



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

**REPORT OF THE THIRTY-FIFTH MEETING OF THE
PROJECT AND PROGRAMME REVIEW COMMITTEE**

Agenda item 1: Opening of the meeting

1. The meeting was opened at 9.30 a.m. Central European Time (UCT+2) on Tuesday, 8 April 2025, by the incoming Chair, Francisca Molina (Spain, Western European and Others Group), who welcomed the participants.
2. The list of the members and alternate members who participated in the meeting is attached as Annex I.

Agenda item 2: Transition of the Chair and Vice-Chair

3. The incoming Chair of the Project and Programme Review Committee (PPRC) and the incoming Vice-Chair, John Payai Manyok (South Sudan, Africa), were elected at the opening session of the forty-fourth session of the Adaptation Fund Board, which was held back-to back with the present meeting.

Agenda item 3: Organizational matters

(a) Adoption of the Agenda

4. The following agenda was based on the provisional agenda for the meeting (AFB/PPRC.35/1/Rev.1):
 1. Opening of the meeting.
 2. Transition of the Chair and Vice-Chair.
 3. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
 4. Report of the secretariat on the initial screening/technical review of project and programme proposals.

5. Review of single-country project and programme proposals: (a) Honduras;
 - (b) Panama;
 - (c) Argentina;
 - (d) Bangladesh;
 - (e) Bosnia and Herzegovina;
 - (f) Lebanon;
 - (g) Lesotho;
 - (h) Mongolia;
 - (i) Philippines;
 - (j) Somalia;
 - (k) Uzbekistan;
 - (l) Yemen;
 - (m) Indonesia;
 - (n) St. Kitts and Nevis;
 - (o) Algeria;
 - (p) Eswatini;
 - (q) Malawi;
 - (r) Namibia; (s) Nepal.
6. Review of regional project and programme proposals:
 - (a) Cameroon, Central African Republic, Chad, Niger, Nigeria;
 - (b) Cuba, Panama;
 - (c) Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Suriname, Uruguay, Venezuela;
 - (d) Benin, Burkina Faso, Uganda, Zimbabwe;
 - (e) Costa Rica, Panama;
 - (f) Malawi, Mozambique, Zambia;
 - (g) Malawi, Zambia;
 - (h) Montenegro, North Macedonia.
7. Report of the secretariat on initial screening/technical review of single country locally-led adaptation proposals.
8. Review of single country locally-led adaptation proposals:
 - (a) Armenia; (b) Côte d'Ivoire; (c) Bhutan; (d) Senegal.
9. Report of the secretariat on initial screening/technical review of global locally-led aggregator proposals.
10. Report of the secretariat on initial screening/technical review of large innovation projects.
11. Report of the secretariat on initial screening/technical review of Adaptation Fund Climate Innovation Accelerator (AFCIA) proposals.
12. Operational policy of the regional locally-led adaptation window.
13. Annually determined funding provisions for fiscal year 2026.

14. Post approval request for changes: UN-Habitat-Malaysia.
15. Report of the secretariat on the intersessional review cycle for readiness grants.
16. Other matters.
17. Adoption of the recommendations and report.
18. Closure of the meeting.

(b) Organization of Work

5. The PPRC considered the indicative timetable contained in the provisional agenda (AFB/PPRC.35/1/Rev.1) and adopted the organization of work proposed by the Chair.
6. Members and alternate members declared their conflicts of interest as they arose during the meeting.

Agenda item 4: Report of the secretariat on the initial screening/technical review of project and programme proposals

7. The representative of the secretariat reported on: the funding status and situation of the pipeline; the funding window for regional projects and programmes; and the project and programme proposals submitted by implementing entities for both single-countries and regions (AFB/PPRC.35/3/Rev.1). Details on proposals not technically cleared during the review process were before the Board as information documents.
8. The report of the secretariat on initial screening/technical review of the project and programme proposals technically cleared is set out in documents AFB/PPRC.35/3/Rev.1 and AFB/PPRC.35/3/Add.1/Rev.1.
9. No issues were identified during the review process.
10. In response to a query about the effect of the cap of US\$ 20 million per country for regular projects and programmes, and whether the new funding ought to be channeled to national implementing entities (NIEs), the representative of the secretariat explained that the countries decide whether to programme their resources through national, regional or multi-lateral implementing entities of the Adaptation Fund. She further explained that the cap per single-country project remained US\$ 10 million which meant that more than one project would be required to access the total funding under a country's cap. She also explained that implementing entities had the option either to submit a fully-developed proposal or a concept note at their choice using the two-step process, which allowed the proponent to receive guidance on the development of their proposals and also allowed the IEs to apply for a project formulation grant when developing the fully-developed proposal.
11. One member noted that the issue of the country cap would be revisited by the Board at its forty-fourth meeting.
12. The PPRC took note of the presentation of the secretariat.

Agenda item 5: Review of single-country project and programme proposals

13. The addendum to the report of the secretariat on initial review of project and programme proposals (AFB/PPRC.35/3/Add.1/Rev.1) included summaries of the technical reviews carried out by the secretariat of the project and programme proposals submitted for the forty-fourth meeting of the Board, and to be discussed at the thirty-fifth meeting of the PPRC. The document was supplemented by the proposal-specific documents.

14. Each of the proposal-specific documents included an introduction, a summary prepared by the secretariat, the proposal as it was received, and the results of the technical review undertaken by the secretariat.

Single-country projects and programmes Fully developed project proposals

Proposals from national implementing entities (NIEs)

Honduras: Constructing resilience together to face climate-change and variability in Western Honduras (Fully-developed proposal; Comisión de Acción Social Menonita (CASM); AF00000350; US\$ 4,000,000)

15. The objective of the proposal was to increase and improve governance adaptability and resilience to climate variability and change in the mountain communities of Santa Barbara and the Yojoa Lake region of Honduras. This was the fourth submission of the fully-developed project proposal, using a two-step approach.

16. In response to a query about the beneficiaries of the proposal the representative of the secretariat said that the proponent of the project had explained that there would be 2,400 direct and 16,400 indirect beneficiaries.

17. Having considered the issues raised in documents AFB/PPRC.35/10 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (b) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Comisión de Acción Social Menonita (CASM) to the request made by the technical review;
- (c) Approve the funding of US\$ 4,000,000 for the implementation of the project, as requested by CASM;
- (d) Request the secretariat to draft an agreement with CASM as the national implementing entity for the project.

(Recommendation PPRC.35/1)

Panama: Strengthening climate resilience in livelihoods and coastal ecosystems of the Central Pacific of Panama (Fully-developed proposal; Fundación Natura ; AF00000289; US\$ 10,000,000)

18. The objective of the proposal was to increase the resilience of the most vulnerable coastal communities, and their livelihoods, in the arid region of Panama. This was the seventh submission of the fully-developed project proposal, using a one-step approach.

