



ADAPTATION FUND

AFB/PPRC.32-33/1  
27 November 2023

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Adaptation Fund Board  
Project and Programme Review Committee

**REPORT OF THE SECRETARIAT ON INITIAL  
SCREENING/TECHNICAL REVIEW OF GRANT PROPOSALS  
UNDER THE READINESS PROGRAMME**

## Background

1. This document presents to the Project and Programme Review Committee (PPRC) of the Adaptation Fund Board (the Board) an overview of the readiness grant proposals submitted by National Implementing Entities (NIEs) to the intersessional period between the forty-first and forty-second meetings of the Adaptation Fund Board, and the process of screening and technical review undertaken by the Adaptation Fund Board Secretariat (the secretariat).

2. The analysis of the grant proposals mentioned above is contained in a separate addendum to this document.

3. At its twenty-second meeting the Board had set aside funding from the Adaptation Fund resources for subsequent commitment and transfer at the instruction of the Board<sup>1</sup> to enhance capacities for accreditation through South-South cooperation (SSC), i.e., accredited NIEs supporting countries to identify potential NIEs and submit accreditation applications, and accredited NIEs' capacities to comply with the Adaptation Fund (the Fund) environmental and social policy (ESP) through technical assistance grants. The Board had approved this funding through small grants under the Readiness Programme.

4. At the twenty-sixth meeting of the Board, the secretariat had presented to the Board to consider whether the rules on the intersessional project review cycle that had been passed for regular projects through decision B.23/15 and decision B.25/2, could be applied to grant proposals received under the Readiness Programme. This would allow the secretariat to review and submit proposals by NIEs for technical assistance and SSC intersessionally, with a view to speeding up the grant approval process. To facilitate timely review of the grant proposals, the Board decided to:

*Request the secretariat to review intersessionally, between the 26th and 27th meetings of the Board, proposals submitted by National Implementing Entities for technical assistance grants and South-South cooperation grants under the Readiness Programme, and to submit the reviews to the PPRC for intersessional recommendation to the Board.*

*(Decision B.26/28)*

5. At the twenty-eighth meeting of the Board, the PPRC had recommended to the Board to establish a standing rule following on decision B.26/28 on the intersessional project review cycle for grants under the Readiness Programme to allow for continued review and approval of readiness grant proposals intersessionally each year. Having considered the comments and recommendation of the Project and Programme Review Committee, the Board decided to:

*a) Request the secretariat to continue to review readiness grant proposals annually, during an intersessional period of less than 24 weeks between two consecutive Board meetings;*

*b) Notwithstanding the request in paragraph (a) above, recognize that any readiness grant proposal can be submitted to regular meetings of the Board;*

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<sup>1</sup> Decision B.22/24

- c) *Request the PPRC to consider intersessionally the technical review of such readiness grant proposals as prepared by the secretariat and to make intersessional recommendations to the Board;*
- d) *Consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure; and*
- e) *Request the secretariat to present, in the twentieth meeting of the PPRC, and annually following each intersessional review cycle, an analysis of the intersessional review cycle.*

*(Decision B.28/30)*

6. At the thirty-sixth meeting of the Board, through Decision B.36/25.a, decided “ To approve the Readiness Package Grant as a standing window and replacement to South-South Cooperation Grants under the Readiness Programme to provide support for the accreditation of a National Implementing Entity (NIE) of the Fund”. The window for readiness package grants has therefore replaced South-South Cooperation Grants.

7. It should be noted that during the intersessional period between the thirty-seventh and thirty-eighth meetings of the Board, following decision B.36/42 by the Board to allow up to two NIEs to be accredited per country, the Board had, through decision B.37-38/14 decided to make the readiness package grants available per NIE.

8. It should also be noted that at the fortieth meeting of the Board, the Board, through decision B.40/60, decided: “To extend the role of intermediary in the delivery of support for the accreditation of an NIE via the readiness package grant to all accredited implementing entities of the Fund”. The eligibility criteria for an IE to access the RPG and deliver support for accreditation would remain unchanged and would apply uniformly to all IEs.

9. Further, it should be noted that at the forty-first meeting of the Board, the Board, through decision B.41/15, decided: “Update the review cycle for readiness grants and invite the implementing entities of the Adaptation Fund to submit responses to the initial technical review within two weeks of receiving the initial technical review”.

10. At the the thirty-sixth meeting of the Board, the PPRC had discussed the review cycle for readiness grants and recommended to the Board for readiness proposals to be submitted for review and consideration by the Board during both intersessional periods between the regular meetings of the Board. Having considered the recommendations of the PPRC, the Board decided:

- a) *To request the secretariat to review readiness grant proposals during all intersessional periods between Board meetings while recognizing that such grants may also be reviewed at regular meetings of the Board;*
- b) *To request the PPRC to consider intersessionally the technical review of such readiness grant proposals as prepared by the secretariat and to make intersessional recommendations to the Board;*
- c) *To consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure;*
- d) *To also request the secretariat to send a notification to implementing entities and*

*other stakeholders informing them about the new arrangement;*

*e) To further request the secretariat to present, at the twenty-eighth meeting of the PPRC, and at subsequent PPRC meetings following each intersessional review cycle for readiness grants, an analysis of the intersessional review cycle.*

*(Decision B.36/26)*

11. Based on decision B.36/26 by the Board, the secretariat launched a call for project proposals intersessionally between the forty-first and forty-second meetings of the Board and accredited NIEs were given the opportunity to submit applications for technical assistance grants whilst all accredited IEs were given the opportunity to submit applications for readiness package grants on behalf of eligible<sup>2</sup> countries.

