



ADAPTATION FUND

AFB/PPRC.31/58
10 March 2023

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

Agenda Item 16.

**PROGRAMME ON INNOVATION:
EXPRESSIONS OF INTEREST FROM MULTILATERAL
AND REGIONAL IMPLEMENTING ENTITIES TO JOIN
THE ADAPTATION FUND INNOVATION ACCELERATOR PROGRAMME (AFCIA)**

Background

1. At its thirtieth meeting, the Adaptation Fund Board discussed the draft of the first medium-term strategy (MTS) of the Fund, for the period 2018-2022, and the members of the Board proposed amendments to the document. The secretariat then presented a revised draft, in document AFB/B.30/5/Rev.1. Having considered that document, the 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. At its thirty-first meeting, the Adaptation Fund Board discussed document 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:*

(i) *To facilitate the implementation of the plan during the period 2018–2022;*

(ii) *To include the administrative budget for implementing the plan in the secretariat's annual administrative budget during the strategy period, for consideration by the Fund's Ethics and Finance Committee;*

(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*

(v) *To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan; and*

(c) *To request the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) to undertake a mid-term review of the medium-term strategy and the plan and report to the Board at its thirty-sixth meeting.*

(Decision B.31/32)

3. The MIE aggregator was described in the first MTS Implementation Plan as a vehicle through which at least 40 small grants would be awarded to non-accredited entities. The MTS also provides a timeline whereby the MIE "partner(s)" are to be "proposed to Board in October 2018 and announced at COP 24 (Dec 2018)".

4. Accordingly, a *Call for Expressions of Interest* was issued to MIEs in August 2018 (see Annex 1), requesting such submissions of expressions of interest to be submitted by the Deadline of September 17th, 2018, to the Adaptation Fund Board secretariat. The *Call for Expressions of Interest* provided a background to the initiative, as well as the objectives, provisional criteria, and guidance on the learning aspect of the initiative.

5. At its thirty-second meeting, having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

(a) *To select and invite both the United Nations Development Programme and United Nations Environment Programme to serve as the multilateral implementing entity (MIE) aggregator(s) for small grants for innovation;*

(b) *To request the secretariat to prepare a joint announcement of the initiative in conjunction with the twenty-fourth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change;*

(c) *To request the secretariat to develop guidance to the MIE aggregators for preparing proposals for small grant programmes for innovation;*

(d) *To establish a task force that would advise the secretariat on the development of the guidance; and*

(e) *To invite the two MIE aggregators to prepare respective proposals for the consideration of the Board.*

(Decision B.32/5)

6. At the thirty-second meeting through decision B.33/3, the Adaptation Fund Board decided to elect a Multilateral Implementing Entity (MIE) Aggregator Task Force that consisted of Board members and alternates in line with decision B.32/5.

7. At its thirty-fourth meeting, the Board through decisions B.34/33 and B.34/34 approved the Proposal for Special Financing Window in Support of Innovation for Adaptation to be implemented by the United Nations Environment Programme (UNEP) and Proposal for Adaptation Fund Innovation Small Grant Aggregator Platform (ISGAP) to be implemented by United Nations Development Programme (UNDP).

8. The two programmes were developed in tandem and launched jointly as Adaptation Fund Climate Innovation Accelerator (AFCIA), the initiative first announced by the Adaptation Fund at the United Nations Climate Change Conference (COP25) in Madrid in December 2019, and subsequently announced as operational in November 2020 by the Fund together with UNDP and UNEP/Climate and Technology Centre and Network (CTCN). Since then, AFCIA has been topped up by a contribution from the European Commission of EUR 10 million.

9. Since its launch, AFCIA has helped support and accelerate new innovations, develop innovative adaptation practices, tools, and technologies, as well as started to generate evidence of effective, efficient adaptation practices, products, and technologies. AFCIA has implemented a number of small grants worldwide, attracting a wide diversity of innovators including youth, women, private sector, local governments, indigenous communities, etc. Twenty-two grantees, across 19 countries, were awarded under the first call for proposals issued by UNDP. The second call for proposals began in September to October 2022, and the programme aims to issue approximately 20-25 new grants for another 1.5-year project cycle between 2023-2024 (the UNDP programme received the additional financing from the EU). Under the UNEP-CTCN programme,¹² requests have been selected through the first two calls for proposals and are under implementation and an additional 13 projects will be selected through the last call for proposal for a total of 25 projects implemented under AFCIA. In total, 77-83 projects are currently expected to be implemented under AFCIA with the funding provided so far.

10. The Parties to the Conference of the Parties serving of the Parties to the Kyoto Protocol, in their decision on the fourth review of the Adaptation Fund in November 2022, recognized the lessons learned and progress made since the previous review, including the launch of new funding windows, in which context the Parties made a specific reference to AFCIA. In that decision, the Parties also encouraged the Fund to “strengthen ongoing efforts related to promoting [...] innovation, and development and diffusion of innovative adaptation practices, tools and technologies”¹. In November 2021, Parties to the Conference of the Parties serving the Parties to the Paris Agreement, in their guidance to CTCN welcomed “with appreciation the continuing collaboration between the Climate Technology Centre and Network and the Adaptation Fund, including through the Adaptation Fund Climate Innovation Accelerator”, and encouraged the CTCN “to further strengthen its collaboration with the Adaptation Fund in this regard”².

Strategic Direction under the second Medium-Term Strategy (MTS II) 2023-2027

¹ Decision -/CMP.17: Fourth review of the Adaptation Fund

² Decision 15/CMA.3: Enhancing climate technology development and transfer to support implementation of the Paris Agreement

11. The Adaptation Fund Board, through Decision B.39/61, approved the Fund's second and current Medium-Term Strategy (MTS II) for the 2023 – 2027 period. In its implementation it will continue to build on the work carried out under the previous MTS (2018-2022), which included the implementation of AFCIA.

12. As part of MTS II, the Fund also seeks to further enhance and expand its support for locally-led adaptation (LLA) by fostering innovation and creating a portfolio of diverse and locally appropriate innovation projects and programmes, and thus contribute to its mission of accelerating effective adaptation action, innovation and learning in developing countries.

13. To achieve this, MTS II proposes that the Fund would benefit from its existing portfolio of locally-led adaptation that has proven to be effective and efficient, including under AFCIA, which provides access of climate finance to non-accredited recipients. In this respect, the Fund will continue and expand its Innovation Facility, including by expanding and encouraging access to innovation grants, including by non-accredited actors, that target youth, women, disabled people, researchers, civil society, indigenous people, private sector and other groups and communities.

14. The expected results (ERs) for the innovation pillar under MTS II have been defined as follows:

- a) *New innovations and risk-taking encouraged and accelerated - Development of innovative adaptation practices, tools and technologies encouraged and accelerated, including solutions with high impact potential even if it comes with a higher risk of failure;*
- b) *Successful innovations replicated and scaled up - Innovative adaptation practices, tools and technologies that have demonstrated success in one country spread to new countries/regions or are scaled up from smaller to larger scales;*
- c) *Access and capacities enhanced for designing and implementing innovation - Access and capacities enhanced, knowledge generated, and awareness raised, for implementing entities and non-accredited actors to design and implement innovative adaptation solutions;*
- d) *Evidence base generated and shared (linkage with learning and sharing pillar) - Evidence on the conditions that lead to successful innovation generated and shared, and partnerships, iteration, learning, and adaptive management encouraged. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up.*

Consultation with Innovation Task Force

15. In line with the direction laid out by MTS II and in the interest of making rapid advancements, the secretariat consulted with the Members of the Task Force elected through Decisions B.35.b/9(c) and B.39/67 and circulated for their consideration, the Call for Regional and Multilateral Implementing Entities to express their interest in applying for funding to support and expand the existing AFCIA.

16. Subsequently, the secretariat circulated the Call for Regional and Multilateral

Implementing Entities to express their interest in applying for funding to support and expand AFCIA on the 20th of January 2023. IEs were invited to submit expressions of interest to the AFB Secretariat no later than the deadline of February 20, 2023. The Call for Expressions of Interest is attached in Annex 1 of the current document.

Response to the Call for the Expressions of Interest

17. By the deadline, the secretariat had received five submissions, which are appended to this document (Annexes 2, 3, 4, 5 and 6) for the consideration of the Board.

18. The secretariat reviewed the submissions, considering the provisional criteria laid out in the expression of interest (Annex 1) which includes:

- (a) Alignment with the vision and definition for innovation adopted by the Board through document AFB/B.36/8;
- (b) Proposed implementation modality or modalities;
- (c) Proposed review process or processes;
- (d) Learning-and-sharing mechanism for the innovation window, in line with the MTS's pillar on knowledge and sharing the Review Criteria for Innovation Proposals as described in document PPRC.27/28;
- (e) Administration cost or management fee or provisional budget, including for coordination, support for NIEs, and other partners.

Modalities and Procedures

19. The RIE and MIE accelerators would, upon being selected and accepting the role, prepare a proposal, following a one-step process for regional projects and programmes, submitting a fully-developed project proposal, which will be reviewed against the criteria for such projects/programmes, as applicable, for the consideration of the Board at the forty-first meeting.

Recommendation

20. The PPRC may wish to review the five submissions of Expressions of Interest to serve as RIE and MIE accelerators for small grants for innovation and recommend to the Board to:

- (a) Consider the five submissions of Expressions of Interest to serve as implementing entities (IEs) for programmes for small grants for innovation;
- (b) Invite the [NAME OF SELECTED IE 1] to develop proposal to serve as the IE accelerator for a provision amount of USD [AMOUNT] for consideration at the forty-first meeting of the Board;
- (c) Invite the [NAME OF SELECTED IE 2] to develop proposal to serve as the IE accelerator for a provision amount of USD [AMOUNT] for consideration at the forty-first meeting of the Board;

...

(d) Request the selected IE[s] to indicate acceptance by letter to the Chair of the Board by [DATE];

(e) Invite the IE[s] to prepare a programme proposal using the process elaborated in document AFB/PPRC.31/59 for the consideration of the Board at the forty-first meeting.

Table of Contents

Annex 1 - Call for Expressions of Interest to join the Adaptation Fund Climate Innovation Accelerator (AFCIA) Partnership

Annex 2 – Expression of Interest 1 The Pacific Community (SPC)

Annex 3 – Expression of Interest 2 Secretariat of the Pacific Regional Environment Programme (SPREP)

Annex 4 – Expression of Interest 3 United Nations Environment Programme (UNEP)

Annex 5 – Expression of Interest 4 United Nations Industrial Development Organization (UNIDO)

Annex 6 – Expression of Interest 5 United Nations World Food Programme (WFP)



ADAPTATION FUND

20 January, 2023

**CALL FOR EXPRESSIONS OF INTEREST
FROM
MULTILATERAL AND REGIONAL IMPLEMENTING ENTITIES OF THE
ADAPTATION FUND TO SERVE AS SMALL GRANTS AGGREGATORS
IN
THE ADAPTATION FUND CLIMATE INNOVATION ACCELERATOR
PARTNERSHIP**

Introduction

1. The Adaptation Fund Board, through Decision B.39/61, approved the Fund's new [Medium Term Strategy \(MTS II\)](#) for the 2023 – 2027 period. In its implementation it will continue to build on the work carried out under the previous MTS (2018-2022), which included the implementation of the Adaptation Fund Climate Innovation Accelerator (AFCIA). The Adaptation Fund is now seeking to expand the AFCIA partnership through soliciting expressions of interest of its multilateral and regional implementing entities to join the partnership as implementors of innovation small grant administrators.

New Medium-Term Strategy for the Adaptation Fund

2. At its thirty-ninth meeting in October 2022, the Adaptation Fund Board, through Decision B.39/61, approved the Fund's [Medium Term Strategy \(MTS II\)](#) for the 2023 – 2027 period. In the context of increasing climate urgency and needs, the objective for MTS II is to further build on and expand the innovation pillar to capitalize on the Fund's already-established role as an agile, nimble, and pioneering fund with a track record of unlocking innovative approaches for effective adaptation actions and providing climate finance to developing countries.

3. The Adaptation Fund serves the Paris Agreement as well as the Kyoto Protocol, under which it was established. The UNFCCC recent guidance has affirmed the role of innovation in the efforts to address climate change (Box 1). The Fund's stakeholders identified the Fund's comparative advantage as "at the forefront of innovating and testing new practices and technologies then sharing these, particularly through south-south collaboration."

4. The expected results (ERs) for the innovation pillar under MTS II have been defined as follows:

- (a) **New innovations and risk-taking encouraged and accelerated** - Development of innovative adaptation practices, tools and technologies encouraged and accelerated, including solutions with high impact potential even if it comes with a higher risk of failure;
- (b) **Successful innovations replicated and scaled up** - Innovative adaptation practices, tools and technologies that have demonstrated success in one country spread to new countries/regions or are scaled up from smaller to larger scales;

(c) **Access and capacities enhanced for designing and implementing innovation** - Access and capacities enhanced, knowledge generated, and awareness raised, for implementing entities and non-accredited actors to design and implement innovative adaptation solutions;

(d) **Evidence base generated and shared (linkage with learning and sharing pillar)** - Evidence on the conditions that lead to successful innovation generated and shared, and partnerships, iteration, learning and adaptive management encouraged. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up.

5. As part of MTS II, the Fund also seeks to further enhance and expand its support for locally-led adaptation (LLA) in order to contribute to its mission of accelerating effective adaptation action, innovation and learning in developing countries. One area where the Fund aims to further enhance and expand support for LLA is by fostering innovation and creating a portfolio of diverse and locally appropriate innovation projects and programmes. To achieve this, the Fund will benefit from its existing portfolio of locally-led adaptation that has proven to be effective and efficient including under the Adaptation Fund Climate Innovation Accelerator (AFCIA), which ensures access of climate finance to non-accredited entities to the Fund.

6. In line with the Fund's KM strategy objective to "enhance developing countries' knowledge about effective adaptation, especially in relation to the most vulnerable communities" and in the context of the learning and sharing pillar of the new MTS, the cross-cutting theme of "locally led adaptation" of the new MTS will enable the Fund to expand its knowledge base on successful and efficient adaptation actions involving local actors through different modalities including AFCIA.

Box 1. UNFCCC Guidance on Innovation – Key Principles

Paris Agreement:

Article 10, paragraph 5: *Accelerating, encouraging and enabling innovation is critical for an effective, long-term global response to climate change and promoting economic growth and sustainable development.*

Glasgow Climate Pact

Paragraph 60: *Strengthen cooperative action on technology development and transfer for...adaptation actions, including accelerating, encouraging and enabling innovation and the importance of predictable, sustainable and adequate financing from diverse sources.*

Paragraph 87: *Importance of international collaboration on innovative climate action, including technological advancement across all actors of society, sectors and regions in contributing to progress towards the Paris Agreement.*

Results Delivery Model

7. The principles of the delivery on the results ER1 through ER4 listed above are included in the MTS II document and adopted by the Board. Those are as follows (a.k.a. the "Delivery Model"):

Continuation and expansion of Innovation Facility, including by:

- Supporting innovation projects and programmes that encourage multi-stakeholder partnerships by including e.g., youth, women, disabled people, researchers, civil society, indigenous people and the private sector;
- Expanding and encouraging access to innovation grants, including by non-accredited actors;
- Exploring further opportunities and modalities that can create space for innovation and risk-taking;
- Supporting capacity-building and readiness for innovation to increase countries' and entities' awareness and capacity for developing and implementing innovation projects, including for target groups such as women and youth, and NIEs;
- Enhance learning and sharing of knowledge on innovation in adaptation;
- Explore alignment and synergies with UNFCCC technology framework incl. Technology Needs Assessments and Technology Action Plans; and
- Exploring and creating new partnerships for innovation in adaptation.

Adaptation Fund Climate Innovation Accelerator Partnership

8. The Adaptation Fund (AF) has funded and established a US\$ 10 million small grant aggregator programme to be implemented by the United Nations Development Programme (UNDP) and United Nations Environment Programme (UNEP) working in conjunction with the Climate Technology Centre and Network (CTCN) as the executing entity.

9. [The Adaptation Fund Climate Innovation Accelerator \(AFCIA\)](#), aims to foster innovation in climate change adaptation in developing countries. The programme targets a broad range of potential finance recipients, including governments, non-governmental organizations, community groups, entrepreneurs, young innovators and other groups, awarding competitive grants of up to US\$ 250,000 each.

10. The accelerator was announced by the Adaptation Fund at the United Nations Climate Change Conference (COP25) in Madrid in December 2019 and launched in November 2020 by AF together with UNDP and UNEP/CTCN and has since been topped up by a contribution from the European Commission of EUR 10 million.

11. Among the key expected outcomes of this programme is that it will help encourage and accelerate new innovations, develop innovative adaptation practices, tools and technologies, as



Fig. 1 The AFCIA Partnership currently consists of UNDP, UNEP, and CTCN, with the Adaptation Fund and European Commission as funders.

well as generate evidence of effective, efficient adaptation practices, products and technologies to assess scaling up.¹

12. Since then, AFCIA has implemented a number of small grants worldwide, attracting a wide diversity of innovators including youth, women, private sector, local governments, indigenous communities, etc. The UNFCCC guidance has explicitly acknowledged and encouraged further engagement on AFCIA.

13. At this time, the Adaptation Fund is seeking expressions of interest of its Multilateral and Regional Implementing Entities to join the AFCIA Programme through applying for funding for to administer small grants to recipient entities in developing countries in support of innovation.

Call for Expressions of Interest to Serve as MIE or RIE Accelerator

14. The Adaptation Fund's mission is to support communities in developing countries that are vulnerable to climate change to adapt and become more resilient. In doing so, the Adaptation Fund abides by a number of principles which are reflected in the criteria employed in the routine programming of resources. These include prerequisites such as country, project, and implementing entity eligibility, resource availability. They also include criteria under the implementation arrangements, such as arrangements for project management, risk management, compliance with the Environmental and Social Policy and Gender Policy, budget and breakdown of costs, arrangements of monitoring and evaluation, disbursement and milestone schedule, etc.

15. The AFB Secretariat is currently welcoming expressions of interest by its MIEs and RIEs that have the capacity to serve as grant administrators. The entity should be ready to facilitate a technical review process and all associated activities (such as technical assistance and innovation-specific ancillary support), including communications, in close consultation with the Adaptation Fund, and to develop a mechanism for capturing and disseminating the knowledge generated through the micro-grant-funded actions in a cost-effective way (for example, preferably using existing mechanisms, platforms, and/or networks.)

16. The interested entities are invited to submit an Expression of Interest (EOI) in the form of a brief proposal, similar to a preconcept, that will describe the programming model, including the provisional review criteria, and process that would apply to the program as a whole. The proposal should describe how the IE would be able to support to a-d Expected Results (ERs) for innovation. Specifically, the proposal should describe how new innovations (including risk-taking) will be encouraged and accelerated; how pathways will be created to ensure successful innovations will be replicated and scaled up; how access and capacities for designing and implementing

¹ More information about applying for AFCIA grants can be found directly through UNDP and CTCN here:

<https://www.adaptation-undp.org/smallgrantaggregator/>

<https://www.ctc-n.org/afcia>

innovation will be enhanced; and how evidence base will be generated and shared (in linkage with the “learning and sharing” pillar).

17. In addition, in line with the results delivery model as per MTS II, the IE should describe how multi-stakeholder partnerships will be encouraged, and how the IE’s proposed programme would enable and ensure inclusion and participation of diverse actors e.g., youth, women, disabled people, researchers, civil society, indigenous people and the private sector; how it would unlock or create further opportunities and modalities that can create space for innovation and risk-taking; how it would support capacity-building and readiness for innovation to increase countries’ and innovation ecosystem stakeholders’ awareness and capacity for developing and implementing innovation projects, including for target groups such as women and youth; how it would enhance learning and sharing of knowledge on innovation in adaptation; how it would ensure alignment and synergies with UNFCCC technology framework incl. Technology Needs Assessments and Technology Action Plans; and how it would help create new partnerships for innovation in adaptation.

Provisional Criteria

18. The individual proposals from IEs may have a regional and/or thematic focus, however the AFCIA Programme as a whole should continue to have a global reach, so as to be able to provide access to all developing countries eligible for support under the Adaptation Fund. The EOI should include a description of:

- (i) Alignment with the vision and definition for innovation adopted by the Board through [document AFB/B.36/8](#);
- (ii) Proposed implementation modality or modalities;
- (iii) Proposed review process or processes;
- (iv) Learning-and-sharing mechanism for the innovation window, in line with the MTS’s pillar on knowledge and sharing the Review Criteria for Innovation Proposals as well described in document PPRC.27/28;
- (v) Administration cost or management fee or provisional budget, including for coordination, support for NIEs, and other.

19. Given the specific nature of the window on Innovation, the following are some of the themes that could be the focus of the subsequent call for small grant funding proposals:

- Advancement of gender equality (women and girls’ empowerment);
- Agriculture;
- Coastal zone management;
- Disaster risk reduction;
- Enhancement and protection of cultural heritage;

- Focus on communities;
- Food security;
- Forests and land use;
- Human health;
- Inclusion of youth;
- Innovative adaptation financing;
- Marine and fisheries;
- Nature-based solutions;
- Rural development;
- Social innovation;
- Urban adaptation;
- Water resources management;
- Wildfire management.

However, it should be noted that this is not an exhaustive list and other themes could be considered if the Board so decides.

Timeline

20. Please note that at this time, two rounds of funding are tentatively envisioned: one in 2023 and another in 2026. Subject to the decision of the Board, for the first round, IEs are invited to propose programmes that can be implemented in the range of USD 5-10 million (the final amount will be determined by the Board).

21. The expressions of interest should be submitted to the AFB Secretariat no later than that cutoff date of February 20, 2023. Subsequent to the receipt of the EOIs, the Adaptation Fund Board would deliberate and decide which IEs would be invited to submit a fully-developed proposal for funding in the first round. The Board will also determine the level of resources to be made available in the first round.

22. The fully-developed proposals will be tentatively expected to be considered for approval at the October 2023 meeting of the Board.



ADAPTATION FUND

PRE-CONCEPT FOR A REGIONAL PROGRAMME

PART I: PROGRAMME INFORMATION

Title of Programme:	Regional Pacific Climate Innovation Accelerator
Countries:	Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu
Thematic Focal Area:	Innovation in adaptation finance
Type of Implementing Entity:	Regional Implementing Entity
Implementing Entity:	Pacific Community (SPC)
Executing Entities:	N/A
Amount of Financing Requested:	10,000,000 (in U.S Dollars Equivalent)
Project Formulation Grant Request:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Amount of Requested financing for PFG: USD 50,000 (in U.S Dollars Equivalent)	
Letters of Endorsement (LOE) signed for all countries:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Stage of Submission:	
<input type="checkbox"/> This pre-concept has been submitted before <input checked="" type="checkbox"/> This is the first submission ever of the pre-concept	

In case of a resubmission, please indicate the last submission date: [Click or tap to enter a date.](#)

Programme Background and Context:

Pacific Small Island Developing States (SIDS) are at the forefront of climate change. However, their small sizes, fragile economies, fragmented private sector and constrained institutional capacities mean that Pacific SIDS remain unable to access climate finance at the speed and scale necessary to address urgent adaptation priorities. These barriers similarly limit the adoption of innovative adaptation measures, as investments into climate resilience in Pacific SIDS are often seen as being too expensive or without sufficient evidence underpinning innovative approaches and thus too risky for comparatively small numbers of beneficiaries. This is at odds with the fact that the impacts of climate change present an everyday lived reality rather than a potential future scenario for vulnerable Pacific communities.

The Adaptation Fund's new Medium-Term Strategy (MTS II) for 2023–2027 seeks to continue the implementation of the Adaptation Fund Climate Innovation Accelerator (AFCIA) through multilateral and regional implementing entities as innovation small grant administrators. This presents an opportunity for vulnerable Pacific SIDS to access fit-for-purpose climate finance that could demonstrate proof-of-concept for innovative initiatives that struggle to attract the interest of larger multilateral sources of funding. The proposed Regional Pacific Climate Innovation Accelerator (RPCIA) will support locally-led adaptation action that could serve to crowd in other sources of funding and create the basis for larger national and regional projects and programmes that could attract climate finance at scale.

Programme Objectives:

The RPCIA will support eligible Pacific SIDS to identify, adopt, disseminate and evaluate innovative adaptation practices, tools and technologies with the following Expected Results:

- Expected Result 1 – New innovations and risk-taking encouraged and accelerated;
- Expected Result 2 – Successful innovations replicated and scaled up; and
- Expected Result 4 – Evidence base generated and shared.

This will support the expected outcome of Pillar 2 *Innovation* of the MTS II by accelerating, promoting and enabling innovation for effective, long-term adaptation to climate change that is gender sensitive, inclusive and environmentally sustainable in vulnerable Pacific SIDS. The programme objective will be achieved through a regional Pacific framework to: i) successfully identify innovative adaptation options and tailor them to local contexts; ii) effectively administer grant funding to accelerate the adoption of such options; iii) provide targeted enhancement of national and local capabilities to support the roll-out of innovative approaches; and iv) support knowledge management and sharing of best practices based on robust evaluation and learning.

Programme Components and Financing:

As the total amount of funding to be committed is yet to be determined by the Adaptation Fund Board, a tentative financing amount of USD 10 million has been outlined below. Depending on the final Board decision, this will be adjusted in consultation with the Adaptation Fund Secretariat during the development of the funding proposal.

Project/Programme Components	Amount (US\$)
1. Small grants for innovation in climate action	6,000,000
2. Identification and incubation of innovative practices for climate action	1,300,000
3. Knowledge management, information sharing and MEL	990,000

6. Programme Execution cost	860,000
7. Total Programme Cost	9,150,000
8. Programme Cycle Management Fee charged by the Implementing Entity	850,000
Amount of Financing Requested	10,000,000

Project Duration: 6 years

PART II: PROGRAMME JUSTIFICATION

Programme Components:

The Pacific Community (SPC) is a Pacific-owned regional organisation with over 75 years' experience in supporting Pacific SIDS to achieve their development objectives. The RPCIA will be established using SPC's existing systems and processes to support identification and administration of grants focused on innovative adaptation practices across 14 eligible Pacific SIDS. The programme will comprise three components¹.

Component 1 – Small grants for innovation in climate action

Expressions of Interest (Eols) and Requests for Proposals (RFPs) will be issued for grants in the range of USD 75,000–250,000. Eols will be used to screen project ideas for alignment with the objectives of the RPCIA programme including: i) degree of innovation demonstrated; ii) technical soundness of proposed interventions; iii) extent of gender and social inclusion targeting the most vulnerable population groups; and iv) capacity of the applicant to execute the project. The full set of criteria will be developed as part of the funding proposal, in alignment with the Adaptation Fund's Guidance to Multilateral Implementing Entity Aggregators. Project ideas that meet all criteria will move to the RFP process where a more detailed proposal will be submitted, undergo technical evaluation and be presented for approval. In the case where project ideas show promise but fall short of some criteria, targeted support will be provided under Component 2 to strengthen proposals sufficiently to be able to move to the RFP process.

Component 2 – Identification and incubation of innovative practices for climate action

Component 2 will provide technical support and assistance for identification and incubation of potentially innovative practices that require further refinement for replication and upscaling. There are two main avenues through which this technical assistance is anticipated to be delivered. Firstly, interested parties will have the opportunity to request support on a rolling basis for identifying potential approaches to address specific adaptation challenges. This will lead to development of project ideas and concept notes (whether for RPCIA or other funding sources) detailing such approaches including technical evaluation of relevant activities. Secondly, project ideas submitted as Eols under Component 1 that are assessed to show potential but fall short of meeting all criteria will receive targeted support for strengthening and resubmission to the RPCIA grants facility under the RFP process.

Component 3 – Knowledge management, information sharing and MEL

The third component will focus on gathering, analysing and disseminating information on innovative approaches to adaptation at the national, regional and global levels. This will include:

¹ To be refined during formulation of the funding proposal.

Annex 2

- proactive identification of potential innovative adaptation approaches that could be replicated under the RPCIA programme; and
- reflective monitoring, evaluation and learning (MEL) of grants issued through the RPCIA mechanism to capture and disseminate lessons learned.

Opportunities will be sought to identify successful approaches supported through the AFCIA to date² that have potential for replicating through the RPCIA, as well as from past and ongoing initiatives such as the Global Environment Facility's Small Grants Programme (GEF-SGP), Pacific-American Climate Fund (PACAM), Kiwa Initiative, International Climate Initiative Small Grants Programme, etc. These examples will be included in aware-raising and knowledge-sharing activities to sensitise prospective applicants on innovative technologies and practices that may have application in addressing localised climate vulnerabilities. Lessons learned from implementation of grants under RPCIA will similarly be collated, synthesised and disseminated to inform future opportunities for upscaling and replication. Knowledge will be shared with sister AFCIA initiatives as well as through relevant regional and global networks, particularly where they have application in similar contexts e.g. in Caribbean SIDS. The RPCIA will thus have a regional and thematic focus on adaptation in SIDS in the Pacific, but will have global reach in terms of knowledge management and information sharing.

Proposed Focal Areas:

In line with SPC's comparative advantage and technical competence across a range of climate-affected sectors (see section on [Complementarity and Comparative Advantage](#)), it is expected that the themes most likely to be the focus of grants and technical assistance provided through the RPCIA would include:

- Resilient agriculture and rural livelihoods;
- Resilient coastal management and disaster risk reduction;
- Food and water security;
- Ridge-to-reef approaches to resilient and sustainable land and forest management;
- Nature-based solutions and ecosystem-based adaptation; and
- Coastal fisheries, aquaculture and marine ecosystem management;

In all cases, grants will be expected to include a strong focus on gender and social inclusion. This is particularly relevant in Pacific SIDS where disparities faced by women, the youth and people with disabilities render them acutely vulnerable to climate change impacts. Pacific Women Lead is at the centre of SPC's work for gender equality. This is aligned with and will draw from SPC's work under the Pacific Women Lead programme, using a transformative approach to gender equity that is grounded in Pacific values and principles.

Consistency with Regional Priorities:

During the 51st Pacific Islands Forum Leaders Meeting in July 2022, Pacific leaders declared that the region "is facing a Climate Emergency that threatens the livelihoods, security and wellbeing of its people and ecosystems". Similarly, during the Forum Economic Ministers' Meeting in August 2022, Pacific Ministers noted that "timely access to scaled up climate finance remains a critical priority" and "tasked CROP agencies to expedite efforts to strengthen national capacities [...] to improve access to, and the effective management of, scaled up finance".

² Through the United Nations Development Programme and United Nations Environment Programme initiatives.

Moreover, the Framework for Resilient Development in the Pacific (2017–2030) calls for greater innovation under Goal 1: *Strengthened Integrated Adaptation and Risk Reduction to Enhance Resilience to Climate Change and Disasters*. The RPCIA programme responds directly to these priorities by creating the opportunity for vulnerable communities in Pacific SIDS to access innovative climate finance for locally-led action.

Compliance with Environmental and Social Policy:

SPC is accredited as a Regional Implementing Entity (RIE) to the Adaptation Fund as well as a regional Direct Access Entity (DAE) to the Green Climate Fund (GCF). Moreover, SPC has passed the European Union's Directorate-General for International Cooperation and Development pillar assessment. These achievements attest *inter alia* to the strength of SPC's Environmental and Social Safeguard (ESS) measures, implemented in accordance with its Social and Environmental Responsibility Policy. All potential risks in grant applications will be identified and screened, with appropriate mitigation measures adopted to ensure the avoidance of any negative social and environmental impacts. In addition, grant applications will be assessed following SPC's standard ESS approaches to mainstreaming of gender and social inclusion within project design, ensuring that grants identify and address the priorities of vulnerable segments of beneficiary communities, including women, children, the elderly, people with disabilities and other marginalised groups.

Complementarity and Comparative Advantage:

The proposed RPCIA programme provides complementary support to other past and ongoing initiatives in the Pacific region. Experience in the Pacific has shown that small grants such as those provided through the GEF-SGP and PACAM have historically provided invaluable support for locally-led action at the community level. However, these grants have generally been comparatively small in size (less than USD 50,000 and more often around USD 25,000). At the other end of the scale, there have been some notable examples of large-scale grants for climate change adaptation in the Pacific³, predominantly supported by multilateral entities. Such grants have typically been for large-scale, national-level infrastructure projects.

The RPCIA provides an opportunity for bridging the gap between small- and large-scale grants, while still providing opportunity for locally-led climate change action. Grants ranging between USD 75,000–250,000 are large enough for organisations with a local focus (such as non-governmental and civil society organisations as well as local authorities) to take meaningful action to address climate change without overwhelming their absorptive capacity, while simultaneously strengthening their capabilities for identifying, applying for, administering and executing climate change projects. The size of these grants ensures reduced overlap with not only existing small grants programmes but also with large-scale funding opportunities.