19. Having considered the issues raised in documents AFB/PPRC.35/11 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (e) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Fundación Natura to the request made by the technical review;
- (f) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by Fundación Natura ;
- (g) Request the secretariat to draft an agreement with Fundación Natura as the national implementing entity for the project.

(Recommendation PPRC.35/2)

Proposals from regional implementing entities (RIEs)

Regular proposals

Argentina: Strengthening community resilience of rural populations in the arid zones of northwestern Argentina in the face of climate change by improving access to water and the application of sustainable land-management practices (Fully-developed proposal; Development Bank of Latin America (CAF); AF00000291; US\$ 10,000,000)

20. The objective of the proposal was to contribute to adaptation in rural communities of the arid zones of northwestern Argentina and reduce their vulnerability to the impacts of climate change. This was the third submission of the fully-developed project proposal, using a two-step approach.

21. In response to a query on the target groups of the project, the representative of the secretariat explained that the project would contribute to adaptation in rural areas by empowering the participation of local women and reduce land degradation by encouraging sustainable water management.

22. Having considered the issues raised in documents AFB/PPRC.35/12 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Development Bank of Latin America (CAF) to the request made by the technical review;
- (b) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by CAF;
- (c) Request the secretariat to draft an agreement with CAF as the Regional implementing entity for the project.

(Recommendation PPRC.35/3)

Bangladesh: Green, resilient and adaptive Chattogram Hill Tracts (CHT) economy (GRACE) LoCALplus (Fully-developed proposal; International Centre for Integrated Mountain Development (ICIMOD); AF00000347; US\$ 10,000,000)

23. The objective of the proposal was to strengthen the climate resilience of vulnerable hill communities and their ecosystems and economies in the Chattogram Hill Tracts (CHT), with a special focus on empowering women and local tribal communities. This was the sixth submission of the fully-developed project proposal, using a two-step approach.

24. The secretariat explained, in response to a query on the difference between the presentation of the proposals being recommended for approval and those being recommended for endorsement that as the proposals being recommended for approval did not generally contain any outstanding issues to be addressed. None were flagged for the proponent and hence the recommendation to the Board for their approval.

25. Having considered the issues raised in documents AFB/PPRC.35/13 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Centre for Integrated Mountain Development (ICIMOD) to the request made by the technical review;
- (b) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by ICIMOD;
- (c) Request the secretariat to draft an agreement with ICIMOD as the regional implementing entity for the project.

(Recommendation PPRC.35/4)

Proposals from multilateral implementing entities (MIEs)

Bosnia and Herzegovina: Increasing climate change resilience in the agricultural sector of Bosnia and Herzegovina - STAZA (Fully-developed proposal; International Fund for Agricultural Development (IFAD); AF00000364; US\$ 10,000,000)

26. The objective of the proposal was to enhance the adaptive capacity of smallholder farmers and rural households to climate change risks. This was the third submission of the fully-developed project proposal, using a two-step approach.

27. Having considered the issues raised in documents AFB/PPRC.35/14 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by IFAD;
- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Recommendation PPRC.35/5)

Lebanon: Climate change resilience and ecosystem connectivity (CC-REC) (Fully-developed proposal; International Fund for Agricultural Development (IFAD); AF00000379; US\$ 4,300,000)

28. The objective of the proposal was to restore climate-smart landscapes and support resilient livelihoods in the Shouf-West Beqaa-Mount Hermon corridor through the adoption of nature-based

solutions. This is the third submission of the fully-developed project proposal, using a two-step approach.

29. Having considered the issues raised in documents AFB/PPRC.35/15 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) Approve the funding of US\$ 4,300,000 for the implementation of the project, as requested by IFAD;
- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Recommendation PPRC.35/6)

Lesotho: Improving adaptive capacity of vulnerable and food-insecure populations in Lesotho Phase II (IACoV-2) (Fully-developed proposal; World Food Programme (WFP); AF00000408; US\$ 10,000,000)

30. The objective of the proposal was to enhance the adaptive capacity of vulnerable and food insecure households and communities to the impacts of climate change on food security. This was the third submission of the fully-developed project proposal, using a one-step approach.

31. In response to a query about compliance of unidentified sub-projects (USPs) with the environmental and social policy (ESP) of the Fund, the representative of the secretariat said that when the subprojects were identified the project needs to comply with all aspects of the ESP, including a complete risk assessment against the ESP principles as and when subprojects are identified and establishment of a grievance mechanism.

32. Having considered the issues raised in documents AFB/PPRC.35/37 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- (b) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by WFP;
- (c) Request the secretariat to draft an agreement with WFP as the multilateral implementing entity for the project.

(Recommendation PPRC.35/7)

Mongolia: Sustainable pasture management and adaptation with resilient technologies for herders in Mongolia (SMART-Herders) (Fully-developed proposal; International Fund for Agriculture Development (IFAD); AF00000404; US\$ 2,038,883)

33. The objective of the proposal was to establish and implement a scalable climate adaptation model within Mongolia's livestock sector, enhancing the resilience, productivity, and livelihood security of herder communities across targeted regions. This was the fourth submission of the fully-developed project proposal, using a two-step approach.

34. Having considered the issues raised in documents AFB/PPRC.35/38 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agriculture Development (IFAD) to the request made by the technical review;
- (b) Approve the funding of US\$ 2,038,883 for the implementation of the project, as requested by IFAD;
- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Recommendation PPRC.35/8)

Philippines: Harnessing the water-food-energy nexus to address and adapt to climate change impacts in Tawi-Tawi (Fully-developed proposal; United Nations Industrial Development Organization (UNIDO); AF00000297; US\$ 9,994,955)

35. The objective of the proposal was to support communities in Tawi-Tawi in securing climate resilient water access, in a gender-responsive manner, by increasing the adaptive capacity of the communities of Sibutu and Sitangkai. This was the fifth submission of the fully-developed project proposal, using a one-step approach.

36. In response to a query about the sustainability of the project, the representative of the secretariat said that the project proposal provided information on how the project outcomes would be continued after project had been completed and how the funding will be disbursed. She also explained that the implementing entity will work with national and technical executing partners to implement the project.

37. Having considered the issues raised in documents AFB/PPRC.35/16 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the United Nations Industrial Development Organization (UNIDO) to the request made by the technical review;
- (b) Approve the funding of US\$ 9,994,955 for the implementation of the project, as requested by UNIDO;
- (c) Request the secretariat to draft an agreement with UNIDO as the multilateral implementing entity for the project.

(Recommendation PPRC.35/9)

Somalia: Green and resilient ecosystems for Somali livelihoods (Hal-abuur) (Fully-developed proposal; International Fund for Agricultural Development (IFAD); AF00000382; US\$ 10,000,000)

38. The objective of the proposal was to scale-up the climate resilience of ecosystems and livelihoods in Somalia through the Green Wall initiative. This was the third submission of the fully developed project proposal, using a two-step approach.

