



ADAPTATION FUND

AFB/PPRC.37/40/Add.1
April 7-8, 2026

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

Agenda Item 7 i)

PROJECT FORMULATION GRANT FOR LLA SINGLE COUNTRY PROPOSAL FOR VANUATU

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.37/40 “LLA Single Country Proposal for Vanuatu” includes a request for a Project Formulation Grant (PFG), requesting a total budget of US\$ 225,000, comprising a PFG of US\$ 150,000 plus an additional PFG amount of US\$ 75,000, which was received by the secretariat along with the concept-note proposal for the project AF00000455 “*ROOTS – Restoring Our Original Trees and Shore – Nature-based, Community-Led forest restoration and Management*”. This proposal was submitted by The Pacific Community (SPC), which is a Regional 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 (PFG) will support partner and stakeholder mapping and validation consultations, comprehensive site assessment and selection, the development of an Environmental and Social Management System, gender and social assessments and legal review, initial baseline data collection and MEL plan design, and the drafting of a fully developed proposal. The additional US\$75,000 PFG amount will support the development of national restoration protocols and technical guidelines, including forest, agroforestry, mangrove, soil, invasive species, nursery and seed systems, and the integration of traditional knowledge, through participatory co-development and validation with communities, customary authorities, women’s and youth groups, to enable community-led restoration and implementation readiness.

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.



Revised PFG Submission Form¹ (additions in red)

Project Formulation Grant (PFG)

1st Submission Date: June 27th, 2025
2nd Submission Date: December 5th 2025
3rd Submission Date: January 27th, 2026
4th Submission Date: February 16, 2026

Adaptation Fund Project ID:

Country/ies: Vanuatu

Title of Project/Programme: ROOTS – Restoring Our Original Trees and Shore – Nature-based Community-led restoration and Management

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

Implementing Entity: Pacific Community (SPC)

Executing Entity/ies: Pacific Community (SPC)

A. Project Preparation Timeframe

Start date of PFG	November 2025
Completion date of PFG	August 2026

B. Proposed Project Preparation Activities (\$)

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note²
1. Partner and stakeholder mapping, mobilisation, and technical validation consultations (identification, outreach, small-group technical meetings and validation)	Stakeholder and partner mapping and engagement report; summary of consultations;	\$15,000	Includes costs for targeted outreach, travel for consultations, technical meetings, expert facilitators, venue hire, and feedback documentation.
2. Comprehensive site assessment and selection (field missions,	Site pre-feasibility and assessment report; vulnerability maps;	\$40,000	Covers consultant fees, travel and subsistence (airfare,

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.

participatory mapping, validation workshops)	consultation summaries; selected priority sites		accommodation, per diems), data collection materials, GIS/mapping supplies, workshop costs, and report writing.
3. Environmental and Social Management System (ESMS) and risk assessment (including FPIC, gender/social assessment, legal review)	Completed ESMS/ESIA, FPIC documentation, Gender & Social Inclusion Assessment	\$30,000	Consultant time for ESMS/ESIA; field visits, workshops for FPIC and social inclusion, legal review (local expert input), translation, and reporting.
4. Initial baseline data collection and MEL plan design	Baseline indicator database, draft MEL plan and reporting tools	\$20,000	Field staff/consultants for data collection, travel costs, data entry, database/tool development, and MEL planning meetings.
5. Drafting of the full proposal and supporting documents	Full AF proposal, annexes, budget, workplan, risk register, safeguards	\$45,000	Expert/consultant time for drafting, stakeholder review meetings, internal quality assurance, editing, and printing.
Total Project Formulation Grant		\$150,000 ³	

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

1. Partner and stakeholder mapping, mobilisation, and technical validation consultations (identification, outreach, small-group technical meetings and validation)

This activity is critical to ensure early and inclusive engagement of all relevant stakeholders—including government agencies, community organizations, technical partners, and NGOs—across national and local levels. Effective mapping, outreach, and validation consultations will build broad support, clarify roles, and help align project design with community priorities. The process will also identify existing initiatives to avoid duplication, and secure local ownership.

Amount: \$15,000 — This covers travel, meetings, targeted outreach, expert facilitation, venue hire, and the documentation required to secure meaningful input and commitment from all partners.

³ Budget is indicative and will be refined with Vanuatu authorities and partners; final allocations will reflect agreed implementation arrangements and maximize local investment.

2. Comprehensive site assessment and selection (field missions, participatory mapping, validation workshops)

Thorough and participatory site assessment is foundational for impact and cost-effectiveness. This work will combine ecological and social assessments, participatory mapping, field missions, and stakeholder workshops to identify and prioritize project intervention sites. Site pre-feasibility studies ensure technical and social suitability, maximize restoration potential, and help focus resources on areas with the highest vulnerability and opportunity for scaling.

Amount: \$40,000 — Covers consultant fees, travel (including to remote islands), mapping/GIS, field supplies, workshop facilitation, and preparation of selection reports and maps.

