



ADAPTATION FUND

AFB/PPRC.35/21/Add.1
17 March 2025

Adaptation Fund Board
Project and Programme Review Committee
Thirty fifth Meeting
Bonn, Germany, 8-9 April 2025

Agenda Item 5n)

PROJECT FORMULATION GRANT FOR SAINT KITTS AND NEVIS

I. Background

1. The Board at its eleventh meeting discussed the document “Funding for Project Formulation Costs” (AFB/11/6) and agreed, in its Decision B.11/18, that:

- i. project formulation grants (PFG) should be given once a project concept has been approved
- ii. consideration should be given in terms of differentiating between NIEs and MIEs, since some NIEs might have financial difficulties in trying to formulate project or programme proposals;
- iii. a flat rate should be given for project formulation costs;
- iv. a list of eligible activities and items still needed to be prepared; v. the grant should be additional to the project cost; and
- v. the fate of funds if the final project document was rejected should be determined.

2. There was consensus that a three-tiered system should be considered for project formulation grants: endorse a project concept with a PFG amount, endorse a project concept without a PFG amount, or reject the project concept.

3. Following the discussion, the Board decided:

To request the secretariat to reformulate the document, to include a comparison of eligible activities provided by other funds for project formulation grants, to take into account guidance provided by the Board at the present meeting, and to submit the document to the Board at its twelfth meeting, through the EFC. The EFC should review and finalize the process and policy of the project formulation grant focusing, in particular, on: the issue of unspent project funds; the procedures followed by other funds in that regard; and the determination of a flat-rate.

4. A document was prepared by the secretariat in response to the above mandate and presented at the third EFC meeting, which made specific recommendations to the Board at its twelfth meeting. Having considered the recommendation of the Ethics and Finance Committee, the Board, in its Decision B.12/28, decided that:

- (a) Project Formulation Grants (PFGs) will only be made available for projects submitted through NIEs. The Board would continue reviewing the question of PFGs for projects submitted through MIEs and would solicit comments from members and alternate members by February 14, 2011; the views would be compiled by the secretariat for presentation to the Board at its March 2011 meeting;*
- (b) If a country required a project formulation grant, a request should be made at the same time as the submission of a project concept to the secretariat. The secretariat will review and forward it to the PPRC for a final recommendation to the Board. A PFG could only be awarded when a project concept was presented and endorsed;*
- (c) A PFG form, reproduced in Annex V, should be submitted;*

- (d) Only activities related to country costs would be eligible for PFG funding;*
- (e) A flat rate of up to US\$30,000 shall be provided, inclusive of the management fee, which cannot exceed 8.5 per cent of the grant amount. The flat fee would be reviewed by the Board at its thirteenth and all subsequent meetings;*
- (f) If the final project document is rejected, any unused funds shall be returned to the Adaptation Fund Trust Fund;*
- (g) Once a project/programme formulation grant is disbursed, a fully developed project document should come to the Board for approval within 12 months. No additional grants for project preparation can be received by a country until the fully developed project/programme document has been submitted to the Board; and*
- (h) The Trustee was instructed to remove the set-aside of US\$100,000 for project preparation that had been decided at the June 2010 meeting, as project preparation would be approved on a project-by-project basis.*

5. In its twenty-fourth meeting, the Board had initiated steps to launch a pilot programme on regional projects and programmes, not to exceed US\$ 30 million and had requested the secretariat to prepare for the consideration of the Board a proposal for such a pilot programme (Decision B.24/30). In its twenty-fifth meeting, the secretariat submitted such document and the Board decided to:

- (a) Approve the pilot programme on regional projects and programmes, as contained in document AFB/B.25/6/Rev.2;*
- (b) Set a cap of US\$ 30 million for the programme;*
- (c) Request the secretariat to issue a call for regional project and programme proposals for consideration by the Board in its twenty-sixth meeting; and*
- (d) Request the secretariat to continue discussions with the Climate Technology Center and Network (CTCN) towards operationalizing, during the implementation of the pilot programme on regional projects and programmes, the Synergy Option 2 on knowledge management proposed by CTCN and included in Annex III of the document AFB/B.25/6/Rev.2.*

