



## ADAPTATION FUND

AFB/PPRC.36/24  
15 September 2025

---

Adaptation Fund Board  
Project and Programme Review Committee  
Thirty third Meeting  
Bonn, Germany, 7-8 October 2025

Agenda Item 5(a)

### **PROPOSAL FOR ANGOLA, MOZAMBIQUE**

## Background

1. The strategic priorities, policies and guidelines of the Adaptation Fund (the Fund), as well as its operational policies and guidelines include provisions for funding projects and programmes at the regional, i.e. transnational level. However, the Fund has thus far not funded such projects and programmes.

2. The Adaptation Fund Board (the Board), as well as its Project and Programme Review Committee (PPRC) and Ethics and Finance Committee (EFC) considered issues related to regional projects and programmes on a number of occasions between the Board's fourteenth and twenty-first meetings but the Board did not make decisions for the purpose of inviting proposals for such projects. Indeed, in its fourteenth meeting, the Board decided to:

- (c) Request the secretariat to send a letter to any accredited regional implementing entities informing them that they could present a country project/programme but not a regional project/programme until a decision had been taken by the Board, and that they would be provided with further information pursuant to that decision*

*(Decision B.14/25 (c))*

3. At its eighth meeting in March 2012, the PPRC came up with recommendations on certain definitions related to regional projects and programmes. However, as the subsequent seventeenth Board meeting took a different strategic approach to the overall question of regional projects and programmes, these PPRC recommendations were not included in a Board decision.

4. At its twenty-fourth meeting, the Board heard a presentation from the coordinator of the working group set up by decision B.17/20 and tasked with following up on the issue of regional projects and programmes. She circulated a recommendation prepared by the working group, for the consideration by the Board, and the Board decided:

- (a) To initiate steps to launch a pilot programme on regional projects and programmes, not to exceed US\$ 30 million;*
- (b) That the pilot programme on regional projects and programmes will be outside of the consideration of the 50 per cent cap on multilateral implementing entities (MIEs) and the country cap;*
- (c) That regional implementing entities (RIEs) and MIEs that partner with national implementing entities (NIEs) or other national institutions would be eligible for this pilot programme, and*

- (d) *To request the secretariat to prepare for the consideration of the Board, before the twenty-fifth meeting of the Board or intersessionally, under the guidance of the working group set up under decision B.17/20, a proposal for such a pilot programme based on consultations with contributors, MIEs, RIEs, the Adaptation Committee, the Climate Technology Centre and Network (CTCN), the Least Developed Countries Expert Group (LEG), and other relevant bodies, as appropriate, and in that proposal make a recommendation on possible options on approaches, procedures and priority areas for the implementation of the pilot programme.*

*(Decision B.24/30)*

5. The proposal requested under (d) of the decision above was prepared by the secretariat and submitted to the Board in its twenty-fifth meeting, 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. Based on the Board Decision B.25/28, the first call for regional project and programme proposals was issued and an invitation letter to eligible Parties to submit project and programme proposals to the Fund was sent out on 5 May 2015.

7. At its twenty-sixth meeting the Board decided to *request the secretariat to inform the Multilateral Implementing Entities and Regional Implementing Entities that the call for proposals under the Pilot Programme for Regional Projects and Programmes is still open and to encourage them to submit proposals to the Board at its 27th meeting, bearing in mind the cap established by Decision B.25/26.*

*(Decision B.26/3)*

8. At its twenty-seventh meeting the Board decided to:
- (a) *Continue consideration of regional project and programme proposals under the pilot programme, while reminding the implementing entities that the amount set aside for the pilot programme is US\$ 30 million;*
  - (b) *Request the secretariat to prepare for consideration by the Project and Programme Review Committee at its nineteenth meeting, a proposal for prioritization among regional project/programme proposals, including for awarding project formulation grants, and for establishment of a pipeline; and*
  - (c) *Consider the matter of the pilot programme for regional projects and programmes at its twenty-eighth meeting.*

*(Decision B.27/5)*

9. The proposal requested in (b) above was presented to the nineteenth meeting of the PPRC as document AFB/PPRC.19/5. The Board subsequently decided:

- a) *With regard to the pilot programme approved by decision B.25/28:*
  - (i) *To prioritize the four projects and 10 project formulation grants as follows:*
    - 1. *If the proposals recommended to be funded in a given meeting of the PPRC do not exceed the available slots under the pilot programme, all those proposals would be submitted to the Board for funding;*
    - 2. *If the proposals recommended to be funded in a given meeting of the PPRC do exceed the available slots under the pilot programme, the proposals to be funded under the pilot programme would be prioritized so that the total number of projects and project formulation grants (PFGs) under the programme maximizes the total diversity of projects/PFGs. This would be done using a three-tier prioritization system: so that the proposals in relatively less funded sectors would be prioritized as the first level of prioritization. If there are more than one proposal in the same sector: the proposals in relatively less funded regions are prioritized as the second level of prioritization. If there are more than one proposal in the same region, the proposals submitted by relatively less represented implementing entity would be prioritized as the third level of prioritization;*
  - (ii) *To request the secretariat to report on the progress and experiences of the pilot programme to the PPRC at its twenty-third meeting; and*
- b) *With regard to financing regional proposals beyond the pilot programme referred to above:*

(i) *To continue considering regional proposals for funding, within the two categories originally described in document AFB/B.25/6/Rev.2: ones requesting up to US\$ 14 million, and others requesting up to US\$ 5 million, subject to review of the regional programme;*

(ii) *To establish two pipelines for technically cleared regional proposals: one for proposals up to US\$ 14 million and the other for proposals up to US\$ 5 million, and place any technically cleared regional proposals, in those pipelines, in the order described in decision B.17/19 (their date of recommendation by the PPRC, their submission date, their lower “net” cost); and*

(iii) *To fund projects from the two pipelines, using funds available for the respective types of implementing entities, so that the maximum number of or maximum total funding for projects and project formulation grants to be approved each fiscal year will be outlined at the time of approving the annual work plan of the Board.*

*(Decision B.28/1)*

10. At its thirty-first meeting, having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

(a) *To merge the two pipelines for technically cleared regional proposals established in decision B.28/1(b)(ii), so that starting in fiscal year 2019 the provisional amount of funding for regional proposals would be allocated without distinction between the two categories originally described in document AFB/B.25/6/Rev.2, and that the funding of regional proposals would be established on a ‘first come, first served’ basis; and*

(b) *To include in its work programme for fiscal year 2019 provision of an amount of US\$ 60 million for the funding of regional project and programme proposals, as follows:*

(i) *Up to US\$ 59 million to be used for funding regional project and programme proposals in the two categories of regional projects and programmes: ones requesting up to US \$14 million, and others requesting up to US\$ 5 million; and*

(ii) *Up to US\$ 1 million for funding project formulation grant requests for preparing regional project and programme concepts or fully-developed project and programme documents.*

*(Decision B.31/3)*

11. The following project pre-concept document titled “Enhancing Rural Access to Climate Adaptation Technologies, Products and Services” was submitted for Angola, Mozambique by

the United Nations Industrial Development Organization (UNIDO), which is a Multilateral Implementing Entity of the Adaptation Fund.

12. This is the third submission of the regional project pre-concept proposal using the three-step submission process.

13. The current submission was received by the secretariat in time to be considered in the forty-fifth Board meeting. The secretariat carried out a technical review of the project proposal, with the diary number AF00000441, and completed a review sheet.

14. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with UNIDO, and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.

15. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25.15, the proposal is submitted with changes between the initial submission and the revised version highlighted.