SPC has a long track record in serving its 22 Pacific Island Member Countries and Territories. Since its establishment over 75 years ago, SPC has supported Pacific SIDS to address their development priorities in diverse sectors such as education, healthcare, agriculture, human rights, fisheries, social development, energy and disaster risk reduction. With the increasing prominence of climate change as an existential threat to the welfare and well-being of Pacific

³ E.g. GCF grants for: Fiji Urban Water Supply and Wastewater Management Project (USD 31M); Pacific Resilience Project Phase II for RMI (USD 25M); Tuvalu Coastal Adaptation Project (USD 36M); and Integrated Flood Management to Enhance Climate Resilience of the Vaisigano River Catchment in Samoa (USD 57.7M).

Annex 2

nations, SPC has increased its focus on identifying and implementing technical and scientific solutions to climate-induced challenges. This is reflected in the endorsement by all of its Pacific Members of Key Focus Area 1 “Resilience and Climate Action” in SPC’s Strategic Plan 2022–2031. The RPCIA builds on SPC’s work in supporting small grants focused on climate action and cross-cutting resilience-building, including:

Project / Programme	Budget	Description
PACRES	EUR 2.5 million	The Pacific Adaptation to Climate Change and Resilience project is strengthening the capacity of Pacific regional organisations and institutions to intervene, mitigate and adapt to climate change through sharing information, results and knowledge about climate action. This includes the provision of funding to local government, civil society organisations, and non-governmental organisations to scale up adaptation activities through grants ranging from EUR 20,000 up to EUR 400,000. Thematic areas include urban adaptation, food security, ecosystem-based adaptation and awareness-raising.
Kiwa Initiative	EUR 1.1 million ⁴	The Kiwa Initiative is promoting resilience in Pacific Island ecosystems, communities and economies through nature-based solutions by providing grants ranging from EUR 25,000 to EUR 1.5 million for protection, sustainable management and restoration of biodiversity. Under this initiative, SPC assists eligible Pacific SIDS through capacity building to access funding and provision of technical advice and assistance in project identification, development, implementation, monitoring and reporting.
FSM EDA Programme	USD 16.6 million	This Enhancing Direct Access (EDA) programme is the first such EDA to be approved by GCF in the Pacific. It will establish a Rural Communities Grant Facility to provide local authorities including State governments and municipalities in the Federated States of Micronesia (FSM) with access to grants from USD 75,000 up to USD 1 million to support locally-led adaptation.

⁴ Total funding provided through SPC.

PART III: IMPLEMENTATION ARRANGEMENTS

The RPCIA programme will be established by SPC through its Climate Finance Unit (CFU) within the Climate Change and Environmental Sustainability programme. As SPC's focal point as RIE to the Adaptation Fund and DAE to the GCF, CFU is responsible for coordination and oversight of multilateral climate finance projects. In this capacity, CFU provides technical assistance services in areas such as project origination and formulation, training and capacity building, monitoring and evaluation, gender and social mainstreaming, technical backstopping, quality assessment and knowledge management. With existing strong relationships with Designated Authorities and line ministries in Pacific SIDS, SPC is well placed to manage the RPCIA through the CFU in its headquarters in New Caledonia.

Where possible, opportunities will be sought for SPC to work in conjunction with other RIEs and National Implementing Entities (NIE) in the Pacific through the RPCIA. The CFU has already developed formal and informal collaboration with NIEs such as the Secretariat of the Pacific Regional Environment Programme, the Tuvalu Ministry of Finance, the Micronesia Conservation Trust and the Cook Islands' Ministry of Finance and Economic Management. Such collaboration could include knowledge sharing and identification of project ideas, but may also serve to bridge the accreditation gap in situations where NIEs and potential NIEs apply for grants through the RPCIA as a means of strengthening their capacities to identify, develop and manage climate change projects while delivering concrete, innovative adaptation action.

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

A. Record of endorsement on behalf of the government

Not applicable for this expression of interest.

B. Implementing Entity certification

I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board, and prevailing regional and national development and adaptation plans and frameworks and subject to the approval by the Adaptation Fund Board, commit to implementing the programme in compliance with the Environmental and Social 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.



Dirk Snyman
Implementing Entity Coordinator

Date: 20 February 2023

Tel. and email: +687 26 20 00; dirks@spc.int

Project Contact Person: Dirk Snyman

Tel. And Email: +687 26 20 00; dirks@spc.int



Expression of Interest to the Adaptation Fund to serve as small grants aggregators in the Adaptation Fund Climate Innovation Accelerator Partnership

PART 1: PROGRAMME INFORMATION

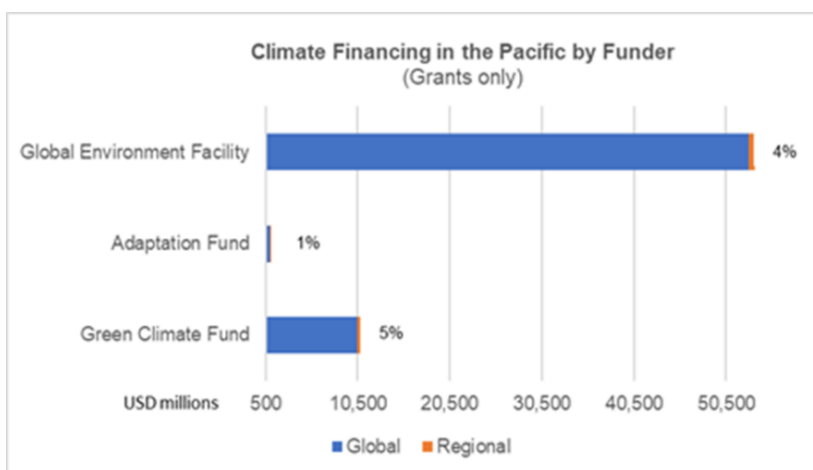
Title of Programme:	Accelerating effective adaptation actions, innovation and learning in the Pacific
Countries:	Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.
Type of Implementing Entity:	Regional implementing entity
Implementing Entity:	Secretariat of the Pacific Regional Environment Programme (SPREP)
Amount of Financing Requested:	USD 6,625,000

1.1 Programme Background and Context:

A 2021 SPREP discussion paper “*Securing Climate Financing to build Resilience to Climate Change in the Pacific Region*” highlighted the low levels of funding accessed by the Pacific under the three UNFCCC funding mechanisms – the Green Climate Fund (GCF), Global Environment Facility (GEF) and the Adaptation Fund (AF).

As of 30 May 2022, funding received from the three mechanisms totals USD 4.7 billion

or 1.2 percent of the total funding envelope. The Global Environment Facility (GEF) has provided 58 percent of the project funding (includes co-financing), the Green Climate Fund (GCF) provides 38 percent whilst the Adaptation Fund (AF) has provided 4 percent.



Annex 3

External finance is critical to the Pacific SIDS to supplement governments' own expenditures through the national budget process, and it is expected to remain so¹. However, the evidence suggests there remains an ever-increasing gap between the current levels of adaptation and levels needed to respond to impacts and reduce climate risks² – with the estimated adaptation costs and likely adaptation financing needs in developing countries about five to ten times greater than current international public adaptation finance flows³.

With approximately only ten percent of the available climate financing through the UNFCCC financing mechanisms (i.e., GCF, AF and GEF) allocated to the Pacific SIDS since 1992 – above bar graph, the gap between Pacific SIDS adaptation priorities and needs, and the level of financing received to implement these priorities, is continuing to grow.

The UNEP report “*The Gathering Storm: Adapting to climate change in a post-pandemic world*” (2021), highlights the costs of adaptation and the estimated financial needs for adaptation from developing countries. It indicates higher values than previously reported, with estimated annual adaptation costs now generally in the upper range of the 2016 estimate of the Adaptation Gap Report of USD 140-300 billion by 2030 and USD 280-500 billion by 2050⁴.

Based on available estimates, in the Pacific sub-region of Melanesia the cost of adapting to climate change could vary from USD 30 million to at least USD 4.5 billion across the subregion over a 5- to 10-year period, while the cost of mitigating climate change could vary from USD 170 million to at least USD 2.9 billion⁵. The World Bank estimated coastal adaptation costs by 2040 ranging from USD 3-11 million for Palau to USD 97-347 million for the Solomon Islands. To climate proof infrastructure from climate-induced flooding for the period 2011-2050, average annual costs range from USD 0.3 million for Tuvalu to USD 20.2 million for Fiji. Protection against tropical cyclone damage, losses in the agriculture sector (5% of GDP by 2100), changes in fish catch and destruction of coral reefs, and possible relocation due to climate change will add to these costs⁶. For Kiribati alone, the cost of mitigating sea level rise will reach 4-17% of GDP by 2040.

The IPCC “*Climate Change 2022: Impacts, Adaptation and Vulnerability*” Report⁷ notes:

- Most observed adaptation is fragmented, small in scale, incremental, sector-specific, designed to respond to current impacts or near-term risks, and focused more on planning rather than implementation.
- Observed adaptation is unequally distributed across regions.
- Gaps are partially driven by widening disparities between the estimated costs of adaptation and documented finance allocated to adaptation, with the largest adaptation gaps existing among lower income population groups.
- At current rates of adaptation planning and implementation the adaptation gap will continue to grow. As adaptation options often have long implementation times, long-term planning and

¹ Atteridge, A., and Canales, N., 2017.

² UNEP, 2021

³ UNEP, 2021

⁴ UNEP, 2021

⁵ UNFCCC, 2019

⁶ World Bank (2016) Pacific Possible: Climate and Disaster Resilience

⁷ IPCC, 2022

Annex 3

accelerated implementation, particularly in the next decade, is important to close the adaptation gaps, recognising that constraints remain for some regions.

In meeting the region's adaptation priorities and urgent needs to scale up and further increase public adaptation finance both for direct investment and for overcoming barriers to private-sector adaptation. SIDS will not be able to rely on official development assistance nor domestic taxes and fees to meet their adaptation needs. New instruments, actors, and approaches to scale up adaptation finance are emerging, including private-sector adaptation financing. These offer opportunities to raise adaptation finance and to use public adaptation finance to leverage private investment. There is still the unknown of how these can be initiated. There are discussions at the high level however minimum on showcasing these at the grassroots level and demonstrating innovation.

The rate and scale of adaptation progress at the national level is not enough to keep up with the growing needs, as adaptation costs are rising faster than adaption financing. The recent IPCC report notes there are feasible and effective adaptation options which can reduce risks to people and nature, with integrated, multi-sectoral solutions that address social inequities, differentiate responses based on climate risk and cut across systems, increasing the feasibility and effectiveness of adaptation in multiple sectors⁸. However, this can only be effective through scaling up and further increasing public adaptation finance both for direct investment and for overcoming barriers to private-sector adaptation⁹.

At the 50th Pacific Islands Forum in Tuvalu in 2019, Pacific Leaders endorsed the development of a 2050 Strategy for the Blue Pacific Continent, noting that Pacific Island countries can form an effective union that builds on the Small Islands Developing States Accelerated Modalities of Action (SAMOA) Pathway and the Boe Declaration on regional security to ensure a safe and secure future for the Pacific in the face of climate change. Importantly, a key driver of the 2050 Strategy was the subsequent adoption by Leaders at the Forum meeting of the Kainaki II Declaration for Urgent Climate Change Action Now, which states, inter alia:

“To secure the future of our Blue Pacific, we have pursued and must continue to pursue, bold and innovative regional solutions recognising that each of our nation's futures, as well as the actions we choose to take, are interconnected.

- We have established the Framework for Resilient Development in the Pacific (FRDP) and its inclusive Pacific Resilience Partnership (PRP) as an integrated approach to address climate change adaptation and disaster risk management and to build regional resilience.
- We reinforce the need for transformational change at scale.”

Through these declarations and frameworks, Pacific SIDS have reinforced their commitment to the vital role that regional cooperation plays in supporting climate change action across their vast oceanic domains. Financing at the regional, national and sub-national levels are therefore necessary to enable a paradigm shift in modalities to address climate change, and subsequent transformational change.

⁸ IPCC, 2022

⁹ UNEP 2021

Annex 3

Pacific SIDS have progressed adaptation planning, institutional and systems improvement, national processes, and review of national frameworks to align to climate finance criteria in anticipation of upscaling access to financing. The financing for transformational change, however, needs to expand drastically, including the modality of financing, to meet the climate change adaptation needs, while there is still time (i.e., within the next 1-2 decades).

Urgent action and a realignment of climate adaptation priorities to either new or non-traditional financing structures and mechanisms requires consideration. More specifically, there is a need to accelerate financing to the sub-national level through small grants to enable communities and the vulnerable groups to respond and prepare accordingly rather than waiting for the “mainstream” financing to trickle down. A supported mechanism as proposed in this programme will enhance the participation and practical execution of plans in place and contribute to bridging the gap between estimated cost of adaptation and documented finance for adaptation.

1.2 Programme Objectives:

Entice, accelerate and demonstrate the participation of private sector, vulnerable groups, communities, and CSOs /NGOs in bridging the gap between estimated costs of adaptation priorities and documented finance allocated to adaptation through innovative measures.

1.3 Programme Components and Financing:

Project/Programme Components	Expected Outcomes	Expected Outputs	Countries	Amount (US\$)
Component 1: Supporting capacity-building and readiness for innovation to increase of national implementing entities' (NIEs) awareness and capacity for developing and implementing innovation projects.	NIEs have the resources including readiness and awareness to accelerate the upscaling and implementation of innovative adaptation measures.	Improved participation and coordination for on-ground adaptation measures	FSM [Micronesia Conservation Trust – MCT]	750,000
		Ground-truth innovative adaptation solution measures for upscaling	Tuvalu [Ministry of Finance]	
		Enhanced capacity and readiness of NIEs for developing and implementing innovative adaptation measures	Cook Islands [Ministry of Finance and Economic Management – MFEM]	

Annex 3

Component 2: Supporting innovation projects such as on adaptation technologies, tools and practices that encourage multi-stakeholder partnerships by including e.g., youth, women, disabled people, researchers, civil society, indigenous people and the private sector.	Transforming and attracting investment for resilience development	Opportunities for private sector and SMEs to pilot use of adaptation technologies, tools and practices, and upscale, for adaptation measures	Cook Islands, Niue, Samoa, Solomon Islands & Vanuatu	2,000,000
	Women, girls, and people with disabilities accessing technologies to cope with impacts of climate change	Opportunities to showcase how technologies, tools and practices improve resilience of the most vulnerable in our communities	Cook Islands, FSM, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, PNG, Samoa, Solomon Islands, Tonga, Tuvalu, & Vanuatu	1,000,000
Component 3: Enhance learning and sharing of knowledge on innovation in adaptation	Traditional learnings and knowledge for adaptation measures	Enhanced water and food security for atoll communities /islands	FSM, Kiribati, Marshall Islands & Tuvalu	1,750,000
	Knowledge management and sharing focusing on lessons learnt and best practices on adaptation measures	Stakeholders (e.g., communities and vulnerable groups) are aware of best /practical tools, practices, and technologies for improved resilience.	Cook Islands, FSM, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, PNG, Samoa, Solomon Islands, Tonga, Tuvalu, & Vanuatu	
Sub-total				5,500,000
6. Small Grants Management Unit cost (10%)				550,000
7. Total Programme Cost				6,050,000
8. Programme Cycle Management Fee charged by the Implementing Entity (9.5%)				574,750
Amount of Financing Requested			USD	6,624,750 (approx. 6,625,000)

Project Duration: 3 years (36 months)

PART 2: PROGRAMME JUSTIFICATION

The programme, *accelerating effective adaptation actions, innovation and learning in the Pacific*, contributes to bridging the gap between estimated cost of adaptation and documented finance for adaptation. The programme focuses on a multi-pronged approach where small grants are to support NIEs on innovative projects; pilot innovative transformation and participation of the private sector, SMEs, women, youth and people with disabilities on adaptation measures; and strengthen the coping with impacts of climate change through learning and sharing of knowledge. These will be achieved through three components.

Component 1: Supporting capacity-building and readiness for innovation to increase of national implementing entities' (NIEs) awareness and capacity for developing and implementing innovation projects.

Component 2: Supporting innovative adaptation such as on technology transfer, tools and practices that encourage multi-stakeholder partnerships by including e.g., youth, women, disabled people, researchers, civil society, indigenous people and the private sector.

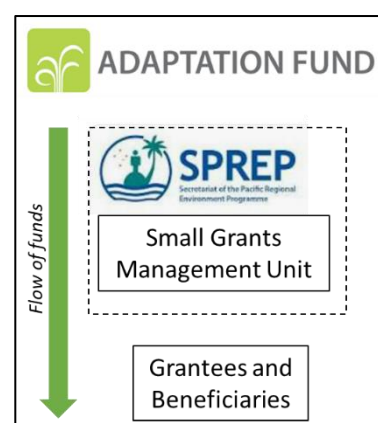
Component 3: Enhance learning and sharing of knowledge on innovation in adaptation

The programme is designed to provide the opportunity for identified stakeholders to accelerate the transformation of innovative adaptation measures through demonstration and ground-truthing for potential upscale. The programme also allows consideration of entities to strengthen capacity and awareness on innovative adaptation solutions to assist the most vulnerable to climate change impacts. The programme makes access to funding possible directly to the grassroots level to respond, prepare and build their resilience to climate change impacts.

PART 3: IMPLEMENTATION ARRANGEMENTS

The programme, *accelerating effective adaptation actions, innovation and learning in the Pacific*, will be implemented by SPREP. The small grant funding facility and its modalities will be fully presented during the full proposal stage. Nevertheless, the envisaged approach is, the programme will establish a small grant funding facility to accelerate the implementation of innovative adaptation solution measures through a suite of interventions that will support sub-grants in the range of USD 50,000 – 250,000.

A small grants management unit (SGMU), manned by a Small Grants Coordinator and a Finance and Administration Officer, will be established to administer and operationalise the programme under the SPREP Grant Mechanism Procedures. The flow of funds is illustrated in the Figure provided



Annex 3

The SPREP Grant Mechanism Procedures, Annex 1, includes the:

- Legal and regulatory framework for providing grants
- Principles (such as transparency, equal treatment, programming, eligibility criteria, etc.)
- Standard procedures (design, fund structures, call for proposals, appraisal, award, monitoring and reporting, performance evaluation, complaint process and payments)

The access to the small grants will consider the following approach:

- (i) Call for proposals for National Implementing Entities (NIEs) to enhance their capacity and awareness to develop and implement innovative adaptation projects.
- (ii) Call for proposals from the private sector, small-medium-enterprises (SMEs), and national entities advocating for women, girls, people with disabilities including human rights to participate and invest on adaptation technologies, tools and practices.
- (iii) Small grant opportunities for community-based groups, non-governmental organisations and civil society organisations to enhance learning and knowledge sharing for adaptation measures.

All proposals for the small grants will include an environmental and social safeguard screening to avoid, minimize and mitigate any harm to people and ecosystems and to incorporate environmental and social concerns as an intrinsic part of the SPREP project cycle management.

The implementation of the programme, *accelerating effective adaptation actions, innovation and learning in the Pacific* at SPREP will be supported and strengthened by the SPREP programmes of Climate Change Resilience, Environmental Monitoring & Governance, Island and Ocean Ecosystems and, Waste Management and Pollution Control including the Pacific Climate Change Centre (PCCC).

The PCCC as a regional centre of excellence will play a key role in supporting the components of the programme. The PCCC has established platforms and programmes that will be invaluable to supporting the focus areas of *accelerating effective adaptation actions, innovation and learning in the Pacific* including the delivery of capacity development programmes in adaptation; promotion of applied research and innovation; improvement of the flow of practical information between climate practitioners, policy makers, researchers, scientists and those implementing policies, programmes and projects; provision of space for researchers and experts to work directly in providing support to and for the benefit of the Pacific; and bring together partners to find innovative solutions to the challenges that climate change presents.



UNEP–CTCN: Expression of Interest for Special Financing Window in Support of Innovation for Adaptation (AFCIA): Phase II

Countries:	Global
Crosscutting Strategic Themes ^[1] :	Cross-sectoral
Type of Implementing Entity:	Multilateral Implementing Entity (MIE)
Implementing Entity:	UN Environment
Executing Entities:	CTCN
Amount of Financing Requested:	US\$ 10,000,000 (in U.S Dollars Equivalent)

TO

	 ADAPTATION FUND	
REGIONAL PROJECT/PROGRAMME PROPOSAL		

^[1] AF MTS II: Promoting locally based and locally led adaptation, Enhancing access to climate finance and long-term institutional capacity, Empowering and benefiting the most vulnerable people and communities as agents of change, Advancing gender equality, encouraging the scaling and replication of results, Strengthening complementarity and coherence, and synergies, with other adaptation funders and actors,

Annex 4

1. Summary of EOI / Proposed Programme

The CTCN herewith presents its Expression of Interest (EOI) for the 2nd phase of the AFCIA Programme of the Adaptation Fund. The EOI is built on the experience, success and lessons learnt from the first AFCIA Programme launched in November 2020, and aims to further scale the ambitions and impact.

This second AFCIA UNEP-CTCN programme will continue to support the testing and piloting of innovative climate adaptation technologies while expanding towards the demonstration and scale-up of high-potential climate adaptation technologies. Additional focus will be set on enhancing the enabling environment of such technologies to accelerate technology uptake and market development. For that purpose, a National Systems of Innovation (NSI) approach will be adopted which will consider capacity building, learning and knowledge sharing, financing facilitation, policy development, and business modelling. This new approach will not only accelerate impact but also create sustainable change.

The successful delivery model of the 1st phase of the AFCIA Programme will be further enhanced: national stakeholders will be encouraged and guided to submit technology concepts across the technology development cycle; requests will be evaluated based on transparent criteria; implementing partners will be identified through competitive bidding from CTCN's global Network of +800 members; technical assistance for technology piloting will be implemented; monitoring and evaluation at a pre- and post-implementation stage will be conducted; high-impact technologies will be supported for wider demonstration and scale-up; enabling environment will be enhanced for technology uptake and market development; ongoing capacity building and knowledge sharing will be delivered; AF concept notes will be developed for financing facilitation.

This new programme for the 2nd AFCIA phase will entail:

1. Locally-led adaptation technologies are tested and piloted
2. High-impact adaptation technologies are identified, demonstrated and scaled-up
3. Enabling environments of technologies are strengthened through capacity building, business modelling and financing facilitation
4. Digital public goods are made available globally for the broader learning and sharing, and potential replication of climate adaptation technologies.
5. Successful pilots are scaled up in-country and across geographies.

2. Achievements and Lessons learned from previous AFCIA Programme

The previous UNEP-CTCN led AFCIA Programme has seen great success across the implemented technology concepts in diverse fields.

Table 1 Performance of AFCIA to date

Regions	No. of Concepts Submitted in the 3 calls for proposals	No. of Concepts selected
LDCs	193	7
SIDS	44	4

Annex 4

Other regions	271	9
Total	508	20

From the 20 implemented technology concepts so far, 2 projects are in the process of preparation of concept notes for scaling up to a larger scope. One such project was the SLAMDAM tool implemented in Burundi (14th most vulnerable country globally) to serve as a flood barrier and store water for usage during droughts. This project had a huge impact and its success has drawn attention to other countries like Pakistan where the same technology will be transferred for different application. Similarly, Mali received support to develop a farmer-friendly agrometeorological information to improve agricultural productivity and increase farmers' incomes and food security. The Framework of the developed tool has remained a digital tool of the CTCN which can be shared freely through the CTCN platform to other regions seeking related technology. This will ensure fast technology transfer and implementation.

Beyond the achievements, there was a wide range of lessons to be drawn. Amongst them:

- a) There is a large appetite and need for adaptation-related technical assistance in developing countries. Nearly 400 requests from 87 developing countries were received from the 3 calls for proposals in the 1st phase of the AFCIA programme. More than ever, it has become evident that developing countries, in particular least developed countries (LDCs) and small island development states (SIDS), continue to need support to articulate their adaptation technology demands.
- b) There is a great need to further build capacities of AF focal points and stakeholder (project proponents) in order to improve the quality of proposals and locally led adaptation projects.
- c) AFCIA programme would benefit from a larger implementation timeframe, as this would allow for effective demonstration and scale-up. Innovation requires testing and demonstration, a 5-year programme would continue to promote successful selected projects (technical assistance) to be scaled up, demonstrated, linked to or create ecosystems for National Systems of Innovation as well as realize a broader range of digital public goods that could be made available to the global community.
- d) The budget of the average technical assistance was small (around USD 125,000) for those targeting policy related intervention and hence all TAs should be budgeted at 250,000 USD.

3. Programme Objectives and Strategy

The primary objective of the proposed 2nd AFCIA programme is to support countries to test, demonstrate and scale up innovative, transformative, and locally-led adaptation technologies across the technology cycle and anchor these into a strengthened National Systems of Innovation¹.

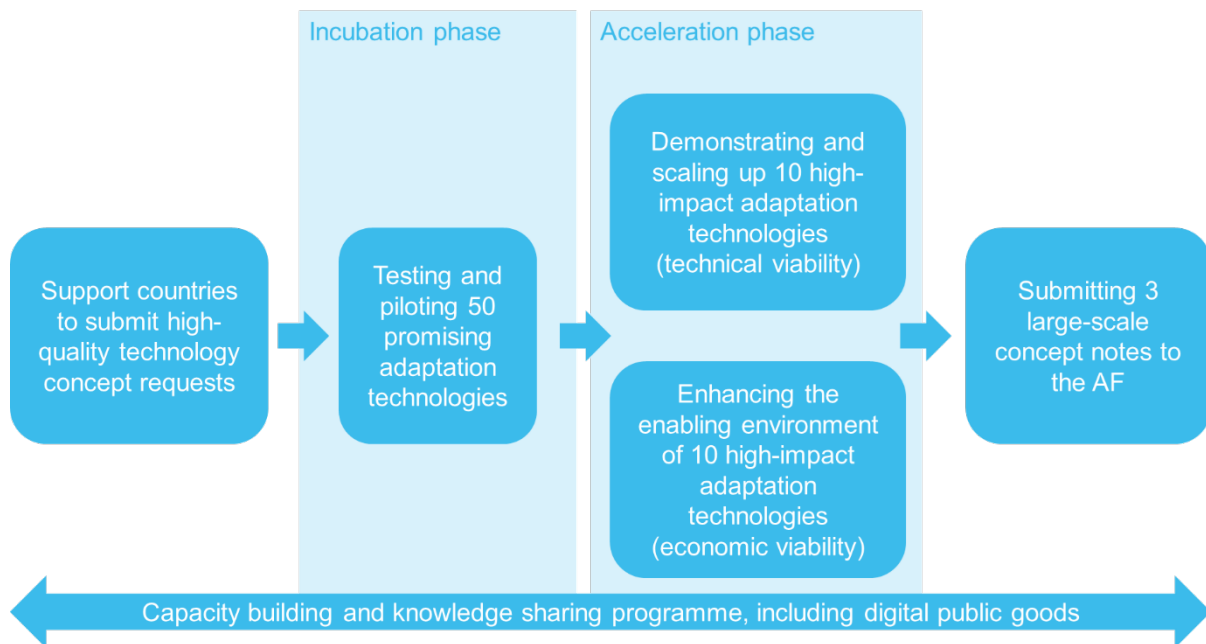
Sub-objectives are:

- Encourage, test and demonstrate adaptation technology innovation across technology development stages and sectors
- Scale up high-impact adaptation technology innovation for accelerated impact

¹ National Systems of Innovation (NSI) refers to a country's technological capabilities composed of a network of actors, institutional contexts and linkages that underlie national technological change. The NSI should thus play a central role in supporting a country's efforts to enhance action on climate change mitigation and adaptation. It also helps a country to meet other developmental challenges and add value to its national economy. ([TEC Brief #7, 2015](#))

Annex 4

- Create favourable enabling environments for continuous innovation capacities
- Share knowledge and build capacity on adaptation technologies, including the promotion of digital public goods through CTCN's platform



Outreach and technical support will be provided to eligible countries at a global level in order to identify, develop and submit higher quality technology concept requests. During this phase, capacity building as part of a readiness support will ensure the enhancement proposals and allow the selection of 50 high-potential adaptation requests.

The **incubation phase** will allow testing and piloting of 50 high-potential adaptation technology projects. Innovative ideas and risk-taking will be promoted to encourage technology concepts across the technology development cycle.

The **acceleration phase** consists of scaling up high-potential adaptation technologies through technology demonstrations at a larger scale to prove technical viability, and through improving the enabling environment for specific adaptation technologies to facilitate economic viability.

The 10 highest-potential adaptation technology projects will be selected which are subject to demonstration and scale-up across a broader territory. Within this scale-up, technologies will go through a further technical improvement phase in which demonstrations and adaptation to different local conditions will be attained. For physical technologies, this may lead to identifying and incorporating further specifications and required technology variations to make them adaptable to different conditions. For digital technologies, this exercise will allow to develop more generally applicable and modular tools which have the potential for being promoted as digital public goods, meaning free-of-charge open-source software to facilitate accessibility, replication and scale-up by other interest groups.

In addition, 10 projects on enhancing the enabling environment of adaptation technologies will be conducted. These may link to capacity building, learning and knowledge sharing, financing facilitation, policy development, and business modelling. The objective is to enable technology

Annex 4

uptake and market development. The National System of Innovation (NSI) approach will be a guiding principle in this context.

Finally, 3 technological proposals will be taken forward to be transformed into concept notes to be submitted to the AF for further support.

Along the whole project cycle, the crosscutting component on capacity building and knowledge sharing will support the activities of the Programme at a global level. This will include activities such as:

- building initial capacity on high-potential climate adaptation technologies across transformative areas such as Water-Energy-Food Nexus and Building & Infrastructure,
- sharing knowledge on successes of technology piloting,
- distributing knowledge products on enabling environment requirements, as well as providing training on demonstrated high-impact adaptation technologies, e.g. on digital technologies that have been made available as digital public goods.

4. Outputs and activities

Programme Components	Expected Outcomes	Expected Outputs	Amount (US\$)	Co-funding from the CTCN (US\$)
1. Outreach and sourcing of innovation micro-grant proposals	The innovation micro-grants mechanism is launched and partnerships for accessing the Adaptation Fund innovation mechanism are accelerated	1.1 Outreach plan developed for 70 countries in the programme 1.2 Project concept notes for Adaptation Fund innovation micro-grants mechanism are strengthened and 50 innovative, transformative and locally-led technologies are selected	500,000	
2. Innovative, transformative and locally-led climate adaptation technologies are tested	50 climate innovative and transformative technologies are tested in developing countries	2.1 Promising adaptation innovations and technologies are tested in at least 30 countries	5,000,000	1,000,000
3. Innovative, transformative and locally-led climate adaptation technologies are demonstrated	Of the 50 tested innovative, transformative and locally-led climate adaptation technologies, 10 impactful technologies are moved to technology demonstration stage	3.1 10 innovative, transformative and locally-led adaptation technologies are demonstrated at a larger scale	1,000,000	

Annex 4

4. Enabling environments developed and strengthened	Market growth, involvement of domestic private sector and financial viability is reached through a strengthened enabling environment and National Systems of Innovation (e.g. via policy making, business model design, financing mechanisms)	4.1 Enabling environment and National Systems of Innovation for 10 adaptation technologies strengthened in developing countries	1,000,000	
5. Adaptation Climate finance is leveraged	Experiences from the micro-grant innovation mechanism led to scaled-up funding	5.1 Up to 10 Concept notes developed for the AF and 3 full scale proposals formulated and submitted to the Adaptation Fund	500,000	
6. Capacity building and knowledge transfer programme on two areas of system transformation and disseminated	Capacity building and knowledge transfer is ensured through a multi country and programmatic approach on Water-Food Energy Nexus and Buildings and Resilient Infrastructure	6.1 4 regional capacity building and knowledge transfer programmes on sectors including Water-Energy-Food Nexus and Buildings and Resilient Infrastructure will be organized: 4 per year – one by region (MENA, LAC, Asia and Africa	1,000,000	
7. Staff 8. Travel 9. Communication and Outreach 10. Programme Execution cost (7%) 11. Total Programme Cost			1,000,000	
Total budget amount			10,000,000	1,000,000

5. Benefits of UNEP as the Implementing Entity

The United Nations Environment Programme (UNEP) is the leading global environmental authority that sets the global environmental agenda, promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system and serves as an authoritative advocate for the global environment. UNEP's [Medium-Term Strategy](#) (MTS) and climate change sub-programme prioritises support to government and non-government development partners to ensure that development plans and actions are compatible with the long-term mitigation and resilience goals of the Paris Agreement. Within the MTS 'Climate Action' and 'Living in Harmony with Nature' are two of three strategic priorities (the other being a pollution-free planet) and the approach is underpinned by science; and environmental law and governance and facilitated by financial and economic transformation; and digital transformation. The MTS also commits UNEP to

Annex 4

focus particularly on supporting adaptation in “the countries that are most vulnerable and most in need, such as disaster- and conflict- affected countries.”

