



ADAPTATION FUND

AFB/PPRC.36/30/Add.1
8-9 October 2025

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

Agenda Item 6 b)

PROJECT FORMULATION GRANT FOR LLA SINGLE COUNTRY PROPOSAL FOR LEBANON

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.36.30/Add.1 “Proposal for LLA Single Country Proposal for Lebanon” includes a request for a Project Formulation Grant, requesting a Project Formulation Grant (PFG) with a total of US\$ 50,000, comprising US\$30,000 for the pre-concept note stage and US\$20,000 for additional formulation activities, which was received by the secretariat along with the pre-concept for the project AF00000446 “*Nature-based Water Management & Data-Driven Strategy for Climate Resilience in Akkar, Lebanon*”. 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 and technical assessment to define the ideal locations to enable fine measurement of the wells to be equipped. An additional \$20,000 PFG will support the proposal development and technical assessment by experts in environment, nature-based solutions (NbS), and Water, and discussion with stakeholders.

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 Form¹ (**additions in red**)

Project Formulation Grant (PFG)

Submission Date: **5 August 2025**

Adaptation Fund Project ID: **AF00000446**

Country/ies: **Lebanon**

Title of Project/Programme: **Nature-based Water Management & Data-Driven Strategy for Climate Resilience in Akkar, Lebanon**

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

Implementing Entity: **United Nations Human Settlements Program (UN-Habitat)**

Executing Entity/ies: **United Nations Children's Fund (UNICEF)- Lebanese Agriculture Research Institute (LARI) – North Lebanon Water Establishment (NLWE) – Bureau Technique pour le Développement (BTD) (Private Sector Consultancy Firm)**

A. Project Preparation Timeframe

Start date of PFG	For Concept note preparation (October 2025)
Completion date of PFG	End of Proposal submission (October 2026)

B. Proposed Project Preparation Activities (\$)

Table 1: Pre-concept note PFG request

List of Proposed Project Preparation Activities (Pre-Concept Note stage)	Output of the PFG Activities	US\$ Amount	Budget note ²
1. Proposal development			

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.

1.2 Support team (UN-Habitat)	Proposal template and Annexes developed in compliance with AF Standards	\$7,650	UN-Habitat staff who will be contributing to data gathering and desk review for the development of the proposal, the project is requesting a 7.45k\$ at the pre-concept stage out of 40k\$.
Subtotal 1:		\$7,650	
2. Technical Assessment			
2.1 Water experts	Define the ideal locations to enable fine measurement of the wells to be equipped with associated Bill of Quantities (BOQs) and detail costing is identified.	\$20,000	Fees for the water experts who will conduct the technical assessment for the selection of locations for “Piezometers” and “Abandoned Wells” to support the groundwater monitoring and “Sustainable Water Resource Management”. The project is requesting a 20k\$ at the pre-concept stage out of 60k\$.
Subtotal 2 (defining location):		\$20,000	
IE fees (8.5%)		\$2,350	
Total Project Formulation Grant		\$30,000	

Table 2: Additional PFG for the pre-concept note stage

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note ³
2. Proposal development			

³ 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.

1.1 Consultant fees	Proposal template and Annexes developed in compliance with AF Standards	\$5,000	This related to hiring an individual consultant who will be in charge to compile all materials and develop the full proposal
Subtotal 1:		\$5,000	
2. Technical Assessment			
2.3 Environmental expert to develop BoQ and cost estimation	BoQ and cost estimation are prepared to ensure the selected weather stations will enable the proper data collection and real-time sharing with the different stakeholders.	\$4,000	1 expert to prepare the BoQ and the cost estimate for the weather stations
Subtotal 2 (weather stations):		\$4,000	
2.5 NbS expert for the selection of locations	Selection of the locations to install NbS and selection of the NbS typology as well as the different locations.	\$4,000	Fees for a NbS expert for 1 month
2.6 Water Experts to discuss and validate with the NEW and other stakeholders the proposed interventions	Organization of FGD with community and local stakeholders to revise and refine the proposed interventions and deeply understand their willingness to contribute and engage with in the project	\$3,400	Partial fees for experts who will be conducting focus group discussions with a variety of stakeholders and analyze the outcomes for project purposes
2.7 Conduct a series of Focus Groups Discussions (FGDs) with different stakeholders:		\$2,033	Logistics and expenses to conduct the initial FDGs
Subtotal 2 (validation):		\$9,433	
IE fees (8.5%)		\$1,567	
Total Project Formulation Grant		\$20,000	

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:

Rationale for the PFG request.