ADAPTATION FUND

## ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Pre-Concept for a Regional Project

**Countries/Region:** Angola and Mozambique

**Project Title:** Enhancing rural access to climate adaptation technologies, products and services

**Thematic focal area:** Innovation in adaptation finance

**Implementing Entity:** United Nations Industrial Development Organization (UNIDO)

**Executing Entities:** Mozambique: Ajuda de Desenvolvimento de Povo para Povo (ADPP Mozambique), Angola: to be confirmed, UNIDO

**AF Project ID:**

**IE Project ID:**

**Requested Financing from Adaptation Fund (US Dollars):** USD 30,000,000

**Reviewer and contact person:** Lystra Fletcher-Paul **Co-reviewer(s):**

**IE Contact Person(s):**

### Technical Summary

The project “Enhancing rural access to climate adaptation technologies, products and services” aims to increase the climate resilience against key local climate risks, and productivity of highly vulnerable, rural communities in the provinces of Huíla and Cubango (Angola) and Tete (Mozambique) by (i) empowering smallholder farmers and rural MSMEs to adopt climate adaptation Technology, Products and Services (TPS) solutions that mitigate the impacts of climate change and (ii) directly addressing barriers limiting TPS adoption (i.e., limited demand from farmers, limited supply from Micro, Small and Medium Enterprises (MSMEs), and the low commercial viability of adaptation markets). This will be done through the three components below:

Component 1: Strengthening Local Enabling Conditions for the Uptake and Sustainability of Adaptation Solutions (USD 8,000,000).

Component 2: Inclusive Delivery and Uptake of Adaptation Solutions for Resilient Livelihoods (USD 13,000,000)

Component 3: Knowledge Loops and Adaptive Partnerships for Regional Learning and Synergies (USD 3,880,721).

Requested financing overview:

Project/Programme Execution Cost: USD 2,392,007

	<p>Total Project/Programme Cost: USD 27,272,728  Implementing Fee: USD 2,727,272  Financing Requested: USD 30,000,000</p> <p>The proposal includes a request for a project formulation grant of USD 30,000.</p> <p>The initial technical review raises some issues such as inconsistency in financial figures, lack of clarity in key terminology, the need for further explanation on the concept and types of technology, products, and services (TPS), and the absence of the name of the EE for Angola, as discussed in the number of Clarification Requests (CRs) and Corrective Action Request (CAR) raised in the review.</p> <p>The second technical review found that most of the issues raised in the first review were addressed, however two issues still have not been adequately addressed - specifically, the need to better define and give concrete examples of TPS, the need to further explain one of the terms used to describe the MSMEs.</p> <p>This third (final) technical review that all the outstanding CRs and CARs have been addressed.</p>
Date	September 9, 2025

Review Criteria	Questions	First Technical Review Comments July 21, 2025	Second Technical Review Comments August 22, 2025	Third Technical Review Comments 9 September 2025
Country Eligibility	1. Are all of the participating countries party to the Kyoto Protocol and/or the Paris Agreement?	<b>Yes</b>	-	-
	2. Are all of the participating countries developing countries particularly vulnerable to the adverse effects of climate change?	<b>Yes.</b> Both countries are vulnerable to the adverse effects of climate change, particularly droughts, prolonged heat waves and intensified cyclones caused by rising	-	-

		temperatures, shorter and less reliable rainy seasons, and more frequent extreme weather events).		
Project Eligibility	1. Have the designated government authorities for the Adaptation Fund from each of the participating countries endorsed the project/programme?	<b>Yes.</b> As per the Endorsement letters dated April 10, 2025 for Mozambique and October 29, 2024 for Angola.	-	-
	2. Has the pre-concept provided necessary information on the problem the proposed project/programme is aiming to solve, including both the regional and the country perspective?	<b>No.</b> The pre-concept provides a brief overview of the economic situation in the provinces in the two countries where the project will be implemented, highlighting the main issues related to poverty, low agricultural productivity, food insecurity, climate vulnerability, limited access to resources, and insufficient adoption of climate adaptation strategies due to financial and logistical constraints.	<b>CAR1: Cleared</b>  Paragraphs 5 and 10 have been updated with the details on how the grant will support a transition towards a sustainable model.	-

		<p><b>CAR1.</b> Please further explain how the grant will support a transition toward a sustainable model. Without a clear pathway beyond initial grant support for MSMEs and smallholder farmers—ideally incorporating a market-based approach—there may be a risk of limited long-term impact and sustainability.</p>	.	
	<p>3. Have the project/programme objectives, components and financing been clearly explained?</p>	<p><b>No.</b></p> <p>The project objectives and components have been explained. However, the following points require clarification:</p> <p><b>CAR2:</b> The allocation of the indicative amounts for each country has only been provided for Components 1 and 2. Please also provide an indicative amount for each country for Component 3.</p>	<p><b>CAR2: Cleared</b> Indicative budget allocation for Component 3 is included for each country in Table on page 3.</p> <p><b>CAR2: Cleared</b></p>	-

		<p><b>CAR2:</b> The allocated amounts provided for each project component in the Table on Project/Programme Components and Financing are different from the amounts stated in the description of each Component (Paragraphs 9 to 11).</p> <p><b>CR2:</b> Please explain the term ‘system thinking’ and how it would improve the resilience and vulnerability of the communities.</p>	<p>Component amounts in paragraphs 9 to 13 have been adjusted to reflect the budget allocation above.</p> <p><b>CR2: Cleared</b></p> <p>To term “systems thinking” has been replaced by “learning systems” in <b>Paragraph 13</b> of the revised proposal and the explanation provided of the new term adequately explains how it would improve resilience and vulnerability of the communities.</p>	
	<p>4. Has the project/programme been justified in terms of how:</p> <ul style="list-style-type: none"> <li>- it supports concrete adaptation actions?</li> <li>- it builds added value through the regional approach?</li> <li>- it promotes new and innovative solutions to climate change adaptation?</li> <li>- it is cost-effective?</li> </ul>	<p><b>Yes.</b> However, additional information is required.</p> <p>The project supports adaptation actions, builds value added through the regional approach and promotes new and innovative solutions.</p> <p><b>CAR3:</b></p>	<p><b>CAR3: Not Cleared</b></p> <p>1. <b>Not cleared:</b> Although an adequate explanation and examples are</p>	<p><b>CAR3: Cleared.</b> As per Annex: Indicative Examples of Climate Adaptation TPS.</p>

	<ul style="list-style-type: none"> <li>- it is consistent with applicable strategies and plans?</li> <li>- it incorporates learning and knowledge management?</li> <li>- it will be developed through a consultative process with particular reference to vulnerable groups, including gender considerations, in compliance with the Environmental and Social Policy of the Adaptation Fund?</li> <li>- it will take into account sustainability?</li> </ul>	<p>Please clarify the following areas:</p> <p><b>1. Adaptation Solutions:</b> While the project states that it would provide climate adaptation solutions such as technologies, products and services (TPS), it does not provide specifics of the types of solutions envisaged e.g. will these solutions involve the construction of infrastructure, or the adoption of a specific technology? Clarification is needed on the nature, scope, and examples of the TPS to be supported.</p> <p><b>2. Definition and Selection of Smallholder Farmers and MSMEs:</b></p> <p>a. The project targets smallholder</p>	<p>provided of the specific TPS as well as their nature and scope in the response, these details are not reflected in Paragraph 9 which only provides information on how the TPS will be incorporated into the revised Concept Note and Full project. Paragraph 12 also mentions “sustainable inputs” and “low cost operationally simple fixed assets” but these terms do not adequately provide concrete examples of such inputs and fixed assets.</p> <p>You may wish to include the table with the indicative examples as an Annex and refer to it in the text or provide a few concrete examples since it is indicated that TPS solutions have already been identified.</p> <p><b>2. Cleared.</b> Paragraph 11 has been updated with clear definitions of the groups, as well as an</p>	
--	--	---	---	--

