



## ADAPTATION FUND

AFB/PPRC.37/11/Add.1  
16 March 2026

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Adaptation Fund Board  
Project and Programme Review Committee  
Thirty seventh Meeting  
Bonn, Germany, 7-8 April 2026

Agenda Item 5 (f)

### **PROJECT FORMULATION GRANT FOR KENYA**

## 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.37/11 “Proposal for Kenya” includes a request for a Project Formulation Grant, requesting a budget of US\$ 150,000, which was received by the secretariat along with the concept for the project AF00000482 “Nature-Based Adaptation for Resilience Building and Empowerment of Vulnerable Communities in Narok and Nakuru Counties (NAREC)”. This proposal was submitted by National Environment Trust Fund (NETFUND), which is a National Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-sixth 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 consultation process; feasibility studies, detailed gender analysis and action plan and full proposal development.

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



ADAPTATION FUND

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

PROJECT/PROGRAMME CATEGORY: Regular-sized Project Concept

**Country/Region:** Kenya

**Project Title:** Nature-based Adaptation for Resilience Building and Empowerment of Vulnerable Communities in Narok and Nakuru Counties - NAREC

**Thematic Focal Area:** Water management, Ecosystem Based Adaptation, Climate proofing of Urban areas

**Implementing Entity:** National Environment Trust Fund (NETFUND)

**Executing Entities:** World Resources Institute, County Governments of Narok and Nakuru

**AF Project ID:** AF00000482

**IE Project ID:**

**Requested Financing from Adaptation Fund (US Dollars):** 10,000,000

**Reviewer and contact person:** Ahmad Ghosn

**Co-reviewer(s):**

**IE Contact Person:**

### Technical Summary

The project “Nature-based Adaptation for Resilience Building and Empowerment of Vulnerable Communities in Narok and Nakuru Counties - NAREC” aims to “enhance climate resilience and adaptive capacity of communities in the 2 target Counties through integrated water management, ecosystem-based adaptation initiatives, and enhanced access to climate finance for nature-positive value chains”. This will be done through the “four components” below:

Component 1: Integrated Water Resource Management for agro-pastoral productivity. (USD 3,500,000)

Component 2: Climate finance mobilization. (USD 1,500,000)

Component 3: Urban Climate Resilience. (USD 2,500,000)

Component 4: Enabling systems for climate resilience. (USD 1,047,955)

Requested financing overview:

Project/Programme Execution Cost: USD 668,635

Total Project/Programme Cost: USD 9,216,590

Implementing Fee: USD 783,410

Financing Requested: USD 10,000,000

This proposal requests a project formulation grant in the amount of USD150,000.

	<p>The first technical review raises several issues, such as aligning proposal with AF CN format; revising the project financing table to include amounts at output and outcome levels; revising components description to include more details on the activities and USPs; revising the calculation of executing costs percentage; providing an initial gender assessment; double checking additional related national plans and standards; adding missing section on project duplication; clarifying the learning and knowledge management aspects; providing more details on the consultations; revising the project sustainability aspects for more clarity/ details; specifying the project overall risk and providing details on the risks/ impacts against the AF E&amp;S principles: revising alignment with AF RF table to include grant amounts at AF output and outcome levels; revising implementation fee to meet AF ceiling; among other Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.</p> <p>The second technical review finds that most of the CRs/ CARs raised in the first review are addressed. However, few others still warrant further clarification including adding a brief paragraph to indicate the AF outcomes/ objectives supported by the project; providing more details on the project activities; revising alignment with AF RF table; among others as indicated in the second review comments.</p> <p>The third technical review finds that a few pending items remain related to the project formulation grant request, the project implementation timeline and update to the latest submission date as presented in the few remaining CARs and CRs.</p> <p>The Final technical review finds that all remaining CRs and CARs have been addressed.</p>
Date:	<b>10 March 2026</b>

Review Criteria	Questions	First Technical Review Comments 24 November 2025	Second Technical Review Comments 22 January 2026	Third Technical Review Comments 4 March 2026	Fourth Technical Review Comments 10 March 2026
Country Eligibility	1. Is the country party to the Kyoto Protocol, and/or the Paris Agreement?	<b>Yes.</b>	-	-	-
	2. Is the country a developing country particularly vulnerable to the adverse effects	<b>Yes.</b> Kenya is vulnerable to adverse climate change effects, including droughts, floods, and extreme temperatures. These effects negatively	- <u><b>Note:</b> Some revisions are reflected in clean version but not in TC. Therefore, reference pages will generally refer to TC</u>	- <b>Note:</b> The review reference pages are based on the screen dashboard page	-

