



## ADAPTATION FUND

AFB/PPRC.38/7/Add.1  
10 September 2026

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Adaptation Fund Board  
Project and Programme Review Committee  
Thirty eighth Meeting  
Bonn, Germany, 19-23 October 2026

Agenda Item 4 (d)

### **PROJECT FORMULATION GRANT FOR NEPAL**

## 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.38/7 “Proposal for Nepal” 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 AF00000474 “GREEN-Koshi: Grounding Resilience and Ecosystem Enhancement through Nature-based Solutions”. This proposal was submitted by National Trust for Nature Conservation of Nepal (NTNC), which is a National Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-seventh 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 stakeholder consultations and workshops; gender and environmental and social risk analyses, site-specific risk and vulnerability assessments, development of Monitoring & Evaluation (M&E) plan and indicators, and assessment of executing partner capacity.

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 PROPOSAL FOR**  
**"GREEN-KOSHI: GROUNDING RESILIENCE AND ECOSYSTEM ENHANCEMENT THROUGH**  
**NATURE-BASED SOLUTIONS"**

**Project Title** GREEN-Koshi: Grounding Resilience and Ecosystem Enhancement through Nature-based Solutions

**Project ID** AF00000474

**Category** Regular size project (over \$1 million)

**Type** Single country project

**Stage** Concept

**Country** Nepal

**Implementing Entity** NTNC

**Financing Requested** USD 9,927,750.00

**Reviewer** Alyssa Maria Gomes

## Co-reviewer(s)

### IE Contact Person

Dr. Manish Raj Pandey, Lina Chalise

## Secretariat's Overall Comment

The project “GREEN-Koshi: Grounding Resilience and Ecosystem Enhancement through Nature-based Solutions” aims to enhance the climate resilience and adaptive capacity of vulnerable communities and ecosystems in the Chure–Terai landscape of Koshi Province.

The proposal includes a request for a project formulation grant of USD 150,000.

The initial technical review raised several issues, such as the lack of both an initial gender analysis and information about the stakeholder consultations, and a more comprehensive cost-effectiveness justification, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The second technical review raised several issues, such as ensuring the equitable distribution of benefits and the incorporation of gender considerations; estimates of the economic, social, and environmental benefits; and the roles of each institution in the Learning and Knowledge Management Strategy, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The third technical review raised some issues, such as a comprehensive narrative for the Theory of Change of the proposal, a sound justification for the use of UPSs, the required financial arrangements for sustainability, among others, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The fourth technical review raised some issues, such as the lack of targets for some outcomes and outputs, the lack of a clear justification for the use of UPSs, and inconsistencies with the project’s activities budget, among others, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The fifth technical review raised some minor issues, such as strengthening the explanation of the participation target of 20% women and a summary table with outcome and output targets and correctly completing the results alignment table, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The sixth technical review found that most of the CRs and CARs of the fifth review are addressed, except revising the proposal submission date and components financing table, revising components description,

aligning the AF RF alignment table as per AF latest guidance, among other issues/ notes raised in the review.

The final technical review finds that the pending CRs and CARs are addressed.

## Country Eligibility

### Is the country party to the Kyoto Protocol, or the Paris Agreement?

**Response:** Yes

**Secretariat:** Yes. The country has ratified both the Kyoto Protocol (September 16, 2005) and the Paris Agreement (October 05, 2016).  
(11 November 2025)

### Is the country a developing country particularly vulnerable to the adverse effects of climate change?

**Response:** Yes

**Secretariat:** Yes. Nepal is a developing country which is vulnerable to climate change. Koshi Province, a climatically and ecologically diverse region of Nepal, is experiencing intensifying climate-driven risks, ranging from erratic rainfall and glacial lake outburst floods to prolonged droughts and ecosystem degradation.  
(11 November 2025)

## Project Eligibility

### Has the designated government authority for the Adaptation Fund endorsed the project/programme?

**Response:** Yes

**Secretariat:** Yes. As per the Endorsement letter dated 03 August 2025.  
(11 November 2025)

### Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes?

**Response:** Not Cleared

**Secretariat:** Yes. The concept note proposal has 31 pages.

CR1:

1. Please ensure all tables are labelled with captions and all page numbers are visible. Consider adding paragraph numbers.

2. Please comply with the AF template headings and organize the information as per the heading  
(11 November 2025)

Yes. The concept note proposal is 50 pages.

CR1:

1. Cleared.
2. Not cleared.

Please ensure titles are correctly numbered.

CR1(NEW): Please ensure that the content in each section of Part II aligns with the requirements specified.

CAR1 (NEW):

1. Please update the stage of completion section of the proposal on the cover page.
2. Please remove the co-financing figure on the cover of the proposal.
3. Please remove all decimal points for financing information presented in the proposal. See also CAR17.

(17 December 2025)

CR1:

2. Cleared.

All titles and tables are correctly numbered.

CR1(NEW): Cleared.

CAR1 (NEW):

1. Cleared.

The stage of completion section of the proposal was updated on the cover page.

2. Cleared.

The co-financing figure was removed on the cover of the proposal. All decimal points have been removed throughout the CN.

(03 February 2026)

Not Cleared.

CR1 (re-opened): Please address the following:

1. Double check/ revise the last submission date on p.1.
2. In Table 2 "Project Components and Financing", Add a row to indicate total at component level.
3. The amounts in the Project/Programme Components and Financing table do not align with what is shown on the online submission platform. Please verify and ensure consistency across both.

Editorial notes:

To improve the quality and navigation of the document, please consider the following:

1. Add table of contents and lists tables, figures and abbreviations (will not be counted towards document length AF limits).
2. Spell out abbreviations when first used and refer to tables, figures and annexes at related discussions/ sections.
3. Conduct a quick round of editing/ proofreading after addressing the review comments.

(27 July 2026)

**Response:** Cleared

**Secretariat:** CR1: Cleared (pp. 1 and 8). The last submission date has been confirmed, component-level totals have been added, and the component titles and amounts are consistent with the online platform. The difference in ordering of Components 1 and 4 is a technical platform issue and does not affect the substance or financing of the concept.

**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?**

**Response:** Not Cleared

**Secretariat:** Yes. However further information is required. The proposed project includes five specific objectives, including intermediate outcomes and targets for each one. The proposal provides a clear adaptation intent. The set of activities aim to address climate change in the province of Koshi (north of Nepal), including activities such as early warning systems and nature-based solutions. In addition, it includes the diagram of the Theory of Change (Figure 2, page 6), that shows how the activities will lead to substantial outcomes. However, both output and outcomes should be revised and the Adaptation Fund Strategic Objectives supported by this programme should be included. A clear, overarching objective is also missing in the narrative.

