. Policy coherence among the Climate Change Action Plans and the Nation Disaster Management Plan that strengthen India's position at the Voluntary National Review of the SDG progress, the Nationally Determined Contributions under the Paris Climate Change Agreement, and the Sendai Framework targets is a key determinant of India's adaptation and resilience pathways in a riskier world.

In November 2021, the Hon'ble Prime Minister proposed a One-Word Movement in the context of climate: LIFE - Lifestyle for Environment, at the COP 26 in Glasgow. This movement calls for coming together with collective participation, to take lifestyle for environment forward as a campaign and as a mass movement for environmentally conscious life style in a manner that revolutionizes many sectors and diverse areas such as fishing, agriculture, wellness, dietary choices, packaging, housing, hospitality, tourism, clothing, fashion, water management and energy. Further, this global initiative of LiFE Movement was officially launched in June 2022²⁸.

Adaptation requirements

Adaptation Gap Report 2021²⁹ has observed that estimated adaptation costs in developing countries are five to ten times greater than current public adaptation finance flows, and the

²⁷ Union Budget 2022-23: <https://www.india.gov.in/spotlight/union-budget-fy-2022-2023>

²⁸ NITI Aayog (2022) PM Launches 'LiFE Movement' for Adoption of Environment-Conscious Lifestyle <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1831364>

²⁹ UNEP 2021: Adaptation Gap Report 2021: The gathering storm – Adapting to climate change in a post-pandemic world

adaptation finance gap is widening. The report further identifies that the rate and scale of adaptation progress at the national level is not enough to keep up with growing needs and tracking progress remains a challenge.

As India grapples with the worsening impacts of climate change, the need to strengthen its adaptation efforts has become more significant than ever. India's Nationally Determined Contribution (NDC) clearly states that it requires around US\$206 billion³⁰ (At 2014–2015 prices) between 2015 and 2030 for implementing adaptation measures in various sectors such as agriculture, forestry, fisheries, water resources and so on. Besides, India will need additional funding to build resilience and for disaster risk reduction.

The national circumstances demand that the first priority for India is adaptation, being a country highly vulnerable to extreme weather events. Climate change impacts are expected to worsen with the passage of time because of the momentum due to present carbon stock continuing to raise the temperature. Hence, India's adaptation needs will have to be intensified and innovative approaches in adaptation are to be identified.

Need for Localized Adaptation

India's unique geographical location and predominantly agrarian economy make it one of the most climate-sensitive regions in South Asia. The threat is particularly acute in places where people's livelihoods depend on natural resources. In these areas, climate adaptation measures are of particular importance to protect rural livelihoods and ensure sustainable development.

As the climate change threatens its economic investment and development priorities, India has taken various adaptation actions in different areas. A diverse set of policies is in place to facilitate the design, development and implementation of adaptation actions both at the national and sub-national levels. While most of these initiatives are independent sectoral adaptation activities, there has been a gradual move towards integrating adaptation into broader country development. However, given India's diverse geographical size and socio-cultural context, the adaptation needs of many vulnerable sectors and groups are still not properly understood and addressed.

Thus, there is an increasing demand for enhancing the localized adaptation measures which address the adverse impacts of climate change to the most vulnerable communities, which are not being addressed through the existing adaptation initiatives. Considering the wide variation of geographic, climatic, socio-economic and vulnerability to climate change in India, local adaptation solutions that are tailored to the specific characteristics of local contexts, that complement top-down national initiatives is the need of the hour.

Ecosystem-based Adaptation (EbA) in agricultural systems by implementation of agricultural management practices that use or take advantage of biodiversity, ecosystem services or ecological processes helps to increase the ability of crops or livestock to adapt to climate variability. Use of agroecological management practices in agricultural systems and landscapes can help smallholder farmers adapt to climate change by providing additional

³⁰ MoEFCC. (2021). India: Third Biennial Update Report to the UNFCCC
<https://unfccc.int/documents/268470>

benefits. Agriculture depends on ecosystem services (such as pollination, nutrient cycling, pest control etc.), but also serves as an important source of ecosystem services to people. Ecosystem-based management practices that focus on conservation, restoration and sustainable management of biodiversity and ecosystem services could therefore potentially help farmers adapt both to climate change in the long term as well as to climate variability in the short term³¹.

Mission LiFE announced by India³² aims at following a three-pronged strategy for changing the collective approach towards sustainability. First is by nudging individuals to practise simple yet effective environment-friendly actions in their daily lives; second is by enabling industries and markets to respond swiftly to the changing demand and; third is to influence government and industrial policy to support both sustainable consumption and production. Mission LiFE is designed with the objective to mobilise at least one billion Indians and other global citizens to take individual and collective action for protecting and preserving the environment in the period 2022 to 2027. Within India, at least 80% of all villages and urban local bodies are aimed to become environment-friendly by 2028.

The Adaptation Fund's Enhanced Direct Approach (EDA) provides an opportunity to build the capacity of local organizations to program adaptation finance and to design and implement projects through locally led sustainable practices. Through this proposal, NABARD intends to use the EDA approach for local adaptation solutions that explicitly target vulnerable communities. The focus will be on Ecosystem based Adaptation through Agro-ecological Initiatives integrated with the global initiative 'Lifestyle for Environment – LiFE Movement.

Project / Programme Objectives:

In line with the objective of EDA under the Fund, NABARD proposes to launch a programme titled '**Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India**'. Through this programme, NABARD aims to devolve decision-making to the national and sub-national levels, with stronger stakeholder engagement on the proposed resilience initiatives and their financing at those levels.

The overall objective of the programme is 'to build the capacity of entities and communities to access climate finance and to enhance the resilience of the natural resource dependent communities through localised adaptation interventions'.

List the main objectives of the project/programme.

- Enhance the capacity of national/sub-national/community organisations in formulating local adaptation initiatives and accessing the climate finance.
- Ensure active community participation and gender mainstreaming in decision making and implementing the localised adaptation interventions.
- Promote local adaptation solutions addressing the vulnerable communities with replicable and scalable potential.

³¹ Ecosystem-based adaptation for smallholder farmers. <https://doi.org/10.1016/j.agee.2015.05.013>

³² Mission LiFE –Lifestyle For Environment <https://pib.gov.in/PressReleasePage.aspx?PRID=1869550>

Project / Programme Components and Financing:

Fill in the table presenting the relationships among project components, activities, expected concrete outputs, and the corresponding budgets. If necessary, please refer to the attached instructions for a detailed description of each term.

Project/Programme Components	Expected Concrete Outputs	Expected Outcomes	Amount (US\$)
Component 1: Awareness creation, capacity building and mobilization of proposals	Output 1.1 Awareness creation programmes reached to vulnerable communities Output 1.2 Training and assistance provided to local organizations to develop adaptation proposals	Outcome 1: Increased readiness and capacity of sub-national entities to directly access and program adaptation finance	158,442
Component 2: Screening, Review and Approval of Sub-National Adaptation Proposals	Output 2.1 Training imparted to National Entity in screening, review and approval of adaptation proposals Output 2.2 Locally led adaptation proposals screened, reviewed and approved	Outcome 2: Increased readiness and capacity of entity in decision making about adaptation solutions	500,000
Component 3: Funding of local adaptation projects*	Output 3.1 Appropriate local climate adaptation measures mainstreamed Output 3.2 Number of vulnerable communities benefitted Output 3.3 Enhanced ownership of adaptation and climate risk reduction processes at local level	Outcome 3: Enhanced adaptive capacity of vulnerable communities to reduce risks associated with climate induced socio-economic and environmental losses	3,674,293
Component 4: Knowledge Management of EDA programme	Output 4.1 Project results identified and lessons learned shared	Outcome 4: Enhanced knowledge on replicable and scalable locally led adaptation interventions	200,000
Project/Programme Execution cost**			12,877
Total Project/Programme Cost			4,545,612
Project/Programme Cycle Management Fee charged by the Implementing Entity (if applicable)			454,388

Project/Programme Components	Expected Concrete Outputs	Expected Outcomes	Amount (US\$)
Amount of Financing Requested			5,000,000

*The component 3 of the EDA will be executed at field by local executing partners and 12% execution cost is earmarked for them within the component 3.

** Project/Programme Execution cost eligible for NABARD as EE is worked out as 1.5% of the cost of Component 1, Component 2 and Component 4, which will be executed by NABARD.

Projected Calendar:

Indicate the dates of the following milestones for the proposed project/programme

Milestones	Expected Dates
Start of Project/Programme Implementation	April, 2023
Mid-term Review (if planned)	June, 2025
Project/Programme Closing	September, 2027
Terminal Evaluation	November, 2027

PART II: PROJECT / PROGRAMME JUSTIFICATION

A. Describe the project / programme components, particularly focusing on the concrete adaptation activities of the project, and how these activities contribute to climate resilience. For the case of a programme, show how the combination of individual projects will contribute to the overall increase in resilience.

Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India is envisaged as mechanism under the Enhanced Direct Access (EDA) modality of the Adaptation Fund, to promote locally led climate adaptation interventions as a measure to build resilience of most vulnerable communities in India. Through this programme, NABARD intends to channelize the climate finance to local entities such as sub-national government, civil society organizations (CSO), non-government organizations (NGO), in line with the adaptation priorities of India as per NAPCC and SAPCCs.