	of climate change?	impact water and food security and livelihoods in rural and coastal communities.	<u>version, unless otherwise specified.</u>	numbering of the TC version .	
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?	<b>Yes.</b> As per the Endorsement letter dated November 4, 2025. See pp. 46-47.	-	-	-
	2. Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes?	<p><b>Yes.</b> The proposal is 47 pages (no annexes). However, it needs to be revised to align with the AF proposal CN template among other issues below.</p> <p><b>CAR1:</b> Round up the amount of requested financing on p.1 to nearest dollar. <u>Should be 9,998,839.</u></p> <p><b>CAR1:</b> Use AF proposal CN template that can be accessed via the following link: <a href="https://www.adaptation-fund.org/document/template-for-concept-note-for-single-country-proposal/">https://www.adaptation-fund.org/document/template-for-concept-note-for-single-country-proposal/</a></p> <p><b>CAR2:</b> Revise project components and financing Table 2, p. 14,</p>	<p><b>CAR1: Cleared.</b> Budget revised to USD 10,000,000. See p.1, components &amp; financing Table, pp.10-11 (clean version).</p> <p><b>CAR1: Cleared.</b> Used AF CN template.</p> <p><b>CAR2: Cleared.</b> See components and financing table, pp.10-11 (<u>clean version</u>). Note: <u>components titles costs, EC and IE fee are revised.</u></p>	<p><b>CAR1 (NEW):</b></p> <p>1. Please update the stage of submission section on page 1 to reflect the latest submission date.</p> <p>2. Since there is a PFG request, the implementation of the project will not commence in October 2026, please push the implementation timeline back to account for the PFG completion at the project calendar found on page 11.</p>	<p><b>CAR1 (NEW):Cleared.</b> As per amendment on cover page of proposal and as per amendment in project calendar on page 11 of track changed version.</p>

		<p>to address/ reflect the following:</p> <ol style="list-style-type: none"> <li>1. Include allocated budget amounts at output, outcome and component levels. specify the outputs associated with each outcome.</li> <li>2. Execution costs % should be 7.8% <math>\{(715,360/9,131,360) \times 100\}</math>. Refer to the below link for guidance on execution costs &amp; IE fee calculations: <a href="https://www.adaptation-fund.org/document/ie-and-ee-fees-calculator/">https://www.adaptation-fund.org/document/ie-and-ee-fees-calculator/</a></li> </ol> <p><b>CR2:</b> Ensure consistency project objective statement in para 11 (p. 4) and para 43 (p.13).</p> <p><b>CR3:</b> At the end of Part I or the beginning of Part IIA, please include the following:</p> <ol style="list-style-type: none"> <li>1. Under a dedicated subheading/ subsection add a brief paragraph to clarify the project theory of change along with a schematic</li> </ol>	<p><b>CR2: Cleared.</b> See para 33. p. 10, and para 35, p. 11.</p> <p><b>CR3: Not cleared.</b> For TOC see para 34, p.11, and Annex II, p. 44. <u>For item 2, please add a brief para to specify AF outcomes supported by the project (related info can be extracted from the AF alignment table in Part III).</u></p>	-	-	<p><b>CR3: Cleared.</b> See para 35, p. 15.</p>
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		<p>presentation of the same. A coherent TOC should demonstrate how the suitability of project activities in responding to the threats posed by the likely climate scenarios discussed in the background and context section with indication of magnitude and uncertainty.</p> <p>2. Add a brief paragraph to specify the AF objectives/ outcomes supported by the project (related information can be extracted from the AF alignment table in Part III).</p> <p><b>Note: to improve the CN document clarity it is recommended to address the following.:</b></p> <p>1. <b>Add table of contents, lists of abbreviations, and tables &amp; figures. Spell out abbreviations when first used and refer to figures, tables, annexes (at related discussion.</b></p>	<p><b>CR1 NEW:</b> Please address the following:</p> <ol style="list-style-type: none"> <li>1. Add Table numbers and titles to the project components financing table and project calendar table.</li> <li>2. Indicate month of the year in project calendar table for (Expected dates) and add Table number and title.</li> </ol> <p><b>Note:</b> Please conduct another quick round of editing/ proofreading to ensure the quality/ clarity of the document after addressing the few remaining CRs/ CARs.</p>	<p><b>CR1 NEW: Cleared.</b> See p. 16.</p>	
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		<p>2. <b>Move table 1 title, p. 3, to the top of the table.</b></p> <p>3. <b>Add page numbering for the whole document.</b></p> <p>4. <b>Table 6, p. 35, reads out of context and not required at CN stage. delete.</b></p> <p>5. <b>Another round of document editing/ proofreading is recommended.</b></p>			
	<p>3. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?</p>	<p><b>Yes. However,</b> further clarification is needed. See paras 45-75 (pp.16-25). Concrete actions include: establishing climate-resilient water infrastructure/s; rehabilitation of rangeland; climate resilient farming; restoring degraded watersheds in Mau Forest Complex via green fence; enhancing hydrological/ meteorological monitoring systems; strengthening adaptation assets of local entrepreneurs; developing adaptation-aligned investments/ projects; developing county-level NBS planning tools to guide replication/ scale-up of climate-resilient urban infrastructure/s;</p>			-

