



ADAPTATION FUND

AFB/PPRC.22-23/15
11 June 2018

Adaptation Fund Board
Project and Programme Review Committee
Twenty-First Meeting
Bonn, Germany, 11 June 2018

Agenda Item x x)

PROPOSAL FOR DJIBOUTI, KENYA, SUDAN, UGANDA

Background

1. The strategic priorities, policies and guidelines of the Adaptation Fund (the Fund), as well as its operational policies and guidelines include provisions for funding projects and programmes at the regional, i.e. transnational level. However, the Fund has thus far not funded such projects and programmes.

2. The Adaptation Fund Board (the Board), as well as its Project and Programme Review Committee (PPRC) and Ethics and Finance Committee (EFC) considered issues related to regional projects and programmes on a number of occasions between the Board's fourteenth and twenty-first meetings but the Board did not make decisions for the purpose of inviting proposals for such projects. Indeed, in its fourteenth meeting, the Board decided to:

(c) Request the secretariat to send a letter to any accredited regional implementing entities informing them that they could present a country project/programme but not a regional project/programme until a decision had been taken by the Board, and that they would be provided with further information pursuant to that decision

(Decision B.14/25 (c))

3. In its eighth meeting in March 2012, the PPRC came up with recommendations on certain definitions related to regional projects and programmes. However, as the subsequent seventeenth Board meeting took a different strategic approach to the overall question of regional projects and programmes, these PPRC recommendations were not included in a Board decision.

4. In its twenty-fourth meeting, the Board heard a presentation from the coordinator of the working group set up by decision B.17/20 and tasked with following up on the issue of regional projects and programmes. She circulated a recommendation prepared by the working group, for the consideration by the Board, and the Board decided:

a. To initiate steps to launch a pilot programme on regional projects and programmes, not to exceed US\$ 30 million;

b. That the pilot programme on regional projects and programmes will be outside of the consideration of the 50 per cent cap on multilateral implementing entities (MIEs) and the country cap;

c. That regional implementing entities (RIEs) and MIEs that partner with national implementing entities (NIEs) or other national institutions would be eligible for this pilot programme, and

d. To request the secretariat to prepare for the consideration of the Board, before the twenty-fifth meeting of the Board or intersessionally, under the guidance of the

working group set up under decision B.17/20, a proposal for such a pilot programme based on consultations with contributors, MIEs, RIEs, the Adaptation Committee, the Climate Technology Centre and Network (CTCN), the Least Developed Countries Expert Group (LEG), and other relevant bodies, as appropriate, and in that proposal make a recommendation on possible options on approaches, procedures and priority areas for the implementation of the pilot programme.

(Decision B.24/30)

5. The proposal requested under (d) of the decision above was prepared by the secretariat and submitted to the Board in its twenty-fifth meeting, 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. Based on the Board Decision B.25/28, the first call for regional project and programme proposals was issued and an invitation letter to eligible Parties to submit project and programme proposals to the Fund was sent out on 5 May 2015.

7. In its twenty-sixth meeting the Board decided *to request the secretariat to inform the Multilateral Implementing Entities and Regional Implementing Entities that the call for proposals under the Pilot Programme for Regional Projects and Programmes is still open and to encourage them to submit proposals to the Board at its 27th meeting, bearing in mind the cap established by Decision B.25/26.*

(Decision B.26/3)

8. In its twenty-seventh meeting the Board decided to:

- a. *Continue consideration of regional project and programme proposals under the pilot programme, while reminding the implementing entities that the amount set aside for the pilot programme is US\$ 30 million;*
- b. *Request the secretariat to prepare for consideration by the Project and Programme Review Committee at its nineteenth meeting, a proposal for prioritization among regional project/programme proposals, including for awarding project formulation grants, and for establishment of a pipeline; and*
- c. *Consider the matter of the pilot programme for regional projects and programmes at its twenty-eighth meeting.*

(Decision B.27/5)

9. The proposal requested in (b) above was presented to the nineteenth meeting of the PPRC as document AFB/PPRC.19/5. The Board subsequently decided:

- a) *With regard to the pilot programme approved by decision B.25/28:*
 - (i) *To prioritize the four projects and 10 project formulation grants as follows:*
 1. *If the proposals recommended to be funded in a given meeting of the PPRC do not exceed the available slots under the pilot programme, all those proposals would be submitted to the Board for funding;*
 2. *If the proposals recommended to be funded in a given meeting of the PPRC do exceed the available slots under the pilot programme, the proposals to be funded under the pilot programme would be prioritized so that the total number of projects and project formulation grants (PFGs) under the programme maximizes the total diversity of projects/PFGs. This would be done using a three-tier prioritization system: so that the proposals in relatively less funded sectors would be prioritized as the first level of prioritization. If there are more than one proposal in the same sector: the proposals in relatively less funded regions are prioritized as the second level of prioritization. If there are more than one proposal in the same region, the proposals submitted by relatively less represented implementing entity would be prioritized as the third level of prioritization;*
 - (ii) *To request the secretariat to report on the progress and experiences of the pilot programme to the PPRC at its twenty-third meeting; and*
- b) *With regard to financing regional proposals beyond the pilot programme referred to above:*
 - (i) *To continue considering regional proposals for funding, within the two categories originally described in document AFB/B.25/6/Rev.2: ones requesting up to US\$ 14 million, and others requesting up to US\$ 5 million, subject to review of the regional programme;*

(ii) To establish two pipelines for technically cleared regional proposals: one for proposals up to US\$ 14 million and the other for proposals up to US\$ 5 million, and place any technically cleared regional proposals, in those pipelines, in the order described in decision B.17/19 (their date of recommendation by the PPRC, their submission date, their lower “net” cost); and

(iii) To fund projects from the two pipelines, using funds available for the respective types of implementing entities, so that the maximum number of or maximum total funding for projects and project formulation grants to be approved each fiscal year will be outlined at the time of approving the annual work plan of the Board.

(Decision B.28/1)

10. According to the Board Decision B.12/10, a project or programme proposal needs to be received by the secretariat no less than nine weeks before a Board meeting, in order to be considered by the Board in that meeting.

11. This is the second submission of the project document using the three-step submission process. It was first submitted as a project pre-concept for consideration by the Board at its thirtieth meeting and the Board decided to:

(a) To endorse the project pre-concept, as supplemented by the clarification responses provided by the Sahara and Sahel Observatory (OSS) to the request made by the technical review;

(b) To request the secretariat to transmit to OSS the observations in the review sheet annexed to the notification of the Board’s decision, as well as the following recommendations for the project concept stage:

(i) The project concept should specify the sub-regions that are most drought-prone and on which the project will therefore concentrate;

(ii) The project concept should provide additional details on, for example, the aspects of the projects and resources devoted to addressing the pastoralists versus farmers;

(iii) The concept should demonstrate how local institutions and extension agents will be targeted and included in implementation;

(iv) The concept should provide consideration of how availability of water resources and especially water points for livestock, which are mainly groundwater based, will be addressed in the project;

(v) The concept should address how agreements on stock routes can be modified or made more flexible in case of drought and provision be made to prevent pastoralists from getting into conflicts with sedentary farmers or encroaching on protected areas;

(vi) The concept should provide further details on the gender dimension and the differentiated rights of sedentary versus pastoralist groups;

(vii) The proponent should more clearly outline how it will engage, involve and benefit women and other marginalized groups;

(viii) The concept should provide more detailed evidence of the sustainability of the project outcomes;

(c) To approve the project formulation grant of US\$ 20,000

(d) To request OSS to transmit the observations under subparagraph (b) above to the Governments of Djibouti, Kenya, Sudan and Uganda; and

(e) To encourage the Governments of Djibouti, Kenya, Sudan and Uganda to submit, through OSS, a project concept that addresses the observations under subparagraph (b) above.

(Decision B.30/29)

12. The present project-concept along with a project formulation grant (PFG) was received by the secretariat in time to be considered at its thirty-first – thirty-second intersessional meeting.

13. The present submission was received by the secretariat in time to be considered in the thirtieth Board meeting. The secretariat carried out a technical review of the project proposal, assigned it the diary number AFR/RIE/DRR/2017/1, and completed a review sheet.

14. The secretariat is submitting to the PPRC the summary the final technical review of the pre-concept for a regional project, both prepared by the secretariat, along with the final submission of the proposal in the following section. The proposal is also submitted with changes between the initial submission and the revised version highlighted.