NABARD has been prioritising sustainable strategies and agronomic management in face of the growing impact of climate change on agriculture. Since early 1990s, NABARD has been working on sustainability through various initiatives, particularly in the arena of Natural Resource Management (NRM). Through its flagship programmes such as Watershed Development Fund (WDF) and Tribal Development Fund (TDF), NABARD has aided management of natural resources in an area around 2.5 million ha and positively impacted the lives of 0.5 million tribal families. Pivotal role played by NABARD in the Self-Help Group (SHG) movement in India was effective in reducing poverty and empowering women and creating awareness, which finally result in sustainable development of the nation.

As the National Implementing Entity for AF and NAFCC, in addition to being the Direct Access Entity for Green Climate Fund, NABARD ideated, funded, and promoted a range of measures to alleviate climate change impact on agriculture and allied sectors. NABARD have established its own Climate Change Fund for creating new avenues that maximize availability and utility of water–land–forest for future generations. A new initiative called JIVA was also launched, which aims to diversify crop systems, integrate livestock and trees, rejuvenate biological processes, and efficiently manage soil moisture and rainfall³³. With this vast experience, NABARD intends to promote community centered adaptation interventions through this EDA programme, thereby promoting ownership and giving communities the opportunity to shape their climate adaptation mechanisms and activities.

The EDA mechanism is particularly well suited for these types of actions because it facilitates national entities to collaborate with small grass-roots organisations within familiar structures and with entities that have a better understanding of national requirements at the community level. Many of the community actions do not warrant the need for a large-scale project to meet adaptation needs, resulting in exclusion for larger projects at the national level. These micro-actions are also not feasible to funding agencies given the small funding requirement. Within

³³ NABARD Annual Report 2021-22 <https://www.nabard.org/pdf/annual-report-2021-22-full-report.pdf>

the EDA model and process, smaller sub-projects can be combined and financing accessed. This is especially the case for smaller landscapes in country that are already experiencing the impacts of climate change and require small scale financing to immediately address impacts but lack the technical capacity and institutional structures to access financing.

This programme seeks to enhance the ability of local organisations and vulnerable populations to design, implement, and promote adaptation activities in addition to providing financing for adaptation interventions. Through this process, institutional strengthening of the implementation will pave the way for scaling and replicating the adaptation interventions on a larger scale. Theory of change of the proposed programme is given below, which is alignment to the Adaptation Fund.



Figure 5. Theory of Change

As this is an EDA programme, specific components and activities to be funded for concrete adaptation are not known at this stage. However, Call for Proposals (CfP) from the local organisations will be based on the thematic areas identified as per the adaptation priorities specified under the NAPCC and SAPCCs. The CfP will be restricted to sub-national adaptation, targeting sub-national government, existing executing partners of NABARD's various schemes and civil society organizations, and will provide them with the opportunity to take full ownership of self-determined local adaptation. The programme will involve on-granting under EDA. Based on the preliminary assessment, sub-projects from the following thematic areas and broad sectors will be covered under this EDA. Replication of successful adaptation interventions of NAFCC and AF would also be taken up at sub-national level.

Thematic Area: Ecosystem based Adaptation through Agro-ecological Initiatives integrated with the global initiative 'Lifestyle for Environment – LiFE Movement'

The linkages between biodiversity and adaptation are more and more considered in adaptation strategies which in the past often tended to focus on technological and structural measures in different sectors. This is because intact, well functioning ecosystems, with natural levels of biodiversity, are usually more able to continue to provide ecosystem services and resist and recover more readily from extreme weather events than degraded, impoverished ecosystems. The role of biodiversity in adaptation is therefore receiving increasing attention, especially in vulnerable areas where human adaptive capacity is low and local communities depend upon their natural resource base.

In many cases, classical development activities undertaken to improve livelihoods through the sustainable management and conservation of biodiversity and natural resources lead to adaptation benefits. They help to buffer households, communities and ecosystems from various stresses that result from different aspects of global change – from climate change to problems related to population increase, insecure and changing land ownership, environmental degradation, market globalisation and market failures. Possible examples for classical development activities with a positive effect on adaptation are:

- community-based natural resources management (e.g. development-oriented nature conservation);
- integrated watershed management;
- maintenance of diverse and healthy ecosystems (e.g. agroforestry, mixed cropping);
- sustainable forest management;
- livelihood diversification considering indigenous species (e.g. agrobiodiversity, home gardens).

Ecosystem-based adaptation is the use of biodiversity and ecosystem services as part of an overall adaptation strategy across major adaptation sectors. It includes the sustainable management, conservation and restoration of ecosystems to provide services that help people adapt to the adverse effects of climate change. Typical actions are:

- coastal defence through the maintenance and/or restoration of mangroves and other coastal
- wetlands ('natural infrastructure') to reduce coastal flooding and coastal erosion;
- conservation and restoration of forests to stabilise land slopes and regulate water flows;

- conservation of agrobiodiversity to provide specific gene pools for crop and livestock adaptation to climate change.

LiFE, short for "Lifestyle for the Environment", is a mass movement towards an environmentally friendly lifestyle. The vision of the "LiFE Movement" launched by the Honorable Prime Minister of India is to live a lifestyle in harmony with our planet and without harming it. Throwaway culture and consumerism are deepening the climate crisis. The transition to a circular economy from today's 'take-make-use-dispose' economy is the need of the hour. India's rich traditional wisdom and climate-friendly practices make it a best place to promote and play leadership role in driving a behaviour change on climate action. By developing innovative, person-centered nudge mechanisms that revolve around existing social norms and leverage technology, LiFE can boost the climate movement globally.

The proposed interventions of the sub-projects are proposed to integrate the EbA intervention with the behavioral change aspects under Mission LiFE. . Locally led actions in this regard will pave the way for enhancing the resilience to the site-specific impacts of climate change. Funding size of the individual sub-projects are proposed to be from \$100,000 - \$500,000, and around 6 to 30 sub-projects are envisaged under the programme.

In consideration of the above thematic area, the proposed EDA mechanism consists the following elements:

Component 1: Awareness creation, capacity building, mobilisation of proposal including development support and training.

This component will develop and issue Call for Proposals (CfP) and ensure that the information reaches and supports relevant local government and civil society organizations. It will also guide sub-national organizations through the CfP and evaluation process, providing support to help improve the proposal and ensure they meet Adaptation Fund policy. This component is essential for the success and sustainability of the sub-national adaptation projects. The component is to be executed by NABARD.

Component 1.1. Publishing of Call for Proposal and Awareness Creation

A document detailing the Call for Proposals (CfP) will be developed and publicized by NABARD inviting the proposals to be considered under this programme from the local organizations. The document will detail the information required to be submitted by the Executing Entities, including the identified sectors, geographies, criteria for consideration of the proposals etc. Awareness creation on the programme will be conducted for targeted local organizations and sub-national governments. CfP will be made at the Concept Note level and then after the technical assessment, the selected proposals will be invited to present the full Project Proposal (PP). This component includes the following activities:

Activity 1.1.1 Call for Proposal developed and published

Activity 1.1.2 Press release and awareness campaign, with media articles

Activity 1.1.3 Meetings with existing local partners and sub-national government through
Regional Offices

Activity 1.1.4 Web material produced and published at the existing website

Component 1.2. Training of local organisations and Regional Office on proposals and project management

Training will be provided to the local organizations regarding the proposal development and application process, including the aspects of fiduciary standards, Project Management and Monitoring & Evaluation, environment and social safeguards, gender equality and social inclusion in line with the guidelines of AF.

This training will provide guidance to the project proponents on Adaptation Fund policies, to increase awareness and compliance. This will include all aspects of Operational Policies and Guidelines, but also include a specific focus on AF Environmental and Social Policy, and Gender Policies and Action Plan. Along with the training to local organisations, officers of NABARD regional officers will also be trained on the aspects of project management, monitoring and evaluation. This component includes the following activities:

Activity 1.2.1 Training to local organizations on proposal development

Activity 1.2.2 Training to Regional Offices on project management and monitoring

Activity 1.2.3 Targeted technical assistance support for proposal applicants for improvement of Proposals

Component 2: Review and Approval of Sub-National Adaptation Proposals

NABARD has been implementing various developmental initiatives and grant based funds such as WDF, TDF etc., since the early 1990s. The proposal invitation, scrutiny and approval are based on the set guidelines, which were updated in time to time based on the various requirements. Review and approval of the sub-projects under this mechanism will also follow a similar modal, however, specific guidelines for project section, review and implementation will be prepared during the funding proposal stage.

The proposals received under the EDA mechanism from the local organization are proposed to undergo two stage approval process – Stage 1: Concept Note and Stage 2: Project Proposal. Each of the stages of proposal approval will undergo two levels of screening and review mechanism.