		<p>farmers and MSMEs; however, it does not provide clear definitions of these groups. Please clarify how "smallholder farmers" and "MSMEs" are defined in the project context.</p> <p>b. Additionally, explain the relationship between these two groups—how MSMEs will interact with or support smallholder farmers—and provide a rationale for selecting specific MSMEs for support.</p> <p>c. What process and criteria will be used to identify and select these MSMEs to ensure they align with the needs of the community and the project's adaptation objectives?</p> <p><b>3. Unidentified Sub-Projects (USPs):</b></p>	<p>explanation of the role of Adaptation MSMEs and the relationship between two groups in terms of how MSMEs will interact with small farmers.</p> <p><b>CR (New):</b> Please explain the term "<i>last mile</i> local suppliers"</p> <p><b>Cleared:</b> The process and criteria for selecting specific MSMEs for support are also provided in Paragraph 11.</p> <p>3. <b>Cleared:</b> Paragraph 10 provides and explanation on how the USPs will be incorporated into the CN and FP</p>	<p><b>CAR NEW: Cleared.</b> As per clarification at footnote 5.</p>
--	--	---	---	---

		<p>As currently written, the proposal lacks clarity on the specific types of adaptation solutions and the methodology for identifying and selecting target beneficiaries. This may place these components within the AF's definition of USPs. If that is the case, the proposal should explicitly acknowledge this and refer to the Fund's <a href="#">guidance on USPs</a>.</p> <p>Please note that USPs are acceptable if they are well justified, particularly in the context of innovation.</p> <p><b>CR3: Justification of Regional Approach</b> The project aims to generate added value through a regional approach involving Angola and Mozambique. Please clarify what specific synergies,</p>	<p><b>CR3: Cleared.</b> Paragraph 8 has been updated to include additional details on the specific synergies, complementarities and efficiencies which are expected to arise from the regional design.</p>	
--	--	---	--	--

		complementarities, or efficiencies are expected to arise from this regional design.		
	5. Does the pre-concept briefly explain which organizations would be involved in the proposed regional project/programme at the regional and national/sub-national level, and how coordination would be arranged? Does it explain how national institutions, and when possible, national implementing entities (NIEs) would be involved as partners in the project?	<b>Yes.</b>	-	-
Resource Availability	6. Is the requested project / programme funding within the funding windows of the programme for regional projects/programmes?	<b>Yes.</b>	-	-
	7. Are the administrative costs (Implementing Entity Management Fee and Project/ Programme Execution Costs) at or below 10	<b>Yes.</b> However, further amendment is required. <b>CAR5:</b> The EE fee exceeds the allowable	<b>CAR5: Cleared.</b>	-

	<p>per cent of the project/programme for implementing entity (IE) fees and at or below 10 per cent of the project/programme cost for the execution costs?</p>	<p>limit. Since the IE is acting as EE for Component 3, the EE fee should be limited to 1.5% of the part of the project executed by the implementing entity. Please refer to <a href="#">the IE and EE calculation sheet</a>.</p> <p><b>CR4:</b> Please clarify if the intention is for Mozambique: Ajuda de Desenvolvimento de Povo para Povo (ADPP Mozambique), Angola: to be confirmed, UNIDO to both execute the PFG. If it is intended for only UNIDO to execute the PFG, please amend the PFG request form.</p>	<p>Execution cost are less than 10 % of the total programme/project cost and IE fee is 10% of Total Project/Programme Cost</p> <p>UNIDO is expected to execute Component 3, which amounts to USD 3,880,721 and is therefore entitled to 1.5% of this amount as execution costs. The remaining execution costs - linked to components implemented by ADPP - were calculated using the 10% ceiling, in line with the referenced AFB guidance.</p> <p><b>CR4: Cleared.</b> UNIDO and ADPP Mozambique will both be involved in the execution of the PFG.</p>	
Eligibility of IE	8. Is the project/programme submitted through an	<b>Yes.</b>	-	-

	eligible Implementing Entity that has been accredited by the Board?	Accreditation expiration date: 30 November 2025.		
--	---	--	--	--



ADAPTATION FUND

## PRE-CONCEPT FOR A REGIONAL PROJECT/PROGRAMME

### PART I: PROJECT/PROGRAMME INFORMATION

**Title of Project/Programme:** Enhancing rural access to climate adaptation technologies, products and services

**Countries:** Angola, Mozambique

**Thematic Focal Area<sup>1</sup>:** Innovation in adaptation finance

**Type of Implementing Entity:** Multilateral Implementing Entity

**Implementing Entity:** United Nations Industrial Development Organization (UNIDO)

**Executing Entities:** Mozambique: Ajuda de Desenvolvimento de Povo para Povo (ADPP Mozambique), Angola: to be confirmed, UNIDO

**Amount of Financing Requested:** 30,000,000 (in U.S Dollars Equivalent)

**Project Formulation Grant Request:** Yes  No

**Amount of Requested financing for PFG:** 30,000 (in U.S Dollars Equivalent)

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

**Stage of Submission:**  
 This pre-concept has been submitted before  This is the first submission ever of the pre-concept

**Please note that pre-concept should not exceed 5 pages (in addition to this first cover page)**

#### Project/Programme Background and Context:

1. Populations in Angola and Mozambique face high levels of vulnerability to climate change, with the ND-GAIN Index (2025) ranking them at 143<sup>rd</sup> and 128<sup>th</sup>, respectively, out of 187 [1]. Even more worrisome is their ranking for readiness to manage climate impacts and as such leverage private and public sector investment for adaptive action, where Angola is the 20<sup>th</sup> least prepared and Mozambique 16<sup>th</sup>, out of 192. Mozambique was also considered the country most affected by extreme weather events in 2019 and placed 5<sup>th</sup> for the period from 2000-2019, according to the German Watch's Global Climate Index (2021) [2].
2. Climate projections for Angola and Mozambique indicate a sharp rise in temperatures, shorter and less reliable rainy seasons, and more frequent extreme weather events over the coming decades. According to the IPCC's Sixth Assessment Report and national CCDRs [3], average temperatures in Angola are projected to rise by 1.5–3°C between 2040 and 2060, and by 1.5–2.5°C in Mozambique by 2050. Rainfall is expected to become more erratic in both countries, with localized declines and progressively shorter rainy seasons under RCP 8.5. The likelihood of multi-year droughts, prolonged heatwaves, and intensified cyclones is projected to increase, particularly under higher emissions scenario. These trends are expected to have major economic consequences, with projected GDP losses of up to 15% in Mozambique and nearly 6% in Angola by 2100 under RCP 8.5. These shifts are already underway. Angola has experienced a 1.4°C rise in average temperatures since the 1950s, alongside declining rainfall in the south and more frequent multi-year droughts. Mozambique has similarly recorded a 1.5–2°C temperature increase since the 1960s, accompanied by greater rainfall variability and more frequent floods and cyclones.
3. Agriculture is the primary source of employment, food, and income for rural households in both Angola and Mozambique. It is dominated by smallholder farmers (defined in both countries as those cultivating up to 5 hectares) who rely on small, rainfed plots primarily for subsistence. Rural poverty rates are high: 79% in Mozambique and 53% in Angola. Most households consume the bulk of their production, with little surplus for sale or savings, and diets are typically based on a narrow set of staples (mainly maize and some cassava), with limited nutritional value. Rural communities are often geographically isolated and weak infrastructure further restricts access to water, markets, inputs, and technology. Farmer organizations and cooperatives have received some public support, but are often under-resourced and lack the technical and managerial capacity to support their members. As a result

<sup>1</sup> Thematic areas are: Food security; disaster risk reduction and early warning systems; transboundary water management; and innovation in adaptation finance.