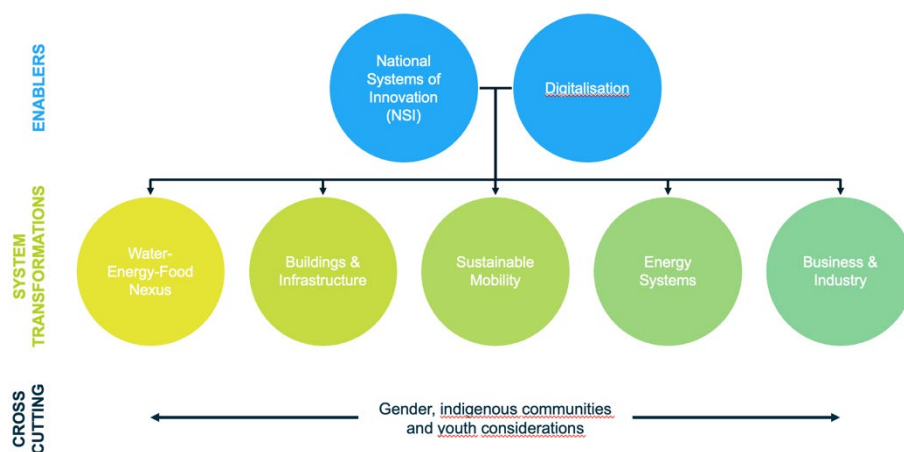
UNEP’s Ecosystems Division works with international, regional, and national partners, providing technical assistance and advisory services for the implementation of environmental policy, and strengthening the environmental management capacity of developing countries and countries with economies in transition. UNEP adaptation policy and advocacy initiatives enhances the implementation of the UN Framework Convention on Climate Change (UNFCCC) and Paris Agreement decisions including, for example, co-hosting the Climate Technology Center and Network (CTCN), supporting developing countries on their National Communications, National Adaptation Plans (NAPs), and Nationally Determined Contributions.

6. Benefits of CTCN as Executing Entity

With its’ core mandate, new Programme of Work (PoW) and delivery model, the CTCN is the ideal Implementing Entity for the AFCIA Programme.

The CTCN is the implementation arm of the Technology Mechanism of the United Nations Framework Convention on Climate Change (UNFCCC) and is hosted by the UN Environment Programme (UNEP). As core mandate, CTCN promotes the accelerated transfer of environmentally sound technologies for low carbon and climate resilient development at the request of developing countries.

CTCN’s new Programme of Work (PoW) 2023 – 2027 sets a priority on five system transformation areas with two key enablers, as shown in the graphic below. The system transformation areas closely linked to the themes listed in the Call for EOI. Water-Energy-Food Nexus and Buildings & Infrastructure constitute two of the main areas of adaptation needs. Digitalisation and National Systems of Innovation are considered as key enablers to (1) promote scalability of technologies, e.g. through digital public goods, and (2) ensure endogenous and continuous capacities of innovation at a national level.



The delivery model of the CTCN has already proven successful in the last AFCIA programme. The CTCN will ensure the selection of proposals through competitive bidding and stringent criteria for demonstration and scale up. The projects will be evaluated based on the CTCN’s minimum eligibility, prioritization, and balancing criteria to ensure vulnerable countries like LDCs and SIDs are prioritized but also selected technologies are aligned with their NAPs, TNA and TAPs. Selected projects will also abide by the UNEP’s Safeguard Risk Identification framework to mitigate its potential project risks.

Annex 4

The CTCN serves as a trusted technology partner, matching developing country needs with world-class expertise of our Network members. The CTCN engages various stakeholders in the technology transfer processes through a distributed Network of over 800 technology service providers and experts from academia, civil society, finance, the private sector, and research institutions; 161 national climate technology focal points; technical resources of the UNEP. This gives the CTCN a comparative advantage to leverage these multi-stakeholder partnerships to harmonize different roles in successful technology transfer.

The project impact is closely monitored through a well-functioning Monitoring and Evaluation (M&E) scheme at a pre- and post-implementation stage. Lastly, all CTCN projects are locally-led in nature as the CTCN operates on a demand-driven basis (projects are implemented upon request of a national entity), and requires partnering with local institutions for the implementation of activities to create ownership, promote knowledge transfer, and ensure effective stakeholder engagement on the ground.

7. Contributions to the Expected Results (ER) of AF MTS II - Innovation Pillar

The proposed programme by CTCN links to the three pillars of the AF Medium Term Strategy (MTS) II of (1) Action, (2) Innovation, and (3) Learning and Sharing; and more specifically to the expected results (ERs) of the Innovation Pillar as defined by the AF MTS II. The table below highlights the contributions of the proposed programme to the ERs.

Expected results (ER) of AF MTS II	Contributions of Proposed Programme
New innovations and risk-taking encouraged and accelerated	<ul style="list-style-type: none">• Knowledge on high-potential adaptation technologies will be distributed to target audience.• 50 high-potential adaptation technology projects will be selected and supported.• Innovation will be promoted through capacity building and knowledge sharing activities.
Successful innovations replicated and scaled up	<ul style="list-style-type: none">• The 10 highest-potential adaptation technologies that were piloted will be scaled up• The enabling environment for 10 highest-potential adaptation technologies will be enhanced for technology scale-up• 10 concept notes and 3 full-scale proposals will be formulated for financing and large-scale implementation.
Access and capacities enhanced for designing and implementing innovation	<ul style="list-style-type: none">• Capacity building and knowledge transfer programmes will be conducted to enhance capabilities for innovation design and implementation.• The enabling environment for 10 high-potential adaptation technologies will be enhanced for technology scale-up.
Evidence base generated and shared (linkage with learning and sharing pillar)	<ul style="list-style-type: none">• Rigorous Monitoring and Evaluation (M&E) will be conducted at pre- and post-implementation stage.• Knowledge sharing activities will be conducted on the potential and impact of adaptation technology projects.

Annex 4

	<ul style="list-style-type: none">• Digital public goods will be made available through the CTCN's website.
--	---



**UNIDO Expression of Interest for Small Grants Aggregators in
the Adaptation Fund Climate Innovation Accelerator (AFCIA)**

The Adaptation SMEs Innovation Facility (ASIF)

To accelerate the growth and commercialization of high-impact climate adaptation SMEs

20 February 2023

Table of Contents

A. Introduction	2
A1. Role of SMEs in climate adaptation	2
A2. Challenges experienced by adaptation SMEs	3
A3. Baseline analysis and existing initiatives	5
Gaps in supporting adaptation SMEs	6
Gaps in adaptation finance	6
Gaps in Supporting Vulnerable Regions	7
A4. UNIDO's approach and comparative advantage	7
UNIDO's contribution to SDGs through private sector support	8
UNIDO's expertise in accelerating climate technologies	8
B. The Proposed Adaptation SMEs Innovation Facility (ASIF)	12
B1. Component 1: Growth Accelerator	16
B2. Component 2: Investment Catalyzer	18
B3. Component 3: Monitoring, Learning and Evaluation	19
B4. Project implementation arrangements	20
B5. Projection of ASIF's Impact	21
B6. Environmental and social safeguards	22
Gender mainstreaming	22
Environmental and social impacts and risks	23
Annexes	25
Annex 1 Draft application form for the ASIF Growth Accelerator	25
Annex 2 Draft review sheet for the ASIF Growth Accelerator	28
Annex 3 Draft application form for the ASIF Investment Catalyzer	30
Annex 4 Draft review sheet for the ASIF Investment Catalyzer	35

A. Introduction

1. This proposal is submitted in response to the Call for Expressions of Interest (EoI) from Multilateral and Regional Implementing Entities of the Adaptation Fund (AF) to serve as a small grants aggregator in the AF Climate Innovation Accelerator (AFCIA) partnership. The call was issued on 20 January 2023 as part of the Innovation pillar of the Fund's new Medium-Term Strategy (MTS II) for the 2023 – 2027 period approved in October 2022.
2. UNIDO proposes to establish the Adaptation Small to Medium-Scale Enterprises (SMEs¹) Innovation Facility (ASIF) that will unlock the role of the private sector in the emergence, development and adoption of high-impact climate adaptation solutions to directly benefit vulnerable communities. The Facility will support adaptation SMEs to engage communities in the processes of creating, testing, and deploying adaptation solutions. Through an open innovation process, selected adaptation SMEs in seed stages will first receive targeted and bespoke business development and growth technical expertise. Those that reach early growth stage, will then receive performance-based grants to deploy their solution to specific vulnerable communities. This targeted intervention will accelerate the maturity of climate adaptation solutions by bringing them to levels of revenue generation and impact, and equip them to engage with follow-on investors and support mechanisms. These two interventions are carefully designed to encourage more risk-taking by adaptation SMES and stimulate the scaling up and replication of high-impact innovations. This supports AFCIA's goal to encourage and accelerate new innovations, develop innovative adaptation practices, tools, and technologies, and generate evidence of effective, efficient adaptation practices, products, and technologies.

A1. Role of SMEs in climate adaptation

3. SMEs play a major socio-economic role in developing countries and emerging economies, generating at least 45% of employment. Globally, SMEs represent 95% of the private sector and contribute up to 33% of GDP.² SMEs thus have the potential to play an important role in poverty reduction and economic growth through job creation and income generation. They also provide equitable jobs and entrepreneurship avenues for women, youth, and other vulnerable groups, and can promote socially inclusive economic growth through their effective participation in national economies. Representing a lion's share of private sector activity in developing countries, SMEs operate at community levels with reach to vulnerable populations at the bottom of the pyramid, consisting of customers, employees, or partners along their value chain.
4. SMEs have access and reach to local communities, which is a key characteristic that enables them to play a catalytic role in climate adaptation. As they operate primarily at the local levels, SMEs

¹ In this proposal, SMES are defined to include entrepreneurs, micro, small and medium-scale enterprises, community organizations, civil society organizations etc. that are registered and operate on a market basis.

² https://www.wto.org/english/tratop_e/msmesandtra_e/day20_e.htm
https://www.wto.org/english/tratop_e/msmesandtra_e/msmesday20_e.htm

understand the contextualized challenges unique to each community. Their local presence and operations provide SMEs with the experience and knowledge of their markets and customer bases, which is particularly useful in terms of climate adaptation as they are aware of the intersections between location-specific climate, environmental and socio-economic factors and context-specific challenges communities are facing. Therefore, SMEs are well placed to understand local climate risks, the impact of those risks, and develop innovative solutions that help communities to effectively address the climate risk and their impact. SMEs can thus drive the provision of climate adaptation solutions that are locally sourced, affordable, and tailored to vulnerable communities' needs and specific circumstances. SMEs can also adapt and alter their products which makes them ideal providers of adaptation technologies and solutions, compared to larger enterprises that often lack the flexibility or incentive to respond to fast changing needs of small and marginalized communities.

5. The degree to which adaptation solutions exist as commercially viable products and services in the market is a direct indication of their scale-up and replication potential. Capacity and competitiveness of local adaptation SMEs to develop innovative technologies and solutions into profitable business models, therefore will lead to the sustainability and success of climate adaptation. Further, adaptation SMEs can become engines of economic growth through income generation and green jobs creation in the communities and countries of their operation. ASIF will therefore enhance the ability of adaptation SMEs to provide solutions on a commercial basis. Community-centred and locally led adaptation will be key principles in ensuring the sustainable accessibility and relevance of the solutions beyond the end of project support.

A2. Challenges experienced by adaptation SMEs

6. Adaptation SMEs are defined as entities³ providing technologies, products, and/or services that address systemic barriers to adaptation by strengthening users' ability to understand and respond to physical climate risks and related impacts and/or capture related opportunities, or contribute to preventing or reducing material physical climate risk and/or the adverse associated impacts on assets, economic activities, people, or nature. Adaptation solutions are technologies, products or services that can support the identification, assessment, management/transfer and/or monitoring of physical climate risks and their impacts. The solutions can be divided into two categories⁴:
 - Intelligence: Climate information, data products, software and other tools that enhance the user's knowledge and understanding climate-related risks or climate variability;
 - Product and services: Any equipment, technology or service needed to prevent, mitigate, or transfer physical climate risks and adapt to climate change.

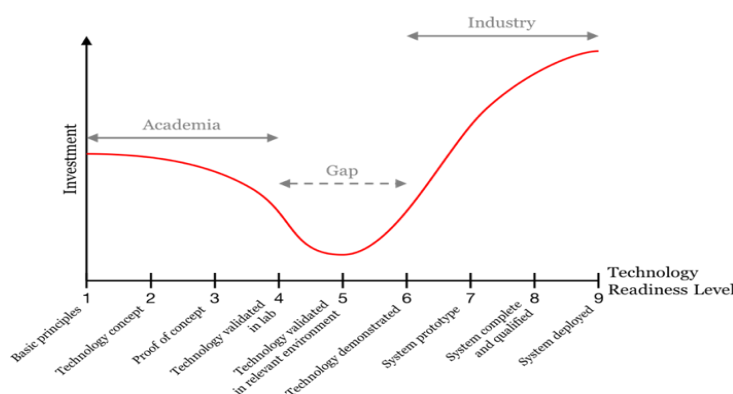
³ The definition of an entity here encompasses community organizations, civil society entities, entrepreneurs, start-up for as long as they operate a viable business.

⁴ https://lightsmithgp.com/wp-content/uploads/2020/09/asap-adaptation-solutions-taxonomy_july-28-2020_final.pdf

7. Adaptation SMEs possess a unique advantage in providing locally relevant climate adaptation solutions. However, the commercialization of their solutions tends to be limited by several challenges such as low business experience, immaturity of technology level, and lack of access to patient and acceptable financing. The lack of entrepreneurial skills, capacity, and networks often hinder the transformation of their innovations into marketable solutions. Despite having viable adaptation solutions, access to early-stage financing remains a significant obstacle for these SMEs. Early-stage SMEs are generally considered high-risk by investors and financiers. Furthermore, the limited availability of financing to early-stage adaptation SMEs results in what is typically referred to as the “valley of death” or gap as depicted in figure 1 below. More specifically, key challenges SMEs face stem from⁵:

- limited market intelligence, which undermines decision-making regarding market opportunities and market entry strategies;
- lack of experience in product manufacturing and service provision at scale, and limited access to commercialization partners and network;
- limited awareness of and access to financial schemes, requirements, and procedures for early-growth stage financing, limited interaction with potential investors, and the resulting misalignment of the financing needs of SMEs and the offerings from financing partners and institutions; and
- lack of investment vehicles aimed at early-stage adaptation SMEs tailored to de-risk and crowd-in private sector investments, stemming from limited understanding of financing needs specific to climate adaptation.

Figure 1. Innovation Valley of Death (PWC, 2018)



8. The difficulties experienced by SMEs in the valley of death can be further categorized according to the Technology Readiness Level (TRL)⁶ of solutions. More specifically, SMEs at **seed stage** are considered to have solutions at TRLs 3-4⁷, and under 3 years old, while SMEs at **early-stage** are considered to

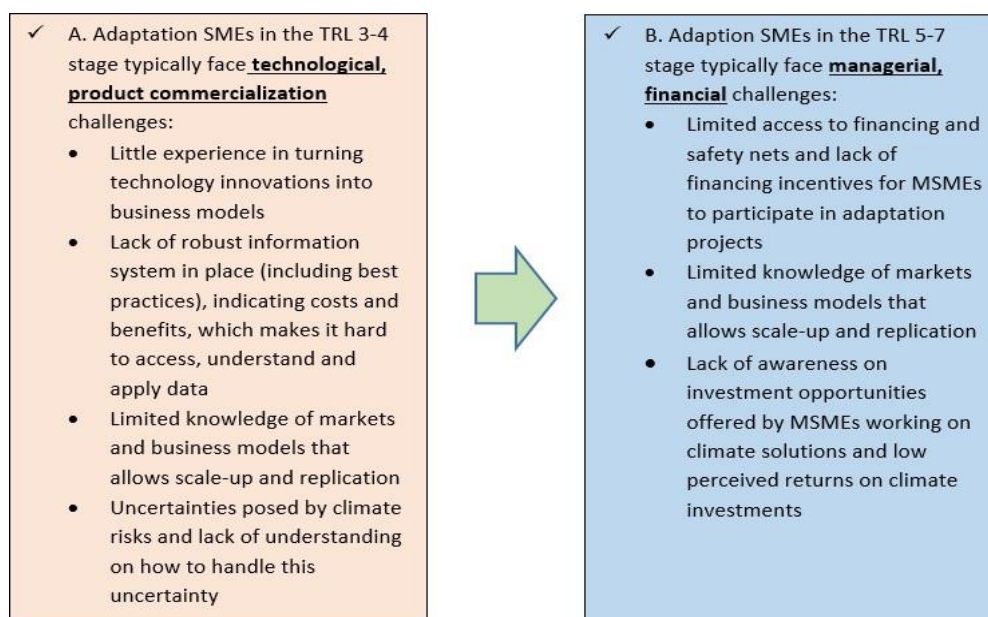
⁵ <https://wamda-prod.s3.amazonaws.com/resource-url/5e470b9405a483a.pdf>; <https://wamda-prod.s3.amazonaws.com/resource-url/5e470b9405a483a.pdf>; <https://hbr.org/2022/04/an-entrepreneurs-guide-to-surviving-the-death-valley-curve> https://cdkn.org/sites/default/files/files/Leveraging-private-climate-finance_final-web.pdf

⁶ TRL is a measurement system used to assess the maturity level of a particular technology.

⁷ TRL 3 – experimental proof of concept; TRL 4 – technology validated.

have solutions at TRLs 5-7⁸, and under 10 years old. Figure 2 below shows the typical challenges faced by adaptation SMES at these two stages.

Figure2: Challenges faced by adaptation SMEs at seed and early-growth stages



A3. Baseline analysis and existing initiatives

9. Initiatives that seek to support adaptation SMEs in developing solutions and bringing them to the market include:
 - UNDP launched the “Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP)” for Not-for-profit, Civil Society Organizations, NGOs, etc. (USD 5 million);
 - UNEP launched the “Special Financing Window in Support of Innovation for Adaptation” to support countries to test, evaluate, roll out products and techs (USD 5 million);
 - [ASAP \(Adaptation SME Accelerator Project\)](#) has been carried out by the Lightsmith Group with the support of GEF. This project offers market mapping, convening and network building, and incubation/acceleration for adaptation SMEs (USD 2 million).
10. Private venture capitals (VCs) also launched several funds for climate change solution startups. These commercial funds though not focused on climate adaptation, they play a role in investing in companies with commercial potential according to market principles. Funds operated with commercial capital are on average larger in scale than funds supported by multilateral donor projects, but are likely to invest only in highly marketable companies.

⁸ TRL 5 – technology validated in relevant environment; TRL 6 – technology demonstrated in relevant environment.

- Catalyst Fund (BFA Global) offers a combination of catalytic grant capital, bespoke venture-building support from market and sector experts and access to a global network of investors and corporate innovators (3.5 million US\$ in Africa);
- The Lightsmith Group launched the Climate Resilience and Adaptation Finance and Technology-transfer facility (CRAFT) with funding from Nordic Development Fund (NDF) and GEF, in support of 10-20 companies located in developed and developing countries expanding into new sectors and geographic markets (USD 250 million);
- Climate-KIC runs theme- and place-based programmes. Once start-ups have successfully completed the programme, EIT Climate-KIC invests in the most promising climate companies that can demonstrate the highest impact potential.

Gaps in supporting adaptation SMEs

11. Despite existing initiatives, many adaptation SMEs still struggle to grow and expand their business or survive in the market. This can be attributed to the following:
 - a. Most existing initiatives mainly focus on relatively mature SMEs along the innovation value chain, leaving seed stage and early-stage SMEs out of the target. Investing in such companies is considered risky and requires small ticket size investments that are not appealing to investors and financiers;
 - b. When allocating resources, existing tools largely exclude SMEs, local financial institutions (FIs), or VCs from their scope of work, missing the opportunity to unlock the great potential offered by these actors in the adaptation space. Specifically, this gap in SMEs support is most prominent in SMEs at TRLs 3-7. This phenomenon is because SMEs at this stage of development have not yet secured track record of market feasibility.

Gaps in adaptation finance

12. As of 2019-2020, the total scale of climate finance reached USD 653 billion. However, very little of this funding is devoted to climate adaptation. During 2019-2020, only USD 49 billion was invested in climate adaptation. The reason why relatively less funds are channelled to the adaptation field is because climate mitigation solutions have been commercialized further compared to adaptation, and therefore considered less risky. The fields of renewable energy, low-carbon transportation, low-carbon buildings, and infrastructure have already secured profitability and thus there is preference for investment in these sectors. In comparison, the adaptation field consists of industries and solutions that are not yet mature enough to be commercially feasible, indicating that many SMEs still have difficulties in securing funds and expanding their businesses. Therefore, a more active role of multilateral funds for SMEs is required. It also implies that acceleration support is required so that adaptation SMEs can deploy their technologies and solutions in the market.

Gaps in Supporting Vulnerable Regions

13. ASIF has a global reach with special attention to vulnerable communities in developing countries, especially least developed countries (LDCs) and small island developing states (SIDS) that are most vulnerable to climate change due to high exposure to extreme events and often unstable political and/or socio-economic settings and high reliance on climate-sensitive sectors. Being characterized by low climate resilience and high vulnerability, developing countries will likely continue to suffer disproportionately by ever-increasing climate changes. Because of these challenges, vulnerable countries struggle to mobilize the necessary investments to realize climate action, hence missing opportunities to unlock climate investments and innovation. Therefore, as part of the SMEs selection process, one of the key screening criteria is the relevance of the proposed adaptation solution to communities living in the most vulnerable regions. Applicants will be requested to describe the adaptation rationale behind their proposed innovation by providing a baseline analysis of the climate hazard that is being addressed in the selected region. SMEs will be required to illustrate how the climate hazard is impacting local communities and increasing their vulnerability, and show how their proposed solution will bring benefits to vulnerable communities and increase their climate resilience. The Facility will promote locally-led adaptation and participation of marginalized groups by requesting SMEs to include an explanation on how target communities are integrated in the process of designing the adaptation solution.

A4. UNIDO's approach and comparative advantage

14. The United Nations Industrial Development Organization (UNIDO) retains a comparative advantage in supporting climate adaptation innovation in three respects:
 - As the UN agency mandated to promote industrial development, UNIDO has a wealth of experience and expertise engaging local SMEs in developing countries and emerging economies. Therefore, UNIDO understands the unique challenges and the strengths of SMEs in developing demand-driven and effective climate adaptation solutions. Accordingly, UNIDO can support the SMEs to leverage their technological know-how, market access and financing to develop, commercialise, and deploy innovative climate adaptation solutions in vulnerable communities;
 - Synergies are expected between the proposed ASIF and UNIDO's flagship initiatives and services focussed on climate technology innovation by SMEs, namely the Global Cleantech Innovation Programme (GCIP), and the Private Financing Advisory Network (PFAN). The proposed ASIF will leverage resources including methodologies, tools, and know-how, and networks that UNIDO has developed over the years through GCIP and PFAN.
 - Through past and ongoing work with SMEs, UNIDO has received feedback and requests from many adaptation SMEs, including those involved in UNIDO's projects, and will design ASIF to directly and effectively respond to their needs. The feedback is clear that there is a gap in the support systems for adaptation SMEs especially at the most critical junctures along the innovation value chain. Typically, innovations at technology readiness levels 3 to 7 face severe challenges across all facets

of business, including technology validation, mobilizing financing, navigating legal landscapes, manufacturing, customer relations, among others. UNIDO can design ASIF to plug a gap that is in the market, encourage more risk-taking by adaptation SMES, and stimulate the scaling up and replication of high-impact solutions to benefit vulnerable communities.

UNIDO's contribution to SDGs through private sector support

15. UNIDO contributes to the Sustainable Development Goals (SDGs) through its mandate by supporting its Member States in achieving inclusive and sustainable industrial development. This stems from the understanding that developing and emerging economies need to be fully engaged in the transition towards an alternative development trajectory, conducive to business models that prioritize low carbon and climate resilience considerations.
16. UNIDO understands the challenges to SMEs growth and is familiar with the ecosystems that they operate in, and through its programmes and initiatives, works directly with the private sector to build climate resilient communities and industries. UNIDO views climate change adaptation less as a challenge, but rather as an opportunity for an alternative development path, driven by innovation and resulting in job creation and improved livelihoods. UNIDO works on the premise that private sector, SMEs in particular, are best placed to experience and identify climate risks at the community level, and develop adaptation solutions most relevant at the local levels. Therefore, the private sector is a crucial part of the climate adaption equation, serving as adaptation solution providers, and at the same time providing jobs for economic development.

UNIDO's expertise in accelerating climate technologies

17. UNIDO has vast experience and expertise in supporting the development, piloting, deployment, and commercialization of innovation climate solutions from the private sector. The proposed ASIF interventions build on UNIDO's extensive approaches in working with the private sector to enhance their competitiveness to respond to and participate in climate action through new and improved technology solutions and business models. Two flagship programmes that demonstrate UNIDO's approach and expertise are:

a) The Global Cleantech Innovation Programme (GCIP)

18. [GCIP](#) is arguably the largest innovation accelerator that supports SMEs from developing countries and transform their climate technology innovations into fast-growing, scalable, and investible business. In addition to working directly with SMEs, GCIP builds, strengthens and connects innovation ecosystems thereby creating the environment required to systematically allow more innovations and entrepreneurship. To date, GCIP has accelerated over 1000 early-stage enterprises and SMEs in the cleantech sector in 9 developing countries between 2011 and 2019. In 2022, the GCIP was relaunched

with enhanced programmatic features to maximize synergies in 17 partner countries, and is projected to expand to 25 countries by 2025. Figure 2 describes the milestones of the GCIP acceleration programme.

Figure 3: GCIP Acceleration Programme



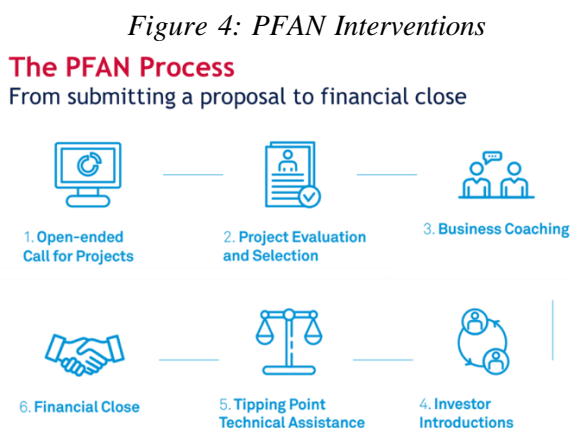
19. Some innovative climate adaptation solutions supported by GCIP include:

- [Tarla](#) based in Istanbul, Turkey, provides agricultural business intelligence and early warning systems for small farmers to assess climate risks for smart planning and climate change adaptation.
- MySmartFarm based in Western Cape, South Africa, empowers farmers with scientific advice, optimizing decision through quick response to changes in weather, soil condition and environmental shocks.
- [Khepri Innovations](#) based in Pretoria, South Africa, provides services to farmers for improved waste management and disposal as well as converting organic waste to fertilizers.
- Green Engineering [Mission SARL \(GEMS\)](#) based in Agadir, Morocco provides a water efficiency solution for agriculture and irrigation through a nano-irrigation system that significantly reduces water consumption, and reduces operational and labour costs related to the daily management of irrigation, fertilizers, and treatment.
- [ModulusTech](#) from Pakistan provides innovative flat-packed modular design housing. The houses can be transported and set-up in minimal time, while being cost-effective, energy-efficient and sustainable. They are also resistant to extreme weather events, such as floods, cyclones, or earthquakes, and can be deployed as emergency response in case of such extreme weather events.

b) Private Financing Advisory Network (PFAN)

20. [The Private Financing Advisory Network \(PFAN\)](#) was initiated in 2006 by the UNFCCC and the Climate Technology Initiative to bridge the gap between climate entrepreneurs and private sector investors, and now is hosted by UNIDO and the Renewable Energy and Energy Efficiency Partnership (REEEP). Through a global network of 230 locally-based climate and clean energy financing

experts, PFAN offers free business coaching and investment facilitation to entrepreneurs developing climate and clean energy projects in emerging markets and connects them to investors. The below diagram summarizes PFAN services.



21. To date, PFAN has supported 225 projects/businesses, and raised total financing of USD 3 billion. PFAN has supported adaptation projects since 2014, and prioritizes high-profile sectors for climate adaptation, including agriculture, agro-processing, crop storage and market linkages, water availability and wastewater management, financial services that support livelihoods, and climate proofing infrastructure, among others. Some adaptation SMEs supported by PFAN include:

- Simusolar⁹ provides funded solar productive use solutions such as solar water pumps, solar fishing lights, solar security lights, and solar freezers which contribute to increasing the share of productive use of energy of agriculture (PUE) in Tanzania and Uganda;
- EMFED Farms & Trading¹⁰ in Ghana is a social enterprise providing farm management and certification services as well as selling agro-inputs to enable sustainable cocoa farming, which helps to increase the resilience of farmers and their capacity to adapt to the effects of climate change;
- Livestock Trade Services¹¹ in Kenya procures livestock from smallholder pastoralists, sets up livestock quarantine and manages the export of live animals to the Middle East. The company's regenerative grazing, solar irrigation and methane-reducing feed additives cut GHG emissions and provide significantly increased incomes and resilience of 500,000+ farmers.

Expected synergies with GCIP and PFAN

22. The ASIF's technical assistance, particularly in components 1 and 2 will leverage existing knowledge products, services, and expertise developed by GCIP and PFAN. This approach will allow ASIF to adopt a plug-and-play strategy, resulting in improved efficiency and effectiveness. Furthermore, potential synergies between UNIDO's current services and resources and ASIF's operation are outlined

⁹ https://pfan.net/wp-content/uploads/2022/11/Simusolar_Teaser_final-1.pdf

¹⁰ https://pfan.net/wp-content/uploads/2022/11/Emfed_Teaser_final-1.pdf

¹¹ https://pfan.net/wp-content/uploads/2022/11/Livestock_Teaser_final.pdf

below. UNIDO's resources will be continuously adapted and tailored to meet the specific needs of the adaptation SMEs receiving support from ASIF, with a particular emphasis on ensuring their relevance in LDCs. This is to ensure that the adaptation solutions will yield tangible benefits at the community level. Furthermore, potential synergies between UNIDO's current services and resources and ASIF's operation are outlined in the below table.

Table 1: Expected synergies with GCIP and PFAN

Existing UNIDO services	Expected Synergies
GCIP accelerator guidebooks, training materials and related resources	Based on 10+ years of experience, the support provided to SMEs through the ASIF will build on the existing GCIP materials, refining the content to reflect the policy and market context of the respective geographical regions of the companies to be supported.
GCIP impact assessment framework	GCIP is currently developing an impact assessment framework that can project, monitor, verify, and report on the environmental, social, and economic impacts of the companies supported by GCIP. The ASIF will build on this GCIP tool to further develop an impact assessment framework specific for climate adaptation (tentatively named the ASIF adaptation impact hypothesis and verification tool).
Global ecosystem connectivity	GCIP is currently a network of 15 countries, and is expected to expand to 25 countries by 2025. ASIF will be connected to the vast network of cleantech ecosystem actors (government agencies, accelerators, investors, financial institutions, think tanks) in the GCIP network. SMEs supported by ASIF will also enjoy peer networking with GCIP alumni climate tech companies in the developing countries, and enjoy peer learning and cross-border business opportunities for replication and scale-up.
PFAN networks	PFAN partners include both investors and non-investors. Over 60 partner organizations ranging from NGOs, CSOs, banks, venture capital funds, energy associations, etc. at national, regional, and global levels provide valuable connections that can not only support ASIF in establishing and partnerships with FIs, but also ensure that the ASIF supported adaptation enterprises will provide the adaptation solutions in alignment with local policy and regulations and the local social and economic climate.

