



ADAPTATION FUND

AFB/PPRC.35/Inf.36
17 March 2025

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

PROPOSAL FOR LLA AGGREGATOR (CAF)



ADAPTATION FUND

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: LLA Aggregator Fully-developed proposal

Country/Region: Global **Project Title:** ADAPTING BIODIVERCITIES (ABC) Regional Programme for Latin American and Caribbean Cities Adapting to Climate Change through Locally-Led Actions
Thematic Focal Area: Nature-based solutions, including ones that are biodiversity-supporting, in various settings (e.g. urban, peri-urban and non-urbanized), Urban adaptation and Disaster risk reduction and early warning systems
Implementing Entity: Development Bank of Latin America and the Caribbean (CAF)
Executing Entities: Subnational governments, CAF and Local Governments for Sustainability (ICLEI)
AF Project ID:
IE Project ID: **Requested Financing from Adaptation Fund (US Dollars):** 12,000,000 USD
Reviewer and contact person: Alyssa Gomes **Co-reviewer(s):** Estefania Jimenez Rodriguez; Neranda Maurice-George
IE Contact Person:

Technical Summary	<p>The project “ADAPTING BIODIVERCITIES (ABC) Regional Programme for Latin American and Caribbean Cities Adapting to Climate Change through Locally-Led Actions” aims to facilitate innovative local solutions and support the development and dissemination of local practices and knowledge that strengthen community capacities, promote inclusive and sustainable adaptation, and contribute to enhancing urban resilience to climate change in Latin American and Caribbean cities. This will be done through the 3 components below:</p> <p><u>Component 1:</u> Provision of Small Grants for Implementing LLA Actions (USD 7,700,000);</p> <p><u>Component 2:</u> Technical support and capacity development for implementing national or regional LLA programs (1,500,000 USD);</p> <p><u>Component 3:</u> Knowledge Management and Exchange (1,000,000 USD)</p> <p><u>Requested financing overview:</u></p> <p>Project/Programme Execution Cost: 1,000,000 USD Total Project/Programme Cost: 11,200,000 USD</p>
-------------------	--

	<p>Implementing Fee: 800,000 USD Financing Requested: 12,000,000 USD</p> <p>The initial technical review raises several issues, such as, clarification on participating countries, absence of gender analysis, inadequate checklist for USPs, question of programme duration, implementation arrangements and budget clarifications among others as is discussed in the number of Clarification Requests (CRs) and Corrective Action Request (CAR) raised in the review.</p>
Date:	11 March 2025

Review Criteria	Questions	First Technical Review Comments [11 March 2025]
Country Eligibility	1. Does the proposal include a mechanism that will ensure that the participating countries are party to the Paris Agreement and/or the Kyoto Protocol?	Cleared. All countries in the region are eligible on the basis of being party to Paris Agreement or Kyoto Protocol.
	2. Does the proposal describe how the IE will involve the participation of developing countries particularly vulnerable to the adverse effects of climate change? Does it specify countries, a region, or two or more regions?	Not cleared. The proposal references Latin American and Caribbean countries, but it does not specify which countries will be the beneficiaries. In absence of identifying the participating countries upfront, there needs to be an assurance that only countries that are eligible to access Adaptation Fund funding will participate.
Programme Eligibility	1. Does the length of the proposal amount to no more than one hundred(100) pages for the fully-developed project document, and one hundred(100) pages for its annexes?	Yes. The proposal contains 64 pages including its Annexes.
	2. Does the proposal describe how it will source locally-led small grant proposals, and screen them for the potential to support concrete adaptation actions to assist the participating countries in addressing the adverse effects of climate change and build in climate resilience?	Not cleared. The proposal presents a structured small grants mechanism within the BiodiverCities Regional Programme, emphasizing ecosystem-based, community-based, and gender-based adaptation approaches. However, several aspects require further

		<p>clarification to ensure that locally-led adaptation (LLA) is at the core of the grant selection, decision-making process, and implementation.</p> <p>The proposal describes a competitive grant process and highlights plans for periodic calls to fund pilot adaptation projects. It also mentions capacity-building measures to enhance project formulation skills. However, further details are needed on how local actors—especially grassroots organizations, Indigenous groups, and informal community networks—will be reached and supported in the application process.</p> <p>CR1: Please elaborate on the specific mechanisms to source grant proposals from local actors, particularly informal community groups, Indigenous Peoples, women-led initiatives, and youth organizations? Kindly specify whether outreach strategies (e.g., community workshops, simplified application processes, direct engagement with local networks) will be implemented to ensure broad participation.</p> <p>The proposal provides a logical sequence of activities under each component, but clearer articulation of the causal pathways is needed to:</p> <ul style="list-style-type: none"> • Explicitly link activities, outputs, outcomes, and long-term adaptation impacts. • Ensure integration across the three components (i.e., how small grants (Component 1) contribute to regional knowledge-sharing (Component 3) and vice versa). • Strengthen the rationale for regional scale intervention, ensuring the added value of a multi-country approach.
--	--	---

		<p>Component 1 lays out a tiered grant system (G1, G2, G3) that scales adaptation interventions based on financial thresholds and implementation timeframes. The inclusion of periodic calls and a mentorship program is a strong mechanism for quality enhancement.</p> <p>CR2: Please clarify how the grant-supported pilots will be sustained beyond their implementation period? Will there be mechanisms for scaling successful LLA models beyond the grant timeframe? Consider outlining a strategy for upscaling best practices within and beyond BiodiverCities.</p> <p>CR3: Please provide more details on how the geographical distribution of grants will be managed to ensure equitable access across urban, peri-urban, and marginalized areas in the LAC region? Will there be specific quotas for underrepresented regions?</p> <p>CR4: Please integrate a more explicit pathway on how pilot adaptation projects will inform broader urban adaptation policy. How will the linkage between local-level pilots and city-wide, national, or regional adaptation strategies be strengthened to ensure that LLA solutions do not remain isolated small-scale interventions?</p> <p>Component 2 provides a strong foundation for strengthening institutional and technical capacity at the subnational level through training, adaptation planning support, and participatory governance mechanisms. However, there are gaps in ensuring direct impact at the community level and clarity on institutional sustainability.</p>
--	--	--

	<p>CR5: Please clarify how the capacity-building activities will be tailored to different levels of governance (i.e., local government officials vs. community-based organizations vs. grassroots networks)? A differentiated capacity-building strategy would ensure that technical support is appropriately targeted to different actors.</p> <p>CR6: Could you please elaborate on how local actors will be involved in adaptation planning and decision-making? The outputs mention participatory governance schemes, but further details on co-design mechanisms between governments and communities would strengthen alignment with LLA principles.</p> <p>CR7: Please consider strengthening the linkages between this component and Component 1 (grants). How will lessons from funded projects be integrated into institutional planning processes at the municipal and subnational levels? It is recommended to outline a clear feedback mechanism between these two components.</p> <p>Under component 3, the proposal highlights regional learning through the BiodiverCities Network, including a knowledge database, regional cooperation cycles, and best practice dissemination. While this component has strong elements, it lacks clear mechanisms to ensure sustained impact and practical application of knowledge at the local level.</p> <p>CR8: Please consider strengthening the integration of MEL (Monitoring, Evaluation, and Learning) into the regional knowledge platform. Consider detailing how MEL findings from LLA projects will inform adaptive learning and guide continuous improvements in adaptation programming.</p>
--	---

	<p>3. Does the project/programme enable devolving decision making to the lowest appropriate level? Does it give local institutions and communities more direct access to finance and decision-making power over how adaptation actions are defined, prioritized, designed, implemented; how progress is monitored and how success is evaluated.</p>	<p>Not cleared.</p> <p>The proposal states that small grants will be provided to local governments in the BiodiverCities Network and highlights capacity-building efforts for municipal actors. However, direct community participation in decision-making is not explicitly addressed beyond the role that subnational governments play in adaptation planning. LLA requires that local communities have direct decision-making power over adaptation actions.</p> <p>CR9: Please clarify how the programme will ensure that local communities, including vulnerable groups, actively participate in defining, prioritizing, designing, and implementing adaptation projects? What participatory governance mechanisms or co-design processes will be integrated?</p> <p>CR10: Kindly clarify whether funding will be available directly to community-based organizations or whether local governments will act as intermediaries. If the latter, please provide details on how the funding mechanism will ensure that local communities maintain financial control and decision-making power over adaptation projects.</p> <p>CR11: Please elaborate on how the programme will devolve decision-making power to community-level actors. This could include community-led grant review panels, participatory budgeting processes, or direct funding allocations for community-based organizations.</p>
	<p>4. Does the proposal describe how it will screen small grant proposals for their potential to provide economic, social and environmental benefits, particularly to vulnerable communities,</p>	<p>Not cleared.</p> <p>The proposal outlines broad adaptation themes for grant funding, including urban planning, ecosystem</p>

	<p>including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p> <p>Does the project/programme address structural inequalities faced by women, youth, children, people with disabilities, people who are displaced, Indigenous Peoples and marginalized ethnic groups?</p>	<p>restoration, and integrated water management. However, it does not provide a detailed screening framework for ensuring that grants deliver tangible economic, social, and environmental benefits while avoiding unintended risks.</p> <p>CR12: Please outline the specific screening criteria that will be used to evaluate economic, social, and environmental benefits of small grant projects? For instance, will proposals be required to demonstrate: Economic benefits (e.g., livelihood creation, income generation for marginalized groups)? Social benefits (e.g., enhanced resilience for women, youth, and Indigenous Peoples)? Environmental benefits (e.g., biodiversity protection, sustainable urban infrastructure)?</p> <p>CR13: Kindly clarify which stakeholders will be responsible for screening grant proposals for compliance with Environmental and Social Policy (ESP) and Gender Policy. Will there be local-level screening committees to ensure that projects meet LLA criteria and effectively address community needs?</p> <p>The proposal references gender-based adaptation (GbA) and acknowledges the importance of social inclusion in adaptation planning. However, there is no explicit mechanism to ensure that funding is equitably allocated to vulnerable and underrepresented groups.</p> <p>CR14: Could you please clarify whether there will be dedicated funding windows or quotas for projects led by women, youth, Indigenous Peoples, and marginalized communities? If so, how will these groups be prioritized and supported throughout the grant process?</p>
--	--	--

		<p>CR15: Kindly specify how the gender-based adaptation approach will be operationalized in grant selection. Will gender mainstreaming be a mandatory criterion for project funding? If so, will gender-sensitive indicators be required in the monitoring and evaluation framework?</p> <p>CAR1: Please include a Gender Assessment and Gender Action Plan. The Gender Assessment should include an initial assessment of gender dynamics where feasible but, more importantly, should outline a gender mainstreaming strategy, with specific actions and indicators to track gender inclusion throughout project implementation.</p> <p>Please follow the link below to the Guidance Document: Gender Guidance Document for Implementing Entities on Compliance with the Adaptation Fund Gender Policy (Updated in 2022)</p>
	<p>5. Does the programme provide an analysis of the cost-effectiveness of the proposed programme and explain how the regional or multi-regional approach would support cost-effectiveness</p>	<p>Not cleared.</p> <p>CR16: The proposal provides a strong foundation for cost-effectiveness by integrating prioritization criteria (C1–C11) and aligning with existing frameworks. However, the cost-benefit rationale for each component and how these prioritization criteria translate into actual financial efficiencies is not fully detailed. Could you please provide quantitative estimates or case-based justifications on how these criteria will ensure cost-effectiveness, particularly regarding the sustainability of LLA actions beyond the grant period?</p> <p>CR17: Component 1 outlines prioritization criteria for selecting LLA projects, but the proposal does not clearly explain how these criteria will be operationalized in decision-making. Kindly clarify how the project will</p>

		<p>ensure funding is allocated to the most impactful projects while balancing equity considerations.</p> <p>CR18: The justification for financing strongly aligns with the Adaptation Fund's focus on locally led adaptation and its global aggregation mechanism. However, the rationale for the specific grant size categories (USD 50,000–500,000) is not fully explained. Kindly provide an explanation of how these funding tiers were determined..</p>
	<p>6. Is the programme consistent with national, sub-national or local sustainable development strategies, national, sub-national or local development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments</p>	<p>Not cleared.</p> <p>The proposal demonstrates strong alignment with key international agreements, including the Paris Agreement, the NAP process, SDGs (specifically SDG 11), and the Kunming-Montreal Global Biodiversity Framework.</p> <p>CR19: The proposal notes that Component 1 ensures LLA-funded projects align with local and national policy. However, the mechanism for verifying compliance with national frameworks beyond project selection is not explained. Kindly clarify how compliance will be monitored post-selection to ensure long-term policy alignment.</p>
	<p>7. Does the proposal describe how it will screen small grant proposals for meeting the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund? Does the project provide support to local actors and build their capacities to comply with the standards?</p>	<p>Not cleared.</p> <p>CR20: The proposal outlines an Environmental and Social Monitoring System (ESMS) for compliance with national and local regulations, which is a strong approach. However, concerning meeting the various technical standards in respective countries and sectors, please provide further detail how the programme intends to ensure compliance?</p>

	<p>8. Is there duplication of programme with other funding sources? Does the programme enhance collaboration across sectors and enhance efficiencies and good practice?</p>	<p>Yes. However, additional clarification is required.</p> <p>CR21: The proposal provides a comprehensive overview of existing initiatives (C40, ICLEI, CAF, UCLG, and Mercociudades) and articulates how the programme complements, rather than duplicates, ongoing efforts. However, there is limited information on specific funding overlaps. Could you please clarify if any ongoing initiatives in LAC cities are already financing similar LLA interventions and how this programme will ensure complementarity?</p>
	<p>9. Does the programme have a learning and knowledge management component to capture and feedback lessons, in particular managing traditional and/or indigenous knowledge, where relevant? Does it contribute to building and institutionalizing local capacities? framework, and other relevant instruments?</p>	<p>Yes. However, additional clarification is required.</p> <p>CR22: Please clarify how the knowledge management system will ensure that lessons learned from LLA projects are institutionalized within participating cities? Will there be formalized mechanisms for policy uptake or integration into city planning processes?</p> <p>CR23: Kindly provide more details on how Indigenous and local knowledge will be captured and valued within the knowledge exchange activities. Are there specific mechanisms to document and integrate traditional ecological knowledge and community-led solutions?</p> <p>CR24: Please elaborate on how the regional exchange mechanisms (e.g., in-person meetings, cooperation cycles) will ensure that cities facing similar adaptation challenges collaborate effectively? Will there be thematic working groups, twinning mechanisms, or structured peer learning sessions?</p>

		<p>CR25: Component 3 aims to strengthen regional learning through knowledge-sharing networks, but the role of national governments in integrating knowledge into national adaptation strategies is not explicitly described. Could you please elaborate on how national policymakers will be engaged in the learning process to ensure that local insights inform higher-level adaptation planning?</p> <p>CR26: The proposal mentions that the MEL system will contribute to global adaptation tracking, but there is no clear mention of how local knowledge will be translated into insights that feed into national or international policy frameworks. Could you describe how lessons from LLA projects will be structured to support national adaptation reporting (e.g., NAPs, NDCs, adaptation communications)?</p>
	<p>10. Has the proposal described what consultative process will take place, and how will it involve all key stakeholders, and vulnerable groups, including gender considerations? Does the consultative consider and address gender-based, economic and other inequalities in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p>Not cleared.</p> <p>CR27: The proposal provides a strong foundation for stakeholder engagement through the BiodiverCities Network, ensuring broad participation in grant procurement. However, there is limited detail on how vulnerable groups—including Indigenous Peoples, women, youth, and persons with disabilities—will be specifically engaged in consultation processes. <u>Could you please elaborate on mechanisms to ensure that these groups have meaningful participation beyond open calls and notifications?</u></p> <p>CR28: The proposal mentions gender balance within the Independent Panel of Experts (IPE) and the prioritization of projects with strong governance structures and participatory decision-making. However, there is no mention of how gender considerations will</p>

		<p>be integrated throughout the consultation phases. <u>Kindly clarify whether gender-sensitive engagement tools (e.g., gender-disaggregated data collection, women-focused consultation sessions, or specific quotas for women's participation) will be used.</u></p> <p>CR29: The role of local civil society organizations (CSOs), grassroots networks, and community-based organizations in the consultative process is not well defined. While the Executive Committee and Network members will have input, could you please clarify whether external community groups, informal local governance structures, or marginalized populations outside municipal governance will have structured roles in the consultation process?</p> <p>CR30: While the proposal ensures transparency through the publication of calls for proposals, it is unclear whether additional outreach efforts will be conducted in marginalized areas that may have lower digital access. Could you describe any proactive engagement strategies to reach underrepresented groups, particularly in remote or underserved cities?</p>
	11. Is the requested financing justified on the basis of full cost of adaptation reasoning?	Yes.
	12. Is the programme aligned with AF's results framework?	<p>Yes. However, amendment is required. The programme is aligned with outcomes 1,5,6,7 and 8 of the SRF.</p> <p>CAR2: Please ensure that the grant amount is separated by outcome under each component for table at section F.</p>

	<p>13. Has the sustainability of the programme outcomes been considered when designing the programme, including in the screening of the locally-led small grants projects? Does the project/programme support long-term development of local governance processes, and improve the capacity of local institutions to ensure that communities can effectively implement adaptation actions over the long term?</p>	<p>Not cleared.</p> <p>CR31: The justification for funding highlights the importance of direct access to adaptation finance but does not clearly explain how the program will ensure long-term financial sustainability beyond the AF grant. Could you provide more details on post-program financing strategies, including potential co-financing mechanisms, private sector engagement, or national government buy-in?</p> <p>CR32: The proposal highlights the role of the BiodiverCities Network in extending program benefits to a broader range of cities, even those not directly funded. This is a strong approach to scalability and replication. However, there is limited information on how knowledge-sharing efforts will be institutionalized within national or municipal governments to ensure continued adaptation learning. Kindly clarify whether there will be structured mechanisms, such as policy briefs, training modules, or adaptation toolkits, to support long-term institutional capacity building?</p> <p>CR33: The inclusion of a finance framework proposal for accessing climate finance is a key sustainability feature, but it is unclear how local governments will be supported in leveraging this framework to secure additional funding beyond the program. Please provide details on whether dedicated financial advisory support, matchmaking with donors, or guidance on accessing multilateral funding will be included as part of the program's sustainability plan.</p>
	<p>14. Does the programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental</p>	<p>No.</p>

	and Social Policy and Gender Policy of the Fund?	<p>CAR3: The ESS risk screening table is not completed in line with the AF ESP requirements. Please revise using the guidance below.</p> <p>Please follow the links provided here: ESP and ESP Guidance</p>
Resource Availability	1. Is the requested project funding within the parameters for large grants set by the Board?	Yes.
	2. Is the Implementing Entity Management Fee at or below 10 per cent of the project/programme for implementing entity (IE) fees and at or below 10 per cent of the project/programme cost for the execution costs?	Yes.
Eligibility of IE	1. Is the programme submitted through an eligible Multilateral or Regional Implementing Entity that has been accredited by the Board? Is the programme submitted by an entity that has been invited by the Board to do so?	<p>Yes.</p> <p>CAF accreditation is valid until 14 September 2025. CAF was invited by the Board at B.43 to submit a proposal .</p>
Implementation Arrangements	1. Does the proposal include adequate arrangement for programme management at the multi-regional/regional level, including coordination arrangements within countries and among them? Has the potential to partner with national institutions, and when possible, national implementing entities (NIEs), been considered, and included in the management arrangements?	<p>No.</p> <p>CAR4: Please demonstrate both in the graphic and the explanation provided please indicate how at the local level the beneficiaries of the proposed interventions have been or will be consulted and engaged and how they form part of shaping the proposed interventions. In other words, demonstrate how the local government actors indicated in the graphic has engaged or will engage with their constituents/the beneficiaries to generate these project ideas.</p> <p>CAR5: For any participating country that has a NIE, please outline the potential engagement or role for the NIE in this process.</p> <p>CAR6: Please ensure that the IE certification is signed.</p>

	2. Are there measures for financial and project/programme risk management?	<p>Yes. However, additional clarification is required.</p> <p>CAR7: Please consider procurement issues and environmental issues (hurricane disruptions for example) as risks that could also adversely impact the project and identify mitigation measures.</p>
	3. Are there measures in place for the management of environmental and social risks, in line with the Environmental and Social Policy of the Fund? Are there measures in place to enhance the capacity of local actors contribute to developing and managing these measures?	<p>No.</p> <p>CAR8: This Locally Led Adaptation (LLA) programme will involve a significant number of Unidentified Sub-Projects (USPs). In this context, the full proposal should clearly outline the process for risk identification and management, following the Adaptation Fund's guidance for USPs.</p> <ul style="list-style-type: none"> • The Environmental and Social Management Plan (ESMP) should detail the screening process for sub-projects, mitigation measures, monitoring arrangements, and compliance mechanisms for environmental and social safeguards. • The proposal should explicitly define how environmental and social risks will be assessed at the sub-project level, particularly for activities that may not be fully identified at the time of proposal approval. • Kindly clarify how compliance with the Adaptation Fund's Environmental and Social Policy (ESP) and Gender Policy (GP) will be ensured throughout the implementation of USPs. <p>Link provided: Guidance Document for Project/Programme with Unidentified Sub-Projects (English, French and Spanish)</p>

		<p>CAR9: The proposal does not include an ESMP. Please note that the ESMP must include the following:</p> <ul style="list-style-type: none"> • allocated roles and responsibilities for its implementation. • opportunities for consultation and adaptive management • credible budget provisions, as needed, for the implementation of the ESMP. • clear arrangements for the IE to supervise executing entities for implementation of ESMP. • clear monitoring and evaluation arrangements for ESP compliance <p>For your reference: ESP and ESP Guidance</p> <ul style="list-style-type: none"> • Include a Grievance Mechanism.
	4. Is a budget on the Implementing Entity Management Fee use included?	<p>No.</p> <p>CAR: Please include a breakdown of the Implementing Entity Management Fee.</p>
	5. Is an explanation and a breakdown of the execution costs included?	<p>Yes.</p> <p>The proposal mentions that CAF will be EE for C2 and C3.</p> <p>CAR10: Given that CAF will serve as EE for components 2 and 3, please include the attribution of EC costs to CAF as no more than 1.5% of the value of those components (i.e. \$37,500). However, please note that, as necessary, exceptions can be made with valid justification</p> <p>All EEs need to be identified. The proposal currently states that Subnational governments, CAF and Local Governments for Sustainability (ICLEI) will EEs. The specific subnational governments need to be identified for the purpose of the Legal Agreement if acting as EEs. Please clarify.</p>

		CAR11: Consider including only CAF and ICLEI as the EEs.
	6. Is a detailed budget including budget notes included?	Yes. See Annex 2. CAR12: Please include the budget in the main proposal document and not as an excel spreadsheet.
	7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets, and indicators, in compliance with the Gender Policy of the Fund? Do monitoring and innovation arrangement enable monitoring by the community and local actors (including by deploying innovative tools)?	No. CAR13: Please include provisions of gender-responsive and environmental risk monitoring; an inception report and a baseline evaluation.
	8. Does the M&E Framework include a breakdown of how implementing entity IE fees will be utilized in the supervision of the M&E function?	No. CAR14: MTE and TE allocation is within the recommended range of 1-5% for M&E evaluations; however, the breakdown of the Implementing Entity Management Fee is missing from the main proposal. Please include this missing information.
	9. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	No. CAR15: Please include indicators and targets that are gender responsive and disaggregated by sex as appropriate. CAR16: please include at least the core impact indicator "Number of beneficiaries including estimations for direct and indirect beneficiaries". A second core indicator must be added if the project includes activities targeting the areas identified in AF results framework, namely (1) Early Warning System; (2) Assets Produced, Developed; Improved, or Strengthened; (3)

		Increased income, or avoided decrease in income or (4) Natural Assets Protected or Rehabilitated. Please review the targets as some are not clear and/or say "X".
	10. Is the timeframe for the proposed activities adequate?	Not cleared. CAR17: Given the scope of work kindly justify why the proposed project timeframe of 3 years is considered realistic and that more time would not be required to effectively implement this proposal.
	11. Is a disbursement schedule with time-bound milestones included?	Yes.



