



ADAPTATION FUND

AFB/PPRC.23/5  
27 September 2018

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Adaptation Fund Board  
Project and Programme Review Committee  
Twenty-third Meeting  
Bonn, Germany, 9-10 October 2018

**PROGRAMME ON INNOVATION:  
SELECTION OF THE MULTILATERAL IMPLEMENTING  
ENTITY TO ADMINISTER SMALL GRANTS PROJECTS**

## Introduction

1. This document presents the Adaptation Fund Programme on Innovation: Small Grants Projects through Direct Access Modality, as per the Medium Term Strategy that was adopted by the Adaptation Fund Board (the Board) in its thirtieth meeting, and specifically the establishment of a dedicated Innovation Facility in order to (a) roll out successful innovations; (b) scale up viable innovations; (c) encourage and accelerate innovations; and, (d) generate evidence of effective and efficient innovation in adaptation; which would include support via grants of up to \$250,000. The background and rationale of the programme is more fully explained in the documents AFB/B.30/5/Rev.1 and AFB/B.31/5/Rev.1.

2. At its thirtieth meeting, the Adaptation Fund Board discussed the draft medium-term strategy, and members of the Board proposed amendments to the document. The secretariat then presented a revised draft, in document AFB/B.30/5/Rev.1. Having considered that document, the Board decided:

(a) *To adopt the medium-term strategy as amended by the Board, as contained in the Annex 1 of the document AFB/B.30/5/Rev.1 (the MTS); and*

(b) *To request the secretariat:*

(i) *To broadly disseminate the MTS and work with key stakeholders to build understanding and support;*

(ii) *To prepare, under the supervision of the MTS task force, a draft implementation plan for operationalizing the MTS, containing a draft budget and addressing key assumptions and risks, including but not limited to funding and political risks, for consideration by the Board at its thirty-first meeting; and*

(iii) *To draft, as part of the implementation plan, the updates/modifications to the operational policies and guidelines of the Adaptation Fund needed to facilitate implementation of the MTS, for consideration by the Board at its thirty-first meeting.*

*(Decision B.30/42)*

3. Pursuant to decision B.30/42, subparagraph b (ii), the secretariat prepared a draft implementation plan for the MTS, including an assessment of assumptions and risks. The secretariat shared a version of the draft with the MTS task force for comments.

4. The draft implementation plan also contains suggestions for specific funding windows that might be opened under the MTS in complement of the Fund's existing funding windows for single-country and regional adaptation projects and readiness support projects. Following the approval of the implementation plan, the secretariat would present specific proposed details for each new funding window at subsequent

meetings of the Board for its consideration, in accordance with the timeline contained in the implementation plan.

5. At its thirty-first meeting, the Adaptation Fund Board discussed document the draft implementation plan for the MTS, and members of the Board proposed amendments to the document. The secretariat then presented a revised draft, in document AFB/B.31/5/Rev.1. Having considered that document, the Board decided:

- (a) *To approve the implementation plan for the medium-term strategy for the Fund for 2018–2022 contained in the Annex I to document AFB/B.31/5/Rev.1 (the plan);*
- (b) *To request the secretariat:*
  - (i) *To facilitate the implementation of the plan during the period 2018–2022;*
  - (ii) *To include the administrative budget for implementing the plan in the secretariat’s annual administrative budget during the strategy period, for consideration by the Fund’s Ethics and Finance Committee;*
  - (iii) *To prepare, for each proposed new type of grant and funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board’s committees;*
  - (iv) *Following consideration of the new types of support mentioned in subparagraph (b)(iii), to propose, as necessary, amendments to the Fund’s operational policies and guidelines Fund to better facilitate the implementation of such new types of support; and*
  - (v) *To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan; and*
- (c) *(To request the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) to undertake a mid-term review of the medium-term strategy and the plan and report to the Board at its thirty-sixth meeting.*

*(Decision B.31/32)*

6. The MIE aggregator is described in the MTS as a vehicle through which at least 40 small grants would be awarded to non-accredited entities. The MTS also provides a timeline whereby the MIE “partner(s)” are to be “proposed to Board in October 2018 and announced at COP 24 (Dec 2018)”.

7. Accordingly, a *Call for Expressions of Interest* was issued to MIEs in August 2018 (see Annex 1), requesting such submissions of expressions of interest to be submitted by the Deadline of September 17<sup>th</sup>, 2018 to the Adaptation Fund Board secretariat. The *Call for Expressions of Interest* provided a background to the initiative, as well as the objectives, provisional criteria, and guidance on the learning aspect of the initiative.

8. The sections further below in this document will present the items outlined in (b)(iii) above for the financing window that would provision small grants through the MIE aggregator.

## **Objectives**

9. The objective of the innovation pillar of the MTS is Support the development and diffusion of innovative adaptation practices, tools, and technologies. This objective will be supported through the establishment of an Innovation Facility, which will include small and large grants. The small grants that will be awarded to a combination of national implementing entities (NIEs) and other entities (organizations, groups, associations, institutions, businesses, agencies, individuals, etc.) that are not accredited with the Fund, using the established NIE modality and through an MIE aggregator delivery mechanism, respectively.

10. For the small grants specifically, two expected results have been identified by the MTS implementation plan:

- (a) *New innovations encouraged and accelerated. Development of innovative adaptation practices, tools and technologies encouraged and accelerated; and,*
- (b) *Evidence base generated. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up.*

11. The MTS implementation plan also states that the expected outcome of the innovation pillar will be that innovation for effective, long-term adaptation to climate change will be accelerated, encouraged and enabled.

12. The MTS implementation plan recalls the cross-cutting themes identified in the MTS, out of which the following were highlighted and are expected to be linked to the award of the small grants for innovation:

- (c) *Engaging, empowering and benefitting the most vulnerable communities and social groups; and,*
- (d) *Advancing gender equality and the empowerment of women and girls.*

## Response to the Call for the Expressions of Interest

13. By the deadline, the Adaptation Fund Board secretariat had received three submissions, which are appended to this document (Annexes 2, 3, and 4) for the consideration of the Board.
14. The Adaptation Fund Board secretariat's technical review committee reviewed the submissions, taking into account the following:
- (e) Geographic coverage: how extensive is the reach of the MIE?
  - (f) Sectoral coverage: how well are key sectors covered, considering greatest vulnerabilities and adaptation needs?
  - (g) Fitness for purpose: how well does the proposal respond to the goal of the innovation program and Adaptation Fund more broadly? This includes a comparative assessment of the overall approach, including target entities/proponents and the criteria proposed.
  - (h) Learning and knowledge: how effectively can the MIE gather the evidence base on innovation from the innovation small grant-funded projects, both through the MIE and the NIE (i.e. not administered by the MIE aggregator)?
  - (i) Experience: how extensive is the experience of the MIE in administering grants of similar purpose and size?
  - (j) Implementation arrangements: how cost-effective are the implementation arrangements?
15. The technical summaries of the submissions are presented in Annex 5 for the consideration of the Board.

## Modalities and Procedures for the MIE Aggregator

16. The MIE aggregator would, upon being selected and accepting the role, prepare a proposal, following a one-step process for regional projects and programmes, submitting a fully-developed project proposal, which will be reviewed against the criteria for such projects/programmes, as applicable, for the consideration of the Board at the thirty-third or thirty-fourth meeting.

## Recommendation

17. The PPRC may wish to review the three submissions of Expressions of Interest to serve as the MIE aggregator for small grants for innovation and recommend to the Board to:
- (a) Consider the three submissions of Expressions of Interest to serve as the MIE aggregator for small grants for innovation;
  - (b) Invite the [NAME OF SELECTED MIE] to serve as the Multilateral Implementing Entity (MIE) aggregator;
  - (c) Request the selected MIE aggregator to indicate acceptance by letter to the Chair of the Board by [DATE];

(d) Request the secretariat to engage with the selected MIE aggregator in order to prepare an announcement of initiative at the twenty-fourth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 24);

(e) Invite the MIE aggregator to prepare a proposal using the process elaborated in this document for the consideration of the Board at the thirty-third, or thirty-fourth meeting.

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**Annex 1**



**ADAPTATION FUND**

1 August, 2018

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NEW SPECIAL FINANCING WINDOW IN SUPPORT OF INNOVATION FOR  
ADAPTATION:  
**CALL FOR EXPRESSIONS OF INTEREST**  
FROM  
MULTILATERAL IMPLEMENTING ENTITIES OF THE  
ADAPTATION FUND TO SERVE AS SMALL GRANT  
AGGREGATOR

**Background**

1. The Adaptation Fund serves the Paris Agreement by accelerating and enhancing the quality of adaptation action in developing countries. The Fund does so by supporting country-driven projects and programmes, innovation, and multi-level learning for effective adaptation. The Fund's activities are designed to engage, empower and benefit the most vulnerable communities and social groups; advance gender equality and the empowerment of women and girls, strengthen long-term institutional and technical capacity for effective adaptation; and build complementarity and coherence between climate finance delivery channels.
2. At the thirty-first meeting of the Adaptation Fund Board, an implementation plan<sup>1</sup> for the medium-term strategy (MTS) for the Fund was adopted by the Adaptation Fund Board (the Board). The implementation plan details the strategic focus on innovation.
3. Among the targeted outcomes, new innovations will be encouraged and accelerated, whereby development of innovative adaptation practices, tools and technologies would be encouraged and accelerated. In addition, evidence of effective,

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<sup>1</sup> Contained in the Annex I to document AFB/B.31/5/Rev.1



efficient adaptation practices, products and technologies will be generated as a basis for implementing entities and other funds to assess scaling up.