**Formatted:** Font: (Default) Aptos, 10 pt, Font color: Black, Do not check spelling or grammar

of these socioeconomic constraints, smallholder productivity remains low, commercialization is limited, and food insecurity is widespread. These underlying structural weaknesses leave smallholder systems highly vulnerable to climate shocks.

4. Tete (central Mozambique), and Huíla and Cuando Cubango (southern Angola), are among the most climate-vulnerable provinces in their respective countries. These regions are predominantly rural, with high poverty rates, weak infrastructure, and heavy dependence on rainfed smallholder agriculture for food and income. Tete plays a central role in Mozambique's maize production and faces mounting climate stress. Located in the Zambezi basin, it is projected to experience higher average temperatures, declining and more erratic rainfall, and shorter rainy seasons. Huíla and Cuando Cubango are also maize-producing regions reliant on smallholder systems. Huíla is one of Angola's leading maize producers, while Cuando Cubango is less commercially developed, with most agriculture occurring in remote, semi-arid areas particularly vulnerable to climate shocks [4] [5]. Without adaptation, maize yields in Tete could decline by up to 45% by 2050 under RCP 7.0. While similarly detailed projections are not available for southern Angola, RCP 8.5 models project that southern regions could face temperature increases of 2.5–3°C and rainfall reductions of 10–20%, posing similar risks to crop yields and rural food security [6]. Despite mounting climate risks, the adoption of climate adaptation solutions has been insufficient due to persistent demand- and supply-side barriers. Farmer demand for climate adaptation solutions (i.e., technologies, products, and services [TPS]<sup>2</sup>) remains limited due to the low awareness of their potential to boost farm productivity and the risk aversion to invest in unfamiliar approaches with high upfront capital and labor costs, but often delayed and uncertain returns. Rural micro, small and medium-sized enterprises (MSMEs), such as input retailers, agro-dealers, and extension service providers are well-positioned to supply these adaptation solutions locally. However, many are small, informal, and undercapitalized, and often lack the technical capacity and sourcing networks needed to identify, market, and support the uptake of appropriate adaptation solutions among their smallholder customer base. The uptake of the adaptation solutions is further constrained by farmers' limited purchasing power and MSMEs' high operational cost in offering new solutions to rural areas with hard access, uncertain demand, and slower initial sales turnover.
5. By focusing on climate-vulnerable areas in both countries, and leveraging their shared language, rural economies, and adaptation gaps, this regional project aims to deliver scalable, community-driven solutions that strengthen food systems, livelihoods, and institutional resilience. The project is explicitly designed to enable a gradual transition from grant-based support to a financially sustainable and resilient smallholder farming ecosystem. During the project, targeted grant financing will de-risk the introduction of new adaptation solutions in hard-to-reach rural markets where adaptation MSMEs face high barriers to supply the solutions, and farmers need to overcome high upfront capital and labor costs and delayed and uncertain returns. Through a performance-based financing mechanism, MSMEs will receive grant support only when they deliver verifiable uptake and sustained use of adaptation solutions by smallholders. This approach incentivizes responsiveness, cost-efficiency, and long-term adoption from the outset. Additionally, MSMEs will receive capacity building to improve their service models, technical capabilities, and sourcing networks. In parallel, under Output 2.3, climate-resilient and profitable farming models will be co-developed with smallholders to generate additional income to farmers linked to the adoption of adaptation solutions. These models will create revenue streams that strengthen farmer resilience and ensure continued demand for adaptation solutions beyond the grant period. By embedding adaptation solutions into financially and environmentally sustainable farming models, and by supporting adaptation MSMEs to improve the delivery of adaptation solutions, the project will establish self-sustaining demand–supply dynamics in local adaptation markets rooted in community priorities and aligned with the Locally Led Adaptation (LLA) principles. The regional knowledge and governance systems under Component 3 will further support learning, innovation, adaptation, and knowledge sharing beyond the grant period, reinforcing the durability of results.

[1] ND-GAIN Country Index, 2025.

[2] GermanWatch, Global Climate Risk Index, 2021.

[3] IPCC AR6, WGII, 2022.

[4] WFP, Drought in south-western Angola drives severe hunger, 2021.

[5] World Bank, 2023, Drought Resilience Profiles Angola.

[6] World Food Program, Food Security and livelihoods under a changing climate in Mozambique, 2021.

### Project/Programme Objectives:

6. The **overall objective** of the project is to increase the climate resilience against key local climate risks (i.e., rising temperatures, shorter and less reliable rainy seasons, and more frequent extreme weather events), and productivity of highly vulnerable, rural communities in the provinces of Huíla and Cubango (Angola) and Tete (Mozambique) by empowering smallholder farmers and rural MSMEs<sup>3</sup> to adopt climate adaptation TPS solutions and by directly addressing barriers limiting TPS adoption (i.e., limited demand from farmers, limited supply from MSMEs, and the low commercial viability of adaptation TPS markets). The **specific objectives** of the project are to: (1) enhance the local enabling environment by strengthening the capacity of rural communities to identify and respond to climate risks; (2) enhance the adaptive capacity of vulnerable communities by facilitating access to affordable, context-appropriate adaptation solutions through strengthened MSMEs and targeted financial and technical support; and (3) promote the sustainability and scaling of effective adaptation practices through inter-country knowledge exchange, learning, and regional collaboration.

<sup>2</sup> Adaptation TPS solutions may fall into the following three categories: a) Technologies: Tools and equipment that enhance farm resilience through scientific or technical means, such as drip irrigation systems, solar-powered cold storage units, and localized weather monitoring devices; b) Products: Physical inputs used to mitigate climate risks, including drought-tolerant seed varieties, organic or biofertilizers, and protective infrastructure such as shade nets; and c) Services: Advisory, informational, or financial services that support adaptive decision-making and reduce risk, such as localized climate forecasts, and soil diagnostics.

<sup>3</sup> This project defines smallholder farmers as farmers that cultivate less than 5 hectares who primarily rely on rainfed plots for subsistence, and adaptation MSMEs as businesses with fewer than 50 employees engaged in the delivery of climate-adaptation TPS.

7. The project is expected to directly benefit approximately 5,700 smallholders and 160 MSMEs in the two countries<sup>4</sup>, (at least 50% women farmers and 50% women-led MSMEs) in the provinces of Huíla and Cubango in Angola and in the province of Tete in Mozambique through concrete adaptation interventions.