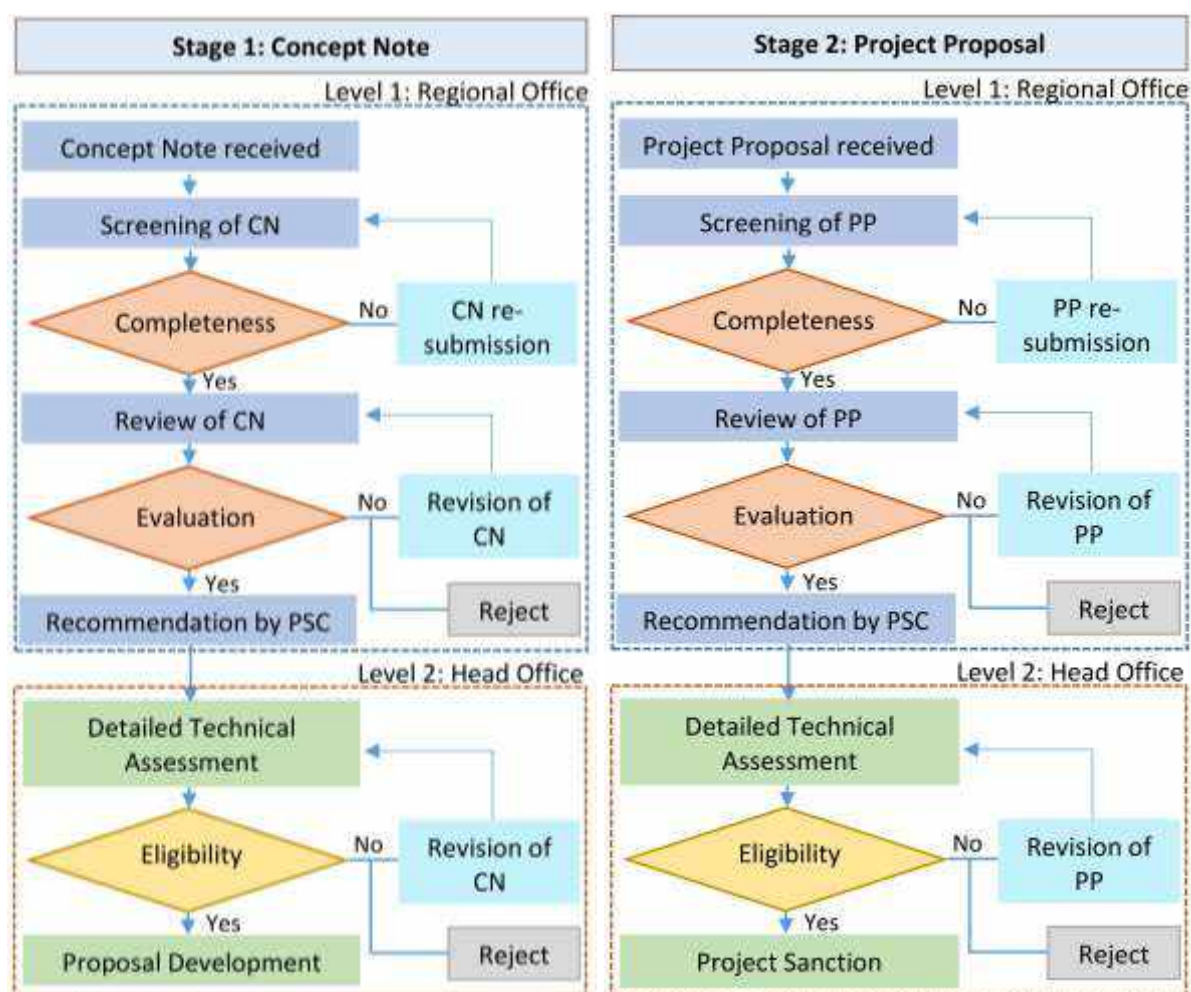


Figure 6. Project Approval Mechanism

First, the concept note/project proposal received at Regional Offices of NABARD will screen, review and recommend the project for consideration by the Project Sanctioning Committee (PSC) of Regional Office (RO) to Head Office (HO).

Secondly, NABARD HO will assess the proposals in detail and approve or reject the proposals. The flowchart of the project appraisal and sanctioning mechanism is given in Figure 6. The output under this component will be sanctioning of concrete adaptation projects at local level. In order to achieve the desired outputs and outcome, the following sub-components are envisaged

Component 2.1: Formulation of Sector specific screening tools and guiding principles

In order to effectively screen, review and assess the technical feasibility of the sub-projects, sector specific screening tools and guiding principles will be prepared by NABARD in consultation with subject matter specialist and institutions. Development of these tools will be initiated soon after the inception of the EDA programme and will be made available prior to the screening process of the Concept Notes. The screening tools will act as a structured mechanism for decision making.

Activity 2.1.1 Identification of Subject Matter Specialists in each thematic areas

Activity 2.1.2 Consultations with stakeholders and institutions

Activity 2.1.3 Formulation of Screening Tools and Guiding Principles

Component 2.2: Capacity Building of National Entity

The first step in the proposal review and approval process is to build the capacity of the National Entity at level 1 and level 2. Even though NABARD is undertaking various grant award mechanisms, specific guidelines under the mechanism of EDA developed during the funding proposal stage requires to be incubated to both levels under the National Entity –NABARD. The following activities are proposed under this.

Activity 2.2.1 Orientation workshop on EDA mechanism and policies of AF

Activity 2.2.2 Training on Concept Note/Project Proposal review and approval

Component 2.3: Review and Approval of Sub-National Adaptation Proposals

This component deals with the entire process of screening, review, technical assessment of Concept Note and Project Proposals the EDA mechanism of Adaptation Fund. Various steps to be performed for the sanction of project proposals are detailed below:

Step 1: Screening of Concept Notes

The Concept Notes received from the sub-national agencies will be screened against the eligibility criteria formulated and published in the Call for Proposals. Sector specific screening tools will be used for screening the proposals. As the Regional Offices (RO) of the NABARD located at every State/Union Territory of India is in close coordination with the sub-national agencies, the nodal department at ROs will carry out this task. If the CN aligns with the eligibility criteria and complete in nature, the same will be taken up for detailed review. If the information furnished is incomplete, the same will be communicated with the executing entities for revised submission of CN.

Step 2: Review of Concept Notes

The CN which are complete and eligible to be considered under EDA, will be taken up by the respective ROs for scrutiny. During this stage, detailed scrutiny of the CN based on the set criteria will be assessed. A scrutiny note will be prepared by the respective RO as per the template to be formulated during funding proposal stage along with a rating tool for the CN to assess the eligibility to be taken for the next stage. Any additional information required from the project proponent will be sought under this stage and CN may be revised, if required.

Broadly, the eligibility criteria for the review are the following:

- Paradigm Shift Potential: Replicability potential of the adaptive response to climate change in other contexts.
- Cost-effectiveness: Cost-benefit analysis including the evidence to increase ecosystem resilience.
- Socio economic impact potential: number of green jobs, gender and youth and indigenous people empowerment.

- Alignment with subnational and local plans.
- Financial viability and sustainability strategy.

Step 3: Recommendation by the PSC

Once the CN is found to be technically feasible during the review stage, the scrutiny note prepared by the nodal department of the RO will be considered by the Project Sanctioning Committee (PSC) of the RO. PSC consists Chief General Manager of RO as Chairman and of top officers of RO as members. Details of the constitution of PSC shall be finalised during funding proposal stage.

Step 4: Detailed Technical Assessment of CN

Nodal department at Head office will conduct the detailed technical assessment of CN recommended by the PSC of RO. This will cover the overall alignment of proposal to that of AF policies and guidelines including fiduciary standards, Environment and Social Safeguards, Gender aspects, uniqueness and innovation in the proposed adaptation measures, vulnerability of the targeted communities etc. The criteria for evaluation of the proposal during the detailed technical assessment will be formulated at the funding proposal stage. A dedicated technical team consisting multi-disciplinary experts will be constituted at the HO for technical assessment of the proposals. Any further clarification or information on the proposal, if, required, will be sought by the HO from the project proponent through the RO. A technical Review Note will be prepared by the nodal department for each CN/PP.

Step 5: Approval of the CN

Based on the Technical Review Note (TRN), the nodal department at HO headed by Chief General Manager (CGM) will consider the CN and recommend for Proposal Preparation.

Step 6: Screening, Review and Technical Assessment of Project Proposals

As per the recommendations under Step 5, Project Proposal document will be prepared by the project proponents based on the detailed guidelines to be formulated during FP stage. The submitted PP will further undergo the Steps 1 to 4 given above, vis-a-vis specific guidelines for each stage.

Step 7: Approval of the Project Proposal

The Technical Review Note (TRN) of the PP prepared by the nodal department at HO will be placed before the Project Sanctioning Committee (PSC-HO) comprising multi-disciplinary experts from NABARD as well as experts from other institutions. Typical PSC-HO will be headed by Deputy Managing Director (DMD) of NABARD and consists of the following experts:

- Chief General Manager of FSDD, NABARD
- Central Technical Advisory Group (C-TAG) members of NABARD
- Representative of Designated Authority -MoEF&CC
- Subject matter specialists from Indian Council of Agricultural Research (ICAR)
- Other external sector specific experts

- Environment and Social Experts
- Gender experts

Based on the TRN, the PSC will consider the proposal and recommend for Sanction.

Step 8: Issue of Sanction Letter and Agreement

Based on the recommendations of the PSC-HO, sanction letter will be issued to the executing entity. The sanction letter will consist of terms and conditions for implementation of the project, including the various reporting requirements. On acceptance of the Sanction Letter by EE, an agreement will be entered between the Executing Entity and NABARD for the sanctioned project. Under the sub-component 2.2, the following broad activities are proposed:

Activity 2.3.1 Screening of Concept Notes

Activity 2.3.2 Review of Concept Notes and recommendation by PSC

Activity 2.3.3 Technical Review of CN and recommendation for Project Proposal

Activity 2.3.4 Technical support for Project Proposal development

Activity 2.3.5 Screening of Project Proposal

Activity 2.3.6 Review of Project Proposal and recommendation by PSC

Activity 2.3.7 Technical Review of Project Proposal and recommendation for sanction

Activity 2.3.8 Issue of Sanction Letter and Agreement signing

Component 3: Funding of local adaptation projects

Once the projects are approved, grant management, including the technical and financial management of the project is the responsibility of NABARD. The existing process and procedures of NABARD will be used for the monitoring and technical & financial evaluation of the projects. This will also include the management and reporting of environmental and social safeguards, and gender aspects.