		<p>rehabilitation of urban/peri-urban land; among others as discussed in. <u>However, the discussion layout needs to be revised to reflect outcomes under components and more details on the activities. Also, most activities imply unidentified specific projects/ activities (USPs) that warrant related clarification.</u></p> <p><b>CAR3:</b> Please address the following:</p> <ol style="list-style-type: none"> <li>1. Revise section letter numbering to comply with AF CN template format (<i>should be section "A" of Part II</i>). <i>Apply for all Part II sections.</i> See CAR1 above.</li> <li>2. Revise the layout of the discussion to reflect component title and a brief discussion on the climate risk it addresses based on the climate scenarios discussed under Project context and background, followed by the outcomes under each component, output/s</li> </ol>	<p><b>CAR3: Not cleared.</b> In Part IIA, please add more details under listed activities (e.g.; targets/ numbers, no. of beneficiaries, area to be rehabilitated, infrastructures to be developed, no. of trainings and beneficiaries, etc.) to demonstrate the work to be done and substantiate allocated budgets.</p>	<p><b>CAR3: Cleared.</b> See Part IIA, pp. 17-26.</p>	
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		<p>under teach outcome, and activities under each output. Also, indicate which executing entity will execute which component.</p> <p>3. Provide more details on the activities to define/ demonstrate the work to done and substantiate allocated budgets (some information can be borrowed from Part IIB on project benefits).</p> <p><b>CAR4:</b> The components/ outputs description imply that most of the activities are unspecified projects (USPs), which are usually not recommended by AF and require meeting specific AF requirements. Please clearly/ identify the USPs, clarify if any of them would be identified at full proposal stage, and briefly discuss how they will be managed to meet AF requirements. Refer to this link for guidance: <a href="https://www.adaptation-fund.org/wp-content/uploads/2021/05/Updated-guidance-on-USPs-.pdf">https://www.adaptation-fund.org/wp-content/uploads/2021/05/Updated-guidance-on-USPs-.pdf</a></p>	<p><b>CAR4: Cleared:</b> See para 153, p.36. <u>More related details would be required at full proposal stage.</u></p>	-	
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	<p>4. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p><b>Yes. However,</b> further information/ clarifications are needed. See paras 76-80, pp. 25-27 (<i>should be section B of Part II as per AF CN template – See CAR1</i>). Kindly note that the AF GP requires an initial gender analysis/ assessment at the earliest stage of project/ programme preparation to determine the different needs, capabilities, roles and knowledge resources of women and men, and to identify how changing gender dynamics might drive lasting change. Other issues indicated below need to be addressed.</p> <p><b>CAR5:</b> Please provide/ include an initial gender assessment relevant to the project scope. Attach as an annex and refer to it at related sections, or include this under a dedicated subsection in part I.</p> <p><b>CR4:</b> Please specify whether other vulnerable groups beyond women will benefit from the project, in particular under component 2 where there is mention of local</p>	<p><b>CAR5: Cleared.</b> See paras 16-19, p. 6, and Annex III, pp. 45-46.</p> <p><b>CR4: Cleared.</b> See para 102, p. 22.</p>	-	
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	<p>vulnerable farmers/agro-pastoralist. If so, include a description of how benefits will be equitably distributed.</p> <p><b>CR5:</b> Unlike economic benefits section, the discussion on social benefits lacks estimated benefits with context specific figures. Please support social benefits with specific/ quantifiable data where possible.</p> <p><b>CR6:</b> The project aims to generate long-term environmental benefits through the rehabilitation of up to 5,000 hectares of degraded land. Please provide a rationale for the proposed figures and how the long-term environmental benefits have been identified (type of benefits and proposed impacts).</p> <p><b>CAR6:</b> The proposed 10,000 direct beneficiaries and additional 50,000 indirect seem to be low given the scale of the project. Kindly provide further clarification including the pretty low % of women (30%).</p>	<p><b>CR5: Cleared.</b> See paras 101-104, p. 22.</p> <p><b>CR6: Cleared.</b> See para 105, p. 23.</p> <p><b>CAR6: Cleared.</b> See para 104, p. 22.</p>	-	-	-
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	<p>5. Is the project / programme cost effective?</p>	<p><b>Yes. However,</b> further information is needed. See paragraphs 84-90, pages 28-29 (<i>should be section C of Part II as per AF CN template – See CAR1</i>). <u>A more detailed cost effectiveness analysis would be needed at full proposal stage.</u></p> <p><b>CR7:</b> Para 84, p. 28, refers to a project budget of USD 8,000,000. Are you referring to project components cost? if so, revise this amount, as total components cost/ budget is USD 8,416,000.</p> <p><b>CR8:</b> Kindly provide a summary table to demonstrate cost-effectiveness of selected interventions against other alternatives for each component/ outcome, and support, where possible, with quantitative estimates through proxies or qualitative justifications.</p> <p><b>CR9:</b> Kindly provide a brief discussion on the specific plans for the financial sustainability post project, particularly for components 1, 2 and 3.</p>	<p><b>CR7: Cleared.</b> See para 112, p. 23, and para 141, p. 33.</p> <p><b>CR8: Cleared.</b> See Table 2, pp. 24-25.</p> <p><b>CR9: Cleared.</b> See para 118, p. 25.</p>	<p>-</p> <p>-</p> <p>-</p>	
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	<p>6. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?</p>	<p><b>Yes. However,</b> more information is needed. See paras 91, pp. 29-31 (<i>should be section D of Part II as per AF CN template – See CAR1</i>). Some project interventions target rehabilitation of degraded land/ ecosystems, which would imply the relevance of related national plans (if any) developed to meet the obligations of UNCCD and UNCBD. Also, clarify the linkage with the SDGs objectives in Kenya.</p> <p><b>CR10:</b> Double check the relevance of national plans developed to meet the obligations of UNCCD and UNCBD and include in table 3 of para 91.</p> <p><b>CAR7:</b> Kindly clarify the specific linkage/ support of the project to the implementation of the SDGs in Kenya.</p>	<p><b>CR10: Cleared.</b> See Table 3, pp.26-27.</p> <p><b>CAR7: Cleared.</b> See Table 3, pp.26-27.</p>	-	-
	<p>7. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental</p>	<p><b>Yes. However,</b> some clarification is needed. See para 92, pp. 31-32 (<i>should be section E of Part II as per AF CN template – See CAR1</i>). The relevance of other national technical standards (e.g., building codes, water quality, etc.)</p>			-

