



ADAPTATION FUND

AFB/PPRC.35/Inf.42
6 March 2025

Adaptation Fund Board
Project and Programme Review Committee
Thirty-fifth Meeting
Bonn, Germany, 11-12 April 2025

Agenda Item 16

REPORT OF THE SECRETARIAT ON THE INTERSESSIONAL REVIEW CYCLE FOR READINESS GRANTS

Background

1. At its thirty-sixth meeting, the Board discussed recommendations by the PPRC to the Board coming from its discussion of document AFB/PPRC. 27/30 on the report of the secretariat on the intersessional review cycle for readiness grants. Having considered the comments and recommendations of the Project and Programme Review Committee, the Board decided:

- (a) *To request the secretariat to review readiness grant proposals during all intersessional periods between Board meetings while recognizing that such grants may also be reviewed at regular meetings of the Board;*
- (b) *To request the PPRC to consider intersessionally the technical review of such readiness grant proposals as prepared by the secretariat and to make intersessional recommendations to the Board;*
- (c) *To consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure;*
- (d) *To also request the secretariat to send a notification to implementing entities and other stakeholders informing them about the new arrangement;*
- (e) *To further request the secretariat to present, at the twenty-eighth meeting of the PPRC, and at subsequent PPRC meetings following each intersessional review cycle for readiness grants, an analysis of the intersessional review cycle.*

(Decision B.36/26)

2. At its forty-first meeting, the Board, through decision B.41/15, had updated the review cycle for readiness grants and invited IEs of the Fund to submit responses to the initial technical review within two weeks of receiving the initial technical review.

3. The current report has been prepared following the request in Decision B.36/26 subparagraph (e).

Overview of the Intersessional Cycle

4. The intersessional project review cycle for readiness grants was conducted during the period between the forty-third and forty-fourth meetings of the Board. As per Board Decision B.36/26, the secretariat launched a call for readiness grants from 3 July – 3 September 2024. This gave eligible entities eight weeks to prepare and submit proposals. The secretariat sent a notification of the availability of the grants to all the Fund's stakeholders through the Fund's network and directed the stakeholders to the Fund's website, where detailed information about the purpose of the grants, eligibility criteria, access processes, and supporting documents is available.

5. The secretariat received a total of one proposal for readiness package grants (RPGs).

6. The RPG proposal was submitted by the Environmental Project Implementation Unit (EPIU) of Armenia (the intermediary), for the accreditation of the first NIE in Georgia on behalf of the

government of Georgia. The secretariat conducted initial reviews of the RPG proposals and submitted the reviews to the proponents for an opportunity to amend and clarify their proposals.

7. The secretariat conducted a final technical review of the proposal and circulated its report on the initial screening and technical review contained in document AFB/PPRC.34-35/1 to the PPRC for intersessional commenting for a period of one week. During this time, no comments on the reviews were received. The recommendations were endorsed by the PPRC as document AFB/PPRC.34-35/3 “Recommendations of the PPRC on Readiness Grant Proposals,” and submitted as decisions to the Board for intersessional approval. No objections were raised by the Board and the decisions were, thus, approved as Decisions B.43-44/14. The decisions are included in Annex I to the present document.

Analysis of the Intersessional Cycle

8. The RPG proposal that was received during the current intersessional review cycle was eligible¹ to be considered during this intersessional review cycle. The proposal was meant to enhance peer support for accreditation to the Fund through South-South cooperation and the delivery of a comprehensive suite of tools to help an entity in the country seeking to use the Fund’s Direct Access modality, to prepare and submit their application for accreditation.

9. The trend where the secretariat did not receive any proposals for technical assistance (TA) grants continued during the current review cycle. The last TA grant applications were submitted in calendar year 2020. As alluded to in past reports by the secretariat on the intersessional review cycle for readiness grants, an accredited NIE can only access either of these grants as a once off, and over 70% of accredited NIEs² had already received one of these grants. It should be noted that as per the Fund’s second medium-term strategy 2023-2027 which foresees an expanded readiness programme, the secretariat is reviewing the Fund’s readiness strategy. This includes review and analysis of the possibility of broadening the scope, eligibility criteria and type of technical assistance grants available to national and regional implementing entities (NIEs and RIEs).

10. A summary of the eligible readiness grant proposals submitted during the intersessional review cycle between the forty-third and forty-fourth meetings of the Board is presented in Table 1 below and the subsequent decisions by the Board are presented in Annex I.

Table 1: Project proposals submitted to the intersessional review cycle between the forty-third and forty-fourth meetings of the Adaptation Fund Board

Country	IE providing support	Type of grant	Document reference	Decision	Funding set aside (USD)
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¹ According to the requirements posted on the Adaptation Fund website, to be eligible for a Readiness Package grant, all developing country Parties to the Kyoto Protocol and Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) that wish to have an NIE accredited with the Fund are eligible to receive the Readiness Package grant, including those that had previously accessed the SSC grant. For an accredited NIE providing intermediary services, the NIE will need to have an active accredited status, be able to demonstrate experience implementing an Adaptation Fund project/programme, and also demonstrate experience participating in, organizing support to, or advising other NIEs, entities or governments relevant to accreditation or capacity building to receive climate finance for adaptation projects/programmes.

² 25 out of the 34 NIEs accredited as at the date of this report have accessed a TA-ESGP grant (15) or grant for the environmental and social policy (ESP) that had been in effect before the TA-ESGP (6), and 4 NIEs have received a TA-GP.

Georgia	EPIU	Readiness Package Grant	AFB/PPRC.34-35/2	B.43-44/14	\$142,500
Total					\$142,500

11. The Board approvals in this intersessional review bring the total number of readiness grants approved by the Board to date to 51, with a breakdown presented in Table 2 below.

Table 2: Approved readiness grants to date

Grant	Count	Amount (USD)
RPG	8	\$1,103,736 ⁱ
SSC	17	\$836,747 ⁱⁱ
TA-ESGP	21	\$480,020 ⁱⁱⁱ
TA-GP	4	\$40,000
Total	51	\$2,559,503^{iv}

ⁱ Includes \$100,000 approved by the Board for the RPG pilot phase.

ⁱⁱ At its 36th meeting, the Board decided to cease South-South Cooperation (SSC) grants and replace them with readiness package grants. See Decision B.36/25.

ⁱⁱⁱ Includes TA-ESP grants approved prior to the introduction of TA-ESGP.

^{iv} Excludes project scale-up grants which currently are submitted on a rolling basis and can only be considered at regular meetings of the Board.

ANNEX I: READINESS GRANTS APPROVED INTERSESSIONALLY DURING THE FORTY-THIRD AND FORTY-FOURTH MEETINGS OF THE BOARD

Georgia: Readiness Package Grant Proposal for accreditation support: EPIU (Armenia; US\$ 142,500)

Following the technical review of the grant proposal for accreditation support through the readiness package carried out by the secretariat and the Project and Programme Review Committee (PPRC), and having considered the recommendation of the PPRC, the Adaptation Fund Board decided to:

- a) Approve the proposal for the readiness package grant of US\$ 142,500 submitted by the Environmental Project Implementation Unit (EPIU) on behalf of the government of Georgia; and
- b) Approve the funding of US\$ 142,500 for implementation of the readiness package grant for the accreditation of a national implementing entity in Georgia as requested by EPIU; and
- c) Request the secretariat to draft an agreement with EPIU as the national implementing entity acting as intermediary for the requested support for accreditation.

(Decision B.43-44/14)