ADAPTATION FUND

**FULLY DEVELOPED PROPOSAL TEMPLATE FOR
LOCALLY-LED ADAPTATION (LLA) GLOBAL AGGREGATOR
PROGRAMMES**



ADAPTATION FUND

FULLY DEVELOPED PROPOSAL GLOBAL LLA AGGREGATOR

PART I: PROGRAMME INFORMATION

Title of the Programme : ADAPTING BIODIVERCITIES (ABC) Regional Programme for Latin American and Caribbean Cities Adapting to Climate Change through Locally-Led Actions

Geographic Scope (Multi/Regional) : **Global**

Thematic Focal Area¹ : Nature-based solutions, including ones that are biodiversity-supporting, in various settings (e.g. urban, peri-urban and non-urbanized), Urban adaptation and Disaster risk reduction and early warning systems

Type of Implementing Entity : Regional Implementing Entity

Implementing Entity : CAF Development Bank of Latin America and the Caribbean

Executing Entities : Subnational governments, CAF and Local Governments for Sustainability (ICLEI).

Amount of Financing Requested: USD 12,000,000.00 (three years) (in U.S Dollars Equivalent)

Letters of Endorsement (LOE) signed for all countries: Yes ☐ ☐ No ☒

NOTE: LOEs should be signed by the Designated Authority (DA). The signatory DA must be on file with the Adaptation Fund.

To find the DA currently on file check this page: <https://www.adaptation-fund.org/apply-funding/designated-authorities>

Stage of Submission:

☐ This proposal has been submitted before..

☒ This is the first submission ever of the proposal at full proposal stage

In case of a resubmission, please indicate the last submission date: Click or tap to enter a date.

Please note that fully-developed proposal documents should not exceed 100 pages for the main document, and 100 pages for the annexes.

¹ The programme can have a thematic focus or foci, such as the following (i.e. this is not an exhaustive list): Agriculture and food security; Disaster risk reduction and early warning systems; Forests and land use management; Human health, including maternal and child health and welfare etc; Innovative adaptation financing; Local traditional ecological knowledge solutions, including harnessing or revival of indigenous, traditional solutions; Marine, fisheries, and oceans adaptation; Nature-based solutions, including ones that are biodiversity-supporting, in various settings (e.g. urban, peri-urban and non-urbanized); Urban adaptation and Water management

A. Programme Background and Context:

1. Latin America and the Caribbean (LAC) is one of the most urbanized regions on the planet, with more than 80% of its inhabitants living in cities, reaching 540 million people in 2020 (UN, 2018)². The rapid urbanization experienced in the region has generated problems such as the concentration of poverty in peripheral areas, the expansion of informal settlements and pressure on urban services and infrastructure³. In the coming decades, the population in the region's cities is expected to continue to increase, reaching 650 million by 2050 (approximately 90%)⁴. This creates an additional challenge to the existing situation.
2. LAC is also one of the most unequal regions in the world in terms of income. Despite this, both inequality and poverty have declined in recent decades - poverty has fallen continuously from 40.9% in 2003 to 23.5% in 2014- till the trend was reversed, with slight increases in poverty and a significant jump during the height of the COVID-19 pandemic. However, since 2022, the increasing trend has been reversed⁵.
3. The region is currently in a situation of high exposure to multiple climate-related threats, such as tropical cyclones, floods, droughts, coastal erosion, marine intrusion and heatwaves. For example, between 1998 and 2020, the number of climate-related events and their impacts claimed more than 312,000 lives and affected more than 277 million people⁶. In addition, the number of extreme weather events increased from 28 per year during the period 1980-1999 to 53 per year in the period 2000-2021⁷. Most of the total losses caused by disasters in Latin America occur in urban areas⁸. In addition, the consequences of these events affect the poorest and most socially vulnerable population to a greater extent, counteracting poverty and inequality reduction policies.
4. Greenhouse gas emissions from the region are small, accounting for only 10% globally in 2019⁹. Nevertheless, cities and metropolitan areas are responsible for 70% of planetary carbon emissions¹⁰ and they consume between 67-76% of the energy produced globally¹¹. Therefore, the intensification of urbanization could exacerbate climate change if measures are not taken to develop low-carbon and climate resilient urban environments.
5. Climate change comes to exacerbate the frequency and intensity of climate-related extremes and increasing slow-onset events, which combined with a high vulnerability puts at risk the achievement of sustainable development goals of the region. According to Costella *et. al.*¹², it is estimated that by 2030, between 2.4 and 5.8 million people in the region will be pushed into extreme poverty due to climate change. This is mainly attributed to the increased prevalence of vector and water-borne diseases, which disproportionately affect low-income households.

² United Nations, Department of Economic and Social Affairs, Population Division (2019). *World Urbanization Prospects: The 2018 Revision*. New York: United Nations.

³ Aulestia, D. y Lana, B. (coords.) (2024). *Informe urbano de América Latina y el Caribe 2024*. Santiago: Comisión Económica para América Latina y el Caribe (CEPAL).

⁴ See footnote 2.

⁵ See footnote 3.

⁶ World Meteorological Organization (2022). *The state of the climate in Latin America and the Caribbean 2021*. Geneva.

⁷ Brassiolo, P., Estrada, R., Vicuña, S., Odrizola, J., Toledo, M., Juncosa, F., Fajardo, G., Schargrodsky, E. (2023). Global challenges, regional solutions: Latin America and the Caribbean in the face of the climate and biodiversity crisis (report). Retrieved from <https://scioteca.caf.com/handle/123456789/2136>

⁸ World Bank (2022). *World Bank Group Roadmap for Climate Action in Latin America and the Caribbean 2021-2025 (English)*. Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099720509072258391/P17573900be08d0ce0884306730ea93908a>

⁹ See footnote 7.

¹⁰ IPCC, 2022: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [P.R. Shukla, J. Skea, R. Slade, A. Al Khourdajie, R. van Diemen, D. McCollum, M. Pathak, S. Some, P. Vyas, R. Fradera, M. Belkacemi, A. Hasija, G. Lisboa, S. Luz, J. Malley, (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA. doi: 10.1017/9781009157926

¹¹ IPCC, 2014: Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Edenhofer, O., R. Pichs-Madruga, Y. Sokona, E. Farahani, S. Kadner, K. Seyboth, A. Adler, I. Baum, S. Brunner, P. Eickemeier, B. Kriemann, J. Savolainen, S. Schlömer, C. von Stechow, T. Zwicker and J.C. Minx (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA.

¹² Costella, C., Diez, A., Beazley, R., and Alfonso, M. (2023). *Shock-responsive social protection and climate shocks in Latin America and the Caribbean: lessons from COVID-19*. Inter-American Development Bank WORKING PAPER SERIES N° IDB-WP-01428.

6. The region's climate has already begun to experience variations and more significant climatic changes are expected in the coming decades. To illustrate, according to the report "State of the Climate in Latin America and the Caribbean"¹³, the past 9 years were the warmest ever recorded.
7. The IPCC AR6 report (2022) identifies various climate risks for the region. The frequency and intensity of extreme events such as droughts and storms are expected to increase. Droughts heighten the risk of food and water insecurity. The latter will be further exacerbated by glacier retreat, reduced snow cover, and changes in rainfall seasonality. The increase in storm frequency and intensity raises risks to human health and infrastructure due to floods and landslides. Specifically, a 1.5°C rise could result in a 100-200% increase in the population affected by floods in Colombia, Brazil, and Argentina, a 300% increase in Ecuador, and a 400% increase in Peru¹⁴. An increase in the intensity and frequency of heatwaves is also projected, raising health risks for the population, especially those living in cities.
8. Similarly, slow-onset events are projected, such as sea level rise and an increase in the reproduction, resilience, and distribution of vector-borne diseases. The former poses a significant challenge for coastal cities, especially in the Caribbean, increasing the intensity of flooding, coastal erosion, marine intrusion, and greater susceptibility to storm surges. An example of this are the countries of Suriname, Bahamas and Guyana, where more than 90% of the population lives in low-elevation terrain and is therefore highly exposed to this threat¹⁵.
9. To reduce the aforementioned climate risks, it is essential to invest in urban adaptation to ensure sustainable development. Leading and financing the transformation towards resilient cities is one of the greatest challenges of this century, thereby protecting both local communities and the global economy.
10. The 2023 CAF's Economy and Development Report (RED) "Global Challenges, Regional Solutions: Latin America and the Caribbean Facing the Climate and Biodiversity Crisis"¹⁶, not only mentions the importance of climate adaptation and the need to contribute to global mitigation, but also states the urgency of preserving natural capital as a key factor in the development process.
11. Latin America and the Caribbean is an exceptionally rich region in terms of ecosystems and biodiversity. It has a quarter of the world's forests, a third of the world's fresh water and 50% of its biodiversity. The diversity of ecosystems and species in the region provides a wide range of valuable ecosystem services at local, regional, and global scales. Globally, some of these ecosystems play a key role in mitigating climate change due to their capacity to capture and store atmospheric carbon. Meanwhile, at regional and local levels, they offer essential adaptation services (e.g., mangroves act as natural barriers against coastal flooding, while green spaces in cities help regulate temperature and reduce flood risks).
12. For this reason, it is essential that there is coordination and synergy between climate policies and biodiversity conservation policies, since the recovery of ecosystems can contribute to climate action and, at the same time, since ecosystems are affected by the effects of climate change, climate action can favor their preservation.
13. Nature-based solutions and, in particular, the ecosystem-based adaptation approach (EbA) are key to advancing the above. EbA implies the use of ecosystem management activities to increase the resilience and reduce the vulnerability of people and ecosystems to climate change¹⁷. It also links traditional biodiversity and ecosystem conservation approaches with sustainable socioeconomic development as

¹³ World Meteorological Organization (2024). *The state of the climate in Latin America and the Caribbean 2023*.

¹⁴ See footnote 10.

¹⁵ See footnote 7.

¹⁶ See footnote 7.

¹⁷ IPCC (2019). Annex I: Glossary [van Diemen, R. (ed.)]. In: *Climate Change and Land: an IPCC special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems* [P.R. Shukla, J. Skea, E. Calvo Buendia, V. Masson-Delmotte, H.-O. Pörtner, D. C. Roberts, P. Zhai, R. Slade, S. Connors, R. van Diemen, M. Ferrat, E. Haughey, S. Luz, S. Neogi, M. Pathak, J. Petzold, J. Portugal Pereira, P. Vyas, E. Huntley, K. Kissick, M. Belkacemi, J. Malley, (eds.)].

part of an overall strategy for helping people adapt to shocks and risks associated with climate change¹⁸. This last element is important because ecosystem health alone does not guarantee human resilience. EbA is compatible with other approaches such as Community and Gender Based Adaptation and Disaster Risk Management.

14. The financing needs to meet development, climate action and biodiversity preservation goals are overwhelming. Therefore, CAF has committed to increasing green financing, including adaptation, mitigation, biodiversity conservation and restoration and other environmental goals, to a floor of 40% of its finance approvals by 2026 and to being one of the most active institutions in the region in mobilizing resources from major green funds and international allies.
15. In line with the above, CAF established 14 strategic ecosystems in Latin America and the Caribbean to restore and protect. They were presented by CAF in the context of UNFCCC COP 28 in Dubai and UNCDB COP16 in Cali (see Figure 1). This responds to the urgent challenges of the climate crisis and biodiversity loss affecting the continent, considered the most biodiverse in the world, including 6 of the 17 megadiverse countries and the most diverse habitat: the Amazon rainforest. Among the ecosystems chosen are the páramos, Patagonia, the Tumbes forests in the Chocó and Magdalena, the Atlantic Forest, the Mesoamerican biological corridor, mangroves, the Amazon, the Humboldt Current and the Gran Chaco and Pantanal.

Figure 1. Distribution of CAF strategic ecosystems in Latin America and the Caribbean



¹⁸ The Friends of EbA Network (FEBA) (2017) Making ecosystem-based adaptation effective. A framework for defining qualification criteria and quality standards. FEBA Technical Paper for UNFCCC SBSTA 46.

16. The Amazon forest is one of the world's most important biomes, containing 10% of the world's biodiversity. Likewise, the ecosystem services it provides are essential for the absorption of emissions and the resilience of communities. Deforestation, and droughts and fires, exacerbated by climate change, are leading to the degradation and loss of Amazon forests. As this situation worsens, a threshold could be reached at which the rainfall generated by these forests will be insufficient to maintain their tropical forest condition and they will be converted into grassy savannahs. To promote the sustainable, resilient and inclusive development of the Amazon, the countries of this region agreed to advance in various initiatives through the Belem Declaration of the IV Meeting of Presidents of the States Parties to the Amazon Cooperation Treaty. One of these was the creation of the Green Coalition of Development Banks for the Amazon to promote financial solutions that facilitate the development of this biome. CAF is an active part of this Coalition and at the COP28 of the UNFCCC, announced an investment of USD 2000 million until 2030 to contribute to a sustainable, inclusive, equitable and climate resilient Amazon.
17. The COVID-19 pandemic has revealed the fragility of our economic structures and highlighted the urgency of reassessing our relationship with nature. As we approach the ecological limits that threaten our survival, it becomes imperative to pursue an economic recovery that is resilient and sustainable. In this context, urban economies have a crucial role to play, not only because of their significant contribution to global, regional and national GDPs but also due to their impact on human well-being and the planet's sustainability. For Latin American and Caribbean cities, which already face considerable challenges in terms of climate financing, this recovery offers an opportunity to direct resources towards building resilience against climate change.
18. The territorial extension, the diversity of ecosystems and the different socioeconomic conditions existing in the countries and cities of the region, makes it a very heterogeneous territory. For this reason, exposure and vulnerability to climate threats vary significantly between countries, cities and individuals. This implies that the expected impacts of climate change and the needs for adaptation depend on their context.
19. In line with the above, it is key to advance in the implementation of Locally-Led Adaptation (LLA) actions that allow the design of context-specific interventions. The local governments are crucial to achieve the former. These entities possess deep knowledge of the specific dynamics, needs, and climate vulnerabilities of their territories. Strengthening local governments' capacities to plan and implement adaptation projects ensures that solutions are contextually relevant and effective, fostering long-term autonomy and resilience.
20. Despite this, efforts to advance planning and adaptation at the city level are scarce in the region. According to the globally relevant study, "Climate change adaptation planning in large cities: A systematic global assessment"¹⁹, out of a total of 401 local governments in urban areas with more than one million inhabitants, only 61 cities report adaptation initiatives, and 73 cities are in the process of planning adaptation policies. The findings indicate that the major adaptors are primarily cities in high-income countries in North America, Europe, and Oceania, while cities in middle- and low-income countries tend to be in the early stages of adaptation or do not report initiatives.
21. As noted above, the approach to the problem varies depending on the context. The size and capacity of cities impacts the scale of the challenges to increase climate resilience. While major cities face significant challenges, intermediate cities encounter even greater hurdles in accessing the necessary financing for adaptation. These cities, often vital for regional development, are constrained by limited fiscal and technical capacities. Their heavy reliance on external funding or central government interventions restricts their autonomy, severely impacting their ability to implement effective adaptation projects. The lack of robust local governance systems and lower international visibility further exacerbates these challenges, making it difficult to attract crucial financial resources. As highlighted in the United Nations' New Urban Agenda, strengthening the capacity of these cities to proactively address climate change is

¹⁹ Araos, M., Berrang-Forda, L., Forda, J.D., Austina, S.E., Biesbroekb, R. and Lesnikowskia, A. (2016). *Climate change adaptation planning in large cities: A systematic global assessment*. Environmental Science & Policy, 66: 375-382

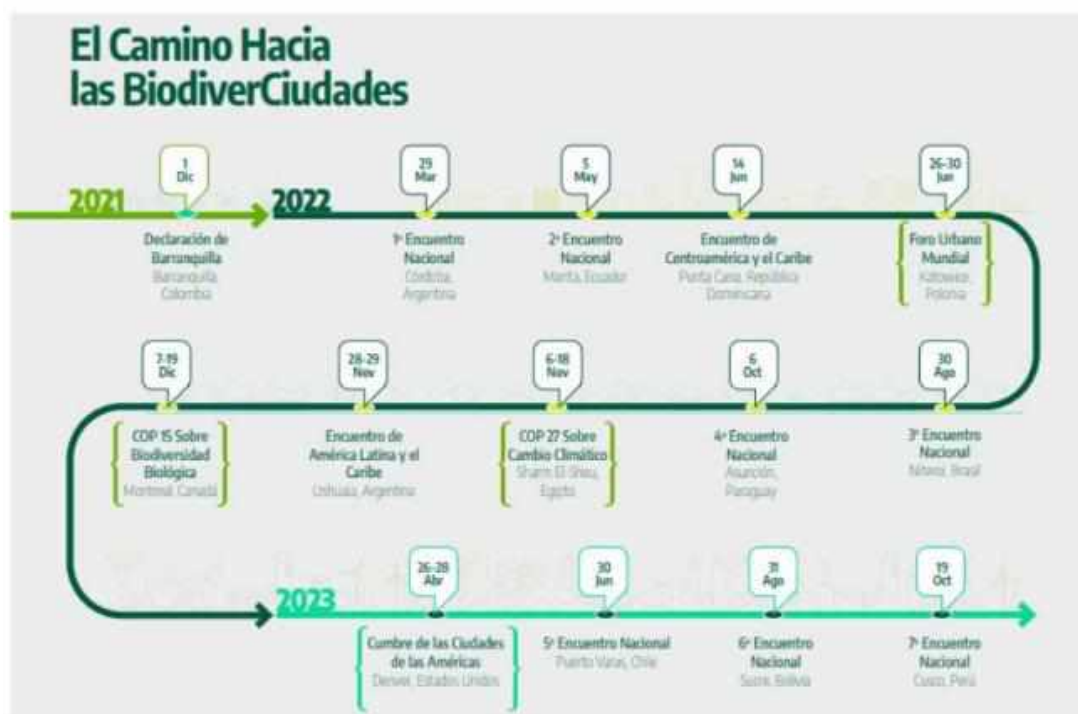
imperative for ensuring long-term sustainable development (UN-Habitat, 2017)²⁰.

22. CAF's Urban Development Strategy 2023-2026 aims to generate sustainable habitat in Latin America's urban systems, through greener, fairer and more prosperous cities and communities that allow for a balance between environmental regeneration, social resilience and economic prosperity, placing people at the center of the action, regardless of their differences in gender, race, culture, age, sexual orientation, income level or different abilities. Having greener cities implies rethinking the link with nature through a more comprehensive view of the territories and better urban management. In line with this, the strategy promotes the care and preservation of biodiversity, actions to reduce pollution and to adapt to and mitigate climate change at the urban level.
23. The above strategy is based on three principles for sustainable and comprehensive urban planning and development: spatial justice linked to an equitable distribution of available resources and opportunities for the benefit of all people, without exclusion; regeneration and resilience, associated with an ecosystemic approach under an ecologically based urban development model; and territorial cohesion. To translate these principles to the territory, the strategy defines six guidelines: (1) Urban management; (2) Sustainable mobility; (3) Public spaces; (4) Water security; (5) Housing and urban environments; and (6) Citizen safety.
24. As part of the Urban Management guideline and to address the challenges associated with the state capacities of local governments, CAF developed the "Value Proposal: Strengthening Subnational Governments 2022-2026". The purpose of this proposal is to support the strengthening of city governance within the framework of a renewed vision of urban development to manage comprehensive multi sectoral urban operations at the local and regional levels. It includes three strategic guidelines associated with capacities, resources and knowledge. In particular, the last guideline includes the promotion of spaces for the exchange of knowledge and lessons learned.
25. In the framework of its Urban Development Strategy and its Proposal to Strengthen Subnational Governments, CAF has set out to consolidate and strengthen the BiodiverCities Network of Latin America and the Caribbean with the aim of spreading and promoting the importance of establishing BiodiverCities among the cities of the region, as well as encouraging their effective integration into local planning and management frameworks as a pillar of an inclusive, productive, and sustainable urban policy.
26. BiodiverCities was born out of dialogue between academics and managers during meetings in Rio de Janeiro (2012), Cape Town (2014), and Marseille (2015). It was subsequently adopted by the Local Governments for Sustainability Network (ICLEI), which included it in their Convention on Biological Diversity, naming one of their urban agendas BiodiverCities.
27. In Latin America, Colombia has led the national BiodiverCities strategy towards 2030, alongside the Alexander Von Humboldt Institute for Biological Resources Research and the World Economic Forum. This initiative has had a significant impact in the region, as between 2021 and 2024, 198 cities have joined the Network through various national and regional meetings, where they signed the founding document (Figure 2). The cities belong to CAF member countries, namely: Colombia, Panamá, Perú, Venezuela, Argentina, Bolivia, Brazil, Chile, Ecuador, Paraguay, Uruguay, Costa Rica, El Salvador, México, Honduras, Bahamas, Barbados, Jamaica, Republica Dominicana and Trinidad y Tobago.
28. With the Barranquilla Declaration of 2021, the region's cities committed to sharing their experiences and discussing the strategy to strengthen the BiodiverCities Network as a platform for coordinating local governments. The goal is to move from a shared aspiration to coordinated action, with a clear focus: identifying, structuring, and financing high-quality, high-impact programmes and projects at local level.
29. Additionally, at the end of 2021, CAF defined two major commitments with the bank's shareholder countries: to become the green bank and the bank of subnational entities in the region. In this sense, the

²⁰ United Nations (2017). New Urban Agenda. Quito. UN-Habitat, 2017

BiodiverCities Network and Programme fulfills and integrates together both commitments.