Project Summary

<u>Djibouti, Kenya, Sudan, Uganda:</u>	Strengthening drought resilience of small holder farmers and pastoralists in the IGAD region
<u>Implementing Entity:</u>	Sahara and Sahel Observatory (OSS)
<u>Project/Programme</u>	USD 1,045,860
<u>Execution Cost:</u>	
<u>Total Project/Programme Cost</u>	USD 11,009,020
<u>Project Management Fee</u>	USD 1,024,660
<u>Financing Requested</u>	USD 13,079,540

Project Background and Context:

The four countries in the IGAD region which are a part of this proposal are highly impacted by droughts across the countries or part of the countries, resulting in severe impacts to communities and the environment in the countries. The project aims to increase the resilience of smallholder farmers and pastoralists to climate change risks mainly those related to drought, through establishment of appropriate early warning systems and implementation of drought adaptation actions in the four targeted countries IGAD region.

Component 1: Development and enhancement of a regional Drought Early Warning System (USD 1,500,000).

This Component will focus on upgrading, as well as reinforcing, the climate change early warning process since smallholder farmers and pastoralists are facing challenges of accessing timely and accurate climate information for planning and responding to drought risks. As current EWS are inadequate and unsustainable causing crop failures, pasture losses, the death of livestock, soil degradation, conflicts, migration, and food insecurity, this component intends to conduct baseline studies and assessments as a first step to understand the current status of the existing EWS for different types of hazards in the four selected countries. By understanding the challenges associated with the existing EWS, the project will consequently undertake interventions aimed at promoting adaptation actions to address drought risks and improving the situation for the benefit of smallholder farmers and pastoralists, including women.

Component 2: Strengthening the capacity of stakeholders to manage drought risks due to Climate Change effects (USD 1,750,000)

This component aims at strengthening and improving the adaptive capacity of various stakeholders including women and youth that are affected and will contribute to drought adaptation and resilience in various ways. Stakeholders would include extension agents, artisans, local government or sub-national and national as well as regional leaders including technical and non-technical plus the smallholder farmers and pastoralists in the four selected countries/areas. The proposed project will first of all, seek to understand the stakeholders' needs in drought adaptation if their resilience is to be enhanced. Based on such needs, capacity building plans including the appropriate tools and materials will be developed.

Component 3: Drought and climate change adaptation actions (USD 6,297,920).

This component, aims at increasing resilience of smallholder farmers and pastoralists by

supporting them to undertake concrete innovative and appropriate sustainable land, water, crops and livestock management measures or technologies. The proposed project seeks to understand the status of water security by focusing on surface and groundwater, soil and water conservation, crop and livestock production and sources of incomes. Some of the specific climate change and drought adaptation interventions include: developing soil and water conservation, water harvesting and storage structures e.g. simplified water jars, rock water harvesting, construction of sunken sand dams and water ponds.

Under this component, the project aims to establish an innovative competitive grant scheme targeting household value in addition to food crops and livestock products. The competitive small grants scheme will focus on encouraging and rewarding the efforts of the most vulnerable among smallholder farmers and pastoralists such as the women, youth and elderly. Such efforts sought for evaluation will be on drought adaptation actions or income generation activities (IGAs).

Component 4: Knowledge management and information sharing (USD 1,479,100).

This component aims to support knowledge generation, packaging, and dissemination between and across stakeholders in various institutions. The activities facilitate institutions to generate knowledge on drought risk management, undertaking study tours and exchange visits, documenting lessons learned or best practices, facilitating knowledge exchange. The information, lessons learned, best practices and innovative technologies will be documented and shared for the use by various stakeholders.



ADAPTATION FUND

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: REGIONAL PROJECT

Countries/Region: **Djibouti, Kenya, Sudan, Uganda /Africa**

Project Title: **Strengthening Drought Resilience for Small Holder Farmers and Pastoralists in the IGAD Region**

Countries: **Djibouti, Kenya, Sudan, and Uganda**

Thematic Focal Area: **Disaster Risk Reduction and Early Warning Systems**

Implementing Entity: **Sahara and Sahel Observatory (OSS)**

Executing Entities: **Regional level:** Global Water Partnership Eastern Africa (GWPEA) hosted by the Nile Basin Initiative (NBI) secretariat
National level: National Project Management Units NPMUs):
Djibouti: Ministry of Agriculture Water Fisheries and Livestock,
Kenya: Ministry of Environment and Natural Resources,
Sudan: Ministry of Water Resources and Electricity Ministry of Water and Environment.