4. The MTS implementation plan includes the establishment of a micro-grant mechanism to help develop and test innovative adaptation products and technologies, via micro-grants of up to US\$ 250,000, which could be received by the accredited Implementing Entities (IEs) of the Fund, as well as non-accredited entities.

5. In the case of non-accredited entities, the Fund is to partner with one of its Multilateral Implementing Entities (MIEs) to act as an aggregator to enable non-accredited entities to access micro-grants for innovation. In total, four RFPs are expected to be launched<sup>2</sup>; according to the tentative timeline specified in the “Implementation Plan for Medium-Term Strategy”, the first two at UNFCCC COP 24 in December 2018, and March 2020, for total envelopes at \$4 M and \$12 M, respectively, with an even split between Expected Results 3 and 4 (*ER3: New Innovations encouraged and accelerated*, and *ER4: Evidence base generated*<sup>3</sup>). For the non-accredited entities, at least 40 micro-grants total are expected to be made available.<sup>4</sup>

6. In adopting the implementation plan, the Board also decided<sup>5</sup>, *inter alia*:

*32.b) (iii) To prepare, for each proposed new type of grant and funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board’s committees;*

*(iv) Following consideration of the new types of support mentioned in subparagraph (b)(iii), to propose, as necessary, amendments to the Fund’s operational policies and guidelines Fund to better facilitate the implementation of such new types of support; and*

*(v) To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan.*

## Objective

7. The Adaptation Fund’s mission is to support communities in developing countries that are vulnerable to climate change to adapt and become more resilient. Climate change is already affecting the vulnerable communities around the world, and its

<sup>2</sup> Please refer to Annex I for details in Table 1.

<sup>3</sup> For each of ER3 and ER 4, please refer to Annex I for details in Table 1.

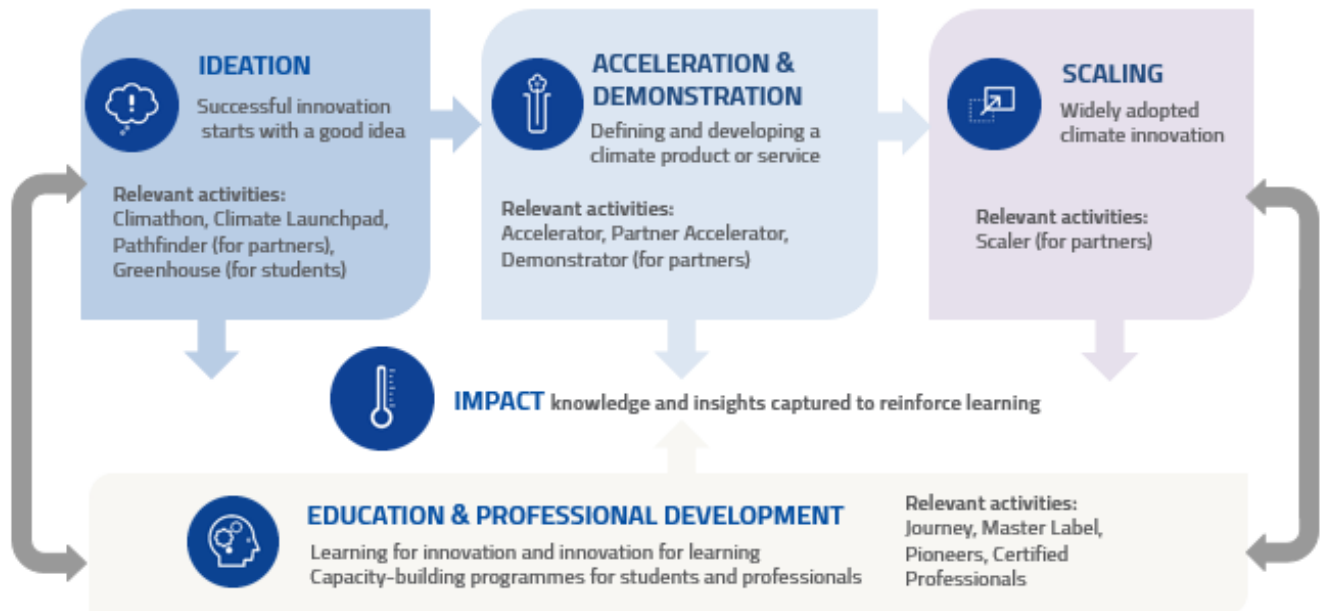
<sup>4</sup> At least 14 grants are expected to be made available to the accredited IEs.

<sup>5</sup> Decision B.31/33

impacts are increasing in severity. The impacts on the weather patterns, water availability, land and soil quality and other direct and indirect factors are affecting some of the most critical functions of biophysical environment, with important implications for food security. In the developing world, where urbanization is taking place at unprecedented rate and often in absence of a strategic approach to planning, the number of urban dwellers who are going to be affected by climate change is growing rapidly. These challenges are potentially compounding social inequities, including gender inequalities, and put the rate of progress towards sustainable development goals at risk. Also, climate change is currently expected to persist for decades, and much of the burden of addressing its effects is inevitably going to fall on the future generations.

8. Against this backdrop, it is clear that climate action must be rapidly accelerated. It is critical to utilize the available funding in a way that is innovative and potentially disruptive in beneficial ways, and catalyzes other processes that can support successful adaptation. Development of innovative adaptation practices, tools and technologies must be encouraged and accelerated. Innovated approaches must be quickly identified and their deployment and demonstration brought about quickly. This is the reasoning behind the strategic focus on innovation, and specifically Strategic Focus 2, Expected Result 3: *New Innovations Encouraged and Accelerated*. (For more information on SF2-ER3, please see Annex 1)

## End-to-end innovation



Credit: Climate KIC

## Provisional Criteria

9. The Adaptation Fund's mission is to support communities in developing countries that are vulnerable to climate change to adapt and become more resilient. In doing so, the Adaptation Fund abides by a number of principles which are reflected in the criteria employed in the routine programming of resources. These include prerequisites such as country, project, and implementing entity eligibility, resource availability. They also include criteria under the implementation arrangements, such as arrangements for project management, risk management, compliance with the Environmental and Social Policy and Gender Policy, budget and breakdown of costs, arrangements of monitoring and evaluation, disbursement and milestone schedule, etc.

10. The proposal to serve as the MIE Aggregator should elaborate small grant proposal review criteria consistent with those used by the Adaptation Fund for resource programming. The criteria for small grant proposal review should be at the appropriate level of detail, given the nature of the grants.

11. In addition to those, given the specific nature of the window on Innovation, the following themes could be emphasized when devising criteria for projects, as well as a subsequent call for small grant funding proposals:

- Urban adaptation
- Food security
- Social innovation
- Nature-based solutions
- Inclusion of youth
- Advancement of gender equality (women and girls' empowerment)
- Focus on communities
- Enhancement of cultural heritage
- Water resources management
- Disaster risk reduction

## Learning: Knowledge and Insights Captured to Reinforce Learning

12. This Strategic Focus represents a new explicitly-stated area of operation for the Fund and, as such, will require special attention and technical support during the current MTS cycle. Establishment, learning, and activities associated with specific ERs are detailed in Annex I. Together, they describe a one-year start-up period spanning March 2018 to February 2019 followed by an initial Request for Proposals in 2019 and a second Request for Proposals in 2020. This pathway is intended **to generate essential lessons** for scaling-up SF2 investments during the next MTS cycle.

13. In addition, the process of learning and knowledge capture is also needed to support the function listed in the Decision B.31/33 (Paragraph 32-b)(v) *To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund...*)

## Call for Expressions of Interest to Serve as MIE Aggregator

14. The AFB Secretariat is currently welcoming expressions of interest in form of proposals by its currently-accredited MIEs with global reach that have the capacity to serve as grant administrators. The entity should be ready to facilitate a technical review process and all associated activities, including communications, in close consultation with the Adaptation Fund, and to develop a mechanism for capturing and disseminating the knowledge generated through the micro-grant-funded actions in a cost-effective way (for example, preferably using existing mechanisms, platforms, and/or networks.)

15. The interested entities will submit a proposal that will describe the programming model, including the review criteria, and process that would apply to the program as a whole. At the same time, at least 28 out of at least 68 small grants<sup>6</sup> will be provided via direct access to Adaptation Fund's national accredited entities (NIEs), which will, therefore, not be administered by the MIE Aggregator. However, it would be important to ensure some consistency and parity between applicant NIEs and non-NIEs, in terms of access to information and other support, process, requirements, criteria, as well as inclusion in the learning-and-sharing mechanism. The entities interested in serving as a MIE Aggregator will discuss in their proposal to the Adaptation Fund how NIEs can be supported by the MIE Aggregator while utilizing the Direct Access modality to access the small grant funding.