39. Having considered the issues raised in documents AFB/PPRC.35/17, and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by IFAD;
- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Recommendation PPRC.35/10)

Uzbekistan: Resilient food systems through climate services for agriculture in Uzbekistan (Fully-developed proposal; International Fund for Agricultural Development (IFAD); AF00000369; US\$10,000,000)

40. The objective of the proposal was to contribute to rural poverty alleviation in the country through increased climate services for agriculture, improving resilience, incomes and enhanced economic growth in rural farming communities and at the sector level. This was the fifth submission of the fully-developed project proposal, using a two-step approach.

41. Having considered the issues raised in documents AFB/PPRC.35/18, and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by IFAD;
- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Recommendation PPRC.35/11)

Yemen: Increase the climate change resilience to water scarcity and flooding in the Tuban delta (Fully-developed proposal; United Nations Human Settlements Programme (UN-Habitat); AF00000250; US\$ 9,998,560)

42. The objective of the proposal was to increase the resilience of people and water resource systems in the Tuban delta to cope with climate variability and change. This was the third submission of the fully-developed project proposal, using a two-step approach.

43. Having considered the issues raised in documents AFB/PPRC.35/19/Rev.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- (b) Approve the funding of US\$ 9,998,560 for the implementation of the project, as requested by UN-Habitat;
- (c) Request the secretariat to draft an agreement with UN-Habitat as the multilateral implementing entity for the project.

(Recommendation PPRC.35/12)

Single Country Concepts

Proposals from National Implementing Entities (NIEs)

Indonesia: Building climate change resiliency for small and remote islands in Pangkajene Island (Pangkep) district (Concept note; Partnership for Governance Reform (Kemitraan); AF00000374; US\$ 979,548)

44. The objective of the proposal was to build climate change resilience in small and remote islands in the Pangkajene Island district. This was the fourth submission of the concept note, using a two-step approach.

45. In response to the feasibility of implementing all the project components with the funding being requested, the representative of the secretariat explained that the country had chosen the approach to implement a number of small projects over a wide area in the country. As such, given the scope of the projects the requested financing appears to be justified for the project's aim.

46. In response to a clarification request of the project steps, the secretariat explained that one of the advantages of the three and two step processes is that project formulation grants can be accessed. She also explained that project formulation grant limits are based on the size of the single country projects with a maximum limit of US\$ 150,000.

47. Having considered the issues raised in documents AFB/PPRC.35/20 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the Partnership for Governance Reform (Kemitraan) to the request made by the technical review;
- (b) Request the secretariat to notify Kemitraan of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should consider the integration of existing traditional knowledge with modern scientific knowledge;
 - (ii) The fully-developed project proposal should strengthen sustainability measures, especially for technological interventions and ecosystem rehabilitation, define clear monitoring and ecosystem rehabilitation;
 - (iii) The fully-developed project proposal should clarify the monitoring frameworks for ecosystem rehabilitation, including ecosystem services valuation, to ensure long-term success;

- (iv) The fully-developed project proposal should specify structured training on fund management, reporting, and project implementation for community groups;
- (v) The fully-developed project proposal should outline how the Fund will ensure equitable access and participation, provide concrete steps for integrating successful actions into local governance structures and securing long-term financing;
- (vi) The fully-developed project proposal should integrate relevant knowledge management and learning indicators and targets in the project results framework, and incorporate detailed outcomes from community-level and gender-specific consultations;
- (c) Request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia;
- (d) Encourage the Government of Indonesia to submit, through Kemitraan a fully developed project proposal that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/13) *Proposals from Regional Implementing Entities (RIEs)*

St. Kitts and Nevis: Coastal Adaptation and Resilience Initiative - St. Kitts and Nevis (CARISKN)

Concept note; Caribbean Community Climate Change Centre (CCCCC); AF00000393; US\$ 9,994,600)

48. The objective of the proposal was to create a coastal-zone management framework in St. Kitts and Nevis that enables the financing of critical coastal resilient infrastructure and coastal measures. This was the fourth submission of the concept note, using a two-step approach.

49. Having considered the issues raised in documents AFB/PPRC.35/21, AFB/PPRC.35/21/Add.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the Caribbean Community Climate Change Centre (CCCCC) to the request made by the technical review;
- (b) Request the secretariat to notify CCCCC of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should provide further details on the establishment of the Coastal Zone Management Committee;
 - (ii) The fully-developed project proposal should include the medium risks of the environmental and social impacts;
 - (iii) The fully-developed project proposal should consider the risks of the project implementation, beyond the expected benefits and performance of the project;
- (c) Approve the project formulation grant of US\$ 130,200;
- (d) Request CCCCC to transmit the observations under subparagraph (b) to the Government of St. Kitts and Nevis;

- (e) Encourage the Government of St. Kitts and Nevis to submit, through CCCCC, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/14)

Proposals from Multilateral Implementing Entities (MIEs)

People's Democratic Republic of Algeria: Adaptive management of the Algerian steppe and halfah zones to support climate-smart livelihoods and ecosystem resilience (Halfah project) (Concept note; International Fund Agricultural Development (IFAD); AF00000405; US\$ 10,000,000)

50. The objective of the proposal was to enhance the resilience of the steppe ecosystems, and the communities that depend on it, in the province (wilaya) of El Bayadh. This was the third submission of the concept note, using a two-step approach.

51. It was asked why nomadic groups were being specifically targeted in the recommendation as it would be difficult for the proponents to effectively engage with them, and it was suggested that the recommendation should be modified reflect that. A representative from the secretariat clarified that pastoralists and nomadic pastoralists are one of the target groups of the project and the recommendation was to adequately consult these target groups in the process of developing the fully-developed proposal.

52. Having considered the issues raised in documents AFB/PPRC.35/22/Rev.1, AFB/PPRC.35/22/Add.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the International Fund Agricultural Development (IFAD) to the request made by the technical review;
- (b) Request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should further elaborate on the knowledge management related arrangements as part of the implementation arrangements;
 - (ii) The fully-developed project proposal should be updated with further consultations to be carried out with the vulnerable groups outlined in the proposal and elaborate on the specific stakeholder engagement modalities and the exact role of various project partners;
 - (iii) The fully-developed project proposal should align the project Component 3 with the Adaptation Fund Strategic Results Framework outcome 3 and identify risks related to principle 12 of the environmental and social policy;
- (c) Approve the project formulation grant of US\$ 108,500;
- (d) Request IFAD to transmit the observations under subparagraph (b) to the Government of the People's Democratic Republic of Algeria;

- (e) Encourage the Government of the People's Democratic Republic of Algeria to submit, through IFAD, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/15)

Eswatini: Strengthening agro-ecosystem adaptation for sustainable livelihoods within landscapes (SEASL) (Concept note; International Fund for Agricultural Development (IFAD); AF00000395; US\$ 10,000,000)

53. The objective of the proposal was to contribute towards reducing the climate and human induced vulnerability of the agro-ecosystems of the Lubombo and Ngwempisi landscape communities of Eswatini by increasing adaptative capacity of key local institutions and actors through the deployment of good land, ecosystem management and climate resilient practices. This was the fourth submission of the concept note, using a two-step approach.