AF Project ID: **AFR/RIE/DRR/2017/1**

IE Project ID: Requested Financing from Adaptation Fund (US Dollars): **USD 13,079,540**

Reviewer and contact person: **Alyssa Maria Gomes** Co-reviewer(s): **Dirk Lamberts**

IE Contact Person:

Review Criteria	Questions	Comments on 4 May 2018	Comments on 21 May 2018
Country Eligibility	1. Are all of the participating countries party to the Kyoto Protocol?	Yes. Djibouti, Kenya Uganda and Sudan are parties to the Kyoto protocol	-
	2. Are all of the participating countries developing countries particularly vulnerable to the adverse effects of climate change?	Yes. The IGAD member states face severe water constraints and prolonged droughts. Moreover, the region faces uncontrolled activities such as deforestation and poor agricultural practices that lead to reduced water retention capacities, surface runoffs and soil cover losses, not only impacting negatively on water resources, environment and other ecosystems that serve as community livelihood sources but also increasing their vulnerability to droughts. Significantly reduced precipitation levels are leading to many challenges such as pollution, food insecurity, civil strife over water, food and pastures, drying-up of rivers, streams and aquifers and loss	-

		<p>of plant available water in the soils, negatively impacting the livelihoods of smallholder farmers and pastoralists. The proposed DRESS-EA project will further strengthen linkages between the existing drought strategies at both regional and country levels and the drought declaration – Windhoek declaration) that was adopted at the Africa Drought Conference (ADC) in August 2016 in Windhoek, Namibia.</p>	
Project Eligibility	<p>1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?</p>	<p>Yes. The designated authorities (DAs) for Djibouti (15th Feb 2018), Kenya (5th April 2018), Sudan (2nd Feb 2018) and Uganda (18th April 2018) have issued endorsed letters.</p>	-
	<p>2. Does the regional project / programme support concrete adaptation actions to assist the participating countries in addressing the adverse</p>	<p>Yes. Climate change has aggravated the impacts of droughts in Djibouti, Kenya, Sudan and Uganda within the IGAD region in the Horn of Africa (HOA). A regional</p>	-

	<p>effects of climate change and build in climate resilience, and do so providing added value through the regional approach, compared to implementing similar activities in each country individually?</p>	<p>approach to tackling the drought problem not only provides a trans boundary innovative way for drought management since its occurrence is not limited to Borders, but also contribute to the achievement of the IGAD Drought Disaster Resilience and Sustainability Initiative (IDDRSI).</p> <p>The predominant livelihood system, especially in the ASALs of the HOA, is pastoral and agro-pastoral production. Climate extremities are forcing pastoralists to be constantly on the move for fresh water and pastures, within and outside their national boundaries, often resulting into conflicts, frequently necessitating regional intervention to resolve or prevent conflict. In addition to the regional justification for the above mentioned challenge, the proposed project will build on the</p>	
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		<p>existing initiatives of the Global Water Partnership East Africa (GWPEA) is collaborating with IGAD and governments of Djibouti, Kenya, Sudan and Uganda through the Integrated Drought Management Programme (IDMP) and the Water, Climate and Development Programme (WACDEP) to enhance drought resilience in the region. It also aims establish new mechanisms to address drought related challenges in the region through facilitating investments in early warning systems, building the capacity of targeted stakeholders, supporting innovative adaptation actions and enhancing knowledge management and skills.</p>	
	<p>3. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including</p>	<p><u>Economic and Social benefits-</u> The project provides economic benefits with activities focusing on improving and diversifying livelihoods in the four selected countries in the IGAD region.</p>	-