16. The MIE Aggregator should have a global reach, so as to be able to provide access to all developing countries eligible for support under the Adaptation Fund. The proposals should include a description of:

- a. Elaborated review criteria
- b. Proposed implementation modality or modalities
- c. Proposed review process or processes
- d. Provisional small-grant proposal review template
- e. A provisional reporting plan, with a view to support the fulfillment of the Decision B.31/33, para 32. b-v
- f. Learning-and-sharing mechanism for the innovation window, in line with the MTS's pillar on knowledge and sharing.
- g. Administration cost or management fee or provisional budget, including for coordination, support for NIEs, and other.

### Timeline

17. The expressions of interest should be submitted to the AFB Secretariat no later than September 17, 2018.

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<sup>6</sup> As per MTS Implementation Plan, please see Annex I.

## Annex I

*Objective:* Support the development and diffusion of innovative adaptation practices, tools, and technologies

*Expected results:*

- ER1 – Successful innovations rolled out. Innovative adaptation practices, tools and technologies that have demonstrated success in one country spread to new countries/regions
- ER2 – Viable innovations scaled up. Innovative adaptation practices, tools and technologies that have demonstrated viability at a small scale piloted at larger scales
- ER3 – New innovations encouraged and accelerated. Development of innovative adaptation practices, tools and technologies encouraged and accelerated
- ER4 – Evidence base generated. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up

*Outcome:* Innovation for effective, long-term adaptation to climate change accelerated, encouraged and enabled

Main activities:

- Launch Innovation Facility
- Build awareness of the Fund's Innovation Facility across adaptation and climate change innovation networks
- Build effective relationships with potential partners and collaborators
- Explore unique/niche opportunities to mobilize public and private resources for the Innovation Facility
- Establish appropriate processes for supporting and reviewing SF2 proposals
- Monitor, evaluate and learn from process-related experiences during current MTS cycle
- Monitor whether activities under SF2 are being implemented and crosscutting themes advanced in-line with the MTS, standards are being met, risks and being managed, targets are being reached and resources are being used efficiently
- Communicate learning from ER 1 & 2 projects, as well as knowledge outputs from ERs 3 & 4, across the international community of adaptation practitioners

**Table 1. SF2-ER3 and ER4: INNOVATION – Support the development and diffusion of innovative adaptation practices, tools and technologies**

Expected Results	Expected Outputs (delivery methods)	Activities	Output indicators	Tentative timeline	Tentative budget
ER3 – New innovations encouraged and accelerated. Development of innovative adaptation	1. A relevant, efficient, effective and sustainable micro-grant (up to US\$ 250,000) mechanism established to develop and/or test innovative	1.1 Develop and launch a relevant, efficient, effective and sustainable Micro-Grant Mechanism through two pilot versions	Numbers of proposals funded under the direct access RFPs: at least 14* Number of innovative	MIE partner(s) proposed to Board in October 2018 and announced at COP 24 (Dec 2018)	Projected grant funding: 1 <sup>st</sup> RFP: ca. US\$ 2 M. 2 <sup>nd</sup> RFP: ca. US\$ 6 M.

practices, tools and technologies encouraged and accelerated	adaptation products (e.g. project management tools) and technologies; <i>link with cross cutting theme 1(vulnerable groups) and 2(gender)</i> 2. At least 14 proposals from Implementing Entities and at least 20 proposals from other entities supported.	1.2 Partner with MIE aggregator to enable Non-Accredited Entities to access micro-grants for innovation 2.1 Issue two RFPs during the 2018-2022 period, both of which will cite requirements to address cross-cutting themes 1 (vulnerable groups) and 2 (gender equality)	adaptation practices, tools and technologies funded through MIE partner: at least 20*	1 <sup>st</sup> RFP for <i>Direct Access</i> issued at COP 24 (Dec 2018) w/ Board decisions slated for Oct/Nov 2019 2 <sup>nd</sup> RFP for <i>Direct Access</i> issued in March 2020 w/ Board decisions slated for Oct/Nov 2020	Grant administration will be done initially with existing resources.  Consultant inputs for assessment of options: US\$ 20,000 twice during 5 years
ER4 – Evidence base generated – Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up	1. A relevant, efficient, effective and sustainable micro-grant (up to US\$ 250,000) mechanism established to generate evidence base effective, efficient adaptation practices, products and technologies, to enable implementing entities and other funds to assess scaling up; <i>link with cross cutting theme 1 (vulnerable groups) and 2 (gender)</i> 2. At least 14 proposals from Implementing Entities and at least 20 proposals from other entities supported.	1.1 Develop and launch a relevant, efficient, effective and sustainable Micro-Grant Mechanism through two pilot versions 1.2 Partner with MIE aggregator to enable Non-Accredited Entities to access micro-grants for innovation 2.1 Issue two RFPs during the 2018-2022 period, both of which will cite requirements to address cross-cutting themes 1 (vulnerable groups) and 2 (gender equality)	Quantity and quality of key findings on effective, efficient adaptation practices, products and technologies generated through direct access: at least 14* proposals  Quantity and quality of key findings on effective, efficient adaptation practices, products and technologies generated through MIE partner: at least 20* proposals	MIE partner(s) proposed to Board in October 2018 and announced at COP 24 (Dec 2018)  1 <sup>st</sup> RFP for <i>Direct Access</i> issued at COP 24 (Dec 2018) w/ Board decisions slated for Oct/Nov 2019 2 <sup>nd</sup> RFP for <i>Direct Access</i> issued in March 2020 w/ Board decisions slated for Oct/Nov 2020	Projected grant funding: 1 <sup>st</sup> RFP: ca. US\$ 2 M. 2 <sup>nd</sup> RFP: ca. US\$ 6 M. Grant administration will be done initially with existing resources.

**Annex 2**



*Empowered lives.  
Resilient nations.*

**Expression of Interest to serve as Small Grant Aggregator under  
the Adaptation Fund**

**The Adaptation Fund's  
Innovation Small Grants Aggregator Platform**

*in partnership with*

**United Nations Development Programme (UNDP)**

17 September 2018

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## Background

1. **As a part of the implementation of the Medium-Term Strategy (MTS) that focuses on the Strategic Focus 2 “Innovation”, the Adaption Fund (AF) has called for an Expression of Interest (EOI) from Multilateral Implementing Entities to serve as Small Grant Program Aggregator. The AF Small Grant Program aims to encourage and accelerate the development and diffusion of innovative adaptation practices, tools, and technologies.**

2. The call for the Expression of Interest to serve as Small Grant Aggregators for AF’s new ‘Special Financing Window in Supporting of Innovation for Adaptation’ identified several desirable qualifications of an aggregator including (i) accredited as MIE; (ii) global reach; (iii) capacity to serve as grant administrator; (iv) readiness to facilitate a technical review and all associated activities such as communications and development of a mechanism for capturing and disseminating the knowledge generated through the AF’s micro-grant funded actions; and (v) cost effectiveness of grant administration from using existing mechanisms, platforms, and/or networks.

### **Why UNDP? Experiences relevant for serving as Small Grant Aggregator and supporting Accelerators for climate change adaptation**

3. Since 1956, UNDP has worked around the globe to eradicate poverty, reduce inequality and exclusion, and promote sustainable human development. Innovation has been a relatively recent addition to UNDP’s portfolio, but has quickly led to new ways of developing public services by using digital technologies and leveraging government data as well as co-designing of public policy with citizens underpins all initiatives. During the UNDP Executive Board Meeting in May 2018, the initiative “Project Catalyst” was launched with the objective to *advance catalytic innovations that support accelerated action to realize the Sustainable Development Goals*. Today, innovation is one of UNDP’s core services. At the heart of UNDP’s innovation agenda is the belief that addressing complex global challenges (of the kind that underpin the Sustainable Development Goals) via incremental change is not enough. We must learn from the emerging “development mutants” that are radically disrupting the development sectors, leverage UNDP’s global presence and local expertise, and tap into cutting edge development approaches.

4. **Global Reach:** UNDP works in more than 150 countries and territories, helping to achieve the eradication of poverty and the reduction of inequalities and exclusion. UNDP supports countries in developing policies, leadership skills, networking, institutional capabilities and building resilience in order to sustain development results. As UNDP works on the ground in all member countries and territories, UNDP is a trusted universal partner in the area of technical development assistance and capacity development. Activities that are facilitated, executed, or encouraged through UNDP’s global network not only generates direct development outputs, but also a rich base of collective knowledge. Since 1998, UNDP has been working on ways to tap into this base of experience in order to allow for accelerated lesson sharing and comparative analysis. The cornerstone of this

effort was the establishment of thematic practices and the institutionalization of global knowledge networks.