CR2: Please include a general objective for the proposed programme, englobing the five specific objectives already included in the concept note.

CR3: Kindly revise the main project's outcomes and outputs to ensure they are clearly and appropriately stated. For each output, explicitly detail the corresponding activities that will be undertaken. Please also remember to number each outcome, and number their associated outputs and activities as done in the ToC diagram

CR4: Please also provide the Theory of Change (ToC) narrative to show how the chosen interventions are most suitable adaptation responses under future scenarios.

CAR1: Kindly indicate explicitly how the project supports one or more of the Adaptation Fund Strategic Objectives at Part II Section B of the proposal.  
(11 November 2025)

CAR2 (NEW): Please confirm if the proposal contains USPs as some of the language suggests that some of the adaptation actions are not yet known. Please consult Guidance Document for Project/Programme with Unidentified Sub-Projects and amend the proposal accordingly.

CR2: Cleared.

As per information provided in Project/Programme Objectives (pages 3-4)

CR3: Not cleared.

- Please follow the AF template structure for concept notes. All information regarding components, outcomes, outputs, and activities should be included in Part II.A.
- Kindly specify targets for the proposed outputs under each component.

CR4: Cleared.

As per information provided in paragraph 48 (page 8). The concept note proposal also includes a Theory of

Change Diagram (Figure 2).

CAR1: Cleared.

As per information provided in Part III.C (pages 39-40, paragraphs 135-139)  
(17 December 2025)

CR1(New1): Please adjust the following:

1. The annexes are included in the total page limit (maximum 50 pages). If the ToC diagram is in Annex D, please ensure that it is clearly referenced in paragraph 15.
2. In addition, please combine paragraphs 15, 16 and 17, as without the ToC diagram it is difficult to follow the different pathways. It is strongly recommended that all the ToC narrative be consolidated under paragraph 15, following the structure below: (i) Main problem and causes; (ii) Main objective and specific objectives; (iii) Components; (iv) Outcomes and outputs; (v) Risks and assumptions. The narrative should clearly present the vertical logic of the proposed project.
3. The activities associated with each output were presented more clearly in the previous submission. It would be helpful to clearly show which activity corresponds to each activity number.

CAR2 (NEW): Not cleared.

While paragraph 27 confirms that UPSs are part of the proposed project, please follow the Guidance Document for Project/Programme with Unidentified Sub-Projects and include in the CN the following:

1. A duly justified explanation for the use of UPSs;
2. The specific benefits of not formulating the activities in advance; and
3. An explanation of how these benefits outweigh the potential risks of non-compliance with the ESP and GP.
4. At paragraph 102 please indicate that the UPSs will also be subject to the ESMP.

CR3: Not cleared.

While the content under Part II.A is appropriate, please specify targets for the proposed outcomes and outputs under each component.

(03 February 2026)

CR1(New1):

1. Cleared.

As per information provided in paragraph 15.

Annexes are included in the total page limit and the ToC diagram in Annex D is properly referenced.

2. Cleared.

As per information provided in paragraph 15.

Original paragraphs 15, 16 and 17 have been combined into paragraph 15. The ToC narrative is described under structure: (i) Main problem and causes; (ii) Main objective and specific objectives; (iii) Components; (iv) Outcomes and outputs; (v) Risks and assumptions.

3. Not cleared.

While activities are properly numbered and identified in Annex E, please revise and amend the following outputs, as they appear to be outcomes:

- (i) Output 4.1. Increased awareness is a medium-to long- term result and therefore it is an Outcome. Please amend to reflect an output.
- (ii) Output 4.2. Enhanced adaptive capacities are medium-to long- term results and therefore it is an Outcome. Please rephrase to be an output.

Please adjust the related activities accordingly to ensure consistency with the revised outputs.

CAR2 (NEW):

1. Not cleared.

While an explanation is provided for the use of USPs, the justification is unclear. Please explain why priority sites cannot be selected beforehand without risking maladaptation and exclusion of vulnerable groups.

2. Cleared.

As per information provided in paragraph 25.

It is explained that the use of USPs provides three benefits. These benefits are (i) targeting the most vulnerable communities; (ii) sequencing investments according to readiness and safeguards clearance; and (iii) technical tailoring of measures.

3. Not cleared.

Please provide a clear explanation on how these three identified benefits outweigh the potential risks. The current explanation is not clear about how this is achieved.

4. Cleared.

As per information provided in paragraph 100.

It has been included that USPs will also be subject to the ESMP.

CR3: Not cleared.

While specific targets have been provided for some outcomes and outputs under Part II.A, please include targets for all outcomes and outputs in Annex E, next to each corresponding item, as their current presentation is confusing.

(08 May 2026)

CR1(New1):

3. Not cleared.

Please include summary table of all targets for outcomes and outputs under Part II.B.

CAR2 (NEW):

1. Cleared.

As per information provided on page 8. A sound justification has been provided to support the use of USPs.

3. Cleared.

As per information provided on page 8. A sound justification has been provided to support three benefits of the use of USPs.

CR3: Cleared.

As per the information provided in Annex E, targets have been defined for each outcome and output.

Please note that the FP should include the methodology for calculating these targets.

(22 June 2026)

CR1(New1): Not cleared/ re-opened.

Revise Part IIA components description layout and contents as per the below:

1. Components description layout should include Component title along with the AF outcomes it supports, followed by the outcome/s under each component, the output/s under each outcome, and the activities under each output along with supporting quantification of these activities and beneficiaries to substantiate the requested funds.

2. Reflect as appropriate in Part IIA discussions the information provided in Table 4a, and delete Table 4a from Part IIB, as its key information are reflected in that section and are sufficient for CN stage.

3. Reflect as appropriate the information provided in the last column of Annex F table in the components description under Part IIA.

