



ADAPTATION FUND

AFB/PPRC.38/37/Add.1
20-21 October 2026

Adaptation Fund Board
Project and Programme Review Committee
Thirty-eighth meeting
Bonn, Germany, 20-21 October 2026

Agenda Item 6 e)

**PROJECT FORMULATION GRANT FOR
LLA SINGLE COUNTRY PROPOSAL FOR CAMBODIA**

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.38/37 “LLA Single Country Proposal for Cambodia” includes a request for a Project Formulation Grant, requesting a budget of US\$ 120,000, which was received by the secretariat along with the concept-note for the project AF00000456 “*Strengthening Community-Led Climate Adaptation and Resilient Livelihoods in the Angkor-Phnom Kulen Heritage Landscape, Cambodia*”. This proposal was submitted by United Nations Human Settlements Programme (UN-Habitat), which is a Multilateral Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-seventh 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 \$120,000 Project Formulation Grant (PFG) will support will support inclusive stakeholder consultations and field assessments; documentation of local and traditional knowledge and institutional capacity; development of locally led adaptation project components, governance arrangements and implementation mechanisms; preparation of a community-informed log frame, results framework and budget; participatory environmental and social impact and gender assessments, including Free, Prior and Informed Consent processes; and preparation of a fully developed proposal.

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)

Submission Date: 24th Jun 2026

Adaptation Fund Project ID:

Country/ies:

Cambodia

Title of Project/Programme:

Strengthening Community-Led Climate Adaptation and Resilient Livelihoods in the Angkor-Phnom Kulen Heritage Landscape, Cambodia ~~Enhancing Livelihood and Climate Adaptation through Nature-based Solutions in Heritage Protected Areas in Siem Reap Province, Cambodia~~

Type of IE (NIE/RIE/MIE):

Multilateral Implementing Entity

Implementing Entity:

United Nations Human Settlements Programme (UN-Habitat)

Executing Entity/ies:

UN-Habitat ~~in cooperation with Ministry of Environment, Cambodia~~

A. Project Preparation Timeframe

Start date of PFG	October 2026
Completion date of PFG	April 2027

B. Proposed Project Preparation Activities (\$)

The US\$120,000 of a Project Formulation Grant (PFG) will support the development of a Full Project Proposal of Locally Led Adaptation (LLA). Rather than a conventional top-down formulation process, this PFG embodies a business-unusual approach: one that devolves decision-making authority to the lowest appropriate level, addresses the structural inequalities faced by women, youth, persons with disabilities and forest-dependent communities, and invests in the institutional capabilities of local actors from the outset. Preparation activities will be grounded in bottom-up, participatory processes that integrate local and traditional knowledge with scientific evidence, ensuring that the full proposal reflects the lived realities and self-defined priorities of the most vulnerable communities in Krong Siem Reap, Svay Leu, and Banteay Srei districts. All consultation and field assessment processes will apply inclusive design principles, accounting for the care responsibilities of women, the geographic remoteness of forest protection communities, and the need for Free, Prior and Informed Consent (FPIC) processes. The grant will fund targeted stakeholder consultations, field missions, detailed technical studies, log frame and results framework development, an environmental and social impact assessment, and full proposal consolidation – all implemented in close collaboration with the Department of Climate Change under the Ministry of Environment and with community institutions as active partners.

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note ²
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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.

Inclusive stakeholder consultations and co-design workshops to validate and strengthen the project design, locally led implementation arrangements, and governance structures, with dedicated sessions for women, youth, persons with disabilities and forest communities, scheduled outside care hours and held in accessible locations.	Workshop reports; validated and community endorsed project design; documented CIA structures; disaggregated participation records	15,600	Participatory co-design workshops held across target districts in Siem Reap, co-facilitated with Ministry of Environment and local community institutions. Separate sessions for women and vulnerable groups will be scheduled to remove participation barriers and ensure their priorities meaningfully shape the project design.
Inclusive field missions to target communities to validate project design, institutional capacity assessment of local stakeholders, and document local and traditional knowledge with on-site consultations for remote and forest-dependent communities, dedicated engagement with women outside care hours	Field mission report; institutional capacity assessment; documented local and traditional ecological knowledge; FPIC screening findings; gender-disaggregated community priorities	20,000	UN-Habitat and MoE teams will conduct field visits to the project locations. Government presence managed sensitively where communities require independent spaces for open dialogue
Detailed analysis and co-development of project components, outputs, and activities explicitly aligned with the eight LLA principles - embedding devolved decision-making structures, inclusive governance arrangements, gender-responsive design, and locally led implementation mechanisms across all components, and integrating findings from community consultations, field missions, and local knowledge documentation	Well described and LLA aligned project components, outputs, and activities; CIA frameworks and community governance structures defined; gender-responsive measures embedded across outputs	20,000	Desk work led by experts in close coordination with community councils, and the Ministry of Environment. Analysis will draw directly from consultation and field mission findings to ensure components reflect locally defined priorities, moving beyond standard project design towards a community-driven adaptation framework.
Development of community-informed Log-frame, results framework, and budget that	Detailed LLA-aligned project Log-frame; results framework	15,000	Developed iteratively with community institutions, commune