Figure 2. Timeline of Key Events Leading to BiodiverCities



30. Therefore, it is crucial for CAF to support local governments that are advancing towards an urban management model in harmony with biodiversity and that accelerate climate action, including adaptation. CAF works with partners both within and outside the region to contribute to the incubation and acceleration of projects that promote the use of green infrastructure and nature-based solutions.
31. A year after the Barranquilla Declaration, the Network Strategy was validated in a meeting held in Ushuaia, Argentina, in which national and local authorities from the region participated (see Figure 3). The strategy consisted in three phases: (1) Awareness, (2) Consolidation and Strengthening, and (3) Project Structuring.
32. A first stage of the Network was defined based on disseminating and raising awareness of the BiodiverCities concept among the cities of the region. In this first stage of awareness-raising and adhesion, between 2021 and 2023, more than 180 cities joined the Network. During this first stage, support was provided by the Alexander von Humboldt Institute for Biological Resources Research, which made thematic, methodological and conceptual contributions, as well as the support of UN Habitat. During this initial phase, CAF organized 14 meetings in Argentina, Colombia, Ecuador, the Dominican Republic, Brazil, Paraguay, Chile, Bolivia, and Peru, in addition to promoting the participation of cities from the region in international forums. In this context, it is important to highlight the focus on the Amazon that the network has worked on, in collaboration Aguarico (Ecuador); Araguaia (Brasil); and Cobija (Bolivia), to promote an urban resilience management framework in harmony with nature, which fosters greater adaptation and reduce emissions. Also the Biodivercities Network held side events and activities in UNFCCC COP 28 in Dubai, and UNCDB COP 15 In Cali, it is also expected to have an amplified and very active presence during UNFCCC COP 30 in Belem, where many Mayors of Biodivercities are planning to attend.
33. At the end of 2023, the second stage of the Network's consolidation began. The main goals of the process are: to complete the process of joining the Network, including local governments of countries that do not yet participate or have little representation; to train authorities and technical teams that manage the participating cities in approaches that incorporate the concept of biodiversity when planning and managing urban development processes; to design and implement the Model of Governance and sustainable leadership of the Network; to develop a communications and outreach plan for the cities; to

consolidate an offer of products and services for member cities with six pillars: 1. Technical support 2. Capacity building. 3. Exchange of experiences and good practices. 4. Regional and global voice. 5. Incubation of key projects. 6. Financing alternatives.

Figure 3. BiodiverCities Strategy.



34. At the end of 2023, the second stage of the Network's consolidation began. The main goals of the process are: to complete the process of joining the Network, including local governments of countries that do not yet participate or have little representation; to train authorities and technical teams that manage the participating cities in approaches that incorporate the concept of biodiversity when planning and managing urban development processes; to design and implement the Model of Governance and sustainable leadership of the Network; to develop a communications and outreach plan for the cities; to consolidate an offer of products and services for member cities with six pillars: 1. Technical support 2. Capacity building. 3. Exchange of experiences and good practices. 4. Regional and global voice. 5. Incubation of key projects. 6. Financing alternatives.
35. This new stage begins with a dialogue on the main global trends in urban development and the challenges cities face in meeting the sustainable development agendas: Sustainable Development Goals (SDG), New Urban Agenda (NUA), the Paris Agreement (PA) -particularly the United Arab Emirates Framework for Global Climate Resilience on the Global Goal on Adaptation-, and the Kuming-Montreal Biodiversity Framework (KMBF). It will also introduce the governance model, the criteria for new cities to join, and the range of services offered to local governments that are members of the Network.
35. Currently, a total of 198 cities from 20 countries are part of the network, and it is expected that 100 more cities (Figure 4), will join in the next two years, representing a future commitment to promoting

sustainable urban development and biodiversity protection across Latin America and the Caribbean through the BiodiverCities Network and Programme. CAF, along with partners both within and outside the region, will work to incubate and accelerate projects that foster climate resilient nature-based solutions, the enhancement of green and blue infrastructure, ecosystem restoration, conservation and protection of ecosystem services, among others.

Figure 4. BiodiverCities Network in 2024

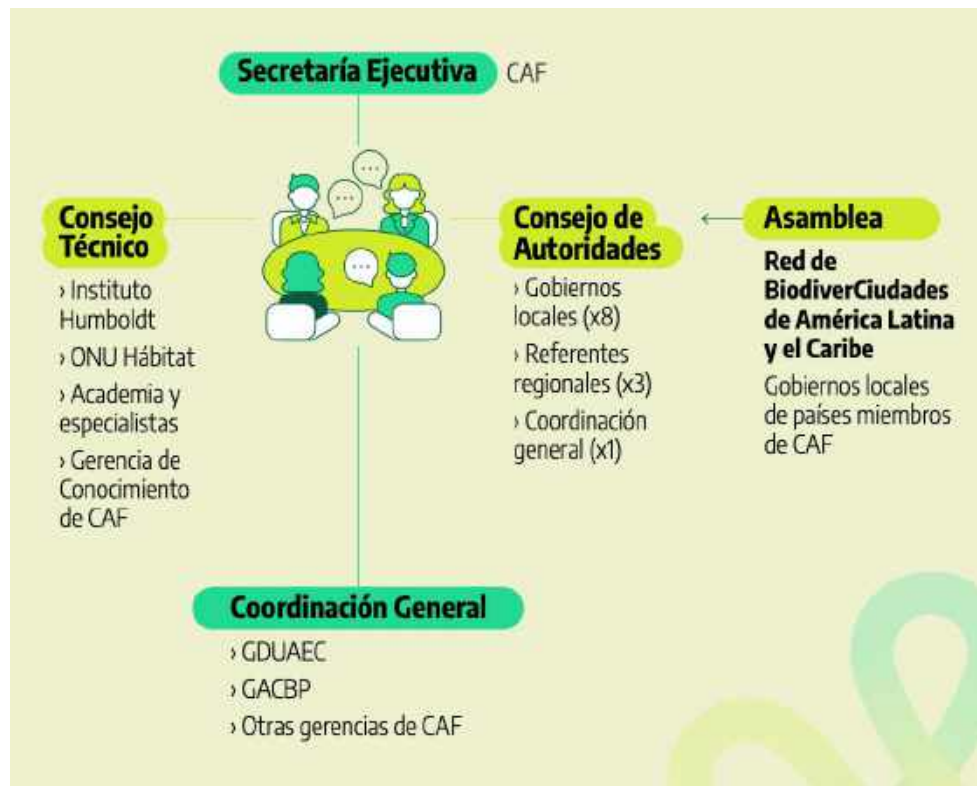


36. The **current 2024-2026 Biodivercities Network governance model** (see Figure 4) was defined on the basis of a participatory process developed within the Network. It features a solid structure, defined roles, clear functions, membership criteria, and dialogue spaces within the Network. This model, collectively built

with the participating cities and experts, aims to ensure an effective and sustainable transition from the awareness phase to active management.

37. The Network's governance model incorporates the three levels (political-institutional, technical-methodological and cross-cutting-intersectoral) and seeks to generate instances of dialogue and coordination. CAF is the **Executive Secretariat** and its functions are to promote the Network's proposals within CAF; to represent the Network before global forums, local and national authorities in the region; to establish general and strategic orientations together with the General Coordination; and to approve the Network's general budget. CAF also carries out the **General Coordination** through different areas and its objectives are: design, implement and supervise the Network's activities; communicate and disseminate the Network's progress, milestones and actions appropriately to CAF's internal public and to the Network's members; organise and participate in events and meetings of the Technical Councils and mayors and report on their results; identify opportunities for service offerings, incubation and project development among the Network's membership; manage and account for the management of funds (formulation of budgets for the approval of the Network's Executive Secretary); and identify and articulate with other national, regional and global networks and spaces.
38. The **Technical Council** is composed of the General Coordinator, 2 representatives of the Humboldt Institute, 2 representatives of UN Habitat, 2 technical representatives of the General Coordination team and ad hoc guests. The objectives of the Council are to provide technical support to local governments in the design, financing and implementation of projects; to design and develop training processes to raise awareness and update knowledge on the issues promoted by the Network; to systematise information (statistical and thematic) on the local governments that make up the Network and their work; develop and implement a permanent mapping system of actors, networks and relationship spaces with potential for articulation and possible alliances; propose tools for monitoring and follow-up of the work with local governments and the progress and results of the Network's strategies; and align the development of the Network's technical content with the New Urban Agenda and the SDGs.
39. The **Council of Authorities** is made up of: 8 mayors or maximum authorities of participating local governments; 8 technical referents, one for each local government participating in the Council; 3 regional referents with recognised experience; and 1 CAF representative from the Executive Secretariat or the General Coordination. The Council meets at least once (1) a year, and seeks to have an equal gender composition and a balanced geographical representation. The first Council was proposed by CAF and serves from 2024 to 2026. From 2026 onwards, the members of the Council will be elected by the Assembly and their term of office will be two years, considering that in 2025 the Governance Model must be updated. Its main objectives are: to provide the General Coordination with ideas and proposals for the proper development of the Network; to present approaches and demands of the local governments of each sub-region; to review and make contributions on the progress and perspectives of the Network; to generate common approaches and proposals on issues related to the Network; and to represent the Network before regional and international forums (spokesperson).
40. Finally, the **General Assembly** is made up of the local governments of the Network, will meet once a year from 2025 and will receive reports from the Executive Secretariat.

Figure 5. Governance model BiodiverCities Network and Programme



Fuente: BiodiverCiudades: Modelo de Gobernanza 2024-2026.

B. Programme Objectives:

General objective:

41. Adapting BiodiverCities Regional Programme (ABC) aims to facilitate innovative local solutions and support the development and dissemination of local practices and knowledge that strengthen community capacities, promote inclusive and sustainable adaptation, and contribute to enhancing urban resilience to climate change in Latin American and Caribbean cities.

Specific objectives:

42. Provide funding through competitive grants ranging from \$50,000 to \$500,000 to support the implementation of innovative adaptation actions and pilot projects across various scales, emphasising Ecosystem-based Adaptation (EbA), Community-based Adaptation (CbA) and Gender-based Adaptation (GbA) approaches.
43. Strengthen the capacities of subnational governments within the BiodiverCities Network and participants of the Adaptation Fund Regional Program to formulate, implement, and monitor adaptation actions, pilot projects and Local Adaptation Plans (LAPs), while improving their ability to access international climate financing in order to face climate change impacts and risks.
44. Consolidate the BiodiverCities Network and AF Regional Programme by sharing experiences and innovative practices, developing tools and scaling up effective adaptation practices that help communities adapt to climate change.
45. Provide methodological contributions that serve the operationalization of the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation based on LLA actions supported by the AF Regional Program and the BiodiverCities Network.

C. Programme Components and Financing:

Programme Components	Expected Outcomes	Expected Outputs	Countries	Amount (US\$)
Component 1: Provision of Small Grants for Implementing LLA Actions	Outcome 1. BiodiverCities implement locally-led and ecosystem, community and gender based adaptation solutions and improve their adaptation local policy cycle.	Output 1.1. Pilot adaptation projects carried out in BiodiverCities through grants of 50,000 to 500,000 USD, including periodic calls in months 6, 12 and 18 of the programme. The pilots involve the implementation of LLA solutions aligned with Adaptation Fund policies and monitorable.	LAC countries with cities involved in the BiodiverCities Network and Programme.	7,700,000.00
Component 2: Technical support and capacity development for implementing national or regional LLA programs	Outcome 2. Capacities of subnational governments strengthened to formulate, implement, and monitor adaptation actions and Local Adaptation Plans.	<p>Output 2.1. LLA project proposals addressing local adaptation needs and priorities, developed and enhanced.</p> <p>Output 2.2 Virtual and in-person training for developing and enhancing formulation, execution and monitoring skills in LLA projects, conducted.</p> <p>Output 2.3. Reports on capacity building needs and knowledge baseline, elaborated.</p> <p>Output 2.4. Assessment processes associated with local institutional capacities to develop, implement and monitor LLAs, conducted.</p> <p>Output 2.5. Studies to improve the adaptation policy cycle of prioritised cities developed and its results presented in</p>	LAC countries with cities involved in the BiodiverCities Network and Programme.	1,500,000.00

Programme Components	Expected Outcomes	Expected Outputs	Countries	Amount (US\$)
		<p>virtual meetings to the Network.</p> <p>Output 2.6. Participatory governance schemes, climate finance strategies, instruments and tools associated with LLA, designed and implemented.</p> <p>Output 2.7. Processes to develop, improve or update LAPs, supported.</p> <p>Output 2.8. Support for gender mainstreaming, vulnerability and climate risks assessments, as well as for addressing social and environmental dimensions, provided.</p> <p>Output 2.9. Virtual and in-person training for city government officials for LAPs formulation, participatory process, cross-cutting approaches (EbA, CbA, GbA, etc.), MEL systems and tools, LAP financing strategies, etc., conducted.</p> <p>Output 2.10. Guidelines for LAP formulation and a compilation of best practices applicable to cities, elaborated.</p>		
Component 3: Knowledge Management and Exchange	Outcome 3. Cities within the BiodiverCities Network and Programme strengthen their knowledge on LLA	Output 3.1. BiodiverCities Network and Programme open knowledge database designed and	LAC countries with cities involved in the BiodiverCities Network and Programme.	1,000,000.00

Programme Components	Expected Outcomes	Expected Outputs	Countries	Amount (US\$)
	<p>actions design, planification, implementation and monitoring.</p> <p>Outcome 4. BiodiverCities Network and Regional Programme consolidated.</p> <p>Outcome 5. Operationalization of the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation, strengthened at the local level.</p>	<p>published.</p> <p>Output 3.2. Implementation of cooperation cycles between cities of the network to strengthen capacities on climate adaptation and biodiversity conservation and sustainable use at local level. This will include in-person regional meetings with BiodiverCities Network and Programme members involved in the AF Programme to facilitate the exchange of lessons learned and good practices.</p> <p>Output 3.3. Publications with best practices and key findings related to the AF Programme actions (considering themes such as climate governance, EbA, CbA, GbA, MEL, among others), elaborated and disseminated in webinars.</p> <p>Output 4.1. BiodiverCities Network and Programme visibility and international relevance, improved.</p> <p>Output 4.2 Monitoring, Evaluation and Learning (MEL) system within the BiodiverCities Network developed.</p> <p>Output 4.3. Next steps for the establishment of BiodiverCities</p>		

Programme Components	Expected Outcomes	Expected Outputs	Countries	Amount (US\$)
		Network Governance 2027-2030, defined. Output 5.1. A proposal with a set of indicators within the BiodiverCities Network and the Regional Programme to contribute to the operationalization of the UAE Framework on the GGA, developed.		
4. Project/Programme Execution cost				1.000,000.00
5. Total Project/Programme Cost				11,200,000.00
6. Project/Programme Cycle Management Fee charged by the Implementing Entity (if applicable)				800,000.00
Amount of Financing Requested				12,000,000.00

D. Projected Calendar:

Milestones	Expected Dates
Start of Programme Implementation	August 2025
Mid-term Review	February 2027
Programme Closing	August 2028
Terminal Evaluation	December 2028

PART II: PROGRAMME JUSTIFICATION

A. Describe the programme components, particularly focusing on the concrete adaptation activities, how these activities would contribute to climate resilience. In addition, describe how they would build added value through the regional or multi-regional approach, compared to implementing similar activities in each country individually. Furthermore, show how the combination of individual small-grant activities would contribute to the overall increase in resilience.

46. The programme includes three components: **Component 1.** Provision of Small Grants for Implementing LLA Actions; **Component 2.** Technical support and capacity development for designing, implementing, and monitoring LLA solutions; and **Component 3.** Knowledge Management and Exchange.

Component 1 - Focuses on the implementation of LLA options through small grants provision.

Outcome 1. BiodiverCities implement locally-led and ecosystem, community and gender based adaptation solutions and improve their adaptation local policy cycle.

Output 1.1. Pilot adaptation projects carried out and Local Adaptation Plans developed, improved or updated in BiodiverCities through grants of 50,000 to 500,000 USD, including periodic calls in months 6, 12 and 18 of the programme. The pilots involve the implementation of LLA solutions aligned with Adaptation Fund policies and monitorable.

47. The main activities of this component are:
 - **Activity 1.1** Conduct webinars to support the process of preparing proposals;
 - **Activity 1.2** Design and publication of calls for proposals on months 6, 12 and 18 of the Regional Program;
 - **Activity 1.3** Selection and provision of grants as adaptation pilot interventions;
 - **Activity 1.4** Contribution to the implementation of a MEL system by CAF as a key activity of component 3 to ensure adequate implementation of LLA actions and identification of learnings to improve implementation process; and
 - **Activity 1.5.** Follow up on the call for BiodiverCities Network members for the incubation, acceleration and mentoring of projects.
48. It's worth noting the strong connection between component 1 of the ABC regional programme and a recent CAF initiative that provides BiodiverCities Network member cities with opportunities for mentoring, incubation, and project acceleration. This initiative will assist up to 8 cities across these categories, aiming to advance the BiodiverCities concept and principles through concrete projects that contribute to sustainable urban development in the region. This initiative further enhances CAF's commitment to supporting cities in securing financing and scaling up innovative solutions.
49. Component 1 of the ABC Regional Programme through small grants aims to promote the implementation of LLA actions in up to 50 cities of the BiodiverCities Network and Programme. An equitable geographical distribution in the provision of grants will be promoted based on the 14 CAF's strategic ecosystems of Latin America and the Caribbean. The approach seeks the protection and restoration of CAF's strategic ecosystems in the region. All the grants should be aligned with the Adaptation Fund's policies and objectives.
50. The first type of small grant (G1) seeks to finance pilots or small-scale interventions or studies that contribute to the implementation of adaptation solutions in a timeframe of 6-12 months and with a funding of up to USD 50,000.
51. The second type of small grant (G2) included in the first component seeks to finance medium size pilots or interventions that contribute to the implementation of LLA solutions. A timeframe of 12 to 18 months for implementation and funding of USD 50.000 to 250.000 is established.
52. The third type of grant (G3) included in the first component of the programme seeks to finance large pilots or interventions that contribute to the implementation of LLA solutions. A timeframe of 12 to 18 months for implementation and funding of USD 250.000 to 500.000 is established.
53. The three types of grants (G1, G2 and G3) may also include up to 20% of the grant amount per project for soft activities such as climate risk and vulnerability assessments, adaptation planning and adaptation technical design, gender mainstreaming, MEL systems development, etc.
54. Projects to be supported through grants may involve *inter alia* the following themes: urban planning & adaptation, urban regeneration & adaptation, adaptable housing, EbA in public space and green infrastructure, adapted integrated water management, other local climate adaptation measures, conservation and urban-ecological restoration for local adaptation.
55. The process for awarding the grants is detailed in Section II.C (general process, criteria and requirements, quotas and timeline) and Section III.A (roles for grant adjudication and implementation).

Component 2 - Aims to support cities in the BiodiverCities Network and Programme to build capacity to design, implement and monitor LLA solutions. This component on capacity development also involves three types of activities.

Outcome 2. Capacities of subnational governments strengthened to formulate, implement, and monitor adaptation actions and Local Adaptation Plans

Output 2.1. LLA project proposals addressing local adaptation needs and priorities, developed and enhanced.

56. The first type on technical support and capacity building for the development of project proposals and its implementation, includes:

- **Activity 2.1** Provision of technical support for improving the implementation and/or the monitoring of LLA projects supported as part of Component 1;

Output 2.2 Virtual and in-person training for developing and enhancing formulation, execution and monitoring skills in LLA projects, conducted.

57. Includes:

- **Activity 2.2** Organise virtual and in-person trainings for developing and enhancing implementation skills in LLA projects teams including on Biodiversity Compliance and aligned with the AF standards; and
- **Activity 2.3** Provision of technical support to establish or strengthen institutional arrangements for grant implementation.

Output 2.3. Reports on capacity building needs and knowledge baseline, elaborated

58. The second type of activity involves strengthening technical and institutional capacities for the design, implementation and monitoring of LLA actions through the following activities:

- **Activity 2.4** Conduct a survey targeting BiodiverCities Network members to identify their information and capacity-building needs, with the aim of refining capacity-building efforts and enhancing collaboration with allies and partners for technical support;
- **Activity 2.5** Conduct a knowledge assessment on the adaptation policy cycle, including MEL and elaborate reports on capacity building needs and knowledge baseline;

Output 2.4. Assessment processes associated with local institutional capacities to develop, implement and monitor LLAs, conducted.

59. Includes:

- **Activity 2.6** Support assessment processes associated with local institutional capacities to develop, implement and monitor LLAs actions;

Output 2.5. Studies to improve the adaptation policy cycle of prioritised cities developed and its results presented in virtual meetings to the Network.

60. Includes:

- **Activity 2.7** Carry out studies and training processes tailored to the needs of prioritized cities to facilitate the design, implementation and monitoring of LLA actions and local adaptation planning processes;

Output 2.6. Participatory governance schemes, climate finance strategies, instruments and tools associated with LLA, designed and implemented.

61. Includes:

- **Activity 2.8** Support the design and implementation of participatory governance schemes, climate finance strategies, instruments and tools associated with LLA.

Output 2.7. Processes to develop, improve or update LAPs, supported.

62. Finally, the third type of activity is capacity building for developing LAPs by the following:

- **Activity 2.10** Support the process of developing LAPs, including readiness activities;

Output 2.8 Support for gender mainstreaming, vulnerability and climate risks assessments, as well as for addressing social and environmental dimensions, provided.

- **Activity 2.11** Provide support associated with gender mainstreaming, development of vulnerability and climate risk baselines, and LAPs' social and environmental analysis.

Output 2.9. Virtual and in-person training for city government officials for LAPs formulation, participatory process, cross-cutting approaches (EbA, CbA, GbA, etc.), MEL systems and tools, LAP financing strategies, etc., conducted.

- **Activity 2.12** Organise virtual and in-person training for city government officials for LAPs formulation, participatory process, cross-cutting approaches (EbA, CbA, GbA, etc.), MEL systems and tools, LAP financing strategies, etc.; and

Output 2.10. Guidelines for LAP formulation and a compilation of best practices applicable to cities, elaborated.

