



## ADAPTATION FUND

AFB/PPRC.37/35/Add.1  
April 7-8, 2026

---

Adaptation Fund Board  
Project and Programme Review Committee  
Thirty-seventh meeting  
Bonn, Germany

Agenda Item 7 d)

### **PROJECT FORMULATION GRANT FOR LLA SINGLE COUNTRY PROPOSAL 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”.*

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.37/35 “LLA Single Country Proposal for Kenya” includes a request for a Project Formulation Grant (PFG), requesting a total budget of US\$ 204,250, comprising a PFG of US\$ 150,000 plus an additional PFG amount of US\$ 54,250, which was received by the secretariat along with the concept note proposal for the project AF00000468 “*Ecosystem-Based Adaptation for Climate-Resilient Livelihoods in Turkana and West Pokot Counties, Kenya*”. 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.

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 US\$ 150,000 Project Formulation Grant will support core project formulation activities, including feasibility studies, gender analysis, environmental and social safeguards assessments, stakeholder mapping and engagement planning, and the preparation of a fully developed proposal. The additional US\$ 54,250 PFG amount will support supplementary preparatory activities to strengthen project readiness, including baseline studies to inform the monitoring and evaluation framework, market viability assessments, institutional capacity assessments, and related fiduciary and management oversight.

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

**Annex VII: Project Formulation Grant  
Revised PFG Submission Form<sup>1</sup>**

**Submission Date:** 30<sup>th</sup> June 2025

**Adaptation Fund Project ID:** AF00000468

**Country/ies:** Kenya

**Title of Project/Programme:** Ecosystem-Based Adaptation for Climate-Resilient Livelihoods in Turkana and West Pokot Counties, Kenya.

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

**Implementing Entity:** National Environment Trust Fund

**A. Project Preparation Timeframe**

<b>Start date of PFG</b>	1 <sup>st</sup> April-May 2026
<b>Completion date of PFG</b>	30 <sup>th</sup> -31 <sup>st</sup> September-October 2026

**Formatted:** Superscript

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

**Formatted:** Level 1, Space After: 4 pt, Keep with next, Keep lines together

**Table 1: Detailed Breakdown of PFG costs up to USD 150,000**

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note <sup>[1]</sup>
Engage a consultant to support the design and development of full project proposal and its relevant annexes	Full project proposal with annexes	40,000	Includes expert consultancy fees for developing the full proposal, alignment with AF guidance, preparing annexes, theory of change, and technical review revisions. Consultancy procured and contractually managed by the Implementing Entity (IE) in line with AF procurement rules. The County Governments of Turkana and West Pokot (Executing Entities – EEs) provide technical inputs, policy alignment, data, and participate in validation workshops. No funds are transferred to EEs under PFG.
Engage a consultant to undertake feasibility studies covering technical, social, environmental and financial viability of the proposed interventions	Feasibility Study Report	37,000	Funds consultancy to conduct field assessments, analyze technical options, assess social and environmental suitability, and evaluate project cost-effectiveness. Consultant recruited and supervised by the IE. County Governments facilitate field access, provide local data, and participate in consultations as non-remunerated executing partners. Outputs are jointly validated with EEs.
Engage a consultant to undertake detailed gender analysis and develop gender action plan	Gender assessment report Gender Action Plan	20,000	Supports a gender specialist to conduct field-based gender analysis and prepare a comprehensive Gender Action Plan aligned with AF requirements. Gender specialist engaged and managed by the IE. County gender officers support stakeholder mobilization and contextual validation. No budget is allocated to EEs; their role is advisory and facilitative.
Engage a consultant to undertake environmental and social safeguards and develop an environmental safeguards management framework (ESMF) for the project	ESMF Report	30,000	Covers consultant time for ES risk screening, stakeholder consultations, safeguards assessments, and preparation of a full ESMF. Consultancy managed by the IE, including safeguards screening and documentation. County Governments participate in consultations and provide regulatory context. The ESMF is endorsed jointly but funds remain under IE management.