	and Social Policy of the Fund?	<p>need to be double checked.</p> <p><b>CR11:</b> Please double check the relevance of other national technical standards (e.g., building codes, water quality, or any other sector-specific regulations).</p>	<p><b>CR11: Cleared.</b> See paras 120-129, pp. 27-29.</p>	-	
	8. Is there duplication of project / programme with other funding sources?	<p><b>Not addressed.</b> Only a brief para (93) is provided on p. 32 (<i>should be section F of Part II as per AF CN template – See CAR1</i>).</p> <p><b>CAR8:</b> Please provide a discussion and list of related ongoing/ completed projects in the country/ counties (<u>preferably in tabulated form</u>). The table should include project title, date and status (ongoing/ completed), implementing/ funding entities, specific location within the country, areas of overlap/ complementarity/ synergy, lessons learned and how they are/ will be considered in project design. Kindly ensure that no-overlap, if any, is justified (e.g., by indicating distinct geographic</p>	<p><b>CAR8: Cleared.</b> See paras 130-131 and Table 4, pp. 29-31.</p> <p><b>CR12: Cleared.</b> Para has been moved and revised in para 131, p. 31.</p>	-	-

		<p>locations and/or types of interventions).</p> <p><b>CR12:</b> Move para 93, p.32, to this section.</p>			
	<p>9. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?</p>	<p><b>Not clear.</b> See paras 94-96, pp 32-33 (<i>should be section G of Part II as per AF CN template – See CAR1</i>). Paras 94 -55 indicate that “The project will integrate a dynamic and context-specific Learning and Knowledge Management (LKM) component” and “will establish continuous learning processes”. <u>However</u>, related activities are not indicated in the components description, among other issues indicated below.</p> <p><b>CAR9:</b> Please specify the LKM activities at related component/s discussion (Part IIA) and refer to these activities as appropriate in Part IIG to substantiate the related discussions in paras 94-95, etc.</p> <p><b>CR13:</b> Kindly clarify the following:</p> <ul style="list-style-type: none"> <li>Specify the entities responsible for tracking the</li> </ul>	<p><b>CAR9: Cleared.</b> See paras 132-136, pp. 31-32.</p> <p><b>CR13: Cleared.</b> See paras 132–136, pp. 31-32.</p>	<p>-</p> <p>-</p>	<p>-</p>