	<p>gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy of the Fund?</p>	<p>Developments and improvements in EWS infrastructure are expected to enhance the livelihoods of vulnerable groups, women and children. Activities are also specifically targeted at women, women headed households such as competitive small grants programme, improved cook/energy saving stoves. It is acknowledged that the competitive small grants programme will be provided to highly innovative groups of women, youth and other marginalized group. The social benefits of planned activities to vulnerable groups, women, youth and children are well noted (p.30).</p> <p>CR1: Please provide additional details of innovative activities (IGAs, drought adaptation actions?) envisaged under the competitive small grants</p>	<p>CR1: Addressed. Additional information on innovative activities for IGAs and drought adaptation actions under the Competitive Small Grants scheme have been provided such as training, skills development and value addition to the various drought resistant</p>
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		<p>program and the criteria for selection.</p> <p><u>Environmental benefits</u> - To reduce pressure on the ecosystem and preserve biodiversity the planned concrete intervention include the implementation of drought adaptation approaches, measures and actions; innovative water and soil conservation structures; silvopastoral dryland agroforestry and rangeland management (p.31).</p> <p>CR 2: The concrete benefits of the planned interventions on the ecosystem is acknowledged, however please clarify the impact of planned interventions particularly on vulnerable communities, including gender</p>	<p>food crops and food crop products; drought tolerant livestock products.</p> <p>Additionally, the selection criteria for accessing small grants have been suggested. The specific IGAs and adaptation actions for which the activities are indicated are gender responsive and home based with a particular focus on women, youth and the elderly. (Part II; p.30-31).</p> <p>CR 2: Addressed. Concrete socio-economic and environmental benefits of planned interventions to ecosystems and populations especially the vulnerable groups including women and youth among smallholder farmers and pastoralists in the region have been presented. These include reducing pressure on the ecosystems so that they can provide the</p>

		<p>considerations and steps to avoid / mitigate negative impacts in compliance with AF ESP.</p>	<p>goods and services to vulnerable populations upon which they derive their livelihoods. Also, food, crop products, livestock products, income/money from sale of such products and clean and safe water. Developed water points support women and children in reducing the distance travelled to collect water. The energy saving cooking stoves will also have the positive impact of reducing women's and children's burden of collecting fuel wood. (Part II section C; p. 32 – 33)</p>
	<p>4. Is the project / programme cost-effective and does the regional approach support cost-effectiveness?</p>	<p>Yes. The project aims to enable the deployment of a regional action plan where the joint capacities and measures of intervention will be more efficient and more cost-effective. It also plans to contribute to improving the conditions and infrastructures of the beneficiary countries in</p>	<p>-</p>

		<p>the most vulnerable sites, permitting an effective response to drought and greater resilience to climatic variations.</p> <p>The regional approach supports cost-effectiveness by</p> <ul style="list-style-type: none"> - Cooperation/coordination to build cohesion and provide platforms at regional level - Facilitating exchange and experiential learning - Enabling coordinated planning and implementation of interventions thereby minimizing duplication of efforts - Contributing to the achievement of the IGAD Drought Disaster Resilience and Sustainability Initiative (IDDRSI) (p.33). 	
	<p>5. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans,</p>	<p>Yes. Regional - Conflict Early Warning and Response Mechanism (CEWARN), IGAD Drought Disaster Resilience</p>	-

	<p>poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments? If applicable, it is also possible to refer to regional plans and strategies where they exist.</p>	<p>and Sustainability Initiative (IDDRSI)(p.33-34). National - the project is in alignment with national or sub-national sustainable development strategies, development plans, poverty reduction strategies, national communications and national adaptation programs of action. (p.34-39)</p>	
	<p>6. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?</p>	<p>The requirements are properly listed, and when followed should produce outputs adequate for the full proposal. The project contains a significant number of unidentified sub-projects (USPs) for which environmental and social policy compliance will need to be done during implementation. The related process should also include arrangements for identifying</p>	<p>CR3: Addressed. An Environmental and social management framework will be developed at full proposal development stage. Also, at full proposal development and implementation levels/stages all relevant laws, regulations and existing technical standards including water resources management, water infrastructure development, agriculture development and other</p>