3. Environmental and Social Management System (ESMS) and risk assessment (including FPIC, gender/social assessment, legal review)

Early and robust safeguards are essential for compliance with Adaptation Fund policy, managing risks, and ensuring that interventions are equitable, inclusive, and sustainable. This includes a draft ESMS/ESIA, Free, Prior and Informed Consent (FPIC) documentation, gender and social assessments, and legal reviews. These will inform design, monitoring, and mitigation strategies throughout the project, while ensuring broad community support and adherence to national/international requirements.

Amount: \$30,000 — Reflects specialist consultant and legal input, fieldwork, translation, community consultations, and reporting.

4. Initial baseline data collection and MEL plan design

Accurate baseline data is essential for tracking change, demonstrating results, and enabling adaptive management. This activity will gather ecological, social, and climate data at each selected site, and develop a participatory Monitoring, Evaluation, and Learning (MEL) plan, with tools and indicators tailored for local implementation and reporting.

Amount: \$20,000 — Supports field staff/consultant time, travel, data collection and management, and collaborative MEL planning sessions.

5. Drafting of the full proposal and supporting documents

A strong, detailed, and fully compliant proposal is key for AF approval and timely project launch. This task includes drafting the full proposal and all supporting documents (annexes, budgets, workplans, risk registers, and safeguard documents), ensuring that inputs from all previous activities and stakeholder feedback are integrated.

Amount: \$45,000 — Reflects the intensive expert/consultant time, stakeholder review process, and multi-stage editing, quality assurance, and production for a high-quality submission.

Total Project Formulation Grant: \$150,000

The requested budget is appropriate for the depth and complexity of work required to prepare an ambitious, community-driven forest and landscape restoration proposal for Vanuatu and is aligned with Adaptation Fund guidance. These activities are costed based on local rates, anticipated field costs, and the scope of work needed to deliver a high-quality implementation-ready full proposal.

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note ⁴
6. Development of restoration protocols and technical guidelines (forest, agroforestry, mangrove, soil, invasive species, nursery and seed systems, monitoring, traditional knowledge integration).	<ul style="list-style-type: none">• National restoration protocol package (forest, agroforestry, soil, invasive species, nursery systems).• Practical technical guidelines validated with DoF, MALFB PMU, provincial officers, customary authorities, women's and youth groups, and communities.• Finalized guidance toolkit for community-led restoration, adapted for local use.	\$75,000	Covers specialist consultants (forestry, nursery, soil, mangrove, seed systems), national technical contributors, co-development workshops with communities and customary authorities, validation missions, field-based verification, design of user-friendly materials, and preparation of annexes for the full proposal.
Total Project Formulation Grant		\$75,000	

6. Development of national restoration protocols and technical guidelines

This activity will produce a set of practical, standardised restoration protocols to guide communities, customary landowners, and provincial forestry teams in designing and implementing high-quality ecosystem restoration across selected sites.

Drawing on the findings of the stakeholder consultations, site assessments, safeguards analysis, and baseline studies (Activities 1–4), the protocols will provide clear guidance on native species selection, nursery practices, seed technology, soil and watershed restoration, agroforestry, , invasive species control, and maintenance/aftercare. The work will be carried out through a participatory co-development process involving DoF, MALFB PMU, provincial officers, chiefs, women's groups, youth groups, and CBOs, ensuring strong ownership and cultural relevance. Once drafted, the protocols will be verified, refined, and prepared as user-friendly materials for local implementation.

Completing this activity during the PFG phase will allow restoration activities to start immediately after project approval and will ensure communities have the technical tools needed to lead decision-making and implementation.

⁴ 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.

LLA Supplemental Project Formulation Grant: ~~\$70,000~~\$75,000

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:

Several PFG activities are specifically designed to enable and strengthen devolved decision-making for locally led adaptation:

- **Participatory site selection and planning workshops** ensure communities and local stakeholders actively define, prioritize, and validate intervention sites and activities.
- **Mobilization of local committees and identification of site-level champions** will empower community-based groups to participate in, and eventually oversee, project planning, monitoring, and benefit-sharing frameworks.
- **FPIC (Free, Prior and Informed Consent) processes and inclusive stakeholder consultations** will guarantee that local knowledge, priorities, and voices—including those of women, youth, and vulnerable groups—directly shape the final project design.
- **Preparation of local governance and benefit-sharing agreements** will set the foundation for direct community management of restoration activities.

Justification for PFG funding (150,000\$) :

The Project Formulation Grant is essential for ensuring that the ROOTS project meets the highest standards for locally led adaptation under the Adaptation Fund's Locally Led Adaptation window. All PFG activities are designed to devolve decision-making to the community level from the earliest stages. Through participatory site selection in close partnership with Vanuatu Department of Forestry, early establishment of pilot sites, and comprehensive baseline and safeguard assessments, the PFG will empower local actors to set project priorities and implementation modalities. The deliverables—such as detailed site selection reports, stakeholder engagement records, a preliminary Environmental and Social Management System (ESMS) and Environmental and Social Management Plan (ESMP), gender analysis, and a draft Monitoring, Evaluation, and Learning (MEL) framework—will directly enable the rapid launch of implementation activities upon approval of the full proposal.