		<p>experiences gained, how this will be done, and when the tracking will take place.</p> <ul style="list-style-type: none"> <li>• Specify what type of information will be collected and what will be disseminated.</li> <li>• Additionally, provide detailed information on the learning and knowledge-sharing activities conducted beyond the national conference, and explain how the knowledge generated will be sustained after the project concludes.</li> </ul>			
	<p>10. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p><b>Yes. However,</b> more information is needed. See paras 97-98/ Table 5, pp. 33-34 (<i>should be section H of Part II as per AF CN template–See CAR1</i>). More details on the dates of consultations, number of participants (disaggregated by gender, topics discussed, outcomes and these outcomes were considered in project design, etc.</p> <p><b>CAR10:</b> Provide a summary table of the conducted consultations. The table should include</p>	<p><b>CAR10: Cleared.</b> See pp. 32-33.</p>	<p>-</p>	<p>-</p>

		<p>the date of consultation, entity/ group/ community consulted, number of participants disaggregated by gender, key topics discussed, outcomes and how these outcomes were considered in project design.</p> <p><b>CR14:</b> Considering the important role of vulnerable groups including women and youth, kindly explain how these groups have been involved during consultation workshops if any.</p>	<p><b>CR14: Cleared.</b> See paras 137-139, p.32.</p>	-	
	<p>11. Is the requested financing justified on the basis of full cost of adaptation reasoning?</p>	<p><b>Yes.</b> <u>However</u>, further clarification is needed. See paras 99-102, p. 34 (<i>should be section I of Part II – See CAR1</i>).</p> <p><b>CAR11:</b> Please provide information on how the project will achieve its objectives/ outcomes solely with the resources of the Adaptation Fund. Also, clarify whether the project requires co-financing or not. If co-financing is being considered, please clearly indicate/ confirm that the project will effectively meet its objectives with AF</p>	<p><b>CAR11: Cleared.</b> See paras 140-142, pp. 33-34.</p>	-	

		<p>resources only, irrespective of such co-financing.</p> <p><b>CR15:</b> Considering that many of the proposed activities under component 1 seems not yet identified, kindly confirm if this project will be implemented through an approach of unidentified sub-project (USP).</p>	<p><b>CR15: Cleared.</b> See para 153, p. 36.</p>	-	
	<p>12. Is the project / program aligned with AF's results framework?</p>	<p><b>Yes. However,</b> further clarification is needed. See table 7, pp.38-43. Allocated grant amounts and totals should be provided at AF outcome and output levels.</p> <p><b>CAR12:</b> In the alignment with AF results framework table, pp. 38-43, distribute "Grant Amounts" at AF outcome and output levels. Also, add rows to indicate totals at project objectives/ AF outcomes level (sum of allocated amounts for AF outcomes - upper part of the table), and project outcomes/ AF outputs level (sum of allocated amounts for AF outputs-lower part of table). Please comply with the template and guidance provided at</p>	<p><b>CAR12: Not Cleared.</b> See Table 7, pp. 38-40. Please ensure that the outputs level is consistent with outcomes level (i.e.: outputs correspond to the outcomes indicated in upper part of the table). Also, add table rows to indicate total allocated grant amounts at outcome and output levels, etc. Please comply fully with the template guidance provided at <a href="#">Results Framework Alignment Table</a> (Amended in</p>	<p><b>CAR12: Cleared.</b> See Table 9, pp. 42-45.</p>	-

		<p><a href="#">Results Framework Alignment Table</a> (Amended in November 2025) (77 kB, DOC).</p> <p><b>CR16:</b> No need for section 3.1, paras 105-110, pp. 37-38) at CN stage. Just indicate executing entities at related component in part IIA/components description.</p>	<p>November 2025) (77 kB, DOC).</p> <p><b>CR16: Cleared.</b> Section deleted</p>	-	
	<p>13. Has the sustainability of the project/programme outcomes been taken into account when designing the project?</p>	<p><b>Not fully addressed.</b> See para 103, pp. 35-35 (<i>should be section J of Part II as per AF CN template – See CAR1</i>). More details are needed.</p> <p><b>CAR13:</b> Please address the following:</p> <ol style="list-style-type: none"> <li>1. Provide more details on the sustainability of the adaptation benefits/ project outcomes as well as potential replication/ scaling up with other funds after its end. Also, briefly explain the arrangements through which this would be achieved.</li> <li>2. All key areas of sustainability should be addressed <u>under dedicated</u></li> </ol>	<p><b>CAR13: Cleared.</b> See paras 143-149, pp. 34-35.</p>	-	-