4. Please see below some guidance notes to consider in the preparation of full proposal.

Notes to consider in the project design/ preparation of full proposal:

1. A typical project design would have an overall objective and a set of specific objectives. (note: specific objectives are different than project components and hence their respective statements should be different).
2. A typical project will include a number of components. A project component is a key part/ main deliverable of the project that would contribute to the achievement of its objectives.
3. Each component should have its own outcome/s that reflect the associated outputs under the component and would fully or partially lead to the related desired specific objective and/ or project overall objective.
4. An outcome is the desired impact/ sub-specific or specific objective that results from a specific set of outputs (one or more output) under the component. The outcome/s under the component should be distinct to that component only (note: a component would typically have one outcome but could have more depending on the size of component).
5. An output would typically include a set of activities with well-defined targets.
6. Considering the above is highly recommended to enable the adequate monitoring and evaluation of the project (note: the above are meant to avoid some gaps/ deviations observed in the project design at CN stage. (27 July 2026)

**Response:** Cleared

**Secretariat:** CR1 (New1): Cleared (pp. 10–12 and Annexes E–F).

Paragraphs 19–23 now describe each component with the relevant AF outcome(s), project outcome(s), outputs, activity ranges, quantified targets or beneficiaries, output budgets and principal cost drivers. The detailed numbered activities remain available in Annex E, which is sufficient at concept-note stage. Table 4a has been deleted through tracked changes and its relevant information incorporated into Part II.A. The remaining guidance is appropriately noted for the full-proposal stage.

**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?**

**Response:** Cleared

**Secretariat:** No. As per Section A (pages 11 - 12), the proposal provides a broad overview of economic, social and environmental benefits but estimates of these benefits are not quantified. In addition, it states the vulnerable communities in the Chure-Tera region as beneficiaries, but no more details are provided. The concept note does not clearly identify the specific vulnerable groups or demonstrate how benefits will be equitably distributed. On indigenous people, particular benefits provided for this group is not clearly stated or calculated. The proposal does not provide an initial gender analysis.

CAR2: Please quantify the economic, social and environmental benefits in Part II Section B, whenever possible, including a brief explanation of the method used for these calculations. In cases where exact figures are not available, please provide reasoned estimates or qualitative proxies to support the anticipated impact of the project.

CAR3: Please include an Initial Gender Analysis, in line with the Gender Policy requirements, to assess the distinct needs, capacities, roles, and knowledge resources of women and men, and/or to identify how evolving gender dynamics may influence potential changes.

CAR4:

1. Please indicate the overall direct and indirect beneficiaries for this proposal.
2. Kindly state the estimated direct and indirect beneficiaries (gender-disaggregated) for each project outcome. Also, please specify the vulnerable groups (e.g., women, indigenous peoples) who will benefit from the project.

CR5: Please describe how benefits will be equitably distributed, including how gender considerations have been integrated.

(11 November 2025)

CAR2: Not cleared.

- Please provide estimates of the economic, social, and environmental benefits in Part II, Section B.
- Kindly expand the explanation of these benefits to clarify the rationale linking the proposed project activities to the expected economic, social, and environmental benefits.
- Please include the specific actions the proposed project will take to avoid or mitigate negative impacts, in compliance with the AF ESP and the AF Gender Policy.

CAR3: Cleared. As per information provided in Annex B (pages 44-46).

CAR4:

1. Cleared.

As per the information provided in Part II.B, paragraph 62 (pages 14–15), approximately 387,810 people will be direct beneficiaries, and a total of 1,939,050 people will be indirect beneficiaries.

2. Not cleared.

While the concept note proposal provides information disaggregated by gender, district, and ethnicity, please also provide the estimated direct and indirect beneficiaries (gender-disaggregated) for each project outcome.

CR5: Not cleared.

Kindly include in Part II.B, the approach for ensuring equitable distribution of benefits and the incorporation of gender considerations.

(17 December 2025)

CAR2: Cleared.

As per the information provided in Part II.B, paragraphs 31–37, estimates for the economic, social, and environmental benefits have been included. In addition, the proposal outlines measures to avoid or mitigate negative impacts, such as the application of Free, Prior, and Informed Consent (FPIC) to ensure the participation of Indigenous Peoples and local communities, as well as the adoption of a gender-responsive design for all interventions.

CR2(New1): Not cleared. Please include a brief explanation in the footnote to indicate how the participation target of 20% women was determined.

CAR4:

2. Cleared.

As per information provided in Table 4. The direct and indirect beneficiaries per outcomes 1, 2 and 3 are

included.

CR5: Cleared.

As per the information provided in Part II.B, paragraphs 29–30, the equitable distribution of benefits will be ensured through equity-based targeting of project interventions, including inclusive selection criteria. In addition, a gender-responsive monitoring and evaluation system will be implemented to track participation and the distribution of benefits.

(03 February 2026)

CR2(New1): Not cleared. Please include a brief explanation in the footnote to indicate how the participation target of 20% women was determined.

(08 May 2026)

CR2(New1): Not cleared. Please strengthen the explanation in the footnote 1 about how the participation target of 20% women was determined.

(22 June 2026)

CR2(New1): Cleared. See Part IIB, paragraph 31 note p. 12 (TC version).

(27 July 2026)

### Is the project / programme cost effective?

**Response:** Cleared

**Secretariat:** Yes, however further information is needed. The proposal provides some logical explanation of cost-effectiveness of the project. There is some initial thinking around the analysis of alternatives e.g. NbS vs concrete embankments/grey infrastructure. However, the sustainability point of view if the cost-effectiveness is not demonstrated. A comparative cost-benefit analysis is expected during implementation.

CAR5: Kindly include:

- (i) the selected scope and approach of the project's cost-effectiveness; and
- (ii) the sustainability point of view of the proposed interventions.

Where possible, provide quantitative estimates through proxies or qualitative justifications to support the comparison. Please also briefly expand on the analysis of alternatives and ensure a cost-benefit analysis is conducted during the PFG to inform the full proposal.

(11 November 2025)

CAR5:

- (i) Cleared.

As per information provided in Part II.C, paragraph 79, page 18.

- (ii) Not cleared.

Kindly elaborate further on the sustainability aspects of the proposed project. Please note this is not a reference to the AF Outcomes and outputs, but rather to explain how adaptation benefits and project outcomes continue long after the initial funding.

(17 December 2025)

CAR5:

(ii) Cleared.

As per the information provided in Part II.C, paragraph 42, the sustainability of the project's benefits will be based on natural regeneration processes, as the interventions are primarily NbS.

In addition, from a financial perspective, revenues are expected to be generated through ecotourism and community-based enterprises.

(03 February 2026)

**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?**

**Response:** Cleared

**Secretariat:** Yes, however further information is needed. Part II Section C (pages 13-15) outlines 6 national plans (specifically the NAP (2023-2050), NDC 3.0 and Nepal's 16th Five-Year Plan (2024/25–2028/29), 3 sub-national plans; and 2 international commitments. However, broad information is provided in each case. Notably the proposal is somewhat consistent with the plans as it promotes ecosystem-based approaches.