The outputs of the PFG are closely aligned with Components 1–3 of the concept note, ensuring continuity and a direct line from formulation to implementation. The PFG will also support the development of scalable tools, protocols, and lessons that will contribute to broader upscaling of restoration efforts in Vanuatu and the Pacific region. Additional resources are necessary to support the expanded scope and depth of local consultations and the organization of inclusive planning and decision-making workshops. These activities ensure that, once implementation begins, communities are fully prepared and have a strong sense of ownership, facilitating direct local leadership throughout the project cycle.

A preliminary Environmental and Social Management System (ESMS) and Environmental and Social Management Plan (ESMP) will be developed under the PFG and finalized in the full proposal, ensuring robust safeguards and compliance with Adaptation Fund policy from project inception.

Justification for Additional LLA PFG Funding (75,000\$)

In addition to the five activities originally foreseen under the PFG, the project will use the optional additional funding available under the LLA window to develop a set of restoration protocols and technical guidelines. This activity is justified by the need to equip communities, customary landowners, local committees, women's and youth groups, and provincial forestry staff with clear, practical, and culturally grounded technical instructions that directly enable them to independently define, prioritise, design, and implement adaptation and restoration actions at the local level.

These protocols will provide step-by-step guidance on native species selection and propagation, nursery establishment, seed collection and storage, soil stabilisation, watershed restoration, agroforestry techniques, invasive species control, maintenance and aftercare, and community-led ecological monitoring. By making this knowledge accessible and standardised across provinces, the guidelines allow local actors to make fully informed decisions.

This activity is essential to devolving decision-making authority in line with LLA requirements, as the protocols will be directly used during FPIC consultations, participatory land-use planning sessions and the establishment of benefit-sharing and governance arrangements. Customary authorities, nakamal representatives, and local committees will use these tools to ensure decisions are equitable, technically sound, and adapted to the local context.

The development of these protocols is also fully complementary to the five existing PFG activities. The stakeholder mapping will identify the contributors to the co-development process, site assessments will provide ecological and social data that inform protocol content, and ESMS/GESI findings will be integrated into the guidelines to ensure cultural legitimacy and safeguard compliance. Baseline data and MEL design will be embedded in the monitoring sections of the protocols, and the final guidelines will form an essential technical annex of the full proposal.

This additional activity therefore consolidates and operationalises the outputs of the five existing PFG activities and provides the technical foundation needed for communities and DoF to begin implementation immediately after project approval. It directly strengthens local autonomy, decision-making capacity, and technical readiness—core requirements for LLA financing.

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 (s)	Telephone	Email Address
Pacific Community (SPC) - Mr. Dirk Snyman, Climate		December, 5 th 2025	Mr. Kunal Singh - SPC) – kunals@spc.int	+678 26 20 00	dirks@spc.int

Finance Coordinator					
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GOVERNMENT OF THE
REPUBLIC OF VANUATU
MINISTRY OF CLIMATE CHANGE
ADAPTATION, METEOROLOGY,
GEO-HAZARDS, ENVIRONMENT &
ENERGY & NDMO
PMB 9074, PORT VILA
VANUATU



GOUVERNEMENT DE LA
RÉPUBLIQUE DE VANUATU
MINISTÈRE DE L'ADAPTATION AU
CHANGEMENT CLIMATIQUE, LA
MÉTÉOROLOGIE, LES RISQUES
GÉOLOGIQUES, ENVIRONNEMENT &
ENERGIE & NDMO
SPR 9074, PORT-VILA, VANUATU

Tel: (678) 22068

Website: www.mocca.gov.vu

Ref: MoCC/NAB Sec/DG/AF/140725#2

January 26th, 2026

By Email: Secretariat@Adaptation.Fund.org
The Adaptation Fund Board
c/o Adaptation Fund Secretariat

Dear Secretariat,

Endorsement for Restoring our original tress and shore (ROOTS) – Nature- based, community – led forest restoration and management Project:

1. In my capacity as the designated authority for the adaptation Fund in Vanuatu, I confirm that the above national project proposal is in accordance with the Vanuatu Government's national priorities in implementing adaptation activities to reduce impacts of, and risks, posed by climate change.
2. The outcome of the proposal complements key areas of Vanuatu's National Forest Policy (2013 – 2023), National Adaptation Plan 2022, National Determined Contributions and National Biodiversity Strategy and Action Plan 2018.
3. Accordingly, I am pleased to endorse the above project proposal with support from the Adaptation Fund. If approved, the project will be implemented by the Pacific Community (SPC) and co-executed by the Ministry of Agriculture, Livestock, Forestry, Fisheries and Biosecurity (MALFFB)/Department of Forestry and the Pacific Community (SPC).
4. Please not that this Letter of Endorsement ('LOE') applies to the Concept Note only. We will issue subsequent LOE to the accredited entity for the implementation of the project upon receipt of a Full Funding proposal.
5. For any queries, please contact Mr. Godfrey Bome on email via gbome@vanuatu.gov.vu or by phone on +678 7653723.

Yours sincerely

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Mr. David Gibson
Designated Authority, Adaptation Fund
Direct General, Ministry of Climate Change