The Executing Entities, working within the required operational processes, with management oversight and checks of NABARD, will implement each sub-project. NABARD will have overall responsibility for the management, reporting and supervision of the grant. NABARD has in place a well-established operating system and it is proposed that the EDA should be managed under the existing systems. However, specific operational policies and guidelines would be formulated by the NABARD during FP stage.

Component 3 would be dedicated for funding concrete, locally led, adaptation interventions in the agricultural and rural sectors located at most vulnerable geographies and communities in India. NABARD would administrate the EDA and manage the projects, as an Implementing Entity. The activities proposed to be undertaken to achieve the desired outcome of building resilience among the vulnerable communities, under this component are detailed below:

Activity 3.1 Administration of the Grant

NABARD will be responsible for the administration of the Grant and shall carry out such administration with the same degree of care used in the administration of its own funds, taking into account the standard practices and procedures of NABARD as well as the Operational policies and guidelines of Adaptation Fund. NABARD would use reasonable efforts, consistent with its standard practices and procedures, to ensure that the Grant funds are used for their intended purposes only.

Release of funds to Executing Entity for implementation of the project activities will be as per the detailed guidelines to be finalized during FP stage. The first instalment of the grant will be released to the EE after submission of action plan for the first 6 months and request for subsequent instalment could be submitted by the EE after utilization of 70% of the grant released under first instalment. Release of all the subsequent grant releases will be subject to pre-release visit by the NABARD officials, satisfactory implementation of the planned activities, proper record keeping, and submission of satisfactory compliance to quarterly monitoring visit observations / action points.

Activity 3.2 Project Implementation

NABARD will be undertaking the implementation of the sub-projects through Executing Entities, and will be responsible for the monitoring, and technical and financial evaluation of the execution of the sub-projects, in accordance with its existing procedures and processes. This will also include the management and reporting of environmental and social safeguards. The broad aspects to be taken care of for the effective management of the sub-projects are listed below:

Activity 3.2.1 Inception Workshop and Training

An inception workshop will be conducted by involving the Executing Entity and other stakeholders, within month after the signing of agreement. Along with the Inception Workshop, series of training on all aspects of financial management, project management and safeguards, including reporting requirements will be organised. It will cover the various safeguarding requirements and rules, including environmental and social policy, and gender policy, and ensure alignment with relevant Adaptation Fund policies.

Activity 3.2.2 Project Monitoring

In order to ensure transparency, accountability, quality of implementation of the projects, peoples' participation, etc., A Project Monitoring Committee (PMC) will be constituted by NABARD under each sub-project, headed by the nodal officer of NABARD RO and consisting of members from major stakeholders. The projects will be physically monitored by the ROs, in accordance with the specific monitoring scheduled. Format for field monitoring will be developed during FP stage. ROs shall submit the status of monitoring of the projects to HO before the end of succeeding month of the respective quarter.

Activity 3.2.3. Project Reporting

The progress report is a core tool for reporting the progress made on project implementation. For progress reports, the required reporting methods include submission of; monthly reports, quarterly reports, and annual reports by the Executing Entities to NABARD. Half-yearly

financial reporting of the project is proposed for the Executing Entities. NABARD will report the progress of project to AF through annual PPRs.

Activity 3.2.4 Baseline, mid-term and final evaluation of projects

For effective evaluation of the outcomes and impacts of each project, NABARD would ensure that baseline data is adequately captured through the project proposals. Mid-term and final evaluation of the projects would be conducted in accordance with the policies of Adaptation Fund.

Component 4 Knowledge management of EDA programme

Based on the implementation of project under EDA, various knowledge management and dissemination activities will be undertaken by the NABARD. Results and lessons from the EDA approach will be collated and disseminated nationally. The aim is to promote learning between the national and local participants and other stakeholders. The EDA activities will be tracked using a monitoring, evaluation and learning framework. Lessons learned from project interventions will be shared through project reports and briefing notes, the NABARD website to promote a wider understanding of the issues and the secondary uptake of successful approaches.

The outcomes of this project are designed to strengthen the capacity for local adaptation finance flows, and the project is expected to make a lasting contribution to the sustainability of adaptation programming in the country. It will be important, to learn the lessons from the EDA, to improve the flow of local adaptation finance. Activities undertaken under this task will include:

Activity 4.1 Knowledge sharing workshops

Activity 4.2 Evidence and lessons learned review

Activity 4.3 Preparation of briefing notes, media articles, journals, newsletters

Activity 4.4 Video documentation

Activity 4.5 Website updating

B. *Describe how the project / programme provide economic, social and environmental benefits, with particular reference to the most vulnerable communities, and vulnerable groups within communities, including gender considerations. Describe how the project / programme will avoid or mitigate negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.*

The programme would be implemented in resource poor vulnerable geographies across India. The selection of the sub-projects would be undertaken with a criterion to address the most vulnerable sections of the county, within the identified thematic areas of agriculture and allied activities, water resource development and rural livelihood. The sub-projects would be selected such that the economic, social and environmental benefits are profound, along with due consideration of the marginalized groups. NABARD would ensure that the activities of the sub-projects will promote the participation of women in all aspects that entail their

implementation, generating equal opportunities and equitable power relations that shorten social gender gaps.

The beneficiaries of the programme would be identified once the sub-projects are selected. NABARD has in place an Environment and Social Policy as well as a Gender Policy in alignment with the corresponding policies of the Adaptation Fund. The sub-projects will be ensured to comply with these policies and other rules & regulations of the country. In order to ensure the compliance with the policies, sub-projects would be selected according to established criteria so that they meet adequate environmental, technical and social standards that will be aligned to the relevant policies of the Adaptation Fund, such as E&S Policy, Gender Policy etc.

Economic Benefits

Majority of the community in India are dependent on agriculture with mostly grow single crop in a year due to limited rainfall. Hence, most of these farmers are financially very weak thereby making them vulnerable to the impact of climate change. The major beneficiaries of the sub-projects would be small and marginal farmers (with less than 2 ha of land holding), besides landless labourers and women living vulnerable geographies across India. The equitable distribution of benefits to the eligible beneficiaries out of the project components will be ensured through prioritization of beneficiaries for each activity (need based) on the basis of detail livelihoods profile, vulnerability mapping / assessment, and need assessment. By enhancing the resilience of these vulnerable sections of the community through EDA modality, the programme will have impactful economic benefits to the communities.

Social Benefits

The sub-projects are aimed at mobilizing and organizing the community into balanced village-based institutions to plan, implement and monitor the project activities. In the village-based institutions, representation will be given to marginalized groups, which in turn will provide them with the opportunity to participate in the decision-making process. This will help in improving the social standing within the community. The leaders and members of the village level institutions will be given training and workshops will be conducted to systemically address and adhere to resolve community conflicts in an equitable manner, which will benefit the community in the project villages in the long run. As necessary, the community will be motivated and empowered to participate in the village level institutions helping them develop a sense of ownership of their own livelihood enterprises and of village common resources. These platforms would also be used to increase the awareness of the community on their rights and establishment of strong market linkages for their basket of livelihoods.

Many women led households find themselves in situations where the men of the family have migrated to nearby towns for work. As a result, they are left highly vulnerable and unequipped to manage the household while working for below subsistence wages to feed their family. Migration further expounds the problem as it leaves the women socially vulnerable to stigmas, discrimination and health hazards. Sensitization of leaders and members of the village level institutions on gender issues will help to mainstream gender in the development process at the village level.

Gender equality is central to the NABARD's mandate for supporting millions of small and marginal farmers, landless labourers and women engaged in agriculture and rural development. NABARD, the apex bank for Agriculture and Rural Development, recognizes that incorporating gender sensitivity into its business and development practices will help in increasing equity and social justice for women. The interventions and activities of this programme will function on the principles of gender responsiveness and inclusivity during its implementation. All subprojects will be responsible for the implementation of gender responsive action plans that take into consideration the gender roles, responsibilities and national needs, in alignment with the Gender Policy of NABARD and as that of the Fund

Environmental Benefits

Environmental benefits would include a fostered sense of sensitivity and ownership in the management of natural resources amongst the community members thereby curtailing the unsustainable dependency on natural resources for their livelihoods. The sub-projects would be selected such that the proposed activities will promote sustainable harvest of resources and improve biodiversity management. On promoting sustainable and eco-friendly food production systems and alternative livelihoods, these projects would minimize the impact of anthropogenic actions in the natural environment. The sub-projects will enhance the protection of the natural ecosystems and biodiversity by proposing alternatives that are beneficial to humans and the natural ecosystems.

NABARD would ensure that the activities and implementation of the sub-projects will not cause any negative social environmental impacts. Local communities will be consulted in design of the project and components are in line with the prevalent regulations, policies and standards of National and Sub- National governments. Components proposed under the project would be designed with consideration towards the Social and Environmental Policy of the Adaptation Fund.