UNIDO's proven track record working with adaptation SMEs

23. UNIDO has a proven track record in supporting innovative climate solutions stemming from SMEs:

- [*Unlocking investments in female and youth-led early-growth stage adaptation SMEs in Kenya and Uganda \(AF project\)*](#): the project takes an innovative approach in piloting a catalytic finance facility aimed to support early growth adaptation SMEs in Kenya and Uganda to scale their business models and adaptation impact on highly vulnerable target groups.
- [*Reducing vulnerability and increasing resilience to climate change through promoting innovation, transfer, and large-scale deployment of adaptation-oriented technologies in priority agriculture value-chains and creating jobs \(GEF project\)*](#): the project aims to reduce vulnerability and increase resilience to climate change by promoting innovation, transfer, and large-scale deployment of adaptation-oriented technologies in priority agriculture value chains and creating jobs in the DRC.
- [*Promotion of climate adaptation technology and business model innovations and entrepreneurship in Sierra Leone \(GEF project\)*](#): the project aims at reducing vulnerability and

increasing resilience of vulnerable populations by supporting MSME-driven innovation, transfer and large-scale deployment of adaptation technologies, products, and services (TPS) in the water, agriculture, and energy sectors in Sierra Leone.

- [*Acceleration of financial technology-enabled climate resilience solutions \(GEF project\)*](#): the project proposes a venture-building facility to accelerate fintech-enabled climate resilience solutions for vulnerable households and small businesses in Africa.
- [*Piloting innovative financing for climate adaptation technologies in medium-sized cities \(GEF project\)*](#): the project aims to develop an enabling mechanism for the target cities to access innovative and private CCA finance in the long run. This mechanism will be developed and piloted in one pilot country/city located in each key region of the Global South.
- [*A nature-based private investment facility for climate resilience in coastal least developed country communities \(GEF project\)*](#): the project develops and launches a global facility to mobilize private sector investments to fund nature-based solutions to enhance climate resilience of coastal communities in least developed countries.

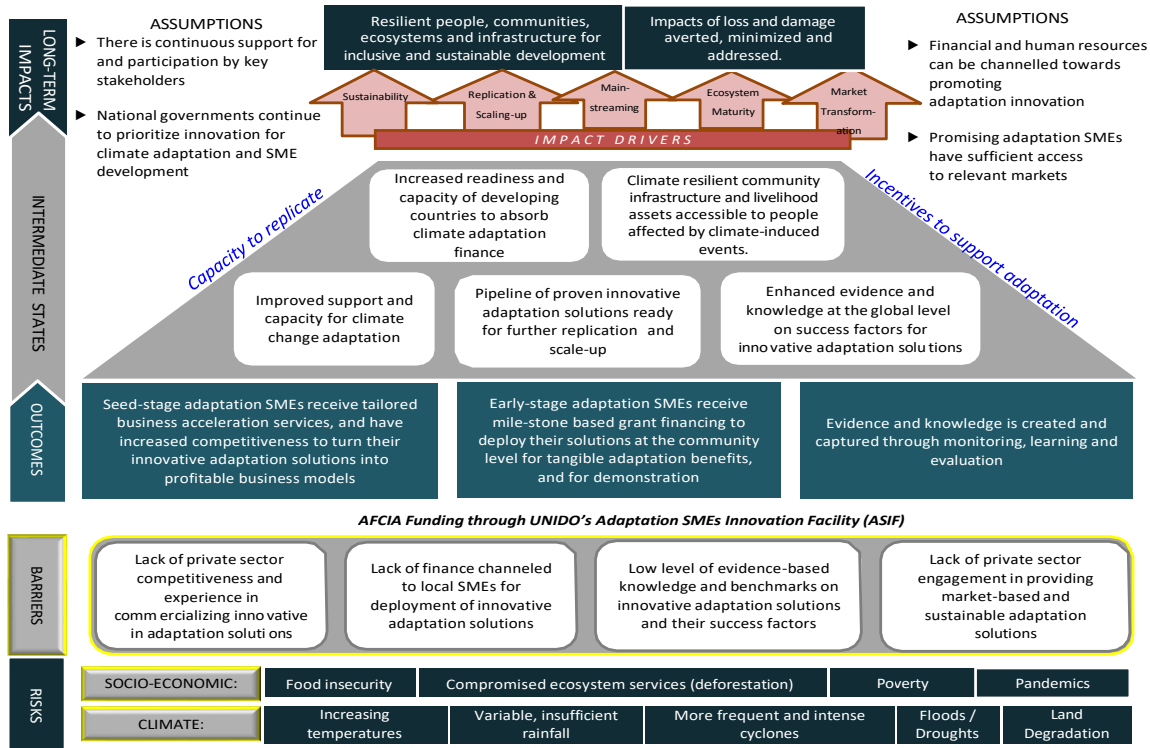
B. The Proposed Adaptation SMEs Innovation Facility (ASIF)

24. ASIF will unlock the role of the private sector in the emergence, deployment, and adoption of innovative climate adaptation solutions to vulnerable communities. The Facility comprises of three components, namely:

- Component 1: **Growth Accelerator** that provides business growth support for adaptation SMEs at TRLs 3-4;
- Component 2: **Investment Catalyser** that disburses mile-stone based grant financing to adaptation SMEs at TRLs 5-7 so that they deploy their solutions to vulnerable communities; and
- Component 3: **Knowledge and Learning** mechanism, capturing, documenting, and sharing the insights gained from supporting adaptation SMEs.

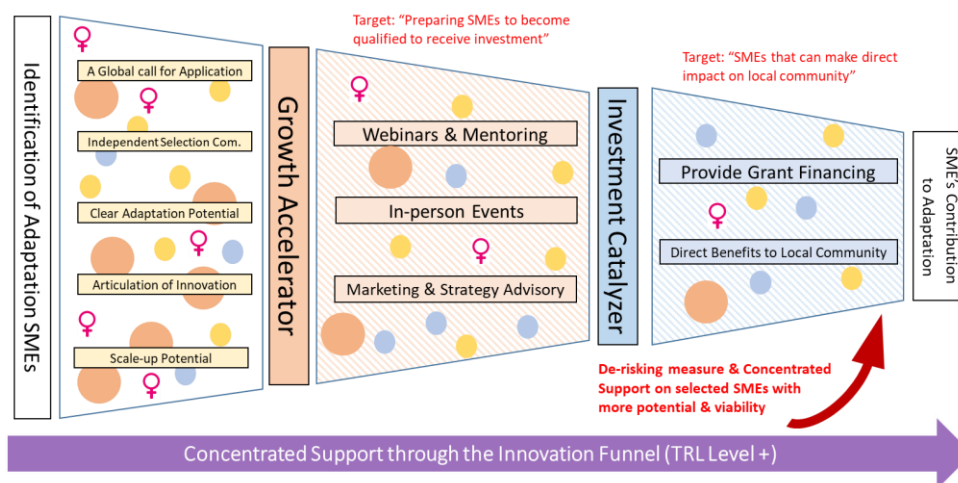
25. At the impact level, the proposed interventions aim to increase the climate resilience of vulnerable communities and peoples, contributing to an inclusive and sustainable development path for developing countries. This will be achieved by enhancing the competitiveness of local adaptation SMEs. If adaptation SMEs with high-impact potential are identified and supported with business acceleration services and grant financing, then their capacity to identify, develop, and deploy contextualized and innovative adaptation solutions will be enhanced. This leads to an increase in the pipeline of innovative adaptation solutions with tangible benefits at the community level, and locally grown adaptation SMEs will have the capacity to meet the demand for adaptation solutions created through climate adaptation financing. This will also contribute to an evidence-based knowledge base of innovative adaptation solutions and their success factors and shown in theory of change in figure 3 below.

Figure 5: ASIF Theory of Change



26. The Facility employs an open innovation approach, and will provide comprehensive support (technical, financial, and business assistance) for piloting and scaling-up of climate adaptation solutions from selected seed and early-stage SMEs. Under component 1, the Growth Accelerator will identify and select adaptation solutions through a global open call for applications, and selected adaptation SMEs will participate in a business acceleration programme (6-8 months). The assistance provided through the growth accelerator under component 1 will be a de-risking measure for the grant financing to be disbursed through the Investment Catalyzer under component 2. Eligible adaptation SMEs may directly apply for the Investment Catalyzer, without going through the Growth Accelerator.

Figure 6: ASIF supported SMEs through the Innovation Funnel



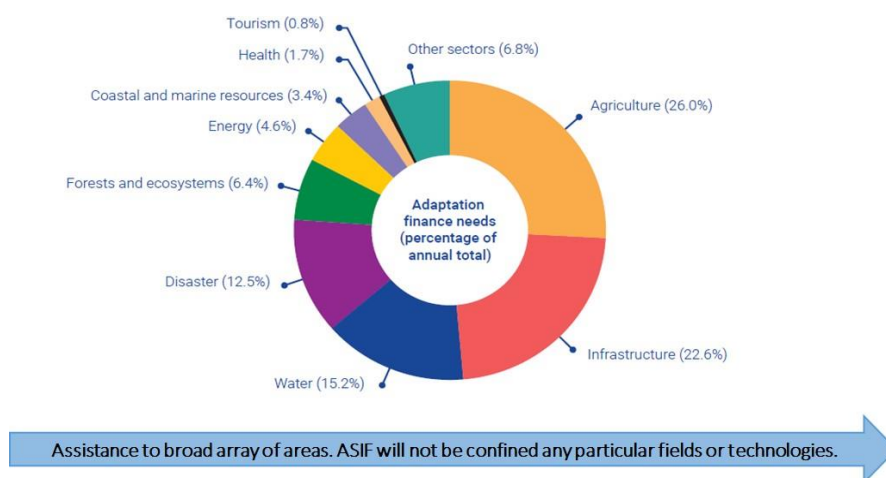
27. The Facility will focus mainly on adaptation SMEs with innovative solutions between TRLs 3-7, and concentrate its assistance on SMEs at seed and early-stages in order to address the financing gap for early-stage adaptation ventures. While academia tends to focus resources on TRLs 1-4, industry focuses resources on SMEs between TRLs 7-9. This results in a funding and ownership gap between TRLs 4-6, i.e., while moving from academic research towards industrial commercialization. ASIF will focus on adaptation SMEs between TRLs 3-7. TRL 3 and TRL 7 would be included so that ASIF remains flexible to consider SMEs at the margins of the TRLs 4-6 gap, or whenever the delineation between TRLs is not so clear or overlaps. It is expected that this approach will encourage new innovations and risk-taking and support them towards replication and scale-up of adaptation solutions, corresponding to the expected results (ERs) 1 and 2 for the innovation pillar under MTS II.
28. More specifically, the target beneficiaries of the Facility are adaptation SMEs with innovative adaptation solutions with high-impact potential through the screening process to enhance the climate resilience of vulnerable communities. Eligibility requirements include:
- The solution offered must enable/enhance the user's knowledge and understanding of climate-related risks or climate variability, and/or prevent, mitigate, or transfer physical climate risks and adapt to climate change;
 - Be highly relevant to vulnerable communities at climate risk in developing countries;
 - Meet the definition of SMEs in its country of origin (typically SMEs have usually less than 10 employees and an annual turnover¹² or balance sheet¹³ of below 2 million EUR).
29. Key selection criterion of the adaptation SMEs will be the climate adaptation impact potential of the solution, in particular tangible benefits at the community level measured by the number of direct beneficiaries receiving climate adaptation benefits. In addition, more detailed tangible benefits will be assessed, such as % increase in crop yield in the community, % increase in revenue per household after adopting new climate resilient farming solutions, % water efficiency increase through adopting new irrigation solutions in the community, etc.
30. In the selection of beneficiary adaptation SMEs, particular attention will be given to gender and youth mainstreaming. Typically, UNIDO services supporting SMEs target between 30% to 40% women-led enterprises as beneficiaries. Each adaptation SMEs that will be supported under ASIF will be expected to provide specific gender disaggregated indicators for the target beneficiary communities. Similar effort will be made to incorporate youth empowerment and other social inclusion dimensions into ASIF's selection criteria.

¹² Amount of money measured in a particular period.

¹³ Statement of a company's assets and liabilities.

31. The support provided by ASIF will not be confined to any particular technologies or industries. Instead, ASIF aims to provide assistance to a broad array of areas relating to climate adaptation, taking into consideration the priorities and requirements of the target country and vulnerable community. According to UNEP (2021), the sectors with the greatest need for support for climate adaptation were identified as agriculture, infrastructure, water, and disasters, which collectively account for two-thirds of all climate adaptation needs, see Figure 7 below. In this regard, ASIF will support various adaptation SMEs operating in diverse industries and technologies, such as agriculture, infrastructure, water, disasters, forest and ecosystems, energy, and coastal and marine resources, etc.

Figure 7: ASIF's Broad Coverage in Assistance

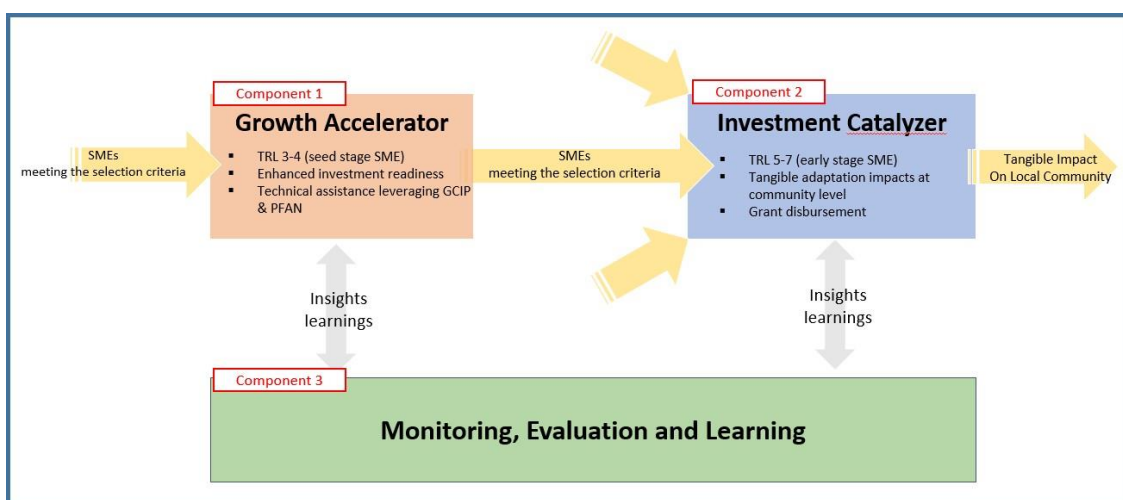


32. In order to support multi-stakeholders' participation and to assist vulnerable communities, special consideration will be given to participation and inclusivity of diverse actors (youth, women, disabled people, civil society). The ASIF may give priority to SMEs run or owned by youth, women, disabled people, or those with substantial impact on underprivileged or marginalized local communities. This is not only for the purpose of supporting the socially underprivileged class, but also for fully harnessing all human potential we can utilize.¹⁴ The ASIF will be designed and operated in a way that can support all underprivileged communities and sectors.
33. To capture and create knowledge, and expand and share evidence-based learnings for climate adaptation, component 3 will compile and provide analysis of insights gained from working with adaptation SMEs under components 1 and 2. In addition, the adaptation benefits of the supported solutions at the

¹⁴ There is a study that suggests socially underprivileged classes would have strengths in social and environmental orientation; Hörisch, Jacob; Kollat, Jana; Brieger, Steven (2017). [What influences environmental entrepreneurship? A multilevel analysis of the determinants of entrepreneurs' environmental orientation](#). Small Business Economics. Vol. 48. Pp. 47-69.

community level will be measured, monitored, and captured., These activities will be designed and conducted in alignment with ER 4 for the innovation pillar under MTS II, under component 3.

Figure 8. The Structure of ASIF



B1. Component 1: Growth Accelerator

34. The Growth Accelerator’s objective is to equip adaptation SMEs at TRLs 3-4 (seed stage, within 3 years from establishment) with skills and enhance their competitiveness to reach TRL 5. The main reason for limiting support to companies founded within 3 years is that they have the most innovative ideas for business, but are most vulnerable to external influences. In addition, early-stage SMEs have the lowest business execution capabilities, technological capabilities, and marketing capabilities. While TRL will not be an absolute criterion for judging innovative ideas, it is useful to scope the Growth Accelerator’s target beneficiaries.
35. A global call for applications will be issued annually to invite adaptation SMEs to participate in the Growth Accelerator. To ensure a pipeline of high-quality applications, a robust outreach campaign that incorporates training/capacity building elements (e.g., webinar on adaptation impact hypothesis, stages of business growth, awareness raising on adaptation, etc.) will be conducted to increase visibility of the call for applications, and to build capacity of SMEs in the climate adaptation space. The call for proposals will also include detailed examples of adaptation technologies to allow maximum outreach to SMEs that may not be aware of the adaptation potential of their technology/solution.
36. Applications received will be assessed against the “climate adaptation impact hypothesis” to be further refined under this proposal, based on GCIP and PFAN expertise with emphasis on the adaptation benefits, and with input from investment and finance experts. Some key categories to be reviewed are as below: clear adaptation impact potential; articulation of the innovation; technology development stage (e.g., prototype stage from early operations to product development); demonstrable

need for acceleration for investment readiness; market viability; scale-up potential; risk assessment; and financial sustainability. Indicative drafts of the climate adaptation impact hypothesis are provided as annexes to this proposal.

37. In order to better understand the adaptation impact potential, the application form and the review process will be designed to assess the following dimensions. These dimensions are applicable to both the Growth Accelerator and the Investment Catalyzer:

- *Relevance of the innovation:* What specific adaptation challenge is the solution addressing? What traditional/conventional practice or approach is the solution replacing, and how is the new approach (innovation) contributing to enhanced climate resilience?
- *Concrete contribution to climate resilience at the community level:* What will be the user experience of the solution for the end-beneficiaries at the community level? What will be the tangible benefits the community will receive in quantifiable terms?
- *Sustainability of the adaptation solution:* Will the piloting/deployment of the adaptation solution result in lasting impact for the community? In addition to the financial (business model) sustainability, does the solution consider other social dimensions that contribute to sustainability of the benefits, such as gender and youth engagement?
- *Replication potential of the solution:* Is the solution addressing a climate adaptation challenge that has replication and scale-up potential, and therefore can result in transformative solutions for climate resilience at regional and global levels? If the solution addresses a challenge experienced in an uncommon/isolated context, can the solution be further developed/adapted for application in wider contexts? Will successful piloting/deployment of the solution in one location create a meaningful benchmark and evidence for further replication and scale-up?

38. The application review process will be conducted by an independent selection committee. The selection committee will also include investment experts from financial institutions. This is to ensure that insights acquired in the real-world by practitioners with investment experience and knowhow are brought into the review process of beneficiary SMEs as they will have the best judgement for market and business feasibility of the solutions under review. The review process will be conducted in consideration of the main goal of the Growth Accelerator, i.e., to help adaptation SMEs become sufficiently qualified to receive investments, and prepare them for the commercialization stage, when business expands and demand for new capital investment increases.

39. UNIDO's existing resources and networks (through GCIP and PFAN) will be leveraged to provide business acceleration support under component 1. In particular, the Growth Accelerator curriculum (6-8 months) will be based on UNIDO's GCIP business growth methodology, which includes webinars, general and specialist mentoring, in-person events, and networking opportunities, etc. Marketing and

strategy-oriented advisory services in conjunction with technology development services are also paramount to assist SMEs in succeeding in their markets.

B2. Component 2: Investment Catalyzer

40. The Investment Catalyzer under component 2 provides performance-based grant financing to selected adaptation SMEs, bridging the financial gap for early-stage SMEs at TRLs 5-7, or between 3-10 years from establishment¹⁵. The Investment Catalyzer is expected to be a financing vehicle of USD 7 million for deployment and scale-up of climate adaptation solutions in vulnerable communities. It will provide grant financing of between USD 50,000 to USD 250,000 per SME, with a performance-based disbursement plan tailored for each climate adaptation solution. The main objective of component 2 is to support adaptation solutions for deployment/scale-up in a validated market (i.e., vulnerable community).
41. Sustainability strategy for the local community (identified market) will be incorporated into the business plan of the adaptation solution. In addition, to ensure tangible and sustainable adaptation benefits for local communities, partnerships with CSOs and other local organizations will be encouraged.
42. For the selection of adaptation SMEs to receive grant financing under component 2, the Facility will establish an independent selection committee, comprising of experts from UNIDO, investment funds and financial institutions, as well as policy experts and researchers, and will select adaptation SMEs with the highest adaptation impact potential. Engagement of local finance and investment experts in the selection process is crucial, as local FIs are the most knowledgeable about the potential or marketability of SMEs in the regions where they operate. This will also help local financial institutions to become familiar with the business operations of adaptation SMEs and start considering them as investment opportunities.
43. The selection criteria for climate adaptation solutions to be supported through the Investment Catalyzer will also ensure adaptation benefits by employing the “climate adaptation impact hypothesis” which will forecast tangible adaptation impact at the community level at the point of selection, and monitor and verify the adaptation impacts throughout the grant disbursement process. Direct adaptation benefits to the local community and the growth potential of the SME will be the two key evaluation criteria. In addition, for the participation of various stakeholders, priority may be given to SMEs owned or led by traditionally marginalized groups such as youth, women, and the disabled. Principles and dimensions

¹⁵ There is no commonly agreed official definition of the term 'startup'. However, according to the EU (European Startup Monitor), the age of startup must be less than 10 years and it is required that their core business should be innovative, and scale tends to grow.

employed for Growth Accelerator (described in para. 34-35) will also be adopted in the selection process of the Investment Catalyzer.

B3. Component 3: Monitoring, Learning and Evaluation

44. Lessons learned and insight gained through supporting adaptation SMEs under components 1 and 2 will be captured under component 3 to generate an evidence base on the enabling conditions for successful development and deployment of adaption innovations. In particular, knowledge exchange and transfer for and among developing countries will be facilitated through dialogues, events, and knowledge products that leverage UNIDO networks and partners.
45. A ‘Knowledge Management, Communication and Advocacy Strategy’ for the Facility will be developed in order to: (i) document and communicate lessons learned, and impacts achieved; (ii) increase awareness of the catalytic role of adaptation SMEs in providing solutions for climate adaptation; (iii) showcase a portfolio of successful locally-led innovations supported through the Facility, enhancing their visibility and credibility at the global level. Knowledge products, promotional materials, and events (e.g., policy briefs, impact reports, brochures, webinars, briefing sessions, press releases, social media posts, etc.) will be published and conducted in accordance with the Strategy. This Strategy will be developed in accordance with the AF’s objective to enhance developing countries’ knowledge about effective adaptation practices, especially in relation to the most vulnerable communities, and in the context of the learning and sharing pillar of MTS II.

Table 2. ASIF at a Glance and Proposed Budget

Component	Activities	Budget* (USD)
1. Growth Accelerator	1.1 Identify and select high-impact adaptation SMEs through a global call for applications to the ASIF Growth Accelerator 1.2 Conduct 4 cycles of the Growth Accelerator for climate adaptation solutions between TRLs 3-4, minimum 50 SMEs supported per cycle (total 200 SMEs accelerated) 1.3 Provide technical assistance in the form of mentoring and coaching, pitch events, webinars etc. as part of business growth support.	1.4 M
2. Investment Catalyzer	2.1 Identify and select adaptation SMEs through a global call for applications to the ASIF Investment Catalyzer 2.2 Administer a grant financing facility, and disburse grants between 50k up to 250k USD per adaptation SME at TRLs 5-7, with a performance-based disbursement plan (at least 10 SMEs supported per year, total of between 30 to 50 SMEs supported in total)	7.0 M
3. Monitoring, Learning and Evaluation	3.1 Establish a project team for project execution and monitoring, communication, and knowledge management 3.2 Establish a project governance structure (project steering committee) and independent review committees for the growth accelerator and investment catalyzer 3.3 Facilitate knowledge exchange and learning, and produce knowledge and products (online and offline events, policy and investment dialogues, impact reports etc.) 3.4 Monitor project progress, and conduct mid-term and final evaluations	0.73 M

* Excluding 9.5% agency fee, the total proposed budget will be 9,132,420 USD

B4. Project implementation arrangements

46. UNIDO will be responsible for the implementation of the proposal, which entails oversight of project execution to ensure that the project is conducted in accordance with agreed standards and requirements. A senior UNIDO Project Manager will be assigned to oversee the project from a strategic and managerial perspective. The senior UNIDO Project Manager will provide technical and strategic guidance, and facilitate linkages among various departments of UNIDO to ensure synergies at the organizational level, including close collaboration and synergies with other UNIDO initiatives such as GCIP and PFAN. The senior UNIDO Project Manager will also ensure that the project is implemented in accordance with all UNIDO standards, principles, and regulations.
47. Reporting to the senior UNIDO Project Manager, a UNIDO project team at HQ will be responsible for the day-to-day execution of project activities. The UNIDO project team will be staffed by a Technical Expert, Monitoring, Reporting and Communication Associate, and an Administrative Assistant. The UNIDO project team at HQ may work with service providers and external experts according to the needs of the project, and will handle arrangements for procuring of technical and organizational services as well as recruitment of experts (equipment, supplies, contracts for works and services as envisaged for the project's activities), undertaken in compliance with UNIDO procurement and recruitment rules and regulations.
48. Monitoring and evaluation (M&E) of the project will be conducted in accordance with established UNIDO guidelines and procedures. The overall objective of the M&E is to ensure successful and quality implementation of the project by: (i) tracking and reviewing project activities execution and actual accomplishments; (ii) providing visibility into progress as the project proceeds so that the implementation team can take early corrective action if performance deviates significantly from original plans; and (iii) adjusting and updating project strategy and implementation plans to reflect possible changes on the ground, results achieved and corrective actions taken.
49. The M&E procedure will consist of project inception, periodic project progress reports, and mid-term and final evaluations. Reports will be on project activities detailing progress achieved towards meeting the stated outputs, the problems and constraints, and recommendations for correcting them.
50. ASIF will be designed as a 6-year programme, and is expected to start in 2024 with a six-month inception phase. The programme is expected to end in 2029, including a six-month closure phase during which final evaluation will be conducted.
51. UNIDO plans to mobilize its network of partners and ecosystem actors in the climate innovation space for further expansion of ASIF's impact. This could entail mobilizing additional funding for the ASIF to

expand its technical assistance and grant disbursement capacity, beyond the grant provided by the AF, thereby amplifying the intended effects of AF.

B5. Projection of ASIF's Impact

52. ASIF will aim to bring climate adaptation benefits to at least 87,500 direct beneficiaries in vulnerable communities¹⁶, through the grant disbursement of USD 7 million under the Investment Catalyzer. The Adaptation Fund has reached 5.4 million direct beneficiaries between 2007 and 2017, with a disbursement of USD 436 million¹⁷, equating to the cost efficiency factor of approximately USD 80 per beneficiary during this time period. To meet the cost effectiveness of AF investment through the ASIF, the Investment Catalyzer will target to achieve minimum cost efficiency of USD 80 per direct beneficiary, or less¹⁸. It is worth noting that this is a conservative and indicative projection, referencing AF's historical performance. The technical assistance provided to the adaptation SMEs are designed to achieve higher cost efficiency of AF investments, and therefore the actual results achieved, including the number of direct beneficiaries is expected to be much higher. While difficult to present an accurate figure at this point of the proposal, the number of indirect beneficiaries in vulnerable communities will also increase exponentially with the crowding-in of private capital.
53. In addition, the estimated impact of ASIF expands further to crowding-in of up to USD 61 million in private capital over the next ten years, according to projections based on UNIDO's historical performance with PFAN¹⁹. This crowding-in effect would result from UNIDO's expertise in providing business growth and investment facilitation support to the adaptation SMEs. Of the adaptation SMEs supported by ASIF, at least 44 are projected to progress to the stage where they can attract private sector investment (at least 20 supported by the Growth Accelerator, and 24 by the Investment Catalyzer). Utilizing PFAN's performance as a benchmark, ASIF's portfolio of adaptation SMEs is projected to grow to USD 61 million in investment raised over a ten-year period.
54. Moreover, ASIF is expected to have a favorable impact on the local economy at the community level. Specifically, ASIF is anticipated to create over 8,000 jobs in target countries. Assuming that 30 of the SMEs that received the investment from ASIF would grow into medium-sized companies with 150 employees²⁰ in 10 years, and the rest 170 supported SMEs would grow into small sized companies with

¹⁶ at least 40% women

¹⁷ <https://www.adaptation-fund.org/af-10-years/>

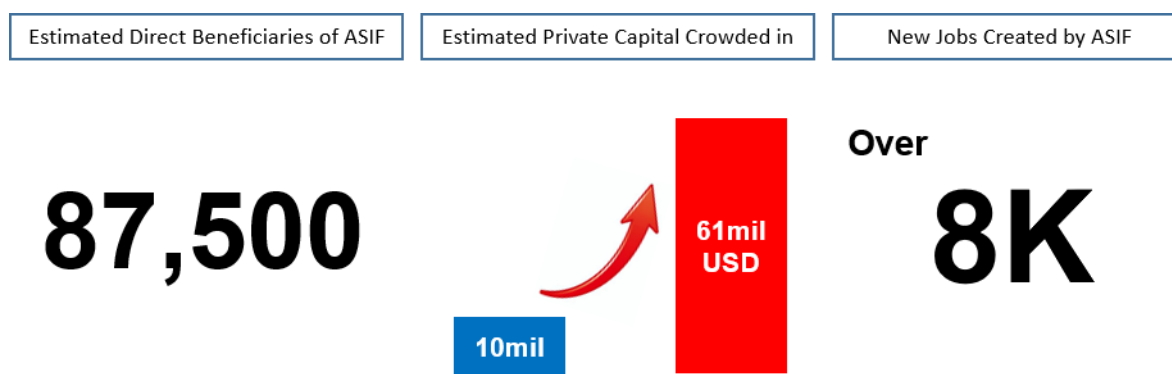
¹⁸ For example, an adaptation SME requesting USD 200,000 of grant financing under the Investment Catalyzer will be required to show that their deployment of the adaptation solution will reach at least 2,500 end-users in a vulnerable community. Please see Annex 4 for further details.

¹⁹ The estimated of crowd-in effect is calculated based on the following facts and assumptions: (a) In 2021, the average amount of investment attracted by PFAN to one project was USD 1.39 million. (b) Over the next ten years, 10% of SMEs supported under the component 1 (Growth Accelerator), and 80% of SMEs that received milestone-based grant financing under component 2 (Investment Catalyzer) are likely to succeed in receiving private investment.

²⁰ This is the median value of the workforce size in the definition of a medium size company.

30 employees²¹, the USD 50 million investment mobilized by ASIF will result in the creation of over 8,000 jobs by the supported SMEs. When taking into account all the peripheral effects derived from direct support, the economic impact of ASIF will be likely to be significant, with tangible benefits to vulnerable communities.

Figure 9. Projected Impact of ASIF



B6. Environmental and social safeguards

Gender mainstreaming

55. The Facility's strategy and implementation modalities for gender equality and women's empowerment will be aligned with both the requirements of UNIDO's Policy on Gender Equality and the Empowerment of Women (2019), the UNIDO Strategy for Gender Equality and the Empowerment of Women 2020-2023 and the AF's Gender Policy and Action Plan.
56. The importance of gender equality and women's empowerment is at the core of UNIDO's mandate. Enhancing the role of women as drivers of poverty reduction, promoting women in vestors and entrepreneurs, and recognizing the link between gender equality and safeguarding the environment all promote inclusive and sustainable industrialization, and directly contribute to SDG 9 on industry, innovation, and infrastructure, and to SDG 5 on gender equality. A large number of women are engaged in SMEs, with a woman's ownership representing 30-70% of all SMEs in emerging markets (IFC and McKinsey, 2011), and nevertheless the enterprises undertaken by women tend to be concentrated in a relatively narrow range of activities. They are often very energy intensive, rely on biomass fuels and have disproportionately low rates of return compared to the activities undertaken by men. Nonetheless, networks of women entrepreneurs could be leveraged to promote new and clean technologies and could provide a springboard off which to sell new energy services and cleantech products.

²¹ This is the median value of the workforce size in the definition of a small size company.

57. The project design and activities implementation will pay special attention to:

- equal participation of women and men, both at managerial and technical levels, as consultants, participants, entrepreneurs, mentors, etc. in all stages of project implementation ;
- gender-sensitive recruitment at all levels where possible, especially in selection of project staff;
- gender responsive TORs will be used to mainstream gender in the activities of consultants and experts;
- trainings offered will include awareness raised regarding gender issues;
- gender dimensions in all decision-making processes;
- gender-disaggregated indicators and related targets to consistently measure the impact on gender equality and women's empowerment;
- involvement of stakeholders attentive of gender equality and women's empowerment issues, such as gender experts and organizations, CSOs and NGOs promoting GEEW;
- gender-inclusive language in all outreach and promotional materials.