		<p><u>subheadings</u>, including but not limited to economic, social, environmental, institutional, and financial.</p> <p>3. Briefly discuss the sustainability of the O&amp;M of the infrastructure/ installations to be developed, policies and governance arrangements to be developed and implemented, knowledge generated, and other capacity to be improved, etc.</p> <p>4. Kindly clarify how the replication/ scaling up of the proposed project outcomes would be achieved.</p>			
	<p>14. Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p><b>Not fully.</b> See para 104, pp.35-36 (<i>should be section K of Part II as per AF CN template – See CAR1</i>).</p> <p><b>CAR14:</b> Please address the following:</p> <ol style="list-style-type: none"> <li>1. Add an introductory paragraph to discuss the project key risks and specify the project overall risk category as per AF</li> </ol>	<p><b>CAR14: Not Cleared.</b> See paras 150-152 and Table 6, pp. 35-37.</p> <ol style="list-style-type: none"> <li>1. Cleared.</li> <li>2. Cleared.</li> <li>3. Not cleared please remove the check marks in column 2 associated with ESPs 1, 4 and 6.</li> </ol>	<p><b>CAR14: Cleared.</b> See Table 8, pp. 40-41.</p>	-

		<p>requirements (A, B or C). <u>Paras 81- 83, pp. 27-28, seem to fit under this section and is recommended to be moved to this section with some re-editing as appropriate.</u></p> <p>2. Introduce the AF E&amp;S checklist table (<u>add table number and heading and adjust following tables numbers accordingly</u>). More importantly, add in column 3 of the table a brief discussion on each E&amp;S principle associated risks/ impacts including level (low, medium, high) and mitigation measures/ further required assessment to ensure compliance.</p> <p>3. Kindly note that further/ additional assessment will always be required for E&amp;S Principles 1,4 and 6. Revise column 2 of the E&amp;S checklist accordingly.</p> <p><b>CR17:</b> Please confirm if the project includes USPs for activities involving construction and refer to</p>	<p><b>CR17: Cleared.</b> See para 153, p. 36.</p>	-	
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		AF policy of USP for compliance.			
Resource Availability	1. Is the requested project / programme funding within the cap of the country?	<b>Yes.</b>	-	-	-
	2. Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?	<b>No.</b> The IE fee is 9.5% of project total cost.  <b>CAR15:</b> Reduce IE fee to 8.5% (or below) of the project total cost.	<b>CAR15: Cleared.</b> IE fee is now USD 783,410 which is 8.5% of total project cost (USD 9,216,590)	-	-
	3. Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget (including the fee)?	<b>Yes.</b> The EC is at 7.8% of the project total cost.	-	-	-
Eligibility of IE	1. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?	<b>Yes.</b> National Environment Trust Fund (NETFUND) is accredited by AF Board. <u>Accreditation Expiration Date is 11 April 2030.</u>	<b>CAR16 NEW:</b> 1. On the PFG form please clarify if the PFG will be executed by World Resources Institute and County Governments of Narok and Nakuru. If NETFUND will execute the PFG please include	<b>CAR16 NEW: Not Cleared.</b> The changes to Annex IV, pp. 53-54 are noted. However, please note that PFGs only have IE fees and no EE costs are provided. Please amend the PFG request form to reflect this.	<b>CAR16 NEW: Cleared.</b> As per amended PFG request form at Annex IV.

			NETFUND as the EE for in the PFG form. 2. Please update the PFG start date to a date after AFB46 which will be during the week of 6 <sup>th</sup> April 2026.		
Implementation Arrangements	1. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	n/a at concept stage			
	2. Are there measures for financial and project/programme risk management?	n/a at concept stage			
	3. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	n/a at concept stage			
	4. Is a budget on the Implementing Entity Management	n/a at concept stage			

	Fee use included?				
	5. Is an explanation and a breakdown of the execution costs included?	n/a at concept stage			
	6. Is a detailed budget including budget notes included?	n/a at concept stage			
	7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	n/a at concept stage			
	8. Does the M&E Framework include a breakdown of how implementing entity IE fees will be utilized in the supervision of the M&E function?	n/a at concept stage			
	9. Does the project/programme's results framework align with the AF's	n/a at concept stage			

	results framework? Does it include at least one core outcome indicator from the Fund's results framework?				
	10. Is a disbursement schedule with time-bound milestones included?	n/a at concept stage			

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

**A. Record of endorsement on behalf of the government<sup>2</sup>** *Provide the name and position of the government official and indicate date of endorsement. If this is a regional project/programme, list the endorsing officials all the participating countries. The endorsement letter(s) should be attached as an annex to the project/programme proposal. Please attach the endorsement letter(s) with this template; add as many participating governments if a regional project/programme:*

Dr. Eng. Festus K. Ng'eno, MIEK, CBS Principal Secretary State Department of Environment and Climate Change, Ministry of Environment, Climate Change and Forestry	Date: November 4 <sup>th</sup> , 2025
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**B. Implementing Entity certification** *Provide the name and signature of the Implementing Entity Coordinator and the date of signature. Provide also the project/programme contact person's name, telephone number and email address.*

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 of Kenya and subject to the approval by the Adaptation Fund Board, commit to implementing the project/programme in compliance with the Environmental and Social Policy and the Gender 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.