**5. UNDP partners with several global environmental funds to catalyze environmental finance for sustainable development:** The key global environmental vertical funds for which UNDP is an accredited implementing entity are those managed by the Global Environmental Facility (GEF): Global Environment Facility Trust Fund (GEF TF); the Nagoya Protocol Implementation Fund (NPIF); the Least Developed Countries Fund (LDCF); and the Special Climate Change Fund (SCCF). In addition to these funds, UNDP is an accredited multilateral entity for the Green Climate Fund (GCF) and the Adaptation Fund (AF). At present, UNDP is overseeing a portfolio of 840 projects with grant investment of US\$3.6 billion, in over 141 countries (2017 figures). This includes overseeing LDCF resources in 47 countries and administering resources from the GCF in 17 countries. Overall, UNDP's portfolio on climate change adaptation is over \$700 million of grant investments. Furthermore, UNDP provides support and access to all developing countries, placing particular focus on Least Developed Countries, Small Island Developing States, as well as countries in post-conflict or crisis status. In short, UNDP has proven track record of effectively and efficiently serving as grant administrator of several multilateral and bilateral development funds with technical, fiduciary, and managerial expertise in appraising proposals; executing and administering project implementation; capturing, codifying, and sharing lessons learned and knowledge; and measuring and evaluating results and impacts of projects/programmes. UNDP also focuses on mainstreaming gender into its projects/programmes and promoting gender equality as well as engaging with other vulnerable groups including indigenous peoples, youth, and persons with disabilities to accelerate adaptation.

**6. UNDP is accredited as AF's Multilateral Implementing Entity (MIE) and has a track record of scaling up demonstration and pilot initiatives:** To date, UNDP has overseen and managed AF resources of over USD 145 millions in 23 countries which accounts for 35% of the total cumulative funding decisions. These UNDP-supported projects have had profound impacts on improving adaptive capacity and/or reducing vulnerability. For instance, with financing from the AF and support from UNDP, the Government of Myanmar is assisting rural villagers living in drought-stricken areas to collect and store water, rehabilitate landscapes of 4,200 hectares of micro-watersheds and support community-based agro forestry, taking climate change risks into account. In Mauritius, an innovative Early Warning System that is supported by state of the art software, capable of predicting sea swells and possible tsunamis, is being implemented in collaboration with the Department of Meteorological Services.

7. Furthermore, in Ghana, to support adaptation innovation, UNDP opened a call for proposals to award small grants (as a sub-grant to AF-funded projects) to local non-governmental, civil society, and community based organizations for the creation of innovative income generating opportunities in livelihood diversification shifting away from climate dependent sectors. These one-year sub-projects (being implemented by four local NGOs in communities in Yidongo, Gorigo,

Adaboya, Vea, Amanga, Kukua and Aliba) are focused on climate change adaptation and aimed at increasing household income and reducing food insecurity, especially among women. In Maldives, following early incubation support (through AF resources) on integrated water resources practices, UNDP is currently assisting the Government to scale up from 1-2 islands to over 40 islands. These are just a sample of instances where early support to test adaptation options have been scaled up to have significant transformative impacts beyond their original intent.

**8. Small Grant Programme Management Experience:** UNDP has over 25 years of proven track record in successfully managing the GEF Small Grant Programme (SGP) that has been recognized as a flagship program by the GEF and partners. The program has cumulatively delivered over US\$ 600 million to finance more than 22,000 projects. These projects have benefited over 17,260 civil society organizations (CSOs) and community based organizations in over 125 countries, among which 40 countries are Least Developed Countries (LDCs) and 37 are Small Island Development States (SIDs), including several countries in post-conflict or crisis status. The joint evaluations conducted by the Independent Evaluation Offices of GEF and UNDP recognized innovation as well as strong scaling up and sustainability impacts of the SGP projects. UNDP has a long established efficient and cost effective small grant management mechanism for SGP that includes the technical review of proposals, grant execution, monitoring and evaluation, learning and knowledge dissemination and exchange platform, communication and reporting to GEF Secretariat, GEF Council and development partners.

9. The UNDP-managed GEF SGP has served as a delivery mechanism for a range of donors in relation to social innovation, including support to small and medium-sized enterprises (SMEs), and acceleration of business solutions. With support from the United Nations Foundation, the SGP established the World Heritage Local Ecological Entrepreneurship Programme initiative to create a loan financing and enterprise development facility that provides affordable loans and enterprise development support to community-based sustainable businesses around protected areas. In addition, with the funding from the Government of Australia, SGP also promoted innovation on community-based adaptation initiatives for the past decade, focusing on LDCs and SIDS on agriculture, land, and water management.

### Experiences in Working with Incubators and Accelerators

10. UNDP has a proven track record in supporting and championing innovation and entrepreneurship at the country level. Some notable examples include:

- In partnership with the Government of Denmark, UNDP established the Innovation Facility as a global mechanism to support innovation for development. The Facility provides

technical support and funding to test frontier technologies and new approaches to deliver better results.

- In St Lucia in the Caribbean, with support from the UNDP-GEF SGP the community of Laborie fisher folks have designed a portable water desalination plant to produce fresh water from sea water. Its technology is relatively inexpensive but effective and can be managed and operated by the communities themselves. This facility has been very successful, replicated in Nauru in the Pacific to alleviate the scarcity of fresh water in times of disasters and fresh water scarcity.
- In Zambia, UNDP’s Climate Action Hackathon, financed by the LDCF, hosted in Livingstone, brought together young software developers from around the world to develop innovative data and communications technologies to share weather and climate information with communities to better prepare themselves for the realities of climate change.
- Rwanda Meteorology Agency (Meteo) and UNDP Innovation Facility, funded by UNDP, have been testing the application of “Internet of Things” (IoT) technology to improve the accuracy and speed of climate and resources reporting. In February 2018, 68 participants in 18 teams gathered in Kigali to pitch their ideas for web- and mobile- based applications, focusing on what the farmers need.
- UNDP helped the Government of Georgia build its very first public sector innovation lab, called ServiceLab. Based at the national level, it focuses on bringing public servants and citizens into one space to co-design a new generation of public services. Four years and several new services later, ServiceLab has been appointed by the Government as the leading entity in the Public Administration Reform process, to advise on the design and delivery of public services.
- UNDP PNG with PNG’s Department of Finance tested a pilot application to increase accountability in the public sector as part of a Provincial Capacity Building Programme funded by the Australian Government. A simple texting app soon became a game changer in the fight against public corruption in PNG.
- In Armenia, following the successful early investment by UNDP in a social innovation incubator (KolbaLab), UNDP went on to establish the ImpactAim Venture Accelerator”, which aims to develop different, field-based acceleration programs to support early stage and established start-ups that address identified gaps of achieving the SDGs. This is seen as the next-step support pillar for impact ventures via direct equity investments or by growing and maturing viable solutions to the more advanced outcome buying market.
- In Viet Nam, UNDP, in partnership with HATCH! VENTURES, organized the SDG Challenge 2017 competition. The event attracted hundreds of applications and launched the Social Impact Incubation Program to provide business consultancy to the winning teams for further project development.
- Despite disadvantaged conservative rural areas, the circumstances of marginalized groups, such as women in the Federally Administered Tribal Areas (FATA), there are some exceptional women, who are teachers, academics, health workers, and social organizers who are breaking barriers in the region. To learn how they do it, and how others can, UNDP partnered with the Human Development Organization Doaba (HDOD) and local innovators DEMO and Accountability Lab to leverage “Positive Deviance” (PD). This concept translates to identifying community outliers, women who push the traditional boundaries, crowdsourcing what works, and scaling it up.

For further details and examples, see **Annex 1**.

## Our Proposal – AF-UNDP Innovation Small Grants Aggregator Platform

11. To serve as AF Small Grant Aggregator, UNDP proposes the establishment of a dedicated window within the organization’s existing and proven mechanisms for incubation and acceleration of innovative ideas focused on climate change risk reduction and/or enhancement of adaptive capacity to manage evolving climate change induced risks.

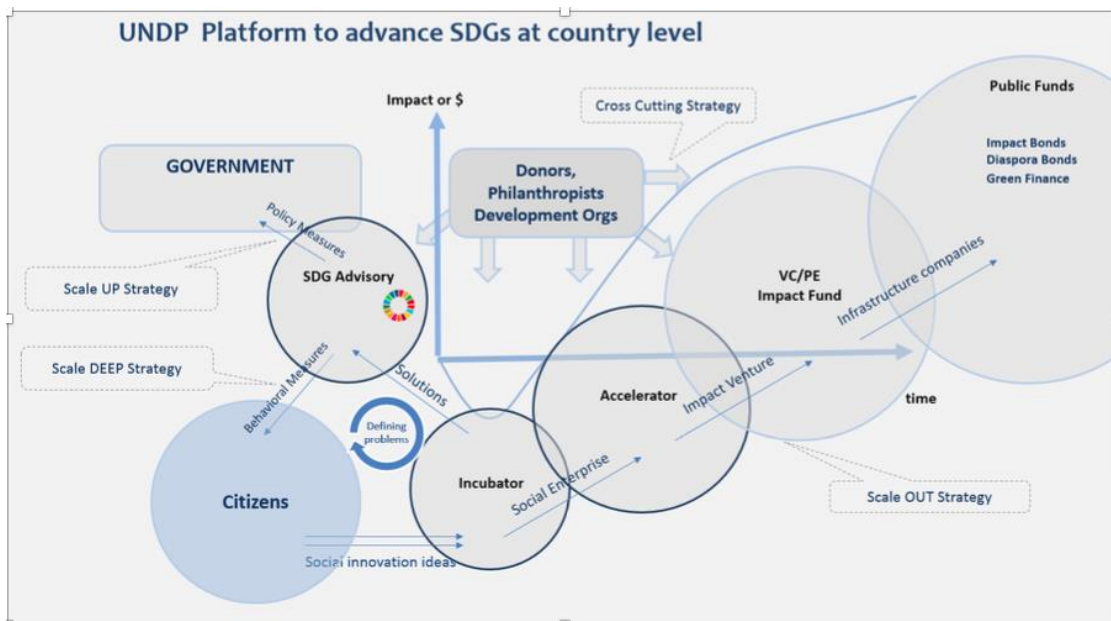
12. The proposed **AF-UNDP Innovation Small Grants Aggregator Platform** will leverage and build upon several ongoing UNDP global service lines to (a) source and select innovative ideas, (b) administer and manage grants (using performance-based payments metrics and modalities), (c) provide technical advisory support on enterprise development, leverage co-financing (from the private sector, foundations and other sources) to support acceleration, and most importantly, (d) promote knowledge and evidence-based learning to scale up innovative solutions for adaptation.