		<p>and meeting relevant national technical standards. (p. 39-40)</p> <p>CR 3: Please provide further information on the arrangements for identifying and meeting relevant national technical standards for USPs.</p>	<p>project related activities will be reviewed and relevant aspects observed including labour, and public procurement procedures for project investments. The project will be implemented using the existing structures and the respective Ministries will be expected to spearhead and ensure that all relevant laws and regulations applicable to each Country are observed. (Part II, section F; p. 39-42)</p>
	<p>7. Is there duplication of project / programme with other funding sources?</p>	<p>Sufficient information at concept has been provided on how the project will to avoid any potential duplication of efforts, resources or geographical coverage, and ensure synergy between ongoing initiatives and the proposed DRESS-EA project. (p.40-44).</p>	<p>-</p>
	<p>8. Does the project / programme have a learning and knowledge</p>	<p>Yes. Component 4 has activities specifically dedicated to knowledge management</p>	<p>-</p>

	<p>management component to capture and feedback lessons?</p>	<p>(KM), learning and sharing. The component seeks to support knowledge generation, packaging and dissemination between and across stakeholders in various institutions. (p.28-29, p.42).</p>	
	<p>9. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations?</p>	<p>It is mentioned that comprehensive community level consultations will be undertaken in the focal countries and target areas, including with vulnerable groups such as female-headed households and key informants including elders and opinion leaders during the full proposal development stage. CR 4: Please clarify how the consultations will include gender considerations to ensure gender responsiveness of planned interventions. Please demonstrate how planned consultations will</p>	<p>CR4: Addressed. At full proposal stage, the project consultation process will be inclusive and will appropriately consider gender as key issue towards planned interventions. To ensure effective implementation of the project components, detailed information will be deliberately collected from population/ community categories including men and women and ensuring representation of the elderly, disabled, children, youth and socio-economically disadvantaged groups. The project aims to ensure 50% of the</p>

		ensure concrete ways that women can be effectively integrated into decision-making structures.	beneficiaries/participants are women. Specific gender responsive consultations on IGAs will be deliberately emphasized for women. Keeping in mind that women manage homes daily with numerous domestic chores, innovative IGAs that specifically target stay home women and mothers in will be a vital innovative gender responsive consideration in the proposed project. (Part II, section I; p.48 – 50)
	10. Is the requested financing justified on the basis of full cost of adaptation reasoning?	Yes. Details are provided on p.46-48.	-
	11. Is the project / program aligned with AF's results framework?	CR 5: Please demonstrate alignment of project components and outcomes with at least one of the Adaptation Fund Strategic Outcomes. Please refer to the AF Results and Baseline Guidance document (p.5-6): https://www.adaptation-	CR5: Addressed. Project outcomes align with the following Fund level outcomes: Outcome 1: Reduced exposure at the national level to climate related hazards and threats.

		fund.org/wp-content/uploads/2015/01/Results%20Framework%20and%20Baseline%20Guidance%20final%20compressed.pdf	<p>Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at the local level</p> <p>Outcome 4: Increased adaptive capacity within the relevant development and natural resource sectors</p> <p>Outcome 6: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas</p> <p>Outcome 7: Improved policies and regulations that promote and enforce resilience measures</p> <p>(PART III. Section F pages 87 – 88)</p>
	<p>12. Has the sustainability of the project/programme outcomes been taken into account when designing the project?</p>	<p>The design of the project has considered sustainability of all project interventions - environmental, economic, technical, social and institutional sustainability.</p>	<p>CR6: Addressed. To ensure that the infrastructure constructed by the project are economically/financially sustained and maintained, the project will support existing</p>

		<p>CR 6: Please demonstrate considerations for financial sustainability whereby there is a financial support system for small-scale maintenance of the infrastructure after project closure.</p>	<p>interventions including small-scale infrastructure such as weather stations, ground and surface water sources, watering points and community learning centers.</p> <p>Water users will be encouraged to form user associations (WUAs) with executive committees that will be charged with taking care of the constructed water sources. Alternatively, farmer and pastoralist group/cooperative members could be required to pay a small and affordable fee for maintenance of their water sources and other infrastructure.</p> <p>At full proposal development stage, a proposed idea of developing modalities and supporting the communities to establish a community infrastructure maintenance</p>
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			fund will be considered. (Part II, section K; p.53)
	13. Does the project / programme provide an overview of environmental and social impacts / risks identified?	<p>A preliminary assessment is reported to have been carried out, and a detailed environmental and social impact assessment is announced for full proposal preparation. A few issues that need to be addressed during preparation of the full proposal:</p> <ol style="list-style-type: none"> 1. Currently, section II.L does not include substantiation of the risks findings. In the full proposal, please ensure that risks have been identified in line with the ESP, meaning that the risks identification needs to be comprehensive (covering all project activities), risk findings need to be justified and substantiated, and the risks should be identified and 	-