- **Activity 2.13** Elaborate guidelines for LAP formulation and a compilation of best practices applicable to cities with allies.

Component 3 on knowledge management and exchange is based on the BiodiverCities Network and Programme managed by CAF.

Outcome 3. Cities within the BiodiverCities Network and Programme strengthen their knowledge on LLA actions design, planification, implementation and monitoring.

Outcome 4. BiodiverCities Network and Regional Programme consolidated.

Outcome 5. Operationalization of the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation, strengthened at the local level

Output 3.1. BiodiverCities Network and Programme open knowledge database, designed and published.

63. It includes four types of activities where the first one on knowledge exchange and dissemination within the BiodiverCities Network seeks to:

- **Activity 3.1** Develop and publish a BiodiverCities Network and Programme open knowledge database;
- **Activity 3.2** Organise virtual workshops to identify open knowledge database structure and content, and to validate its structure;

Output 3.2. Implementation of cooperation cycles between cities of the network to strengthen capacities on climate adaptation and biodiversity conservation and sustainable use at local level. This will include in-person regional meetings with BiodiverCities Network and Programme members involved in the AF Programme to facilitate the exchange of lessons learned and good practices.

64. Includes:

- **Activity 3.3** Organise 4 in-person regional meetings with BiodiverCities Network and Programme members involved in the AF Programme to facilitate the exchange of lessons learned and good practices;
- **Activity 3.13** Implement 4 cooperation cycles between cities of the network to strengthen capacities on climate adaptation and biodiversity conservation and sustainable use at local level, applying ICLEI's structured methodology.²¹

Output 3.3. Publications with best practices and key findings related to the AF Programme actions (considering themes such as climate governance, EbA, CbA, GbA, MEL, among others), elaborated and disseminated in webinars.

65. Includes:

- **Activity 3.4** Elaborate at least 3 publications with best practices and key findings related to the AF Programme actions (considering themes such as climate governance, EbA, CbA, GbA, MEL, among others); and
- **Activity 3.5** Conduct at least 3 webinars to disseminate the publications with best practices and key findings related to the AF Programme actions.

Output 4.1. BiodiverCities Network and Programme visibility and international relevance, improved.

66. The second type of activity on articulation and regional representation involves the following:

- **Activity 3.6** Promote articulations with regional and local networks related to BiodiverCities; and
- **Activity 3.7** Organise events in regional and international climate and biodiversity related meetings to disseminate the programme's interventions (UNFCCC COPs, CBD, COPs).

Output 4.2. Monitoring, Evaluation and Learning (MEL) system within the BiodiverCities Network developed.

67. The third type of activity on Monitoring, Evaluation and Learning within the BiodiverCities Network aims to:

- **Activity 3.9** Develop a MEL system for the BiodiverCities Network, considering the contributions of the LLA interventions and initiatives in Components 1 and 2.

Output 4.3. Next steps for the establishment of BiodiverCities Network Governance 2027-2030, defined.

68. Finally, the fourth type of activity seeks to facilitate the definition of next steps for the **BiodiverCities Network Governance 2027-2030** (see current governance model in III.A). This includes the following activities:

- **Activity 3.10** Identify and analyze existing funding possibilities for BiodiverCities Network members and the opportunities presented by it to lower the capital cost of adaptation for local governments;
- **Activity 3.11** Develop a finance framework proposal to facilitate access to climate finance for the members of the BiodiverCities Network (i.e. resilience bonds, concessional loans); and
- **Activity 3.12** Organise virtual workshops to generate inputs for the definition of the road map for the **BiodiverCities Network Governance 2027-2030**.

Output 5.1. A proposal with a set of indicators within the BiodiverCities Network and the Regional Programme to contribute to the operationalization of the UAE Framework on the GGA, developed.

- **Activity 3.8** Develop and identify a set of indicators within the BiodiverCities Network and the Regional

²¹ <https://americadosul.iclei.org/documentos/guia-para-a-elaboracao-e-implementacao-de-um-ciclo-de-cooperacao-com-foco-em-sistemas-de-areas-verdes-protegidas-e-conservadas/>

Programme to contribute to the operationalization of the UAE Framework on the GGA; and

69. The components and their activities aim to strengthen the BiodiverCities Network through the promotion of concrete, achievable LLA solutions, aligned with local and national adaptation policies, as well as with the targets of the UAE Framework, monitorable and that can be shared as replicable good practices in other cities of the Network and, thus, strengthen the collective and individual resilience of cities to climate change. The ABC Regional Programme also seeks to build and strengthen institutional and city officials' capacities to design, implement and monitor LLA actions in their intersection with biodiversity as a distinctive feature in Latin America and the Caribbean, as an unequalled biodiverse region.
70. While the ABC Programme will benefit up to 50 cities through component 1 by building on the BiodiverCities Network and Programme, the main purpose of component 3 is built on the resilience of cities, which will have a multiplier effect at the regional level given that climate risks are compound and transboundary, building resilience and reducing vulnerability involves much more than isolated projects and actions. Component 3 will deepen a community of practice on LLA options, including an updated database, published good practices and opportunities to exchange experiences and concerns.
71. Given the relevance of developing feasible monitoring, evaluation and learning systems in dialogue with international and national processes, such as NAPs, component 3 also involves building indicators at the local level that can feed into the UAE-Belem Work Programme on indicators with a first stop at COP30 in Belém where the adoption of a set of global adaptation indicators in line with the 11 targets is expected. This process will be nurtured over the 3 years of the programme by monitoring the progress of the LLA actions under component 1, the capacity building activities under component 2 and the programme's monitoring system to be developed under component 3 as part of the database.

B. Describe how the programme would contribute to the application of the eight principles of locally-led adaptation (LLA) and describe how the programme would promote new and innovative solutions to climate change adaptation, such as new approaches, technologies and mechanisms.²²

72. The ABC Regional Program fully aligns with the vision and principles of Locally-Lead Adaptation across its three components, as it explained as follows.
73. **Principle 1: Devolving decision-making to the lowest appropriate level: Giving local institutions and communities more direct access to finance and decision-making power over how adaptation actions are defined, prioritized, designed, implemented; how progress is monitored; and how success is evaluated.**
74. Through providing small grants to local governments (component 1), the Program *devolves decision-making to the lowest appropriate level* by providing local authorities with the opportunity of direct access and determining the priorities for these grants. Additionally, decentralized decision-making helps integrate local planning into existing planning processes at other levels of government. In this regard, one of the criteria designed to select proposals is related to potential contributions to local and national development priorities, climate-related plans, strategies, NDCs and/or NAPs.
75. Furthermore, local authorities will receive capacity building and technical support to strengthen their ability to implement initiatives and monitor progress effectively, as part of components 2 and 3. An innovative aspect of this regional program is its Monitoring, Evaluation, and Learning (MEL) contributions, which draw on local experiences and processes to inform both the BiodiverCities Network and the UAE Framework. These contributions will offer diverse perspectives on evaluating success across various scales and thematic areas.
76. **Principle 2: Addressing structural inequalities faced by women, youth, children, people living with**

²²Principles for locally led adaptation: [file:///C:/Users/WB508019/Downloads/Locally Led Adaptation Principles - Endorsement Version.pdf](file:///C:/Users/WB508019/Downloads/Locally%20Led%20Adaptation%20Principles%20-%20Endorsement%20Version.pdf). Additional resource: World Resources Institute. (2023). *Locally Led Adaptation: From Principles to Practice*. World Resources Institute: <https://www.wri.org/research/locally-led-adaptation-principles-practice>

disabilities, the displaced, Indigenous peoples, and marginalized ethnic groups: Integrating gender-based, economic, and political inequalities that are root causes of vulnerability into the core of adaptation action and encouraging vulnerable and marginalized individuals to meaningfully participate in and lead adaptation decisions.

77. Component 1 of the program will seek to ensure, through criteria applied for selecting proposals, that local governments put forward pilots *addressing structural inequalities faced by groups that have been traditionally marginalized*. Moreover, CAF's environmental and social safeguards seek to guarantee the physical, environmental, social and gender equality sustainability of the operations financed by the institution, regardless of whether it is full CAF's financing or co-financing. AF's and CAF's safeguards also request project proponents to ensure the participation of the actors involved, paying special attention to the participation of women and diversities.
78. Components 2 and 3 of this Regional Program would also include gender -and social equity– focused on capacity building and training to equip local technical teams and practitioners with sufficient knowledge to address equity considerations.
79. **Principle 3: Providing patient and predictable funding that can be accessed more easily: Supporting long-term development of local governance processes, capacity, and institutions through simpler access modalities and longer-term and more-predictable funding horizons to ensure that communities can effectively implement adaptation actions.**
80. CAF's programs and actions also demonstrate alignment with LLA *principle 3 of providing patient and predictable funding that can be accessed more easily*. The Regional Programs itself, across its three components, reflects the importance of establishing a solid knowledge base as a key first step for direct access to climate financing. This foundation ensures that local actors are prepared to make informed and strategic decisions aligned with climate change adaptation priorities, while also facilitating the creation of transparent and accountable processes.
81. Institutional support is also a key axis that will be fostered through component 2. It will support assessment processes associated with local institutional capacities to develop, implement and monitor LLAs, with a view of providing enough technical support to establish or strengthen institutional arrangements for LLA projects implementation and LAP formulation.
82. **Principle 4: Investing in local capabilities to leave an institutional legacy: Improving the capabilities of local institutions to ensure they can understand climate risks and uncertainties, generate solutions, and facilitate and manage adaptation initiatives over the long term without being dependent on project-based donor funding.**
83. *Investing in local capabilities to leave an institutional legacy* has been recognized as a cornerstone of climate action. This has been captured in component 2 of the Regional Program "Technical support and capacity development for implementing national or regional LLA programs", but also proven by the institution's previous work in Latin America.
84. CAF has a learning management platform specifically designed for flexible programming and training of local governments. Among its initiatives, CAF promotes the "Cities and Climate Change in Latin America and the Caribbean" training, aimed at technical officials of local governments. This training aims to strengthen the skills and competencies of public officials in climate change, enabling them to incorporate this dimension into city planning, land management, urban services, and project and infrastructure design. All of this is intended to promote climate action at the local level, in line with national, regional, and international commitments.
85. **Principle 5: Building a robust understanding of climate risk and uncertainty: Informing adaptation decisions through a combination of local, traditional, Indigenous, generational, and scientific knowledge that can enable resilience under a range of future climate scenarios.**
86. Given that risk, impact and vulnerability assessments are a key component for the design, implementation and monitoring of adaptation policies, as recognised in the UAE Framework through a specific target, the

programme proposes to support the efforts of cities in the region that seek to develop or update their risk assessments, as well as to link them in a virtuous way with other stages of the adaptation policy cycle. The programme also recognises the relevance of these assessments as part of the criteria developed for the provision of grants (component 1). At the same time, it is expected to build the capacity of cities individually and collectively with regard to risk, vulnerability and impact assessments in components 2 and 3.

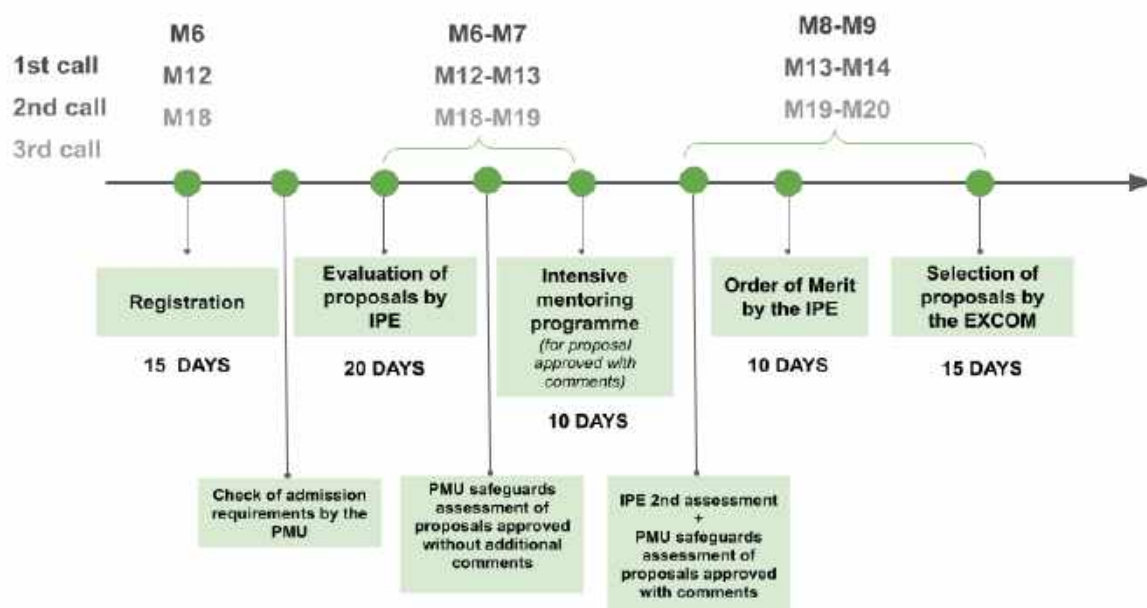
87. **Principle 6: Flexible programming and learning: Enabling adaptive management to address the inherent uncertainty in adaptation, especially through robust monitoring and learning systems, flexible finance, and flexible programming.**
88. The regional programme is nurtured by a process of ‘learning by doing’ insofar as all components involve co-constructive processes with the cities that are expected to sustain the leadership of the action in their territories with the support of CAF and all actors included in the governance of the programme.
89. At the same time, given that a key activity is the elaboration of an MEL system by CAF (component 3) compatible with the UAE Framework, all components promote the implementation of solutions that can be monitored by the cities themselves, feeding into the MEL system of the BiodiverCities Network as a contribution to the global adaptation effort.
90. **Principle 7: Ensuring transparency and accountability: Making processes of financing, designing, and delivering programs more transparent and accountable downward to local stakeholders.**
91. Approval of small grants under component 1 requires the submission of detailed documentation outlining the design and activities of LLA solutions, which must then be reviewed and approved by the Independent Panel of Experts (IPE), the Programme Management Unit (PMU) and the Executive Committee (ExComm) of the Regional Programme (see Section III.A). This process fosters downward accountability by ensuring that decision-making remains locally driven. Additionally, the criteria for selecting LLA solutions emphasize the active involvement of local stakeholders in both the design and implementation phases.
92. Capacity-building activities under component 3 are structured to promote transparency in financing, designing, and executing grants, regardless of their scale. Local authorities are expected to report progress in achieving results to the Regional Program’s Executive Committee, ensuring consistent oversight and accountability throughout the implementation process.
93. **Principle 8: Collaborative action and investment: Collaboration across sectors, initiatives, and levels to ensure that different initiatives and different sources of funding (e.g., humanitarian assistance, development, disaster risk reduction, green recovery funds) support each other, and their activities avoid duplication, to enhance efficiencies and good practice.**
94. LLA solutions selected for funding should demonstrate their alignment with and contributions to local and national development goals and priorities, as outlined in various policy instruments beyond those specifically focused on climate change. Even though LLA interventions must be implemented at the local level, they require the support of multiple layers of planning, policymaking, and alignment across levels of government (WRI, 2022)²³.
95. Furthermore, the regional program aims to contribute to the mainstreaming of adaptation into other sectoral policies that may not explicitly prioritize climate adaptation. By fostering LLA solutions that promote collaboration and alignment with broader initiatives, the program encourages synergies and integrated approaches to development and adaptation.
96. To ensure sustainability beyond the program’s conclusion, LLA solutions should also demonstrate complementarity with other funding sources and outline strategies for continued implementation and impact after the closure of the regional program.

²³ World Research Institute (2022). Locally Led Adaptation: From Principles to Practice: <https://files.wri.org/d8/s3fs-public/2022-07/locally-led-adaptation-from-principles-to-practice.pdf?VersionId=iB9VdBK4g7LbBugIZlWCBI3dLUD7K1FW>

C. Describe how the programme will source locally-led small grant proposals, and screen them for the potential to support concrete adaptation actions to assist the participating countries in addressing the adverse effects of climate change and build in climate resilience.

97. Cities are on the frontline of climate change, they face climate compound risks and confront the greatest difficulties in accessing funding, in particular in the LAC region. According to IPCC AR6²⁴, the Central and South American region is the second most urbanised in the world threatened by climatic events such as extreme heat, droughts, heavy storms, floods, landslides. However, the main determinants of urban vulnerability in the region are poor and unevenly distributed infrastructure. The governance and institutional challenges deepens vulnerability conditions and makes access to adaptation finance more difficult.
98. At the same time, cities face greater constraints than states in accessing funding. These include sovereign guarantees and other conditions, which in some cases are constitutional; limited capacity to develop and implement large-scale projects; and the vagaries of political relations with national governments, which leave municipalities with intermittent access that is at best brokered by the national government when it is obtained. These are the main reasons why this programme through the BiodiverCities Network showcases the unique value of cities in building resilience and reducing vulnerability through context-specific LLA actions, enabling communities to directly access funding through small grants.
99. As indicated in Section II.A, there will be three types of grants with different amounts of financing, implementation terms, requirements and criteria for their award. The higher the amount, the greater the requirements. Three calls for proposals will be made in months 6, 12 and 18 according to the timeline of the program, in which the member cities of the Network will be able to present their proposals for funding.
100. The grant allocation process consists of 4 phases: (1) Submission of proposals, (2) Evaluation of proposals, (3) Proposal for mentorship and (4) Grant adjudication.

Figure 6. Call for proposals indicative timeline



²⁴ IPCC, 2022: *Climate Change 2022: Impacts, Adaptation, and Vulnerability*. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press. Cambridge University Press, Cambridge, UK and New York, NY, USA, 3056 pp., doi:[10.1017/9781009325844](https://doi.org/10.1017/9781009325844).

101. In the first phase the call's terms, timeline and documentation will be published by CAF in the BiodiverCities webpage, inviting cities to submit simplified online forms for registration of concept proposals. Separate forms will be provided for each type of grant, with complexity increasing according to the grant size to facilitate evaluation against predefined criteria. The registration may include a 3-minute video describing the main vulnerabilities and adaptation actions on the ground to simplify the concept proposal submission. Interested cities will also have the opportunity to participate in webinars and online consultation workshops, designed to further improve their proposals before submission. Based on the level of participation in the first call, a second round will be considered to expand engagement and foster greater competition.
102. The PMU will corroborate the proposals' compliance with the admission requirements. All fundable initiatives must meet the following minimum admission requirements, regardless the type of grant:
- The city submitting the proposal must be part of the BiodiverCities Network and Programme. Cities that are located in the Latin American and Caribbean region but are not part of the BiodiverCities Network and Programme may request to join the network prior to sending the form. Their membership shall be approved before proposal submission.
 - The proposal must be aligned with the Adaptation Fund's policies and objectives.
 - The proposal must be aligned with relevant local or national policy.
 - The city submitting the proposal is located in a country that has issued a Letter of Endorsement for this Regional Programme before the call closes.
 - The proposal must be submitted by the local government's focal point to the BiodiverCities's network.
 - The proposal must demonstrate compliance with local, national or subnational regulations, if applicable.
 - The proposal must demonstrate that the initiative is within the local government's competencies and jurisdiction.
 - Cities can participate in all calls, but can submit only one proposal per call, and can be granted with a maximum of two proposals in the entire LLA programme. (Proposals that were presented in previous calls but were not funded can apply in a later call).
 - Proposals must indicate a technical focal point within the local government for design, evaluation and implementation.
103. Those that meet these requirements will be evaluated by the Independent Panel of Experts (IPE) of the programme (see Section III.A). In order to define IPE final conformation, the PMU will identify experts specializing in program-related themes for selection by the ExComm and compensate these experts for their participation in the programme.
104. The IPE will evaluate the proposals by implementing the multi-criteria analysis tool outlined in this section, and elaborate the Order of Merit following this process: proposals will be categorized as *approved without additional comments*, *approved with comments*, and *not approved*. Proposals with "approved without additional comments" will undergo the PMU safeguards assessment, those with a positive assessment will be part of the Order of Merit.
105. Cities with "approved with comments" proposals may choose between participating in a two-week mentoring programme to strengthen their proposals, or withdrawing their participation in the process. After the mentoring programme, the IPE and the PMU will evaluate these enhanced proposals and make a decision to finalise the Order of Merit (composed by both, proposals without additional comments previously approved and proposals with comments approved after the mentoring programme). The ExComm will select the awarded proposals, ensuring an equitable geographical distribution, trying to cover the maximum number of countries and strategic ecosystems, including giving priority to interventions in the Amazon in specific calls.

106. In line with the above, a multi-criteria analysis tool was developed to evaluate the proposals that meet the minimum admission requirements. It is worth clarifying that during the implementation of the programme and prior to the first call for proposals, the ExCom will review the multi-criteria analysis tool with the aim of improving it. The score assigned to each criteria will depend on its degree of fulfillment. For doing so, the qualification ranges for each criteria are specified in Annex 1²⁵. Likewise, based on the objectives of the BiodiverCities Network and Programme strategy, the weights of each criteria are specified in order to assess its importance.
107. The prioritization criteria to be used are defined below (the grant to which each criteria applies is indicated in brackets):
- **C1. Conducts and describes risk assessments** (all grants): evaluates the extent to which the proposal was based on a risk analysis for the definition of the activities to be carried out and the quality of this analysis.
 - **C2. Promotes clear and substantive stakeholder involvement and ownership** (all grants): evaluates the extent to which the proposal managed to integrate and will continue involving stakeholders at each stage of the project (diagnosis, planification, initial design, final design, implementation and monitoring).
 - **C3. Provides clear and feasible objectives and components** (all grants): evaluates the extent to which the proposal articulates the relationship between the objectives, the components, the requested amount and the timeframe on the basis of the proposed LLA action.
 - **C4. Contributes to local or national development and/or climate policy** (all grants): evaluates the extent to which the proposal demonstrates the linkage between the proposed LLA action and the local and national development and climate priorities included in plans, strategies, NDCs and/or NAPs of the respective country where the city is located.
 - **C5. Has in place governance structures and processes to implement the intervention** (all grants): evaluates the extent to which the proposal is framed in an existing governance structure and processes that contribute to implementation's feasibility and sustainability.
 - **C6. Proves the effectiveness of solution and strives for including innovative adaptation approaches (EbA, CbA, GbA)** (all grants): evaluates the extent to which the proposal provides a technical explanation of its effectiveness for the reduction of the identified main vulnerabilities and presents an innovative solution to address the identified climate risks, considering community, ecosystem or gender-based adaptation approaches.
 - **C7. Demonstrates monitoring capabilities** (Grant 2 (G2) and Grant 3 (G3)): evaluates the extent to which the local government has monitoring capabilities to support and inform the PMU about the project's progress and outcomes.
 - **C8. Precise definition of the LLA action's short to medium-term outcomes linked to long-term impacts** (G2 and G3): evaluates the extent to which the proposal demonstrates the link between the short and medium term results of the LLA action and the long term impacts.
 - **C9. Describes vulnerability and climate-risk baselines** (G3): evaluates the extent to which the proposal describes vulnerability and climate-risk baselines related to the LLA action proposed.
 - **C10. Demonstrates the sustainability of LLA actions** (G3): evaluates the extent to which the proposal demonstrates the sustainability of the LLA actions beyond the conclusion of the grant.
 - **C11. Provides results of gender assessments and details on how the needs of relevant vulnerable groups have been considered** (G3): evaluates the extent to which the proposal integrates the results of gender assessments and provides details on how the needs of the relevant vulnerable groups have been considered in the design of the proposal (including women, children, the elderly, individuals with disabilities, and low-income populations).
 - **C12. Identifies implementation risks and their possible mitigation measures** (G3): evaluates the extent to which the proposal details the implementation risks and their possible mitigation measures.

