



## ADAPTATION FUND

AFB/PPRC.36/29/Add.1  
8-9 October 2025

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

Agenda Item 6 a)

### **PROJECT FORMULATION GRANT FOR LLA SINGLE COUNTRY PROPOSAL FOR CAMBODIA**

## 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”.*

7. At its forty-second meeting the Board approved modifications to project formulation grants contained in document AFB/PPRC.33/40. Having considered the recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided:

- a) *That project formulation grants (PFGs) be made available for projects submitted through national, regional and multilateral implementing entities;*
- b) *That the maximum size of the PFG for single country projects for all windows, inclusive of the management fee, be set as follows:*
  - (i) For projects below US\$ 2,000,000, the limit is set at US\$ 50,000;*
  - (ii) For projects at or above US\$ 2,000,000 and below US\$ 5,000,000, the limit is set at US\$ 100,000;*
  - (iii) For projects at or above US\$ 5,000,000, the limit is set at US\$ 150,000;*
- c) *That an additional PFG amount (inclusive of the management fee) can be provided on a case-by-case basis for locally-led adaptation projects up to a maximum of US\$ 100,000, and that such amount should be dedicated to support activities that enable decision-making by local actors over how adaptation actions are defined, prioritized, designed and implemented;*
- d) *That the maximum size of the PFG for all regional projects, inclusive of the management fee, is set as follows:*
  - (i) For regional projects of US\$ 5,000,000 and above, and with less than three countries, the limit is set at US\$ 150,000;*
  - (ii) That this limit increase by US\$ 15,000 for each additional country involved, up to a maximum of US\$ 250,000;*
- e) *That requests for a PFG should be made at the same time as the submission of a project concept or pre-concept to the secretariat using the revised PFG form in annex I to document AFB/PPRC.33/40;*

- f) *That, for a PFG at the pre-concept stage, up to 20 percent of the maximum amount of the PFG set in out in subparagraphs (b), (c) and (d) above could be granted;*
- g) *That only activities that support project preparation and formulation would be eligible for PFG funding, as per paragraph 32 of document AFB/PPRC.33/40.*

*(Decision B.42/37)*

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

8. This addendum to the document, AFB/PPRC.36.29/Add.1 “Proposal for LLA Single Country Proposal for Cambodia” 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 AF00000456 “*Enhancing Livelihood and Climate Adaptation through Nature-based Solutions in Heritage Protected Areas in Siem Reap Province, Cambodia*”. This proposal was submitted by United Nations Human Settlements Programme (UN-Habitat), which is a Multilateral Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-fourth Board meeting.

9. 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. The \$30,000 Project Formulation Grant (PFG) will support the development of a concept note proposal. This process will include extensive stakeholder consultations, feasibility assessments, and technical studies. The grant will cover key activities, including community consultations with local stakeholders, translation of essential documents, travel and logistical costs, and the engagement of professional services to assist in drafting the proposal. In addition, the PFG will fund a project consolidation workshop and a write-up session to develop a concept note in the proposed target location of Siem Reap in collaboration with the Department of Climate Change under the Ministry of Environment. Key activities include first field visits, first stakeholder consultation workshop, literature review and analysis of project components, and drafting and submission of the LLA concept note.

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

**Submission Date:** June 25<sup>th</sup>, 2025

**Adaptation Fund Project ID:**  
**Country/ies:** Cambodia  
**Title of Project/Programme:** Enhancing Livelihood and Climate Adaptation through Nature-based Solutions in Heritage Protected Areas in Siem Reap Province, Cambodia  
**Type of IE (NIE/RIE/MIE):** Multilateral Implementing Entity  
**Implementing Entity:** United Nations Human Settlements Programme (UN-Habitat)  
**Executing Entity/ies:** Ministry of Environment (MoE)

**A. Project Preparation Timeframe**

<b>Start date of PFG</b>	Concept Note preparation (November 2025)
<b>Completion date of PFG</b>	Full proposal formulation (October 2026)

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

The US\$ 30,000 out of US\$150,000 Project Formulation Grant (PFG) will support the development of a Locally Led Adaptation (LLA) Concept Note. This process will include extensive stakeholder consultations, feasibility assessments, and technical studies. The grant will cover key activities, including community consultations with local stakeholders, translation of essential documents, travel and logistical costs, and the engagement of professional services to assist in drafting the proposal. In addition, the PFG will fund a project consolidation workshop and a write-up session to develop a concept note in the proposed target location of Siem Reap in collaboration with the Department of Climate Change under the Ministry of Environment.

<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>
<b>Concept Note Formulation Stage</b>			
1. First field visits in the project areas for validating the project design and obtaining inputs for the Concept Note development	Field mission report and validated project design	2,650	Prior to drafting the Concept Note, UN-Habitat and MoE teams will conduct field visits to the project locations and consult with potential beneficiaries of the project in Siem Reap

<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.

2. First consultative workshop to review the Pre-concept Note and prepare a Concept Note formulation	Workshop report, workplan for the Concept Note formulation, and inputs to the design process for the Concept Note	5,000	Project design workshop with all stakeholders in Siem Reap and with support from the Ministry of Environment will discuss ideas for the Concept Note
3. First detailed analysis of the project components, outputs, activities and budget with references from the literature review	Well-described and detailed project components, outputs, activities, and budget	5,000	Desk work with experts to define the project's components, outputs, activities and budget for the Concept Note
4. LLA Concept Note formulation and submission	Concept Note developed and submitted	15,000	UN-Habitat and MoE teams will consolidate the LLA Concept Note with the support of the experts.
5. Implementing Entity's Management Fee (8.5%)		2,350	Follow-up and supervision of NEI for the activities for the concept note formulation.
<b>Total Project Formulation Grant</b>		<b>30,000</b>	

The requested budget will fund a series of essential preparatory activities to develop a high-quality, context-specific Concept Note aligned with the Adaptation Fund's objectives and principles.