Environmental and social impacts and risks

58. Upon approval, the Facility will be designed to fully align with the Adaptation Fund's Environmental and Social Policy (ESP) and employ the methodology of Environmental and Social Management System (ESMS) to be developed during the project formulation stage. The ESMS will contain a process for identifying environmental and social risks for the unidentified activities/sub-projects and, when needed, the development of commensurate environmental and social management elements that will complement and be integrated in the overall Environmental and Social Management Plan (ESMP). The project/programme ESMS will specify any other related procedures, roles, and responsibilities.

59. In addition to the assessment against AF's Environmental and Social Policy, an assessment against the UNIDO Environmental and Social Safeguards Policy and Procedures (ESSPP) will be conducted. UNIDO ESSPP which is a framework developed to help UNIDO decide whether a project or programme should be supported and if any environmental and social risks should be addressed along the project will be undertaken. As per UNIDO's ESSPP, the proposed project is likely to have minimal or no adverse social and/or environmental impacts and is likely to be categorized as "Category C". The project will fully mainstream ESS considerations into its design. This will be achieved through the development of an Environmental and Social Management System (ESMS) as outlined above. The ESMS will guide the E&S risk screenings and assessments for any subprojects (SMEs) that will be supported through this project and will incorporate additional site-specific mitigation measures in the overall ESMP, if needed. This approach will ensure that all subprojects avoid, minimize, and/or mitigate any potential adverse E&S impacts that may emerge from their interventions/ activities across all stages of their respective project cycles (planning, implementation, post-implementation).

Annexes

Annex 1 Draft application form for the ASIF Growth Accelerator

This will serve as the application form for the Growth Accelerator under ASIF component 1. The application form will take a self-assessment approach.

During the call for applications period, awareness raising campaign will be conducted. To enhance the quality of applications received, the awareness raising campaign will also webinars and online help centers etc. to support applicants in completing the application form and the adaptation impact hypothesis. Applicants will be encouraged to participate in the webinars and utilize online help centers, to ensure that relevant and accurate information are provided.

Please note that this is a draft, and the application form and the review criteria will be further refined with inputs from financial and investment experts upon approval of the Facility.

Climate Adaptation Impact Hypothesis **for the ASIF Growth Accelerator**

Date of application	DD/MM/YYYY
---------------------	------------

A. Applicant Information			
A1. Name of Applicant	First Name	Last Name	Mr./Ms.
A2. Applicant Email Address			
A3. Position in the company			
A4. When did you join the company?	MM/YYYY		

B. Company Information			
B1. Name of company			
B2. Location of HQ	City		
	Country		
B3. Name of company founder or CEO	First Name	Last Name	Mr./Ms.
B4. Year of company founded	YYYY		
B5. Is your company registered / incorporated?	If yes, when? If not, when is the projected timeline of company registration/incorporation? MM/YYYY		
B6. No. of company employees at the time of application	No. of full-time women employees	No. of full-time men employees	
	No. of part-time women employees	No. of part-time men employees	
B7. Company Office Address			
B8. Company Email Address			
B9. Company Telephone			
B10. Company Website			

C. Adaptation Solution

Please note that all information provided will be kept confidential, and will only be used for the purposes of assessing whether your adaptation solution will benefit from participating in the ASIF Growth Accelerator.	
C1. Name of solution (technology/product/service)	
C2. Sector	<p>In which of the below sector(s) does your solution provide adaptation benefits? Please check all that apply.</p> <p> <input type="checkbox"/> Agriculture <input type="checkbox"/> Coastal zone management <input type="checkbox"/> Disaster risk reduction <input type="checkbox"/> Enhancement and protection of cultural heritage <input type="checkbox"/> Food security <input type="checkbox"/> Forest and land use <input type="checkbox"/> Human health <input type="checkbox"/> Innovative adaptation financing <input type="checkbox"/> Marine and fisheries <input type="checkbox"/> Urban adaptation <input type="checkbox"/> Water resources management <input type="checkbox"/> Wildfire management </p>
C3. What is the main climate risk/hazard your solution addresses?	Please describe the climate risk or hazard you are addressing in 50 to 100 words.
C4. What is the adaptation benefit of your solution?	Please describe how your solution addresses the above-described climate risk/ hazard in 50 to 100 words.
C5. What is your innovation?	What existing product is your adaptation solution replacing? Please describe how your solution is different from other existing solutions in 50 to 100 words.
C6. Who is your target customer?	Who is your ideal pilot customer? Where is this customer located? If there a geographical location/community that your adaptation solution would be most relevant to, please provide this information, including the demographics of the community.
C7. What is your projected climate adaption impact in quantitative terms?	How will your adaptation solution increase the climate resilience of your target customers? Please provide a quantitative projection (e.g., % increase in crop yield in the community, % increase in revenue per household after adopting new climate resilient farming solutions, % water efficiency increase per farm, etc.), and a short description of how you arrived at your projection.
C8. Does your solution bring other social, economic or environmental co-benefits?	<p>Does your solution contribute to any of the below? Please check all that apply, and please provide a short description (30 to 50 words) of how your solutions is relevant to each.</p> <p> <input type="checkbox"/> No Poverty <input type="checkbox"/> Zero Hunger <input type="checkbox"/> Quality Education <input type="checkbox"/> Gender Equality <input type="checkbox"/> Youth Empowerment <input type="checkbox"/> Decent Work & Economic Growth <input type="checkbox"/> Reduced Inequality <input type="checkbox"/> Sustainable Cities & Communities <input type="checkbox"/> Responsible Consumption & Production <input type="checkbox"/> Peace, Justice and Strong Institutions </p>
C9. What is the projected timeline of your product launch?	MM/YYYY

C10. What is the technology readiness level (TRL) of your adaptation solution, at the time of application?	<input type="checkbox"/> TRL 3 – experimental proof of concept <input type="checkbox"/> TRL 4 – technology validated in lab <input type="checkbox"/> Other – please provide a short description (20-50 words)
C11. What is your business model?	How does your adaptation solution generate revenue (30-50 words)? If available, please provide a link to resources that provide additional information on your business model.
C12. What is main challenge you are facing in moving your adaptation solution to the next development stage, at the time of application?	Please be as specific as possible.
C13. Are you currently fund raising for the adaptation solution?	Are you currently raising funding? If so, what is your target amount and target date? Please provide details of any agreed or expected funding over the next 6 months. (e.g., grant, angel investment, venture capital round etc.)
C14. At what point do you expect the adaptation solution to generate revenue (become profitable)?	Please provide a brief timeline and description of your next steps towards revenue generation.
C15. Do you have any resources that can provide additional information on your adaptation solution? (Optional)	Please provide links to webpage, brochure or leaflet, article, videos or photos that can provide further information on your adaptation solution.

Annex 2 Draft review sheet for the ASIF Growth Accelerator

ASIF Growth Accelerator **Application Review Sheet**

Reviewer Information			
Name of reviewer	First Name	Last Name	Mr./Ms.
Reviewer email Address			
Date of review	DD/MM/YYYY		

Application Summary	
Name of company	Refer to section B1 of the application form.
Name of solution (technology/product/service)	Refer to section C1 of the application form.
Location of the company HQ	Refer to section B2 of the application form.
Description of the solution	Refer to sections C4, C5 of the application form.
Sector	Refer to section C2 of the application form.

Summary of Assessment	
Eligibility criteria score	
Review criteria score	
Recommendation by the reviewer	<input type="checkbox"/> The application is not eligible for the Growth Accelerator. <input type="checkbox"/> The application does not provide sufficient information for an informed decision. Please follow up with the company to provide additional details. <input type="checkbox"/> The application is eligible and recommended to be selected for the Growth Accelerator.
Comments by the reviewer for the applicant.	If there is any constructive feedback for the applicant, please provide here. These comments will be compiled and provided to the applicant anonymously. This feedback will help to make the application process a learning opportunity for the applicant/company.
<p>I, (insert name), confirm that this assessment has been conducted with fairness and discretion. No part of the application form nor the review sheet, nor information contained therein, has been or will be shared with anyone else, and there is no conflict of interest between myself and the application/company under review.</p> <p style="text-align: right;">Signature</p>	

Eligibility Criteria		
Criteria	1 – Yes 0 – No	Reviewer Comments
E1. Is the company located in an ODA eligible country?		Refer to section B2 of the application form.
E2. Is the proposed solution likely to produce direct adaptation benefits for a vulnerable community?		Among others, refer to sections C3, C4, C6, C7 of the application form.
E3. Is the proposed solution innovative (in terms of technology, business model, location of operation etc.)?		Among others, refer to section C5, C11, C15 of the application form.
E4. Is there likely to be market demand for the proposed solution?		Among others, refer to sections C3, C4, C6, C7, C8 of the application form.

Does the proposed adaptation solution have replication and scale-up potential in multiple locations?		
E5. Based on your understanding of the proposed solution and the company stage, is the applicant likely to benefit from the technical assistance offered by the Investment Catalyzer?		Refer to sections B10, C12, C13, C14, C15 of the application form.
<p style="text-align: center;"><i>For applications with a score of 4 or 5, move forward to the review criteria assessment. For applications with a score of 3 or less, stop assessment.</i></p>		

Review Criteria <i>Rating scale: 5 = Very High, 4 = High, 3 = Likely, 2 = Low, 1 = Very Low, 0 = None</i>		
Criteria	Rating	Reviewer Comments
R1. How critical is the described climate risk/hazard in increasing climate resilience of vulnerable communities?		Refer to sections C2, C3 of the application form.
R2. How likely is the proposed solution able to bring tangible benefits to the vulnerable community?		Refer to sections C4, C6, C7 of the application form.
R3. How innovative is the proposed solution? In other words, how likely is the proposed solution bring adaptation benefits compared to existing practices/products/technologies?		Among others, refer to sections C5, C11, C15 of the application form.
R4. Considering the current development stage of the applicant company, how solid is the business model for the proposed solution?		Among others, refer to sections B4, B6, C6, C9, C10, C11, C12, C13 of the application form.
R5. Considering the sector of operation and the current (market, policy etc.) landscape, how high is the replication and scale-up potential of the proposed solution?		Among others, refer to sections C2, C3, C4, C5, C6, C7, C9, C10, C11, C12, C13, C14, C15 of the application form.
R6. How likely is the proposed solution and the company to promote and contribute to social, economic and environmental impacts?		Among others, refer to sections B3, B6, C6, C8, C11 of the application form.
R7. Based on your understanding of the proposed solution and the company stage, of how likely is the applicant benefit technical assistance offered by the Growth Accelerator?		Among others, refer to sections B4, B6, C6, C9, C10, C11, C12, C13, C15, C15 of the application form.
Total rating for review criteria		
General comments by the reviewer for consideration by other review panel members (optional)		

Annex 3 Draft application form for the ASIF Investment Catalyzer

This will serve as the application form for the Investment Catalyzer under ASIF component 2. The application form will take a self-assessment approach.

During the call for applications period, awareness raising campaign will be conducted. To enhance the quality of applications received, the awareness raising campaign will also webinars and online helplines etc. to support applicants in completing the application form and the adaptation impact hypothesis.

As part of the review and selection process, short listed candidate maybe invited for an interview session, so that the independent review panel will be able to better determine the business/solution development stage, and verify the information provided.

Please note that this is a draft, and the application form and the review criteria will be further refined with inputs from financial and investment experts upon approval of the Facility.

Climate Adaptation Impact Hypothesis **for the ASIF Investment Catalyzer**

Date of application	DD/MM/YYYY
----------------------------	------------

A1. Applicant Information			
A2. Name of Applicant	First Name	Last Name	Mr./Ms.
A3. Applicant Email Address			
A4. Position in the company			
A5. When did you join the company?	MM/YYYY		

B. Company Information			
B1. Name of company			
B2. Location of HQ	City		
	Country		
B3. Locations of operation	Please list all cities/villages that the company is operating in, at the time of application.		
B4. Locations of planned expansion	Please list all cities/villages that the company is concretely planning to expand into, at the time of application.		
B5. Name of company founder or CEO	First Name	Last Name	Mr./Ms.
B6. Year of company founded	YYYY		
B7. Year of company registration/incorporation	YYYY		
B8. Funding raised to date	From friends and family USD	External funding USD	
B9. Revenue	Total revenue of the company to date USD		
	Revenue of the company in the past year USD		
	Projected revenue of the company for the current year USD		
B10. No. of employees at the time of application	No. of full-time women employees	No. of full-time men employees	
	No. of part-time women employees	No. of part-time men employees	
B11. No. of employees in senior management at the time of application	No. of women	No. of men	
B12. Company HQ Address			

B13. Company Email Address	
B14. Company Telephone	
B15. Company Website	

C. Adaptation Solution Please note that all information provided will be kept confidential, and will only be used for the purposes of assessing whether your adaptation solution will benefit from participating in the ASIF Investment Catalyzer.	
C1. Name of solution (technology/product/service)	
C2. Sector	In which of the below sector(s) does your solution provide adaptation benefits? Please check all that apply. <input type="checkbox"/> Agriculture <input type="checkbox"/> Coastal zone management <input type="checkbox"/> Disaster risk reduction <input type="checkbox"/> Enhancement and protection of cultural heritage <input type="checkbox"/> Food security <input type="checkbox"/> Forest and land use <input type="checkbox"/> Human health <input type="checkbox"/> Innovative adaptation financing <input type="checkbox"/> Marine and fisheries <input type="checkbox"/> Urban adaptation <input type="checkbox"/> Water resources management <input type="checkbox"/> Wildfire management
C3. What is the main climate risk/hazard your solution addresses?	Please describe the climate risk or hazard you are addressing in 50 to 100 words.
C4. What is the adaptation benefit of your solution?	Please describe how your solution addresses the above-described climate risk/ hazard in 50 to 100 words.
C5. What is your innovation?	What existing product is your adaptation solution replacing? Please describe how your solution is different from other existing solutions in 50 to 100 words.
C6. Who is your target customer?	Who is your target customer? Where is this customer located? If there a geographical location/community that your adaptation solution would be most relevant to, please provide this information.
C7. What is your projected climate adaption impact in quantitative terms?	How will your adaptation solution increase the climate resilience of your target customers? Please provide a quantitative projection (e.g., % increase in crop yield in the community, % increase in revenue per household after adopting new climate resilient farming solutions, % water efficiency increase per farm, etc.), and a short description of how you arrived at your projection.
C8. What is the relation between the market for your adaptation solution and its potential adaptation impact?	Are the above-described climate adaptation benefits/impact of specific interest to your customers, partners and/or investors? Will increased impact drive an increase in customer orders, potential partnership opportunities or investment offers? Do you foresee that increased sales of your solution will translate to increased adaptation benefits/impact? (50 - 100 words)
C9. How are you currently tracking and benchmarking your impact?	Has the technical effect of the innovation been analyzed? If yes, who did this? Has the adaptation benefits/impact of the innovation been calculated? If yes, who did this? What is your method of tracking and monitoring your impact? (50 - 100 words)
C10. Are there potential negative impacts from your adaptation solution?	Are there any possible (unintended) negative environmental or social impacts arising from the uptake of your adaptation solution? If so, what are your plans to eliminate or minimize the negative impact? (30 - 50 words)

C11. Does your solution bring other social, economic or environmental co-benefits?	<p>Does your solution contribute to any of the below? Please check all that apply, and please provide a short description (30 to 50 words) of how your solutions is relevant to each.</p> <p><input type="checkbox"/> No Poverty</p> <p><input type="checkbox"/> Zero Hunger</p> <p><input type="checkbox"/> Quality Education</p> <p><input type="checkbox"/> Gender Equality</p> <p><input type="checkbox"/> Youth Empowerment</p> <p><input type="checkbox"/> Decent Work & Economic Growth</p> <p><input type="checkbox"/> Reduced Inequality</p> <p><input type="checkbox"/> Sustainable Cities & Communities</p> <p><input type="checkbox"/> Responsible Consumption & Production</p> <p><input type="checkbox"/> Peace, Justice and Strong Institutions</p> <p><input type="checkbox"/> Other</p>
C12. What is the technology readiness level (TRL) of your adaptation solution, at the time of application?	<p><input type="checkbox"/> TRL 5 – technology validated in relevant environment</p> <p><input type="checkbox"/> TRL 6 – technology demonstrated in relevant environment</p> <p><input type="checkbox"/> TRL 7 – system prototype demonstration in operational environment</p> <p><input type="checkbox"/> Other – please provide a short description (20-50 words)</p>
C13. Do you have any resources that can provide additional information on your adaptation solution? (Optional)	Please provide links to webpage, brochure or leaflet, article, videos or photos that can provide further information on your adaptation solution.

D. Business Model and Commercialization Status

Please note that all information provided will be kept confidential, and will only be used for the purposes of assessing whether your adaptation solution will benefit from participating in the ASIF Investment Catalyzer.

D1. Who was/is your pilot customer?	<p>Who is your pilot customer? What is the status of engagement with your pilot customer (identified, under negotiation, secured, contract concluded etc.)?</p> <p>What is the projected size of the contract? Please provide as much information as possible.</p> <p>If you have already concluded your pilot, please provide information on this.</p>
D2. Who are your past/current customers?	<p>Please provide name of the customer, and status and size of each contract. If more than 5, please provide information on your top 5 customers.</p> <p>If there are no past/current customers, please indicate as not applicable.</p>
D3. Which customers are in your hard pipeline?	Please provide name of the potential customer, status of engagement, the projected size and timeline for each contract.
D4. What is main challenge you are facing in moving your adaptation solution to the next development stage, at the time of application?	What are the key drivers and obstacles that your company faces to increase both growth and impact? Please be as specific as possible.
D5. What is your business model?	How does your adaptation solution generate revenue (50-100 words)? If available, please provide a link to resources that provide additional information on your business model.

D6. What is the estimated size of your market?	USD If applicable, please provide estimated figures for country/region/global levels.
D7. What external changes could accelerate the uptake of your adaptation solution?	Based on your internal analysis, what changes (market, legal, policy economic, values) could positively influence the uptake of your solution?
D8. What is the total revenue of your adaptation solution to date?	USD
D9. What is the revenue of your adaptation solution from the past year?	USD
D10. What is the projected revenue from your adaptation solution in the current year?	USD
D11. What is your projected annual revenue for each of the next 5 years?	USD
D12. At what point do you expect your company to generate revenue (become profitable)?	Please provide a brief timeline and description of your next steps towards revenue generation. If you the adaptation solution is already generating revenue, please indicate as not applicable.
D13. What are the expansion plans for your adaptation solution?	Please provide a brief timeline and description of your next steps towards increasing revenue of your adaptation solution. If you the adaptation solution is not yet generating revenue, please indicate as not applicable.
D14. Have you raised external funding?	Have you raised external funding (e.g., beyond friends and family)? If so, from whom and how much? How much funding have you raised in total to date?
D15. Are you currently fund raising?	Are you currently raising funding for your company? If so, what is your target amount and target date? Please provide details of any agreed or expected funding for your company over the next 6 months. (e.g., grant, angel investment, venture capital round etc.)
D16. Do you have distribution partners?	Please provide the name, location of operation, and the brief description of the working arrangement for each (30-50 words).
D17. Do you have strategic partners?	Do you have strategic partners, for example R&D, marketing, sales or manufacturing? If yes, please provide the name, location of operation, and the brief description of the working arrangement and expected synergies for each (30-50 words).

E. Participation in the Investment Catalyzer Please note that all information provided will be kept confidential, and will only be used for the purposes of assessing whether your adaptation solution will benefit from participating in the ASIF Investment Catalyzer.	
E1. Please briefly describe the team that will be dedicated for participation in the Investment Catalyzer, in the case of selection.	Please describe the functions and hierarchy of the team that will participate in the Investment Catalyzer in 20 to 50 words.
E2. In the case of selection, is your company willing to enhance its business model in order to increase the contribution of your company/proposed solution to social inclusiveness, including but not limited to, gender equality, women and youth empowerment, rural development, etc.?	<input type="checkbox"/> Yes <input type="checkbox"/> No As applicable, please expand on your responses to section C11 in 20 to 50 words.
E3. In the case of selection, is your company willing to enhance its business model in order to meet the environmental and social safeguards as required by UNIDO and AF guidelines?	<input type="checkbox"/> Yes <input type="checkbox"/> No If your company has already adopted environmental and social safeguards, please provide a brief description in 30 to 50 words).
E4. In the case of selection, what would be the grant financing amount requested from the Investment Catalyzer? Please note that the Investment	USD

<p>Catalyzer provides milestone-based grants between USD 50,000 and 250,000.</p>	<p>Please provide a brief description of how this grant will be utilized in under 100 words. Please provide links to any relevant resources.</p>
<p>E5. Do you have an identified target customer (vulnerable community) for deployment of your proposed solution? How many end-users is your solution likely to reach in this community?</p>	<p> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p>Please provide a brief description of the target customer in mind, including the geographical location, climate risks experienced by the community, demographics, etc., in 50 to 100 words.</p>

Annex 4 Draft review sheet for the ASIF Investment Catalyzer

ASIF Investment Catalyzer **Application Review Sheet**

Reviewer Information			
Name of reviewer	First Name	Last Name	Mr./Ms.
Reviewer email Address			
Date of review	DD/MM/YYYY		

Application Summary	
Name of company	Refer to section B1 of the application form.
Name of solution (technology/product/service)	Refer to section C1 of the application form.
Location of the company HQ	Refer to section B2 of the application form.
Description of the solution	Refer to sections C4, C5 of the application form.
Sector	Refer to section C2 of the application form.

Summary of Assessment	
Eligibility criteria score	
Review criteria score	
Recommendation by the reviewer	<input type="checkbox"/> The application is not eligible for the Investment Catalyzer. <input type="checkbox"/> The application does not provide sufficient information for an informed decision. Please follow up with the company to provide additional details. <input type="checkbox"/> The application is eligible and recommended to be selected for the Investment Catalyzer.
Comments by the reviewer for the applicant.	If there is any constructive feedback for the applicant, please provide here. These comments will be compiled and provided to the applicant anonymously. This feedback will help to make the application process a learning opportunity for the applicant/company.
<p>I, (insert name), confirm that this assessment has been conducted with fairness and discretion. No part of the application form nor the review sheet, nor information contained therein, has been or will be shared with anyone else, and there is no conflict of interest between myself and the application/company under review.</p> <p style="text-align: right;">Signature</p>	

Eligibility Criteria		
Criteria	1 – Yes 0 – No	Reviewer Comments
E1. Is the company located in an ODA eligible country?		Refer to section B2 of the application form.
E2. Is the proposed solution likely to produce direct adaptation benefits for a vulnerable community?		Among others, refer to sections C3, C4, C6, C7, D1, D2, D3, D5 of the application form.

E3. Is the proposed solution innovative (in terms of technology, business model, location of operation etc.)?		Among others, refer to section C5, C12, C13 of the application form.
E4. Is there likely to be market demand for the proposed solution? Does the proposed adaptation solution have replication and scale-up potential in multiple locations?		Among others, refer to sections C3, C4, C6, C7, D1, D2, D3, D6, D8, D9, D10, D11, D12 of the application form.
E5. Based on your understanding of the proposed solution and the company stage, is the applicant likely to benefit from the technical assistance offered by the Investment Catalyzer?		Please comprehensively assess based on the information provided in sections C and D.
<i>For applications with a score of 4 or 5, move forward to the review criteria assessment. For applications with a score of 3 or less, stop assessment.</i>		

Review Criteria <i>Rating scale: 5 = Very High, 4 = High, 3 = Likely, 2 = Low, 1 = Very Low, 0 = None</i>		
Criteria	Rating	Reviewer Comments
R1. How critical is the described climate risk/hazard in increasing climate resilience of vulnerable communities?		Refer to sections C2, C3 of the application form.
R2. How likely is the proposed solution able to bring tangible benefits to the vulnerable community?		Refer to sections C4, C6, C7, C8, C12, C15, D1, D2, D3, E4, E5 of the application form.
R3. How innovative is the proposed solution? In other words, how likely is the proposed solution bring adaptation benefits compared to existing practices/products/technologies?		Among others, refer to sections C5, C13, D5, E4, E5 of the application form.
R4. Considering the current development stage of the applicant company, how solid is the business model for the proposed solution?		Among others, refer to sections B3, B6, B8, B9, B10, B11, C6, D1, D2, D4, D5, D6, D8, D9, D10, D14 of the application form.
R5. Considering the current development stage of the proposed solution and their current business model, how solid is the company's scale aspirations?		Among others, refer to sections B4, B6, B8, B9, B10, B11, C6, C10, D3, D4, D5, D6, D11, D12, D13, D14, D15, D17 of the application form.
R6. Considering the sector of operation and the current (market, policy etc.) landscape, how high is the replication and scale-up potential of the proposed solution?		Among others, refer to sections B4, C2, C3, C4, C5, C6, C7, C8, C10, C12, C13, D3, D4, D5, D6, D7, D11, D12, D13, D14, D15, D16, D17 of the application form.
R7. How likely is the proposed solution and the company to promote and contribute to social, economic and environmental impacts?		Among others, refer to sections B2, B3, B4, B10, B11, C8, C9, C10, C11 of the application form.
R8. Based on your understanding of the proposed solution and the company stage, of how much benefit will it be for the participant to receive the technical assistance offered by the Investment Catalyzer, and the grant financing of up to 250,000 USD?		Among others, refer to sections B3, B4, B6, B8, B9, C7, C8, C10, C12, D3, D4, D6, D7, D11, D12, D13, D14, D15, D16, D17 of the application form.
R9. What is the estimated cost effectiveness of this solution in reaching direct beneficiaries in regard to grant requested? Does it meet the average AF factor of USD 80 or less per end-user?		Refer to sections E4 and E5 of the application form.
R10. Based on your understanding of the application form and the interview, is the participating team likely to be "coachable"?		Among others, refer to sections E1, E2, E3 of the application form.
Total rating for review criteria		
General comments by the reviewer for consideration by other review panel members (optional)		



**INNOVATION
ACCELERATOR**

Climate Adaptation Innovation Accelerator Programme (CAIAP)

Expression of Interest

By WFP Innovation Accelerator

20 February 2022

Programme Title	Climate Adaptation Innovation Accelerator Programme
Prepared for	Adaptation Fund
For the attention of	Adaptation Fund Board Secretariat
Requested amount	USD 10 million
Prepared by	United Nations World Food Programme Innovation Accelerator

Annex 6

Contacts	Regina Schmidt, Head of SDG2 Acceleration regina.schmidt@wfp.org Joanna Purcell, Head of Partnerships joanna.purcell@wfp.org
-----------------	---

Part I: Why WFP and the WFP Innovation Accelerator?	2
1.1 WFP and Innovation	2
1.2 The Importance of Climate Adaptation for WFP	3
1.3 The WFP Innovation Accelerator's Proven Path to Scale	8
1.4 Global Reach and Recognition	10
1.5 Summary of Competitive Advantages	11
Part II: How we will deliver the Climate Adaptation Innovation Accelerator Programme (CAIAP)?	14
2.1 Programme Rationale	14
2.1.1 CAIAP Expected Results	15
2.1.2 CAIAP Goals	17
2.2 Core Programme Components	18
2.2.1 Phase 0. Design	19
2.2.2 Phase 1. Source	19
2.2.3 Phase 2. Boost	21
2.2.4 Phase 3. Grant	21
2.2.5 Phase 4. Accelerate	21
2.3 Additional Programme Outputs and Outcomes	23
2.3.1 Monitoring, Evaluation and Learning (MEL)	23
2.3.2 Knowledge Management and Sharing	24
2.3.3 Innovation Ecosystem and Innovators Community	25
2.3.4 Visibility	26
2.4 Timeline	27
2.5 Programme Budget	28
2.6 Team Designing the Programme	29
Part III: ANNEXES	32
ANNEX 1: WFP Climate Publications and Projects	33
ANNEX 2: WFP Climate Partners	37
ANNEX 3: WFP Innovation Accelerator Programmes	41
ANNEX 4: Programme Theory of Change	44
ANNEX 5: Programme Tools	45

Part I: Why WFP and the WFP Innovation Accelerator?

1.1 WFP and Innovation

The World Food Programme (WFP) is the world's largest humanitarian organisation saving lives and changing lives. WFP delivers food assistance in emergencies and works with communities recovering from conflict, disasters, and the impact of climate change. WFP supports these communities by improving nutrition and building pathways to peace, sustainability, and prosperity. In 2021, WFP reached **128.2 million people** with lifesaving and resilience-building programmes.

WFP's decades of experience in innovative humanitarian and development response has honed a mindset of persistence, ingenuity and problem-solving that is driving transformation and impact at scale. As well as investing in people, strengthening partnerships, growing and diversifying funding, and building on evidence, **leveraging technology and fostering innovation are fundamental to WFP delivering on its Strategic Plan 2022-2025**. As enablers of change, technology and innovation allow WFP teams to speed up emergency responses, scale up assistance and more effectively empower people by providing greater choices in their assistance modalities. They also provide hope as WFP works to solve today's big challenges of global hunger and the climate crisis.

To maximise the effectiveness of innovation and technology in operations, WFP created what is now the United Nations' (UN) largest and longest standing innovation platform: the WFP Innovation Accelerator. **Since pioneering humanitarian airlifts and airdrops 60 years ago**, WFP is now tapping into unprecedented advances in innovation, such as amphibious vehicles and drones, artificial intelligence (A.I.), blockchain, cash-based transfers, climate and agricultural technology, food fortification, hydroponics, and innovative financing. To efficiently save and change lives, WFP is actively sourcing and scaling new ideas and solutions that could be considered 'high technology', but impactful 'low technology' solutions, such as hermetic bags and the implementation of innovative business models are also extremely valuable to the people and communities WFP serves.

In 2020, WFP was awarded the **Nobel Peace Prize**, in recognition of its efforts to **combat hunger**, for its contribution to **bettering conditions for peace in conflict-affected areas**, and for acting as a **driving force in efforts to prevent the use of hunger as a weapon of war and conflict**.

1.2 The Importance of Climate Adaptation for WFP

The climate emergency is a hunger emergency. Along with rising costs, conflict, and the long-term impact of the COVID-19 pandemic, climate shocks are a key driver of the current global food crisis. The number of **people now facing acute food insecurity has soared to almost 350 million**, up from 135 million in 2019, while **50 million people in 45 countries are teetering on the edge of famine**. Globally, as many as **828 million people are unsure of where their next meal is coming from**. This level of global hunger is unprecedented; it is the largest food crisis in modern history. Millions more are at risk of worsening hunger unless action is taken *now* to respond at scale.

Faced with such increasingly adverse conditions, **WFP is utilising existing expertise while working to support vulnerable communities to adapt to the harsh reality of the climate crisis**, especially those in fragile environments. **WFP is also responding with dedicated efforts to strengthen the resilience of livelihoods and government systems to change lives and increase capacities to adapt to the effects of climate change**. Capacity strengthening is ongoing in multiple areas, including: early warning systems and anticipatory action; emergency preparedness; comprehensive climate risk assessment and management; and resilience-building of communities, livelihoods and ecosystems, especially paying attention to the diverse capacities, needs and interests of the population under threat. **In 2021, WFP supported 12.2 million people in 37 countries with specific climate risk management solutions**. However, increased global action is urgently required to scale up climate adaptation solutions.

WFP saves lives following climate-related disasters by assisting people in the most remote and challenging locations. At the same time, WFP supports communities to:



- **'Anticipating' climate hazards via early warning and preventative action.**

WFP uses its skills in risk analysis, early warning and emergency preparedness to trigger anticipatory action *before* climate hazards turn into disasters. In 2022, WFP scaled its **anticipatory action programme to 28 countries, protecting approximately 2 million people**. Through these innovative programmes, **1.7 million people received anticipatory cash or food assistance**

coupled with **early warning information** to help them brace for the impact of forecasted flood or drought hazards.

- **‘Restoring’ locations via nature-based solutions and climate resilient infrastructure.**

WFP works with food insecure communities in degraded landscapes and ecosystems to reverse environmental degradation and strengthen natural capital. WFP supports these efforts through an integrated package of activities, including Food Assistance for Assets (FFA) programmes, whereby vulnerable communities restore natural buffer zones and rebuild protective infrastructure, thereby reducing the impacts of future climate hazards. **In 2021, over 8.6 million people benefited from FFA activities in 49 countries.** Since 2014 WFP has supported food insecure communities to rehabilitate almost 1.6 million hectares, plant 60,000 hectares of forest, and establish over 380,000 community and household gardens.