(Decision B.25/28)

6. The approved document AFB/B.25/6/Rev.2 contained provisions for the approval of project formulated grants for regional project and programme proposals, at different development stages, as follows:

“It is proposed that the Board open a structured call for MIEs and RIEs to submit pre-concepts for regional projects and programmes. The optional pre-concepts would be very brief proposals of maximum 5 pages that would explain the proposed regional adaptation project/programme. The pre-concepts would be screened and technically reviewed by the

secretariat, and subsequently reviewed by the PPRC. Together with the pre-concept, the proponent could submit a Phase I PFG request, up to the maximum level of US\$ 20,000. While endorsing the pre-concept, the Board could also approve the Phase I PFG request. The endorsement of the pre-concept would not create an obligation for the Board for later funding. As the next step, the proponent would submit a concept, and with it the proponent could submit a Phase II PFG request. The maximum AFB/PPRC.18/25/Add.1 level of the Phase II PFG would be US\$ 80,000 for proposals that had been previously granted Phase I PFG, and US\$ 100,000 for proposals that bypassed the optional pre-concept stage. While endorsing the concept, the Board could also approve the Phase II PFG request. The endorsement of the concept would not create an obligation for the Board for later funding, as it is the case for the national projects. The final stage of the proposal process would be the submission of the fully-developed regional project document”.

II. The Project Formulation Grant Request

7. This addendum to the document AFB/PPRC.35/21 “Proposal for Saint Kitts and Nevis” includes a request for a Project Formulation Grant, requesting a budget of US\$ 130,200, which was received by the secretariat along with the concept for the project AF00000393 “*Coastal Adaptation and Resilience Initiative – St. Kitts and Nevis (CARI-SKN)*”. This proposal was submitted by Caribbean Community Climate Change Centre (CCCCC), which is a Regional Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-fourth Board meeting.

8. In accordance with Decision B.12/28, paragraph (b), the secretariat carried out an initial review of the PFG request and found that the document provided detailed information on the use of the requested funds. The proposed activities were aligned with the goal of the project and would support a comprehensive Environmental and Social Impact Assessment (ESIA) report, an Environmental and Social Management Plan (ESMP) and a Gender Assessment and Gender Action Plan.

9. Therefore, the PPRC may want to consider and recommend to the Board to approve the PFG Request, provided that the related concept proposal is endorsed.



Revised PFG Submission Form¹
Project Formulation Grant (PFG)

Submission Date: February 18, 2025

Adaptation Fund Project ID: AF00000393

Country: Saint Kitts and Nevis

Title of Project/Programme: Coastal Adaptation and Resilience Initiative – St. Kitts and Nevis (CARI-SKN)

Type of IE (NIE/RIE/MIE): Regional Implementing Entity (RIE)

Implementing Entity: Caribbean Community Climate Change Centre (CCCCC)

Executing Entity: Caribbean Community Climate Change Centre (CCCCC)

A. Project Preparation Timeframe

Start date of PFG	May 2025
Completion date of PFG	March 2026

B. Proposed Project Preparation Activities (\$)

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note²
1. Conduct Environmental and Social Impact Assessment (ESIA) and Develop Environmental and Social Management Plan (ESMP)	A comprehensive Environmental and Social Impact Assessment (ESIA) report and an Environmental and Social Management Plan (ESMP) developed in accordance with Adaptation Fund environmental and social policy requirements.	\$60,000	The Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP) will be conducted by a consultant at a daily rate of \$500 for 120 workdays over the contract period. This budget covers fees for conducting assessments, stakeholder consultations, data collection, and report preparation. It also

¹ As presented in AFB/PPRC.33/40 Annex 1.