Initial Gender Analysis

The proposed project on EbA through agro-ecological initiatives aims to build the capacity of entities and communities to access climate finance and to enhance the resilience of the natural resource dependent communities through localised adaptation interventions. Further, it is proposed to operate the fund on a national scale; however, the most vulnerable geographies identified in the national level vulnerability assessment in agriculture sector will be targeted for implementation of sub-projects under this project through call for proposals.

As the exact location of the sub-projects to be implemented at community level are not known at this stage due to the inherent nature of EDA, initial gender analysis is performed on national scale in the agricultural sector to understand the roles and experiences of men and women in agriculture, including their access to resources, power, and opportunities. It is also aimed to understand gender dynamics in agriculture as these can impact the effectiveness and sustainability of interventions aimed at building climate resilience of small holder farmers.

Demographic profile: As per Census 2011, the total population of India is 1210.8 million. Of this, the rural population is 833.7 million and the urban population is 377.1 million. The rural

population constitutes 68.8% and Urban population 31.2% of the total population. The sex ratio in the country 943 females to 1000 males.

Population	Persons	Males	Females
Total	1,21,08,54,977	62,32,70,258	58,75,84,719
Rural	83,37,48,852	42,77,81,058	40,59,67,794
Urban	37,71,06,125	19,54,89,200	18,16,16,925

Workforce in Agriculture³⁴: In India, agriculture is a critical sector, employing half of the total workforce and contributing about 15% to the country's Gross Domestic Product (GDP). Despite its importance, the sector faces numerous challenges, including climate change and its impacts on agriculture. As per Census 2011, out of 481.7 million total workers, 118.7 million are cultivators and another 144.3 million are agricultural labourers. Thus, nearly 55% of the workers are engaged in agricultural activities. Out of one-in-two males and two of every three females are engaged in agricultural activities either as cultivator or as agricultural labourer. Of the remaining workers, 18.3 million are in household industries and 200.4 million are other workers.

Participation of Women in Agriculture³⁴: About 77.3% of rural women workers are employed in the agriculture sector in India as per Census 2011. Out of the 263 million total agricultural workers, 37% (about 98 million) are women. In 1991, this share of women workers was about 28% (i.e., about 49 million). So, between 1991 and 2011, about 2.4 million women workers, on average, got added each year to India's agricultural workforce (AWF).

AWF of the country is broadly divided under two heads: agricultural labourers (ones who do not own or lease land and work on land owned by others in return for wages paid to them in cash or kind) and cultivators (ones who own or lease land to undertake agricultural activities). Out of the 263 million AWF, 45% are cultivators and remaining about 55% are agri-labourers. About 30% (or 36 million) of these cultivators and about 43% (about 62 million) of the labourers were women.

Between 1961 and 2011, the percentage share of rural women workers in the country who were classified as agricultural labourers increased from 25.6% to 48.5%, compared to the increase from 16.2% to 34.4% for men. Feminization refers to this process of significant increase in women's participation, relative to men, in agriculture. Between 1991 and 2011, AWF grew at a 2% CAGR, but the growth rate in female agricultural workers was 3.5%, much higher than the corresponding figure of 1.3% for men.

In livestock activities, the extent of feminization is much larger. As per National Sample Survey Office (NSSO), the percentage of female workers was 60% in cattle, 40% in goat and 60% in poultry in 1983-84 and this increased to 70%, 55% and 70% respectively in 1999-2000.

³⁴ NABARD (2021) Empowering Women Farmers for Rural Transformation, Achieving an Equal Future <https://www.nabard.org/auth/writereaddata/tender/0605214838Womens%20Day-booklet.pdf>

A geographic mapping of women agri-labourers, shows that in states like Tamil Nadu, Karnataka, Maharashtra, Andhra Pradesh, Rajasthan, and Manipur, more than half of the agricultural labour force comprised of women. In the important agricultural states of Madhya Pradesh and Odisha too, women comprise close to half of the total agri-labourers.

Despite the high share of women in AWF, only 14% of the operational holdings were owned by them in 2015-16 (10th Agriculture Census), which highlights the gender disparity in ownership of land. Such lack of land titles imposes constraints on the women farmers who often are unable to access quality inputs like subsidized credit, seeds, fertilizers etc. because of lack of a collateral. There is another problem vis-a-vis woman-owned landholdings- more than 90% of them are in the category of small and marginal landholdings. So, one can see that the women farmers do not own much land, and the ones they own are too tiny preventing them from benefitting from economies of scale.

Much like the women cultivators, women agri-labourers suffer too. They suffer wide disparities in their wages. Using data on daily wage rates, averaged across seven agri-activities, it was found that wages of women, on average, were about 35.8% lower than wages received by men for the period between 1998 and 2015. Between states, this difference was found to be the highest in case of Tamil Nadu (75.2%), Karnataka (54.8%), and Maharashtra (48.9%).

Undisputedly, farmers face a lot of hardships in our country. But the hardships faced by the women farmers are much fiercer, multi-dimensional in nature and involve disproportionately higher burden of deprivation. Compared to men, women farmers are deprived of access to education, financial services, markets, productive resources like land, and employment opportunities. Women are seldom involved in important decision-making. Despite growing contribution by the women farmers, they are nearly invisible in the policy debates and popular narratives around farmer problems.

Summary: When it comes to gender, there are some key differences in the roles and experiences of men and women in Indian agriculture. Women are often engaged in informal, unpaid and low-skilled agricultural work and have limited access to resources and decision-making power, compared to men. They are also more vulnerable to the impacts of climate change, such as crop failures, food insecurity and loss of income.

Additionally, women's participation in the formal sector of agriculture, including extension services and input markets, is limited, and they often lack the knowledge, skills, and resources to adopt new technologies and practices to adapt to changing weather patterns and increasing frequency of extreme weather events.

There is also a significant gender pay gap in agriculture, with women earning less than men for similar work. This can further exacerbate their vulnerability to poverty and limit their ability to invest in adaptation measures.

To build a gender-responsive agriculture sector in India that can effectively build the resilience of small holder farmers, it is critical to address the structural barriers and gender-based discrimination that limit women's access to resources and opportunities in agriculture. This

could include providing targeted extension services and training to women, increasing their access to credit and other financial services, and creating a supportive policy environment that recognizes and values the contributions of women in agriculture.

In conclusion, the initial gender analysis highlights the need for a gender-sensitive approach to building climate resilience in the Indian agriculture sector. Addressing the gender inequalities in the sector can lead to improved outcomes for both men and women and help to ensure that small holder farmers are better equipped to cope with the impacts of climate change.

C. Describe or provide an analysis of the cost-effectiveness of the proposed project / programme.

Under the EDA mechanism of this programme, which aims to build concrete adaptation interventions, through application of locally led, innovative techniques and activities are highly cost effective as compared to available alternatives in enabling the community to adapt to the climate change. Thus, the selection of sub-projects would be based on the criterion of cost-effectiveness, which will be analysed during the technical assessment phase of the grant appraisal procedure. Detailed criteria of evaluation the cost-effective approach of the sub-projects would be presented in the funding proposal. However, cost effectiveness of the proposed indicative EbA interventions are presented below:

EbA Interventions	Description	Cost Effectiveness / Sustainability
Agroforestry	The integration of trees into agricultural landscapes to provide multiple benefits, such as improving soil fertility, reducing soil erosion, providing habitat for wildlife, and producing food, fuel, and non-timber forest products.	Due to the integration of trees with crops and/or livestock, it creates more diverse and sustainable farming system vis a vis the normal agriculture practices. Cost Effectiveness / Sustainability is also inherent with the low input cost due to reduced use of fertilizer, pesticides etc., increased income and food security, improved ecosystem services etc.
Conservation agriculture	A set of practices that reduce tillage, maintain permanent soil cover, and rotate crops to improve soil health, conserve moisture, and reduce erosion.	Compared to the normal agriculture practices which use extensive use of inputs, conservation agriculture reduces the tillage practices and employs sustainable practice for conservation of soil and moisture. Improved soil health by enhancing the soil organic content and reducing the soil erosion by means of cover crops, crop rotation etc. is much cost effective than the agricultural practices employing costly inputs. Conservation practices enhance the water holding capacity of soil and reduce

EbA Interventions	Description	Cost Effectiveness / Sustainability
		the need of irrigation, thereby save the cost for irrigation and conserve water.
Crop diversification	The introduction of a wider range of crops to reduce the vulnerability of communities to the impacts of climate change, such as drought and pest outbreaks, and to improve food security.	Crop diversification has multiple benefits over the mono-cropping practices in terms of productivity, resilience and environmental sustainability. It reduces the risk of crop failure due to pests, diseases and climate shocks. Due to the improved soil health and water conservation, it provides reliable/ higher income. Diversified cropping system promotes biodiversity against the mono-cropping system, and is also helpful in providing habitat for beneficial insects. Cultivation of traditional and local varieties as part of the crop diversification can enhance their conservation and promote climate resilient crops.
Water management	The use of water-saving technologies, such as drip irrigation and rainwater harvesting, to conserve water and increase the efficiency of irrigation systems.	Ecosystem based adaptation measures in water management including water harvesting, soil conservation and wetland restoration are sustainable measures vis a vis the various water management practices such as storage tanks, reservoirs and pumping systems which involve large restructures. These EbA practices also enhance sustainability of the environment and increased efficiency of the water use; these systems are cost effective as well.
Livestock management	The integration of livestock into agricultural systems to improve soil fertility, control pests, and provide a source of food and income.	EbA can help to maintain and improve the health and productivity of livestock through sustainable use of natural resources. One of the key advantages of EbA in livestock management is its cost-effectiveness compared to alternative approaches. For example, instead of using expensive inputs like feed supplements, antibiotics, and pesticides, EbA practices may involve the use of natural resources like pasture, water and forage, which are often readily available and inexpensive. In addition to being cost-effective, EbA practices can also be more sustainable in the long term. By using natural resources in a sustainable manner, EbA can help maintain the health and productivity of livestock while also maintaining the integrity of

