



ADAPTATION FUND

AFB/PPRC.44-45/1
27 May 2025

Adaptation Fund Board

**PROJECT FORMULATION GRANT FOR
INDONESIA**

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. At its forty-fourth meeting, the Adaptation Fund Board, through Decision B.44/21, endorsed the concept note titled “Building Climate Change Resiliency for Small and Remote Islands in Pangkajene Island (Pangkep) District” (Project ID: AF00000374). The total funding requested for the concept note is USD 979,548. The PFG was initially submitted in August 2023 for consideration at the 42nd meeting of the Adaptation Fund Board. At that time, the concept note was not technically cleared. The concept note was subsequently resubmitted in August 2024 for consideration at the 43rd AFB meeting and again was not technically cleared. It was later resubmitted two additional times for consideration at the 44th AFB meeting, where it was endorsed through Decision B.44/21.

8. Although the original PFG request of USD 50,000 was included in the August 2023 submission, it was inadvertently excluded from all subsequent resubmissions. As a result, the PFG was not presented to the Adaptation Fund Board for approval at the time the concept note was endorsed. The Implementing Entity is now requesting the approval of the PFG to support consultations and other preparatory activities required for the development of the fully developed proposal.

9. In accordance with Decision B.12/28, paragraph (b), the secretariat carried out a 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 full proposal development, baseline analysis for each component, consultations, and focus group discussions with stakeholders. Therefore, the Board may want to consider approving the PFG Request, considering that the related concept proposal is endorsed.



Project Formulation Grant (PFG)

Submission Date: **08 November 2023**

Adaptation Fund Project ID :
 Country/ies : **Indonesia**
 Title of Project/Programme : **Building Climate Changes Resiliency for Small and Remote Islands in Pangkajene Island (Pangkep) District**
 Type of IE (NIE/MIE) : **NIE (National Implementing Entity)**
 Implementing Entity : **Kemitraan – The Partnership for Governance Reform**
 Executing Entity/ies : **Resilient-Climate Change Adaptation Consortium (Konsorsium Tangguh Adaptasi Perubahan Iklim/(Kontan API - DFW Indonesia, Lembaga Maritim Nusantara, Yayasan Nypah Indonesia)**

A. Project Preparation Timeframe

Start date of PFG	1 December 2023
Completion date of PFG	29 February 2024

B. Proposed Project Preparation Activities (\$)

Describe the PFG activities and justifications:

List of Proposed Project Preparation Activities	Output of the PFG Activities	USD Amount
Data collection for baseline and analysis for each component	Collected data required to set up the basis for argument formulation and programme justification in the proposal	\$ 13.793
Travel meetings required for data collection and consultation	Confirmation of assumptions and situation on the ground before programme document finalized	\$ 12.931
Expert hiring for proposal writing	Assist Kemitraan in writing and use of collected baseline data to justify programme and enhance the proposal	\$ 19.655
Focus Group Discussion with Multistakeholders	To receive feedback and input on the Goal, Objective, Outcome and Output of the proposal which to be submitted to AF, so as to ensure it is in line with the national programmes and strategies of climate change adaptation	\$ 3.621
Total Project Formulation Grant		\$ 50.000

C. Implementing Entity

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

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Laode M. Syarif, KEMITRAAN		November 7, 2023	Abimanyu S. Aji	+6221-22780580	abimanyu.aji@kemitraan.or.id

Endorsement Letter from Environment Office South Sulawesi Province



SURAT REKOMENDASI
 Nomor 660/1104/SETIDPLH

Saya yang beranda tangan di bawah ini:

Nama : Ir. Andi Hasbi, M.T
 NIP : 19650427 199203 1 009
 Pangkat/Gol : Pembina Utama Madya / IV.d
 Jabatan : Kepala Dinas Pengelolaan Lingkungan Hidup
 Unit Kerja : Provinsi Sulawesi Selatan
 Instansi : Dinas Pengelolaan Lingkungan Hidup

Memberikan rekomendasi kepada "Konsorsium Tangguh Adaptasi Perubahan Iklim Pantai" yang merupakan konsorsium dan Non Government Organization (NGO) yang aktif dalam pemberdayaan masyarakat pantai dan pulau-pulau kecil di Sulawesi dan Indonesia pada umumnya, dimana saat ini sedang mengusulkan di daerah Kabupaten Pangkajene & Kepulauan sebagai lokasi kegiatan pada usulan program adaptasi perubahan iklim yang diselenggarakan oleh KEMITRAAN – Adaptasi Fund dengan tema "Membangun Ketahanan Pulau Kecil dan Terperci Kabupaten Pangkajene Kepulauan Terhadap Perubahan Iklim"

