



## ADAPTATION FUND

AFB/PPRC.37/38/Add.1  
April 7-8, 2026

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

Agenda Item 7 g)

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

## 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.37/38 “LLA Single Country Proposal for Tanzania” includes a request for a Project Formulation Grant (PFG), requesting a total budget of US\$ 220,000, comprising a PFG of US\$ 150,000 plus an additional PFG amount of US\$ 70,000, which was received by the secretariat along with the concept note proposal for the project AF00000284 “*Building rural-urban climate change adaptation nexus for sustained local economies development in Tanzania*”. This proposal was submitted by National Environmental Management Council of Tanzania (NEMC) 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 proposed activities were aligned with the goal of the project. The US\$150,000 Project Formulation Grant (PFG) will support core project formulation activities, including stakeholder and community consultations and workshops, climate risk and vulnerability assessments, the development of local decision-making frameworks, and drafting a fully developed proposal. The additional US\$70,000 PFG amount will support community consultation and training workshops targeting communities in the climate hotspot areas of Dodoma Region, and the development of Community-Led Monitoring, Reporting & Verification (MRV) systems.

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.



**Project Formulation Grant (PFG)**

**Submission Date:** August 10, 2025

**Adaptation Fund Project ID:** To be assigned

**Country/ies:** Tanzania (United Republic of)

**Title of Project/Programme:** Building Rural-Urban Climate Adaptation Nexus, Dodoma Region

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

**Implementing Entity:** National Environment Management Council

**Executing Entity/ies:** United Nations Capital Development Fund (UNCDF), Prime Minister Office–Regional Administration and Local Government (PMO-RALG), Target Districts and Municipal Councils

**A. Project Preparation Timeframe**

<b>Start date of PFG</b>	<del>June 01</del> June 01, 2026
<b>Completion date of PFG</b>	<del>December 31</del> December 31, 2026

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

**B.1 Proposed Project Preparation activities**

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note <sup>1</sup>
Stakeholder Stakeholder and community consultations and workshops	Community input and priorities for rural-urban adaptation strategies	40,000	Costs for venue, travel, facilitation, and materials for local stakeholders
Climate risk and vulnerability assessments	Detailed risk maps, level of vulnerabilities and adaptation needs for Dodoma Region	50,000	Includes data collection, analysis, GIS mapping, and expert consultations
Development of local decision-making frameworks	Guidelines for devolving decision-making to local levels	30,000	Training, capacity-building, and framework development for local actors

<sup>1</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.

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Drafting full project proposal	Comprehensive proposal addressing Secretariat comments	30,000	Staff time, technical expertise, and stakeholder coordination for proposal development
<b>Total Project Formulation Grant</b>		<b>150,000</b>	

**B. 2 Proposed additional Budget for LLA-Specific Activities to Enable Devolving Decision-Making and tools for tracking locally led adaptation intervention**

List of Proposed Additional activities to support proposal preparation	Output of the Activity	US\$ Amount	Budget note <sup>2</sup>
<del>Development of local decision-making frameworks.</del>	<del>Local decision making frameworks and guidelines established and operational in Dodoma LGAs</del>	<del>30,000</del>	<del>Costs for venue, travel, facilitation, Luch allowance for community members, and materials for local stakeholders</del>
Conduct community consultation and training workshops targeting communities in the climate hotspot areas of Dodoma Region	Local leaders, community groups, and marginalized populations trained on climate risks and adaptation	40,000	Costs for venue, travel, facilitation, Luch allowance for community members, and materials for local stakeholders
Development of Community-Led Monitoring, Reporting & Verification (MRV) Systems	Community-led MRV framework and tools for LLA developed and operational	30,000	Costs for venue, travel, facilitation, Luch allowance for community members, and materials for local stakeholders
<b>Total additional budget</b>		<del>70,000</del> <b>100,000</b>	

**Description and Justifications for PFG Activities:**

- Stakeholder and community consultations and workshops (\$40,000): Engaging stakeholders and rural and urban communities in Dodoma through extensive meetings workshops and workshops to ensure adaptation strategies align with local needs and priorities. This is critical for the LLA approach, empowering local actors to shape project outcomes. Costs cover logistics, facilitation, and materials for broader community engagement.
- Climate risk and vulnerability assessments (\$50,000): Conducting comprehensive assessments, including GIS mapping, to identify specific climate risks spot areas with adverse impact of climate

<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.