EbA Interventions	Description	Cost Effectiveness / Sustainability
		ecosystems. This can help prevent environmental degradation and biodiversity loss, which can have negative impacts on both livestock and human livelihoods.
Soil conservation and management	The use of practices, such as cover cropping and terracing, to conserve soil and reduce erosion, improve soil health, and enhance the productivity of agricultural systems.	Instead of relying on costly inputs like chemical fertilizers and pesticides, EbA practices can involve the use of natural resources like organic matter, cover crops, and mulching. These practices can improve soil health, reduce erosion, and increase productivity, while also being less expensive than conventional practices in the long term. EbA practices help to maintain the integrity of ecosystems and promote the health and productivity of soil. These practices can be used to maintain and enhance soil health, while also promoting sustainable agricultural practices. In contrast, conventional practices may involve the use of chemical inputs, which can lead to soil degradation, environmental pollution, and decreased biodiversity.
Biodiversity conservation	The conservation and management of biodiversity to provide a range of ecosystem services, such as pollination, pest control, and soil fertility, that are essential to sustainable agriculture.	Ecosystem-based adaptation (EbA) can play an important role in biodiversity conservation by promoting the conservation and restoration of natural ecosystems and the services they provide. EbA in biodiversity conservation involves the use of natural resources and ecosystem services to enhance the resilience of ecosystems and to support biodiversity conservation. One of the key advantages of EbA in biodiversity conservation is that it can help maintain and restore the integrity of ecosystems. EbA practices may involve the restoration of degraded ecosystems, such as reforestation of degraded areas, restoration of wetlands or the protection of critical habitats. These practices can help to promote the recovery of biodiversity and the ecological services provided by ecosystems. Another advantage of EbA in biodiversity conservation is that it can be more cost-effective than conventional conservation approaches. For example, instead of relying on expensive infrastructure, EbA approaches may involve the use of

EbA Interventions	Description	Cost Effectiveness / Sustainability
		natural solutions like the restoration of degraded wetlands or the promotion of natural forest regeneration. These approaches can be less expensive and provide multiple benefits such as carbon sequestration, soil conservation and protection of water resources in addition to promoting biodiversity conservation.

It is pertinent to indicate that the proposed capacity building aspects covered under this programme will have a high economic benefit. Local institutional strengthening and community capacity building envisaged under the programme would focus on enabling all members of the community, including the poorest and the most disadvantaged, to develop skills and competencies so as to take greater control of their own lives and also contribute to inclusive local development. Through this programme, communities would be more competent to be adaptive against the impacts of climate change, and also be more resilient and better placed to confront economic and social challenges. Cost effectiveness of community capacity building programmes are well identified.

D. Describe how the project / programme is consistent with national or sub-national sustainable development strategies, including, where appropriate, national adaptation plan (NAP), national or sub-national development plans, poverty reduction strategies, national communications, or national adaptation programs of action, or other relevant instruments, where they exist.

The programme under the EDA modality is in alignment with the national priorities and action plans, particularly in accordance with the updated NDC of India. Para 6 of NDC aims '*to better adapt to climate change by enhancing investments in development programmes in sectors vulnerable to climate change, particularly agriculture, water resources, Himalayan region, coastal regions, health and disaster management*'. Through this programme, concrete adaptation measures will be implemented with a view to enhancing the resilience of vulnerable communities, in alignment with the priorities identified under the national strategic plans.

The sub-projects would be identified based on their alignment with the National Action Plan on Climate Change (NAPCC) as well as State Action Plan on Climate Change (SAPCC) by the respective sub-national governments. Selection of the sub-projects will include the criteria of 'National Priorities', to assess their adherence to national as well as sub-national policies and priorities.

The specific adaptation interventions of the sub-projects would be identified, prioritised and are promoted in accordance with the following national and sub-national policies and strategies.

National Action Plan on Climate Change (NAPCC) : The National Action Plan on climate change identifies measures that promote development objectives while also yielding co-

benefits for addressing climate change effectively. NAPCC outlines a national strategy that aims to enable the country to adapt to climate change and enhance the ecological sustainability of India's development path. It stresses that maintaining a high growth rate is essential for increasing living standards of the vast majority of people of India and reducing their vulnerability to the impacts of climate change.

There are eight —National Missions, which form the core of the National Action Plan. They focus on promoting understanding of climate change, adaptation and mitigation, energy efficiency and natural resource conservation.

State Action Plan for Climate Change (SAPCC): Recognizing that States have specific issues and local needs to meet the challenges of climate change, SAPCCs are prepared by the State Govts. according to a common and generic framework, incorporating state specific contexts and situations. SAPCCs are built on the existing policies of the state Government by taking into consideration the ongoing programmes and schemes being implemented at the state level as well as the NAPCC.

Each SAPCCs has include climate profile of the state, strategy of intended actions, and outline of specific implementation activities, based on assessment of the vulnerability to climate change and associated risks in the state, and impacts of climate change. Thus SAPCC provide key information on the identified adaptation and mitigation measures necessary to reduce the state's vulnerability in the short term, medium term and long term.

At the 2021 UN Climate Change Conference (UNFCCC COP26), Hon'ble Prime Minister of India Shri Narendra Modi announced **Mission LiFE**, to bring individual behaviours at the forefront of the global climate action narrative. LiFE envisions replacing the prevalent 'use-and-dispose' economy—governed by mindless and destructive consumption—with a circular economy, which would be defined by mindful and deliberate utilization. The Mission intends to nudge individuals to undertake simple acts in their daily lives that can contribute significantly to climate change when embraced across the world.

LiFE plans to leverage the strength of social networks to influence social norms surrounding climate. The Mission plans to create and nurture a global network of individuals, namely 'Pro-Planet People' (P3), who will have a shared commitment to adopt and promote environmentally friendly lifestyles. Through the P3 community, the Mission seeks to create an ecosystem that will reinforce and enable environmentally friendly behaviours to be self-sustainable

Each sub-project proposed under this EDA will be aligned with these national strategies, and also other policies and strategies of Govt. of India and State Govts.

E. Describe how the project / programme meets relevant national technical standards, where applicable, such as standards for environmental assessment, building codes, etc., and complies with the Environmental and Social Policy of the Adaptation Fund.

Each sub-project and activity to be financed under the EDA through this programme would be ensured to comply with the relevant national technical standards. During the technical

evaluation at the selection stage, due diligence on these aspects would be carried out by NABARD. This will include adherence to existing environmental, social and labour regulations in the country, as well as the specific regulations related to their intervention activities.

The performance standards specified under the Environment and Social Policy of NABARD would be applicable to all the sub-projects managed by this EDA. Each subproject would adequately identify and evaluate the possible risks and negative environmental and social impacts on the environment, cultural heritage, people's health, lifestyles and the rights of indigenous or native peoples and local populations. In general, applicable laws and technical standards would be applicable to this programme as a whole, and each, sub-project specific adherence to policies, if any, would be identified by NABARD during the selection process.

F. Describe if there is duplication of project / programme with other funding sources, if any.

NABARD is playing a pivotal role in mobilizing climate finance in India, especially in the frontiers of adaptation activities. NABARD is acting and National Implementing Agency (NIE) of Adaptation Fund as well as the National Adaptation Fund for Climate Change (NAFCC) constituted by Govt. of India. Apart from that, NABARD also acts as the Direct Access Entity (DAE) of Green Climate Fund. In addition, NABARD has vast experience in managing Natural Resource Management (NRM) projects across the country. Thus, NABARD is in the right position to assess any duplication of the proposed project interventions with other funding sources. Since the proposed EDA mechanism proposes to promote locally led adaptation interventions, which are not being funded by any other funding mechanisms, duplication of the activities will not arise. However, this aspect will be specifically taken care of during the sub-project selection process. Additionally, a database of NABARD will be used and consultation with nodal departments will be carried out to avoid any duplication in the activities.

G. If applicable, describe the learning and knowledge management component to capture and disseminate lessons learned.

The primary focus of the project would be to build the adaptive capacity of the community, it would also focus on creating stakeholdership through knowledge management. During the sub-project identification stage, extensive stakeholder consultations will be carried out to capture the challenges and opportunities to adopt strong adaptive mechanisms towards the threats of climate change impacts. The programme will conduct a series of workshops, individually and collectively for homogenous groups identified as critical stakeholders of the project area for e.g., the local community, forest department, civil society organizations, government line department representatives with the purpose of sensitizing them on their impact on climate change impacts and need for adaptation.

On the basis of the shared outcomes of the workshops, a knowledge management plan will be prepared which will be the guiding document in preparation of customized resource material in reference to each stakeholder. Resource materials such as brochures and pamphlets for villagers in local language and best practices will be designed. The process of

increasing adaptive capacity basis and the feedback from the workshops will be documented both for knowledge enhancement and to facilitate replication of already existing functioning models. Apart from the models, any others best practices that are followed by the local community or other stakeholders in the project site to cope with existing threats will be identified and distributed for knowledge enhancement.