### **Technical assistance grant proposals submitted by NIEs**

12. In response to the call by the secretariat, accredited NIEs of the Fund could submit proposal documents for a technical assistance (TA) grant to enable them to source external expertise to help improve NIE capacity to assess and manage environmental, social and gender related issues and to comply with the Fund's Environmental and Social Policy (ESP) and Gender Policy (GP). An NIE could submit a proposal for one of two types of TA grants available, that is, a TA Grant for the ESP and GP (TA-ESGP) or a TA Grant for the Gender Policy (TA-GP). NIEs eligible to submit proposals for the TA-ESGP would be those that had not previously received a grant for technical assistance and would be expected to build capacity on environmental and social safeguards and gender safeguards simultaneously. NIEs eligible to submit proposals for the (TA-GP) would be those that had previously not received a TA-ESGP that would like to integrate gender considerations into existing robust ESP and environmental and social safeguards to align with the Fund's gender policy.

13. The secretariat did not receive any proposal for a technical assistance grant during the current intersessional period.

### **Readiness package grant proposals submitted by IEs**

14. Under the Adaptation Fund's readiness programme, eligible accredited IEs wishing to support other countries that wish to access the Fund's resources through the Direct Access modality, can apply for readiness package grants as intermediaries on behalf of those countries.

15. The secretariat received three readiness package grant proposals from three countries seeking peer support for accreditation from three intermediary NIEs. The proposals were meant to enhance peer support for accreditation to the Fund through South-South cooperation and the delivery of a more comprehensive suite of tools. This is expected to help entities in the countries seeking access to the Fund's resources through its Direct Access modality, to prepare and submit their applications for accreditation.

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<sup>2</sup> All developing country Parties to the Kyoto Protocol and Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) that wish to have an NIE accredited with the Fund are eligible to receive the readiness package grant, including those that had previously accessed the SSC grant. The grant is available as a once off grant per NIE

16. The grant proposals were submitted by the National Environment Management Authority (NEMA) of Kenya (the intermediary), for the accreditation of a second NIE in Kenya on behalf of the government of Kenya, by the Environmental Project Implementation Unit (EPIU) of Armenia (the intermediary), for the accreditation of the first NIE in Tajikistan on behalf of the government of Tajikistan, and by the Environmental Management Agency (EMA) of Zimbabwe (the intermediary), for the accreditation of a second NIE in Zimbabwe on behalf of the government of Zimbabwe. However, the grant proposal submitted by EPIU on behalf of the government of Tajikistan was not eligible as it was not endorsed by the correct designated Authority (DA) of the Fund. The proposal submitted by EMA on behalf of the government of Zimbabwe was also not eligible as EMA did not yet have any project performance report that had been submitted to the Fund, which is a requirement for intermediaries under the readiness package grants to demonstrate experience implementing a concrete Adaptation Fund project or programme. The proposals submitted by EPIU and EMA were subsequently withdrawn by the proponents following the initial technical review by the secretariat. Details of the remaining one fully reviewed proposal during the current review cycle are contained in the separate PPRC working document as follows:

**Table 1: Details of readiness package grant proposals submitted to the intersessional period between the forty-first and forty-second meetings of the Board**

Intermediary	Country requesting accreditation support	PPRC document number
NEMA	Kenya	AFB/PPRC.32-33/2

17. The submitted readiness package grant proposal provides an explanation and a basic breakdown of the costs associated with providing support to help the entity applying for accreditation as an NIE, prepare and submit their application. The total requested funding for the proposal amounted to US\$ 149,342.52. The total requested funding for the proposal included US\$ 11,699.64<sup>3</sup> or 8.5% in Implementing Entity (IE) management fees, which complies with Board Decision B.11/16 to cap management fees at 8.5% of the project/programme budget.

18. The proposal requested funding within the cap of US\$ 150,000 for readiness package grants as approved by the Board through Decision B.37-38/14. A summary of the requested financing is provided in Table 2 below.

**Table 2: Summary of financing requested for readiness package grant proposals submitted to the intersessional period between the forty-first and forty-second meetings of the Board**

Country	IE Providing Support	Initial Financing Requested (USD), (current period)	Final Financing Requested	IE Fee (USD)	IE Fee, %
Kenya	NEMA	\$148,645.00	\$149,342.52	\$11,699.64	8.5%
<b>Total</b>		<b>\$148,645.00</b>	<b>\$149,342.52</b>	<b>\$11,699.64</b>	<b>8.5%</b>

<sup>3</sup> The implementing entity management fee percentage is calculated compared to the project budget including the project activities and the execution costs, before the management fee.

### **The review process**

19. In accordance with the operational policies and guidelines, following the receipt of the proposals, the secretariat screened and prepared technical reviews of the three readiness package grant proposals.

20. In line with the Board request at its tenth meeting, the secretariat shared the initial technical review findings with the intermediary NIE and solicited its responses to specific items requiring clarification. Responses were requested by e-mail, and the time allowed for the NIEs to respond was two weeks. The NIEs were offered the opportunity to discuss the initial review findings with the secretariat by telephone as per the usual practice.

21. Following the withdrawal of the proposals by EPIU of Armenia and EMA of Zimbabwe, the secretariat subsequently reviewed the remaining NIE's responses to the clarification requests in the initial technical review, and compiled comments and recommendations that are presented in the addendum to this document (AFB/PPRC.32-33/1/Add.1).

### **Issues identified during the review process**

22. There were no issues identified during the current review cycle.