²⁵ In some cases, the same criteria for different grants has different definitions of qualification ranges.

D. Describe how the programme would source locally-led small grant proposals, and screen them for their potential to provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund.

108. The design of the Adapting BiodiverCities Regional Program aims to support subprojects that will implement Locally Led Adaptation (LLA) solutions in Latin America and the Caribbean, which are yet to be selected or defined. Given this particularity, and in line with the Adaptation Fund's Environmental and Social Policy (AF ESP), an Environmental and Social Monitoring System (ESMS) will be developed to ensure compliance with both the AF ESP's and CAF's social and environmental safeguards. More details of ESMS are presented in section III.C.
109. The proposal already incorporates key AF ESP's principles and CAF's safeguards as part of the criteria—previously outlined—for selecting proposals to receive small grants under component 1. These criteria are tailored to the scale of the projects supported by the program and will help to identify potential environmental and social risks associated with unidentified subprojects, thereby ensuring adherence to both AF's and CAF's standards.
110. Moreover, the program's overarching approach strongly advocates for LLA solutions that address the real, tangible needs and climate risks of communities. This focus aims to foster resilience at the local level by empowering communities and ensuring that adaptation efforts are contextually relevant and effective. This approach fully aligns with CAF's Urban Development Strategy 2023-2026, previously presented in Section I.A.
111. Criteria applied to Grant 1, Grant 2 and Grant 3 will request pilots or interventions to demonstrate clear and substantive stakeholder involvement in the implementation of the LLA action. Additionally, it will have to ensure compliance with local and national regulations.
112. Furthermore, proposals applying for Grants 2 and 3 will be evaluated on their incorporation of innovative ecosystem-based adaptation (EbA) solutions, along with a technical justification of their effectiveness in addressing the identified vulnerabilities. Since the regional program prioritizes EbA and NbS within Locally Led Adaptation strategies, proposals must be coherent with the promotion of soil conservation, prevent land degradation, and avoid the conversion of productive lands or areas providing critical ecosystem services.
113. In line with the AF ESP principles, the ABC RP will also seek to ensure initiatives that protect natural habitats and promote biodiversity conservation. This approach aligns with CAF's safeguards, which emphasize the sustainable and efficient use of natural renewable resources, the conservation of biodiversity, and the implementation of measures and tools that uphold best practices in resource management and ecological stewardship.
114. Additionally, large-scale pilots or interventions funded under Grant 3 (G3) will be required to present the results of gender assessments and provide details on how the needs of relevant vulnerable groups—including women, children, the elderly, individuals with disabilities, and low-income populations—have been addressed. This aligns with both CAF's and AF's safeguards, which mandate that supported initiatives promote gender equality and women's empowerment. These safeguards emphasize fostering positive differentiation for women who face vulnerability, risk, or significant inequality.
115. Furthermore, proposals under G3 must demonstrate the existence of governance structures and processes that ensure participation, consultation, and access to public information. Given the larger scale of these interventions, which may have the potential to result in adverse environmental and social impacts, proposals are also required to identify potential risks and outline corresponding mitigation measures. This rigorous approach ensures that initiatives not only align with best practices but also minimize negative impacts while promoting inclusive and sustainable outcomes.
116. Additionally, the Regional Program will actively promote gender equality and women's empowerment by ensuring that women have equal opportunities than men to participate in consultative processes.

Moreover, gender equality is an integral aspect of each phase of the adaptation policy cycle, as illustrated before for LLA large scale pilot/interventions under G3-component 1, for instance.

117. Moreover, there are capacity-building and technical support activities under components 2 specifically designed to support gender mainstreaming in LLA actions and in LAPs. This includes building the capacities of local technical teams to ensure equitable participation in the design and implementation of adaption solutions.
118. Simultaneously, MEL-related activities will integrate gender considerations by incorporating them into the design of monitoring mechanisms for LLA solutions and generating gender-disaggregated data throughout the Regional Program. These efforts reflect the program's strong commitment to fostering inclusive and equitable development, addressing the vulnerabilities of marginalized and disadvantaged groups, and upholding human rights principles.

E. Describe or provide an analysis of the cost-effectiveness of the proposed programme and explain how the regional or multi-regional approach would support cost-effectiveness.

119. In general terms, the program is framed within international commitments, such as those indicated in the following section, and existing initiatives such as the BiodiverCities Network and CAF's Urban Development Strategy, which are based on agreements between different actors at different scales to advance in this type of actions (it is based on previously established priorities).
120. In particular, the program focuses especially on facilitating the implementation of local solutions for adaptation and on strengthening the capacities of local governments to implement this type of action. With regard to the former, in order to ensure that the actions are cost-effective, different prioritization criteria were determined for the initiatives to be financed. Criteria C1 and C11, associated with LLA interventions being based on climate risk analysis, considering gender-differentiated impacts and prioritizing the most socially vulnerable groups, ensure that the interventions address the main drivers of the climate risks addressed. Likewise, criteria C4 allows the prioritization of those interventions that are framed in pre-existing analyses and agreements given by climate and local and national development policies. Criteria C2 and C5 on participation and governance, respectively, encourage LLA interventions to address the problems and adopt the solutions established by the main actors involved, thus responding to real needs and facilitating ownership of the initiative. Criterion C6 seeks that the LLA interventions are innovative and amplify the benefits on ecosystems, communities and groups in situations of greater vulnerability, by adopting EbA, CbA and GbA approaches. Criteria C8 and C10 focus on the consideration of long-term impacts and sustainability, allowing the prevention of maladaptation and the implementation of solutions that are not effective over time.
121. Finally, criteria C7 and C9 contribute both to capacity building and to the implementation of more effective direct adaptation actions, as they focus on the ease with which the intervention can be monitored, both in terms of its progress and its results and impacts. This facilitates learning and the identification of the most cost-effective solutions.
122. Component 2, on the other hand, has an activity to survey the support needs of local governments, which will allow focusing the program's efforts on strengthening governments in the issues they identify as priorities, in total alignment with the program. Likewise, support will be provided to cities in the preparation and improvement of LAPs, which will allow for interventions that respond to a comprehensive approach to adaptation.
123. Component 3 contributes to the strengthening of the BiodiverCities Network, facilitating the exchange of knowledge and lessons learned among local governments at a regional level, allowing the adoption of the most convenient solutions, methodologies and tools to advance in the effective adaptation of their cities.

F. Describe how the programme is consistent with national, sub-national or local sustainable development strategies, adaptation planning processes, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programme of action, national adaptation plans (NAPs), nationally determined contributions (NDCs), adaptation communications, and other voluntary adaptation reports, where they exist, as well as with the UNFCCC technology framework, and other relevant instruments.

124. The program considers multilevel adaptation, as it is framed within the different international agreements associated with adaptation and will seek to align with national and local planning associated with the different cities participating in the program.
125. In the international framework, this program contributes to the 2030 Agenda regarding the fulfillment of SDG 11 Sustainable Cities and Communities. In particular, this program contributes to targets 11.5 and 11.C, associated to the reduction of losses and damages due to disasters and to increase the number of cities that adopt and implement policies and plans that contribute to climate change adaptation and comprehensive disaster risk management, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030 and the New Urban Agenda.
126. It also contributes to the fulfillment of the Paris Agreement, in terms of recognizing the different scales and dimensions of adaptation, considering the role of local governments to advance in the implementation of adaptation strategies in line with their greater understanding of local realities and needs. This enables a deeper understanding for addressing climate risks at the local scale, facilitating the achievement of commitments at the national level. For these reasons, cities play a key role in the implementation of national climate policies such as National Adaptation Plans (NAPs), Adaptation Communications and Nationally Determined Contributions (NDCs).
127. The proposal is also aligned with the COP28 Coalition of High Ambition Multilevel partnerships (CHAMP) for Climate Action, whose endorse countries committed to enhance cooperation with their local, regional and subnational governments to collectively pursue efforts to achieve the Paris Agreement long-term goals.
128. The LLA interventions to be financed through the grants included in Component 1 are expected to be framed in local or national planning and respond to their development and climate priorities. In particular, the programme will encourage alignment with national climate policy (NAPs, NDCs). The multi-criteria analysis tool incorporates this dimension through criteria C4.
129. Likewise, components 2 and 3 will strengthen local capacities through technical support, training and exchange of good practices and lessons learned in order to have urban planning instruments that consider the impacts of climate change and the conservation of biodiversity, to facilitate the adequate implementation of urban policies in the territory, which are largely the responsibility of local authorities. The support to the development of Local Adaptation Plans (LAP) is key to ensure that the interventions to be financed by the program and future ones, take place within a comprehensive approach.
130. Likewise, the program will contribute to the fulfillment of the Kunming-Montreal Global Biodiversity Framework, since it will encourage biodiversity conservation through the promotion of interventions that consider ecosystem-based adaptation and will support governments and their teams to incorporate this approach in their policies.
131. Finally, CAF and ICLEI collaborate with the United Nations Office for Disaster Risk Reduction in the implementation of the Making Cities Resilient (MCR 2030) initiative. This collaboration aims to strengthen resilience and enhance cooperation with regional and global partners, focusing on supporting local governments in Latin America and the Caribbean. This programme is fully aligned with RCM 2030, as it will support cities in the different stages identified by it: (1) knowledge of risks, through technical support and training for a better understanding of local adaptation; (2) planning, through technical support and financing of studies for more and better diagnoses and adaptation plans; and (3) implementation of actions to increase resilience, achieved with the help of the grants.

G. Describe how the programme would screen innovation small grant proposals for meeting the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund.

132. The ABC Regional Program will ensure alignment with relevant national and local legislation to meet relevant technical standards, in accordance with the principles of the AF ESP. As part of the Environmental and Social Monitoring System (ESMS) to be developed, the PMU will verify that each proposal complies with national technical standards, including environmental, social, and sector-specific regulations. This will be achieved through a rigorous screening process based on ESP principles and an assessment to confirm compliance with the minimum eligibility requirements.
133. Additionally, the ESMS will serve as a critical tool for monitoring the compliance of funded LLA solutions throughout their lifecycle. It will help identify and mitigate risks proactively, while ensuring continuous adherence to national standards and alignment with the AF ESP. This approach fosters accountability and reinforces the program's commitment to high environmental and social performance.
134. The role that capacity building and technical support plays in ensuring alignment with technical standards is key, given that component 1 will provide targeted technical support to local actors during the proposal development phase. This will include training sessions and guidance on identifying applicable standards, particularly *ISO 14090 Adaptation to climate change – Principles, requirements and guidelines*, and preparing the necessary documentation. The aim is to empower local governments with the knowledge and tools required to comply with national and international requirements.
135. To promote long-term compliance with technical standards, the program will organise webinars, virtual trainings and provide resources on best practices for compliance and risk management. These initiatives will strengthen the institutional capacities of local actors, enabling them to meet national standards independently in the future.
136. Capacity building is recognised of utmost importance in the “Value Proposal: Strengthening Subnational Governments 2022-2026”, given the weakness of management tools to address new forms of territorial structuring and to collaborate effectively with private and collective actions. This also reflects the lack of standardized methodologies for territorial management, as well as in the absence of monitoring, evaluation, and control systems, and the availability of quality information. This deficiency or weakness has led to evident conceptual and methodological anarchy, as there is, in many cases and at various scales (national, provincial, municipal), significant ambiguity in the concepts being used.
137. As recognised in CAF’s Value Proposal, capacities and innovative instruments for development must be generated, and several normative and technical tools must be strengthened. Within each country, there is a significant diversity of tools and methodologies used in various ways and for different purposes, as well as disparate regulatory frameworks that often contradict or overlap, leading to significant conflicts. Therefore, shared learning about available resources is needed, along with greater capacity for innovation in the creation of new methodologies, instruments, and techniques for territorial development management.
138. This dual approach of rigorous screening and proactive capacity building will ensure that all funded LLA solutions are both compliant with national standards and effectively contribute to sustainable and inclusive adaptation efforts.

H. Describe if there is duplication of the programme with other funding sources, if any.

139. The ABC Regional Programme with its components and activities seeks to complement the efforts undertaken by both other stakeholders, especially those related to strengthening institutional capacities, governance processes, capacity building and knowledge sharing.

140. As described in section I.A, within the BiodiverCities Network and Programme CAF's initiatives have facilitated regional and international dialogues and meetings to raise awareness and consolidate efforts aimed at the restoration, preservation, and sustainable use of urban biodiversity. The ABC Regional Program will seek to scale up these efforts to reach more cities in Latin America and the Caribbean.
141. Furthermore, the 2022-2026 CAF Value Proposal for Subnational Governments will serve as a comprehensive framework for the implementation of the ABC Regional Program. This proposal aims to support institutional strengthening, promote and enhance territorial governance, provide technical and financial resources for the implementation of territorial policies, and foster the generation of knowledge based on territorial development.
142. Within the synergies and experience of working with cities, there is significant precedent of the global campaign Making Cities Resilient 2030²⁶, in which both CAF and ICLEI are active participants. In the context of CAF's collaboration, a series of tools have been jointly developed for disaster risk reduction and increased resilience²⁷.
143. C40²⁸ has extensive experience in supporting Latin American and Caribbean cities in addressing climate change challenges. For example, it provides research, analysis and implementation guides that can be also used for LLA pilots and LAPs formulation, as well as spread through learning and knowledge activities under the second and third component of the ABC Regional Program. Moreover, C40 presents three streams that also matches with the proposal of this regional program: the *High-Impact Accelerators* -a framework to help cities implement science-based solutions-; the *1.5°C Climate Action Plans* -supports cities to create and implement climate action plans- and the *Climate Budgeting Programme* - that connects cities to develop, implement, and enhance climate budgeting processes, integrating them into city governance to meet climate goals-. The ABC regional program will complement previous efforts from cities that had participated in any of these initiatives.
144. Another example is the C40 Cities Finance Facility (CFF)²⁹, which collaborates with cities to design and implement transformative urban infrastructure projects that improve residents' quality of life while delivering large-scale, measurable climate impacts. The CFFs' initiative complements others by focusing on providing technical assistance and expertise rather than direct financing, helping partner cities access funding through robust project preparation. These proposals often include well-developed business cases, financial structuring, and assessments of financing options, enabling a more streamlined and efficient pathway to implementation. As such, the ABC Regional Program can capitalize on proposals previously supported by the CFF by providing any of the three types of grants under component 1 for its implementation.
145. ICLEI³⁰ is another organization with vast experience in integrating biodiversity conservation into urban planning and development, and would play a key role in the ABC Regional Programme (for more details about ICLEI's role consult section III.A). Some key highlights of ICLEI's experience include capacity building to local governments, policy advocacy; project implementation and knowledge sharing and networking. This regional programme will synergize and articulate with ICLEI's existing capacities and activities to execute the first component of this proposal.
146. The United Cities and Local Governments (UCLG) is another network that seeks to amplify local governments' voices through collaboration, dialogue, cooperation, and knowledge-sharing. The UCLG

²⁶ See <https://mcr2030.undrr.org/news/caf-and-undrr-collaborate-new-tools-comprehensive-climate-and-disaster-risk-management>

²⁷ In this regard, the ABC Regional Programme can make use and spread the applicability of the "Climate Resilience Addendum of the Scorecard". This is a self-assessment tool for city resilience capabilities, that could be used by cities to design the proposals to be implemented under the first component. Furthermore, this publication can be facilitated, explained and applied during workshops and webinars under the second and third components. It is the same case for other sources produces in the context of MCR 2030 campaign, such as "Adaptation and DRR", and two additional case studies - Panama and Ecuador- were captured into two publications "Integrated Analysis Tool for Disaster Risk and Climate Change"

²⁸ <https://www.c40.org/>

²⁹ <https://c40cff.org/apply>

³⁰ <https://americadosul.iclei.org/es/>

facilitates knowledge exchange among cities, showcasing innovative practices and policies for nature-based solutions, ecosystem restoration, and urban resilience. The organization emphasizes the importance of multilevel governance, cross-sector collaboration, and community engagement in addressing biodiversity challenges. The ABC Regional Program will foster collaboration with UCLG LATAM in articulating priorities across the components of this proposal.

147. Mercociudades³¹ represents another well-known network of cities in the Southern Cone of Latin America, with a history of fostering collaboration and knowledge exchange among municipalities to address sustainable development challenges. The network functions throughout thematic units, groups and commissions, several of them related to urban and social development, gender, environment and sustainable development, among others. The Network promotes³² capacity-building programs, technical assistance, advocacy and facilitates regional dialogues and partnerships, aligning local efforts with global frameworks such as the SDGs and the Global Biodiversity Framework.
148. In 2024, CAF and the Mercociudades network signed an agreement³³ to promote sustainable urban development, adaptation to climate change and resilience in Latin American cities. The alliance will facilitate the exchange of knowledge and access to financing for transformative projects, benefiting more than 120 million inhabitants in the region. Building on the previous agreement, the regional programme would seek to collaborate and articulate when possible, especially regarding activities under component 3.

I. Describe the learning and knowledge management components designed to capture and disseminate lessons learned, particularly in a regional and locally led context.

149. The ABC Regional Program integrates learning activities across all three of its components, creating a comprehensive framework to foster local, regional, and cross-border knowledge sharing and capacity building.
150. The component 1 not only provides small grants for LLA proposals but also facilitates technical support to establish or strengthen institutional arrangements for implementing LLA projects and formulating Local Adaptation Plans (LAPs). These processes inherently trigger learning within local teams. Additionally, this component facilitates funding for studies aimed at addressing knowledge and evidence gaps in local communities. The insights gained can then inform the development or implementation of LAPs while also contributing to mainstreaming adaptation into other policy instruments. This approach ensures that knowledge is translated into actionable improvements in local adaptation strategies.
151. The primary goal of component 2 is to build capacities for designing, implementing and monitoring LLA solutions through three types of activities, as described in section II.A. For instance, one activity involves conducting studies to improve the adaptation policy cycle and sharing findings through virtual meetings with the BiodiverCities Network. This approach not only strengthens local capacities but also fosters regional and locally lead collective learning, enabling cities to exchange practical insights and innovations.
152. Component 3 builds upon the existing BiodiverCities Network and Programme, a CAF-managed knowledge-sharing platform accessible to any interested city. This platform ensures sustainability over time and supports the dissemination of adaptation knowledge and practices. Key activities under this component include:

³¹ <https://mercociudades.org/>

³² <https://mercociudades.org/descarga/plan-de-trabajo-2025-presidencia-de-mercociudades/>

³³ <https://www.caf.com/es/actualidad/noticias/caf-y-mercociudades-estrechan-lazos-para-impulsar-el-desarrollo-sostenible-en-gobiernos-locales-de-la-region/#:~:text=CAF%20y%20Mercociudades%20estrechan%20lazos,resiliencia%20en%20las%20ciudades%20latinoamericanas.>

- **Developing an open knowledge database:** This repository will consolidate lessons learned and best practices, making them accessible to a broad audience;
 - **Workshops and regional meetings:** Both virtual workshops and in-person regional meetings will facilitate the exchange of experiences and strategies among cities;
 - **Publications:** Comprehensive reports and case studies will document and disseminate best practices and lessons learned; and
 - **Cross-border knowledge exchange:** The program seeks to foster a culture of learning across borders by promoting collaborations with regional and local networks. Events at international climate and biodiversity forums (e.g., UNFCCC COPs, CBD COPs) will further disseminate the program's interventions and outcomes.
153. Moreover, component 3 presents additional MEL-related activities, such as developing and operationalizing a set of indicators of the BiodiverCities Network to track progress and promote data-driven decision-making, that complement the activities of component 2 aimed at enhancing the climate monitoring and response capacities of LAC cities. This can strengthen the information available regarding the progress of cities in their adaptation cycle, and the effectiveness of addressing their climate risks.
 154. The program's MEL-focused activities will not only benefit local communities but also contribute to national-level systems. Improved capacities and local experiences in MEL will provide robust data on adaptation impacts and outcomes, strengthening national MEL systems and enhancing countries' ability to track and report on adaptation progress.
 155. These activities will contribute to global efforts by identifying local experience-based indicators that can support the tracking of progress toward the targets and sub-targets of the UAE Framework.
 156. Overall, the ABC Regional Program is designed to create a dynamic ecosystem of learning, capacity building, and knowledge dissemination. By leveraging local experiences, fostering regional collaborations, and contributing to national, regional and global adaptation efforts.

J. Describe the consultative process that would take place, and how it will involve all key stakeholders, and vulnerable groups, including gender considerations the consultative process, with particular reference to vulnerable groups, including gender considerations, in compliance with the Environmental and Social Policy of the Adaptation Fund.

The grant procurement processes will be carried out in a transparent manner and in full knowledge of all members of the BiodiverCities Network, seeking to reach as many local governments from the region as possible, including actors of relevant agencies, platforms, networks and academia.