A webpage will be designed to host all information of this programme under EDA, and details of sub-projects, its impacts, solutions to problems and information for the stakeholders that would help them build their adaptive capacities and increase resilience would be published. An awareness drive will be organized on a quarterly basis in local villages and towns. Posters will be displayed in the prominent villages and nearby towns. Also, lessons from the project will be brought to the attention of state and national level environment and climate change departments through meetings, reports, as well as website postings. Specific targeting of project analysis and policy information will be derived from early assessments of existing gaps or weaknesses in policy matters. In addition, opportunities for dissemination through regional and national conferences, publications in journals and books, or web-based content will be addressed.

H. Consultative Process including the list of stakeholders consulted

As the implementation agency of various climate funding mechanisms such as AF, GCF and NAFCC, NABARD is constantly consulting various stakeholders including national, sub-national and local governments, community-based organizations, beneficiary groups etc. Need of the locally led adaptation actions emerged to be an action point in many of the platforms. Preliminary consultations were carried out with the MoEF&CC regarding the application of EDA for boosting the adaptation interventions at local level.

A stakeholder consultation workshop on the topic 'Agroecology for Revitalizing Natural Resources' was organized at Mumbai on 29th and 30th November 2021. NABARD officials along with delegates from leading partner organizations viz. German Agency for International Cooperation (GIZ), National Coalition for Natural Farming (NCNF), Revitalising Rainfed Agriculture Network (RRAN), Watershed Support Services and Activities Network (WASSAN), MAKAM, FES, RySS, PRADAN, PSI, SRIJAN, WOTR, Eklavya Foundation, Vikas Anvesh and GRAVIS, participated in the workshop to deliberate and fine-tune the concept, objectives, result areas, possible interventions, and output indicators on the agro-ecology initiatives. The workshop emphasized the need for to re-look at sustainability natural resource management projects of NABARD. The workshop acted as a platform to coin the various aspects of JIVA, an agro-ecological initiative of NABARD, aimed at conserving environment while achieving food and nutrition security. This workshop highlighted the importance of agroecological initiatives to be taken forward as a strategy to enhance the resilience of vulnerable communities.

Institutional consultation meetings were conducted by NABARD HO on 16-December-2022 with ten regional offices and four NGO partners to discuss the aspects related to the funding mechanisms of AF. Another meeting was conducted with the regional offices of NABARD on 6th May 2022 for exploring potential areas and potential sectors for developing new proposals. NABARD HO conducted deliberations with RO officials from the states of Punjab, Gujarat, Madhya Pradesh, Himachal Pradesh, Telangana, Andhra Pradesh, Haryana, Tamil Nadu, Rajasthan, Delhi, Jharkhand, Meghalaya, West Bengal, Karnataka, Bihar, Assam, Kerala,

Jammu and Kashmir, Odisha and Maharashtra. The deliberations were aimed at identification of climate vulnerable sectors and geographies suitable to be covered under AF support for development of concrete adaptation centric projects. With the filed level implementation experience of the NABARD's various natural resource management projects, it was emerged during the meeting by ROs that ecosystem based adaptation in the rainfed areas is an area that needed much attention in terms of building the resilience of communities.

Extensive stakeholder consultations will be carried out during the funding proposal stage to identify and prioritize the adaptation intervention under this programme.

However, each sub project would undergo a comprehensive, gender-responsive consultative process would be undertaken for each sub-projects, by involving all direct and indirect stakeholders of the project, including vulnerable groups and taking into account gender considerations. In each sub-project, all stakeholders involved in the project would be identified and consultations would be conducted during the sub-project proposal stage with special attention to minority groups, marginalized and vulnerable groups, and indigenous people in the project target areas, where relevant. NABARD would provide necessary guidelines and handholding to the Executing Entities for conducting stakeholder consultations. Subprojects without an adequate consultation process will not be considered during the technical review at the selection stage.

I. Provide justification for funding requested, focusing on the full cost of adaptation reasoning.

India is currently implementing various adaptation interventions, using specialized national and international funds as well as through various developmental initiatives. However, considering the level of vulnerability and huge finance requirements for adaptation alone, there is huge gap in the finance availability.

Under the direct access mechanism of Adaptation Fund, NABARD has taken innovative approach to combatting climate change by establishing six small-scale Adaptation Fund projects on the ground in diverse regions of the country across a variety of adaptation sectors. These projects are tackling sectors tailored to the local adaptation need, from climate-smart agriculture to food security, fisheries, forestry, managing coastal zones, and collecting and conserving water. Through this, NABARD has piloted diverse models and established the needed networks and experiences to share knowledge to make wider change across the large country.

Further, the EDA mechanism is envisaged to promote decision-making in the programming of internationally allocated funds to the national and sub-national levels. The screening, review and selection of projects will be done by NABARD, as national implementing entity and each sub-project would undertake locally led innovative adaptation interventions by involving multisector stakeholders for prioritizing adaptation measures and implementation through local organization/governments.

The component of this programme would include capacity building for local organizations to develop concrete proposals for adaptation interventions, as well as dissemination of sub-project results and shared lessons learned on EDA.

In addition, the programme will strengthen the capacity of NABARD to review and approve proposals under EDA as well as will increase readiness and capacity to directly access and programme adaptation finance. The latter will promote the investment in evidence-based and prioritized adaptation measures for the country in the thematic areas of water, forests and agriculture that will reduce exposure and vulnerability of communities.

J. Describe how the sustainability of the project/programme outcomes has been taken into account when designing the project /programme.

Due consideration will be given to ensure the sustainability of all project interventions. Since the components proposed under each sub-project are based on community participation and engagement, which will ensure the involvement of all the participants in the process from planning, implementation through to evaluation. Early-stage involvement of the participants in the project will help in the formulation of strategy and execution. In the process of formulation and execution, the participation of women, youth and landless poor families will be ensured in order to have inclusive implementation and benefit sharing at different stages. As the project beneficiaries are involved right from the inception stage, sustainability of the programme would be ensured by continuation of project's outcomes, outputs and activities after financial completion, for achievement of its ultimate impact on the target area and affected population. The distinct level of sustainability of each sub-project would be involved in the following dimensions:

Environmental sustainability

The sub-projects would involve sustainable management and development of natural resources, as an adaptive measure in the context of climate change. Under the proposed thematic areas of agriculture and allied sectors, water resource development, rural livelihoods etc., sustainable interventions would be prioritized. The interventions would be selected for each sub-project such that it would achieve desired outcomes and provide continuous benefits for the environment, even after the project duration.

Social sustainability

The locally led adaptation interventions would enable benefits such as sustainable livelihoods of the vulnerable community and the resultant financial sustainability, specifically in the local communities of the project area. This would promote positive impacts on the lives of marginalized vulnerable communities. Additionally, capacity building institutional strengthening of local institutions would build social capital, which will help to replicate and scale up successful interventions thereby enhancing the capacity of larger extent of communities.

Institutional sustainability

Through the EDA modality, intensive capacity building would be undertaken from concept

stage to implementation including evaluation by involving the local institutions and stakeholders. This will enable the capacity of local institutions to identify and promote adaptation interventions and will promote more local actions, and help local level organization to scale up activities. In additions, capacity of the NABARD as the Implementing Entity of this programme will be considerably enhanced, thereby helping to promote large scale adaptation activities with the unique knowledge pool to wider geographies of India.

Financial sustainability

While enhancing the adaptive capacity of the vulnerable communities through various interventions, this will also result in increasing the income of farmers. Thus, communities will continue with innovative interventions, which will lead to sustained financial benefits even after the project is completed. EDA will further lead to enhancing and scaling up of locally led interventions, which will help in further identification and mobilization of additional financial resources. Thus, EDA provides resilience benefits, that reduce future climate related losses, and so also contribute to economic sustainability.

K. Provide an overview of the environmental and social impacts and risks identified as being relevant to the project /programme.

Presently, the sub-projects intended for concrete adaptation interventions are yet to be identified and some will be carried out during the implementation of the programme. Therefore, environmental and social impacts and risks are not identified at this stage. However, each sub-project would be analyzed and assessed for potential environmental and social impacts and risk relevant to the sub-projects. Screening of the sub-projects for Environmental and Social Safeguards will be undertaken in accordance with the policies of the Fund. The outcome of the screening and assessment process is used to determine the environmental and social categorization of the risk for each sub-project, at the concept stage.

Sub-projects with ESS Category C – no adverse environmental or social impacts, and Category B - environmental or social impacts are fewer in number, smaller in scale, less widespread, reversible or easily mitigated, will only be allowed under this programme. During the implementation of the EDA programme, each sub-project would assess the checklist of environmental and social principles.

Additionally, as the Environmental and Social impacts of the programme cannot be identified at this stage, an additional level of due diligence will be undertaken, to ensure compliance of proposals with Adaptation Fund Environmental and Social Policy (ESP) and Gender Policy.