embeds gender-responsive indicators, and flexible adaptive management mechanisms ensuring indicators are co-developed with local actors, disaggregated by gender, age, ethnicity and disability, and that budget allocations reflect the direct flow of resources to community-level institutions	with locally defined resilience indicators; disaggregated indicator set; Gender Action Plan indicators; community-based M&E framework and budget		councils, and Ministry of Environment. Budget will transparently demonstrate direct resource flows to local actors consistent with LLA Principles 3 and 7.
Participatory Environmental and Social Impact Assessment (ESIA) integrating community-led risk identification, gender-disaggregated vulnerability analysis, FPIC process for forest protection communities, and Gender Baseline Assessment for target districts	ESIA report; Gender Baseline Assessment, FPIC process document; gender-disaggregated vulnerability findings	25,000	ESS and gender experts conducting ground assessments. FPIC and Gender Baseline Assessment findings will directly inform safeguards design and gender-responsive measures in the full proposal.
Consolidation and finalization of the full LLA project proposal, integrating all formulation findings into a coherent, community-validated submission aligned with Adaptation Fund requirements	Full project proposal developed and consultation meeting minutes	15,000	Final consolidation workshop bringing together UN-Habitat, Ministry of Environment, and community representatives to validate the full proposal before submission to the Adaptation Fund.
Implementing Entity's Management Fee (8.5%)		9,400	Oversight and supervision of PFG activities to ensure quality, compliance with Adaptation Fund requirements, and adherence to LLA principles throughout the full proposal development.
Total Project Formulation Grant		120,000	

The requested budget will fund a series of preparatory activities designed to develop a high-quality, context-specific full proposal aligned with the Adaptation Fund's objectives and principles. Each activity is sequenced to build progressively on community voice and local knowledge, from inclusive consultations and field missions that surface locally defined priorities, through technical

analysis and safeguards assessments grounded in those findings, to a final proposal that communities have actively shaped and validated. This is a business-unusual approach that places the most vulnerable communities including women, forest-dependent households, and persons with disabilities at the centre of how this project is designed from the outset.

1. Inclusive co-design workshops to validate the concept note and ensure community priorities shape the full proposal formulation.

The consultative stakeholders' workshops for validating the project design and gathering inputs for full proposal development are critical for ensuring that the project aligns with local needs and conditions, consistent with devolving decision-making to the lower appropriate level. There will be co-design spaces where community members, local government officials, NGOs, technical experts, and other relevant stakeholders collectively shape the project implementation arrangements, governance structures, and investment priorities.

Consistent with addressing structural inequalities, dedicated sessions will be organised separately for women, youth, and persons with disabilities, scheduled outside care hours and domestic responsibilities to remove participation barriers. Forest protection community members will be engaged at their locations rather than district centres, ensuring remoteness does not exclude their voice. Where open dialogue requires it, sessions will be managed to allow communities to speak freely without government presence.

Participation will be tracked and reported in a disaggregated manner by gender, age, ethnicity, and community group, ensuring that the composition of decision-making reflects the communities the project will serve. Outputs from all sessions will be documented in Khmer and shared back with participants, consistent with transparency and downward accountability.

2. Conducting field visits to document local knowledge, assess institutional capacity, and initiate FPIC screening across all three target districts.

The field visits will assess climate vulnerabilities, environmental conditions, and local adaptation needs while also documenting local and traditional knowledge held by communities, particularly the five forest protection communities, integrating this alongside evidence into project design.

These visits will be designed to reach the most excluded groups on their own terms. Women's consultations will be scheduled outside care hours. Visits to forest protection communities and informal settlements will be conducted on-site, recognizing that remoteness should not exclude the most vulnerable.

Field missions will also assess the institutional capacity of Community Development Councils, forest protection communities, and commune councils to lead implementation, and initiate FPIC screening for forest protection communities. All findings feed directly into the ESIA, Gender Baseline Assessment, and component design.

3. Analysis and co-development of project components, outputs and activities.

Building directly on findings from stakeholder workshops and field missions, this activity will translate community-defined priorities and local knowledge into a coherent set of project components, outputs, and activities. The analysis will ensure that each component reflects the structural realities and adaptation needs identified by the most vulnerable groups in target communities.

Experts will work in close coordination with community institutions, commune councils, and the Ministry of Environment to define CIA frameworks, community governance structures, and gender-responsive measures across all outputs and activities. FPIC process requirements identified during field missions will be integrated into the relevant components. The result will be a project architecture that is locally grounded, socially inclusive, and technically coherent, ready to feed directly into log-frame and results framework development.