#### Project/Programme Components and Financing:

Project/ Programme Components	Expected Outcomes	Expected Outputs	Countries	Amount (US\$)
<b>1. Strengthening Local Enabling Conditions for the Uptake and Sustainability of Adaptation Solutions</b>	1. Strengthened local awareness, agency and ownership to lead climate adaptation and risk reduction processes	<b>Output 1.1:</b> Climate literacy and innovation showcases conducted in target communities in Y1 and Y3 <b>Output 1.2:</b> Community-led adaptation plans developed in Y2 and updated in Y5 to incorporate learning, community feedback, and revised climate scenarios <b>Output 1.3:</b> Community co-design sessions conducted to identify and prototype resilient livelihood models in Y2 and Y4 that support sustainability of adaptation solutions to be adopted	Angola, Mozambique	8,000,000  (4,000,000 Angola, 4,000,000 Mozambique)
<b>2. Inclusive Delivery and Uptake of Adaptation Solutions for Resilient Livelihoods</b>	2. Strengthened adaptive capacity of farmers through inclusive delivery, uptake and sustained use of locally relevant adaptation solutions	<b>Output 2.1:</b> Capacity of local MSMEs strengthened to deliver adaptation solutions aligned with community adaptation plans in Y3, Y4, Y5 <b>Output 2.2:</b> Performance-based financing mechanism implemented to incentivize affordable and inclusive solution delivery in Y4, Y5, Y6 <b>Output 2.3:</b> Climate-resilient and profitable farming models co-developed with farmers, building on deployed adaptation solutions in Y5, Y6	Angola, Mozambique	13,000,000  (6,500,000 Angola, 6,500,000 Mozambique)
<b>3. Knowledge Loops and Adaptive Partnerships for Regional Learning and Synergies</b>	3. Strengthened community-led and regionally connected learning systems and partnerships that drive adaptive learning innovation for climate resilience	<b>Output 3.1:</b> Knowledge and learning systems established in Y1 and operationalized from Y2 to Y6 to support adaptive project design updates, iterative planning, and cross-component coordination <b>Output 3.2:</b> Local governance structures and local and regional partnerships supported from Y1 to Y6 for learning alliances and innovation <b>Output 3.3:</b> Community adaptation innovation studios conducted for peer learning, and exchange of experiences, innovations, and strategies across local, cross-border and international contexts from Y3 to Y6 <b>Output 3.4:</b> Adaptation knowledge products co-produced with communities, SMEs, and institutions to inform adaptation policy and investment at local, national, and regional levels from Y2 to Y6	Angola, Mozambique	3,880,721  (1,940,360 Angola; 1,940,361 Mozambique)
6. Project/Programme Execution cost				2,392,007
7. Total Project/Programme Cost				27,272,728
8. Project/Programme Cycle Management Fee charged by the Implementing Entity (if applicable)				2,727,272
<b>Amount of Financing Requested</b>				<b>30,000,000</b>

**Project Duration:** 7 years (84 months) – including 6 months of project inception and startup phase, and 6 months of project closure phase including final evaluation. 6 years of project activities.

## PART II: PROJECT/PROGRAMME JUSTIFICATION

8. A regional, inter-country approach is important to address the shared climate vulnerabilities and systemic barriers faced by the target communities in Angola and Mozambique. Although the countries do not share a physical border, the inland provinces of Huíla, Cubango, and Tete experience similar climate-induced stresses and face parallel development challenges such as limited access to markets, weak service delivery, underdeveloped local institutions, and various other socio-economic challenges such as high poverty levels, food insecurity, and gender inequality. By fostering collaboration between the two countries, the project will enable the exchange of knowledge and technical expertise that are relevant across both contexts, while strengthening institutional capacities through joint learning processes. The shared language will facilitate peer-to-peer exchange, institutional coordination, and scaling of successful practices. The regional design will generate specific synergies by enabling the sharing of adaptation

<sup>4</sup> The number estimates are based on budget pre-conditions and general knowledge of the target areas of the Executing Entity. Estimates will be further detailed in CN stage.

models, tools, and delivery mechanisms between two countries facing similar climate risks and structural constraints thereby reducing duplication and leveraging economies of scale. Complementarities arise from the distinct but compatible strengths of national partners. For example, the Mozambican EE's experience in rural farm extension can inform similar efforts in Angola, while Angola's policy experience on climate-smart technologies can contribute to MSME engagement strategies in Mozambique. The regional structure also allows for pooled technical assistance, joint capacity building, and peer exchange through Component 3, resulting in more cost-effective and scalable outcomes than isolated national interventions.

9. The proposed project includes three interlinked components designed to respond to the needs of smallholder farmers and fisherfolk in these provinces, as follows:
10. **Component 1: Strengthening Local Enabling Conditions for Adaptation Uptake** (USD 8,000,000). This component will establish the social and institutional foundations for the identification and selection of context-specific climate adaptation TPS solutions in rural Angola and Mozambique. Climate literacy campaigns, informed by Climate Risk and Vulnerability Assessments (CRVA), will be co-designed with farmers to promote awareness, reduce risk aversion, and foster community ownership of adaptation practices. Campaigns in Years 1 and 3 will target women, youth, and producer groups (Output 1.1), supporting informed participation in local planning (Output 1.2). Communities will lead participatory planning in Year 2, with plan revisions in Year 5 based on updated scenarios and feedback. Co-design sessions in Years 2 and 4 will help develop resilient, locally aligned livelihood models, enhancing sustainability and economic resilience, especially for women and youth (Output 1.3). This component supports the uptake of TPS solutions (Component 2) and informs adaptive planning and innovation (Component 3). The identified and selected TPS solutions will be directly aligned with the priority climate risks in Tete (Mozambique), and Huíla and Cuando Cubango (Angola). Solutions will be tailored to local agroecological conditions and farming systems, will prioritize practices that integrate indigenous knowledge and community-based adaptation approaches, and will build on key findings on the CRVAs. Indicative examples of climate adaptation TPS are provided in the Annex. Based on preliminary assessments, a set of context-appropriate TPS solutions has already been identified and will be validated and expanded during the Concept Note (CN) and Full Proposal (FP) phases in collaboration with executing partners, farmers, and other local stakeholders for which AF's guidance on Unidentified Sub-Projects (USPs) will be followed. Detailed financial, social, and environmental criteria and screening tools will be defined during the CN and FP phases as well.
11. **Component 2: Inclusive Delivery and Uptake of Adaptation Solutions for Resilient Livelihoods** (USD 13,000,000). This component aims to enhance the adaptive capacity and resilience of smallholder farmers by strengthening the role of local adaptation MSMEs as inclusive, long-term partners in delivering climate adaptation TPS to farmers. It builds directly on the community adaptation plans (Output 1.2) and seeks to ensure that locally prioritized solutions are accessible, affordable, and delivered in an inclusive and community-led manner. Adaptation MSMEs will play a pivotal commercial role as last-mile local suppliers<sup>5</sup> of adaptation TPS to farmers, and related extension services. By strengthening adaptation MSME capacity and aligning their offerings with farmer needs and local climate risks, the project supports the development of viable local markets where smallholders are not only beneficiaries but also paying clients, creating a foundation for financially sustainable adaptation service delivery beyond the life of the project. The identification and selection of MSMEs will be informed by a targeted landscape assessment conducted during the Project Formulation Grant (PFG) phase and the early stages of implementation. Detailed selection criteria will be finalized in the next phases of the project and are expected to include: a) the enterprise's operational presence in the target communities, b) alignment with community priorities, c) demonstrated potential to deliver or scale relevant adaptation TPS solutions, and d) a clear commitment to inclusive service delivery, particularly for women and youth. The selection of MSME participants will be led by the Project Management Unit (PMU) and follow a transparent process aligned with the procurement and engagement principles of the Implementing Entity and Executing Entities, in close consultation with local authorities and community-based organizations.
12. Selected MSMEs will be supported with targeted technical assistance to deepen their understanding of farmers' adaptation needs, and to strengthen their technical expertise, delivery capacity, and business models to reflect the needs of smallholder farmers and local vulnerable groups, particularly women and youth. A performance-based financing mechanism will be implemented to link MSME compensation (grant) with verified delivery and sustained uptake of solutions by farmers, with additional incentives (e.g., additional bonus payments) for successfully supporting the integration of adaptation solutions by a minimum number of women and youth farmers (Output 2.2). Finally, the project will support the co-development of climate-resilient and profitable farming models with farmers, aligned with the adaptation solutions deployed. These farming models will integrate adaptation TPS solutions to reduce climate risk, improve productivity, and create sustainable income opportunities, and will be designed with farmers through participatory planning and aligned with the LLA principles. They may include a combination of improved agronomic practices, on-farm diversification, the use of sustainable inputs, and the acquisition of low-cost, operationally simple fixed assets. These models will enable farmers to continue sourcing TPS solutions from MSMEs beyond the life of the project, thereby reinforcing local adaptation markets and sustaining MSME-farmer linkages (Output 2.3). For indicative examples of climate adaptation TPS, please see the Annex.