54. Having considered the issues raised in documents AFB/PPRC.35/39, AFB/PPRC.35/39/Add.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) Request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should include a list of specific indicators of water quality and thresholds for success, thus setting out clear criteria for evaluating the project's impact on water potability;
 - (ii) The fully-developed project proposal should provide specific details on the exact mechanisms for ensuring participation, managing conflicts, and reaching the most isolated or marginalized individuals;
 - (iii) The fully-developed project proposal should provide specific details on the criteria and process for selecting beneficiaries, including how the participatory selection process will be conducted and how the community profiled list will be developed and validated;
 - (iv) The fully-developed project proposal should provide more detailed analyses including quantitative comparison of the cost-effectiveness, of the proposed measures with alternative adaptation measures, and a detailed explanation of the plans to learn from relevant projects, projects, programs, initiatives, and evaluations;
 - (v) The fully-developed project proposal should include a detailed maintenance plan for each type of nature-based infrastructure and define clear roles and responsibilities for post-project maintenance, and the plan for long-term monitoring and adaptive management and explain how maintenance will be integrated into existing government systems and budgets;
- (c) Approve the project formulation grant of US\$ 150,000;

- (d) Request IFAD to transmit the observations under subparagraph (b) to the Government of Eswatini;
- (e) Encourage the Government of Eswatini to submit, through IFAD, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/16)

Malawi: Smallholder climate-resilience project (Concept note; International Fund for Agricultural Development (IFAD); AF00000380; US\$ 10,000,000)

55. The objective of the proposal was to build the climate adaptive capacity and resilience of smallholder farmers and communities through increased food and nutrition security and enhancing disaster risk management in Malawi. This was the fifth submission of the concept note, using a twostep approach.

56. Having considered the issues raised in documents AFB/PPRC.35/23/Rev.1, AFB/PPRC.35/23/Add.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) Request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should highlight, more clearly and in greater detail, the idea of mainstreaming knowledge management (KM) into project outputs, activities, and indicators, quantify key knowledge products in a results framework, as well as clarify how the project plans to track and analyse turnout and result of the interventions to the benefit of global, national and local climate change adaptation;
 - (ii) The fully-developed project proposal should clearly depict how the project will learn from intervention experiences, track the experience and ensure continuous learning and visually detail out the organization and processes needed for efficient and qualitative learning and sharing, and knowledge management;
 - (iii) The fully-developed project proposal should provide clarity around project activities, including if there are unidentified sub-projects (USPs) or partially unidentified sub-projects, and, accordingly, implementation and monitoring arrangements in place, as per the Adaptation Fund Environmental and Social Policy and policies on USPs;
- (c) Approve the project formulation grant of US\$ 150,000;
- (d) Request IFAD to transmit the observations under subparagraph (b) to the Government of Malawi
- (e) Encourage the Government of Malawi to submit, through IFAD, a fully-developed project proposal that would also address any observations under subparagraph (b), above.

(Recommendation PPRC.35/17)

Namibia: Building climate resilient health systems (Concept note; World Health Organization (WHO); AF00000426; US\$ 10,000,000)

57. The objective of the proposal was to build a resilient health system in Namibia to mitigate the impacts of climate change and other natural hazards on health. This was the fourth submission of the concept note, using a two-step approach.

58. Having considered the issues raised in documents AFB/PPRC.35/40, AFB/PPRC.35/40/Add.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the World Health Organization (WHO) to the request made by the technical review;
- (b) Request the secretariat to notify WHO of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
 - (i) The fully-developed project proposal should include clarification on equitable distribution of benefits to vulnerable households, and individuals within the communities selected;
- (c) Approve the project formulation grant of US\$ 150,000;
- (d) Request WHO to transmit the observations under subparagraph (b) to the Government of Namibia;
- (e) Encourage the Government of Namibia to submit, through WHO, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/18)

Nepal: Improving food system resilience of vulnerable communities in Nepal through community-based adaptation (Concept note; World Food Programme (WFP); AF00000407; US\$ 10,000,000)

59. The objective of the proposal was to enhance the resilience of 12,100 smallholder farming households in the selected watershed areas under the Karnali river-basin by promoting community-based adaptation activities, climate-resilient agricultural practices and access to reliable early warning and climate information. This was the fourth submission of the concept note, using a twostep approach.

60. In response to a query on if the recommendations listed in the concept not proposals are conditions for approval, a representative from the secretariat explained that the issues being raised in the endorsement of concept notes were not a condition for their approval but notes to be taken on board during the development of the fully-developed project proposal.

61. Having considered the issues raised in documents AFB/PPRC.35/24 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- (b) Request the secretariat to notify WFP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:

- (i) The fully-developed project proposal should include a comprehensive cost effectiveness analysis;
- (c) Request WFP to transmit the observations under subparagraph (b) to the Government of Nepal;
- (d) Encourage the Government of Nepal to submit, through WFP, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/19)

Agenda item 6: Review of regional project and programme proposals

Fully-developed proposals

Proposals from multilateral implementing entities (MIEs)

Cameroon, Central African Republic, Chad, Niger, Nigeria: Integrated water resources management and early warning system for climate change resilience in the Lake Chad Basin (Fully-developed proposal; World Meteorological Organization (WMO); AF00000224; US\$ 11,665,500)

62. The objective of the proposal was to increase the resilience of the population in the lake Chad basin by enhancing the countries capability to manage and adapt to climate-related risks through improvement of hydrological monitoring, data systems and service delivery and awareness on climate-related hazards. This was the fifth submission of the fully developed project proposal, using a three-step approach.

63. It was observed that there were to be many executing entities and that much of the funding seemed to be spent on administrative costs; it was asked how much funding was actually spent implementing the project at the local level. It was also observed that it was not unclear whether the breakdown of execution costs would be addressed in the annual performance reports.

64. The representative of the secretariat explained that the project fees were capped, for both the implementing and executing entities. For regional projects, the implementing entities needed to coordinate activities in different countries, which usually involved working with different executing entities in each country. The implementing and executing costs were capped and monitored, inter alia by the AF Results Based Management (RBM) team. She also explained that the different components could be implemented by different executing entities with special expertise and that the executing costs approved would be unaffected by any subsequent changes to the template currently in use.