CAR6: Kindly include the identified plans/strategies in a table-listing, including at least:

(i) Specific name of the plan/strategy and years of implementation,

(ii) Main objective,

(iii) Explain the relevance to the proposed project, including its alignment with the existing plan or strategy. A suggested structure could be: 'The proposed project is aligned with [Plan XX], under [Specific Action XX], contributing to [Outcome XX].'

CAR7: Please include any other sectoral plan/strategy related to the proposed project, including the ones related to water, agriculture, and SMEs. Please confirm whether the NAP was launched in 2023 as online show the period of 2021-2050.

(11 November 2025)

CAR6: Cleared.

As per information in Tables 6, 7, 8, and 9 (pages 19-22).

CAR7: Cleared.

As per information in Part II.D, paragraph 83 (the Government of Nepal endorsed the NAP in 2023) and Table 7.  
(17 December 2025)

**Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?**

**Response:** Cleared

**Secretariat:** Unsure. As per Part II Section D (pages 15-16), the proposal identifies national legal and technical standards relevant to the project. In addition, the document states that an environmental and social management framework will be developed during the full proposal stage. However, a comprehensive list of the specific regulations and standards is required as evidence of compliance.

CAR8: Kindly provide a comprehensive table listing of all specific technical standards applicable to the proposed

project, including agricultural codes/regulations and water quality standards

The table should include:

- (i) specific name/number of the standard/regulation, and goals/objectives,
- (ii) how it is related to the proposed project and the project's compliance status.

In the case that compliance is required, please include the steps needed to comply with it and include the name of the competent authority.

(11 November 2025)

CAR8: Not cleared.

Please include the key compliance requirements for the project as steps and provide details where applicable. In addition, kindly explain how it is related to the proposed activities and its compliance status.

(17 December 2025)

CAR8: Not cleared.

Please revise Table 10 to include the key compliance requirements of the project for each identified technical standard, clearly outlining the main steps to achieve compliance.

(03 February 2026)

CAR8: Cleared.

Key compliance steps have been included in Table 10 for each identified technical standard.

(08 May 2026)

### Is there duplication of project / programme with other funding sources?

**Response:** Cleared

**Secretariat:** Unsure. As per Part II, Section E (Pages 16-17), the proposal refers to the GCF project "Building a Resilient Churia Region in Nepal (BRCRN)" implemented by the Ministry of Agriculture, Forests and Environment (MoAFE) with technical support from FAO. This project is within the intervention zone. It states that there is no duplication based on geographical coverage. Besides the BRCRN, two more projects are broadly mentioned. However, more comprehensive information is required as well as a sound justification for non-duplication.

CAR9: Kindly include a comprehensive table listing all projects that are or have been implemented previously in Koshi, Nepal and that are complementary to the proposed project. For each project, please indicate the following:

- (i) Project title
- (ii) Donors/Funding Entity
- (iii) Main project interventions
- (iv) Timeline and specific location within country
- (v) Target population
- (vi) Implementing Entity
- (vii) Lesson learned, where applicable
- (viii) Overlaps and synergies with the proposed project, including how the proposed project will build upon interventions of existing and previous projects

The no duplication statement should be clearly justified (e.g. by indicating the distinct geographic locations and/or types of interventions) for each related project identified.

(11 November 2025)

CAR9: Not cleared.

The table listing should be comprehensive. If there are no other complementary projects beyond BRCRN, please state that explicitly in the concept note proposal.

In addition, please note that “no duplication” statement should be clearly justified (e.g. by indicating the distinct geographic locations and/or types of interventions). For example: “There is no duplication of activities between BRCRN and GREEN-Koshi. The latter has been specifically designed to be complementary and synergistic, filling both geographic and thematic gaps”, should be accompanied by an explanation on how the proposed project will ensure that.

(17 December 2025)

CAR9: Cleared.

As per the information provided in Part II.F, paragraphs 62–67 and Table 11, there is no duplication with current projects. In addition, the proposal establishes mechanisms to avoid duplication throughout project implementation.

This should be further elaborated at the Full Proposal stage.

(03 February 2026)

### Does the project / programme have a learning and knowledge management component to capture and feedback lessons?

**Response:** Cleared

**Secretariat:** Yes, to a limited extent. The proposal does not have a separate learning and knowledge management component. As per Part II Section F (pages 17 – 19), the proposed project includes knowledge management and dissemination of lessons learned activities through different components. It includes knowledge products (e.g. policy briefs and technical manuals); multiple platforms to share these products e.g. existing repository- Climate Change Knowledge Management Center (CCKMC); and peer learning instances. However, the proposal would benefit from additional details regarding the specific actions planned, the mechanisms for monitoring experiences, and how these actions would be sustained in the long run.

CR6 Please ensure there is a clear learning and knowledge management sub-component to highlight the well-thought-out knowledge management efforts.

CR7: Kindly include details to respond to:

- More details of the specific activities for Learning and Knowledge Management of the proposed project. This should include the institutions involved, specific activities, and main goals. For example, the policy briefs will be about what subject, or the case studies will be focused on what matter.
- who will be responsible for tracking the experiences gained, how this will be done, and when the tracking will take place.
- how the knowledge generated will be sustained after the project concludes.

CR8: Kindly specify what type of information will be collected and how it will be disseminated. For this, please refer to what multiple platforms will be used for dissemination (existing or new ones?) and how that is related to the CCKMC as central hub for dissemination. Also, kindly include the arrangements needed to support these actions.

(11 November 2025)

CR6: Not cleared.

Please include explicitly which component will be the one dedicated to learning and knowledge management of the proposed project.

CR7: Not cleared.

Please refer to the roles of each institution in the Learning and Knowledge Management Strategy. If easier, you may include a table listing this information. The roles for each institution must be specific.

CR8: Not cleared.

Please specify the type of information to be collected. In addition, indicate the arrangements needed to support learning and knowledge management actions. For example: Does the link through the Climate Change Knowledge Management Center (CCKMC) require signing an agreement? What about financial arrangements?  
(17 December 2025)

CR6: Cleared.

As per information in paragraph 71, Component 5 is fully dedicated to LKM activities.

CR7: Cleared.

As per information in Table 12, which includes the role for: (i) NTNC; (ii) MoFE/CCMD; (iii) CIFOR-ICRAF; (iv) Provincial and local governments; and (v) Multi-stakeholder NbS Platforms.

CR8: Cleared.