<sup>5</sup> The term "last mile" describes the final step of delivery into communities that are otherwise inaccessible or under-served. In this context, "rural last mile local suppliers" are the final commercial distribution points for goods and services to rural communities. These suppliers are typically MSMEs (e.g., input retailers, agro-input dealers) that connect broader supply chains to end users in hard-to-reach locations. The usage of 'last mile' aligns with UNDP and UNCDF, which define the last mile as "the people, places and small enterprises that are under-served and excluded, where needs are greatest and resources scarcest. By delivering climate adaptation TPS solutions directly to smallholder farmers and rural households, these suppliers ensure vulnerable consumers can access affordable, context-appropriate solutions close to where they live and farm." (Getting to the Last Mile, 2016, available in: [getting-to-the-last-mile-oct-2016.pdf](#))

13. **Component 3: Strengthened Local Enabling Environment for Adaptation Adoption** (USD 3,880,721). This component aims to build community-led, regionally connected learning systems for adaptation knowledge sharing and application, enhancing climate resilience in Angola and Mozambique. Learning systems will be rooted in and structured on the LLA principles, with community-centered mechanisms that enable continuous reflection, knowledge sharing, and adaptive management throughout the life of the project and place communities at the center of climate innovation and decision-making. In Year 1, inclusive knowledge and learning systems will be established and operationalized from Year 2 to support iterative planning, innovation, and cross-component coordination (Output 3.1). These learning systems will be embedded in the PMU and local institutions to enable continuous learning. Support will also be provided to local governance structures and regional partnerships to foster learning alliances and sustained collaboration (Output 3.2). From Years 3–6, community-centered innovation studios will promote peer exchange of adaptation strategies across communities and borders, with emphasis on women and youth participation (Output 3.3). The project will also co-produce actionable adaptation knowledge with communities, MSMEs, and institutions to inform policy, guide investments, and contribute globally through evidence-based insights (Output 3.4).
14. **Promoting new and innovative solutions:** Leveraging UNIDO's expertise in MSME development and the Executing Entities' strength in community engagement, Component 2 enables MSMEs to serve as long-term, inclusive partners in delivering affordable, context-relevant innovative adaptation solutions. This fosters locally grounded scalable and sustainable innovation.
15. **Cost-effectiveness of the project:** By strengthening existing local governance structures, MSMEs, and community institutions, the project minimizes duplication and maximizes local ownership in the delivery and uptake of adaptation solutions. Operational presence of UNIDO and the national Execution Entities in Angola and Mozambique, combined with UNIDO's long standing expertise in climate solutions and private sector development and involvement of experienced national partners, will support the delivery of affordable, context-appropriate adaptation solutions at scale. The performance-based financing mechanism will link project resources directly to measurable community-level adaptation benefits, enhancing accountability and cost-efficiency. The promotion of locally relevant adaptation solutions and climate-resilient and profitable farming model co-creation further increases the likelihood of sustained uptake with minimal ongoing support. Moreover, the regional approach enhances cost-effectiveness by enabling peer learning and coordinated action between two Lusophone countries with similar adaptation needs.
16. **Alignment with sustainable development and adaptation strategies:** The project will contribute to SDGs 1, 2, 5, 8 and 13 by promoting inclusive, climate-resilient livelihoods and strengthening local adaptation systems. In Angola, the intervention is consistent with the current ENAC, which prioritize sustainable livelihoods and capacity-building for climate risk management in rural areas. In Mozambique, it supports objectives outlined in the current NAP, particularly around community-led adaptation, value chain resilience, and local-level planning. At a regional scale, the project supports cooperation and knowledge exchange and reinforces the ambitions of the SADC Climate Change Strategy.
17. **Learning and knowledge management:** The project embeds learning and knowledge management at all levels, and through Component 3 which establishes community-led learning systems (Output 3.1), supports governance and learning partnerships (Output 3.2), and facilitates innovation studios and co-produced knowledge products (Outputs 3.3 and 3.4).
18. **Consultative process:** This pre-CN was informed by initial consultations with relevant ministries in both countries to gain a deeper understanding of the needs, vulnerabilities, and adaptation barriers. The proposed interventions are aligned with national priorities and will be further refined through continued consultations during the CN stage. Local authorities and communities will actively contribute to the project's design, which will be guided by a robust stakeholder analysis. The experience and local presence of ADPP Mozambique, alongside that of the EE to be selected for Angola, will play a key role in ensuring inclusive and context-appropriate project development.
19. **Considering the sustainability of outcomes during project design:** Sustainability is embedded in the project's focus on strengthening governance, technical, and economic capacities at the community level. Community-led adaptation plans (Output 1.2), MSME-supported solution delivery (Component 2), and the development of resilient and profitable farming models (Output 2.3) promote self-sufficiency. The project also builds sustainability through institutionalized learning systems and knowledge products (Output 3.4) that remain beyond project closure.
20. **Economic, social and environmental benefits:** The project will generate economic benefits by improving access to adaptation TPS solutions that improve crops yields, farmer model co-creation, and **promoting rural** MSME growth. Socially, it will enhance food security, increase and diversify income, and promote inclusion, particularly for women and youth, while strengthening social capital through the empowerment of local producer groups, associations, and cooperatives. Environmentally, the project will promote climate-resilient practices in agriculture and support sustainable livelihood alternatives, contributing to long-term resilience and the preservation of natural resources.
21. **Gender and vulnerable groups:** The project will adopt a gender-responsive and socially inclusive approach throughout its design and implementation, in line with the AF's Gender Policy, SADC and national strategies and policies, and UNIDO's Gender Mainstreaming Guidelines. A gender and vulnerability assessment will inform targeted actions to ensure equitable participation, access to resources, and benefit-sharing. Special attention will be given to the active involvement of women, youth, and other marginalized groups in adaptation planning, training, and local decision-making processes.
22. **Compliance with technical standards:** The project will involve small-scale, locally appropriate interventions and adaptation solutions that do not include any major infrastructure or environmentally hazardous activities. UNIDO, as the IE, will apply its ESS Policy and will conduct due diligence to ensure alignment with the AF's ESP throughout project development and implementation.
23. **Avoidance of duplication with other funding sources:** The project will avoid duplication with past and ongoing initiatives by actively mapping and assessing related projects, such as AF's "Resilience building as climate change adaptation in drought-struck South-western African communities (Angola, Namibia)" implemented by ADPP, or GEF's "Coping with Drought and Climate Change (CwDCC) in Mozambique", implemented by UNDP. Efforts will be made to align with and build on existing investments

and institutional arrangements, as well as coordination with relevant stakeholders—including government agencies, development partners, and community-based organizations.

24. **Justification for funding request:** Climate change poses serious economic, social, and environmental risks to the agriculture sector in both countries, with projections pointing to increased food insecurity, reduced income, livelihood losses, and increased poverty unless urgent action is taken. Public resources remain limited, particularly for rural resilience and community-level action, making AF funding essential to catalyze progress where it is most needed. Without this support, structural barriers will continue to leave vulnerable communities exposed to increasing climate impacts.
25. **Environmental and social impacts and risks:** The project will comply with UNIDO’s and the AF’s Environmental and Social Policies; required instruments to address potential environmental and social impacts will be defined based on the assigned ESS category. The screening and selection of SMEs, the prototyping of adaptation solutions, and any future unidentified sub-projects (USPs) will be subject to environmental and social due diligence, in compliance with the AF’s USP policy.