Demikian surat Rekomendasi ini untuk dipergunakan sebagaimana mestinya

Makassar, 14 Juli 2021

Kepala Dinas

Ir. Andi Hasbi, M.T
 Pangkat: Pembina Utama Madya
 NIP: 19650427 199203 1 009

Endorsement Letter from Vice-Regent of Pangkajene Islands Regency



BUPATI PANGKAJENE DAN KEPULAUAN

Pangkajene, 13 Juli 2022

Number : 996 / 148 / KTSBAPKPL

Appendix :

Subject :

Indorsement for Building Climate Change Resilience for Small and Remote Islands Project in Pangkajene dan Kepulauan District of South Sulawesi Province

To : The Adaptation Fund Board

c/o Adaptation Fund Board Secretariat

Email : Secretariat@Adaptation-Fund.org

Fax: 202 522 3240/5

In my capacity as designated authority for local government in Pangkajene dan Kepulauan Regency, I confirm that the project proposal **Building Climate Change Resilience for Small and Remote Islands Project in Pangkajene dan Kepulauan District of South Sulawesi Province** is in accordance with the local government's priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in the Indonesia particularly in Pangkajene dan Kepulauan Regency of South Sulawesi Province.

Accordingly, I am pleased to endorse the above project proposal with support from the Adaptation Fund. If approved, the project will be implemented by Partnership for Governance Reform (kemitraan) of Indonesia and co-funded by Small and Remote Islands Climate Change Adaptation Consortium (DFW Indonesia, Lerna, Yayasan Nipah). Thank you for your attention.

WAKIL BUPATI PANGKAJENE DAN KEPULAUAN



T. SYARHAN SANEMANA, SH

Endorsement Letter from Head of Research and Development Center for Marine, Coastal and Small Islands, Hasanuddin University



SURAT REKOMENDASI

NO/DIR: 20/UNA.22.11/MT.01.00/2022

Sejauh yang berenda dengan di bawah ini:

Nama: Prof. Dr. Nugroho Mardis, ST
Jabatan: Kepala Pusat Riset dan Pulau-Pulau Kecil, Unhas
Instansi: Universitas Hasanuddin

Memberikan rekomendasi kepada "Konsortium Tanggung Adaptasi Perubahan Iklim Pantai" yang merupakan konsortium dari Non Government Organization (NGO) yang aktif dalam pemberdayaan masyarakat pesisir dan pulau-pulau kecil di Indonesia pada umumnya, dimana saat ini sedang melaksanakan di daerah Kabupaten Pangkajene & Kepulauan, Provinsi Sulawesi Selatan sebagai salah satu kegiatan pada tahun program adaptasi perubahan iklim yang dibiayai oleh KEMITRAAN – Adaptasi Fund dengan tema "Memangun Ketahanan Pulau Kecil dan Terpendek Kabupaten Pangkajene Kepulauan Terhadap Perubahan Iklim"

Dengan Surat Rekomendasi ini untuk dipergunakan sebagaimana mestinya.

Makassar, 14 Juli 2022

Kepada,

Prof. Dr. Nugroho Mardis, ST
NIP 19600918 1967032 001



Endorsement Letter from Head of Research and Development Center for Climate Change, Hasanuddin University



SURAT REKOMENDASI
NOMOR: 006/Rek/E/VII/2022

Yang bertanda tangan di bawah ini:

Nama : Dr. Ir. M. Rijal Idrus, M.Sc.
 Jabatan : Kepala Pusat Riset Perubahan Iklim, Unhas
 Instansi : Universitas Hasanuddin

Memberikan rekomendasi kepada **'Konsorsium Tanggah Adaptasi Perubahan Iklim Pesisir'** yang merupakan konsorsium dari Non Government Organization (NGO) yang aktif dalam pemberdayaan masyarakat pesisir dan pulau-pulau kecil di Indonesia pada umumnya, dimana saat ini sedang menggunakan di daerah Kabupaten Pangkajene & Kepulauan, Provinsi Sulawesi Selatan sebagai lokasi kegiatan pada tahun program adaptasi perubahan iklim yang diselaraskan oleh KEMITRAAN - Adaptation Fund dengan tema *'Membangun Ketahanan Pulau Kecil dan Terpendek Kabupaten Pangkajene Kepulauan Terhadap Perubahan Iklim'*

Dengan Surat Rekomendasi ini diberikan untuk dipergunakan sebagaimana mestinya.

Makassar, 14 Juli, 2022

Kepala,


Ir. Rijal M. Idrus, MSc, PhD.
 NIP. 19651219199021001

Endorsement Letter KLHK for Resilient-Climate Change Adaptation Consortium