As per the information provided in Part II.G, the type of information to be collected is included in paragraph 75, and the arrangements with CCKMC are explained in paragraph 16.  
(03 February 2026)

**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?**

**Response:** **Cleared**

**Secretariat:** Yes, but further information is required. As per Part II Section G (pages 19-20), the proposal refers broadly to preliminary consultations with a diverse set of stakeholders, including local government representatives, community-based user groups, NTNC field staff, and research partners.. However, the timeframe of this engagement is unclear as well as the details of the consultative process.

CAR10: Kindly provide detailed information on the consultative process covering the following elements:

- (i) Participants of each meeting (i.e. Name of government agency, NGO etc), including the total number of attendees disaggregated by sex
- (ii) Date and location of each meeting
- (iii) Summary of the subjects/issues discussed, and any agreements reached
- (iv) Specify how their interests have been incorporated in proposal
- (v) Explanation of the gender considerations addressed, along with the considerations for other vulnerable groups.

Note this information may be included in a tabular format for easy reference.

CR9: Using existing documents, provide an initial gender analysis which highlights gender dynamics and

differentiated impacts between men and women from a national or sector-wide perspective in areas such as education, employment, health, income, and political participation. Please see CR7.

(11 November 2025)

CAR10: Not cleared.

Please ensure the following in Table 12:

- (i) Expand on the subjects/issues discussed, and highlight the agreements reached
- (ii) Specify how their interests and gender considerations have been incorporated into the proposal, explicitly linking them to the outputs of the proposed project. For example, if the concept note states: “Yes. Dedicated measures to strengthen female leadership and economic opportunities,” it should be expanded to refer to the specific outputs and activities where this was considered.

CR9: Cleared.

As per information in Annex B.

(17 December 2025)

CAR10: Cleared.

As per the information provided in Table 13, the summary of stakeholder consultations now considers the number of participants disaggregated by gender, the issues discussed and decisions reached, and how interests and gender considerations were included in the proposal.

(03 February 2026)

### Is the requested financing justified on the basis of full cost of adaptation reasoning?

**Response:** Cleared

**Secretariat:** Unsure. As per Part II Section H (pages 20 – 21), the concept note outlines the rationale for the benefits associated with the component’s activities, emphasizing that these benefits would not be achievable without Adaptation Fund resources. However, it does not provide clear information regarding additional funding sources. More details are needed.

CR10: Please provide information about whether this project will meet its outcomes and outputs solely with the resources provided by the Adaptation Fund and clarify the co-financing (in-kind contribution) on Page 8.

CR11: Please provide information on how the proposed project’s objective will be achieved in regards adaptation. Also, refer to the costs of the proposed activities.

(11 November 2025)

CR10: Cleared.

As per information provided in Part II.H, paragraph 114, page 29.

CR11: Not cleared.

Please refer to the costs of proposed activities as estimates for this stage. Numbers may be adjusted during the full project preparation phase.

(17 December 2025)

CR11: Not cleared.

Please make reference to the costs of proposed activities. Please note that the costs of the proposed activities

are estimates at this stage and may be adjusted during the full project preparation phase.

(03 February 2026)

CR11: Cleared.

As per information provided in paragraph 85. An explanation to justified the adaptation cost for each one of the components have been included.

Please note that the costs of the proposed activities are estimates at this stage and may be adjusted during the full project preparation phase.

(08 May 2026)

### Is the project / program aligned with AF's results framework?

**Response:**

Not Cleared

**Secretariat:** Yes, however further information is required.

As per Part III Section A (pages 26-28), the alignment of the project with the Adaptation Fund Results Framework is presented considering outcome and outputs for each component. However, there is some misalignment between the Outcomes and Output indicators.

CAR11: Please update the table based on guidance and template provided at

- Results Framework Alignment Table (Amended in November 2025) (77 kB, DOC)

(11 November 2025)

CAR11: Not cleared.

Please ensure that Adaptation Fund Outcomes and outputs corresponds to the updated Adaptation Fund's results framework. In addition, ensure that:

- all indicators are numbered
- the USD amount for each component is aligned with the information in Table 2.

(17 December 2025)

CAR11: Not cleared.

Although Tables 15 and 16 were updated, please ensure the following:

- Wording of AF outcomes and outputs (including indicators) are consistent with the AF Results Framework.
- Complete the table using the instructions of the AF Results Framework. For example, while the wording is the same, please note that the upper part (here, Table 15) includes the specific objectives rather than the components.
- Please follow the format indicated in the AF Results Framework. Please note that Tables 15 and 16 should be combined into a single table.

(03 February 2026)

CAR11: Cleared.

As per information provided in Table 15. Wording of AF outcomes and outputs are consistent with the AF Results Framework. The table has been completed according to instructions and original Tables 15 and 16 have been combined into a Table 15.

(08 May 2026)

CAR11 (re-opened). Please ensure that at table 15, the grant amounts are presented at the indicator level for example under outcome fir there is indicator 5 and indicator 5.1. the costs should not be lumped but presented

separately.

(22 June 2026)

CAR11(re-opened): Not fully cleared.

Revise Table 15 to address the following:

1. In the lower part of the table, distribute the allocated amounts at output indicator level.
2. Add rows to indicate totals at AF outcome level and AF output level. The total for each should be equal to the components cost (i.e., 8,280,750).
3. For guidance on the above please refer to Results Framework Alignment Table (Amended in November 2025) (77 kB, DOC).

(27 July 2026)

**Response:** Cleared

**Secretariat:** CAR11: Cleared (Table 15, pp. 38–42). The original requests have been addressed: grant amounts are distributed across the outcome- and output-indicator rows, and both totals equal USD 8,280,750.

### Has the sustainability of the project/programme outcomes been taken into account when designing the project?

**Response:** Cleared

**Secretariat:** Yes, but further information is needed. As per Part II, Section I (pages 21-22), the concept note proposal outlines institutional, financial, environmental, social and knowledge and learning sustainability, providing an exit strategy for each area. It effectively emphasizes integration into local governance, community ownership and livelihood systems.

CAR12: Please clarify the following:

- (i) Have capacity retention mechanisms have been considered?
  - (ii) Given the PES schemes are only exploratory more information is required to back its viability.
  - (iii) Have maintenance arrangements been considered post-project?
  - (iv) Who will lead the update of the national platforms such as Climate Change Knowledge Management Center?
- (11 November 2025)

CAR12: Not cleared.

Please ensure to specify the following:

- Have mechanisms for capacity retention been considered?
- Have post-project maintenance arrangements been addressed?
- Is there any agreement that ensure the CCMD within the MoFE will be responsible for updating national platforms such as the Climate Change Knowledge Management Center?