**PART III: IMPLEMENTATION ARRANGEMENTS**

26. The project will be **led by UNIDO as the Implementing Entity**. UNIDO brings extensive experience in designing and executing adaptation interventions that integrate climate resilience, sustainable livelihoods, and MSME engagement. **In Mozambique, the project will be executed by Ajuda de Desenvolvimento de Povo para Povo (ADPP Mozambique)**, a nationally-recognized non-government organization nominated by the Ministry of Land and Environment. ADPP Mozambique has a strong track record of project implementation across sustainable agriculture, environment, education, public health, and currently runs over 60 projects in the country funded by multilateral and bilateral donors. During the project formulation grant (PFG) phase, UNIDO will carry out an assessment exercise to reconfirm ADPP Mozambique’s operational and fiduciary capacity for executing its responsibilities under this project. **In Angola, the selection of the national Executing Entity is currently underway.** The Ministry of Environment has identified its preferred candidates, and UNIDO is engaging with these organizations to assess their interest, technical capacity, and alignment with the project’s scope. Similarly to ADPP, a fiduciary and operational capacity assessment will be carried out for the selected Angola Executing Entity during full proposal development.
27. To ensure coordination and learning across national and regional levels, **UNIDO will also serve as the Executing Entity for Component 3.** Given its longstanding technical presence and institutional relationships in the region, UNIDO is well positioned to facilitate the translation of community-based learning into national and regional adaptation dialogue, while also supporting peer exchange and coordination across the country-level interventions. As the IE, UNIDO will also be responsible for the project’s monitoring, evaluation, and learning (MEL). Oversight and strategic guidance will be provided by a **Project Steering Committee (PSC)**, co-chaired by the Ministry of Environment of Angola and the Ministry of Land and Environment of Mozambique, and also coordinated by UNIDO. The **PMU will consist of three interconnected teams** – one team hosted by the selected EE for Angola, one team hosted by ADPP Mozambique, and one team hosted by UNIDO in Vienna, Austria. UNIDO will ensure effective collaboration among the three PMU teams and foster integrated delivery, knowledge exchange, and reporting throughout the project lifecycle.

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

**A. Record of endorsement on behalf of the government<sup>6</sup>**

<i>Emília Dique Fumo, Permanent Secretary, Ministry of Agriculture, Environment and Fisheries</i>	Date: April 10, 2025
<i>Carla Esperança Narciso Pompílio da Silva Balça, Senior Climate Change Specialist, Ministry of Culture, Tourism and Environment</i>	Date: October 29, 2024

**B. Implementing Entity certification**

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 (Mozambique: National Adaptation Plan 2023, National Development Strategy (ENDE) 2025-2044; Angola: ENAC 2018-2030, National Development Plan 2023-2027; SADC Climate Change Strategy 2015) 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.

**Ms. Ganna Onysko**  
**Senior GEF, GCF, AF Coordinator**  
**Division of Funding Partner Relations**  
**Directorate of Global Partnerships and External Relations**

<sup>6</sup> Each Party shall designate and communicate to the secretariat the authority that will endorse on behalf of the national government the projects and programmes proposed by the implementing entities.

**Formatted:** Font: (Default) Aptos, 10 pt, Font color: Black, Do not check spelling or grammar

<b>United Nations Industrial Development Organization - UNIDO Implementing Entity Coordinator</b>	
Date: 3 <del>September</del> July 2025	Tel. and email: <a href="mailto:g.onysko@unido.org">g.onysko@unido.org</a>
Project Contact Persons: Sunyoung Suh, Project Manager   Cecilia Canali, Project Associate	
Email: <a href="mailto:s.suh@unido.org">s.suh@unido.org</a> ; <a href="mailto:c.canali@unido.org">c.canali@unido.org</a>	
cc: Ms. Eleonora Gatti, Head of Climate Technology Innovation ( <a href="mailto:e.gatti@unido.org">e.gatti@unido.org</a> ) Mr. Alois Mhlanga, Director of Climate Innovation and Montreal Protocol ( <a href="mailto:a.mhlanga@unido.org">a.mhlanga@unido.org</a> )	



ADAPTATION FUND



REPÚBLICA DE ANGOLA  
MINISTÉRIO DO AMBIENTE

### Letter of Endorsement by Government

29<sup>th</sup> of October 2024

To: The Adaptation Fund Board  
c/o Adaptation Fund Board Secretariat  
Email: [Secretariat@Adaptation-Fund.org](mailto:Secretariat@Adaptation-Fund.org)  
Fax: 202 522 3240/5

Subject: Endorsement for, "Enhancing Rural Access to Climate Adaptation Technology, Products and Services in Southern Africa" (A2A)

In my capacity as designated authority for the Adaptation Fund in Angola, I confirm that the above regional project proposal is in accordance with the government's national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in the country.

Accordingly, I am pleased to endorse the above project/programme proposal with support from the Adaptation Fund. If approved, the project will be implemented by United Nations Industrial Development Organisation (UNIDO) and executed by an executing entity that is to be determined.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carla'.

Carla Esperança Pompílio da Silva Balça

National Focal Point to the Adaptation Fund



REPUBLIC OF MOZAMBIQUE  
MINISTRY OF LAND AND ENVIRONMENT  
MINISTER CABINET

To:  
The Adaptation Fund Board  
c/o Adaptation Fund Board  
Secretariat  
Email: Secretariat@Adaptation-  
Fund.org  
Fax: 202 522 3240/5

Ofício nº *96* /MTA/GM-SP/ /2024

**Subject:** Endorsement for, “Enhancing Rural Access to Climate Adaptation Technology, Products and Services in Southern Africa” (A2A)

Dear Sir/Dear Madame,

In my capacity as designated authority for the Adaptation Fund in Mozambique, I confirm that the above regional project/programme proposal is in accordance with the government’s national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in the country.

Accordingly, I am pleased to endorse the above project/programme proposal with support from the Adaptation Fund. If approved, the project/programme will be implemented by United Nations Industrial Development Organisation (UNIDO) and executed by an executing entity that will to be designated and the monitoring of implementation actions will be coordinated by the Ministry of Land and Environment.

Yours Sincerely,

Maputo, *18* October 2024

Permanent Secretary

Emília Leonor Digue Fumo





**Revised PFG Submission Form<sup>1</sup> (additions in red)**  
**Project Formulation Grant (PFG)**

**Submission Date:** June 2025

**Adaptation Fund Project ID:** N/A

**Country/ies:** Angola, Mozambique

**Title of Project/Programme:** Enhancing rural access to climate adaptation technology, products and services

**Type of IE (NIE/RIE/MIE):** MIE

**Implementing Entity:** United Nations International Development Organization (UNIDO)

**Executing Entity/ies:** Mozambique: Ajuda de Desenvolvimento de Povo para Povo (ADPP Mozambique), Angola: ~~to be confirmed~~, UNIDO

Formatted: Font color: Auto

**A. Project Preparation Timeframe**

<b>Start date of PFG</b>	November 2025
<b>Completion date of PFG</b>	February 2026