- **‘Protecting’ people via climate risk insurance as safety nets for the most vulnerable.**

WFP is the leading UN agency making climate risk insurance work for food insecure populations. In the event of a climate hazard, these insurance products trigger payouts and protect the livelihoods and food security of vulnerable people. In 2022, **WFP-supported climate risk insurance programmes protected 3.85 million people and triggered over USD 15 million in payouts in 10 countries.** These payouts help ensure that vulnerable people will receive timely food and nutrition assistance through early 2023.

- **‘Energizing’ schools and communities by promoting sustainable energy solutions.**

WFP strives to ensure that the food it provides through its food assistance programs can be prepared with clean cooking solutions, avoiding negative socioeconomic and environmental impacts. **In 2021, 1.7 million people in 14 countries received access to sustainable energy services with WFP’s support.** In 2021 WFP distributed over 170,000 improved stoves to households and upgraded institutional cookstoves in nearly 300 schools. In addition, over 50,000 smallholder farmers gained access to energy products or services for productive uses such as solar water pumps for irrigation and solar dryers for preserving perishable crops. For more information on WFP’s Climate publications and programmes, please refer to Annex 1.

In order to achieve such objectives, and support governments in accomplishing their food security targets in the context of climate change, WFP is stepping up its efforts to facilitate governments’ access to specific climate finance opportunities, such as the **Adaptation Fund (AF)** and the **Green Climate Fund (GCF)**, among others. The Adaptation Fund represents an opportunity for the most poor and vulnerable communities and the governments that WFP supports to fulfil their climate adaptation objectives in the context of food and nutrition security.

WFP is accredited to access the Adaptation Fund and has been implementing Adaptation Fund-funded projects since 2012 with the aim of building long-term livelihood resilience through concrete adaptation activities, capacity building, and income diversification, amongst others. Currently, WFP has 13 Adaptation Fund-funded projects in Africa, Latin America and Asia worth a total of \$123 million, with several other projects in the pipeline. Annex 2 provides a summary of WFP's Climate Partners, including Adaptation Fund supported projects.

WFP priority areas aligned with the Adaptation Fund include: advancement of gender equality, agriculture, disaster risk reduction, focus on communities, food security, human health, inclusion of youth, innovative adaptation financing, nature-based solutions, rural development, water resources management and not least social innovation.

1.3 The WFP Innovation Accelerator at a Glance

At the WFP Innovation Accelerator, we are convinced that closing the gap to Sustainable Development Goal 2 (SDG2): Zero Hunger and achieving the SDGs requires collaboration and innovation at scale and in support of vulnerable communities and their climate adaptation. Building on WFP's legacy of innovation, the [WFP Innovation Accelerator](#) was launched in 2015. It identifies, supports and scales high-potential solutions to end hunger worldwide and address the Sustainable Development Goals (SDGs) by connecting them with WFP's 22,000 employees and global field operations in over 120 countries and territories. More specifically the WFP Innovation Accelerator:

- **Supports innovators to [sprint from idea to impact](#)**, through a bootcamp and an intense six-month acceleration programme that helps innovators and start-ups reach proof-of-concept and develop prototypes ready for implementation.
- **Enables the [scale-up of high-impact innovations](#)** which have already proven their project concepts within WFP field operations and are working to optimise their impact and reach at regional or global levels.
- **Co-explores game-changing [frontier innovations](#)** using artificial intelligence, blockchain, cutting edge computing and robotics, and key themes such as impact investment/innovative finance, financial inclusion, and enabling philanthropic giving through a multitude of modalities, including crypto.
- **Develops novel [innovative finance mechanisms](#)** to attract different pools of capital, including from the private sector, to fund innovations and/or promote financial inclusion of the people WFP serves.

Thank you to our key partners



Figure 1. WFP Innovation Accelerator Partners

The WFP Innovation Accelerator is supported by Germany, the United States, Luxembourg, Austria, Norway, France and the Czech Republic, as well as private sector partners such as BASF Stiftung, Bosch Siemens Household Appliances, the John Deere Foundation, and Netlight. Additionally, we are part of the global innovation ecosystem and work with entities such as Young Presidents Organization (YPO), Google and the World Economic Forum. For example, WFP's Innovation Accelerator is the first and only United Nations organisation to join Google for Startups, a world-leading programme to support accelerators and their portfolio projects.

With a proven track record of accelerating innovations across the globe, the **WFP Innovation Accelerator has been approached by and is providing unique demand-based innovation acceleration programmes and services, also beyond SDG2, to other organisations** and United Nations Agencies, Funds and Programmes, including the United Nations Population Fund (UNFPA), the Humanitarian Grand Challenges, the World Health Organisation (WHO), the Bill and Melinda Gates Foundation and the German Agency for International Cooperation (GIZ). In 2022, the SDG Acceleration portfolio delivered nine programmes which supported 58 innovations working towards SDGs related to health, gender equality, clean water & sanitation, clean energy and peace, justice & institutions. Please refer to Annex 3 for more information on the WFP Innovation Accelerator's programmes and partnerships.



Figure 2. WFP Innovation Accelerator Global Reach

*Note: The above map shows the Innovation Accelerator's reach in 2021. In 2022 the Accelerator operated in 88 countries.

From its **base in Munich**, the WFP Innovation Accelerator has supported **more than 308 sprint projects** focusing on Zero Hunger and other Sustainable Development Goals since 2015, with **22 innovations scaling up globally** in 2022. Across **88 countries and territories**, the active innovation projects reached over **22.5 million people**, while our alumni projects reached **14.5 million people** through WFP's humanitarian and development operations in 2022. The WFP Innovation Accelerator has set the goal of doubling its impact every year to **reach 100 million people by 2025**. Innovations supported by the Accelerator have raised a **cumulative USD 196 million** in third party co-funding.

WFP emphasizes **locally led solutions** and has **created a strategic network of regional and country-based innovation ecosystems via WFP's Innovation Network**. **Regional Innovation Hubs** exist in **Eastern Africa (Kenya)** and **Latin America and the Caribbean (Colombia)**, while **Innovation Units** are present within the Country Offices of **Jordan, Kenya, Tanzania and South Sudan**. [More details can be seen on the WFP Global Innovation and Technology map.](#)

Climate-focused innovation has always been a focus of the WFP Innovation Accelerator. Many of the innovations targeting **SDG2** focus on solutions targeting **climate change** and its impacts on food security, transformation of food systems, climate adaptation and resilience, in line with WFP's global work on climate and disaster risk reduction. In 2022 the Innovation Accelerator further strengthened its climate innovation portfolio with a global [call for applications](#) in this area, which

received over 800 applications, seven of which participated in a bootcamp and presented their solutions at a [global pitch event](#) in November and are now competing for up to USD100,000 in equity-free funding provided by the Accelerator.

At COP27 in 2022 the WFP Innovation Accelerator partnered with the United Nations Framework Convention on Climate Change (UNFCCC) and was hosted at the UNFCCC Pavilion to deliver a key [innovation event titled “Disrupt Hunger: Innovating For People and Planet”](#). Some of the most impactful innovations at the forefront of climate and food security were showcased, while key experts and influential voices from the field engaged in a lively panel discussion to highlight the critical role of innovation as a tool for impacting the climate crisis and mitigating its impacts on communities globally. For examples of our climate innovation projects, please refer to Annex 1.

1.3 The WFP Innovation Accelerator’s Proven Path to Scale

The WFP Innovation Accelerator sources, supports and scales bold new solutions to achieve Zero Hunger and the wider Sustainable Development Goals (SDGs).

Our Methodology

The WFP Innovation Accelerator incorporates **Human-Centred Design (HCD)** methodologies and processes for problem definition, explorative research, and ideation to design and test project concepts, ensuring that they are relevant to the organisation and aligned with our strategic goals. Ultimately, the use of Human-Centred Design ensures we create solutions that are tailor-made for people we serve.

The Accelerator also employs **Lean Startup methodology**, which focuses on experimentation. We gather palpable and quantitative evidence through small-scale pilots conducted in controlled environments or sandboxes, in collaboration with WFP Country Offices. This enables us to identify truly impactful solutions with comparably smaller grants while ensuring that innovation is implemented responsibly and safely for the people we assist.

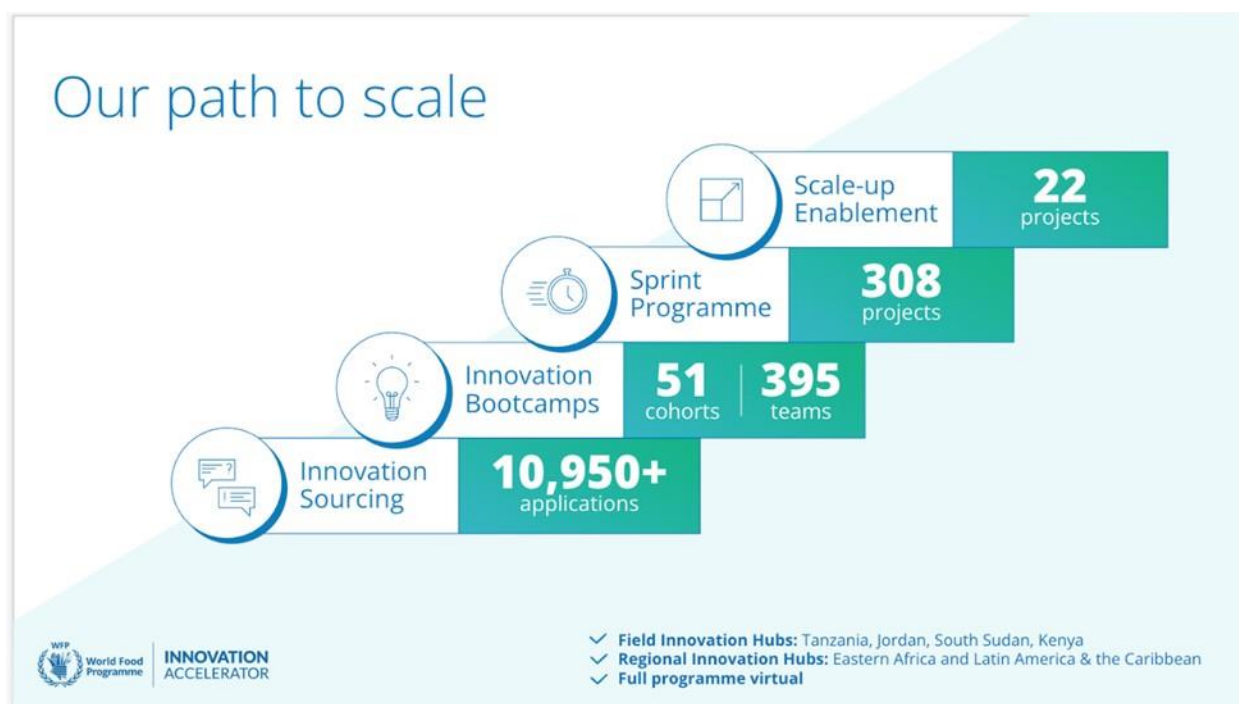


Figure 3. WFP Innovation Accelerator Path to Scale

Our Path to Scale has been constantly refined and improved since the Accelerator started operating in 2015. At the WFP Innovation Accelerator, our path to scale comprises of several steps:

- We **source innovative ideas** and have processed more than 10,900 applications since launching in 2015. Every year, we host multiple Innovation Challenge campaigns, but also accept applications at any time. We have a rolling application process and review applications multiple times a year.
- The most impactful teams are selected for our **Sprint Programme**, an intense six-month acceleration programme that matches innovators and startups with exceptional support to sprint from idea to impact. Successful applicants to our Sprint Programme receive access to US\$100,000 in grant funding, world-class mentors, results-driven programming, and WFP's vast field operations. On average, our Sprint projects hit 69 percent of their targets within six months.
- We scale-up high-impact innovations through our **Scale-Up Enablement Programme**, featuring tailored strategic planning, fundraising, communications, knowledge management and mentorship support. We scale-up innovations that have the potential to significantly disrupt hunger by improving the livelihoods of over 100,000 people, increasing efficiency and effectiveness across multiple countries. On average, our scale-up projects raised \$2 million in funding in 2019 alone.
- All of the above is complemented by our work on **Frontier Innovation and Innovative Finance**, where we explore game-changing innovations and new technologies such as

artificial intelligence (A.I.), blockchain, and robotics that can be leveraged for faster, more efficient and effective impact.

1.4 Global Reach and Recognition

The WFP Innovation Accelerator has been recognised by **Fast Company** as one of the **100 Best Workplaces for Innovators**, and as one of the **ten Most Innovative Not-For-Profit Organizations in 2021**. Together with WFP's Technology unit, the Accelerator produced the award-winning [Great Enablers](#) website, which tells the story of the people and partnerships behind innovation and technology at WFP, and how their work towards ending hunger by 2030 paved the way to the **2020 Nobel Peace Prize**. One Accelerator-supported project, [Takachar](#), was awarded **Prince William's Earthshot Prize** for its innovative solution that turns crop waste into bioproducts while reducing air pollution.

The work of the WFP Innovation Accelerator and its team members has been recognised for innovative, interesting and effective contributions and leadership across the humanitarian sector. In 2023, the WFP Innovation Accelerator received four **Anthem Awards** (by the The Webby Awards), which honour the purpose and mission-driven work of people, companies, and organisations worldwide.

In 2022, the WFP Innovation Accelerator received **3,346 media mentions** across **97 countries, reaching over 1 million people**. Coverage included in a diverse range of publications, including **Beyond Innovation, BR24, Daily Beast, Eco Africa (Deutsche Welle), Forbes, Fortune Magazine, Galileo (ProSieben), Newsweek, Público, Tagesschau** and **TEDxBCG**. On social media, the Accelerator delivered more than **1.8 million social media impressions**. On LinkedIn specifically, our business-centric audience is now over 35,000 members, with visitors from over 50 countries in 2022.

The WFP Innovation Accelerator is committed to collecting lessons learned and sharing knowledge, technical advice and resources acquired over the past years. Our latest Year in Review 2021 (the Accelerator's annual report), released in April 2022, captured the [lessons learned](#) on modernising our ways of working, designing innovation programmes, and strengthening sourcing capabilities. The upcoming Year in Review 2022 will share further insights from our global work, focusing on the lessons learned from growing and scaling innovation, value internal and external partnerships can offer, designing mentorship programmes for startups, and more.

In 2022, the Accelerator produced **116 knowledge products**, including blog posts, educational videos, case studies, factsheets, guidelines, webpages and social media cards. We produce

innovation case studies to share practical examples of how innovation can enhance humanitarian and development work. One of the case studies focused on an innovation project implemented with a private company, [Thrive Agric](#), in Nigeria as an example of an innovative approach that can complement emergency operations in conflict-affected territories; another example is the case study of [Fenik's](#) pilot in Malawi, which demonstrates how innovations in refrigeration can accelerate climate resilience in regions with limited electricity.

The WFP Innovation Accelerator shares its learnings with UN colleagues, as co-lead of the [UN Innovation Network](#), and with various non-governmental organisations and private sector innovation entities through its [SDG Acceleration Programme](#). We have shared our expertise also in major international publications like [Forbes](#), [Chicago Council on Global Affairs](#), and the [World Economic Forum's Humanitarian and Resilience Investing Initiative](#).

The WFP Innovation Accelerator's knowledge and communication products are increasingly produced in languages other than English, as we emphasise the value of locally-led innovations and strive to engage audiences in countries where WFP operates. The microsites for WFP's Regional Innovation Hub for Latin America and the Caribbean all have webpages in [Spanish](#) and [English](#). We launched our "Innovation Bites" educational video series about the applications of [artificial intelligence](#) and [blockchain](#) in humanitarian and development work with English, French and Spanish subtitles. In March 2022, the Accelerator launched its [#SheSpeaksUp campaign](#) in honour of International Women's Month. The campaign showcased the voices of female community members whose lives had been improved through our innovation projects. The month-long campaign featured audio clips from women in Kenya, Palestine, Zambia, Colombia, India, Guatemala, and Haiti recorded in the women's native languages with English subtitles and shared on Twitter and LinkedIn for a broader reach.

1.5 Summary of Competitive Advantages

Highly relevant experience

The WFP Innovation Accelerator has over seven years of experience, with a proven track record of impact. The Accelerator team is experienced in sourcing innovations (10,900+ applications to date), running sprint programmes (including the provision of grants), scaling-up high-potential innovations, and delivering innovation acceleration programmes across multiple SDGs, including those with a focus on climate action and food security. Furthermore, the Accelerator has broad experience as the corporate venture arm of the largest humanitarian organisation worldwide, resulting in strong expertise in navigating complex internal and external processes, enabling agility and innovation at scale.

Innovation leadership

WFP co-leads the UN Innovation Network (UNIN), a community of 3,000 innovators from over 70 United Nations entities in over 140 countries, alongside the United Nations Children's Fund (UNICEF) and United Nations Development Programme (UNDP). In January 2021, the World Economic Forum (WEF) launched Food Innovation Hubs in partnership with WFP, private companies and governments, in support of smallholder farmers and an effort to reach the ten percent of the world's population who face food insecurity. The WFP Innovation Accelerator has represented WFP in the Food Systems Summit, and further positioned WFP as a leader in innovation at World Humanitarian Forum, Dubai EXPO 2020, YPO (Young Presidents Organisation), COP27, and the United Nations General Assembly (UNGA). Given the complex operating environments in which WFP typically works, WFP has built the ability to capture experiences and subsequently work with governments to capitalise on their experiences. The WFP Innovation Accelerator has a dedicated Knowledge Management (KM) pillar that specifically focuses on capturing, organising, sharing and tracking the use of innovation knowledge.

Strong innovation and partnership networks

WFP operates in over 120 countries and territories and the WFP Innovation Accelerator supports innovation in over 88 of these. WFP strategically leverages its field innovation units in Tanzania, Jordan, South Sudan and Kenya, as well as its regional innovation hubs in East Africa and Latin America and the Caribbean. The WFP Innovation Accelerator has fostered strong partnerships with governments, including those where WFP Country Offices operate, and also with the private sector and academia to bolster the potential for innovation and collaboration. For example, **Google** co-developed the artificial intelligence for [SKAI](#), WFP's disaster mapping project, and Alibaba Cloud powered the initial iteration of WFP's [HungerMapLIVE](#). One of Germany's largest research institutions, the **German Aerospace Center**, is working on developing remote-controlled technology for WFP's amphibious all-terrain vehicles. The WFP Innovation Accelerator also works closely with foundations such as the **John Deere Foundation**, **BASF Stiftung** and the **Bill & Melinda Gates Foundation** to bring distinct expertise and tools to our acceleration programmes and to help maximise the impact for programmes globally.

Real-world Impact

2022 was another year of impact and growth. By reaching over **37 million people** through active innovations and alumni projects, we continued to increase our impact exponentially. In 2022, **4.2 million people** received cash and market support from WFP, often in conflict, post conflict or disaster situations. **10 million people** improved nutrition, health and accessed optimised school meals with our nutrition programmes. **3.7 million smallholder farmers** raised their incomes and improved their livelihoods. **7.4 million people** received a more efficient and effective distribution of food through Supply Chain and Logistics innovations.

Diversity

From the original six founding members in 2015, **the WFP Innovation Accelerator is now a team of over 80 employees from 44 nations, speaking 23 languages, with a female representation of 68%** (including a majority in leadership roles). The Accelerator team includes a broad mix of people with a multitude of expertise, including members with humanitarian field experience, business analysts, start-up entrepreneurs, product design and human centered design consultants, communications, marketing and technological experts, including specialists in blockchain, artificial intelligence and innovative finance, among many others. There is also a complementary blend of colleagues with relevant experience from both the public and private sectors. This diversity of thought, experience and backgrounds across all our programmes, especially in our countries of operation, allows innovation and creativity to thrive.

Part II: How we will deliver the Climate Adaptation Innovation Accelerator Programme (CAIAP)?

2.1 Programme Rationale

Despite worldwide commitments and efforts to evolve and change, there remains a dire need for solutions that not only help reduce the effects of the climate crisis, but those that help communities adapt to a world already affected by climatic changes. Locally driven climate adaptation solutions are urgently needed to provide protection and support to people, homes, businesses, developing countries and nation states, whose infrastructure and natural ecosystems have contributed the least to the climate emergency, but are the most impacted by it.

While many governments and international organisations are carrying out measures and implementing actions towards climate adaptation, innovative solutions and approaches from those proximate to the problem are also required to accelerate the overall pace of adaptation. **The WFP Innovation Accelerator recognizes the leading role of local climate entrepreneurs and ventures in developing and adopting innovations focused on increasing adaptive capacity, especially for vulnerable populations.**

The WFP Innovation Accelerator's experience and leadership in the global innovation acceleration realm has proven that sourcing and supporting innovations, while developing a community of innovators, adds value and can increase the impact of work aimed at solving global challenges and achieving the SDGs. The WFP Innovation Accelerator recognizes the powerful opportunity to join the Adaptation Fund Climate Innovation Accelerator (AFCIA) partnership as a grant administrator. Building on past experiences, the Accelerator has the knowledge and resources to support ventures and innovators to enhance climate change adaptation capacities in developing countries, with the ultimate goal of protecting vulnerable communities.

To achieve this, **the WFP Innovation Accelerator proposes the launch of the WFP Climate Adaptation Innovation Accelerator Programme (CAIAP).**

2.1.1 CAIAP Expected Results

The Expected Results (ER) of the CAIAP are four-fold and detailed in the below graphic. A description of each ER, and associated workstreams to deliver these results follows.

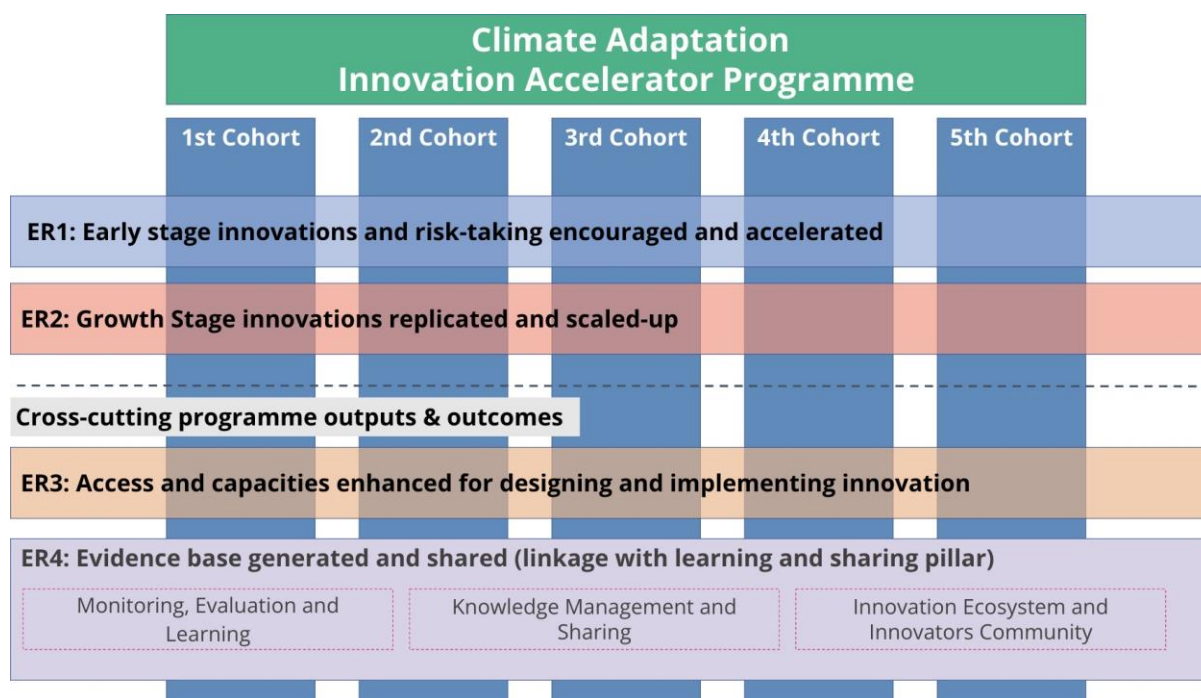


Figure 4. Climate Adaptation Innovation Accelerator Programme Overview

1. Expected Result One: Early stage innovations and risk taking are encouraged and accelerated in the Programme.

Description: The programme aims to foster a culture of innovation to enable climate adaptation by encouraging and promoting new, creative ideas and taking calculated risks to develop and implement these innovations. CAIAP will support and enable entrepreneurs and innovators with **early stage innovations** with an established product market and or business model fit to think outside the box and push the boundaries of what is possible, while also providing the necessary resources and support to help these ideas succeed. By promoting innovation and risk-taking, CAIAP will enable innovators to crystallise the problems they are solving and new strengthen the viability, desirability and feasibility using experimentation to spark new ways of working and thinking, to create opportunities for transformative change. Grant awards for CAIAP participants with early stage innovations will range between USD 50,000 to USD 100,000.

2. Expected Result Two: Growth stage innovations replicated and scaled up.

Description: CAIAP will identify and support **growth stage innovations** that have demonstrated traction, product market fit and a validated business model, and demonstrable breadth and depth of impact. By providing these participants with the necessary resources, such as funding, mentorship, and access to networks, CAIAP will help them **replicate and scale** their innovations to new markets and regions. Through this process, the programme hopes to drive the mass adoption and diffusion of successful innovations, which can have a transformative impact on individuals, communities and developing countries in need of support with climate adaptation. Ultimately, the goal is to accelerate the transition towards more sustainable and resilient systems by identifying and scaling solutions that work. Grant awards for CAIAP participants with growth-stage innovations will range between USD 100,000 to USD 250,000.

3. Expected Result Three: Access and capacities enhanced for designing and implementing innovation.

Description: CAIAP will support and enhance the ability of local communities and stakeholders to develop and implement innovative solutions to the challenges they face. This will involve working with partners to provide these communities with access to the necessary resources, knowledge, and networks to design and implement effective solutions tailored to their specific needs and contexts. By enhancing local capacities, the programme should empower communities to take ownership of the innovation process and drive sustainable development from the ground up. This can lead to more effective and sustainable solutions that are better suited to local needs and priorities, as well as greater local engagement and participation in the innovation process. Ultimately, the goal is to create a more inclusive and collaborative approach to innovation that benefits local communities and drives positive change.

4. Expected Result Four: Evidence base generated and shared.

Description: CAIAP will gather and share data and evidence on the outcomes and impact of the innovations developed and supported through the programme. This includes collecting data on the effectiveness and scalability of innovative solutions, as well as the social, economic, and environmental impacts of these solutions which will enhance climate adaptation. To ensure that the programme is meeting its objectives and delivering value to its stakeholders, the programme also incorporates a robust **monitoring, evaluation, and learning framework**. This framework will enable the programme to track progress towards its expected results, identify areas for improvement, and ensure that the programme is accountable and transparent in its operations and outcomes.

In addition, the programme will promote **knowledge management and sharing** across different stakeholders and sectors, in order to facilitate learning and collaboration. This includes the development of a knowledge management system that will allow stakeholders to access and share information, good practices, and lessons learned related to innovative solutions and sustainable development. By promoting knowledge sharing and collaboration, the programme hopes to build a more inclusive and effective approach to innovation that can drive positive change and create lasting impact.

The programme also will provide ongoing support to programme alumni through **an innovation ecosystem and a community of innovators**. This will help to ensure that the knowledge and expertise gained through the programme is sustained and applied over the long term, and that innovators have continued access to the resources and networks necessary to drive sustainable and impactful innovation.

2.1.2 CAIAP Goals

In service to the above expected results, within the overall scope of driving innovation towards climate change adaptation capacities in developing countries, and ultimately improving the lives of vulnerable communities, CAIAP will pursue the following goals:

- Identify high potential ventures working on innovations addressing prioritised challenges published in yearly calls for applications, within a span of five years.
- Design, deliver and manage an acceleration programme that will connect selected ventures (ie CAIAP participants) with funding, knowledge and networks that may help them move along their pathway to scale in a sustainable way.
- Create spaces that promote new collaborations with the potential to accelerate implementation and impact. Guidance will be given to CAIAP participants to encourage multi-stakeholder partnerships by including a wide range of communities, such as youth, women, people with disabilities, researchers, civil society, indigenous people across the innovation lifecycle.
- Leverage the financial power and expertise of the private sector through our visibility and networking activities.
- Strengthen local climate change adaptation capacities and networks. We will work with our network of partners to expand and encourage access to innovation grants, including by non-accredited actors; and explore and create new partnerships for innovation in adaptation.
- Track the increased adoption of innovations and their intended impact to better understand their effectiveness and areas of improvement.

- Support capacity-building and readiness for innovation to increase countries' and entities' awareness and capacity for developing and implementing innovation projects, including for target groups such as women and youth;
- Generate and share evidence-based learnings and knowledge that could be leveraged in the climate adaptation space and enable faster implementation of future innovations.
- Develop programmes in alignment UNFCCC technology framework incl. Technology Needs Assessments and Technology Action Plans.

2.2 Core Programme Components

CAIAP will be executed by the WFP Innovation Accelerator, in close collaboration with the Adaptation Fund, on a yearly basis during a period of five years. The full programme and each stage is detailed in the below visual and explanation below.

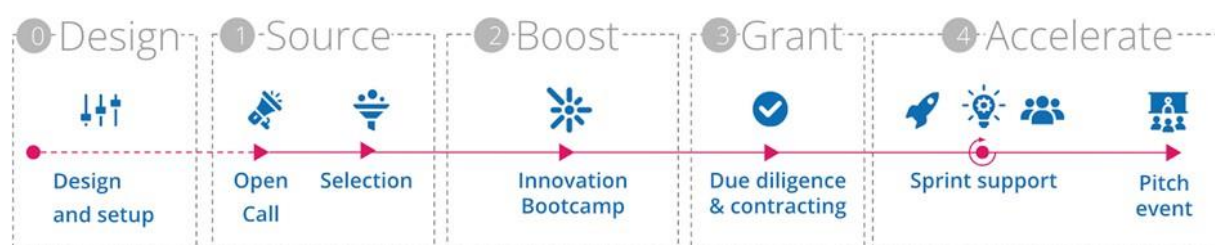


Figure 5. Acceleration Programme Phases

In the **Design** phase, the programme engages in a problem discovery process, reviews the latest trends, and engages with local communities and experts to identify the most pressing climate adaptation challenges. Then, programme calls for applications will be drafted and an Innovation Committee formed to support the programme management team to select the participating teams.

In the **Source** phase, the programme team will search for ventures with innovative solutions aimed at solving the prioritised cohort challenges, screen, select and invite shortlisted teams to participate in an Innovation Bootcamp, i.e. the Boost Phase. Each applicant's innovation must show a clear focus on climate adaptation amongst other eligibility and selection criteria which are detailed in subsection 2.2.2 (source) below.

In the **Boost** phase, selected applicants will attend a five-day Innovation Bootcamp to refine their project plans and prepare an application to the CAIAP.

In the **Grant** phase, teams submit a grant application with a work plan and budget, which is reviewed and screened by a two-step process and a due diligence process conducted by the WFP

Innovation Accelerator. The ventures with the highest potential will be awarded a grant and invited to participate in a six-months acceleration programme called the WFP Sprint Programme, which is part of the Accelerate phase.

The **Accelerate** phase will provide CAIAP participants with world-class mentors, results-driven programming, and access to WFP's vast field operations and partners to progress their pathway to scale. The programme concludes with a pitch event, where teams present their innovations to a multi-stakeholder audience.

Each phase is described in further detail in the following subsections.

2.2.1 Phase 0. Design

For each new cohort, the WFP Innovation Accelerator will initiate the design phase with a problem discovery process. This is a critical component of the programme's demand-driven model as it will involve the review of the latest trends and research, engagement with local communities, stakeholders and experts to prioritise the most pressing climate adaptation challenges. As a result of the problem discovery process, the cohort's topics of focus will be defined. This will allow the programme to touch on a diverse set of topics throughout the five year period.

The problem discovery process will be followed by the drafting of a call for applications, which will include the prioritised challenges and the selection and eligibility criteria for the cohort's participants. This content will be drafted in alignment with the UNFCCC technology framework incl. Technology Needs Assessments and Technology Action Plans.

Additionally, for each cohort and based on the selected topics of focus, an Innovation Committee will be established in this phase. This Committee will be composed of representatives of WFP, the Adaptation Fund and other relevant stakeholders in the topics of focus. The role of the Innovation Committee will be to support the programme management team to select the cohort's participating teams.