(17 December 2025)

CAR12: Not cleared.

In Part II.J, paragraphs 96–98, the CN now outlines the mechanisms considered for capacity retention and indicates that post-project maintenance arrangements will depend on local governments. In addition, under Part II.G, the proposal states that the collaboration with CCKMC is expected to be formalized through an institutional agreement or memorandum of understanding.

However, please indicate whether the arrangements with local governments for financial sustainability have

already been established or if this is a future action agreed with the relevant governments.

(03 February 2026)

CAR12: Cleared.

As per information provided in paragraph 96.

It is established that, at concept note stage, the arrangements with local governments are not formalized, however, they will be a defined future action during full proposal preparation/inception through written arrangements specifying O&M financing commitments, budget-line integration, responsible entities and implementation timelines.

(08 May 2026)

**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?**

**Response:** Cleared

**Secretariat:** Yes, however further information is needed. As per Part II Section J (pages 22-24), the proposal notes it will align with AF's Environmental and Social Policy. It highlights potential environmental and social risk and potential impacts. The proposal does not state the category in which the screening process has classified the project/programme. The checklist of environmental and social principles has been completed, noting the level of each risk. It highlights mitigation measures but lack the details of the risk rated.

CAR13: Please revise the Checklist of Environmental and Social Principles to ensure that column 3 (Potential impacts) includes the risk description which considers all potential direct, indirect, transboundary and cumulative impacts because of the project, as well as the mitigation measures associated with the risk described.

CAR14: Please note for the checklist that Adaptation Fund Principles 1, 4 and 6 always apply. For more information, please visit: AF's ESP guidance.

CAR15: Please ensure an initial gender assessment is included providing qualitative and quantitative data for gender roles, activities, needs, and available opportunities and challenges or risks for men and women (please see CR7, CR15).

CAR16: Kindly state the category in which the screening process has classified the project (Category A, B or C) in section II.K. Please see the Environmental and Social Policy of the Adaptation Fund and its guidance document.  
(11 November 2026)

CAR13: Not cleared.

Please ensure the following in Table 13:

- i) If no risk is identified for a given principle, a sound justification must be provided.
- ii) All risks should be started by "There is a risk XX".
- iii) Includes all potential direct, indirect, transboundary and cumulative impacts because of the project.
- iv) Includes the mitigation measures associated with each risk described. This should start by "This risk will be mitigated by XX"

CAR14: Not cleared.

Please note for the checklist that Adaptation Fund Principles 1, 4 and 6 always apply. Currently they appear as "No further assessment required for compliance" in Table 13.

CAR15: Cleared.

As per information in Annex B.

CAR16: Not cleared.

Kindly state the category in which the screening process has classified the project (Category A, B or C).

(17 December 2025)

CAR13: Not cleared.

While Table 14 has been updated, please ensure the following:

i) If no risk is identified for a given principle, a sound justification must be provided. In addition, if no risk is identified, no mitigation plans are needed.

ii) Expand on the impacts of the identified risks, including all potential direct, indirect, transboundary and cumulative impacts.

CAR14: Cleared.

As per the information provided in Part II.K, Table 14, now Adaptation Fund Principles 1, 4 and 6 apply.

CAR16: Cleared.

As per the information provided in Part II.K, paragraph 102, the proposed project is classified as category B.

(03 February 2026)

CAR13: Not cleared.

While some of the required amendments have been included in Table 14: (i) a justification for no risk and (ii) mitigation plans were deleted when no risk is identified; please expand on the impacts of the identified risks, including all potential direct, indirect, transboundary and cumulative impacts.

(08 May 2026)

CAR13: Cleared.

As per information in Table 14. Identified risks have been strengthened to include potential, direct/indirect, and transboundary impacts.

(22 June 2026)

## Resource Availability

**Is the requested project / programme funding within the cap of the country?**

**Response:** Cleared

**Secretariat:** Yes. Nepal's remaining country cap is \$30.47M.

**Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?**

**Response:** Cleared

**Secretariat:** Unsure.

CAR17: The calculations of the Total project cost is incorrect at the Components and financing table. Total project costs should be all components + executing entity costs and should therefore be \$9,279,661.

1. Please amend the Project component and financing table to reflect updated figures for total project costs.
2. Please remove the co-financing amount from the Project component and financing table (particularly since this is an in-kind contribution). Also please clarify under objective 1 outcome 2: increased stewardship and co-financing of eco-systems.
3. Please verify if the IE cost indicated which now stands at 7.76% is the actual percental that was intended to be included based on the fact that it should be 8.5% of the Total project costs which was not correctly reflected in the table.
4. Please remove all decimal points for the financing amounts in the proposal.
5. PFG:
6. Please verify if NTNC will be executing the PFG or if the PFG will be executed by the line ministries identify in the PFG. If not please replace the line ministries with NTNC if NTNC will be executing the PFG.
  - a. Please ensure that the IE fee of 8.5% (maximum) has its own line item in the PFG request form.
  - b. Please update the start date of the PFG to after AFB46 in April 2026.

(11 November 2026)

CAR17: Not cleared.

Please adjust the concept note proposal to ensure the following:

- Remove decimals, even when they are “.00”
- Remove from the Table 2 and in the concept note proposal, the in-kind contribution.
- All figures are consistent throughout the document. For example, in the cover, the Amount of Financing Requested is USD 10,00,000, while in Table 2 is 10,068,432.00

(17 December 2025)

CAR17: Not Cleared.

1-4 Cleared.

As per the information provided on the cover page, Table 2, and throughout the document. Decimals were removed, as well as the in-kind contribution.

(5). Unaddressed.

PFG:

1. Please verify if NTNC will be executing the PFG or if the PFG will be executed by the line ministries identify in the PFG. If not please replace the line ministries with NTNC if NTNC will be executing the PFG. Not addressed.
2. Please ensure that the IE fee of 8.5% (maximum) has its own line item in the PFG request form. Addressed.
3. Please update the start date of the PFG to after AFB46 in April 2026. – Addressed. Please rename “Project preparation coordination, reporting and compliance support” row as IE Fee.
4. Given that there is a PFG implementation period which pushes the project commencement date back, please update table 3 to reflect a more realistic date as the project start is dependant on the deliverables of the PFG.

(03 February 2026)

CAR17:

(5) PFG:

1. Cleared.

As the information provided in the PFG. The revised PFG identified NTNC as both the implementing and executing entities.