13. The thesis that underpins the **AF-UNDP Innovation Small Grants Aggregator Platform** is that there exists a variety of innovative, potentially scalable, financially sustainable solutions that can support climate change adaptation of people- especially the poor and vulnerable- and ecosystems among the general population which, for a variety of reasons, have not progressed beyond early incubation. To scale these solutions, assistance is required to address four key ingredients:

- *Scaling out* - targeting efforts to increase the number of beneficiaries; replicating of successful solutions, spreading the solutions geographically, reaching a greater number of beneficiaries, disseminating knowledge, and enabling the wide adoption of innovation.
- *Scaling up* - facilitating scaled up impact through policy de-risking, legal modifications; codifying innovation, impact processes, and relevant ecosystems through special laws, policies and designated institutions
- *Scaling Deep* – expanding impact through transformative change in the behavior of people; deepening efforts targeting change in perceptions, relationships and values governing climate risk management.
- *Cross-cutting* - maximizing the effective and efficient use of all available financial and other resources in a coordinated way and building effective partnerships and networks.

(UNDP/UNSIF, 2018)

14. The proposed platform responds to what is well understood within UNDP from experience of working with the universe of impact investors and impact decision-making. Drawing on lessons learned from UNDP’s experiences in supporting incubators and accelerators, the proposed approach draws on key elements of the impact investment ecosystem supported through “institutionalized” functional elements.



15. As depicted above, the proposed approach takes, as a starting point, the prior existence of support for incubation of ideas that have received assistance through systematic innovation design, or through sourcing social innovation ideas and transforming them into early-stage, potentially long-term, financially sustainable solutions. The Small Grants Programme (financed by the GEF, Australian DFAT, and other donors) is an example of such incubation support. UNDP's Youth CO: Lab is another initiative that incubates innovative ideas developed by youth teams in many developing countries. Many others exist around the world such as MIT Development Lab and the Legatum Center, which support entrepreneurship-based development of technologies and innovative solutions for poverty and economic progress. All are potential avenues for discovering promising innovative ideas for adaptation practices, tools and knowledge for scale up with acceleration support with financing support from the Adaptation Fund.

16. In line with the Adaptation Funds' Request for Expressions of Interest, UNDP proposes to provide incubation and acceleration services to these prospective post incubation/pre-acceleration ventures, to further support and nurture social enterprises/impact venture development. This includes crowding in impact venture capital/private equity funds, as well as impact initiatives financed by public funds (Social Impact Bonds, etc.). In other words, Adaptation Fund resources will be largely targeting a scale-out strategy for selected enterprises. This focus will lead to the realization of expected results of AF Strategic Focus 2 Innovation: Expected Results 3: "New innovations encouraged and accelerated. Development of innovative adaptation practices, tools and technologies encouraged and accelerated." As part of the acceleration support, UNDP will also direct AF resources towards results and impacts monitoring to support evidence-based learning. This will contribute towards the Expected Result 4 "Evidence base generated – Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up."

17. Bearing the above principles in mind, the AF-UNDP Innovation Small Grants Aggregator Platform, as called for by the AF's request for EoI, will provide the following services with a primary focus on acceleration support:

- Scouting, sourcing and screening of innovative ideas to scale up adaptation practices, tools, products, and technologies from broad stakeholders and sectors;
- Selection of grantees (based on a defined set of criteria in the Review Criteria section);
- Grant Administration and Management (performance monitoring);
- Technical advisory support (business development, legal support, etc.);
- Leveraging financing from private and public sources;
- Capacity building to non-accredited entities to access micro-grants for innovation;
- Networking and mentoring across grantees including non-accredited entities;
- Monitoring, capture, codification and knowledge exchange; and
- Aggregation of results and impacts, lessons learned and best practices.

18. The AF-UNDP Innovation Small Grants Aggregator Platform for accelerating adaptation action in developing countries will leverage:

- **GEF Small Grants Programme, implemented by UNDP (SGP)** - for globally sourcing ideas from civil society organizations and community based organizations, including vulnerable and marginalized communities. SGP has a well-functioning Country Programmes in 125 countries globally, including an established National Steering Committee (NSC), Technical Advisory Group (TAG) for specific thematic portfolio, an SGP National Coordinator (NC), and technical support from the regional and global levels for channeling financing and managing small-scale projects. SGP Country Programmes have proven track records in effectively managing portfolio of regular grants (up to \$50,000), strategic grants (up to \$150,000), and global/regional grants (up to \$250,000). The primary donor to the SGP has been the Global Environment Facility (GEF), with other donors including the Australian Department of Foreign Affairs and Trade (DFAT) for community-based adaptation in SIDS and in the Asia-Mekong regions, United Nations Foundation for SME development and business development support, Government of Japan through Secretariat of Convention on Biological Diversity on the Satoyama Initiative to enhance resilience in socio-ecological production landscapes and seascapes, German International Climate Initiative (IKI) for the management of Indigenous Peoples and Community Conserved Areas and Territories (ICCAs), Government of New Zealand for the capacity development of communities on environmental issues in the Pacific region, and others. UNDP has served as the implementing agency for the SGP since its inception in 1992, developing a wealth of operational and programmatic experience over its twenty-five year history;
- **UNDP's Innovation Facility**, financed by the Government of Denmark. The facility will be leveraged for technical support to collaborators to scan the horizon for future orientated ways of addressing complex development challenges, identify and secure seed financing, support the design and testing new ways of working and convene and crowd in network of entrepreneurs and investors across 170 countries and territories to explore new approaches to increasingly complex development challenges;
- **UNDP's SDG Impact Finance Team** brings together venture philanthropists, foundations, corporations, government and private investors to chart a new course toward creating a



collaborative financing impact financing models. Practically, UNSIF is supporting various channels of private sector involvement in targeting SDGs mostly based on impact investments approaches. Besides policy an advocacy measures, these include impact measurement and management framework implementation, impact finance research, and facilitation work with impact funds and impact accelerators. Following a successful pilot (ImpactAIM accelerator launched November 2017 in Armenia), UNSIF is currently supporting set-up of similar structures in Indonesia, India, Serbia, Sri Lanka in 2018-2019 and working on creating Impact Accelerator Network Facility that will:

- Serve as a catalyzer to spreading new approach - acceleration of SDG targeting impact ventures - effectively integrating this approach with traditional projects of UNDP, reshaping capacities of its Country Offices and enabling them to structure complex investible initiatives targeting SDGs.
  - Assess feasibility of impact accelerators in specific country ecosystem, plan and outline their parameters, become a centralized source for know-how, acceleration curriculum, mentors base, funding opportunities for the accelerated impact ventures.
  - Provide and support common Impact Measurement and Management framework and methodology in the context of contribution to SDGs.
  - Assist in transferring and expanding successful SDG targeting impact solutions across the borders.
  - Provide global visibility, promotion, incentives via events, awards and exposure to new markets as well as individual and institutional impact investors.
- **Youth CO: Lab Springboard Program.** Co-created in 2017 by UNDP and the Citi Foundation, Youth CO:Lab is a pre-incubation platform for young SDG innovations, aiming to capture and extend the lifespan of ideas sparked during Innovation Challenges and Hackathons, and to provide young social entrepreneurs with networks and resources to increase their impact, employment capability and revenue. It is a skills platform using mentoring, knowledge exchange, networking and showcasing as approaches to provide different skill development opportunities for young social entrepreneurs. In addition to supporting youth entrepreneurship, Youth CO:Lab also works closely with multiple stakeholders across the region, including governments, civil society and the private sector, to strengthen the entrepreneurship ecosystem and policy support to better enable young people to take the lead on new solutions that will help meet the SDGs.
  - The **UNDP Global Environmental Finance Unit** supports developing countries to access grant investments from vertical funds such as the Global Environmental Facility, Green Climate Fund, Adaptation Fund, Least Developed Countries Fund, and Special Climate Change Fund (SCCF) as well as bilateral sources. Currently, this unit manages more than USD US3.6 billion of resources from various global funds. The resources are largely directly used by countries, with oversight from UNDP, to address country priorities on climate action relating to adaptation, mitigation, sustainable management of biodiversity and ecosystems, sustainable affordable and accessible energy services, sustainable management of chemicals and waste and improve water and ocean governance. The extensive support that UNDP provides to countries to access finance for strengthening enabling environments and on-the-ground concrete actions in each of these areas are a critical platform for the eventual long-term sustenance of targeted efforts on accelerating innovation.