157. As indicated in Section II.C, the calls for proposals will be published by CAF on the BiodiverCities Network website, so that all member local governments can access and even those that are not yet members can apply, with the condition of joining the Network. The publication will not only include the presentation formats but also tutorials explaining how to apply and the requirements and criteria that will be used for their evaluation. In addition, the PMU will notify in advance to the Network's city representatives about the call deadlines and will attach useful information for the presentation of proposals.
158. The evaluation of the proposals will be carried out by the Program's Independent Panel of Experts (IPE), comprising a multidisciplinary team of specialized professionals and with a commitment to ensuring gender balance. The IPE will provide an Order of Merit for the proposals to the PMU, which will then evaluate the selection against the 15 ESP principles as part of the ESMS. This process ensures compliance with the ESP and enables the identification and mitigation of any environmental and social risks. The PMU will submit the Order of Merit along with the ESP assessment to the Executive Committee, formed by CAF, ICLEI and the *Council of Authorities* of the BiodiverCities Network. The ExCom will make the final selection of awarded proposals, ensuring an equitable geographical distribution of LLA interventions. The extensive experience and capacity of ICLEI and CAF to coordinate and implement actions at the sub-national level

are crucial to the successful execution of this process.

159. To ensure that the proposals to be financed represent the needs of local stakeholders, prioritization criteria associated with participation and governance were incorporated. Priority will be given to those that involve stakeholders in all stages of the project and also, but to a lesser extent, to those that have governance structures and processes that facilitate transparent and participatory decision-making.
160. Both the BiodiverCities Network, through its participation in the Executive Committee, and each of the member cities of the network will be consulted about the capacity building actions so that they respond to the needs of the territory.

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

Baseline Scenario: Climate Adaptation Financing Gap

160. Latin America and the Caribbean is one of the regions most exposed to climate risks, facing extreme events such as cyclones, floods, droughts, and rising sea levels, which affect health, livelihoods, and ecosystems. Rapid urbanization, especially in intermediate and small cities, increases vulnerability by limiting adaptation capacity. To address these challenges, financing for nature-based solutions and green infrastructure is essential to strengthen urban resilience and protect both communities and ecosystems, contributing to the region's sustainable development.
161. Climate change adaptation requires context-specific solutions for each community, yet its financing faces structural barriers such as limited access to international funds, lack of accreditation at local levels, and inequalities that marginalize vulnerable groups, including women and Indigenous communities. Despite these challenges, strengthening direct access to financing for locally led adaptation (LLA) is key to enhancing climate resilience and ensuring that communities can implement their own solutions.

Barriers to Private Financing for Adaptation

162. Access to climate adaptation financing in intermediate and small cities across Latin America and the Caribbean faces multiple challenges. Despite their key role in regional development, these cities have limited fiscal and technical capacities, making them reliant on external funds or central government interventions, which restricts their autonomy and ability to implement adaptation projects.
163. The lack of international visibility and the absence of local climate finance mechanisms further hinder resource mobilization. Additionally, local organizations, social enterprises, and community actors face significant barriers to accessing financing, as they often lack accreditation or financial track records required to participate in international funds. This highlights the need for an innovative approach to channel resources directly to local levels, strengthening their capacities and ensuring effective and sustainable adaptive solutions.

Justification for the Requested Funding

164. In response to the Adaptation Fund's identified need to strengthen locally led adaptation (LLA) and channel financing to non-accredited entities, the Adapting BiodiverCities program aligns with these priorities by enhancing local capacities and promoting solutions tailored to specific contexts. Through the implementation of innovative actions, the program contributes to generating and documenting evidence on the impact of these interventions, facilitating their replication and scalability across different territories.
165. The Adaptation Fund's global aggregation mechanism has been specifically designed to address barriers to accessing financing at subnational levels, enabling communities and local actors to define, prioritize, and implement their own adaptation strategies. This model shifts decision-making to the local level and improves access to financial resources, fostering inclusive and sustainable solutions. Additionally,

adopting LLA principles ensures that interventions respond to the specific needs of each community while strengthening their institutional capacities to manage long-term initiatives.

166. Given the context of vulnerability and existing financing gaps, the requested investment will help close the adaptation gap, ensuring that the most exposed communities have the necessary resources to implement resilient and sustainable solutions.

Baseline Scenario

167. Without the implementation of the Adapting BiodiverCities program, intermediate and small cities in Latin America and the Caribbean will continue to face significant barriers to climate change adaptation. The lack of direct access to financing, limited technical capacities, and the absence of effective local planning will prevent the implementation of nature-based adaptation solutions.
168. As a result, the impacts of extreme climate events, such as floods, heatwaves, and coastal erosion, will intensify, disproportionately affecting the most vulnerable communities. The absence of knowledge-sharing mechanisms and capacity-building efforts will also limit the replication of best practices, slowing the region's response to climate challenges.

Scenario with Adaptation Fund Support

169. With the implementation of the Adapting BiodiverCities program, cities will be better equipped to design and execute locally led adaptation strategies. Through competitive grants, technical training, and the consolidation of the BiodiverCities Network, local governments will be able to implement innovative solutions aligned with ecosystem-based adaptation, community participation, and gender equity.
170. This will reduce cities' vulnerability to extreme climate events, improve urban planning, and facilitate access to climate finance at the local level. Additionally, documenting and disseminating experiences will enhance the scalability and replicability of initiatives, promoting a sustainable and resilient approach across the region.
171. Through a structured financing mechanism based on intervention packages, beneficiary cities will receive individual support while also being part of an interconnected network that amplifies the impact of investments through shared learning and the replication of solutions.
172. This model maximizes the efficiency and scalability of adaptation efforts, generating synergies among cities facing similar challenges and promoting the coordinated implementation of nature-based solutions. The BiodiverCities Network will facilitate the integration of knowledge, experiences, and financing strategies, strengthening urban resilience sustainably.

Additionality: Added Value of the Requested Funding

173. CAF's extensive presence and regional experience represent a key added value for the program, facilitating its scalability and consolidation. With offices in 20 countries and initiatives across its 26 member states, CAF brings expertise in climate adaptation and urban development, supported by initiatives such as the training program "Cities and Climate Change in Latin America and the Caribbean," the Climate Change Vulnerability and Adaptation Index (2014), and the RED 2023 Report, which analyzes regional solutions to the climate and biodiversity crisis.
174. CAF's role is particularly relevant in Component 3, which focuses on knowledge management and exchange within the BiodiverCities Network, where its in-kind support will be essential to ensuring the network's effective operation and sustainability.
175. While co-financing is not a requirement, the program is designed with the flexibility to explore partnerships with strategic actors, such as the private sector, donors, and relevant networks. These contributions, though optional, will enhance the program's impact, improve its sustainability, and strengthen its alignment with the goal of fostering resilience in vulnerable communities.

L. Describe how the programme draws on multiple perspectives on innovation from e.g., communities that are vulnerable to climate change, research organizations, or other partners in the innovation space, in the context in which the project/programme would take place.

176. The ABC Regional Program embraces a comprehensive and innovative approach to designing and implementing inclusive climate adaptation solutions. Under Component 1, the program supports small grant proposals that foster innovation by encouraging cities to apply not only new physical tools but also innovative processes, skills, and approaches to address local climate risks and impacts effectively.
177. By incorporating EbA, CbA, GbA approaches, the programme provides valuable frameworks for understanding and tackling local climate challenges. Cities are encouraged to adopt these approaches to design inclusive solutions that address the real needs of diverse stakeholders, including unconventional actors such youth, women, disabled people, researchers, civil society, and the private sector.
178. The programme seeks to scale up proven local EbA solutions while testing and developing new, cost-effective EbA and CbA measures in BiodiverCities. This approach bridges the unique biodiversity of the LAC region with the escalating climate challenges faced by urban areas. By doing so, the program catalyzes local processes that encourage cities to delve deeply into their environmental and social challenges, framing them within the broader context of climate change adaptation and fostering collaborative, solution-driven efforts among local governments.
179. The ABC regional programme promotes innovation by changing the way in which local planning and community impact initiatives are conceptualized and executed. It achieves this in several ways.
180. The program facilitates a dynamic learning platform tailored to address the specific capacity-building and institutional development needs of cities. This iterative learning environment enables cities to reframe problems and develop feasible, LLA solutions that integrate traditional knowledge with cutting-edge scientific research.
181. This knowledge ecosystem generated will be used to further strengthen a community of practice on LLA options, and it will be manifested in an updated database. The development of such a database will be made through consultation of stakeholders involved in the BiodiverCities Network with a view of making it fit for purpose and user friendly.
182. The program fosters partnerships with research organizations, universities, adaptation experts, and regional institutions to co-create scalable, evidence-based solutions. These collaborations promote spillover effects at both city and regional levels, highlighting the interconnected and transboundary nature of climate risks and the importance of coordinated, rather than isolated, efforts.
183. Furthermore, partnerships with international climate and biodiversity organizations ensure that the program also makes contributions to the adaptation' global efforts. In this regard, one of the program's innovative features lies in its provision of evidence-based indicators to advance the implementation of UAE Framework. These indicators support various targets, including the adaptation policy cycle and ecosystem-related goals and others, offering a localized perspective to inform global adaptation efforts.

M. Describe how the sustainability of the programme outcomes has been taken into account when designing the programme.

184. The sustainability of the ABC Regional Program outcomes has been central in its design in a way it ensures that benefits extend beyond the program's duration.
185. Under component 2, the program prioritizes building the capacities of local governments to develop, implement, and monitor LLA solutions. It places a strong emphasis on the formulation and integration of LAPs into broader municipal and national planning policy instruments. These processes are bolstered through targeted technical assistance, as well as virtual and in-person training sessions for city

government officials. This approach ensures alignment with local and national adaptation strategies, fostering coherence across planning instruments.

186. Additionally, the program extends its reach through activities within the BiodiverCities Network, engaging cities that may not directly participate in components 1 or 2. This effort equips a broader range of local governments to autonomously manage adaptation actions and access additional resources in the future. For example, the development of a finance framework proposal is a key activity aimed at facilitating access to climate finance for members of the BiodiverCities Network.
187. The program underscores the importance of building technical capacities among local teams while empowering communities and diverse stakeholders. These participatory processes ensure that communities actively contribute to identifying, designing, and implementing adaptation initiatives, embedding ownership and sustainability into the outcomes.
188. To enhance sustainability in the long-run the program encourages the identification of opportunities of collaboration and the establishment of partnerships with different stakeholders with a view of diversifying funding sources. Proposals under component 1 are specifically evaluated for their potential to sustain initiatives beyond the program's funding period, requiring clear strategies for continued impact.

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

189. All LLA proposals submitted for funding consideration under component 1 will be screened and evaluated in accordance with the Adaptation Fund's environmental, social, and gender policies, as mentioned in Section II. D, G and III.C. of this document
190. Additionally, the Executive Committee of the regional program will establish a grievance and complaints mechanism to address petitions, grievances, or claims that may arise at any stage of the Program cycle in an appropriate and effective manner. To this end, information on how to submit a petition will be made available for stakeholders consultation. Periodically, the outcomes of the cases addressed will be disseminated, and this information will also serve as feedback to improve Program practices.

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
<i>Compliance with the Law</i>		See paragraph 161.
<i>Access and Equity</i>		See paragraph 161.
<i>Marginalized and Vulnerable Groups</i>		See paragraph 161.
<i>Human Rights</i>		See paragraph 161.
<i>Gender Equity and Women's Empowerment</i>		See paragraph 161.
<i>Core Labour Rights</i>		See paragraph 161.
<i>Indigenous Peoples</i>		See paragraph 161.
<i>Involuntary Resettlement</i>		See paragraph 161.
<i>Protection of Natural Habitats</i>		See paragraph 161.

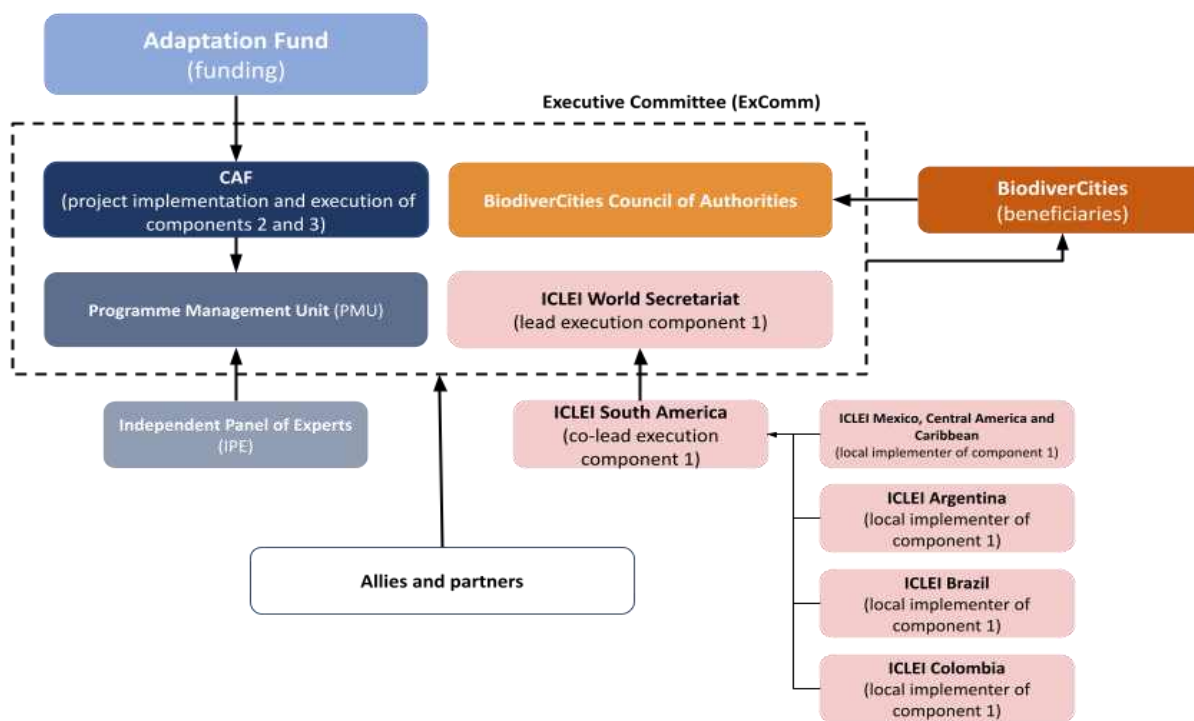
<i>Conservation of Biological Diversity</i>		See paragraph 161.
<i>Climate Change</i>		See paragraph 161.
<i>Pollution Prevention and Resource Efficiency</i>		See paragraph 161.
<i>Public Health</i>		See paragraph 161.
<i>Physical and Cultural Heritage</i>		See paragraph 161.
<i>Lands and Soil Conservation</i>		See paragraph 161.

PART III: IMPLEMENTATION ARRANGEMENTS

- A. Describe the arrangements for project / programme management at the regional and multi-regional level, including coordination arrangements within countries and among them. Describe how the potential to partner with national institutions, and when possible, national implementing entities (NIEs), has been considered, and included in the management arrangements.**

191. The governance model of the BiodiverCities Network and the proposed governance model for the ABC Regional Programme have different intersections. The roles of the different actors that are part of the program's governance structure are detailed below (see Figure 7).

Figure 7. Governance Model Programme

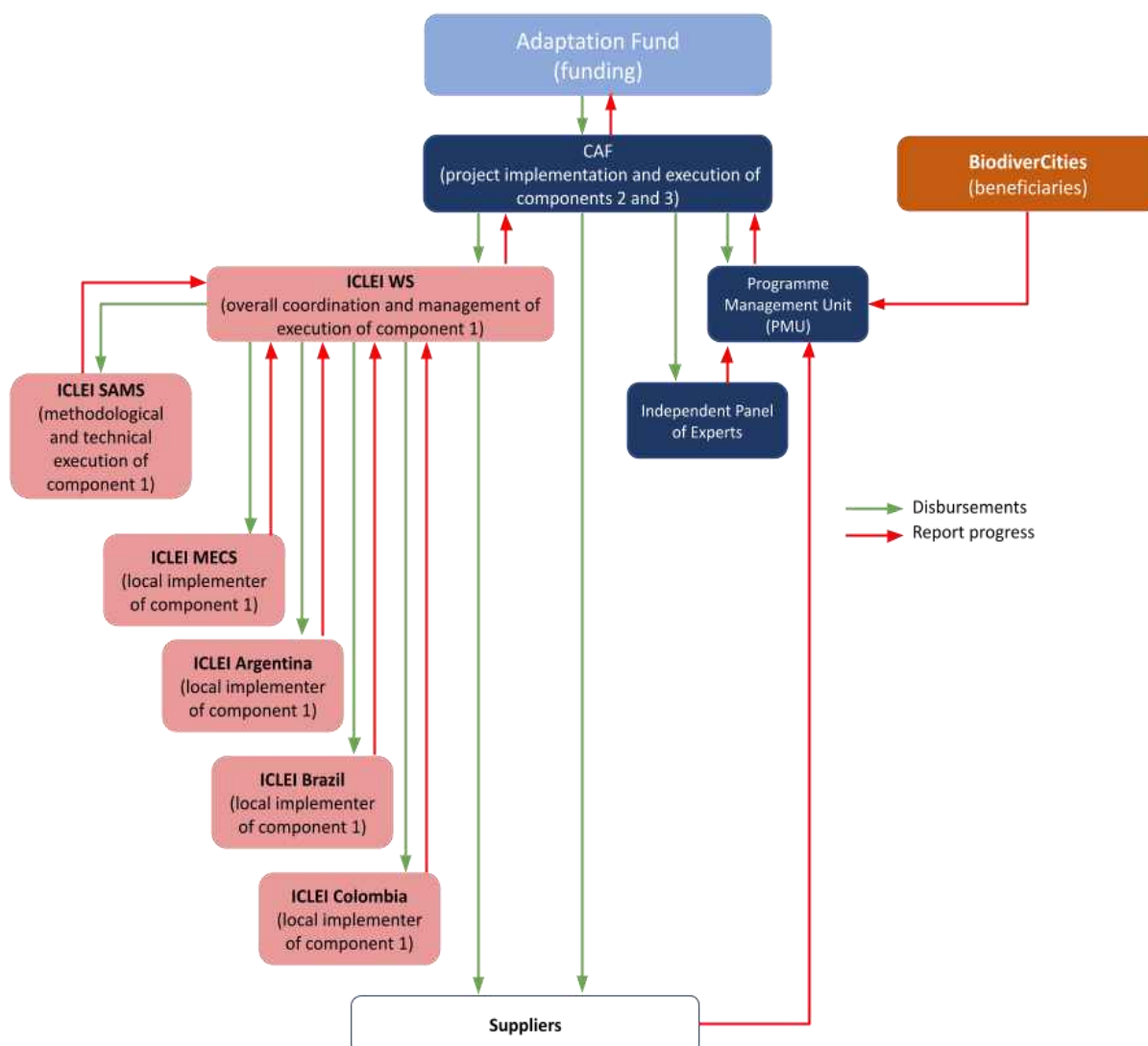


192. **Latin-American Development Bank (CAF).** As the implementation partner in this grant, CAF will be responsible for overall coordination, oversight of the implementation of activities, and evaluation of the Programme activities, which will be done in coordination with the Executive Committee (ExComm) and the Programme Management Unit (PMU). Additionally, CAF will be responsible for i) the implementation of the activities under this grant, ii) fiduciary and financial management of the funds provided by the AF, iii) execution of Components 2 and 3 which include the procurement of any goods and services under them, following CAF's Manual on Good and Services Procurement, as reviewed by the AF during CAF's Accreditation process, iv) monitoring and reporting implementation progress; and v) publishing the calls' different phases and results in the Biodivercities webpage.
193. CAF will ensure the transparent use of grant resources, assuring that they are in accordance with the budget previously presented to the AF and that the contracting, purchases, and disbursements, generally, be carried out under its manuals, procedures, and regulatory guidelines. It will also submit Project Performance Reports (PPRs) to the AF under the terms of the Framework Agreement.
194. CAF will be responsible for conflict resolution and for ensuring the application of the AF environmental and social safeguards.
195. In close coordination with CAF's AF Focal Point, CAF Executives from the Climate Action and Positive Biodiversity Regional Management and the Urban Development, Water and Creative Economies Regional Management will be responsible for project oversight and supervision and ensuring consistency with AF and CAF policies and procedures.
196. The functions of this Executive will include, but will not be limited to the following:
 - I. Co-Chairing ExComm meetings.
 - II. Undertaking the technical review of project deliverables.
 - III. Preparing requests for disbursements and any other requests related to project implementation.
 - IV. Clearing and delivering the PPRs to the AF.
173. ICLEI World Secretariat (WS). As Component 1 lead executor, the ICLEI World Secretariat will manage the overall coordination and management of Component 1 execution. It will ensure the integration of Component 1 objectives and provide central guidance, resource management, robust procurement processes, support the PMU to implement the Programme's Monitoring, Evaluation, and Learning (MEL) system, and high-level oversight across all ICLEI offices involved. ICLEI World Secretariat's main role is the administrative and financial management and controlling. This involves the procurement of any goods and services for grant implementation (including studies, infrastructure works, etc.), reporting to CAF with regard to its execution and the design of webinars and/or other activities to support cities seeking to apply for grants. This will be done in coordination with the ExComm and the PMU. ICLEI will not transfer funds to the local governments. It will also supervise Component 1 execution, support ICLEI South America, responsible for the technical execution, and co-chair the ExComm.
174. ICLEI South America (SAMS). As Component 1 co-lead executor, ICLEI South America is responsible for coordinating the methodological and technical execution of Component 1. This role encompasses standardizing the execution, providing technical support, and supervising strategies and tools that facilitate local implementer stacks. ICLEI South America will work closely with ICLEI World Secretariat to guarantee a coherent execution in all Latin America.
175. ICLEI Mexico, Central America and Caribbean (MECS). As one of Component 1 local implementers, ICLEI Mexico, Central America and Caribbean is responsible for the local execution of Component 1 across Mexico and Central American and Caribbean countries, following the methodological and technical frameworks established by ICLEI South America and the administrative guidance of ICLEI World Secretariat. This role includes adapting to the local contexts of these countries and applying the appointed strategies to support the execution of the projects.
176. ICLEI Argentina. As one of Component 1 local implementers, ICLEI Argentina is responsible for the local execution of Component 1 in Argentina, Chile, Paraguay, and Uruguay, following the methodological and

technical frameworks established by ICLEI South America and the administrative guidance of ICLEI World Secretariat. This role includes adapting to the local contexts of these countries and applying the appointed strategies to support the execution of the projects.

177. ICLEI Brazil. As one of Component 1 local implementers, ICLEI Argentina is responsible for the local execution of Component 1 in Brazil, following the methodological and technical frameworks established by ICLEI South America and the administrative guidance of ICLEI World Secretariat. This role includes adapting to the local contexts of these countries and applying the appointed strategies to support the execution of the projects.
178. ICLEI Colombia. As one of Component 1 local implementers, ICLEI Argentina is responsible for the local execution of Component 1 in Colombia, Ecuador, Peru, Bolivia, and Venezuela, following the methodological and technical frameworks established by ICLEI South America and the administrative guidance of ICLEI World Secretariat. This role includes adapting to the local contexts of these countries and applying the appointed strategies to support the execution of the projects.
179. ICLEI WS will be contracted by CAF to execute activities 2.2 (partly) and 3.13 (completely), with specific arrangements different from the ones of Component 1 execution. ICLEI SAMS will be responsible for the technical execution of these activities.