**Formatted Table**

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

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

**Formatted:** Space After: 0 pt

Engage a consultant to undertake detailed stakeholder mapping and develop Stakeholder Engagement Plan	SEP Report Stakeholder Engagement Plan	11,249	Supports mapping of actors, stakeholder analysis, consultation planning, and preparation of an AF-compliant SEP. Consultant procured by the IE. County Governments support identification of local stakeholders and convening of meetings but do not receive PFG funds.
Component 1 PFG Total		<b>138,249</b>	
IE fee		<b>11,751</b>	IE management fee covering fiduciary oversight, procurement, contract management of all consultants, coordination with County Governments, quality assurance, and submission to the Adaptation Fund. No EE management fee is included under Table 1.
<b>Total Table 1</b>		<b>150,000</b>	
<b>Table 2: a separate, clearly justified breakdown of the additional requested amount (up to USD 50,000)</b>			
List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	<a href="#">Budget note[1]</a>
Develop Terms of References for various consultancies	Tender Bids Terms of References and evaluation criteria	8,000	Covers drafting of ToRs, setting evaluation criteria, and procurement support for all consultancy assignments under the PFG. Activity led and financed by the IE, ensuring AF-compliant procurement. County Governments provide technical input on scope and contextual relevance only.
Engage a consultant to undertake baseline studies to inform the monitoring and evaluation framework for the project	Baseline Study Report	20,000	Includes baseline data collection for key indicators, methodological design, sampling, and integration into the M&E framework. Consultant recruited and managed by the IE. County Governments facilitate access to communities and existing datasets. No funds are channeled to EEs.
Engage a consultant to undertake simplified market viability studies on opportunities for promoting certain value chains	Market Assessment Report for certain Value Chains	12,000	Covers a rapid market assessment to inform climate-resilient value chain opportunities in Turkana and West Pokot. Consultancy fully managed by the IE. County Governments participate in validation of findings related to county value-chain priorities.
Engage a consultant to undertake Capacity Assessment of the project Implementing Entities	Capacity Assessment Report	10,000	Funds review of institutional capacity gaps, governance systems, and recommendations for strengthening NIE-County execution arrangements. Consultant contracted by the IE to assess both IE and County execution readiness. Counties participate as assessed entities but do not manage or receive PFG funds.
Component 2 Sub total		<b>50,000</b>	
IE fee		<b>4,250</b>	IE management fee for fiduciary oversight, procurement, consultant supervision, coordination with EEs, and reporting to the Adaptation Fund.
<b>Total Table 2</b>		<b>54,250</b>	
<b>Grand Total PFG (Table 1 +Table 2)</b>		<b>204,250</b>	

### Justification and Additionality of the Requested Supplementary PFG Costs (Table 2)

The additional costs under Table 2 are necessary and incremental to ensure the full project proposal is technically sound, implementation-ready, and fully compliant with Adaptation Fund requirements beyond what is achievable within the standard PFG ceiling. While Table 1 covers core proposal development and mandatory safeguards instruments, Table 2 finances **critical preparatory activities that deepen readiness and reduce implementation risk**, including development of detailed ToRs to enable transparent procurement, establishment of robust baselines for an evidence-based M&E framework, **environmental and social safeguards assessment and preparation of an ESMF with ESMP/ESIA guidance**, targeted market viability assessments to confirm the feasibility of proposed nature-based value chains, and a capacity assessment to

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

**Formatted:** Space After: 0 pt

ensure effective execution by the Implementing Entity and County Governments. These activities generate new analytical outputs not funded under the initial PFG allocation and directly strengthen project quality, feasibility, and likelihood of successful implementation, thereby justifying their additionality.

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
National Environment Trust Fund		June 28, 2025	Mr. Samson Toniok	020 2369563	<a href="mailto:info@netfund.go.ke">info@netfund.go.ke</a>

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

**Formatted:** Space After: 0 pt



REPUBLIC OF KENYA

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

Telegrams: "NATURE", Nairobi  
Telephone: 254-20- 2730808/9  
Fax: 254-20- 2734722  
Email : [psoffice@environment.go.ke](mailto:psoffice@environment.go.ke)

SHA BUILDING  
RAGATI ROAD  
P. O. BOX 30126-00100  
NAIROBI

When replying, please quote:

**Ref. No.** MEF/EMC/25

30<sup>th</sup> January, 2026

**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 OF THE ECOSYSTEM-BASED ADAPTATION  
FOR CLIMATE-RESILIENT LIVELIHOODS IN TURKANA AND  
WEST POKOT COUNTIES, KENYA**

---

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 Country.

Accordingly, I am pleased to endorse the above Project Proposal with Support from the Adaptation Fund. If approved, the Project Budgeted USD.5 million, will be **implemented by the National Environment Trust Fund (NETFUND) and Executed by the County Governments of Turkana and West Pokot.**

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