65. Having considered the issues raised in documents AFB/PPRC.35/25 and AFB/PPRC.35/3/Add.1/rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the World Meteorological Organization (WMO); to the request made by the technical review;
- (b) Approve the funding of US\$ 11,665,500 for the implementation of the project, as requested by WMO;
- (c) Request the secretariat to draft an agreement with WMO as the multilateral implementing entity for the project.

(Recommendation PPRC.35/20)

Cuba, Panama: Strengthening the adaptive capacity of coastal communities of Cuba and Panama to climate change through the binational exchange of best practices for climate management and local food security (Fully-developed proposal; International Fund for Agricultural Development (IFAD); AF00000378; US\$ 14,000,000)

66. The objective of the proposal was to reduce vulnerability and strengthen the adaptive capacities of nine coastal municipalities in Cuba and Panama to climate change impacts. This was the fifth submission of the fully developed project proposal, using a one-step approach.

67. Having considered the issues raised in documents AFB/PPRC.35/26 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) Approve the funding of US\$ 14,000,000 for the implementation of the project, as requested by IFAD;
- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Recommendation PPRC.35/21)***Regional Pre-Concepts******Proposals from Regional Implementing Entities (RIEs)***

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Suriname, Uruguay, Venezuela: An integrated system for evaluating hydrological status and outlooks to support key economic sectors and vulnerable communities in South America, to adapt to climate change and build resilience (Pre-concept note; World Meteorological Organization (WMO); AF00000416; US\$ 13,998,300)

68. The objective of the proposal was to improve the adaptive capacities of key socio-economic sectors and vulnerable communities in South America to climate change through the provision of accessible, user oriented, gender responsive, and fit-for-purpose hydrometeorological information and services. This was the third submission of the pre-concept note, using a three-step approach.

69. An observation was made that as there were a large number of regional elements to the proposal it would be hard to assess how much work would be done to improve the livelihood of people locally and it was asked whether that this was the best approach to take.

70. The representative of the secretariat explained that project evaluation was one of the functions of the AF Technical Evaluation Reference Group (AF-TERG). It also used experts to conduct ex-post evaluations to assess the impact of the projects after their completion. The role of the designated authority was also highlighted as essential for ensuring the effectiveness of the projects.

71. It was pointed out that in the past countries were sometimes not even aware that they had been included in a regional proposal; they only realised that after project completion. It was essential to ensure that the projects were country driven and addressed the needs of the countries therefore involved.

72. The representative of the secretariat said that the designated authorities for all the countries involved had to provide an endorsement letter for proposal and furthermore as mandated through a Board decision have to be copied on each project submission to the secretariat before it could be technically reviewed and subsequently recommended for consideration by the Board.

73. Having considered the issues raised in documents AFB/PPRC.35/27, AFB/PPRC.35/27/Add.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the pre-concept note as supplemented by the clarification responses provided by the World Meteorological Organization (WMO) to the request made by the technical review;
- (b) Request the secretariat to notify WMO of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
 - (i) The concept note should fully identify the demonstration cases highlighted in the outputs;
- (c) Approve the project formulation grant of US \$ 50,000;
- (d) Request WMO to transmit the observations under subparagraph (b) to the Governments of Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Suriname, Uruguay, Venezuela;
- (e) Encourage the Governments of Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Suriname, Uruguay, Venezuela to submit, through WMO, a concept note that would also address the observation under subparagraph (b), above.

(Recommendation PPRC.35/22)

Benin, Burkina Faso, Uganda, Zimbabwe: Pioneering innovative financing for climate-resilient health systems in Africa (Pre-concept note; World Health Organization (WHO); AF00000414; US\$ 13,924,000)

74. The objective of the proposal was to enhance health system resilience by fostering private sector investment, deploying innovative financing in pilot projects, and strengthening government capacities to co-design and attract investment in climate-resilient technologies. This was the second submission of the pre-concept note, using a three-step approach.

75. Having considered the issues raised in documents AFB/PPRC.35/28, AFB/PPRC.35/28/Add.1 and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the pre-concept note as supplemented by the clarification responses provided by the World Health Organization (WHO) to the request made by the technical review;
- (b) Request the secretariat to notify WHO of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) Approve the project formulation grant of US\$ 20,000;
- (d) Request WHO to transmit the observations under subparagraph (b) to the Governments of Benin, Burkina Faso, Uganda, Zimbabwe;

- (e) Encourage the Governments of Benin, Burkina Faso, Uganda and Zimbabwe to submit, through WHO, a concept note that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/23)

Costa Rica, Panama: Enhancing climate change adaptation capacity in Central America with focus on Costa Rica and Panama: improving hydroclimatic and early warning systems and integrating with water resources management (Pre-concept note; World Meteorological Organization (WMO); AF00000398; US\$ 13,932,655)

76. The object of the proposal was to enhance climate change adaptative capacity and resilience to droughts and floods in Central America through the improvement of related hydro-climatic and early warning systems. This was the fourth submission of the pre-concept note, using a three-step approach.

77. Having considered the issues raised in documents AFB/PPRC.35/29 AFB/PPRC.35/29/Add.1, and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board (the Board):

- (a) Endorse the pre-concept note as supplemented by the clarification responses provided by the World Meteorological Organization (WMO) to the request made by the technical review;
- (b) Request the secretariat to notify WMO of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) Approve the project formulation grant of US \$ 30,000;
- (d) Request WMO to transmit the observations under subparagraph (b) to the Governments of Costa Rica, Panama;
- (e) Encourage the Governments of Costa Rica, Panama to submit, through WMO, a concept note that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/24)

Malawi, Mozambique, Zambia: Upscaling groundwater-based natural infrastructure (GBNI) to support water resilience in selected transboundary aquifers (TBAs) of Southern Africa (Pre-concept note; International Fund for Agricultural Development (IFAD); AF00000421; US\$ 14,000,000)

78. The object of the proposal was to reduce the adverse impacts of climate variability and change through joint management of shared surface water and groundwater, identification of groundwater-dependent ecosystems and livelihood diversification. This was the second submission of the pre-concept note, using a three-step approach.

79. Having considered the issues raised in documents AFB/PPRC.35/30 AFB/PPRC.35/30/Add.1, and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the pre-concept note as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;

- (b) Request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) Approve the project formulation grant of US\$ 33,000;
- (d) Request IFAD to transmit the observations under subparagraph (b) to the Governments of Malawi, Mozambique, Zambia;
- (e) Encourage the Governments of Malawi, Mozambique, Zambia to submit, through IFAD, a concept note that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/25)

Malawi, Zambia: Supporting resilient agricultural value chains and livelihoods of climate vulnerable border communities of Zambia and Malawi (Pre-concept note; United Nations Industrial Development Organization (UNIDO); AF00000422; US\$ 13,998,238)

80. The object of the proposal was to enhance resilience of the trans-frontier boarder area (TFCA) communities to climate impacts by fostering gender-sensitive and resilient agro-value chains and sustainable ecosystems management. This was the third submission of the pre-concept note, using a three-step approach.