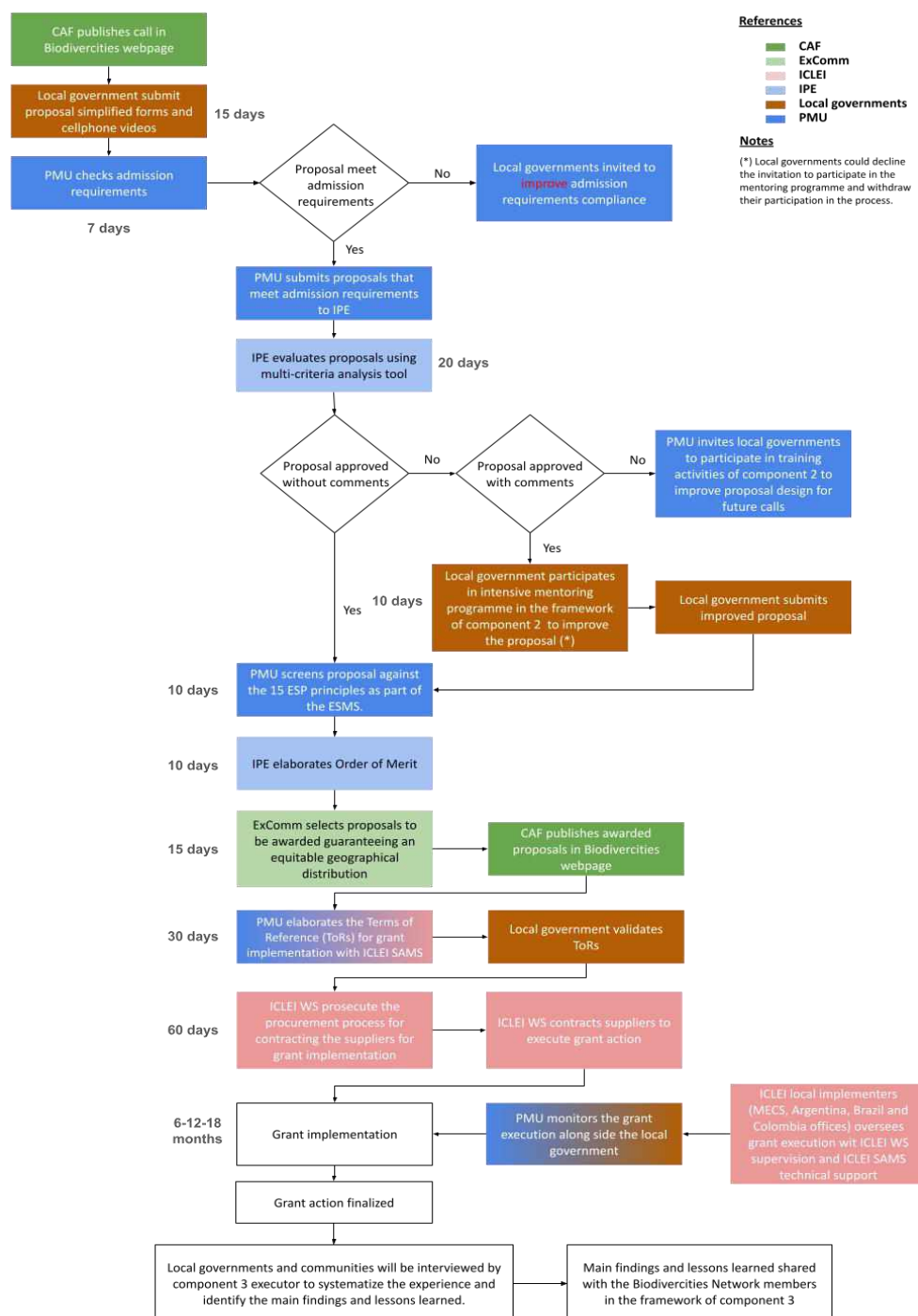
Figure 8. Programme disbursements and reporting process



180. Council of Authorities of BiodiverCities. It will participate in all the activities assigned to the ExComm along with CAF as lead and ICLEI, and it will be the main link of the programme to the BiodiverCities Network and its governance. As indicated in Section I.A, the board is composed of 8 BiodiverCities mayors or maximum authorities; 8 technical referents, one for each local government participating in the Council; 3 regional referents with recognised experience; and 1 CAF representative from the Executive Secretariat or the General Coordination. The BiodiverCities mayors or maximum authorities of the Council may define one person to represent them in the ExComm.
181. Executive Committee (ExComm). It will be established to avoid duplication of efforts, increase the effectiveness of the programme, maintain complementarity with other activities, and ensure coherence with the BiodiverCities Network priorities. The ExComm will be co-chaired by representatives of CAF, ICLEI World Secretariat and the *Council of Authorities* of the BiodiverCities Network, and the PMU Coordinator will act as secretariat, ensuring the correct operation of the ExComm. It will be responsible for defining rules and additional criteria for grants acquisition, and decide on the final proposals to be awarded; monitoring the general implementation of the program, defining IPE conformation, and adjusting budget and activities of the programme.
182. Independent Panel of Experts (IPE). Recognised adaptation experts in the region and other external specialists will be selected to participate and a fee will be paid for their services. IPE could include representatives of Von Humboldt's Institute, UN-Habitat, and experts from local universities, and/or other relevant institutions, acting on a personal basis. In any case, they cannot be related to specific funding proposals, nor be part of CAF or ICLEI or public servants of Biodivercities municipalities.
183. The IPE will evaluate the grant proposals by applying the multi-criteria analysis tool included in Annex 1 and elaborate the Order of Merit. It will also categorize the proposals as follows: approved without additional comments, approved with comments, and not approved.
184. Programme Manager Unit (PMU). The PMU is responsible for carrying out operational and administrative tasks. It will be formed by two co-coordinators (2); one for component 1 related to ICLEI and another for component 2 and 3 related to CAF; an administrative staff (1), a specialist in urban planning and adaptation with knowledge on environmental and social safeguard (1) and a specialist in Monitoring, Evaluation and Learning (MEL) (1). The PMU will act as a key liaison, facilitating communication and coordination between the ExComm and the IPE. It will also coordinate the programme's budgetary components (including organising 4 regional meetings) and identify the possible specialists that will make up the IPE.
185. Regarding the grant implementation process, PMU will notify local governments through each process phases, corroborate the proposals' compliance with the minimum admission requirements, screen proposals against the 15 ESP principles as part of the ESMS, elaborate the Terms of Reference (ToR) for the grant implementation with ICLEI South America, monitor the grant execution alongside the local government and with ICLEI's offices supervision, and ensure compliance with the deadlines and quality specifications of the contracts.
186. Allies and partners. All components will also benefit from cooperation with various allies and partners that are already working in urban, climate and biodiversity initiatives. They will provide technical advice on LAPs development and the implementation of LLA actions, as appropriate, publications and open database development, and support specific activities such as webinars, specific studies, research activities, surveys, that contribute to the capacity building process.
187. A potential list of allies is included as reference:
 - Networks : Mercociudades, UCLG, C40, Red de Ciudades Resilientes (MCR2030)
 - Technical and scientific institutions: ,Instituto SARAS, Uruguay, Humboldt Institute, Colombia CIEFAP - Centro de Investigación y Extensión Forestal Andino Patagónico, Argentina Center for International Forestry Research and World Agroforestry (CIFOR-ICRAF), IISD - International Institute for Sustainable Development, The Nature Conservancy
 - Agencies: ONU Habitat, NAP Global Network, UNDRR, United Nations Environment Programme World

188. **Local governments.** They are the beneficiaries of the three components who are members of the BiodiverCities Network and Programme. Both the PMU, the ExComm and its individual members acting as component implementers (ICLEI of component 1 and CAF of components 2 and 3) will liaise with cities through focal points nominated by each city for communications, receiving and providing information associated with the programme and its implementation.
189. Grant awarded local governments will validate the terms of reference for the procurement of goods and services for its implementation by ICLEI. They will also be interviewed by a Component 3 executor to systematize the experience and identify the main findings and lessons learned. These will be shared with the Biodivercities Network members.
190. For a better understanding of the grant implementation process, (SEE Figure 9) details the roles for the acquisition, implementation and monitoring of LLA interventions.

Figure 9. Grant implementation process roles



B. Describe the measures for financial and programme risk management.

191. The ABC Regional Program incorporates a comprehensive approach to financial and program risk management, ensuring effective implementation and sustainability.

Potential Risk	Type	Risk Level	Risk Management Strategy
LLA pilots and interventions don't make progress on the	Programmatic Financial	Low	-Proposals will include risk mitigation plans as part of the application process, which will

Potential Risk	Type	Risk Level	Risk Management Strategy
time allocated for its disbursement and implementation.			<p>be assessed by the TCE and monitored by the PMU.</p> <p>-Proposals are required to clearly define and align their objectives and components, ensuring they are supported by a well-structured budget and realistic timeframe to facilitate effective and efficient execution.</p> <p>-Interested cities applying to small grants under component 1 will be supported through training in risk identification, assessment, and mitigation. This will be useful to identify early LLA pilot potential risks but also for the entire ABC regional programme implementation.</p>
The ABC Regional Programme fails to meet planning, implementation and knowledge' cities gaps and needs for innovative climate resilience responses.	Programmatic	Low	<p>-Regular progress reports by the ExComm will be elaborated and made public. This will include a risk management section, ensuring ongoing dialogue among beneficiaries. Their contributions will be used to improve the regional programme implementation performance.</p> <p>-MEL activities proposed under component 3 will serve as a safe and experimental space in which cities can learn about project risk management as well as reflect and provide feedback about the implementation of the regional programme. It can be used as an opportunity to check with cities on the programme expectations and to consequently adjust its activities.</p>
The ABC Regional Program lacks a cohesive governance to ensure articulation across its three components.	Programmatic	Medium	<p>-The governance framework includes an ExComm made up of stakeholders that are key for a proper functioning of each component: CAF, ICLEI, Council of Authorities, PMU.</p> <p>-The governance framework includes PMU to oversee decision-making and risk management processes.</p> <p>- The PMU will consult beneficiaries on challenges for advancing in LLA options and LAP design and implementation in order to report to the ExComm.</p> <p>-The ExComm will regularly assess financial and programmatic risks and guide mitigation strategies.</p>

Potential Risk	Type	Risk Level	Risk Management Strategy
Changes in government at the national, provincial and/or departmental level may cause loss of support for the regional programme activities.	Programmatic Political	Medium	<ul style="list-style-type: none"> - Cities participating in the ABC Regional Programme will be requested to demonstrate the LLA proposal' contributions to other national and/or subnational climate or development related strategies, plans, etc. - Cities will have to present Letters of Endorsement from countries where they are located.
LLA pilots and interventions fail to address vulnerabilities and climate risks and are disconnected from planning processes.	Programmatic	Medium	<ul style="list-style-type: none"> -The Regional Program will secure resources for developing LAPs as part of its component 1 focus on implementation. - Activities under component 2 aims to support cities to build capacity to design, implement and monitor LLA solutions. -A survey will be conducted in order to identify cities' information and capacity-building needs, with the aim of refining capacity-building efforts and enhancing collaboration with allies and partners for technical support.

C. Describe the measures for environmental and social risk management, in line with the Environmental and Social Policy of the Adaptation Fund.

192. CAF employs a comprehensive framework that ensures transparency and accountability throughout all project stages. This framework includes the identification and mitigation of environmental and social risks, the adoption of environmental and social safeguard policies, and rigorous monitoring of compliance with gender policies. Additionally, CAF promotes stakeholder engagement and ensures that environmental and social management practices align with international standards.
193. The Adapting BiodiverCities Regional Program aims to support subprojects that will implement LLA solutions in Latin America and the Caribbean, which are yet to be selected or defined. Due to this and in line with the AF' ESP, the environmental and social risk management will be carried out during the implementation of the program as part of the LLA solutions selection process.
194. Once proposals are pre-selected by the TCE based on the criteria outlined above, they will undergo a screening process against the 15 ESP principles as part of the ESMS. This screening ensures compliance with the ESP and is followed by a thorough assessment to identify and address any environmental and social risks. Identified risks will be managed through the development of tailored management plans or by making necessary adjustments to the proposed LLA solution to ensure full alignment with safeguard requirements.
195. Furthermore, information about the project and the safeguards that must be met will be disclosed to the public and relevant stakeholders for their information and engagement, and local authorities will be trained on the Adaptation Fund's environmental and social safeguards as part of activities included in component 2. This will guarantee local actors fulfilment of safeguard policies of the Fund and CAF, as well.

196. Additionally, periodic monitoring of compliance with the required environmental and social management plan will be conducted and documented in annual progress reports. The program team will encourage stakeholders to report any potential compliance issues and grievances. It should also be highlighted that CAF has a grievance redress mechanism.

D. Describe the monitoring and evaluation arrangements and provide a budgeted M&E plan.

197. Monitoring, Evaluation, and Learning (MEL) activities are critical for assessing the progress of the Regional Programme and achieving core objectives under components 2 and 3. To ensure effective implementation, CAF will hire a dedicated MEL specialist within the PMU. Additionally, the inclusion of a specialist in gender mainstreaming will be evaluated as needed to enhance the efficiency and effectiveness of MEL activities.
198. The MEL specialist will oversee the implementation of the M&E plan, which includes design of appropriate data collection tools and the construction of databases to capture and process information. This also involves supervising data collection efforts, conducting progress analysis and generating inputs for timely decision making to ensure the programme's success.
199. Gender-disaggregated data collection and analysis will be integral to the monitoring and evaluation processes for all programme activities and results. These measures, as outlined in Sections II.D (Paragraph 101) and III.E, will ensure the programme remains inclusive and equitable in its approach.
200. The MEL specialist will play a pivotal role in developing the MEL system within the BiodiverCities Network under component 2 and 3. This includes working closely with local authorities and technical teams to strengthen capacities in M&E and follow-up of LAPs and adaptation pilots under components 1 and 2.
201. A key responsibility of the MEL specialist is to lead the development of a suite of indicators within the BiodiverCities Network and the Regional Programme, contributing to the operationalization of the UAE Framework on the Global Goal on Adaptation (GGA) at the local level. This effort will ensure synergies with the UNFCCC process, encouraging cities to utilize and report these indicators, thereby contributing to the global adaptation community's knowledge base.
202. The ABC Regional Programme requires CAF to submit annual Programme Performance Reports (PPR) to the AF, which includes the Adaptation Fund Results Tracker. The MEL specialist will compile all necessary data and inputs for these reports, ensuring compliance with the AF Evaluation Framework and reporting requirements. By tracking progress against the indicators and planned targets in the results framework, the specialist will provide actionable recommendations to the PMU.
203. The MEL specialist will also ensure timely reporting to identify deviations from planned targets and make recommendations for corrective actions.
204. Progress monitoring and data collection will occur at least quarterly. The MEL activities under Component 3 will provide a platform for cities to reflect on and provide feedback regarding the implementation of the Regional Programme. This feedback will serve as valuable input for both monitoring and adjusting activities and for preparing required reports.
205. Finally, the programme will include an independent mid-term evaluation and a final independent evaluation. The assessments will evaluate progress and extract lessons learned, ensuring continuous improvement throughout the programme's implementation.

206. Monitoring and Evaluation Plan

MEL activity	Responsible Party	Budget USD	Frequency
Conduct a survey targeting BiodiverCities Network members to identify their information and capacity-building needs.	- PMU MEL specialist	33,000 (included in the programme budget)	- At the beginning of the programme.
Conduct a knowledge assessment on the adaptation policy cycle, including MEL and elaborate a report on capacity building needs and knowledge baseline.	- PMU MEL specialist	33,000 (included in the programme budget)	- At the beginning of the programme. Report available one month after each survey and knowledge assessment closing.
Develop the BiodiverCities Network and Programme open knowledge database	- PMU MEL specialist -IT external consultants (Firm 3)	130,000 (included in the programme budget)	-According to the schedule programme implementation
Identify inputs (indicators) derived from the design and implementation of LAPs and pilots projects within the ABC RP as contributions based on local experiences to inform the UAE Framework	- PMU MEL specialist - Consultant team (Firm 3)	30,000 (included in the programme budget)	-According to the schedule programme implementation
Monitor activities of output/outcome indicators	- PMU MEL specialist	71,850 (included in the programme budget as PMU cost)	- Quarterly data collection for monitoring progress of activities: monitoring of outputs and outcomes - Semestral monitoring of progress on results framework indicators
Elaborate six monthly reports	- PMU MEL specialist	85,000 (included in the programme budget as PMU cost)	-Reports submitted to CAF from the project coordination on a semi-annual and annual basis
Elaborate 3 annual programme performance reports (PPR) to the Adaptation Fund	- CAF - PMU MEL specialist - PMU general coordinator	100,800 (included in the programme budget as PMU cost)	-Reports shall be submitted annually (no later than two months after the end of the reporting year). -The first PPR shall be submitted one year after the start of project implementation.

			-The final PPR shall be submitted no later than two months after the end of the reporting year.
Follow-up missions to the programme	CAF PMU specialists MEL Specialist	21,000	They are carried out annually. USD 7,000 per year.
Conduct an external mid-term evaluation	Independent consultants hired to conduct the assessments	50,000	-Approximately one and a half years after the initiation of the ABC RP (anticipated around February 2027).
Conduct an external final evaluation	Independent consultants hired to conduct the assessments	50,000	-Four months after ABC RP closing (estimated in August 2028)
Total MEL costs		604,650	

E. Include a results framework for the project/programme proposal, including milestones, targets and indicators.

Results	Indicators	Baseline	Targets	Means of verification	Risks and assumptions
Outcome 1. BiodiverCities implement locally-led and ecosystem, community and gender based adaptation solutions and improve their adaptation local policy cycle.	Number of BiodiverCities that implement locally led and ecosystem, community and gender based adaptation solutions through competitive grants.	0	Up to 50 BiodiverCities implement locally led and ecosystem, community and gender based adaptation solutions through competitive grants.	Monitoring of grant interventions progress.	<p>Assumptions: Cities are interested and participate in the 3 calls for proposals. The national governments sign the endorsement letters of the Programme.</p> <p>Risks:</p> <ul style="list-style-type: none"> ● LLA pilots and interventions don't make progress on the time allocated for its disbursement and implementation. ● Changes in government at the national, provincial and/or departmental level may cause loss of support for the regional programme activities.
Output 1.1. Pilot adaptation projects carried out and Local Adaptation Plans developed, improved or updated in BiodiverCities through grants of 50,000 to 500,000 USD, including periodic calls in months 6, 12 and 18 of the programme. The pilots involve the implementation of LLA solutions aligned with Adaptation Fund policies and monitorable.	Number of grants adjudicated to implement pilot adaptation projects.	0 0	<p>Up to 50 grants were adjudicated to implement pilot adaptation projects.</p> <p>Up to 10 grants adjudicated to develop, improve or update Local Adaptation Plans.</p>	<p>Programme monitoring system data</p> <p>Monitoring of grant interventions progress.</p>	Assumption: proposals meet the minimum requirements to be awarded.
Outcome 2. Capacities of subnational governments strengthened to formulate, implement, and monitor adaptation actions and Local Adaptation Plans.	Percentage of cities within the BiodiverCities Network that receive capacity building, technical support and strengthen its institutional capacities for developing and implementing adaptation actions and LAPs.	0.5 % (1 city)	At least 50% of the cities involved in the BiodiverCities Network and the Regional Programme receive capacity building, technical support and strengthen its institutional capacities for developing and implementing LAPs.	<p>Programme monitoring system data</p> <p>Programme deliverables</p> <p>Participant registration</p>	Risk: The ABC Regional Programme fails to meet planning, implementation and knowledge' cities gaps and needs for innovative climate resilience responses.