		<p>presented according to the 15 principles of the ESP. The AF guidance document on ESP compliance provides related suggestions</p> <p>https://www.adaptation-fund.org/document/guidance-document-implementing-entities-compliance-adaptation-fund-environmental-social-policy/</p> <ol style="list-style-type: none"><li data-bbox="1108 630 1465 862">2. Positive environmental and social outcomes, as well as mitigation or management measures, should not be taken into account in the risk identification.<li data-bbox="1108 867 1465 1162">3. Environmental and social risk identification requires that both the inherent risks of an activity are known as well as the specific environmental and social setting in which the activity will take	
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		<p>place. The project includes a large number of activities that have not yet been identified to the stage where effective ESP risks identification is possible (so-called unidentified sub-projects, USPs), particularly under component 3. When a project contains such USPs, it must include an Environmental and Social Management Plan (ESMP) that specifies how, at what stage and by whom during project implementation for each USP risks of negative environmental and social impacts will be identified according to the 15 principles of the ESP. The ESMP will further include provisions for the</p>	
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		<p>identification of subsequent safeguard measures, their implementation, and monitoring and reporting. The risk findings presented in Table 8, p. 62 are premature.</p> <p>The ESP applies to all project activities, including those of component 1 that may carry ESP risks (e.g. construction and renovation of buildings).</p>	
	<p>14. Does the project promote new and innovative solutions to climate change adaptation, such as new approaches, technologies and mechanisms?</p>	<p>Yes. The project will promote new and innovative solutions by employing a regional Participatory Learning and Action approach where new and already existing innovative solutions to communicate, manage and adapt to climate change and drought impacts will be identified through participatory processes involving gatherings at national, sub-national and regional levels.</p>	<p>-</p>

		Furthermore, small competitive grants will be provided for innovative climate change adaptation and drought management ideas or mini-projects to the most vulnerable yet organized farmers' groups (including women and youth) with innovative ideas.	
Resource Availability	1. Is the requested project / programme funding within the funding windows of the pilot programme for regional projects/programmes?	Yes. USD 13,079,540 is well within the 14 million cap. There is a request for PFG to the amount of USD 80,000 to support full proposal development.	-
	2. Are the administrative costs (Implementing Entity Management Fee and Project/ Programme Execution Costs) at or below 20 per cent of the total project/programme budget?	Yes, at 17.18% the administrative costs (Implementing Entity Management Fee and Project/Programme Execution Costs) are below 20 percent of the total project/programme budget.	-

Eligibility of IE	3. Is the project/programme submitted through an eligible Multilateral or Regional Implementing Entity that has been accredited by the Board?	Yes. OSS is a regional implementing entity of the fund	-
Implementation Arrangements	1. Is there adequate arrangement for project / programme management at the regional and national level, including coordination arrangements within countries and among them? Has the potential to partner with national institutions, and when possible, national implementing entities (NIEs), been considered, and included in the management arrangements?	N/a (Not applicable at the concept stage).	-
	2. Are there measures for financial and project/programme risk management?	N/a (Not applicable at the concept stage).	-

	3. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy of the Fund? Proponents are encouraged to refer to the Guidance document for Implementing Entities on compliance with the Adaptation Fund Environmental and Social Policy, for details.	Please refer to point 13 above regarding the development of an ESMP during full proposal stage.	-
	4. Is a budget on the Implementing Entity Management Fee use included?	N/a (Not applicable at the concept stage).	-
	5. Is an explanation and a breakdown of the execution costs included?	N/a (Not applicable at the concept stage).	-
	6. Is a detailed budget including budget notes included?	N/a (Not applicable at the concept stage).	-

	7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators?	N/a (Not applicable at the concept stage).	-
	8. Does the M&E Framework include a breakdown of how implementing entity IE fees will be utilized in the supervision of the M&E function?	N/a (Not applicable at the concept stage).	-
	9. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	N/a (Not applicable at the concept stage).	-
	10. Is a disbursement schedule with time-bound milestones included?	N/a (Not applicable at the concept stage).	-