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
<i>Compliance with the Law</i>	-	Low/No Risk Implementation of activities under each sub-projects would be ensured for compliance with all relevant national

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
		laws.
<i>Access and Equity</i>	-	Low/No Risk The proposed sub-projects aim to enhance the community's access to basic needs and rights. The proposed sub-projects would be screened such that none of the activities will in any way compromise the access of communities to basic services and rights.
<i>Marginalized and Vulnerable Groups</i>	-	Low/No Risk The proposed sub-projects are expected to improve the ability of all, including marginalized and vulnerable groups, children, women and girls, the elderly, to adapt to the adverse effects of climate change. It would be ensured that the proposed activities of sub-projects will not impose any disproportionate adverse impacts to any sections of the society.
<i>Human Rights</i>	-	Low/No Risk All proposed sub-projects will respect and adhere to all relevant national legislation and international conventions on human rights including access to basic needs
<i>Gender Equity and Women's Empowerment</i>	-	Low/No Risk Through targeted consultation process during the project inception stage, design and implementation will ensure that gender considerations are integrated into every activity. It would be ensured that the sub-project implementation strategy will also promote women's leadership and decision-making.
<i>Core Labour Rights</i>	-	Low/No Risk The proposed project will adhere to core labour laws and the rights of all parties
<i>Indigenous Peoples</i>	-	Low/No Risk The design of all the Components and the proposed Sub-projects will ensure that the local communities and

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
		indigenous peoples involved are consulted and benefit from the interventions according to their needs. Extensive stakeholder consultations will form the basis for the development of all sub-project components. Hence indigenous peoples will be consulted during project development and implementation phases respecting their needs.
<i>Involuntary Resettlement</i>	-	Low/No Risk It would be ensured during the Sub-project selection stage that the components /interventions of each sub-project do not involve any involuntary resettlement.
<i>Protection of Natural Habitats</i>	-	Low/No Risk The sub-project interventions are all based on the conservation and management of natural resources and ecosystem services. The interventions are aimed at improving the ecological functionality of vital Ecosystems. Thus, the project is not expected to have a negative impact on natural habitats, including those that are legally protected or recognized as protected natural areas.
<i>Conservation of Biological Diversity</i>	-	Low/No Risk The interventions of the sub-projects will promote the conservation of biological diversity and natural habitats, through the conservation of the natural resources. It would be ensured that the proposed interventions do not cause any harm to biodiversity.
<i>Climate Change</i>	-	Low/No Risk The proposed sub-projects are intended for building resilience of the vulnerable community to climate change. The proposed sub-projects, in

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
		no way, are intended to increase greenhouse gas emissions or contribute to any drivers of climate change
<i>Pollution Prevention and Resource Efficiency</i>	-	Low/No Risk The proposed sub-projects will ensure the maximization of energy efficiency, endeavor to avoid any potential pollution and minimize the production of waste materials.
<i>Public Health</i>	-	Low/No Risk The proposed sub-projects do not cause any risks to public health, but rather enhance the livelihoods of the vulnerable community through climate resilient activities and alternate income generating opportunities.
<i>Physical and Cultural Heritage</i>	-	Low/No Risk It would be ensured that the proposed sub-project will not pose any threat to physical and cultural heritage in the project areas and that of communities.
<i>Lands and Soil Conservation</i>	-	Low/No Risk The proposed sub-projects are aimed at conserving the natural land and soil through the protection of key ecosystems that are threatened by unsustainable anthropogenic practices. It can be assured that the proposed projects do not cause any harm to the land and soil in the project areas.

PART III: IMPLEMENTATION ARRANGEMENTS

- A.** Describe the arrangements for project / programme implementation.
- B.** Describe the measures for financial and project / programme risk management.
- C.** Describe the measures for environmental and social risk management, in line with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.
- D.** Describe the monitoring and evaluation arrangements and provide a budgeted M&E plan, in compliance with the ESP and the Gender Policy of the Adaptation Fund.
- E.** Include a results framework for the project proposal, including milestones, targets and indicators, including one or more core outcome indicators of the Adaptation Fund Results Framework, and in compliance with the Gender Policy of the Adaptation Fund.
- F.** Include a detailed budget with budget notes, a budget on the Implementing Entity management fee use, and an explanation and a breakdown of the execution costs (US \$).
- G.** Include a disbursement schedule with time-bound milestones.

[Part III: Implementation Arrangements is not applicable at Concept Note stage]


PART IV: ENDORSEMENT BY GOVERNMENT AND CERTIFICATION BY THE IMPLEMENTING ENTITY

A. Record of endorsement on behalf of the government Provide the name and position of the government official and indicate date of endorsement. If this is a regional project/programme, list the endorsing officials all the participating countries. The endorsement letter(s) should be attached as an annex to the project/programme proposal. Please attach the endorsement letter(s) with this template; add as many participating governments if a regional project/programme:

Mr. Neelesh Kumar Sah, Joint Secretary Ministry of Environment, Forest & Climate Change Government of India	Date: 26 December 2022
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B. Implementing Entity Certification Provide the name and signature of the Implementing Entity Coordinator and the date of signature. Provide also the project/programme contact person's name, telephone number and email address

I certify that, this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board, and prevailing National Development and Adaptation Plans (National Action Plan on Climate Change) and subject to the approval by the Adaptation Fund Board, commit to implementing the project/programme in compliance with the Environmental and Social Policy and the Gender Policy of the Adaptation Fund and on the understanding that the Implementing Entity will be fully (legally and financially) responsible for the implementation of this project/programme.


(CSR Murthy)
Chief General Manager
NABARD, Head Office, Mumbai
(Implementing Entity Coordinator)



Date: November 30, 2022	Tel. and email: +91 22 2653 0040, +91 98675 65192 csr.murthy@nabard.org
Project Contact Person: Mr. Sukanta Kumar Sahoo, Deputy General Manager, NABARD, Head Office, Mumbai	
Tel. and Email: +91 22 2653 9331, +91 94140 29140 climate.change@nabard.org sukanta.sahoo@nabard.org	

नीलेश कुमार साह

संयुक्त सचिव

NEELESH KUMAR SAH

JOINT SECRETARY



पर्यावरण, वन एवं जलवायु परिवर्तन मंत्रालय
भारत सरकार

Ministry of Environment, Forest and Climate Change
Government of India

D. No.CC-13008/325/2022-CC

26-12-2022

To: The Adaptation Fund Board
c/o Adaptation Fund Board Secretariat
Email: Secretariat@Adaptation-Fund.org
Fax: 202 522 3240/5

Subject: Endorsement for the Project Concept Note (PCN) on "Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India" under the Enhanced Direct Access (EDA) window of Adaptation Fund (AF)

In my capacity as designated authority for the Adaptation Fund in India, I confirm that the above National PCN is in accordance with the Government's National priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in India.

Accordingly, I am pleased to endorse the above PCN with support from the Adaptation Fund. If approved, the project will be implemented by National Bank for Agriculture and Rural Development (NABARD) and executed by various executing entities.

Sincerely,

Neelesh Kumar Sah
Joint Secretary
Ministry of Environment, Forests & Climate Change
Government of India



अग्नि विंग, इंदिरा पर्यावरण भवन, जोर बाग रोड, नई दिल्ली-110 003, फोन: (011) 24695130 ई-मेल: sahnk@cag.gov.in
Agni Wing, Indira Paryavaran Bhawan, Jor Bagh Road, New Delhi-110 003 Tel.: (011) 24695130, E-mail: sahnk@cag.gov.in



Project Formulation Grant (PFG)

Submission Date: 20 February 2023

Adaptation Fund Project ID :
 Country/ies : INDIA
 Title of Project/Programme : EDA- Fund for Ecosystem based Adaptation through Agro-ecological Initiatives in India
 Type of IE (NIE/MIE) : National Implementing Entity
 Implementing Entity : National Bank for Agriculture and Rural Development (NABARD)
 Executing Entity/ies : National Bank for Agriculture and Rural Development (NABARD)

A. Project Preparation Timeframe

Start date of PFG	April 2023
Completion date of PFG	December 2023

B. Proposed Project Preparation Activities (\$)


Describe the PFG activities and justifications:

List of Proposed Project Preparation Activities	Output of the PFG Activities	USD Amount
Socio-economic and climate change vulnerability assessment	<ul style="list-style-type: none"> Identified the climate change issues by the community Vulnerable communities among the population identified Seasonal and trend analysis prepared to get the community perceptions and thoughts Possible adaptation strategies and traditional knowledge on adaptation strategies for implementation 	5000
Stakeholders consultation (Community, panchayat raj intuitions, State government departments, CBOs, NGOs)	Perceptions of the community, panchayat raj intuitions, panchayat raj intuitions, State government departments, CBOs, NGOs for analyzing the climate change issues in agriculture, its impacts on the natural resources and the livelihood issues in the context of climate change, obtained.	10000
Detailed Gender Assessment	Preparation of detailed gender assessment of the potential project areas and formulation of gender responsive indicators	7000

List of Proposed Project Preparation Activities	Output of the PFG Activities	USD Amount
Environment and social risk assessment and preparation of ESMP	Completed the Environment and social risk assessment and prepared Environmental and Social Management Plan (ESMP) that includes a detailed, budgeted process to apply the ESP and the GP to each USP as and when it is being identified and approved by NABARD	8000
Preparation of funding proposal by a multidisciplinary team	Detailed Project proposal prepared using all the relevant data collected from the field including result framework, detailed budget etc.	10000
Field and desk appraisal by NIE (Cost towards travel, field visits, consultancy, etc.)	Desk and field verification for proposal finalization done by NIE	5000
Total Project Formulation Grant		45000

C. Implementing Entity

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

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
C S R Murthy Chief General Manager, NABARD, Head Office, Mumbai		February, 20, 2023	Mr. Sukanta Kumar Sahoo, Deputy General Manager, NABARD, Head Office, Mumbai	+91 22 2653 9331 +91 94140 29140	climate.change@nabard.org sukanta.sahoo@nabard.org