Results	Indicators	Baseline	Targets	Means of verification	Risks and assumptions
Output 2.1. LLA project proposals addressing local adaptation needs and priorities, developed and enhanced.	Number of proposals resulting from the technical support provided through the programme	0	100 BiodiverCities supported for the development of grant proposals.	Programme monitoring system data	Assumptions: cities engage on technical support to develop and enhance new or existing proposals, as appropriate.
Output 2.2. Technical support and training for developing and enhancing formulation, execution and monitoring skills in LLA projects, conducted.	Number of cities supported for the development of grant proposals. Number of cities supported for the implementation of grant proposals.	0 0	100 BiodiverCities supported for the development of grant proposals. 50 BiodiverCities supported for the implementation of grant proposals.	Programme monitoring system data	Assumptions: half of the cities that develop grant proposals get awarded. All the cities that develop grant proposals are supported in its presentation.
Output 2.3. Reports on capacity building needs and knowledge baseline, elaborated.	Number of conducted surveys for targeting BiodiverCities Network members to identify their information and capacity-building needs. Knowledge assessment on the adaptation policy cycle, including MEL, conducted.	0 No	1 survey conducted for targeting BiodiverCities Network members to identify their information and capacity-building needs. Knowledge assessment on the adaptation policy cycle, including MEL, conducted.	Programme monitoring system data Programme deliverables Participant registration	Assumption: local governments show interest and respond to the survey.
Output 2.4. Assessment processes associated with local institutional capacities to develop, implement and monitor LLAs, conducted.	Number of conducted assessment processes associated with local institutional capacities to develop, implement and monitor LLAs.	0	10 assessment processes associated with local institutional capacities to develop, implement and monitor LLAs, conducted.	Programme monitoring system data Programme deliverables	
Output 2.5. Studies to improve the adaptation policy cycle of prioritised cities developed and its results presented in virtual meetings to the Network.	Number of conducted studies or training processes tailored to the needs of prioritized cities to facilitate the design, implementation and monitoring of LLA actions.	0	10 studies or training processes tailored to the needs of prioritized cities to facilitate the design, implementation and monitoring of LLA actions, conducted.	Programme monitoring system data Programme deliverables	
Output 2.6. Participatory governance schemes associated with LLA, designed and implemented.	Number of cities supported for the design and implementation of participatory governance schemes associated with LLA	0	10 cities supported for the design and implementation of participatory governance	Programme monitoring system data Programme deliverables	Assumption: local governments priorities and needs are in line with the proposed thematic activities (risk baselines,

Results	Indicators	Baseline	Targets	Means of verification	Risks and assumptions
			schemes associated with LLA.		governance, gender mainstreaming, etc.)
Output 2.7. Local climate finance strategies, instruments and tools for the implementation of LLA actions, designed and implemented.	Number of cities supported for the design and implementation of local climate finance strategies, instruments and tools for the implementation of LLA actions.	0	10 cities supported for the design and implementation of local climate finance strategies, instruments and tools for the implementation of LLA actions.	Programme monitoring system data Programme deliverables	Assumption: local governments priorities and needs are in line with the proposed thematic activities (risk baselines, governance, gender mainstreaming, etc.)
Output 2.8. Processes to develop, improve or update LAPs, supported.	Number of cities supported for developing and implementing LAPs.	0	10 cities supported for developing and implementing LAPs.	Programme monitoring system data Programme deliverables	Assumption: local governments priorities and needs are in line with the proposed thematic activities (risk baselines, governance, gender mainstreaming, etc.)
Output 2.9. Gender mainstreamed in LAPs.	Number of cities supported in gender mainstreaming in LAPs.	0	5 cities supported in gender mainstreaming in LAPs.	Programme monitoring system data Programme deliverables	Assumption: local governments priorities and needs are in line with the proposed thematic activities (risk baselines, governance, gender mainstreaming, etc.)
Output 2.10. Vulnerability and climate risk baselines reports, elaborated.	Number of cities supported in the development of vulnerability and climate risk baselines.	0	5 cities supported in the development of vulnerability and climate risk baselines.	Programme monitoring system data Programme deliverables	Assumption: local governments priorities and needs are in line with the proposed thematic activities (risk baselines, governance, gender mainstreaming, etc.)
Output 2.11. Virtual and in-person training for city government officials for LAPs formulation, participatory process, cross-cutting approaches (EbA, CbA, GbA, etc.), MEL systems and tools, LAP financing strategies, etc., conducted.	Number of city officials trained in LAP associated themes.	0	300 city officials trained in LAP associated themes.	Programme monitoring system data Programme deliverables Participant registration	Assumption: local governments priorities and needs are in line with the proposed thematic activities (risk baselines, governance, gender mainstreaming, etc.)
Output 2.12. Guidelines for LAP formulation and a compilation of best practices applicable to cities, elaborated.	Number of elaborated publications with guidelines for LAP formulation and a compilation of best practices applicable to cities.	0	1 publication with guidelines for LAP formulation and a compilation of best practices applicable to cities, elaborated.	Programme monitoring system data Programme deliverables	Assumption: local governments priorities and needs are in line with the proposed thematic activities (risk baselines, governance, gender mainstreaming, etc.)

Results	Indicators	Baseline	Targets	Means of verification	Risks and assumptions
Outcome 3. Cities within the BiodiverCities Network and Programme strengthen their knowledge on LLA actions design, planification, implementation and monitoring.	Number of city government teams that strengthen their knowledge on the adaptation policy cycle, including MEL.	0	100 city government teams that strengthen their knowledge on the adaptation policy cycle, including MEL.	Programme monitoring system data Programme deliverables. Beneficiaries interviews.	
Output 3.1. BiodiverCities Network and Programme open knowledge database, designed and published.	BiodiverCities Network and Programme open knowledge database published.	No	BiodiverCities Network and Programme open knowledge database published.	Programme monitoring system data Programme deliverables	Assumptions: Cities are interested and participate in the webinars and in-person meetings.
Output 3.2. Implementation of cooperation cycles between cities of the network to strengthen capacities on climate adaptation and biodiversity conservation and sustainable use at local level. This will include In-person regional meetings with BiodiverCities Network and Programme members involved in the AF Programme to facilitate the exchange of lessons learned and good practices.	Number of cooperation cycles between cities conducted. Number of in-person regional meetings with BiodiverCities Network and Programme members involved in the Regional Programme to share lessons learned and good practices, held. Number of city officials participating in regional meetings.	4 0 0	4 cooperation cycles between cities conducted. 4 in-person regional meetings with BiodiverCities Network and Programme members involved in the Regional Programme to share lessons learned and good practices, held. 80 city officials participating in regional meetings.	Programme monitoring system data Programme deliverables Participant registration	Assumptions: Cities are interested and participate in the webinars and in-person meetings.
Output 3.3. Publications with best practices and key findings related to the AF Programme actions (considering themes such as climate governance, EbA, CbA, GbA, MEL, among others), elaborated and disseminated in webinars.	Number of webinars to disseminate the publications with best practices and key findings related to the Regional Programme actions, held. Number of city officials participating in regional meetings and webinars to disseminate the publications with best practices and key findings related to the Regional Programme actions.	0 0	3 webinars to disseminate the publications with best practices and key findings related to the Regional Programme actions, held. 300 city officials participating in regional meetings and webinars to disseminate the publications with best practices and key findings related to the Regional Programme actions.	Programme monitoring system data Programme deliverables Participant registration	Assumptions: Cities are interested and participate in the webinars and in-person meetings.

Results	Indicators	Baseline	Targets	Means of verification	Risks and assumptions
	Number of elaborated publications with best practices and key findings related to the AF Programme actions (considering themes such as climate governance, EbA, CbA, GbA, MEL, among others).	0	3 publications with best practices and key findings related to the AF Programme actions (considering themes such as climate governance, EbA, CbA, GbA, MEL, among others).		
Outcome 4. BiodiverCities Network and Regional Programme consolidated.	<p>Number of cities participating in the BiodiverCities Network and Programme activities during Regional Programme implementation.</p> <p>Number of cities being members of the BiodiverCities Network and Programme.</p>	<p>0</p> <p>198</p>	<p>200 cities participate in the BiodiverCities Network and Programme activities during Regional Programme implementation.</p> <p>300 cities are members of the BiodiverCities Network and Programme.</p>	<p>Programme monitoring system data</p> <p>Participant registration</p>	<p>Risk: The ABC Regional Programme fails to meet planning, implementation and knowledge' cities gaps and needs for innovative climate resilience responses.</p>
Output 4.1. BiodiverCities Network and Programme visibility and international relevance, improved.	<p>Number of alliances with regional and local networks and partners facilitated with the BiodiverCities Network.</p> <p>Number of events organized in regional and international climate and biodiversity related meetings to disseminate the programme's interventions .</p>	<p>4</p> <p>4</p>	<p>X alliances with regional and local networks and partners facilitated with the BiodiverCities Network.</p> <p>X events organized in regional and international climate and biodiversity related meetings to disseminate the programme's interventions .</p>	<p>Programme monitoring system data</p> <p>Key informant interviews</p>	<p>Assumptions: Programme results are achieved and its success facilitates its international relevance.</p>
Output 4.2. Monitoring, Evaluation and Learning (MEL) system within the BiodiverCities Network developed.	MEL system within the BiodiverCities Network developed.	No	MEL system within the BiodiverCities Network developed .	<p>Programme monitoring system data</p> <p>Programme deliverables</p>	
Output 4.3. Next steps for the establishment of BiodiverCities Network Governance 2027-2030, defined.	Finance framework proposal to facilitate access to climate finance for the members of the BiodiverCities Network , developed.	No	Finance framework proposal to facilitate access to climate finance for the members of the BiodiverCities Network , developed.	<p>Programme monitoring system data</p> <p>Programme deliverables</p> <p>Participant registration</p>	<p>Assumptions: Programme results are achieved and its success facilitates its regional relevance.</p>

Results	Indicators	Baseline	Targets	Means of verification	Risks and assumptions
	Number of workshops held to define a roadmap for the BiodiverCities Network Governance 2027-2030.	0	1 online workshops held to define a roadmap for the BiodiverCities Network Governance 2027-2030.		
Outcome 5. Operationalization of the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation, strengthened at the local level.	BiodiverCities Network and the Regional Programme contributes to the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation.	No	BiodiverCities Network and the Regional Programme contributes to the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation.	Programme monitoring system data	
Output 5.1. A proposal with a set of indicators within the BiodiverCities Network and the Regional Programme to contribute to the operationalization of the UAE Framework on the GGA, developed.	Document with a set of indicators within the BiodiverCities Network and the Regional Programme to contribute to the operationalization of the UAE Framework on the GGA, developed and published.	No	Document with a set of indicators within the BiodiverCities Network and the Regional Programme to contribute to the operationalization of the UAE Framework on the GGA, developed and published.	Programme monitoring system data Programme deliverables	

F. Demonstrate how the programme aligns with the Results Framework of the Adaptation Fund

Programme results ³⁴	Programme results Indicators	Fund results	Fund result Indicators	Grant Amount (USD)
Outcome 1. BiodiverCities implement locally-led and ecosystem, community and gender based adaptation solutions and improve their adaptation local policy cycle.	Number of BiodiverCities that implement locally led and ecosystem, community and gender based adaptation solutions through competitive grants.	Outcome 5: Increased ecosystem resilience in response to climate change and variability induced stress	5. Ecosystem services and natural resource assets maintained or improved under climate change and variability-induced stress	7,700,000.00
		Outcome 6: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas	6.2. Percentage of targeted population with sustained climate-resilient alternative livelihoods	
		Outcome 7: Improved policies and regulations that promote and enforce resilience measures	7. Climate change priorities are integrated into national development strategy	
		Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies	8. Innovative adaptation practices are rolled out, scaled up, encouraged and/or accelerated at regional, national and/or subnational level.	
Outcome 2. Capacities of subnational governments strengthened to formulate, implement, and monitor adaptation actions and Local Adaptation Plans.	Percentage of cities within the BiodiverCities Network that receive capacity building, technical support and strengthen its institutional capacities for developing and implementing LAPs.	Outcome 1: Reduced exposure to climate-related hazards and threats	1. Relevant threat and hazard information generated and disseminated to stakeholders on a timely basis	1,500,000.00

³⁴ The AF utilized OECD/DAC terminology for its results framework. Project proponents may use different terminology but the overall principle should still apply

		Outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses.	2.1. Capacity of staff to respond to, and mitigate impacts of, climate-related events from targeted institutions increased	
Outcome 3. Cities within the BiodiverCities Network and Programme strengthen their knowledge on LLA actions design, planification, implementation and monitoring.	Number of city government teams that strengthen their knowledge on the adaptation policy cycle, including MEL.	Outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses	2.1. Capacity of staff to respond to, and mitigate impacts of, climate-related events from targeted institutions increased	1,000,000.00
Outcome 4 BiodiverCities Network and Regional Programme consolidated.	Number of cities participating in the BiodiverCities Network and Programme activities during Regional Programme implementation. Number of cities being members of the BiodiverCities Network and Programme.	Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level.	3.1. Percentage of targeted population aware of predicted adverse impacts of climate change, and of appropriate responses 3.2. Percentage of targeted population applying appropriate adaptation responses	
Outcome 5. Operationalization of the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation, strengthened at the local level.	BiodiverCities Network and the Regional Programme contributes to the UAE Framework for Global Climate Resilience on the Global Goal on Adaptation.			

G. Include a detailed budget with budget notes, broken down by country as applicable, a budget on the Implementing Entity management fee use, and an explanation and a breakdown of the execution costs.

See Annex 2.

H. Include a disbursement schedule with time-bound milestones³⁵.

Schedule date	Upon signature of Agreement	One Year after Programme Start	Year 3	Total
Programme Funds	\$2,500,000.00	\$5,500,000.00	\$3,200,000.00	\$ 11,200,000.00
Implementing Entity Fees	\$250,000.00	\$350,000.00	\$200,000.00	\$800,000.00
Total	\$2,750,000.00	\$5,850,000.00	\$3,400,000.00	\$12,000,000.00

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

A. Record of endorsement on behalf of the government

Letters of Endorsement will be provided at a later stage. Following the approval of the program proposal by the AF, CAF will share the details with the 20 Latin American and the Caribbean countries that are CAF's members. An invitation to participate in a meeting will also be extended to these countries, in order to provide further explanation of the program and its objectives. Sufficient time will be allocated for countries to evaluate the proposal and decide whether they wish to participate in the ABC Regional Program.

While cities submitting proposals must be located in a country that has issued a Letter of Endorsement for the ABC Regional Program, local governments may still apply and initiate the selection process in alignment with the phases outlined in Section II.C. This approach ensures inclusivity and provides an opportunity for all interested local governments to engage.

³⁵ Disbursement Schedule Template <https://www.adaptation-fund.org/wp-content/uploads/2017/08/Disbursement-schedule-template-3Aug2017.xlsx>

B. Implementing Entity certification

I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board and subject to the approval by the Adaptation Fund Board, commit to implementing the project/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.



Ignacio LORENZO ARANA
Director for Technical Advisory on Climate and Biodiversity
Climate Action and Positive Biodiversity Department
AF CAF Coordinator

Date: February 10th, 2025

Tel. and email: +598.99180424 -ilorenzo@caf.com

Project Contact Persons:

Emil RODRIGUEZ GARABOT
Director for Habitat and Sustainable Mobility
Water, Urban and Creative Economies Department – CAF
cerodriguez@caf.com

Ignacio LORENZO ARANA
Director for Technical Advisory on Climate and Biodiversity
Climate Action and Positive Biodiversity Department - CAF
ilorenzo@caf.com

Alejo RAMIREZ
Principal Executive
Water, Urban and Creative Economies Department – CAF
General Coordinator of Biodivercities
aramirez@caf.com

Martha CASTILLO
Principal Executive
Climate Action and Positive Biodiversity Department - CAF
mcastillo@caf.com

Amparo ARTEAGA
Principal Executive
Water, Urban and Creative Economies Department – CAF
aarteaga@caf.com

Annex 1. Indicative Multi-criteria analysis tool to evaluate proposals

Criteria	Type of grant	Unsatisfactory (0 -2 points)	Moderately unsatisfactory (3-4 points)	Moderately satisfactory (5-6 points)	Satisfactory (7-8 points)	Highly satisfactory (9-10 points)	Weight
C1. Conducts and describes risk assessments	G1, G2	The project cannot demonstrate that it relies on a vulnerability or risk assessment as a basis for the LLA solution, nor does it propose to develop one.	The project can barely demonstrate that it relies on a vulnerability or risk assessment as a basis for the LLA solution, and It does not propose to develop one.	The project can barely demonstrate that it relies on a vulnerability or risk assessment as a basis for the LLA solution, or it proposes to develop one.	The project can demonstrate that it is based on a vulnerability or risk assessment as a basis for the LLA solution, even if it is not recent, or proposes its elaboration.	The project is based on a recently conducted vulnerability or risk assessment as a basis for the LLA solution or proposes its elaboration, making explicit the methodological assumptions used or to be used.	10
	G3	The project does not involve a climate risk assessment nor does it consider climate projections to justify the LLA action proposed.	The project barely involves a climate risk assessment and considers climate projections to justify the LLA action proposed.	The project involves moderately satisfactory climate risk assessment and climate projections to justify the LLA action proposed.	The project involves a climate risk assessment and considers climate projections to justify the LLA action proposed.	The project involves a recent climate risk assessment and integrates more than satisfactorily climate projections to justify the LLA action proposed.	
C2. Promotes clear and substantive stakeholder involvement and ownership	G1, G2, G3	The project does not propose or does not adequately explain the involvement of stakeholders in the proposed LLA action.	The project demonstrates how it will promote stakeholder involvement in the monitoring of the proposed LLA action, including at least progress communication during	The project demonstrates how it will promote stakeholder involvement in the implementation of the proposed LLA action and in its monitoring process.	The project explains the involvement of stakeholders in the definition of the priority to move forward with the proposal (planification) and demonstrates how it will promote	The project explains the involvement of stakeholders in the definition of the priority to move forward with the proposal (planification) and in its design, and demonstrates how it	9

Criteria	Type of grant	Unsatisfactory (0 -2 points)	Moderately unsatisfactory (3-4 points)	Moderately satisfactory (5-6 points)	Satisfactory (7-8 points)	Highly satisfactory (9-10 points)	Weight
			implementation.		stakeholder involvement in the implementation of the proposed LLA action and in its monitoring process.	will promote stakeholder involvement in the implementation of the proposed LLA action and in its monitoring process.	
C3. Provides clear and feasible objectives and components	G1, G2, G3	The objectives and components of the project based on an LLA solution are not feasible or not clearly explained. The required amount and time frame are not appropriate for the proposed action.	The objectives, the time frame or the amount required are not clearly explained or are not appropriate for the proposed action.	The objectives, the time frame and the amount required are moderately in line with the proposed action.	The project involves an LLA action with feasible and clearly explained objectives and components in line with the requested amount and the timeframe specified.	The project articulates more than satisfactorily the relationship between the objectives, the components, the requested amount and the timeframe on the basis of the proposed LLA action.	10
C4. Contributes to local or national development or climate policy	G1, G2, G3	The project finds difficulties when proving the linkage with local development priorities.	The project moderately demonstrates the linkage between the proposed LLA action and the local development priorities.	The project demonstrates more than satisfactorily the linkage between the proposed LLA action and the local measures included in local climate or development policy instruments.	The project demonstrates satisfactorily the linkage between the proposed LLA action and the national climate priorities included in plans, strategies, NDCs and/or NAPs of the respective country where the city is located.	The project demonstrates more than satisfactorily the linkage between the proposed LLA action and national climate adaptation measures included in plans, strategies, NDCs and/or NAPs of the respective country where the city is located.	8

Criteria	Type of grant	Unsatisfactory (0 -2 points)	Moderately unsatisfactory (3-4 points)	Moderately satisfactory (5-6 points)	Satisfactory (7-8 points)	Highly satisfactory (9-10 points)	Weight
C5. Has in place governance structures and processes to implement the intervention	G1, G2, G3	The city does not have governance structures and processes in place to implement the pilot or intervention proposed.	The city does not have and the project barely demonstrates the establishment of governance structures and/or processes to implement the pilot or intervention proposed.	The city has or the project develops a moderately satisfactorily governance structure and/or processes to implement the pilot or intervention proposed.	The city has governance structures and processes in place to implement the pilot or intervention proposed that are described in the project.	The project describes that the city has permanent governance structures and processes in place that make implementation of the pilot or the intervention feasible and sustainable.	7
C6. Proves the effectiveness of solution and strives for including innovative adaptation approaches	G1, G2, G3	The project or the LLA solution does not mention the link between the proposed action and the reduction of the main vulnerabilities to climate change identified in the proposal, nor does it innovate with adaptation approaches.	The project does not strive for including innovative approaches such as EbA, CbA and GbA but demonstrates the linkage between the LLA action and the reduction of the main vulnerabilities identified by the proposal.	The project shows the linkage between the LLA action and the reduction of the main vulnerabilities identified by the proposal, and strives for including one innovative approach (EbA, CbA or GbA).	The project shows the linkage between the LLA action and the reduction of the main vulnerabilities identified by the proposal, and strives for including two innovative approaches (EbA, CbA or GbA).	The project shows the linkage between the LLA action and the reduction of the main vulnerabilities identified by the proposal, and strives for including three innovative approaches (EbA, CbA or GbA).	7
C7. Demonstrates monitoring capabilities	G2, G3	The project does not demonstrate monitoring capabilities of the LLA action proposed.	The project can barely demonstrate monitoring capabilities of the LLA action proposed.	The project demonstrates moderate satisfactorily monitoring capabilities of the LLA action proposed.	The project demonstrates satisfactorily monitoring capabilities of the LLA action proposed.	The project demonstrates more than satisfactorily monitoring capabilities of the LLA action proposed.	6

Criteria	Type of grant	Unsatisfactory (0 -2 points)	Moderately unsatisfactory (3-4 points)	Moderately satisfactory (5-6 points)	Satisfactory (7-8 points)	Highly satisfactory (9-10 points)	Weight
C8. Precise definition of the LLA action's short to medium-term outcomes linked to long-term impacts	G2, G3	The project does not demonstrate a precise link between short and medium term results of the LLA action and long term impacts.	The project only demonstrates short and medium term results of the LLA action without referring to long term impacts.	The project only demonstrates short and medium term results and long term impacts of the LLA action, by listing them without further explanations..	The project satisfactorily demonstrates the link between the short and medium term results of the LLA action and the long term impacts, by providing a detailed description of each of them, ensuring maladaptation prevention.	The project demonstrates more than satisfactorily the link between the short and medium term results of the LLA action and the long term impacts, by providing a detailed description of each of them and justifying their connection to the project components, ensuring maladaptation prevention.	6
C9. Describes vulnerability and climate-risk baselines	G3	The project does not describe vulnerability and climate-risk baselines related to the LLA action proposed.	The project can barely describe vulnerability and climate-risk baselines related to the LLA action proposed.	The project describes moderately satisfactorily vulnerability and climate-risk baselines related to the LLA action proposed.	The project describes satisfactorily vulnerability and climate-risk baselines related to the LLA action proposed.	The project describes more than satisfactorily vulnerability and climate-risk baselines related to the LLA action proposed.	6
C10. Demonstrates the sustainability of LLA actions	G3	The project does not demonstrate the sustainability of the LLA actions beyond the conclusion of the grant.	The project barely demonstrates the sustainability of the LLA actions beyond the conclusion of the grant.	The project moderately satisfactorily demonstrates the sustainability of the LLA actions beyond the conclusion of the grant.	The project demonstrates the sustainability of the LLA actions beyond the conclusion of the grant.	The project demonstrates highly satisfactorily the sustainability of the LLA actions beyond the conclusion of the grant.	6

Criteria	Type of grant	Unsatisfactory (0 -2 points)	Moderately unsatisfactory (3-4 points)	Moderately satisfactory (5-6 points)	Satisfactory (7-8 points)	Highly satisfactory (9-10 points)	Weight
C11. Provides results of gender assessments and details on how the needs of relevant vulnerable groups have been considered	G3	The project does not provide results of gender assessments and details on how the needs of the relevant vulnerable groups have been considered.	The project barely provides results of gender assessments and details on how the needs of the relevant vulnerable groups have been considered.	The project moderately satisfactorily provides results of gender assessments and details on how the needs of the relevant vulnerable groups have been considered.	The project provides results of gender assessments and details on how the needs of the relevant vulnerable groups have been considered.	The project more than satisfactorily integrates to the project the results of gender assessments and provides details on how the needs of the relevant vulnerable groups have been considered.	5
C12. Identifies implementation risks and their possible mitigation measures	G3	The project does not identify intervention implementation risks and their possible mitigation measures.	The project barely identifies intervention implementation risks and their possible mitigation measures.	The project identifies moderately satisfactorily intervention implementation risks and their possible mitigation measures.	The project identifies satisfactorily intervention implementation risks and their possible mitigation measures.	The project identifies highly satisfactorily intervention implementation risks and their possible mitigation measures.	5

Annex 2. Budget