2.2.2 Phase 1. Source

In this phase, the CAIAP sourcing team will actively seek applicants with innovative solutions directed at solving the prioritised cohort challenges. The sourcing of applicants will involve conducting market research, engagement with entrepreneurs, ventures and innovation hubs within and outside the Accelerator's large innovation community and network. The source process will be organized as follows:

- **Call for Applications:** Calls for applications will be launched on multiple platforms and channels, promoted in key regions by international and regional partners, and managed by a dedicated sourcing team of the Climate Adaptation Innovation Accelerator. Successful applicants must meet all eligibility criteria and will be evaluated against stringent selection criteria.
- Next, there will be a **Screening phase**. Using our proven screening and evaluation process at the Accelerator, applications will be reviewed in a first round by two reviewers.
- **Review:** The reviewers will read the applications and then conduct an interview for eligible qualifying applications. **The following are the eligibility criteria for applicants, which will be further defined during the design phase of our programme.**
 - Eligible entities: established legal entities (for profit, social business, NGOs, INGOs).
 - Novelty: The solution is novel to the context or a novel product in and of itself. High and low tech solutions with a business model will be encouraged.
 - Proximity: ventures already anchored in local context, or with evidence of relevant local partnerships (with governments, local implementing partners, NGOs, communities).
 - Gender and Inclusion: A matrix developed in conjunction with the WFP Gender Office will be utilised to assess whether the project addresses differentiated needs of people based on social indicators, ensures meaningful participation of marginalised groups in innovation processes, and collects and analyses gender and age-disaggregated data during monitoring and evaluation.
 - Maturity: Early stage innovations (between proof of concept and minimum viable segment) or & Growth stage innovations (scaling/growth model). More details on the criteria for these two work streams can be found in the following figure:

	Early stage innovations	Growth stage innovations
Desirability	Have evidence of user/customer interest via testing, piloting or other user research	Have an established customer base
Feasibility	Have, at least, a Minimum Viable product (MVP). Proof of concept is preferred.	Have attained technical feasibility and are undergoing further optimizations according to market interests
Financial Viability	Have identified revenue sources	Have a clear business model and are generating some revenue
Replicability	Have operations or conducted a pilot in the identified geography	Have deployed in more than one geography

Figure 6. Workstream Profiles

2.2.3 Phase 2. Boost

In this phase, selected applicants will be invited to participate in an Innovation Bootcamp, which is a five-day, high-intensity experience with workshops and sessions led by humanitarian and innovation experts to help participants dive deep into their own challenges, ideate solutions and refine project plans to reach the next level, as a preparation for phases three and four of the programme (Grant & Accelerate). The bootcamp will also include opportunities for networking with other participants, community members and mentoring opportunities.

Furthermore, the bootcamp will serve as an opportunity for the CAIAP team to better assess the applicants and decide whether they would be a good fit for the programme. Sample curriculums for the applicants in early stage and growth work streams can be found in Annex 5: Programme Tools.

2.2.4 Phase 3. Grant

After participants complete their participation in the Boost phase, they will develop and submit a grant application. The grant application will describe how they intend to leverage the grants to continue progressing their innovation. The application will include a work plan and its corresponding budget. As in the Source phase, the grant applications will be screened by a two-step review process, followed by interviews and further consultation with relevant stakeholders.

Additionally to the grant application review process, the WFP Innovation Accelerator will conduct a due diligence process, which includes reputational, operational and financial assessments of the potential grantees. The results of the grant application review and due diligence process will be presented to WFP's Innovation Compliance Committee.

The role of the Innovation Compliance Committee will be to assess if the Grant Award Selection Process is fully compliant and each stage duly documented. The Innovation Compliance Committee will verify whether the principles of transparency, competition, and segregation of duties have been adhered to as outlined in the WFP Innovation Accelerator Joint Directive.

The applicants which demonstrate the highest scoring from the due diligence process and the Innovation Compliance Committee assessment will be awarded a grant and invited to participate in a WFP Sprint Programme during phase 4 (Accelerate).

2.2.5 Phase 4. Accelerate

The Accelerate phase will provide CAIAP participants with exceptional support from the WFP Innovation Accelerator and other programme partners. As indicated in the 'Expected Results'

section, acceleration support will be tailored based on the associated workstream the CAIAP participant applied to, as illustrated by the figure below:

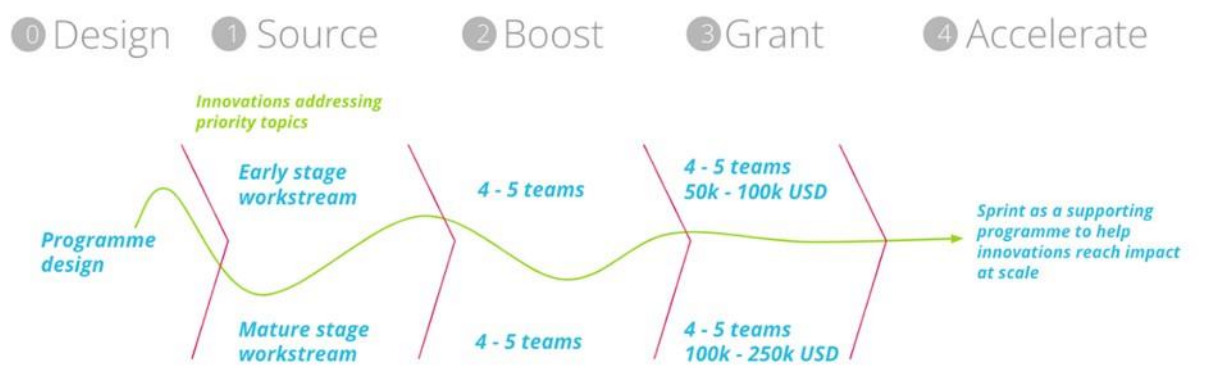


Figure 7. CAIAP workstreams

Our programme offer for the early stage and growth stage workstreams will be namely differentiated by:

- a) Size of grants indicated in above Figure 7;
- b) Acceleration and capacity building support customised for the specific needs and stages of the applicants.

Early stage innovations will be given specific support to validate their business models, refine their product or service offerings, build their teams, identify their target markets, or develop their go-to-market strategies.

Growth stage innovations, on the other hand, have already established themselves in the market and are often focused on scaling their operations, expanding into new markets, and developing new products or services. These will require different support in areas such as financial management, talent acquisition, and strategic planning.

During the Accelerate phase, all participants programme participants will also receive support from world-class mentors, support with results-driven programming, and facilitate access to WFP's vast field operations and partners. The Sprint Programme also provides further networking opportunities with other participants within the same or other cohorts. This phase will be closed with a pitch event where teams get the opportunity to present their innovations and progress to a multi-stakeholder audience, either virtually or in person. In preparation for the pitch event, the teams will receive pitch training and coaching.

By tailoring our support to the unique needs of each stage, we will drive Expected Results one and two together with CAIAP participants to maximise impact. In both workstreams, we will measure the success of the programme participants and our acceleration support by tracking progress in four key variables: **desirability, feasibility, financial viability, and replicability**.

Regarding the timeline of the acceleration support, we will maintain a six month window to provide our tailored acceleration support. However, based on our experience running Sprint programmes, we are aware that certain innovations require additional time for set up, implementation and or results monitoring, therefore there will be 3 months extension windows considered for certain ventures, bringing the acceleration phase to six-nine months total.

At the end of the acceleration phase, success will be evident through progress which CAIAP participants have made in the four key variables of desirability, feasibility, financial viability and replicability of their solution.

2.3 Additional Programme Outputs and Outcomes

As a result of the implementation of the CAIAP, there will be additional cross-cutting outputs and outcomes that will contribute to the long-term sustainable impact of the programme.

2.3.1 Monitoring, Evaluation and Learning (MEL)

CAIAP will leverage an MEL framework at an organisation, programme, and project level with a three-fold purpose: a) to provide accountability towards WFP and the Adaptation Fund; b) inform decision-making and strategy, and c) identify learnings, knowledge and improvement opportunities, at all three levels.

The two main pillars of the CAIAP framework will be: (1) impact, demonstrated through target setting, outcome indicators and testing project assumptions, and (2) accountability, demonstrated through performance reporting, dashboards, and donor reports.

At the organisational level, the MEL framework will allow CAIAP to monitor the effectiveness and sustainability of our programme. The framework will assess performance and impact based on the theory of change provided in Annex 4.

At the programme and project level, the MEL framework allows to monitor the programme's innovation portfolio evolution, the projects' progress and their impact. Throughout the acceleration programme, participants will dive deep into their own MEL framework by defining their key

performance indicators and target milestones which will enable them to provide evidence of their impact and progress in their pathway to scale. An example of how CAIAP will monitor at project level can be found in Annex 5 under the 'Accelerate' section.

2.3.2 Knowledge Management and Sharing

Knowledge Management (KM) has been a clearly defined function of the WFP Innovation Accelerator since it established a dedicated KM pillar and team in 2020, and our strong KM expertise will be leveraged for the CAIAP. To optimise limited resources, sharing of knowledge and information is essential, especially when trying to meet the rising demand for evidence of the impact of innovation projects. Through its programmes and supported projects, the WFP Innovation Accelerator aims to create, access, retain and share knowledge within the innovation, the humanitarian and development communities. Furthermore, the WFP Innovation Accelerator sits within the Innovation and KM division of WFP. As such, KM plays as important of a role as the exploration of innovation in our overarching structure.

CAIAP will benefit from WFP's established KM practices, guidelines, and channels for sharing and amplifying innovation knowledge. The KM approach for the programme will include the following key components with a strong focus on learning and knowledge-sharing:

1. Knowledge capture and documentation

- Retrospectives: One of the most effective KM processes for capturing lessons from an innovation project to improve future work. Retrospects will focus on identifying and documenting what went well, and what did not go to plan.
- Interviews: The programme will capture and document knowledge from individual programme participants through in-person or written Q&As to capture their knowledge and recommendations on a specific topic.
- Synthesising: The programme will support innovation teams to organise documented knowledge into structured materials in such a way that it is easily digestible and useful for others.

2. Learning and knowledge-sharing

- To maximise value for the broader innovation and development ecosystem, sharing knowledge and lessons learned from the projects is key. Some priority topics of focus for knowledge sharing in the CAIAP will include: project support and scaling best practices; impact stories related to innovation project implementation and scaling in the field; as well as lessons learned from successes and failures.
- Participants of the CAIAP will be able to tap into WFP's global knowledge-sharing and communication channels to learn from WFP's operational experience and share their

insights with our network. WFP works in more than 120 countries and territories and has offices all over the world that are implementing similar interventions and use similar approaches and tools to assist those most in need. Our growing network of WFP Innovation Hubs, Innovation Units and WFP Innovation Champions Community enable us to boost information flow and collaborate across different locations to learn from each other and ensure innovative initiatives can be replicated.

- Knowledge products produced for external audiences will be distributed through targeted communications via Twitter, LinkedIn, member newsletters, as well as other channels and networks, in order to benefit other stakeholders working in climate adaptation. For a more detailed overview of the WFP Innovation Accelerator's knowledge-sharing, communication channels and global reach, see *Chapter 1.4*.
- CAIAP participants will have the opportunity to contribute to the WFP Innovation Accelerator's Medium blog to share best practices (proven strategies, steps and methods that helped them accomplish their goals), or lessons from their project that may be valuable to other innovators and organisations looking to implement similar solutions.

3. Tracking the use of knowledge

The following are key metrics that the programme will use to measure the impact of KM activities:

- i. Number of lessons submitted per project;
- ii. Number of good practices submitted per project;
- iii. Number of impact stories and case studies published;
- iv. Number of times read and/or social media reach per knowledge asset.

2.3.3 Innovation Ecosystem and Innovators Community

Innovation Ecosystem

For all CAIAP participants, emphasis will be given on the involvement of local communities involved in the solution at every stage of the innovation lifecycle. According to their maturity stage, CAIAP will source and select participants with a certain level of connection and traction in the local communities they intend to impact. During the sourcing process, participants will be asked to demonstrate and supported to strengthen how they are reaching and involving the local communities and other stakeholders. Additionally, they will need to secure or demonstrate partnerships with local authorities they have already established, which could enable their innovation's implementation and/or expansion. Innovation advisors will support participants with stakeholder mapping exercises, value proposition devices, and or feedback mechanisms using principles of human-centred design to enable this. These elements will be an early indicator of the desirability, viability and replicability of their innovation at a local level along with the venture's potential contribution to building local innovation capacities.

Innovators Community

Additionally, all participants will automatically become part of the programme's Innovator Community. The programme's Innovator Community aims to connect innovators who are facing similar challenges with a support network to help them continue to grow and scale in a sustainable way. The principles, content, ways of working and goals of the innovator communities will be cohort based and co created by the members themselves, with facilitation support from the CAIAP team. The community aims to achieve a communal rapport between members with the purpose of sharing knowledge, creating value, expanding networks, connecting mentors with innovators, and keeping alumni engaged. Members of the Innovator Community will be positively impacted by valuable, long-term connections, opportunities to learn, dive deep into and potentially solve complex challenges, connect with local networks and innovators spread across the world and WFP's and the Adaptation Fund's own networks.

2.3.4 Visibility

Visibility is critical to the growth path of early and growth stage innovations. CAIAP will support participants with the following:

- An innovation showcase once per year for startups to present their projects to a high-level audience from private sector companies, investors, government partners and others, leveraging the WFP Innovation Accelerator's wide network and Innovation Advisory Council memberships.
- A cohort wide post on multiple internal and external channels announcing the acceptance of the cohort into the programme.
- One website feature per CAIAP participating team on a dedicated website which will be developed and maintained by the WFP Innovation Accelerator. External platforms (Accelerator website, WFP main site, Website, Blog, Newsletter, social media, etc.) and internal WFP platforms (WFPgo, WFP Communities, internal newsletters) will be leveraged to help amplify messaging.

2.4 Timeline

The CAIAP will run on annual, twelve-month cycles over a period of five years, with programming beginning in 2024. The design and set up phase will run for one month, followed by the sourcing phase which will run for two months. The boost phase will run for one month, followed by a two month period for final selection and contracting of CAIAP participants. The sprint acceleration phase will run for a period of six months followed by the visibility showcase for the cohort and closure. Below are two graphics depicting this: 1) the **yearly** CAIAP timeline and 2) the **overall** CAIAP timeline.

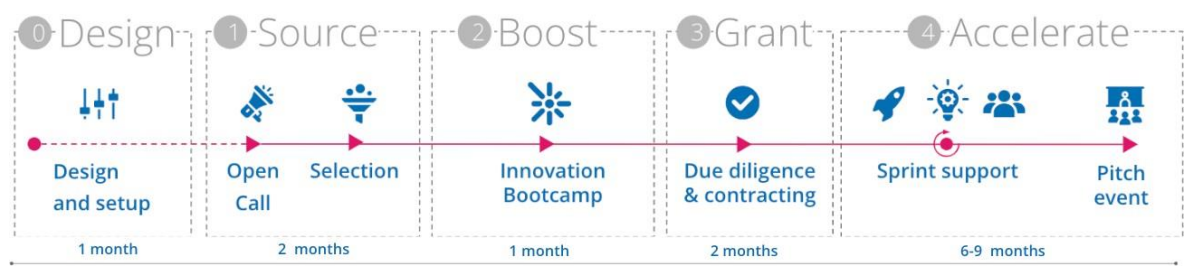


Figure 8. Yearly Programme Timeline

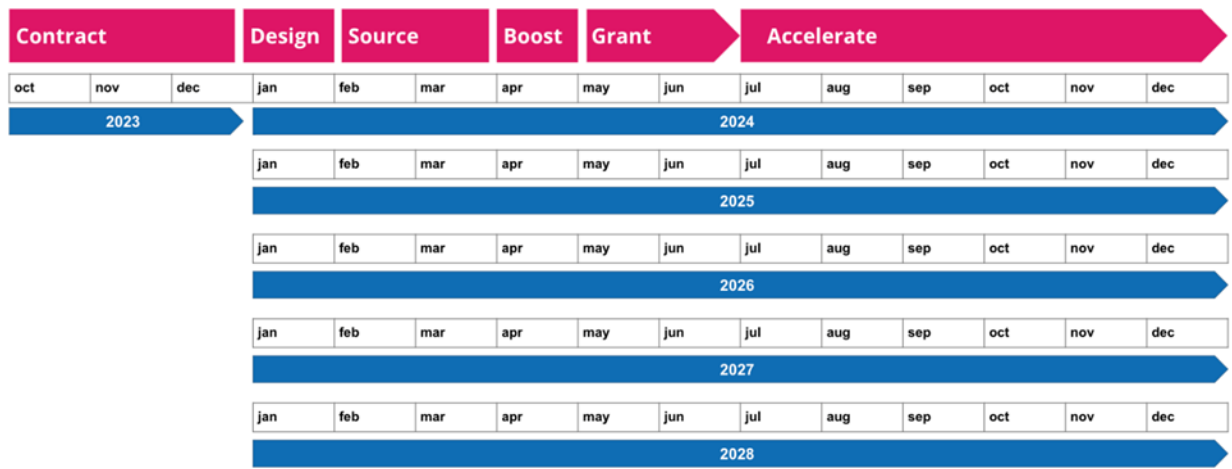


Figure 9. Overall Programme Timeline

2.5 Programme Budget

The below budget details the overall budget description (Budget Table 1), followed by a more detailed project costs breakdown of the budget (Budget Table 2).

Budget Table 1

OVERALL BUDGET DISTRIBUTION		
Item	Description	USD
1	Budget for subawards*	\$6,500,000
2	Budget for project costs	\$2,200,000
3	Subtotal operational budget (1+2)	\$8,700,000
4	Est. budget for hybrid/in-person event delivery and travel costs	\$689,671
5	Subtotal operational budget (3+4)	\$9,389,671
6	Indirect support cost (6.5%)	\$610,329
7	Total contribution (5+6)	\$10,000,000

Budget Table 2

PROJECT COSTS BREAKDOWN BUDGET ESTIMATE (Item 2 of overall budget above)		
Phase	Description	USD
Design	Overall programme design and set up; problem discovery and challenge definition.	\$150,000
Source	Innovation Call management, promotion, team sourcing and selection.	\$250,000
Boost	Design and delivery of virtual innovation bootcamp. Hosting of hybrid pitch event	\$350,000
Grant	Due diligence and grant agreements definition.	\$250,000
Accelerate	Sprint support programme.	\$1,200,000
Budget for project costs		\$2,200,000

**Note that funds will be distributed to CAIAP participants in USD at the currency conversion rate applicable. Note that the precise values allocated to each participant are subject to change based on selection and due diligence decisions according to sprint plans submitted.*

***Note that the functional and reporting currency of WFP is the United States dollar. Transactions in currencies other than the United States dollar are translated into dollars at the prevailing United Nations Operational Rates of Exchange (UNORE) at the time of transaction. Assets and liabilities in currencies other than United States dollars are translated into United States dollars at the prevailing UNORE year-end closing rate. Resulting gains or losses are accounted for in the Statement of Financial Performance.*

2.6 Team Designing the Programme

Bernhard Kowatsch is the Head of the WFP Innovation Accelerator, which he co-created in 2015. The Accelerator sources, nurtures and scales start-ups and nonprofits that disrupt global hunger, as well as running accelerator programmes that address the Sustainable Development Goals. In 2021, the innovation and startup portfolio positively impacted the lives of 9 million people, with overall impact doubling each year since launch. To date the Accelerator has raised a total of more than USD 196M of grant funding. Bernhard is a member of the Young Presidents' Organisation (YPO) Europe One chapter, and advises several social impact & innovation organisations and initiatives.

Regina Schmidt is the Head of SDG2 Acceleration at the WFP Innovation Accelerator. She is responsible for the global sourcing of social impact ventures and innovative solutions, as well as WFP's Innovation Bootcamps and Sprint Programmes. Regina leads a broad portfolio of ventures in the area of food systems transformation, climate adaptation and emergency response and preparedness. Before joining WFP, Regina worked as a Partner for Roland Berger Strategy Consultants in the Competence Center Consumer Goods & Retail. She advised leading customers in the food value chain in Europe, Latin America, Africa, and Asia on innovation, growth, and efficiency.

Jose Alcocer is the Head of SDGx Acceleration at the WFP Innovation Accelerator. The SDGx team's mission is to work in co-creation with partners to help achieve the broader 2030 Agenda for Sustainable Development. Since its inception in 2019, the SDGx team has run over 30 acceleration programmes, managing a growing portfolio of over 250 ventures. With more than 15 years of cross-sectoral experience in venture building, Jose is a systems thinker who strongly believes in the power of participatory co-creation to drive positive lasting change.

Joanna Purcell is the Head of Partnerships at the WFP Innovation Accelerator. Her work has secured multi-year, multimillion dollar partnerships with government and private sector organisations, enabling the Accelerator to reach over 15 million people through innovative technology projects. In the past two years, the Accelerator has won prestigious awards heavily linked to the work of Joanna and her team. Since 2014, and prior to the Innovation Accelerator, Joanna

worked in partnerships roles in various countries and WFP regional bureaux in Europe, the Middle East and South Asia.

Mohamed Dahy Ahmed is an Innovation Venture Consultant at the WFP Innovation Accelerator, where he leads SDG2 programme design and fundraising as well as a variety of innovation support activities. He has over 8 years of experience in innovation and social impact fields. Before joining the WFP, Dahy led various international development projects that are bridging innovation and entrepreneurship ecosystems between Germany and countries in Europe, Asia, and Africa. As a Consultant, Dahy has worked with various businesses and business support organizations, collaboratively designing and implementing entrepreneurial programs in Europe, Asia, and Africa.

Carlos Paniagua Ferrari is an Innovation Lead at the WFP Innovation Accelerator, where he has led the SDGx Portfolio Management team as well as a variety of End-to-End acceleration programmes in multiple fields. Originally from Guatemala, Carlos has over ten years of experience in the innovation field, working with corporations and start-ups, in the United States, and many Latin American countries, helping them design, grow and scale new products and businesses. He holds an executive degree in Strategy and Innovation from MIT and an MBA from Syracuse University. Before joining WFP, he worked at companies such as DELL-EMC, Dupont and CMI Foods, building innovation systems and managing high impact innovation portfolios and platforms.

Sarah Hulbert is a programme designer and manager with over seven years of experience working in the political, education, social and international development sectors. She has spent the last four and a half years working in Innovation Consultant roles at WFP, both at Headquarters and in country offices, including three years of experience in Eastern and Central Africa. Sarah has a masters degree in International Affairs and a Bachelor's degree in Gender Studies and Global Health policy. She is particularly passionate about working collaboratively to drive gender transformative and inclusive innovation, community driven development, and new programmes which foster systems change at scale.

Asia Sultan is a strategic business designer and New Ventures Consultant at the WFP Innovation Accelerator. Having mastered the lean startup and design thinking methodologies, Asia specialises in supporting the development and rapid testing of business ideas through a human-centred lens. Asia's academic background in economics and design thinking continuously drives her to seek out sustainable solutions that benefit both the business and the customer.

Jose Shehata is an Innovation Venture Consultant at the WFP Innovation Accelerator, with a background in computer science and digital business transformation. With seven years of experience at WFP, Jose has worked across several operations, including the Lebanon Country Office, the Regional Bureau in Cairo, and emergency operations in Syria and Libya. Jose's role at the

innovation accelerator is to source innovations and startups around the globe related to SDG2, and his main area of specialisation is in cash-based transfer and market development activities. He is dedicated to driving innovation and finding new ways to leverage technology to support WFP's mandate in changing lives and saving lives.

Gonzalo Rodino is a Design & Innovation Lead at the WFP Innovation Accelerator, where he leads End-to-End innovation programmes and the design chapter of the SDGx team. Originally from Argentina, via Australia, Gonzalo is a business minded designer with an educational background in international business and user experience design. Prior to joining WFP, Gonzalo worked in the private sector in Australia for a number of years, and spent over four years working for a social innovation lab of an NGO based in Cambodia, where he led innovation projects in Water, Sanitation and Hygiene (WASH), public health, climate change and nutrition, on behalf of clients such as USAID, the World Bank and the United Nations Development Programme (UNDP). In his work, Gonzalo co-designed innovative solutions with rural communities across Cambodia, Ethiopia and Zambia.

Anaswara Kovithal is an Innovation Ventures Consultant at the WFP Innovation Accelerator. She is a public policy professional with experience in accelerating universal health coverage in low and middle-income countries through inclusive business models and public-private-people partnerships. Anaswara has also worked on global health research and advocacy in Geneva and Berlin. Previously she worked in innovation and social accountability practices in the manufacturing sector and rural development. In 2020, Anaswara was selected as a G20 Young Global Changer.

Part III: ANNEXES

ANNEX 1: WFP Climate Publications and Projects

ANNEX 2: WFP Climate Partners (including list of Adaptation Fund-supported projects)

ANNEX 3: WFP Innovation Accelerator Programmes

ANNEX 4: Programme Theory of Change

ANNEX 5: Programme Tools

ANNEX 1: WFP Climate Publications and Projects

Climate Action at WFP

A selection of factsheets and brochures showcasing how the WFP is supporting vulnerable countries and communities to tackle the climate crisis:

- [Climate Action for People and Planet](#). What does WFP climate action involve? Read this quick overview to find out.
- [Climate Action to Transform Food Systems](#). A joint position paper with CGIAR, Risk-informed Early Action Partnership (REAP), and InsuResilience Global Partnership on the need to link climate action with food systems transformation.
- [INSIGHT: The Climate Crisis and Hunger](#). This paper delves deeper into the problem and outlines global priorities for climate adaptation action.
- [Climate Country Profiles](#). WFP and partners have undertaken an analysis of climate risks in nine countries and recommended programmes to address identified risks.
- [Loss and Damage Solutions](#). An overview of solutions to avert, minimize and address loss and damage.
- [WFP Climate Action in Fragile Contexts](#). A factsheet showing how WFP supports communities in fragile and vulnerable contexts to adapt to the impacts of climate change.

Anticipatory Action

Anticipatory Action means acting before predicted hazards impact lives and livelihoods, in order to prevent or reduce humanitarian impacts and improve the efficiency of humanitarian programmes. It requires pre-agreed plans, reliable early warning information, and the rapid release of pre-arranged financing when a forecast trigger has been reached.

- [Anticipatory Actions for Food Security](#). This brochure outlines the principles of forecast-based financing and explains the set up. It also includes some country examples from WFP Anticipatory Action programmes.
- [Evidence base on Anticipatory Action](#). A review of the evidence for anticipatory action based on forecast-based financing initiatives from the past few years. It looks at a variety of actions including cash transfers for households at risk of flooding, and livelihood and health interventions that help humanitarian organizations and governments prepare and respond early.
- [Anticipatory Action Programmes in Eastern Africa](#). An overview of WFP-supported anticipatory action programmes in Eastern Africa.
- [Independent Review of WFP's Anticipatory Cash Transfers](#). An evaluation of WFP's anticipatory action before the floods in Bangladesh in July 2020, carried out by the Centre for Disaster Protection with support from the University of Oxford, OCHA and WFP.

Climate Risk Insurance

Smallholder farmers are highly vulnerable to climate-related disasters such as droughts, floods, and storms, and they often have limited access to funding and services to protect them against losses and damages. WFP helps smallholder farmers to manage these risks by providing insurance payouts in cash to compensate losses caused by the climate crisis. In 2021, nearly three million people in 18 countries were protected by climate risk insurance solutions developed or supported by WFP.

- [Climate Risk Financing Overview](#). A factsheet outlining different climate risk financing instruments and their integration in WFP Programmes.
- [Microinsurance Factsheet](#). An overview of the R4 Rural Resilience Initiative which integrates nature-based solutions with climate risk insurance, small-scale contingency finance, and access to financial services.
- [Does Climate Insurance Work?](#) An overview of evidence from WFP-supported microinsurance programmes.
- [Sovereign Climate Risk Financing and Insurance](#). Information on how pre-arranged funding can protect vulnerable people and communities. It includes details on WFP's work with the African Union's African Risk Capacity (ARC), which provides financial tools and infrastructure to manage climate-related disaster risks.
- [R4 Rural Resilience Initiative](#). The R4 Rural Resilience Initiative is WFP's flagship approach for integrated climate risk management. The initiative combines four risk management strategies: improved natural resource management through asset creation or improved agricultural practices (risk reduction), microinsurance (risk transfer), increased investment, livelihoods diversification, and microcredit (prudent risk taking) and savings (risk reserves).

Sustainable Energy Solutions

In 2021, WFP enabled more than 1.7 million people to access sustainable energy services, promoting clean cooking solutions; providing households and schools with more efficient, less polluting appliances; and connecting smallholders to energy equipment and services that improve food production, processing and preservation.

- [Energy for Food Security](#). Overview on how WFP programmes improve food security through access to sustainable energy.
- [The energy crisis and its impact on food security](#). The world is facing a reckoning when it comes to energy supply. How is this impacting food security? And what is WFP doing about it?
- [Clean and modern energy for cooking](#). This report highlights different cooking techniques and identifies how WFP can promote the use of energy- efficient stoves to support families to boost their food security and increasingly transition to more green and energy-efficient cooking systems.
- [Solar Water Irrigation](#). Climate change is altering weather patterns which is negatively impacting rainfed agriculture's productivity. This factsheet explains the importance of sustainable irrigation and how WFP designs sustainable solar water irrigation interventions.

Climate Innovations at the WFP Innovation Accelerator

At a time in which the most vulnerable countries are already experiencing the limits of adaptation, decisive action is required to manage climate risks in food systems with the same urgency as food crises. A number of tried and tested solutions are available to adapt food systems to the impacts of climate change and avert, minimise and address losses and damages to the most vulnerable people. See below examples from our climate innovation portfolio:

Takachar

Turning crop residues into higher-value bioproducts

After every harvest, millions of smallholder farmers in India are faced with the **difficulty of removing crop residues**, with farmers opting to **burn them** where they can be turned into useful biofuels and bioproducts. Takachar's solution brings **small-scale, portable processing units** directly to the farm to turn **farmers' crop residues** into valuable bioproducts such as **fuels, fertilizers** and activated carbon precursor. This occurs **at the farmgate**, allowing farmers to **increase their income by up to 40%**, while **eliminating more than 95% of harmful gas and smoke emissions**, as compared to open burning of crop residues. Takachar's innovation has won a variety of recognition, including Prince William's **Earthshot Prize**, the **XPRIZE Carbon Removal** competition and **Bill Gates' Breakthrough Energy**.



Boomitra

Accelerating soil carbon removal on a planetary scale

Over **one third of global soils** are **significantly degraded**, thereby hampering global food production, water distribution, carbon storage and significantly impacting farmer livelihoods around the world.

Boomitra's technologies focus on **remote monitoring of soil carbon and moisture levels** globally without the need for physical soil sampling. **Combined with carbon credit payment schemes**, Boomitra empowers farmers with the **knowledge and financial tools** to adopt **regenerative land management practices**, increase soil health and agricultural yields, whilst also offsetting a significant portion of CO₂. Boomitra has mapped over **5 million acres** resulting in **10 million tons of CO₂ being removed** and has onboarded **120,000 SHF** across **16 states** in India in **100 days**.



World Food Programme

INNOVATION
ACCELERATOR

ANTICIPATE

RESTORE

PROTECT

ENERGIZE

Oxford Earth Observation (OxEO)

Global Water Stress Predictions

In the coming decade, as economic growth collides with **emerging climate change impacts**, **water stress** will become a key driver for decisions making. OxEO is solving the problem of **water stress prediction**, combining **earth observation** and **computational hydrology** to provide short-, medium-, and long-term projections of surface water availability across hydrological basin networks. OxEO is working with the ESG and mining teams of **Jefferies Group LLC**, the world's largest investment bank with **4000 asset manager clients**. OxEO is also supporting H2Ox team which recently won the Wave2Web hackathon hosted by WRI and supported by Microsoft and BlackRock.



Post-Harvest Loss (PHL) Venture

Sustainable Farming

Post-harvest losses (PHL) in **Sub-Saharan Africa** range from **30-50%**. Limited knowledge of, and access to, suitable **crop storage methods**, along with local market conditions lead farmers to sell crops to middlemen at low prices, decimating family incomes. Due to the **climate crisis**, even less can be grown and harvested. The **PHL Venture designs market-led business models** aimed at increasing access to **PHL management technologies** (hermetic bags and silos), allowing farmers to **store crops, improve food security** and **mitigate climate impacts**. The PHL Venture operates in Zambia, Mozambique, South Sudan and Rwanda, impacting over **800,000 people**. A **35% increase in participating farmer income** was shown in study from Mozambique.