² The proposal should include a detailed budget with budget notes indicating the break-down of costs at the activity level. It should also include a budget on the Implementing Entity management fee use.

			includes costs for travel, logistics, and engagement with affected communities and key stakeholders to ensure compliance with Adaptation Fund environmental and social policy requirements.
2. Conduct Gender Assessment and Develop Gender Action Plan	A comprehensive Gender Assessment and Gender Action Plan tailored to the project's objectives, identifying gender-specific vulnerabilities, roles, and opportunities in climate adaptation.	\$60,000	The Gender Assessment and Gender Action Plan will be conducted by a consultant at a daily rate of \$600 for 120 workdays over the contract period. This budget covers fees for conducting assessments, stakeholder consultations, data collection, and report preparation. It also includes costs for travel, logistics, and engagement with affected communities and key stakeholders to ensure compliance with the Adaptation Fund Gender Policy.
3. <i>Implementing Entity Fee (8.5%)</i>		<i>\$10,200</i>	
Total Project Formulation Grant		\$130,200	


Please describe below each of the PFG activities and provide justifications for their need and for the amount of funding required:

Activity 1: The Environmental and Social Impact Assessment (ESIA) and the Environmental and Social Management Plan (ESMP) are integral to the full funding development process for the Coastal Adaptation and Resilience Initiative - Saint Kitts and Nevis. The ESIA will assess potential environmental and social risks associated with the proposed project interventions, evaluating factors such as land use, biodiversity, community health, and potential displacement. It will ensure that these interventions are designed to minimize negative impacts while promoting long-term sustainability. The ESMP will complement the ESIA by outlining mitigation measures, monitoring frameworks, and institutional responsibilities to ensure compliance with national and international environmental and social safeguards. These assessments will provide a comprehensive evaluation of the potential environmental and social impacts of the proposed interventions to ensure that they are aligned with the environmental and social safeguards policy of the Adaptation Fund. The \$60,000 allocated will support a thorough assessment process, including data collection, stakeholder consultations, and the development of actionable strategies that guarantee the project's environmental and social integrity.

Activity 2: The Gender Assessment and the development of the Gender Action Plan (GAP) are crucial to ensuring the inclusivity and equity of the proposed interventions under the Coastal Adaptation and Resilience Initiative - Saint Kitts and Nevis. The assessment will explore the gendered vulnerabilities and opportunities within the coastal communities of Saint Kitts and Nevis, focusing on disparities in access to climate-resilient resources, participation in decision-making processes, and the equitable distribution of project benefits. This will ensure that women and men are equally represented in decision-making processes and have equitable access to the benefits of the project. The Gender Action Plan will outline specific strategies to address these disparities, including targeted recommendations, interventions, and capacity-building measures to ensure gender-responsive project implementation. This approach will foster social inclusion and alignment with the Adaptation Fund's Gender Policy. The \$60,000 allocated for this activity will support detailed assessments, community consultations, and the formulation of a comprehensive Gender Assessment and a Gender Action Plan.

C. Implementing Entity

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

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Dr. Mark Bynoe		19/02/2025	Ryan Phillip	+5016058078	rphillip@caribbeanclimate.org



ST. CHRISTOPHER AND NEVIS
MINISTRY OF ENVIRONMENT, CLIMATE ACTION AND CONSTITUENCY EMPOWERMENT
UNIT C21 SANDS COMPLEX
BASSETERRE

Letter of Endorsement by Government

23 May 2024

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

Subject: Endorsement for Coastal Adaptation and Resilience Initiative – St. Kitts and Nevis (CARI-SKN)

In my capacity as designated authority for the Adaptation Fund in St. Kitts and Nevis, I confirm that the above national project proposal is in accordance with the government's national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in St. Kitts and Nevis

Accordingly, I am pleased to endorse the above project proposal with support from the Adaptation Fund. If approved, the project will be implemented by the Caribbean Community Climate Change Center and executed by Ministry of Public Infrastructure et. al.

Sincerely,

Colinda Levine (Mrs.)
Permanent Secretary
Ministry of Environment, Climate Action and
Constituency Empowerment