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

<b>List of Proposed Project Preparation Activities</b>	<b>Output of the PFG Activities</b>	<b>US\$ Amount</b>	<b>Budget note<sup>2</sup></b>
1. Stakeholder Consultations and Engagement: Engage local communities, government agencies, NGOs, and private sector stakeholders to gather input and ensure alignment with local needs and priorities.	<ul style="list-style-type: none"> <li>Stakeholder engagement and consultation report</li> <li>Minutes of meetings</li> </ul>	10,000	Two national level consultation workshops (one per country) for line ministries, key development partners and private sector stakeholders @ USD2,000 each; Two local consultation missions in target areas (one per country), executed by the EEs in target areas

Formatted: Font color: Auto

Formatted: Font color: Auto

Formatted: Font color: Auto

<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.

			to consult stakeholders – local authorities, local development actors, local agri-food value chain actors, and sample communities @USD 3,000 each;
2. Baseline Assessments: Conduct assessments to understand current climate vulnerabilities, socioeconomic conditions, and environmental status for further refinement of project design.	<ul style="list-style-type: none"> <li>• Baseline assessment report</li> </ul>	10,000	A consultant to carry out the baseline assessment and prepare the findings report.
3. Gender and Social Inclusion Analysis: Conduct analyses to ensure the project addresses gender and social inclusion, integrating these aspects into the project design	<ul style="list-style-type: none"> <li>• Gender analysis report</li> </ul>	3,273	A short-term gender expert to support technical working group in conducting gender analysis.
4. Project Design and Planning Workshops: Develop detailed project plans, including objectives, activities, timelines, and budgets to ensure alignment with AF mission and strategic plan, alignment with country priorities and to ensure that all aspects of the project are thoroughly planned and that all stakeholders are aligned and prepared for successful project execution.	<ul style="list-style-type: none"> <li>• AF concept note</li> <li>• Concept note formulation grant request</li> </ul>	4,000	Design and Development of concept note @USD 2,000; Two validation workshops (one per country) @ USD1,000 each.
Total Project Formulation Grant		27,273	
Implementing Entity Fee	<ul style="list-style-type: none"> <li>• IE admin and technical support for project development, monitoring and supervision</li> <li>• Compliance ensurance</li> </ul>	2,727	
<b>Total Project Formulation Grant</b>		30,000	

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

**~~For LLA Projects only:~~**

~~If requesting additional funding for LLA projects to enable devolving decision making to the local level, please specify the activities that would directly serve to enable devolving decision making to the lowest appropriate level and enable local actors to make informed decisions on how adaptation actions are defined, prioritized, designed, and implemented:~~

~~Please provide justifications for their need and for the amount of additional 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

<b>Implementing Entity Coordinator, IE Name</b>	Ms. Ganna Onysko Senior GEF, GCF, AF Coordinator Division of Funding Partner Relations Directorate of Global Partnerships and External Relations United Nations Industrial Development Organization - UNIDO Implementing Entity Coordinator	
<b>Signature</b>		<b>Date:</b>  <del>7 August</del> 10 September 2025
<b>Project Contact Person</b>	Ms. Sunyoung Suh +43 1 26026 3956 s.suh@unido.org	
<b>Telephone</b>	+43 1 26026 3708	

Formatted Table

**E-mail**

TO: [g.onysko@unido.org](mailto:g.onysko@unido.org)

CC: [gef@unido.org](mailto:gef@unido.org) / [glo@unido.org](mailto:glo@unido.org) / [f.haidara@unido.org](mailto:f.haidara@unido.org)

**Annex: Indicative Examples of Climate Adaptation TPS**

Below is a preliminary list of indicative climate adaptation technologies, products and services (TPS) that may be identified through component 1 and deployed through component 2. The Project will prioritize solutions that combine adaptation solutions tailored to the local agroecological conditions and local climate risks in Tete, Huíla, and Cuando Cubango with indigenous and community-based practices. It will prioritize solutions that are operationally simple and generate quick returns at low-costs to farmers to directly address identified smallholder demand barriers (i.e., farmer risk aversion for unfamiliar agricultural practices that have high upfront capital and labor costs, but often delayed and uncertain returns). Based on initial analysis, the following farm-level solutions are tentatively proposed, subject to further validation with implementing partners and consultation with smallholders and other local stakeholders:

Key Climate Risk	Potential Adaptation TPS Solutions
Prolonged drought and dry spells: result in reduced yields in drought-sensitive crops (especially food staples like maize) and higher failure rates in rainfed plots	<ul style="list-style-type: none"> <li>- Improve access to drought-tolerant crop varieties, especially for key local food crops such as maize, sorghum, and beans, to reduce yield losses.</li> <li>- Introduce alternative crops that are more resilient to drought and heat, potentially including indigenous crop varieties.</li> <li>- Foster crop diversification and intercropping solutions, e.g., cereals with legumes, to improve resilience to drought, heat and shifting rainfall patterns.</li> <li>- Expand farmer access to fertilizers (including inorganic fertilizers and manure) and herbicides.</li> <li>- Promote soil management practices including soil health diagnostics and moisture conservation techniques to retain moisture and reduce evaporation, such as mulching, cover cropping, use of crop residues, conservation tillage, and basic integrated soil fertility management practices.</li> <li>- Integrate water conservation agronomic practices and traditional water-retention methods to help retain soil moisture, improve soil structure, reduce evaporation, and enhance water infiltration, including planting pits and contour bunds, to increase infiltration and reduce runoff.</li> <li>- Rainwater harvesting systems (e.g., household-level roof catchments, clay jars, lined pits, field basins), and community-managed borehole rehabilitation.</li> <li>- Improved crop storage technologies, such as hermetic bags, to reduce losses during extended dry periods.</li> <li>- Access to climate advisory services, including seasonal weather forecasts and drought alerts, delivered via radio, SMS, or community networks.</li> </ul>
Rising temperatures and number of extreme heat days: increase crop stress, reduce labor productivity, and intensify pest pressure.	<ul style="list-style-type: none"> <li>- Improve access to heat-tolerant crop varieties, particularly for maize and beans, to improve resilience under high-temperatures.</li> <li>- Crop diversification and intercropping solutions, as mentioned above.</li> <li>- Shading solutions, such as locally made shade nets or traditional agroforestry systems, to protect crops and reduce soil temperatures.</li> <li>- Promote soil management and soil moisture conservation techniques to retain moisture and reduce evaporation, traditional water-retention methods, and rainwater harvesting systems, as mentioned above.</li> <li>- Adjustments to planting schedules guided by seasonal forecasts to avoid peak heat periods and reduce crop exposure to extreme temperatures.</li> <li>- Solar-powered dryers and cold storage, to protect harvested crops and reduce post-harvest losses during hot conditions.</li> <li>- Pest and disease early warning systems tailored to heat-sensitive crops and seasonal risks, supported by community-level surveillance and advisory services.</li> <li>- Improved crop storage technologies, such as insulated bins or weather-resistant storage bags, to minimize spoilage during periods of extreme heat.</li> <li>- Access to climate advisory services, as mentioned above.</li> </ul>
Reduced rainfall and greater rainfall variability: shortens growing seasons, disrupts planting calendars, and increases erosion and runoff.	<ul style="list-style-type: none"> <li>- Drought-tolerant and early-maturing crop varieties, especially for maize, sorghum, and cassava, to cope with shortened and unpredictable growing seasons</li> <li>- Crop diversification and intercropping solutions, as mentioned above.</li> <li>- Provide simple irrigation scheduling guidance, based on seasonal forecasts to optimize water use and training on staggered planting techniques to spread risk across rainfall variability and reduce the chance of total crop failure from false season starts.</li> <li>- Promote soil management and soil moisture conservation techniques to retain moisture and reduce evaporation, traditional water-retention methods, and rainwater harvesting systems, as mentioned above.</li> <li>- Access to climate advisory services, as mentioned above.</li> </ul>