



**ADAPTATION FUND**

AFB/PPRC.35/39/Add.1  
24 March 2025

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

Agenda Item 5p)

**PROJECT FORMULATION GRANT FOR  
ESWATINI**

## I. Background

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

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

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

3. Following the discussion, the Board decided:

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

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

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

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

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

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

*(Decision B.25/28)*

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

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

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

## **II. The Project Formulation Grant Request**

7. This addendum to the document AFB/PPRC.35/39 “Proposal for Eswatini” includes a request for a Project Formulation Grant, requesting a budget of US\$ 150,000, which was received by the secretariat along with the concept for the project AF00000395 “*Strengthening Agro-Ecosystem Adaptation for Sustainable Livelihoods within Landscapes (SEASL)*”. This proposal was submitted by International Fund for Agricultural Development (IFAD), which is a Multilateral Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-fourth Board meeting.

8. In accordance with Decision B.12/28, paragraph (b), the secretariat carried out an initial review of the PFG request and found that the document provided detailed information on the use of the requested funds. The proposed activities were aligned with the goal of the project and would support comprehensive consultation process; technical assessments and studies; preparation of safeguards studies and gender action plan and; development of full proposal.

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



## Revised PFG Submission Form<sup>1</sup> (additions in red)

### Project Formulation Grant (PFG)

**Submission Date:**

**Adaptation Fund Project ID:**

**Country/ies:** Eswatini

**Title of Project/Programme:** Strengthening Ecosystem-based adaptation for Sustainable Livelihoods within Landscapes (SEASL)

**Type of IE (NIE/RIE/MIE):** Multi Multi-lateral Implementing

**Implementing Entity:** International Fund for Agricultural Development (IFAD)

**Executing Entity/ies:** Food and Agriculture Organisation (FAO) / IFAD will be executing the project formulation and utilizing the PFG funds.

#### A. Project Preparation Timeframe

<b>Start date of PFG</b>	Upon Concept Note approval date
<b>Completion date of PFG</b>	(10 months) after Concept Note approval date

#### B. Proposed Project Preparation Activities (\$)

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note <sup>2</sup>
Technical Assessments and Studies	Detailed assessments, including feasibility studies, baseline data collection, and climate vulnerability analysis.	25 000	Detailed assessment of the existing GIS portal, the existing weather information and early warning system, managed by Eswatini Meteorological Service and the functioning of the newly established Landscape Associations (LAs).
Stakeholder Consultations	Stakeholder Consultation reports.	15 000	National and local Stakeholder

<sup>1</sup> As presented in AFB/PPRC.33/40 Annex 1.


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

			Consultation workshops to engage communities, validate findings and refine project design. Includes hall hire, lunch and facilitation.
Preparation of safeguards studies and gender Action plan	Comprehensive Environmental and Social Safeguards screening, management planning and gender action plan	20 000	
Hiring a multi-disciplinary team of consultants	Development of the full proposal document	57 250	Consultancy fees for proposal development
Travel costs for experts to collect data	Field missions to project sites for data collection and stakeholder engagement.	20 000	Hiring vehicle, daily subsistence allowances
<b>Project formulation grant for proposal</b>		137 250	Total PFG allocation for proposal preparation
<b>Implementing Entity (IE) Fee (8.5%)</b>		12 750	IE fee based on 8.5% of total PFG
<b>Project Formulation Grant + IE fee</b>		150 000	Total PFG budget inclusive of IE fee

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

### C. Implementing Entity

This request has been prepared in accordance with the Adaptation Fund Board's procedures and meets the Adaptation Fund's criteria for project identification and formulation. The PFG will be executed by the IE. The EE will be responsible for execution of the project once approved.

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Addresses
Implementing Entity coordinator: Mr Pierre Yves		12/13/2024	Mr Claus Reiner Regional Climate and		email: <a href="mailto:p.guedez@ifad.org">p.guedez@ifad.org</a>

Field Code Changed

Lead Climate and Environmental Funds (AF,GCF,GEF) ECG Division			Environment Specialist		e-mail: <a href="mailto:c.reiner@ifad.org">c.reiner@ifad.org</a>
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Field Code Changed



8<sup>th</sup> January 2024

The Adaptation Fund Board  
c/o Adaptation Fund Board Secretariat  
Email: [Secretariat@AdaptationFund.org](mailto:Secretariat@AdaptationFund.org)  
Tel: 000 502 334015

**Subject: Endorsement for Disrupting Agro-Ecosystem Adaptation for Sustainable Livelihoods within Landscapes (P06004)**

In my capacity as designated authority for the Adaptation Fund in Eswatini, I confirm that the above national grant proposal is in accordance with the government's national priorities in implementing adaptation activities to reduce adverse impacts of, and losses, caused by climate change in Eswatini.


Accordingly, I am pleased to endorse the above grant proposal with support from the Adaptation Fund. If approved, the project will be implemented by International Fund for Agricultural Development and situated in Food Agriculture Organization and Ministry of Agriculture.



## B. Implementing

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

I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board, and prevailing National Development and Adaptation Plans 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.

<b>Implementing Entity coordinator:</b> Mr Pierre Yves, Lead Climate and Environment Funds, ECG Division	<b>Email :</b> <a href="mailto:p.guedez@ifad.org">p.guedez@ifad.org</a>
	
Mr Juan Carlos Mendoza Casadiegos, Director, Environment, Climate, Gender and Social Inclusion Division	
<b>Date:</b> 7 August 2024	<b>Email:</b> <a href="mailto:ecgmailbox@ifad.org">ecgmailbox@ifad.org</a>
<b>Project contact persons</b>	
Mr Claus Reiner, Regional Lead Climate and Environment Specialist	<b>Email :</b> <a href="mailto:c.reiner@ifad.org">c.reiner@ifad.org</a>
Mr Francesco Rispoli, IFAD Country Director for Eswatini	<b>Email :</b> <a href="mailto:f.rispoli@ifad.org">f.rispoli@ifad.org</a>

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