81. In response to query about whether the present proposal and the previous proposal were substantially the same, the representative of the secretariat explained the previous proposal would be implemented in the region of the Zambezi river basin in southern Malawi and central Mozambique and the Sand and Gravel Transboundary Aquifer (TBA) shared between Malawi and Zambia while the present proposal addressed trans-frontier boarder area (TFCA) border communities, for Zambia's Eastern Province (Chasefu, Lundazi, Lumezi) and for Malawi's Central and Northern regions (Mzimba, Kasungu, Mchinji). She also clarified that executing entities for the project would be Development Aid from People to People (DAPP) Zambia and Development Aid from People to People (DAPP) Malawi.

82. Having considered the issues raised in documents AFB/PPRC.35/31/Rev.1 AFB/PPRC.35/31/Add.1, and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the pre-concept note as supplemented by the clarification responses provided by the United Nations Industrial Development Organization (UNIDO) to the request made by the technical review;
- (b) Request the secretariat to notify UNIDO of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) Approve the project formulation grant of US\$ 30,000;
- (d) Request UNIDO to transmit the observations under subparagraph (b) to the Governments of Malawi, Zambia;
- (e) Encourage the Governments of Malawi, Zambia to submit, through UNIDO, a concept note that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/26)

Montenegro, North Macedonia: Integrated drought management in the riverine countries of the Drin basin (Pre-concept note; World Meteorological Organization (WMO); AF00000412; US\$ 13,733,500)

83. The object of the proposal was to enhance disaster risk management (DRM) capacities at the transboundary Drin basin level and implement climate resilient river basin DRM approach for improved capacity to manage related risks at transboundary, national and local levels, and to enhance resilience of vulnerable communities to droughts. This was the third submission of the preconcept note, using a three-step approach.

84. Having considered the issues raised in documents AFB/PPRC.35/32 AFB/PPRC.35/32/Add.1, and AFB/PPRC.35/3/Add.1/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the pre-concept note as supplemented by the clarification responses provided by the World Meteorological Organization (WMO) to the request made by the technical review;
- (b) Request the secretariat to notify WMO of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) Approve the project formulation grant of US\$ 30,000;
- (d) Request WMO to transmit the observations under subparagraph (b) to the Governments of Montenegro, North Macedonia;
- (e) Encourage the Governments of Montenegro, North Macedonia to submit, through WMO, a concept note that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/27)

Agenda item 7: Report of the secretariat on initial screening/technical review of single country locally-led adaptation proposals

85. The representative of the secretariat presented an overview of the locally-led adaptation (LLA) single country project and programme proposals submitted to the present meeting and the process of screening and technical review undertaken by the secretariat as laid out in documents AFB/PPRC.35/4 and AFB/PPRC.35/4/Add.1. She said that NIEs had submitted four single country LLA proposals, all of which were being technically recommended for approval.

86. The PPRC took note of the presentation by the secretariat.

Agenda item 8: Review of single country locally-led adaptation proposals

Fully developed proposals

Proposals from National Implementing Entities (NIEs)

Armenia: Armenia National Adaptation Funding Facility (Fully-developed proposal; Environmental Project Implementation Unit (EPIU); AF00000360; US\$ 4,960,000);

87. The object of the proposal was to enhance the country's capacity to effectively respond to the adaptation challenges posed by climate change and enhance adaptation resilience in Armenia through the establishment of a national adaptation finance facility. This was the fourth submission of the fully-developed project proposal under the rolling submission process.

88. In response to the questions from the PPRC members, the representative of the secretariat referred to the policy on implementation and execution costs and fees, which contains precise rules on lower limits for management costs received when an IE is both implementing and executing part or all of the project. In the case of the EPIU it would receive additional 1.5 per cent of the project cost for the part of the project for which it would serve as an executing entity. The justification for taking on that execution role was that EPIU would be facilitating the activities of identifying on the ground executing partners which would undertake project execution. The representative also clarified “policy decompression” in the context of the proposal, which refers to translating national adaptation strategies into locally actionable policies.

89. Having considered the issues raised in documents AFB/PPRC.35/33 and AFB/PPRC.35/4/Add.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board (the Board):

- (a) Approve the fully developed project proposal, as supplemented by the clarification responses provided by the Environmental Project Implementation Unit (EPIU) to the request made by the technical review;
- (b) Approve the funding of US\$ 4,960,000 for the implementation of the project, as requested by EPIU;
- (c) Request the secretariat to draft an agreement with EPIU as the national implementing entity for the project.

(Recommendation PPRC.35/28)

Côte d'Ivoire: Project to strengthen the resilience of local communities in the Bafing region made vulnerable due to farmer breeder conflicts exacerbated by the effects of climate change (Fully-developed proposal; The Interprofessional Fund for Agricultural Research (FIRCA); AF00000365; US\$ 4,950,000)

90. The objective of the proposal was to improve the resilience of local communities in the Bafing region by strengthening the adaptative capacities of farmers and breeders against the effects of climate change. This is the fourth submission of the fully-developed project proposal under the rolling submission process.

91. In response to a question concerning the climate rationale for the proposal, the representative of the secretariat further clarified that the rationale is that the scarcity of water and productive land, exacerbated by climate change, coupled with competing demands from pastoralists and sedentary farmers. This poses a risk to local social cohesion and the sustainability of both livelihood systems. Concerning the locally-led aspect of the proposal, it was explained that a local government body, with representation from both pastoralist and farmer groups, is the main decision-maker and project owner.

92. Having considered the issues raised in documents AFB/PPRC.35/34 and AFB/PPRC.35/4/Add.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Approve the fully developed project proposal, as supplemented by the clarification responses provided by the Interprofessional Fund for Agricultural Research (FIRCA) to the request made by the technical review;
- (b) Approve the funding of US\$ 4,950,000 for the implementation of the project, as requested by FIRCA;
- (c) Request the secretariat to draft an agreement with FIRCA as the national implementing entity for the project.

(Recommendation PPRC.35/29)

Concept notes

Proposals from National Implementing Entities (NIEs)

Bhutan: Securing water & enhancing climate resilience in Thimphu (Rural) district in Bhutan (Concept note; Bhutan Trust Fund for Environmental Conservation (BT FEC); AF00000401; US\$ 5,000,000)

93. The objective of the proposal was to enhance the adaptive capacities of communities to the impacts of climate change by building resilience and implementation of ecosystem-based adaptation measures in Thimphu district of Bhutan. This was the third submission of the concept note under the rolling submission process.