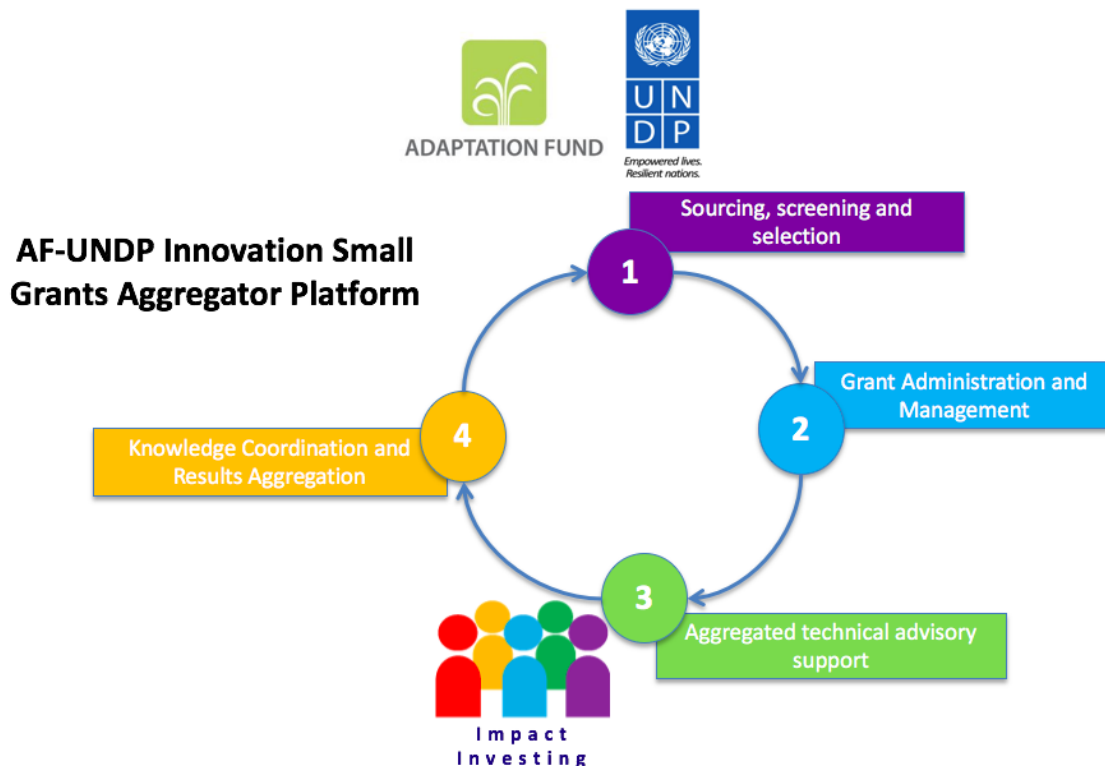
19. The leveraging of these existing initiatives within UNDP as well as our global networks will ensure that AF resources dedicated for supporting innovation for adaptation are maximized in terms of reaching grant recipients and creating impact, while minimizing the cost in setting up a function grant administration mechanism and the provision of top-notch expertise to assist grant recipients to crowd in private and public resources to support acceleration and post-acceleration growth and achieve sustainability of results and impacts.

## Details of the Offer

### How will it work?

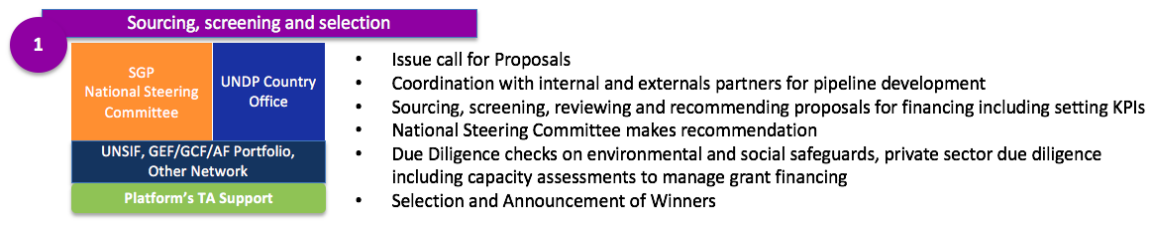
20. The proposed **AF-UNDP Innovation Small Grants Aggregator Platform** (hereafter referred to as the 'Aggregator Platform') will provide an effective end-to-end platform to attract and accelerate innovative ideas to address pressing adaptation challenges at scale. The Aggregator Platform will lean on a simple 4 step process, listed and illustrated below:

1. Sourcing, screening and selection of innovative projects
2. Grant Administration and Management
3. Aggregated Technical Advisory Support
4. Knowledge Coordination and Results Aggregation (including for Direct Access Supported Entities by the Adaptation Fund)



21. The AF-UNDP Small Grants Aggregator Platform will involve four key functions:

### Sourcing, screening, and Selection



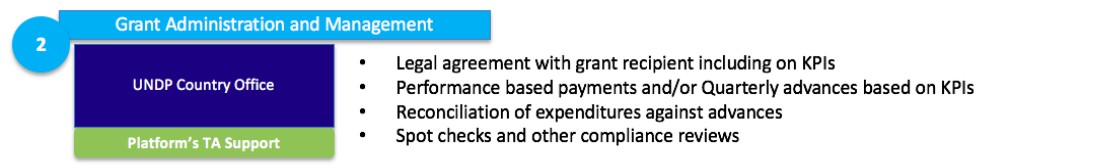
22. The Aggregator Platform will develop a dedicated Call for Proposals at the national level utilizing a variety of mechanisms including the Small Grants Programme, the network of UNDP Country Offices, UNSIF's impact acceleration pilots, Youth CO: Lab, and UNDP's Innovation Facility. The sourcing will be augmented by leveraging the reach of other partners to the Platform (e.g. other UN organizations, MIEs/DAEs to the AF, etc.). Proposals will:

- Go through an initial screening (for example, the SGP National Coordinator with support from a Technical Advisory Group will screen proposals for eligibility) based on specific criteria (see below in the Review Criteria Section) and create a long-list of potential proposals;
- The long-list will be assessed further against the same criteria, but in more depth, using Artificial Intelligence technologies, followed by a vetting of the AI identified options, by a Technical and Business Advisory Group. This will result in a short list of proposals;
- The short list will be submitted to a Vetting Committee convened by the Aggregator Platform at the global level to identify and recommend for approval those proposals that are the most promising for acceleration support. The Vetting Committee will be comprised of UNDP Staff (including the Global Environmental Finance Unit, SGP Central Programme Management Team (CPMT), UNSIF, Youth CO: Lab, UNDP Innovation Facility), as well as selected global leaders on venture capital (such as 500 Startup). Key Performance Indicators (KPIs) for those entities that are to be supported will be recommended. As part of this process, the Vetting Committee and the Technical Business Advisory Group will also identify candidates whose proposed enterprises for acceleration support present opportunities for potential reflows to the Aggregator Platform from eventual revenues/profits. A recommendation to employ UNDP's income contingent grant award option will be examined for such candidates (if selected);
- To foster country ownership, the vetted and recommended list for acceleration support will then be shared with the SGP National Steering Committee (NSC) for selection. The SGP NSC will be provided with guidance on the number of proposals that can be selected given availability of funding. Furthermore, to enable accelerated selection of projects, we may also consider national level selection process in consultation with the global Vetting Committee, particularly for smaller incubator related grant projects, as relevant;
- Those proposals selected by the NSC will then be subject to due diligence checks. UNDP Country Offices, in coordination with the SGP NSCs, will undertake due diligence checks

(on environmental and social safeguards, as well as private sector enterprises); including capacity assessments to manage funds in line with UNDP policies and procedures. Those that receive a clear due diligence report can be forwarded to the NSC for endorsement.

- Announcements of Winners will follow at both national and global levels.

## Grant Administration and Management



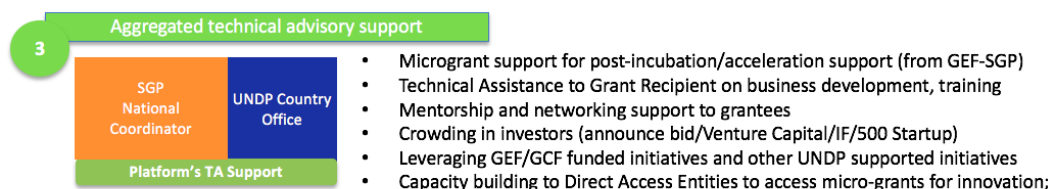
23. The Platform will leverage UNDP’s country presence and extensive experience with implementation and management of vertical fund projects at the country, regional, and global levels. Following Endorsement by the SGP National Steering Committee, prospective entities will enter into legal agreements including KPIs.