**Concept Note Formulation Stage:**

**1. First Field Visit – Validation of Initial Design and Discussion with Communities**

Field missions to the proposed project sites will be conducted to verify the preliminary design and collect ground-level data necessary for developing the Concept Note. The mission will involve discussions with community members, local leaders, older persons, women, youth, and local authorities to assess climate risks, ecosystem conditions, and socioeconomic vulnerabilities. Main activities will involve assessing the physical and social landscape, identifying key climate threats, and understanding existing adaptation capacities. These meetings will provide firsthand insights and vital feedback on the proposed project design. Such interactions will ensure that the intervention is tailored to the local context, accepted by the community, and incorporates indigenous knowledge.

**2. First Stakeholder Consultation Workshop – Review of Pre-Concept Note and Concept Note Formulation**

A stakeholder consultation workshop will be held to review the Pre-Concept Note and begin drafting the Concept Note. This participatory approach is crucial to ensure that the proposed project effectively addresses the local context, tackles actual climate vulnerabilities, and reflects the priorities of the affected communities. The workshop will bring together representatives from forest protection communities, local government units, provincial departments, civil society organizations, academia, and technical partners. Discussions will focus on validating the initial design, revisiting its proposed objectives and adaptation strategies, and incorporating stakeholder

perspectives on local vulnerabilities and needs. This dialogue will help ensure the project benefits from local knowledge, addresses real vulnerabilities, and builds community support and ownership. The knowledge shared during this session will assist in refining project goals, ensuring the Concept Note is relevant, well-received, and capable of meeting its adaptation objectives.

### 3. Literature Review and Analysis of Project Components

The literature review will involve collecting and synthesizing existing research, national policies, strategies, and other relevant documents. This will provide contextual understanding, establish theoretical frameworks, ensure alignment with national guidelines, and identify evidence-based solutions and best practices. The project’s intended outcomes, components, expected outputs, and activities will be carefully analysed and supported by best practices and current research to strengthen the logic of intervention and the theory of change. This exercise will also help identify knowledge gaps, refine the project’s methodological framework, and determine the necessary inputs or resources, such as funding and expert knowledge.

### 4. Drafting and Submission of the LLA Concept Note

Building on the results of stakeholder consultations, field assessments, and technical analysis, the Concept Note will be finalized. The objectives will be clearly defined, with detailed activities developed to achieve these goals. It will specify measurable objectives, propose feasible activities, and create a preliminary results framework. The proposal will identify specific climate change impacts and vulnerabilities that the project aims to address, using data and assessments to justify the need for adaptation. The document will include a detailed budget, outlining how funds will be allocated to various activities, along with a timeline for implementation. Engaging stakeholders, including local communities, will ensure that the project is designed with the actual needs and constraints of the target population in mind. The formulation will strictly adhere to Adaptation Fund criteria and formatting, in coordination with the Department of Climate Change under the Ministry of Environment. The final draft will be consolidated during a write-shop in Siem Reap, ensuring the note reflects both field realities and national vision.

### 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)
<p style="text-align: center;">oic Filiep Decorte</p> <p><b>Raf Tuts</b></p>		<p style="text-align: center;"><b>June 25<sup>th</sup>, 2025</b></p>
Project Contact Person	Telephone	Email Address
Odicea Angelo Barrios	(81-92) 724-7121	odicea.angelobarrios1@un.org

Annex 1: Endorsement Letter

**KINGDOM OF CAMBODIA**  
**Nation Religion King**

Ministry of Environment  
N° : 5317 / MoE  
0625

Phnom Penh, 25 June 2025

To: The Adaptation Fund Board Secretariat  
c/o Global Environment Facility Secretariat  
1818H Street, NW, MSN P-4-400  
Washington DC, United State America  
Email:  
Fax:

**Endorsement for Project Proposal on 'Enhancing livelihood and climate adaptation through nature-based solution in Te Terk Pus Kampong Speu Province and in Heritage protected area in Siem Reap Province'**

Dear Sir/Madam,

In my capacity, as Designed Authority for the Adaptation Fund in Cambodia, I confirm that the above project proposal is in accordance with the government's national priorities, especially with the specific commitments to the Cambodia Climate Change Strategic Plan and its Updated Nationally Determined Contribution (NDS) 2030, in implementing adaptation activities to reduce the adverse impacts and risks posed by climate change in Cambodia.

Therefore, I am pleased to endorse the above project proposal for the support from the Adaptation Fund. The project proposal builds on the relevant provincial, municipal/district and community-level climate vulnerability and local development plan/strategies. As such the project is based on a large number of in depth consultations with Government and beneficiary communities. In close collaboration with key national government entities and sub-national authorities, the proposal aims to support and build resilience to climate change for infrastructure, environment, and livelihoods through participatory planning and implementation with respect to the needs of woman, youth, elderly, and other vulnerable groups.

Further, the project proposal builds on the long-standing collaboration between the Ministry of Environment and UN-Habitat. Hence my Ministry is grateful for the direct support in this regard.

I sincerely hope that this project proposal will be considered favorably by the Adaptation Fund. ↓

Sincerely yours,

  


CHUOP Paris  
Secretary of State

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