



ADAPTATION FUND

AFB/PPRC.36/24/Add.1
15 September 2025

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

Agenda Item 5(a)

PROJECT FORMULATION GRANT FOR ANGOLA, MOZAMBIQUE

I. Background

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

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

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

3. Following the discussion, the Board decided:

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

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

(a) Project Formulation Grants (PFGs) will only be made available for projects submitted through NIEs. The Board would continue reviewing the question of PFGs for projects submitted through MIEs and would solicit comments from members and alternate members by February 14, 2011; the views would be compiled by the secretariat for presentation to the Board at its March 2011 meeting;

(b) If a country required a project formulation grant, a request should be made at the same time as the submission of a project concept to the secretariat. The secretariat will review and forward it to the PPRC for a final recommendation to the Board. A PFG could only be awarded when a project concept was presented and endorsed;

(c) A PFG form, reproduced in Annex V, should be submitted;

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

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

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

(Decision B.25/28)

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

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

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

II. The Project Formulation Grant Request

7. This addendum to the document, AFB/PPRC.36/24 “Proposal for Angola, Mozambique” includes a request for a Project Formulation Grant, requesting a budget of US\$ 30,000, which was received by the secretariat along with the pre-concept for the project AF00000441 “*Enhancing Rural Access to Climate Adaptation Technologies, Products and Services*”. This proposal was submitted by United Nations Industrial Development Organization (UNIDO), which is a Multilateral Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-fifth Board meeting.

8. In accordance with Decision B.12/28, paragraph (b), the secretariat carried out an initial review of the PFG request and found that the document provided detailed information on the use of the requested funds. The proposed activities were aligned with the goal of the project and would support: comprehensive stakeholders’ engagement; conducting baseline assessments; Gender and Social Inclusion analysis; and developing a detailed project plans and design.

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



Revised PFG Submission Form¹ (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

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A. Project Preparation Timeframe

Start date of PFG	November 2025
Completion date of PFG	February 2026

B. Proposed Project Preparation Activities (\$)

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note²
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"> Stakeholder engagement and consultation report Minutes of meetings 	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

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¹ As presented in AFB/PPRC.33/40 Annex 1.

² 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"> • Baseline assessment report 	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"> • Gender analysis report 	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"> • AF concept note • Concept note formulation grant request 	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"> • IE admin and technical support for project development, monitoring and supervision • Compliance ensurance 	2,727	
Total Project Formulation Grant		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

Implementing Entity Coordinator, IE Name	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	
Signature		Date: 7 August 10 September 2025
Project Contact Person	Ms. Sunyoung Suh +43 1 26026 3956 s.suh@unido.org	
Telephone	+43 1 26026 3708	

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E-mail

TO: g.onysko@unido.org

CC: gef@unido.org / glo@unido.org / f.haidara@unido.org



ADAPTATION FUND



REPÚBLICA DE ANGOLA
MINISTÉRIO DO AMBIENTE

Letter of Endorsement by Government

29th of October 2024

To: The Adaptation Fund Board
c/o Adaptation Fund Board Secretariat
Email: 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