24. It is envisaged that prospective recipients of Acceleration Support could benefit from the following range of assistance:

- All will receive technical assistance support (see below (Step 3) for the type of Technical and Business Advisory Support that will be available);
- Grants of up to \$50,000 (approx. 15 grants);
- Grants of up to \$75,000 (approx. 15 grants);
- Grants of up to \$75,000 (approx. 8 grants);
- Grants of up to \$250,000 (approx. 10 grants);

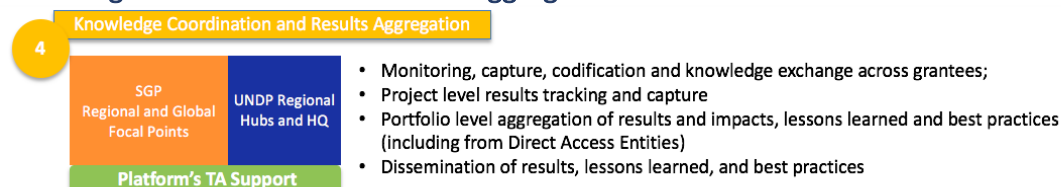
25. Payments will build on UNDP’s experience with grant awarding including via the SGP mechanism. Payments will be based on the achievement of an agreed set of adaptation relevant KPIs (i.e. performance based). For those selected proponents identified as possible candidates for revenue sharing with the Aggregator Platform, UNDP’s income contingent grant award instrument will be utilized. The return of payments made will be utilized to support new ventures in future calls. For all others, the straightforward grant instrument will be employed. Furthermore, all recipients of assistance from the Aggregator Platform will also be required to provide mentoring support to other participants in the Acceleration Platform. A Community of Practice will be fostered to allow for that exchange and cross support.

## Aggregated Technical Advisory Support



26. UNDP will leverage a number of its internal service lines and capacities to direct targeted technical advisory support to grant recipients, including the Small Grants Programme, UNDP's Acceleration and Innovation Facility, UNSIF Team and Global Environmental Finance Unit<sup>7</sup>, in partnership with global leaders on venture capital (such as 500 Startup), will work to provide a variety of support services to selected Grantees to crowd in alternative and additional financing to augment resources from the AF. Possible options include the provision of micro-grants for post-incubation/acceleration support including at the national level from the SGP and others, technical assistance and mentoring support as well as crowding in investors from UNDP's Innovation Facility and UNSIF, as well as identifying opportunities to leverage GEF/GCF/AF and other UNDP supported initiatives.

## Knowledge Coordination and Results Aggregation



27. The Aggregator Platform, with AF resources, will support knowledge exchange and learning across the portfolio of grantees. The Platform will facilitate generation and codification of knowledge including case studies, lessons learned, best practices, as well as technical reports related to business intelligence, market analytics, investment appraisals, etc. The Platform will also serve as a 'Results Aggregator' ensuring results tracking and monitoring across the portfolio of grantees, coordinating additionally with Direct Access Entities supported under the AF window. At the grant level, beneficiaries will be required to submit information on progress toward KPIs in the form of grant reports through the SGP National Coordinator, who will support monitoring and draw results and lessons from the project/portfolio. Results, lessons learned, and best practices will be disseminated through the AF-UNDP Innovation and Acceleration Network, including with target AF national implementing entities (NIEs) as well as the SGP Global Digital Library, UNDP's and AF's Knowledge Management Portals on Climate Change Adaptation, UN SDG Knowledge Platform, and

<sup>7</sup> See **Annex 1** for examples of what these sub-units in UNDP have and continue to achieve that forms a sound basis for leverage.

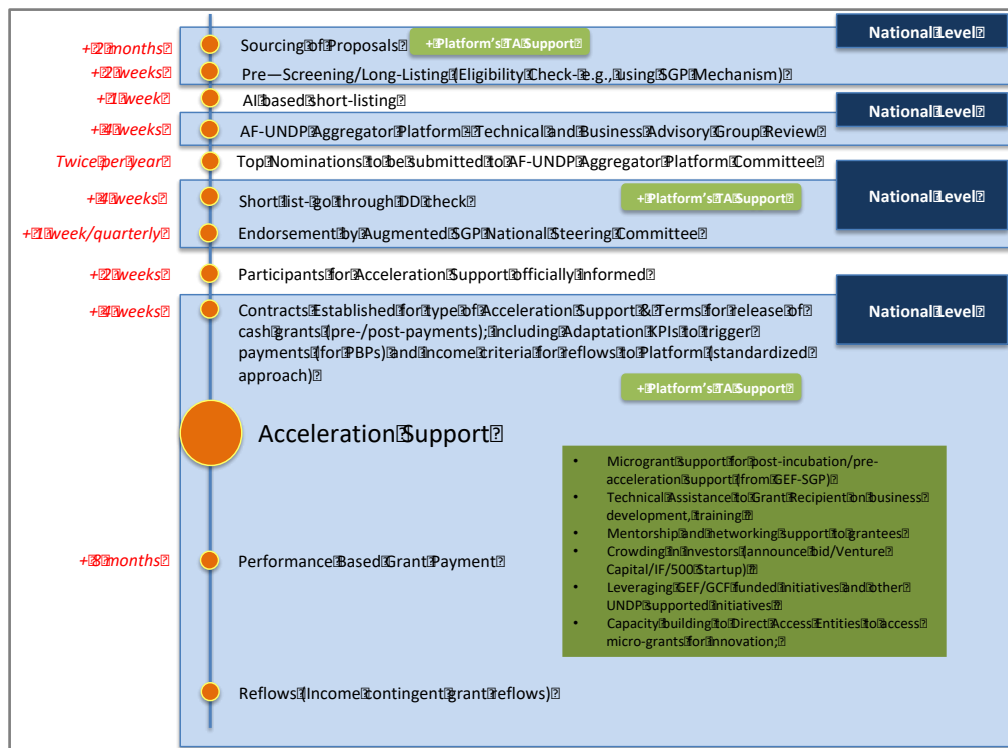
other global KM platforms. Technical assistance will be provided under the Platform to ensure evidence-based learning to scale-up innovation for adaptation.

28. Grant recipients will also be supported to develop and implement impact measurement and monitoring frameworks based on ongoing cutting-edge approaches. As per the AF's MTS and Implementation Plan, expected results and impacts captured will focus on new innovations encouraged and accelerated; development of innovative adaptation practices, tools, and technologies encouraged and accelerated ((ER3); and evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up (ER4). The results captured will be utilized for consultation, learning, and knowledge sharing at the national, regional, and global levels to maximize the potential for replication and cross-fertilization among project developers, entrepreneurs, investors, and policy makers.

### Anticipated Timelines

29. Grant awards will be based on 4 calls for proposals, to be made in Oct 2019, Aug 2020, Feb 2021 and Aug 2021. A call for proposals template will be developed at the global level, which will be customized and translated to be disseminated at each selected participating countries (for example, via the SGP). It is envisaged that the cycle for a single Call for Proposals will involve the following timelines:

- Sourcing and submission of proposals: Approximately 2 months from the Call for Proposals. During this time, interested project proponents will prepare and submit their proposals to UNDP, through the SGP Country Programme as well as other channels. The Aggregator Platform's technical personnel will provide necessary guidance and support to ensure that the Call results in a healthy pipeline of initiatives.
- Review and selection of projects at national and global levels (refer above on Review and Selection process): Approximately 3 months. This includes time for:
  - Up front interaction with project proponents and the provision of technical and advisory support to determine the suitability of submissions for incubation and/or acceleration support;
  - Review and recommendations by the AF-UNDP Aggregator Platform Committee.
  - Shortlisting of proposals by the NSC for approval
  - Due diligence checks on short listed proponents
  - Approval/endorsement by the SGP National Steering Committee.
- Contracting by UNDP of entities: Approximately 4 weeks. This includes negotiating on terms for reflows to the Platform, where possible.
- The provision of Acceleration Support will be over a period of (minimum) 8-16 months
- Payments will be made based on achievement of KPIs. Based on UNDP's operational experience, payment could be made in tranches based on reporting (i.e. delivery/achievements of milestones and KPIs) depending on the capacity of the proponents.



## Review criteria for the selection of proposals

30. Proposals for support from the **AF-UNDP Innovation Small Grants Aggregator Platform** will be assessed against the following criteria:

**(a) Addressing climate change induced risks.** The proposal should relate to a sector identified at the national level (i.e. through NDCs, NAPA or National Communications) that is particularly vulnerable to climate change including variability and align with AF's priority themes, i.e., urban adaptation, food security, nature-based solutions (ecosystems approaches, land-based issues), water resources management, disaster risk reduction.