4. Development of project log frame, results framework, and budget.

The project log frame and results framework will involve defining the project's goal and objectives, developing a logical framework matrix capturing the hierarchy of results (impact, outcomes, outputs, activities, inputs), establishing indicators and means of verification, identifying assumptions and risks, visually representing the logical linkages between project components, engaging stakeholders for validation, and implementing a monitoring and evaluation plan to track progress and make necessary adjustments, ensuring the project is well designed, effectively managed, and capable of delivering sustainable benefits to vulnerable communities. The process will ensure that indicators reflect locally defined measures of resilience rather than donor-driven metrics alone. Indicators will be disaggregated by gender, age, ethnicity, and disability, and will incorporate Gender Action Plan targets and FPIC milestones where relevant, consistent with LLA principle 2.

Developing a detailed and transparent project budget will involve several key steps to ensure comprehensive financial planning and resource allocation, with CIA-linked financing architecture reflecting the project's commitment to accessible and predictable funding for local actors. First, this activity will detail and categorize all necessary components of the project, such as baseline data collection, capacity building, community engagement, infrastructure development, monitoring, and evaluation. Each category will be broken down into specific activities, with estimated costs for personnel, materials, equipment, travel, and administrative expenses. A community-based M&E framework will be embedded from the outset, supporting adaptive management and downward accountability throughout implementation.

5. Environmental and Social Impact Assessment (ESIA) of the proposed project.

The Environmental and Social Impact Assessment (ESIA) will evaluate potential environmental and social impacts of the project to ensure that project investments do not adversely affect ecosystems, heritage landscapes, or vulnerable communities. This assessment will cover natural resources, biodiversity, water systems and land use, with findings informing mitigation strategies and safeguard design in the full proposal.

A Gender Baseline Assessment will be conducted across target districts to establish gender-differentiated climate vulnerabilities, access to resources, and participation constraints, providing the evidential foundation for the projects Gender Action Plan. A FPIC process will be initiated for forest protection communities to ensure their rights are fully respected in project design.

All assessments will be conducted in a participatory manner, with findings validated by community institutions and local authorities before feeding into the full proposal.

6. Consolidation and finalisation of the full LLA project proposal.

The full project proposal will consolidate all findings from preceding formulation activities, community consultations, field missions, component analysis, log frame development, and ESIA,

into a coherent, technically rigorous, and community-validated submission that demonstrates adherence to the LLA Principles throughout.

The proposal will clearly articulate the project's theory of change, results framework, budget architecture, environmental and social safeguards, and gender-responsive measures, drawing directly from the Gender Baseline Assessment, FPIC process findings, and locally defined resilience indicators developed during formulation. It will transparently demonstrate how decision-making authority, resources, and accountability are devolved to community institutions, and how the CIA mechanism enables direct and accessible financing to local actors.

A final consolidation workshop will bring together UN-Habitat, the Ministry of Environment, community representatives, and key local stakeholders to review and validate the proposal before submission. This step ensures that the communities of Krong Siem Reap, Svay Leu, and Banteay Srei recognise their priorities, knowledge, and governance arrangements reflected in the final document, consistent with transparency, accountability, and collaborative action.

The proposal will be submitted in full compliance with Adaptation Fund requirements, the Environmental and Social Policy, and the Gender Policy.

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
Raf Tuts		06/24/2026	Odicea Angelo Barrios	(81-92) 724-7121	odicea.angelobarrios1@un.org



KINGDOM OF CAMBODIA
Nation Religion King

Ministry of Environment

N^o : 4210 / MoE
/ 0626

Phnom Penh, 2 June 2026

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

Subject: Endorsement for Locally Led Adaptation Concept Note on Enhancing Livelihood and Climate Adaptation through Nature-based Solutions in Heritage Protected Areas in Siem Reap Province, Cambodia.

In my capacity as designated authority for the Adaptation Fund in Cambodia, I confirm that the above national project proposal is in accordance with the government's national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in Cambodia. The proposal directly supports the objectives outlined in Cambodia's Climate Change Strategic Plan (CCCSP) 2024-2033, Long-Term Strategy for Carbon Neutrality (LTS4CN) and Cambodia's Nationally Determined Contribution (NDCs3.0), enhance sustainable livelihoods and climate resilience of communities in the heritage-protected areas of Siem Reap Province by 2030 through the implementation of community-led nature-based solutions, while strengthening the capacity of local authorities and community groups to undertake risk-informed planning, sustainable resource management, and ecosystem stewardship.

Accordingly, I am pleased to endorse the above LLA Concept Note with support from the Adaptation Fund. If approved, the project will be implemented by United Nations Human Settlements Programme (UN-Habitat) and executed by the Ministry of Environment (MoE) of Cambodia.

I sincerely hope that this proposal will be considered favorably by the Adaptation Fund. 

Yours sincerely,
For Minister



CHUOP Paris, PhD
Secretary of State