World Food Programme

INNOVATION
ACCELERATOR

ANTICIPATE

RESTORE

PROTECT

ENERGIZE

R4 Cocoa Micro-Insurance

Integrated climate risk management programme

Actions to reduce exposure and **vulnerability to recurrent hazards**, including **climate change**, need to be complemented by improvements in people's ability to cope with **unavoidable catastrophic shocks**. The R4 Cocoa micro-insurance project is bringing innovation to the area of risk transfer, increasing the diversification of micro-insurance by introducing **area yield index insurance** to a new crop.

Index-based insurance is an innovative type of insurance based on a proxy for losses, that compensates farmers based on changes in a predetermined index. The solution **reduces risk exposure**, **increases income generation**, and integrates cocoa-micro insurance into national safety net systems. The Cocoa Micro-Insurance project is **expanding to Ghana and Côte d'Ivoire** with a potential to reach **1 million+ smallholder farmers**.



Clean Cooking Haiti

Energizing schools with Clean Cooking solutions

In Haiti, **95% of schools use firewood and charcoal** for cooking resulting in **negative effects** such as toxic smoke, burn injuries, high energy costs, increased deforestation and environmental pollution.

Clean Cooking Haiti supports schools to **transition** to cleaner energy sources using **heat retention bags (HRBs)** which allow schools to use **70 percent less energy for cooking**. The bags are locally produced by **women using upcycled local plastic waste**.

Gas stove installations and HRBs are significantly **decreasing indoor pollution, fire hazards, and overheating in rooms**.





**INNOVATION
ACCELERATOR**

ANTICIPATE

RESTORE








PROTECT


ENERGIZE

We have expanded our climate innovation portfolio through the Climate Crisis Innovation Challenge, launched in June 2022 in collaboration with WFP's Climate and Disaster Risk Reduction Programme Unit. A record number of applications were received from 106 countries, seven of which have been shortlisted to commence their journey with the WFP Innovation Accelerator.

We have expanded our climate innovation portfolio through the Climate Crisis Innovation Challenge, launched in June 2022 in collaboration with WFP's Climate and Disaster Risk Reduction Programme Unit.

A record number of applications were received from 106 countries. Seven of which have been shortlisted to commence their journey with the WFP Innovation Accelerator.

						
Aumsat Technologies	Fonio	Blue Marble	Etherisc	Emerging Cooking Solutions	MegaGas	Africa GreenTec AG
Exploring and monitoring underground water through satellite imagery.	An alternative weather resilient food for food security and income generation.	An Impact InsurTech that improves climate resilience and bridge the protection gap.	A blockchain solution that makes climate insurance transparent, cheaper and faster.	An innovative and impactful clean cooking solutions for rural areas in Africa and beyond.	Transforming plastic waste to clean and affordable cooking gas.	Affordable, scalable, last mile cold storage and energy services.



**INNOVATION
ACCELERATOR**

ANTICIPATE

RESTORE

PROTECT

ENERGIZE

ANNEX 2: WFP Climate Partners

Governments:

In 2021, WFP supported 37 governments with dedicated climate action programmes. WFP has received climate finance from several bilateral donors including Germany, Norway, Denmark, Switzerland, Canada, Sweden, Ireland, Luxembourg, Australia, and the USA.

United Nations' organisations:

Rome-based Agencies (RBAs): The RBAs jointly advocate for the people whose food security is most at risk from climate impacts. WFP collaborates with FAO and IFAD on several adaptation projects that are financed by the Green Climate Fund.

Climate Security Mechanism (CSM): The CSM is a joint initiative of the Department for Political and Peacebuilding Affairs (DPPA), UNDP and UNEP. It aims to strengthen the capacity of the UN system to analyse and address the impacts of climate change on peace & security. WFP is a member of its Community of Practice on Climate Security.

UN Framework Convention on Climate Change (UNFCCC): Under its Observer status, WFP contributes to key global processes convened by UNFCCC, such as the Conference of Parties (COPs), the Technical Expert Group on Comprehensive Risk Management (TEG-CRM) under the Warsaw Mechanism on Loss and Damage, UN for National Adaptation Plans (UN4NAPs), and the Santiago Network on Loss & Damage.

UN Office for Disaster Risk Reduction (UNDRR): WFP collaborates with UNDRR to support systems and processes related to the Sendai Framework on Disaster Risk Reduction, including Global and Regional Platforms on Disaster Risk Reduction.

Humanitarian partners: WFP partners with humanitarian agencies, including OCHA and UNHCR, to advocate for scaled-up collaboration between humanitarian, development, and peace actors and support preventive climate action to reduce humanitarian needs.

World Meteorological Organization (WMO): WFP is supporting the WMO-coordinated Early Warning for All (EW4ALL) initiative and serves on the Steering Committee of the UNDRR-WMO Centre of Excellence for Climate and Disaster Resilience.

UN-Energy: WFP is a member of UN-Energy, a mechanism for inter-agency collaboration to support countries in achieving SDG7 (Ensure access to affordable, reliable, sustainable and modern energy for all).

Multilateral climate funds:

As accredited entity to multilateral climate funds (Adaptation Fund and Green Climate Fund), WFP has mobilised USD 177 million to support governments in realising climate change adaptation priorities,

Thematic Platforms:

Alliance for Hydromet Development: The Alliance convenes major development and climate finance institutions to strengthen the capacity of hydrometeorological networks and institutions by 2030. WFP is a founding member of the Hydromet Alliance and the only implementing partner of the associated Systematic Observations Financing Facility (SOFF) in the humanitarian sector.

Anticipation Hub: The Anticipation Hub is an international platform of organisations that share knowledge and experiences on anticipatory humanitarian action and forecast-based financing. WFP is a member of the Hub's Anticipatory Action Task Force, together with FAO, OCHA, IFRC and the START Network of NGOs.

Capacity for Disaster Reduction Initiative (CADRI) Partnership: WFP is a technical partner of CADRI, which is a global partnership to enhance government capacities in climate and disaster risk reduction. CADRI provides access to a pool of multidisciplinary expertise to help governments assess disaster risk reduction capacity in various policy sectors.

Climate Resilient Food Systems (CRFS) Alliance: An outcome of the 2021 UN Food Systems Summit, this alliance, chaired by the UNFCCC, provides a platform for achieving climate resilient food systems by synergizing efforts across members and to systematically integrate and strengthen a food systems perspective in UN climate negotiations. WFP is a co-lead.

InsuResilience Global Partnership: The objective of this platform is to scale up access to climate and disaster risk finance and insurance solutions for vulnerable communities. WFP is a member, represented in the High-Level Consultative Group.

Insurance Development Forum (IDF): The IDF is a public-private partnership that aims to optimise and extend the use of insurance to people, communities, businesses, and public institutions that are vulnerable to disasters and their associated economic shocks. WFP is a member of the microinsurance working group of the IDF.

Risk-informed Early Action Partnership (REAP): REAP brings together stakeholders across the climate, humanitarian, and development communities with the goal of making one billion people safer from disaster by 2025. WFP is a founding partner of the REAP and represented in the REAP Board.

Research partners:

Consultative Group on International Agricultural Research (CGIAR): WFP has signed a MoU with the CGIAR in 2021 to strengthen research on the links between climate change and conflict, the de-risking and adaptation of food systems, and the analysis of climate risks on food security. WFP and CGIAR have co-authored several studies.

International Research Institute for Climate and Society (IRI): IRI provides expertise in climate risk analysis, forecasting and climate services to a range of WFP climate programmes, including the R4 Rural Resilience Initiative.

Centre for Disaster Protection (CDP): Funded by the UK government, the CDP provides research and analytical services to WFP to optimise return of investment in the combination between forecast-based action and climate risk insurance approaches.

List of Adaptation Fund Supported WFP Projects

WFP is accredited to access the Adaptation Fund and has been implementing Adaptation Fund-funded projects since 2012 with the aim of building long-term livelihood resilience through concrete adaptation activities, capacity building, and income diversification, amongst others. Currently, WFP has **13 Adaptation Fund-funded projects** in Africa, Latin America and Asia worth a total of **USD 123 million**, with several other projects in the pipeline.

Country	Title	Value (USD)	Start of project	End of project
Ecuador	Enhancing the resilience of communities to the adverse effects of climate change on food security, in Pichincha Province and the Jubones River basin	7,449,468	2011	2018
Egypt	Building resilient food security systems to benefit the southern Egyptian region	6,904,318	2013	2020
Sri Lanka	Addressing Climate Change Impacts on Marginalised Agricultural Communities Living in the Mahaweli River Basin of Sri Lanka	7,989,727	2014	2020
Mauritania	Enhancing Resilience of Communities to the Adverse Effects of Climate Change on Food Security in Mauritania	7,803,605	2014	2019
Nepal	Adapting to climate-induced threats to food production and food security in the Karnali region of Nepal	9,527,160	2018	2022
Colombia-Ecuador regional project	Building adaptive capacity through food security and nutrition actions in vulnerable Afro and indigenous communities in the Colombia-Ecuador border area	14,000,000	2018	2023
Lesotho	Improving the adaptive capacity of vulnerable and food-insecure populations in Lesotho	9,999,894	2020	2023

Malawi	Adapting to Climate Change Through Integrated Risk Management Strategies and Enhanced Market Opportunities for Resilient Food Security and Livelihoods	9,989,335	2020	2025
Republic of Congo	Building adaptive capacity to climate change in vulnerable communities living in the Congo River Basin	9,999,909	2021	2025
Egypt	Building resilient food security systems to benefit the southern Egyptian region - Phase II	3,094,962	2020	2023
India-Sri Lanka	Strengthening resilience of vulnerable communities in Sri Lanka and India to increased impacts of climate change	13,995,524	2023	2027
El Salvador-Honduras	Strengthening the adaptive capacities of climate-vulnerable communities in the Goascorán watershed of El Salvador and Honduras through integrated community-based adaptation practices and services	12,048,300	2023	2027
The Gambia	Rural Integrated Climate Adaptation and Resilience Building Project (RICAR)	10,000,000	2021	2026

ANNEX 3: WFP Innovation Accelerator Programmes

The WFP Innovation Accelerator is supporting and delivering innovation programs for both WFP and external customers. Via innovation strategy activation, the Accelerator supports WFP country offices, regional bureaux and corporate teams in integrating innovation in strategic plans and special innovation projects, most notably, in Country Strategic Plans (CSPs). These facilitated exchanges use design thinking techniques to help teams dive deep into challenges, understand their innovation requirements, identify synergies, ideate solutions, and refine implementation plans. Between 2019 and 2022, the Accelerator conducted seven workshops and supported the implementation of a further two via remote assistance.

With the flexible support of our partners, the WFP Innovation Accelerator SDG2 portfolio has been able to source, scale and support more than 123 sprint projects since 2015 to accelerate progress towards SDG2 and targets outlined in WFP Country Office's Country Strategic Plans.

We also strengthened key partnerships with global impact players, for example the Bill and Melinda Gates Foundation, leading to a joint *Innovation in Large Scale Food Fortification* programme supporting data-driven projects that ensure staple fortification.

Furthermore, WFP has long provided services to the wider humanitarian community, supporting partners with logistics, engineering, digital identity management, cash-based transfers and emergency telecommunications. In 2019, the WFP Innovation Accelerator built on that history to provide innovation services to external partners for the first time, driving progress towards the Sustainable Development Goals (SDGs). Since then, the SDG Acceleration portfolio has run 33 programmes supporting over 260 innovations alongside our external partners, including, the Bill and Melinda Gates Foundation, Humanitarian Grand Challenges, GIZ, Austrian Development Agency and the Government of Luxembourg, as well as, Partnering UN agencies and entities, such as, UNHRD, WHO, UNFPA, UNDSC, UNIN, and CEB.

SDG Acceleration programmes from 2022;

- In collaboration with the Austrian Development Agency (ADA), Austrian Federal Chancellery, Kofi Annan Foundation we ran the **Kofi Annan Award for Innovation in Africa (KAAIA)**, aiming to support innovative solutions from across the African continent to contribute to Sustainable Development Goal 3, Good Health and Well-Being, with a strong focus on achieving high quality universal health coverage. We received over 300 applications from 38

African countries, from which nine teams participated in a WFP Innovation Bootcamp, and had the opportunity to pitch to a high level jury. Three teams were selected to receive EUR 250,000 and access to a WFP Sprint Programme, in which the teams started implementing their growth plans to further their impact. The selected teams are working on biometric vaccination records (Zimbabwe), Coordinating emergency response systems (Kenya and Ghana), and education on sexual and reproductive health (Nigeria).

- In collaboration with **Humanitarian Grand Challenge**, we continued to support 68 innovations which solve the most pressing issues within conflict and disaster zones including water and sanitation, clean energy, health services, and access to life-saving information. Our role is to support innovators with technical advice through a series of deep dives, strategy lab workshops, and mentor matching, as well as, convening pitch events and networking opportunities.
- In collaboration with BMZ digilab – the digital-innovation lab initiated by the Federal Ministry for Economic Cooperation and Development (BMZ), GIZ, the German Development Bank KfW, and the Bill and Melinda Gates Foundation we ran the **Digital Health Innovation Accelerator for Pandemic Preparedness (DHIAP)**. So far two cohorts of digital innovations have received technical and financial support through DHIAP. The first cohort was an “open challenge” which sourced innovations that worked in any low or middle income country, and the second was a “local challenge” which sourced innovations working in selected priority countries including Ghana, Côte d'Ivoire, Nigeria, Sierra Leone, and Togo. The innovations supported by this programme include, open source biometric technology for health records (Ghana), a digital public good for workflow automation and interoperability (Ethiopia/Senegal), and a health information management solution for healthcare providers and patients (Ghana).
- The WFP Innovation Accelerator ran the **UNFPA Learn and Do '22 Programme** for the United Nations Fund for Population Activities (UNFPA). This learning programme coached UNFPA colleagues to build sustainable innovation skills, capabilities and mindset in order to foster innovation and drive impact goals. 11 teams from six regions were supported to design, rapidly prototype, and test bold solutions to problems related to family planning uptake, gender based violence, raising development funding, and generating real-time data which supports UNFPA programming.
- In collaboration with the Bill and Melinda Gates Foundation we launched **The Far Reaching Integrated Delivery programme (FARID)**. FARID brought together non-traditional Global Polio Eradication Initiative (GPEI) actors such as, World Vision International, Save the Children, the Center of Humanitarian Dialogue and Acasus, to work together in an ecosystem approach to reach children in inaccessible areas. The goal of the programme was to create an innovative health camps model to supply children with vaccines and other survival interventions.

- We ran a system wide **United Nations Culture Change Innovation Challenge** alongside the Leadership and Culture Workstream of the CEB Task Force on Addressing Sexual Harassment within the Organizations of the United Nations System, including the Food and Agriculture Organization, International Atomic Energy Agency, International Fund for Agricultural Development, United Nations High Commissioner for Refugees, and UN Women. The programme included a joint call of innovation and an SDGx innovation bootcamp for UN staff with promising ideas that seek to address sexual harassment through leadership and organizational culture change.
- In collaboration with the WHO and UNHRD we launched a **five-year programme at the G20** that aims to bring together emergency actors, academic institutions, and international and national partners to promote knowledge sharing and skills transfer for an improved emergency response to health crises. In 2022, the programme focused on designing an infectious disease treatment module which allowed stakeholders to rapidly deploy, set up, and run treatment centers in the rural area when outbreaks emerge.
- We have also designed two multi-partner programmes which were launched in February 2023. Firstly, the **Agricultural Innovation for Climate Resilience Programme**, in collaboration with GIZ, will support innovative solutions enabling farmers and other agriculture stakeholders in low and middle-income countries to build capabilities and mitigate the effects of climate change (SDG 13). Secondly, the **Humanitarian Innovation Accelerator Programme**, in collaboration with ADA and the Government of Luxembourg, will support technology-powered solutions addressing emergency and humanitarian challenges faced by vulnerable populations and humanitarian actors (solutions will target various SDGs including 3, 4, 6, 7, and 16). Both programmes will pool expertise, resources and ecosystems from the WFP and from partners to find, support, and scale the best innovative responses to their SDGs of focus.

ANNEX 4: Programme Theory of Change

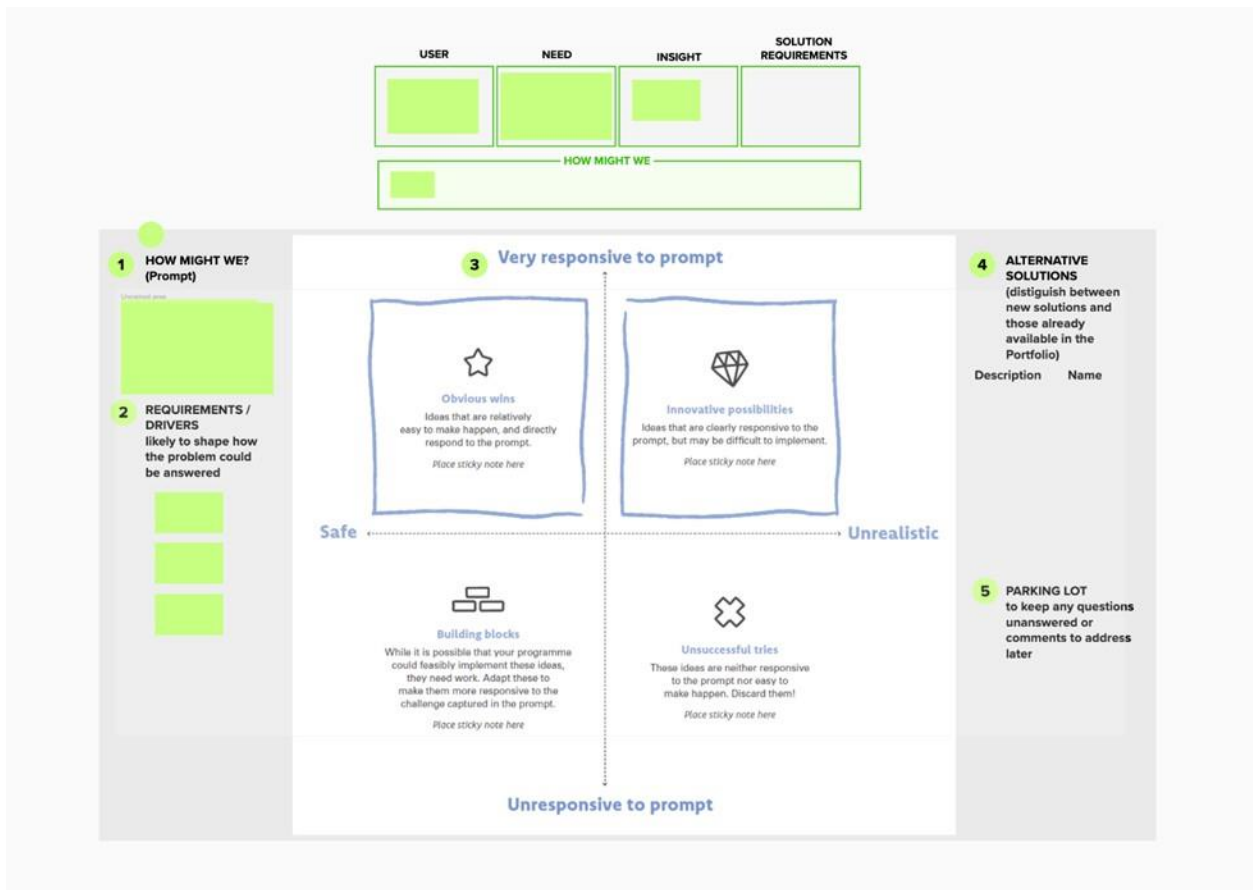
Outputs	Outcomes	Impact
ER1&2: Acceleration programme outputs, outcomes and impacts		
<p>We have identified and provided grants to high potential ventures working on innovations addressing prioritised challenges published in yearly call for applications, within a span of five years.</p> <p>We have designed, delivered and managed an acceleration programme that connects innovators to world-class mentors, supports results-driven programming, and facilitates access to WFP's vast field operations and partners.</p> <p>We have created spaces that promote new collaborations</p> <p>We have leveraged the financial power and expertise of private sector by through our visibility and networking activities</p>	<p>The selection process selects growth stage innovative ventures that have demonstrated success and potential for impact and are receptive to and will benefit from coaching through innovation activities.</p> <p>Ventures are connected to funding, knowledge and networks that may help them move along their pathway to scale in a sustainable way.</p> <p>Ventures have validated and improved key parts of their innovations, for desirability, viability, feasibility, scalability and replicability.</p>	<p>The supported innovations have successfully replicated and scaled their innovations to new markets and regions</p> <p>The supported innovations are effectively and sustainably contributing to the achievement of Climate Adaptation and Resilience.</p> <p>Climate change adaptation capacities in lower-middle income countries are enhanced and vulnerable communities are more resilient to climate related shocks</p>
ER3&4: Cross-cutting programme outputs, outcomes and impacts		
<p>Improved local access to innovation grants, including by non-accredited actors; and explore and create new partnerships for innovation in adaptation in local settings</p> <p>Built capacity and readiness for innovation to increase countries' and entities' awareness and capacity for developing and implementing innovation projects, including for target groups such as women and youth, and NIEs.</p> <p>Generated and shared evidence-based learnings and knowledge</p>	<p>Local climate change adaptation capacities and networks in the field are strengthened.</p> <p>Improved capacity for innovation and evidenced-based knowledge enables faster implementation of future innovations</p>	<p>Local communities take ownership of the innovation process and drive sustainable development from the ground up.</p> <p>Local communities continue to adopt and develop effective and sustainable solutions related to climate adaptation and resilience. These solutions are grounded in local needs and priorities, and evidenced-based learning.</p> <p>Climate change adaptation capacities in lower-middle income countries are enhanced and vulnerable communities are more resilient to climate related shocks</p>

ANNEX 5: Programme Tools

CAIAP will leverage well established tools, processes and systems in place to manage this programme. Below are snapshots of our existing implementation tools which will allow us to execute the expected results of this programme. Examples are detailed for each component below:

0. Design Phase

Detailed assessment exercises to map problem areas and potential solutions spaces will be conducted during the design phase. Examples of exercises are detailed below:



This exercise could be used to map and prioritise target solution spaces within climate adaptation, to inform subsequent calls for applications.

PROBLEM FRAMING

Suggested time: 50mins

Session outcome I

The idea of this activity is to **identify and dissect key issues**, to better understand the causes, effects and contextual factors that exert an influence in them.

The better understanding we have of all these aspects, the better prepared we will be to identify effective ways to address them.

PROBLEM STATEMENT

Suggested time: 20mins

Session outcome II

Problem Statements should **never contain any specific solution**, nor should it contain any indication as to how to fulfill your users' needs.

Instead, your Problem Statement **should provide a wide enough scope** for you and your team to start thinking about solutions which go beyond status quo.

LESSONS LEARNED

Suggested time: 20mins

Session outcome III

Reflecting on the current status of a problem is as important as to assess how it has been addressed in the past. The idea of this exercise is to **look back into previous attempts, failures and successes, to capture lessons learned** to leverage on the way forward.

TOPIC 1: Healthy Habits

Despite significant reductions in the prevalence of undernourished people, malnutrition and micronutrients deficiency remain a major concern.

What are the main challenges that prevent the demand and consumption of nutritious and affordable food?

CONSEQUENCES:

What are the consequences of this / these key issue(s)? and Who is most affected?

KEY ISSUE:

What is the key issue we want to address?

CAUSES:

What are the possible causes of this / these key issue(s)? Why does it exist?

CONTEXTUAL FACTORS:

What social, economic, political factors shape this / these key issue(s)?

Use the following format to identify the cause-and-effect logic of your key issue(s).

What is the ultimate problem you are aiming to solve?

Describe your key issue here ...

<User profile/s>

have <this problem>

because <existing reasons>

which means <implications>.

Evidence includes...

Describe your key issue here ...

<User profile/s>

have <this problem>

because <existing reasons>

which means <implications>.

Evidence includes...

	KEY ISSUE		KEY ISSUE
	PAST SOLUTION: How has this problem been addressed in the past?		PAST SOLUTION: How has this problem been addressed in the past?
	GAINS: Was it successful? What went well?		GAINS: Was it successful? What went well?
	CHALLENGES: What did not work?		CHALLENGES: What did not work?

This exercise could be used to map the potential solution space and requirements to address aforementioned challenges.

1. Sourcing

Efficient online sourcing management system

We utilise an online application system to manage large calls for applications efficiently and transparently; these would be leveraged for the CAIAP. Below are snapshots of what our system looks like.

# Application ...	Application Batch	Topic	Sub-topic	Application Quali...
1381513	202011	Smallholder Farmers / ...	dryer	Yes
1388361	202011	Environment		No
1421486	202011	Livelihoods / NEXUS	Sustaining and creating...	Yes
1385383	202011	Nutrition (incl. School f...	Affordable nutritious di...	Yes
1417644	202011	Livelihoods / NEXUS	Sustaining and creating...	Yes
1419572	202011	SmallHolder Farmers / ...	Appropriate energy sol...	Yes
1418794	202011	Livelihoods / NEXUS	Appropriate energy sol...	Yes
1421519	202011	Livelihoods / NEXUS	Appropriate energy sol...	Yes
1422016	202011	SmallHolder Farmers / ...	COVID-19 emergency r...	Yes
1418219	202011	Livelihoods / NEXUS	Affordable nutritious di...	Yes
1424571	202011	Livelihoods / NEXUS	Appropriate energy sol...	Yes
1418871	202011	Livelihoods / NEXUS	Sustaining and creating...	Yes
1425004	202011	Nutrition (incl. School f...	COVID-19 emergency r...	Yes
1422429	202011	Livelihoods / NEXUS	Local food security and...	Yes
1423140	202011	SmallHolder Farmers / ...	Local food security and...	Yes
1424998	202011	SmallHolder Farmers / ...	Local food security and...	Yes
1425240	202011	Nutrition (incl. School f...	Affordable nutritious di...	Yes

This image demonstrates how we can manage and filter large numbers of applications based on thematic focus area or qualification (fitting of eligibility criteria), among other filters.

Application Qualifi...	Already applied	Overall Decision	Rejection Reason	Overall Score
Yes		2 Revisit in 6 months		
No		Reject	Early stage	
Yes		Longlist		
Yes		2 Revisit in 6 months	Early stage	
Yes		Reject		
Yes		Reject	Early stage	
Yes		Reject		
Yes		Longlist		
Yes		4 Revisit in 6 months		
Yes		Shortlist		
Yes		On hold		
Yes		Reject		
Yes		Consider for next ...		
Yes		Revisit in 6 months		
Yes		1 Reject		
Yes		Revisit in 6 months		

This image demonstrates how we record and document reviews, review scores and next steps for applicants.

Examples of review questions:

In addition, specific questions that reviewers may ask CAIAP applicants during the Sourcing phase include the following:

- Impact relevance:** The relevance of this solution will be checked in relation to climate adaptation. Questions reviewers consider include but are not limited to:
 - Who is the target group and how are they impacted by climate change?
 - How many people are affected by this problem?
 - How desirable is this solution; do people really need this? How will this solution help people adapt to climate change?
 - Does this idea have the potential to improve the lives of millions?
 - What is the vision of the team?
 - Can this solution easily be scaled?
- Team Strength:** The team members have relevant experience and are committed to the project. Questions reviewers consider include but are not limited to:
 - Who is behind this idea?
 - Have they worked together before?

- Do any of them have start-up experience / have they successfully exited a business before?
 - Do any of them have domain expertise (healthcare/ag/SHF)?
 - Do any of them have relevant tech expertise?
 - Do they understand the local context?
 - Any remarkable achievements?
- **Innovativeness:** The idea is a new technology, the approach of applying existing technology, process or business model addressing a problem. Questions reviewers consider include but are not limited to:
 - What is innovative about this idea?
 - Is it an innovative business model?
 - Or does it build on emerging technology?
 - Are they significantly different from competitors?
- **Traction: There's evidence of the team's ability to implement the solution and indication of demand. Questions reviewers consider include but are not limited to:**
 - What has already been tested and proven?
 - What evidence is available that this is a feasible idea?
 - Has the team engaged with users?
 - Do you see any evidence that the team is learning quickly?
 - If the team received funding before, how was it used?
 - Is the company's current market share impressive for the amount of time they have been in business?
- **Business Model/Financial Sustainability:** The team has a robust plan to ensure sustainable revenue generation. Questions reviewers consider include but are not limited to:
 - How viable is this solution?
 - Is there a sustainable business model behind it?
 - If there are no revenue streams, has the team considered how to achieve financial sustainability?
 - How strong is the value proposition?
 - Does the pricing model make sense?

2. Boost

The CAIAP team would guide applicants through customised curriculums dependent on the stage of the CAIAP applicant. .

Below is an example of what a sample curriculum for an MVP stage team could look like, which would be problem-solution fit, user persona mapping or business model mapping, amongst other exercises.

Pre Bootcamp	Day 1	Day 2	Day 3	Day 4	Day 5
Alignment	Problem and Context	Human Centred Design	Lean Roadmap	Business model	Impact
Use Case alignment discussions Roles and responsibilities Data privacy and limitations	What problem is the team trying to solve? How big is the problem?	Who is our user? What do we know/not know about the user and their context?	How can the solution be used in the context of WFP users? What are our critical assumptions? How will we test our assumptions in the 6 pilot?	What's the business model within the context of WFP? Is it scalable?	What impact would the solution have on WFP beneficiaries? How will we measure this?
	Exercises: Problem/context mapping	Exercises: User persona User journey or Jobs to be done (VPC)	Exercises: Product Roadmap Assumption mapping	Exercises: Social/Humanitarian/Environmental business model canvas	Exercises: Theory of Change, Hypothesis crafting

3. Grant

We have a well established and efficient grant management process, as summarized in the table below:

Selection Stages

#	Stage	Purpose	Responsible	Approver	Template Link
1	Two-step Grant Award Application Review	Documenting the scoring of the Applicant against the selection criteria	Second Reviewer	n/a	Grant Award Application (example) 1. Innovation Accelerator Grant Award Two-step Application Review (example)
2	Operational Due Diligence & Assessment Meeting with Applicant	Ensure full operational due diligence of the Applicant followed by in-depth review meeting with the Applicant	Second Reviewer	n/a	2. Innovation Accelerator Grant Award Operational Due Diligence & Assessment Meeting
3	Head of Unit Selection	Present to the Head of Unit the shortlist of suggested Applicants for selection	Cohort Coordinator	Head of Unit	3. Innovation Accelerator Grant Award Head of Unit Selection
4	Head of Innovation Accelerator/ Director of Innovation and Knowledge Management Approval	Present to the Head of Innovation Accelerator the shortlist of selected Applicants for approval	Head of Unit	Head of Innovation Accelerator/ Director of Innovation and Knowledge Management	4. Innovation Accelerator Grant Award Head of Innovation Accelerator/Director of Innovation and Knowledge Management Approval
5	Financial Due Diligence external Applicants only	Present to the Head of Unit the financial risk level assessment of the shortlisted Applicants	Finance Team	Head of Finance	5. Innovation Accelerator Grant Award Financial Due Diligence Validation Financial Due Diligence Documentation email to Applicants Financial Due Diligence
6	Innovation Compliance Committee (ICC) Review external Applicants only	Review the Grant Management process and ensure principles of transparency, competition & segregation of duties have been applied	Grant Management Focal Point	Members of the ICC	6. Innovation Accelerator Grant Award Innovation Compliance Committee Review

Above image highlights each step of the grant management process, segregation of duties, and supporting templates which would be leveraged during the CAIAP.

4. Accelerate

To effectively steer, track and accelerate CAIAP participants, we have developed a lean project management tool, which can be adapted based on the needs of cohorts and individual teams. Examples from sample project tracker, which include the workplan, budget tracker and metrics tracker, are provided below:

Workplan		Responsible person			
			January 2024	February 2024	March 2024
Milestone 1	Write your Milestone 1 here				
Activity 1.1	Write your Activity here				
Activity 1.2					
Milestone 2					
Activity 2.1					
Activity 2.2					
Milestone 3					
Milestone 4					

The above image is a sample Workplan, which CAIAP participants could develop to plan, implement and monitor project activities.

[illegible]

The above image is a sample budget tracker, which CAIAP participants could develop to plan and manage project expenditure.

[illegible]

The above image is a sample partnerships tracker, which CAIAP participants could develop to manage and track collaborations with partners as they accelerate their innovations.

I. Mandatory Indicators							
Indicator description	Definition	How you will measure	Who will measure	Comments	Disaggregation	Target	Baseline
II. Mandatory Thematic Indicators (choose one)							
Indicator description	Definition				Disaggregation	Target	Baseline

The above image is a sample metrics tracker, which CAIAP participants could develop to monitor and track the impact their innovations are creating.