Technical Summary	<p>The project titled, “Strengthening Drought Resilience for Small Holder Farmers and Pastoralists in the IGAD Region” aims to increase the resilience of smallholder farmers and pastoralists to climate change risks mainly those related to drought, through establishment of appropriate early warning systems and implementation of drought adaptation actions in the four targeted countries IGAD region.</p> <p>The project intends to strengthen the drought resilience of smallholder farmers and pastoralists by the following components:</p> <ol style="list-style-type: none">i. Developing and promoting regional investments in drought early warning systems (EWS) and improving the existing onesii. Strengthening and improving the capacity of key stakeholders in drought risk management at regional, national and local levelsiii. Facilitating smallholder farmers and pastoralists inputs to undertake innovative adaptation actions that reinforce their resilience to droughtiv. Enhancing knowledge management and information sharing on drought resilience at the considered levels <p>The initial technical review found that project concept is well articulated, identifies the critical needs of the targeted countries and proposes innovative solutions to help the target beneficiaries and ecosystems in the participating countries to adapt to climate extremities. The proposed activities align well with subnational and national priorities and are relevant to the regional context. However, a few clarification requests (CRs) were requested:</p> <p>CR1: Please provide additional details of innovative activities (IGAs, drought adaptation actions?) envisaged under the competitive small grants program and the criteria for selection.</p> <p>CR 2: The concrete benefits of the planned interventions on the ecosystem is acknowledged, however please clarify the impact of planned interventions particularly on vulnerable communities, including gender considerations and steps to avoid / mitigate negative impacts in compliance with AF ESP.</p> <p>CR 3: Please provide further information on the arrangements for identifying and meeting relevant national technical standards for USPs.</p>
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CR 4: Please clarify how the consultations will include gender considerations to ensure gender responsiveness of planned interventions. Please demonstrate how planned consultations will ensure concrete ways that women can be effectively integrated into decision-making structures.

CR 5: Please demonstrate alignment of project components and outcomes with at least one of the Adaptation Fund Strategic Outcomes. Please refer to the AF Results and Baseline Guidance document (p.5-6)

CR 6: Please demonstrate considerations for financial sustainability whereby there is a financial support system for small-scale maintenance of the infrastructure after project closure.

The final technical review finds that all clarification requests were sufficiently addressed at the project concept stage. The following recommendations are suggested for the full proposal development stage:

- Please clearly demonstrate in the project document, how consultations were gender inclusive as well as include efforts to ensure gender issues are well incorporated during the design of proposed interventions.
- At full proposal development and implementation levels/stages, please ensure that all relevant laws, regulations and existing technical standards are reviewed and relevant aspects follow the Environmental and Social Policy of the Fund.
- Ensure that all tangible interventions are presented with the level of detail on location and environmental and social setting.
- In the full proposal, please ensure that risks have been identified in line with the ESP, such that the risks identification is comprehensive (covering all project activities). Furthermore, risk findings need to be justified and substantiated, and the risks should be identified and presented according to the 15 principles of the ESP.
- The project contains a considerable number of unidentified sub-projects (USPs) for which environmental and social policy compliance will need to be done during implementation. The related process should also include arrangements for identifying and meeting relevant national technical standards.

	<ul style="list-style-type: none">- Include an Environmental and Social Management Plan (ESMP) that specifies for each USP, <i>how, at what stage and by whom</i> during project implementation, risks of negative environmental and social impacts will be identified according to the 15 principles of the ESP.- The ESMP should include provisions for the identification of subsequent safeguard measures, their implementation, and monitoring and reporting. The risk findings presented in Table 8, p. 62 are premature.- Demonstrate how environmental and social safeguard measures will be integrated in the implementation arrangements of the project.
Date:	21 May 2018



ADAPTATION FUND

REQUEST FOR PROJECT/PROGRAMME FUNDING FROM THE ADAPTATION FUND

The annexed form should be completed and transmitted to the Adaptation Fund Board Secretariat by email or fax.

Please type in the responses using the template provided. The instructions attached to the form provide guidance to filling out the template.

Please note that a project/programme must be fully prepared (i.e., fully appraised for feasibility) when the request is submitted. The final project/programme document resulting from the appraisal process should be attached to this request for funding.

Complete documentation should be sent to:

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