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changes (e.g., droughts, floods) and vulnerabilities in Dodoma’s rural-urban nexus. This ensures an evidence-based project addressing Secretariat comments from the concept note stage.

- Development of local decision-making frameworks (\$30,000): Creating detailed guidelines and conducting extensive training programs to devolve decision-making to local communities, a key requirement for LLA projects. This ensures local actors can prioritize and implement adaptation actions effectively.
- Drafting full project proposal (\$30,000): Incorporating Secretariat feedback to refine the concept note into a comprehensive proposal, requiring significant technical expertise, stakeholder coordination, and iterative revisions.

#### For LLA Projects only:

Activities to Enable Devolving Decision-Making and tools for tracking locally led adaptation intervention

- ~~Development of local decision making frameworks: This activity directly supports devolving decision-making by establishing community led committees, training programs, and participatory planning tools to empower local actors in Dodoma to define, prioritize, design, and implement adaptation actions.~~
- Conduct community consultation and training workshops targeting communities in the climate hotspot areas of Dodoma Region. The consultation and training aim to build the capacity of local leaders, community groups, and marginalized populations for informed, inclusive, and locally led adaptation decision-making in the identified climate change hot spot areas in Dodoma Region to build capacity among local leaders, community groups, and marginalized populations, enabling informed decision-making at the lowest appropriate level.
- Development of Community-Led Monitoring, Reporting & Verification (MRV) Systems: This activity will directly support the development of operationalize Monitoring, reporting and verification (MRV) tools for tracking locally led adaptation results at local level. This includes community scorecards, climate resilience indicators, participatory monitoring groups, and digital reporting tools managed by local actors.

#### Justifications for Additional Funding:

~~The additional \$70,000 will fund essential stakeholder consultations in Dodoma Region's climate hotspots, directly responding to the need for enhanced local ownership. This allocation supports targeted community workshops to build inclusive, local leadership capacity and finances the development of operational, community-led Monitoring, Reporting, and Verification (MRV) systems including tools like scorecards, resilience indicators, and digital reporting managed by local actors to ensure sustainable, grassroots adaptation. The \$100,000 allocated for stakeholder consultations, the development of local decision making frameworks, and the creation of adaptation tracking tools is essential for ensuring robust community engagement and capacity building—both central to the LLA approach. This funding will enable extensive outreach and training to establish sustainable, locally driven adaptation mechanisms, directly addressing the Secretariat’s feedback on the need to strengthen local participation and ownership~~

#### 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

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Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Fredrick F. Mulinda		August 6, 2025	Enock Nyanda	Enock Nyanda	+255 789 496 202

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Letter of endorsement by the Government

THE UNITED REPUBLIC OF TANZANIA  
VICE PRESIDENT'S OFFICE

Telegrams: "MAKAMU"  
Telephone: +255 026 2329006  
Fax: +255 026 2329007  
Email: [ps@vpo.go.tz](mailto:ps@vpo.go.tz)  
*In reply, please quote*



Government City,  
Mtumba Area,  
Vice President Street,  
P.O. Box. 2502,  
**40406 DODOMA.**

Our Ref. No: CBA.78/90/03

08<sup>th</sup> August, 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

**SUBJECT: ENDORSEMENT FOR BUILDING RURAL-URBAN CLIMATE ADAPTATION  
NEXUS, DODOMA REGION**

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Please refer to the above subject

2. In my capacity as the designated authority for the Adaptation Fund in Tanzania, 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 Dodoma Region.
3. Accordingly, I am pleased to endorse the above grant proposal with support from the Adaptation Fund. If approved, the project will be implemented by National Environment management Council (NEMC) and executed by President's Office, Regional Administration and local Government (PORALG).
4. Thank you for your continued support.

A handwritten signature in black ink, appearing to read 'Msolle'.

Prof. Peter L.M. Msolle

**NATIONAL DESIGNATED AUTHORITY- DEPUTY PERMANENT SECRETARY**