<b>Name &amp; Signature</b> Samson Toniok Chief Executive Officer NETFUND		
<b>Implementing Entity Coordinator</b>		
<b>Date: (Month, Day, Year)</b> November 10 <sup>th</sup> , 2025	<b>Tel. and email:</b> +254721514869 samson.toniok@netfund.go.ke	
<b>Project Contact Person:</b> Andrew Machora		
<b>Tel. And Email:</b> +254729553304 andrew.machora@netfund.go.ke		

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

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## PART V: Annexes

### A. Annex I: Endorsement Letter

  
REPUBLIC OF KENYA

**MINISTRY OF ENVIRONMENT, CLIMATE CHANGE & FORESTRY**  
**State Department for Environment & Climate Change**  
**Office of the Principal Secretary**

<p>Telegrams: "NATURE", Nairobi Telephone: 254-20- 2730808/9 Fax: 254-20- 2734722 Email : <a href="mailto:psoffice@environment.go.ke">psoffice@environment.go.ke</a></p>	<p>SHA BUILDING RAGATI ROAD P. O. BOX 30126-00100 NAIROBI</p>
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When replying, please quote:

**Ref. No. MEF/EMC/1/5 (72)** **4<sup>th</sup> November, 2025**

**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

**RE: ENDORSEMENT FOR NATURE-BASED ADAPTATION FOR  
RESILIENCE BUILDING AND EMPOWERMENT FOR  
VULNERABLE COMMUNITIES IN NAROK AND NAKURU  
COUNTIES PROJECT TO THE ADAPTATION FUND**

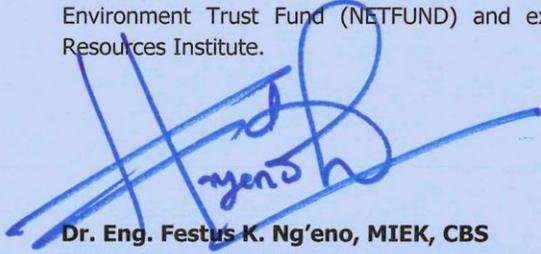
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In my capacity as Designated Authority for the Adaptation Fund in Kenya, I confirm that the above national project proposal is in accordance with the government's national priorities in implementing adaptation activities to reduce adverse impacts of and risks, posed by climate change in the Narok and Nakuru counties of Kenya.

Accordingly, I am pleased to endorse the above Project proposal with support from the Adaptation Fund.

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If approved, the Project will be implemented by the National Environment Trust Fund (NETFUND) and executed by the World Resources Institute.

A handwritten signature in blue ink, appearing to read 'Festus K. Ng'eno', is written over the text and extends across the signature line.

**Dr. Eng. Festus K. Ng'eno, MIEK, CBS**  
**PRINCIPAL SECRETARY**

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of change through engagement in climate-smart agriculture, restoration enterprises, and green jobs, provided they are supported with skills, finance, and inclusive governance frameworks.

**D. Annex IV PFG Form**  
Revised PFG Submission Form<sup>15</sup>

**Project Formulation Grant (PFG)**

**Submission Date:** 17<sup>th</sup> November 2025

**Adaptation Fund Project ID:**

**Country/ies:** Kenya

**Title of Project/Programme:** Resilience building and Empowerment of vulnerable Communities in Narok and Nakuru counties - NAREC

**Type of IE (NIE/RIE/MIE):** National Implementing Entity

**Implementing Entity:** National Environment Trust Fund (NETFUND)

**Executing Entity/ies:** World Resources Institute

**A. Project Preparation Timeframe**

<b>Start date of PFG</b>	1 <sup>st</sup> May 2026
<b>Completion date of PFG</b>	31 <sup>st</sup> October 2026