*This Project Formulation Grant request is driven by the need for the Implementing Entity (IE) and Executing Entities (EEs) to secure clarity and assurance regarding the scope of technical interventions, in order to cost them accurately in the final proposal. The PFG is structured around **three thematic areas** and **four key components**, each involving different stakeholders and institutions.*

1. Proposal Development

The IE will contract either an individual consultant or a consulting firm with demonstrated experience in preparing proposals for the Adaptation Fund. The objective is to ensure that the proposal meets the required standards of quality, precision, and comprehensiveness expected by the Fund. The consultant/firm will be responsible for drafting a robust, detailed, and technically sound submission.

2. Community Consultations and Focus Group Discussions (FGDs)

To ensure strong community ownership, consultations will be conducted at both governorate and sub-municipal levels, reaching down to the smallest community units. These FGDs will serve to:

- *Validate community understanding of local needs.*
- *Secure stakeholder input on the three proposed project components.*
- *Ensure early and active involvement of the community (including vulnerable communities), including their long-term commitment.*

This process will also solidify the engagement of the North Lebanon Water Establishment (NLWE) and the targeted municipalities in the operation and maintenance of the Nature-based Solutions (NbS) that are selected and validated by local communities.

3. Technical Assessments

These assessments aim to define the technical scope, Bill of Quantities (BoQs), and detailed intervention designs related to groundwater monitoring and the rehabilitation of weather stations.

A. Groundwater Monitoring Assessment

This technical component will focus on defining the methodology and scope for establishing an aquifer monitoring network. Key activities include:

- *Detailed review of the hydrogeological characteristics of the different aquifers in Akkar.*
- *Compilation and analysis of existing secondary data on public and private wells, with pre-selection of representative wells for monitoring.*
- *Selection of strategic locations for the installation of water meters and sensors, considering hydrological characteristics.*
- *Potential pumping tests in areas lacking sufficient hydrogeological data.*
- *Technical consultations with the Ministry of Energy and Water (MoEW), NLWE, academic institutions, and specialized consulting firms.*
- *Assessment of options for secure data storage and integration.*

B. Weather Station Rehabilitation Assessment

This assessment will evaluate the current condition of selected weather stations, which play a critical role in understanding aquifer recharge dynamics. The objective is to determine the necessary repairs and upgrades required to:

- *Restore full operational functionality.*
- *Ensure accurate, real-time climate data collection.*
- *Support effective water resource management and climate adaptation planning.*

C. Implementing Entity

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

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
UN-Habitat	<i>Tarek Osseiran</i>	August, 05, 2025	Tarek Osseiran	+961 1 978399 ext 1393, +961 3 233671	tarek.osseiran@un.org



REPUBLIC OF LEBANON
MINISTRY OF ENVIRONMENT

THE MINISTER

Beirut, 3/7/2025
Ref.: 2451/B/2025

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

Subject : Endorsement for "Nature-based Water Management & Data-Driven Strategy for Climate Resilience in Akkar, Lebanon" Project

In my capacity as designated authority for the Adaptation Fund in Lebanon, I confirm that the above national grant 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 Lebanon.

Accordingly, I am pleased to endorse the above grant proposal with support from the Adaptation Fund. If approved, the project will be implemented by UN-Habitat and executed by UNICEF, North Lebanon Water Establishment (NLWE), Lebanese Agriculture Research Institute (LARI), Municipalities, Local NGOs, Academic institutions, and Private technical consultancy firm.

Sincerely,

Minister of Environment
Tamara El-Zein, PhD



Cc: - *United Nations Human Settlements Programme (UN House, riad El Solh, +961 1 978398, Beirut, Lebanon)*
- *MoE - DGoE - Service of Environmental Technology - Department of Air Quality*
- *MoE - Climate Change Projects*