94. The representative of the secretariat explained that while the funding for project formulation for locally-led adaptation projects is normally capped at US\$ 150,000 with an award of an additional US\$ 100,000 possible on a justified, case-by-case basis. In the present case an additional US\$ 100,000 had been requested to enhance local-level decision-making by strengthening participatory governance mechanisms and building the capacity of local actors to define, prioritize, and implement adaptation actions. The activities include capacity-building workshops on project management and adaptation planning, enhancing local Monitoring and Evaluation (M&E) systems, and organizing learning visits to successful adaptation sites in Bhutan.

95. Having considered the issues raised in documents AFB/PPRC.35/35, AFB/PPRC.35/35/Add.1 and AFB/PPRC.35/4/Add.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board:

- (a) Endorse the concept note as supplemented by the clarification responses provided by the Bhutan Trust Fund for Environmental Conservation (BT FEC) to the request made by the technical review;
- (b) Request the secretariat to notify BT FEC of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed proposal should specify how hydro-meteorological data collected through microclimatic stations will be disseminated to local communities, ensuring accessibility and integration into local decision-making processes;
 - (ii) The fully-developed proposal should detail the participatory methods to be used during consultations, how community feedback will be documented and analyzed,

and how findings from consultations and feasibility assessments will be communicated back to the community to ensure transparency;

(iii) The fully-developed proposal should specify the content of leadership and financial management training for local actors, including water user associations (WUAs), and clarify who will deliver the sessions, ensuring long-term sustainability and knowledge retention;

(iv) The fully-developed project proposal should include adequate provisions to ensure that the unidentified sub-projects (USPs) will also be compliant with the Environmental and Social Policy (ESP) of the Adaptation Fund;

(v) The fully-developed proposal should develop a gender action plan (GAP), provide a gender-disaggregated baseline, and clarify how vulnerable groups outlined in the proposal such as women, youth, and persons with disabilities will be actively included in decision-making, capacity-building, and project governance structures;

- (c) Approve the project formulation grant of US\$ 250,000;
- (d) Request BTFEC to transmit the observations under subparagraph (b) to the Government of Bhutan;
- (e) Encourage the Government Bhutan to submit, through BTFEC, a fully developed project proposal that would also address the observations under subparagraph (b). above.

(Recommendation PPRC.35/30)

Senegal: Strengthening the resilience of communities in the Dead Sine Valley (Concept note: Centre de Suivi Ecologique (CSE); AF00000411; US\$ 5,000,000)

96. The objective of the proposal was to strengthen the resilience of local communities, in particular women and youth, to climate change in the Dead Sine Valley through the development and implementation of climate-resilient agricultural solutions. This was the third submission of the concept note under the rolling submission process.

97. A question from the PPRC pertained to the understanding of ‘marginalized groups’ versus ‘vulnerable groups’. The representative of the secretariat explained that the term refers to communities or individuals who are systematically excluded from full participation in social, economic, political, or cultural life due to factors such as their identity, location, status, or socioeconomic condition and this could also include a number of different groups such as indigenous peoples and that it was the practice of the Board to refer to both marginalized and vulnerable groups.

98. Having considered the issues raised in documents AFB/PPRC.35/36, AFB/PPRC.35/36/Add.1 and AFB/PPRC.35/4/Add.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board (the Board):

- (a) Endorse the concept note as supplemented by the clarification responses provided by the Centre de Suivi Ecologique (CSE) to the request made by the technical review;
- (b) Request the secretariat to notify CSE of the observations in the review sheet annexed to the notification of the Board’s decision, as well as the following issues:

- (i) The fully-developed proposal should present a detailed gender analysis with disaggregated data for women, youth, and other vulnerable groups. It should include a Gender Action Plan (GAP) outlining specific interventions to promote women's land tenure security, equitable access to economic benefits, and representation in governance structures. The proposal should also clarify how vulnerable groups will be included in decision-making processes;
- (ii) The fully-developed proposal should include a sustainability plan for economic interest groups (EIGs), detailing governance structures, financial mechanisms (e.g., user fees, pooled funds), and capacity-building strategies to ensure long-term viability. Additionally, the proposal should outline specific commitments from decentralized sectoral ministries or local governments regarding long-term infrastructure maintenance and cost recovery strategies;
- (c) Approve the project formulation grant of US\$ 150,000;
- (d) Request CSE to transmit the observations under subparagraph (b) to the Government Senegal;
- (e) Encourage the Government Senegal to submit, through CSE, a fully developed project proposal that would also address the observations under subparagraph (b), above.

(Recommendation PPRC.35/31)

Agenda item 9: Report of the secretariat on initial screening/technical review of global locally-led aggregator proposals

99. The representative of the secretariat presented an overview of the locally-led adaptation (LLA) aggregator programme proposals submitted to the present meeting and the process of screening and technical review undertaken by the secretariat as laid out in document

AFB/PPRC.35/5. One regional implementing entity had submitted a LLA aggregator programme proposal but after technical review the proposal had not been technically recommended.. Details of the proposal are contained in document AFB/PPRC.35/Inf.36.

100. In response to queries, the representative of the secretariat explained that the proposal had been submitted and technically reviewed, but that no resubmission has been received yet. She also explained that the fees for the LLA aggregator were capped at 10 per cent each for the implementing and executing entities respectively. For the present programme, the executing entity fees being requested were below the limit, at 8.93 per cent of the programme cost.

101. The PPRC took note of the presentation by the secretariat. **Agenda item 10: Report of the secretariat on initial screening/technical review of large innovation projects**

102. The representative of the secretariat presented an overview of the large innovation project proposals submitted to the present meeting and the process of screening and technical review undertaken by the secretariat, as laid out in document AFB/PPRC.35/6. Four implementing entities had submitted large innovation project proposals but had not been technically cleared. Details of the proposals are contained in documents: AFB/PPRC.35/Inf.37, AFB/PPRC.35/Inf.38, AFB/PPRC.35/Inf.39 and AFB/PPRC.35/Inf.40.

103. In response to the question as to why none of the proposals had not been technically cleared, the representative of the secretariat explained that one of the proponents was still in the process of reaccreditation and had not resubmitted the proposal, and another proposal, while advanced, was not revised in time to be considered for this meeting, while the remaining two had a number of significant issues, such as the need to define the concrete nature of the activities being proposed and the need to adequately clarify the matter of funding the full cost of adaptation.

104. The PPRC took note of the presentation by the secretariat. **Agenda item 11: Report of the secretariat on initial screening/technical review of Adaptation Fund Climate Innovation Accelerator (AFCIA) proposals**

105. The representative of the secretariat presented an overview of the Adaptation Fund Climate Innovation Accelerator (AFCIA) small grants programme proposals submitted to the present meeting and the process of screening and technical review undertaken by the secretariat as laid out in document AFB/PPRC.35/7. One regional implementing entity, currently under re-accreditation, had submitted an eligible AFCIA programme proposal but after two technical reviews it had not been recommended for approval (AFB/PPRC.35/Inf.41).