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

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note [1]
Develop Terms of Reference for various consultancies	<ul style="list-style-type: none"> <li>Tender Bids</li> <li>Terms of Reference and evaluation criteria</li> </ul>	<del>14,500,633</del>	Covers drafting of ToRs, setting evaluation criteria, and procurement support for all consultancy assignments under the PFG.
Engage a consultant to support the design and development of full project proposal	<ul style="list-style-type: none"> <li>Full project proposal with annexes</li> </ul>	28,000	Includes expert consultancy fees for developing the full proposal, alignment with AF guidance, preparing annexes, theory of change, and technical review revisions.
Engage a consultant to undertake stakeholder mapping, consultations and development of stakeholder engagement report and plan	<ul style="list-style-type: none"> <li>Stakeholder Engagement Report and Plan</li> </ul>	<del>2022,000</del>	Includes expert consultancy fees for undertaking stakeholder mapping, consultations, and development of stakeholder engagement plan and report.
Engage a consultant to undertake feasibility studies covering technical, social, environmental, and financial viability of the proposed interventions	<ul style="list-style-type: none"> <li>Feasibility Study Report</li> </ul>	<del>2629,000</del>	Funds consultancy to conduct field assessments, analyze technical options, assess social and environmental suitability, and evaluate project cost-effectiveness.
Engage a consultant to undertake	<ul style="list-style-type: none"> <li>Gender assessment report</li> </ul>	14,000	Supports a gender specialist to

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<sup>15</sup> As presented in AFB/PPRC.33/40 Annex 1.

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List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note [1]
Detailed gender analysis and develop gender action plan	<ul style="list-style-type: none"> <li>Gender Action Plan</li> </ul>		conduct field-based gender analysis and prepare a comprehensive Gender Action Plan aligned with AF requirements.
Engage a consultant to undertake environmental and social safeguards and develop an environmental safeguards management framework (ESMF) for the project	<ul style="list-style-type: none"> <li>ESMF Report</li> </ul>	24,000	Covers consultant time for ES risk screening, stakeholder consultations, safeguards assessments, and preparation of a full ESMF.
Engage a consultant to undertake Capacity Assessment of the project Implementing Entities	<ul style="list-style-type: none"> <li>Capacity Assessment Report</li> </ul>	<del>16,616</del>	Funds review of institutional capacity gaps, governance systems, and recommendations for strengthening NIE-County execution arrangements.
<b>PPG Sub-total</b>		<del>125,138,116,249</del>	
<b>EE fees</b>		<del>13,133</del>	9.5% of the total budget
<b>IE Fees</b>		<b>11,751</b>	8.5% of the total budget
<b>Total Project Formulation Grant</b>		<b>150,000</b>	

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

The development of **Terms of Reference (ToRs)** is essential to ensure clarity, accuracy, and quality in procuring all consultancy services required for full proposal preparation. Given the number and technical complexity of studies involved, this activity ensures that scope, methodologies, deliverables, and evaluation criteria are well-defined. The allocated amount covers expert time and coordination needed to prepare multiple ToRs and support tendering processes.

Engaging a consultant to **design and develop the full project proposal** is critical for translating the concept note into a robust, evidence-based and AF-compliant proposal. This includes climate rationale development, costed interventions, environmental and social integration, risk analysis, theory of change, and preparation of all mandatory annexes. The consultant will also be responsible for undertaking **stakeholder mapping and development of a Stakeholder Engagement Plan (SEP)** and ensure inclusive participation throughout the project cycle. This activity ensures compliance with the AF's transparency and participation requirements. The budget supports consultations, analysis, and preparation of a structured SEP.

The budget reflects the level of expertise and time required to prepare a high-quality multi-component proposal for a large-scale adaptation project.

Comprehensive **feasibility studies** covering technical, environmental, social, and financial viability are required to demonstrate that the proposed interventions are appropriate, sustainable, and cost-effective. These studies involve field assessments, stakeholder consultations, analysis of alternative options, and scenario modelling. The cost reflects the depth of technical work and the logistical requirements of conducting studies across vast ASAL counties.

A detailed **gender analysis and development of a Gender Action Plan** is required under the Adaptation Fund's Gender Policy. This activity involves assessing gender roles, vulnerabilities, and opportunities within the project

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context, and outlining concrete actions for gender-responsive implementation. The budget supports field-based assessments, stakeholder engagement with women’s groups, and technical expertise needed to produce an AF-compliant GAP.

Preparation of an **Environmental and Social Management Framework (ESMF)** is a mandatory requirement under the AF Environmental and Social Policy. This entails risk screening, safeguards analysis, development of mitigation measures, and consultations with affected communities. The allocated funding covers the cost of a safeguard’s specialist and the community engagement efforts required to develop a comprehensive ESMF.

A **capacity assessment of implementing entities** is needed to determine institutional strengths, gaps, and readiness for project execution. This helps refine implementation arrangements and ensures that the NIE and county governments have adequate systems for financial management, procurement, safeguards, and monitoring. The budget reflects the analytical work required, including consultations and review of institutional systems.

Finally, the **EE and IE fees** support administrative oversight, coordination, procurement, financial management, and reporting required during the project preparation phase. The fee aligns with AF guidelines on operational norms and ensures efficient delivery of the preparation activities.

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