2. Cleared.

As the information provided in the PFG. IE fee has been rephrase as “Project preparation coordination, reporting and compliance support” with an amount of USD 10,000.

3. Not Cleared.

Since the proposal is still under consideration a date after AFB47 would now be needed. Please update.

4. Not Cleared.

The PFG implementation must be completed before the project implementation commences, therefore the project start date should reflect a date after PFG completion.

CAR17(NEW): Currently, IE fees amount to USD 850,000, which is equivalent to 9.3%. Please adjust this to 8.5%.  
(08 May 2026)

CAR17:

(5) PFG:

3. Cleared.

As per Table 3 in the CN, all expected dates have been shifted by one year. For example, “start of project” have been amended from November 2026 to November 2027.

4. Cleared.

As per Table 3 in the CN, all expected dates have been shifted by one year. For example, “start of project” have been amended from November 2026 to November 2027.

CAR17(NEW): Cleared.

As per Table 2. IE fees amount has been amended to USD 777,750, which is equivalent to 8.5%. Consistently, the “Amount of Financing Requested” has been amended to USD 9,927,750.

(22 June 2026)

### Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget (including the fee)?

**Response:** Cleared

**Secretariat:** Unsure. While the budget is provided per component and in total, numbers do not add up throughout the concept note, and some items should be revised.

CAR18: The proposal cover does not indicate that NTNC will be executing the proposal. However, at Part III Section A it is indicated that NTNC will also be executing alongside the other named executing entities. Please provide justification as to why NTNC is also serving as an Implementing Entity and Executing Entity and include the components/sub-components which NTNC will be executing.

CR12: For IE and EE Fees, please use the Adaptation Fund Calculator.

CR13: Please ensure all numbers are consistent throughout the document, including all tables and figures.  
(11 November 2025)

CAR18: Cleared.

As per information in the cover and in Part III.

CR12: Cleared.

As per information provided in Table 2.

CR 13: Not cleared. See CAR17.

(17 December 2025)

CR12: Re-opened.

1. Please present budget at table 2 at the output level in the last column.
2. At table 2 Execution costs is presented as 1.4% of the total budget. Given that need for reporting costs etc. and that there are 2 executing entities identified for this proposal, please consider updating the EC costs to one that will be able to appropriately cover the costs items associated with EC. Please consult <https://www.adaptation-fund.org/generic/costs-and-fees/>.

CR13: Cleared. See CAR17.

(03 February 2026)

CR12: Not cleared.

1. Cleared.

As per information provided in Table 2. The last column identified budget for each output.

2. Not cleared.

While figures have been amended, please revise the following:

- (i) IE fees need to be amended according to CAR17(NEW).
- (ii) Annex F provides a total of USD 8,666,590 for the project's activities, while according to Table 2 is USD 8,280,750. Please amend and ensure consistency throughout the document.

(08 May 2026)

CR12:

2. Cleared. As per revised Annex F. IE fees (CAR17) and Table under Annex F have been amended accordingly. The information is now consistent with Table 2.

(22 June 2026)

**Response:** Cleared

**Secretariat:** Note for the full proposal: As NTNC will serve as both the Implementing Entity and an Executing Entity, the full proposal should specify the components and activities executed by each entity and provide an entity-specific execution-cost allocation. NTNC's execution costs should not exceed 1.5% of the portion of the project it executes, unless a higher amount is strongly justified for case-by-case consideration under Decision B.38/42. The overall execution-cost ceiling remains 9.5%.

## Eligibility of IE

**Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?**

**Response:** Cleared

**Secretariat:** Yes. National Trust for Nature Conservation of Nepal is accredited until 19 November 2029.  
(11 November 2025)



**Revised PFG Submission Form<sup>1</sup> (additions in red)**

**Project Formulation Grant (PFG)**

**Submission Date:** February 19, 2026

**Adaptation Fund Project ID:** AF00000474

**Country/ies:** Nepal

**Title of Project/Programme:** GREEN-Koshi: Grounding Resilience and Ecosystem Enhancement through Nature-based Solutions

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

**Implementing Entity:** National Trust for Nature Conservation (NTNC), Nepal

**Executing Entity/ies:** National Trust for Nature Conservation (NTNC)

**A. Project Preparation Timeframe**

|                               |                                   |
|-------------------------------|-----------------------------------|
| <b>Start date of PFG</b>      | 2026-11-01                        |
| <b>Completion date of PFG</b> | 2027- <del>03</del> <u>10</u> -31 |

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

The PFG will directly address issues raised in the Adaptation Fund's technical reviews of the concept note, including articulation of adaptation benefits, safeguards compliance, gender responsiveness and institutional arrangements.

| <b>List of Proposed Project Preparation Activities</b> | <b>Output of the PFG Activities</b>                                                                                                               | <b>US\$ Amount</b> | <b>Budget note<sup>2</sup></b>                                                                                                                        |
|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comprehensive stakeholder consultations and workshops  | Detailed stakeholder engagement plan and consultation reports, including specific inputs from women, Indigenous Peoples, and marginalized groups. | 30,000             | Costs will cover local consultations and workshops, translation into local languages and preparation of background material to discuss project ideas. |

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

<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.

| List of Proposed Project Preparation Activities   | Output of the PFG Activities                                                                                                                                                                                                      | US\$ Amount | Budget note <sup>2</sup>                                                                                                                                                                                                                        |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Gender and environmental and social risk analyses | A comprehensive Environmental and Social Management Framework (ESMF) and a Gender Action Plan (GAP) are developed and integrated into the full project proposal.                                                                  | 20,000      | Funding will support the formulation of the ESMF and GAP, including screening tools and risk classification aligned with Adaptation Fund policies. <u>(Will be implemented in collaboration with CIFOR-ICRAF)</u>                               |
| Site-specific risk and vulnerability assessments  | Detailed risk and vulnerability assessments for the five target districts (Udayapur, Sunsari, Morang, Jhapa, and Ilam). These assessments will identify specific hazards, vulnerabilities and hazard mitigation options.          | 17,250      | This activity will support site-specific assessments to deepen the understanding of climate risks and vulnerabilities in the Chure-Terai region. <u>(Will be implemented in collaboration with CIFOR-ICRAF)</u>                                 |
| Free, Prior, and Informed Consent consultations   | Phased FPIC processes undertaken in parallel with final site selection to inform and validate the full project design, in line with Adaptation Fund ESP requirements.                                                             | 10,000      | This will cover costs related to culturally appropriate engagement processes and consultations to ensure the project design respects the rights of Indigenous Peoples                                                                           |
| Specific analyses for project design              | A series of technical reports including: 1. Policy analysis to inform NbS mainstreaming. 2. Cost-effectiveness analysis of proposed NbS interventions. 3. Data inventories on land use, biodiversity and socio-economic baselines | 20,000      | This will fund specific analyses to support the project proposal, including policy reviews, cost-effectiveness studies of NbS compared to grey infrastructure and data analyses. <u>(Will be implemented in collaboration with CIFOR-ICRAF)</u> |