106. In response for a request for clarification about increase in funding being requested for the AFCIA small grants programme under the annually determined funding provisions for fiscal year 2026 (as laid out in document AFB/PPRC.35/8, and subsequently discussed under Agenda Item 13), the representative of the secretariat explained that this would allow for greater regional balance. The previous call for proposals had been well received but only two RIEs had applied, both of which had been from the same region.

107. The PPRC took note of the presentation by the secretariat.

Agenda item 12: Operational policy on the regional locally-led adaptation window

108. The representative of the secretariat presented options for a new window for regional projects for locally-led adaptation (LLA) as laid out in document AFB/PPRC.35/9. The first option was to maintain the maximum size as regular and regional projects and programmes while the second option was to limit the size to US\$ 5 million.

109. It was pointed out that, with respect to thereferences to ‘transformative adaptation’ this is not specifically on of the criteria for funding, and therefore . the secretariat was asked to remove the references to transformational adaptation (ref: AFB/PPRC.35/9/Rev.1).

110. The representative of the secretariat provided further clarifications on some of the issues raised, such as explaining regional projects were to be preferred over standalone single-country projects only when they could be justified by some additional criteria such as economies of scale or the need to address transboundary concerns, for example. She also provided further clarifications on the proposed review template, the role of MIEs in locally-led adaptation; as well as the role of NIEs in regional locally-led adaptation initiatives, in countries where accredited NIEs exist, and confirmed that the principle of country-drivenness would apply to regional LLA projects and programmes.

111. Having considered the issues raised in document AFB/PPRC.35/9/Rev.1, the Project and Programme Review Committee recommended that the Adaptation Fund Board approve the

operational policy for a regional funding window for locally-led (LLA) adaptation as per document AFB/PPRC.35/9/Rev.1, and including the:

- (a) Maximum size of regional LLA projects to follow the Adaptation Fund's policy governing the maximum size of regional projects and programmes;
- (b) Maximum size of project formulation grants policy as established under Decision B.42/37, paragraphs (c) and (d)(i)-(ii).

(Recommendation PPRC.35/32)

Agenda item 13: Annually determined funding provisions for fiscal year 2026

112. The representative of the secretariat presented the proposed annually determined funding provisions for fiscal year 2026 as laid out in document AFB/PPRC.35/8.

113. It was observed that the funding provisions may need to be adjusted in the future years, depending on the outcome of the discussion of the various funding caps expected to take place at the forty-fourth meeting of the Board. Clarification was also sought for the reduction of US\$ 500,000 from the total combined funding provision most recently approved for small innovation grants, learning grants and project scale-up grants. The representative of the secretariat said that it had not been the intention to reduce the funding for any particular window but rather to facilitate countries' access and choice with respect to that funding. The PPRC agreed to include the additional US\$ 500,000 for the small grants' combined annual funding provision.

114. Having considered the issues raised in document AFB/PPRC.35/8, the Project and Programme Review Committee recommended that the Adaptation Fund Board request the secretariat to include in its work programme for fiscal year 2026 a provision for an amount of:

- (a) US\$ 60 million for funding regional project and programme proposals, including the funding of project formulation grant requests for preparing regional project and programme concept or fully-developed project documents;
- (b) US\$ 60 million for funding the second call for proposals for the Adaptation Fund Climate Innovation Accelerator (AFCIA);
- (c) US\$ 26.5 million for funding locally-led adaptation (LLA) single country projects and programmes, including the funding of project formulation and project formulation grant requests for preparing fully-developed locally-led adaptation (LLA) project documents;
- (d) US\$ 30 million for funding a new regional aggregator programme for channelling grants for LLA to non-accredited entities, including the funding of project formulation and project formulation grant requests;
- (e) US\$ 30 million for funding large innovation projects and programmes, including the funding of project formulation and project formulation grant requests;
- (f) US\$ 4 million for funding small innovation grants, learning grants and project scale-up grants.

(Recommendation PPRC.35/33)

Agenda item 14: Post approval request for changes UN-Habitat-Malaysia

115. The representative of the secretariat presented the request for a change in target sites for a project in Malaysia as submitted by UN-Habitat, which is more fully described in document AFB/PPRC.35/Inf.43.

116. In response to a query about the timelines for project implementation, the representative of the secretariat said that the project had begun implementation within six months of the first cash transfer and also explained that the changed target sites were within the larger target area that had already been approved by the project. The PPRC requested that the recommendation be amended to reflect specifically that the proposed project changes pertain to Component 2 of the project.

117. Having considered document AFB/PPRC.35/Inf.43 and its annexes, the Project and Programme Review Committee recommended that the Adaptation Fund Board approve the request for change in target sites in Component 2 for the project “*Nature-based Climate Adaptation Programme for the Urban Areas of Penang Island*” as requested by the United Nations Human Settlements Programme (UN-Habitat).

(Recommendation PPRC.35/34)

Agenda item 15: Report of the secretariat on the intersessional review cycle for readiness grants

118. The representative of the secretariat introduced the report of the secretariat on the intersessional review cycle for readiness grants, which is more fully described in document AFB/PPRC.35/Inf.42. He said that during the intersessional review cycle the secretariat had received one proposal for a readiness package grant submitted by the Environmental Project Implementation Unit (EPIU) of Armenia for the accreditation of Georgia’s first NIE, which had been approved intersessionally by the Board (Decision B.43-44/14).

119. The PPRC took note of the presentation by the secretariat.

Agenda item 16: Other matters 120.

No other matters were raised.

Agenda item 17: Adoption of recommendations and report

121. The Chair said that secretariat would prepare the report of the meeting and circulate it to the members of the PPRC for endorsement.

Agenda item 18: Closure of the meeting

122. Following the customary exchange of courtesies, the Chair declared the meeting closed at 10.00 a.m. Central European Time.

ANNEX I

Project and Programme Review Committee Thirty-fifth meeting Bonn, Germany, 8–9 April, 2025 PPRC members present in the meeting

John Payai MANYOK (Vice-chair, South Sudan, Africa)

Abdulaziz ALBUTTI (Saudi Arabia, Asia-Pacific)

Ahmed WAHEED (Maldives, Asia-Pacific)

Bertha I. ARGUETA TEJEDA (Honduras, Latin America and the Caribbean)

Victor VIÑAS (Dominican Republic, Latin America and the Caribbean)

Francisca MOLINA (Chair, Spain, Western European and Others Group)

Md. Mahmud HOUSSAIN (Bangladesh, Least Developed Countries)

Mani MATE (Cook Islands, Small Island Developing States)

Lucas Di PIETRO (Argentina, Non-Annex I Parties)

Ahmadou Sebory TOURE (Guinea, Non-Annex I Parties)