| List of Proposed Project Preparation Activities                                                                     | Output of the PFG Activities                                                                                                                                                                                                                               | US\$ Amount | Budget note <sup>2</sup>                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Development of Monitoring & Evaluation (M&E) plan and indicators                                                    | A complete M&E plan with clearly defined indicators, baselines and targets integrated into the project's logical framework.                                                                                                                                | 15,000      | Funding will support the identification of project-level indicators and the development of a participatory Monitoring, Evaluation and Learning system.<br><u>(Will be implemented in collaboration with CIFOR-ICRAF)</u> |
| Assessment of executing partner capacity                                                                            | Capacity assessment of executing partners (local governments, CFUGs and community institutions) to inform implementation arrangements, risk mitigation measures and readiness.                                                                             | 12,750      | This will cover the costs of assessing the capacity of executing entities and key community institutions to ensure effective project implementation.                                                                     |
| Technical consultancies for project development                                                                     | Finalized full project proposal document, including detailed activity plans, budget and risk mitigation strategies, developed with expert input.                                                                                                           | 15,000      | This will cover costs for consultancies and contracts needed to develop specific project components, such as NbS designs and value-chain strategies. <u>(Will be implemented in collaboration with CIFOR-ICRAF)</u>      |
| <u>IE Fee / PFG management fee</u><br><br><u>Project preparation coordination, reporting and compliance support</u> | <u>Coordination, supervision, financial management, reporting and compliance support for PFG implementation. Coordination and supervision of project preparation activities, reports validation workshops, monitoring, and reporting on the use of PFG</u> | 10,000      | <u>The proposed cost will cover administrative, financial management, reporting and compliance support by the IE during PFG implementation.</u><br><br><u>The proposed cost will be used to cover administrative and</u> |

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| List of Proposed Project Preparation Activities | Output of the PFG Activities | US\$ Amount | Budget note <sup>2</sup>      |
|-------------------------------------------------|------------------------------|-------------|-------------------------------|
|                                                 |                              |             | logistical support for the IE |
| <b>Total Project Formulation Grant</b>          |                              | 150,000     |                               |

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

The NTNC, serving as both the Implementing Entity and an Executing Entity, will retain full fiduciary and oversight responsibility for the PFG and the subsequent project. In coordination with the Ministry of Agriculture, Forests and Environment (MoAFE), and CIFOR-ICRAF as a key executing partner providing technical assistance, NTNC will support the project formulation activities in line with their respective technical expertise and institutional mandates.

The funding supports are required to address the technical, institutional, safeguards, and design gaps identified during the Adaptation Fund's review of the GREEN-Koshi CN and to ensure that the resulting full project proposal meets the Adaptation Fund's quality, policy, and compliance requirements. Comprehensive stakeholder consultations, including Free, Prior and Informed Consent (FPIC) processes, are necessary to ensure inclusive participation of women, Indigenous Peoples, and vulnerable groups and to validate proposed Nature-based Solutions in diverse ecological and socio-economic contexts. Site-specific climate risk and vulnerability assessments, together with targeted policy, cost-effectiveness, and baseline analyses, are essential to strengthen the climate rationale, demonstrate adaptation benefits, and support evidence-based selection of interventions across the five target districts.

In addition, dedicated resources are required to develop core compliance and implementation instruments, including an Environmental and Social Management Framework (ESMF), Gender Action Plan (GAP), robust Monitoring and Evaluation (M&E) framework, and assessments of executing partner capacity. These activities will reduce implementation risks, clarify institutional arrangements, and ensure alignment with the Adaptation Fund's Environmental and Social Policy, Gender Policy, and Results Framework. The proposed funding amounts are proportionate to the project's geographic scope, technical complexity, and safeguards obligations, and reflect the costs of specialized expertise, field-based assessments, consultations, and coordination needed to deliver a high-quality, implementation-ready full project proposal in line with Adaptation Fund standards.

### C. Implementing Entity

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

|                                          |           |                         |                        |           |               |
|------------------------------------------|-----------|-------------------------|------------------------|-----------|---------------|
| Implementing Entity Coordinator, IE Name | Signature | Date (Month, day, year) | Project Contact Person | Telephone | Email Address |
|------------------------------------------|-----------|-------------------------|------------------------|-----------|---------------|

|                                                                                        |                                                                                   |            |              |                    |                                                                                                                                    |
|----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------|--------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Dr. Manish<br>Raj Pandey;<br>National<br>Trust for<br>Nature<br>Conservation<br>(NTNC) |  | 07-09-2026 | Lina Chalise | +977<br>9851038357 | <a href="mailto:mrpandey70@gmail.com">mrpandey70@gmail.com</a><br>/ <a href="mailto:mrpandey@ntnc.org.np">mrpandey@ntnc.org.np</a> |
|----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------|--------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------|



Government of Nepal  
**Ministry of Forests and Environment**



P.O. Box No. 3987  
Singh Durbar, Kathmandu

Ref. No. 30

**Letter of Endorsement by Government**

Date: August 3, 2025

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

**Subject: Endorsement for the concept note proposal "GREEN Koshi: Grounding Resilience and Ecosystem Enhancement through Nature-based Solutions"**

In my capacity as designated authority for the Adaptation Fund in Nepal, I confirm that the above national concept note 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 Nepal.

Accordingly, I am pleased to endorse the concept note with support from the Adaptation Fund. If approved, the project will be implemented by National Trust for Nature Conservation (NTNC) and executed by Ministry of Forests and Environment and National Trust for Nature Conservation.

Sincerely,

Suman Subedi  
Designated Authority, Adaptation Fund  
Under Secretary, Adaptation Section  
Ministry of Forests and Environment  
Email: s\_subedi2003@yahoo.com  
suman.subedi@nepal.gov.np

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Secretary :- 4211567 Fax:- 4211868



Government of Nepal  
**Ministry of Forests and Environment**



P.O. Box No. 3987  
Singh Durbar, Kathmandu

Ref. No. 30

**Letter of Endorsement by Government**

Date: August 3, 2025

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

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