**(b) Addressing the adaptive capacity or resilience of a community to climate change., including vulnerable and marginalized peoples:** The AF Innovation and Acceleration programme is expected to support projects, which either increase the adaptive capacity of a community, or increase their resilience (including, for example, by increasing the resilience of the natural systems on which they depend) to climate change, including climate variability, as well as in the formation of resilient social networks. Special attention will be made in addressing increased capacity of



women and girls, indigenous peoples, youth, and peoples with disabilities who are particularly vulnerable to climate risks;

**(c) Assessment of community vulnerabilities.** Proposed projects will be based on the application of the innovation assessment methodologies and will describe the characteristics of community vulnerability and options considered to accelerate tried-and-tested solutions to climate change risks;

**(d) Cross-scale policy and acceleration potential.** Proposed AF Innovation and Acceleration projects will identify and engage tested solutions for potential replication, up-scaling, or integrating of the innovations to be supported, and describe a process to support such processes (e.g. holding knowledge fairs to promote replication, engagement of social impact investors etc.);

**(e) Results Tracking and Monitoring.** Proposed AF projects will include a description of the approach for tracking and monitoring baseline and activities to monitor indicators of vulnerability, acceleration potential, and social impact benefits (using the 2030 Sustainable Development Goals targets as a benchmark). How the baseline and indicators are measured and reported should be clearly defined by the proposal.

**(f) Learning and Knowledge Sharing.** The Proposal should provide a clear learning and knowledge sharing approach to learn from and share lessons with other stakeholders or other project developers.

**(g) Replicability and Scalability** will be achieved at the global level (through the provision of key lessons learned based on Adaptation Fund-identified acceleration potential); national level (development of national capacity to support innovation); and local level (innovative know-how among local NGOs and CBOs to encourage a scaling up of tried-and-tested solutions), including through crowding-in the private sector and social impact investors.

#### **Innovation for Adaptation Criteria**

**(h) Different or Better.** The proposed idea must be an improvement over existing solution or new solution that is different than the existing adaptation solutions. It must have an added value over and above what the target beneficiary is currently using to solve the adaptation problem that they are facing. These innovative solutions could be new technologies and approaches, but also building on/or reviving traditional knowledge of indigenous peoples and local communities. The proposal must also show potential for systemic intervention.

**(i) Delivers Value/Solves an Adaptation Problem.** The proposed idea must address a specific and sizable adaptation problem that is incurring a cost (either in cash or in kind) to the target beneficiary. It must deliver value and or impact that can be quantified so that target beneficiaries will be willing to pay (in cash or in kind) for it. It is important to distinguish “wants” versus “needs” – if they need it, they will value it; however, even if they may want it, it may not be a necessity.

**(j) Doable/Practical.** The proposed idea may be a remarkable idea but if it is beyond the capability of current technologies and not on the cutting-edge of technology development path, it will be difficult/costly to develop the product/service and also will be difficult to convince the target market that they need it. The majority of markets value proven technologies that provide potential solutions that are also testable. Capacity, commitment and track record of the proposal developers are also crucial in determining whether the idea can be realized and further developed into a successful venture.

**(k) Cost/Benefit.** The proposed idea must clearly illustrate its core value proposition that the target audience need. It must solve a problem at the affordable price point. If the benefit (perceived or actual) of the proposed idea is less than the current cost of addressing the problem, it will not attract any users- especially paid users.

**(l) Gender Equality and social inclusion.** The proposal should describe how the project would adhere to the AF's Gender policy including gender mainstreaming and women's empowerment. The proposal should ensure that women and men are provided with an equal opportunity to build resilience, address their differentiated vulnerabilities and increase their capability to adapt to climate change impacts. The proposal should illustrate how gender equality is imbedded in the project design, consultation, implementation, monitoring, reporting, and evaluation.

**(m) Environment and Social Policy.** The proposed project must comply with AF's latest Environment and Social Policy. A summary of the initial screening of potential impacts and risks should be included in the proposal. The proposal should include a brief plan to mitigate potential impacts and risks, if applicable.

**(n) Procurement and Financial Management.** The proposal should clearly define transparent and efficient procurement procedures, including competition. Furthermore, the proposal should describe procedure to (i) record financial transactions and account balances and (ii) manage and disbursing funds according to the project objectives. This procedure should be in line with acceptable financial management good practices. Financial and budget plan as well as financial audit should be carried out at least once per year.

**(o) Risk Assessment and Management.** The proposed project should provide a brief risk assessment in relevant aspects of the project idea. Risk mitigation measures should also be provided.

### Provisional small-grant proposal review template

31. The proposal review template is designed based on an evaluation matrix approach for ranking all proposals according to the review criteria proposed in Section B. Priority aspects of the criteria will receive relatively higher weight than other criteria. The scoring of each criterion is based on a

five-point scale. Reviewers will be provided with guidance on how to consistently assign a particular score for a criterion. The scoring range starts from 1, which signifies that the proposal does not provide a robust response and supporting evidence to a particular criterion. A score of 5 is given for a strong response that is supported by clear and relevant evidence to a particular criterion. The review guidance and weighting scheme will be provided at the Request for Proposal Stage. A provisional proposal review template is provided below:

### Scoring Template

Scoring: 1 = low, 2 = moderately low, 3 = moderate, 4 = moderately high, 5 = high		Climate Vulnerability and Alignment with National Policy	Addressing Adaptive Capacity	Assesment of Community Vulnerability	Acceleration Potential	Monitoring	Learning and Knowledge Sharing	Subtotal	Comment
1	Project A								
2	Project B								

Scoring: 1 = low, 2 = moderately low, 3 = moderate, 4 = moderately high, 5 = high		Different, New, or Better	Delivers value / Solves Adaptation Problem	Doable / Practical	Cost / Benefit	Subtotal	Comment
1	Project A						
2	Project B						

Scoring: 1 = low, 2 = moderately low, 3 = moderate, 4 = moderately high, 5 = high		Gender Equality	Environment and Social Policy	Procurement and Financial Management	Risk Assessment and Management	Subtotal	Comment	Total	Overall Comments
1	Project A								
2	Project B								

## A provisional reporting plan

*(with a view to support the fulfillment of the Decision B.31/33, para 32. b-v)*

32. At a minimum, an annual report will be required as per Decision B.31/33, para 32. B-v), which states that “(v) *To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan.*” The Annual Monitoring Report will be prepared to support the fulfillment of the Adaptation Fund Board Decision B.31/33, para 32. B-v The Annual Monitoring Report will cover the detail performance of UNDP (as the AF’s Small Grant Aggregator) and description of each grantee; and will also provide an overview of the Small Grant portfolio managed by AF through direct access mechanisms and the lessons learned.

## Suggested Annual Monitoring Report - Provisional Table of Contents

Executive Summary

Overview of the Adaptation Fund's Innovation Small Grants Aggregator Platform

- Project Implementation Modality
- Innovation Discovery Process
- Grant Approval Process
- Proposal Review Criteria and Results
- Impact Measurement and Monitoring Framework
- Learning and Knowledge Sharing Platform

Portfolio Financial Report

- Distribution of Resources Dedicated for Projects by Thematic/Cross Cutting Areas
- Distribution of Projects by Region/Typology of Countries (LDCs/SIDS etc)
- Diversity of Grantee Partners

Results from Portfolio

Capacity Development Results at the Portfolio Level

Knowledge Sharing and Exchange Results

Measures Undertaken to Address Gender Equality

Measures Undertaken to Address needs of youth, people with disabilities and indigenous peoples

Impact Measurement from Acceleration Support

Risks and Risk Mitigation Strategies

Contribution to Agenda 2030/Sustainable Development Goals

### **Learning-and-sharing mechanism for the innovation window, in line with the MTS's Pillar on Knowledge and Sharing**

33. The learning and sharing mechanism proposed for the AF-UNDP Innovation Small Grant Aggregator Platform will encourage cross-fertilization, scaling up and replication, and problem solving which is in line with the following: AF MTS's Pillar on Knowledge and Sharing, or Strategic Focus 3 (SF3) Learning and Sharing about adaptation finance and action with the following expected results; ER1 Lessons Learned and Shared; and ER2 Knowledge and Guidance Developed.

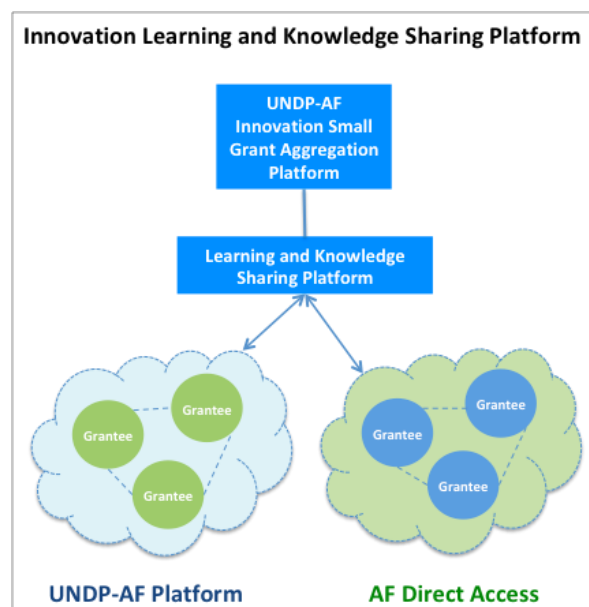
34. Since learning and knowledge sharing are one of the critical factors that feed into innovation as well as replication and scaling up processes, AF-UNDP Innovation Small Grant Aggregator Platform will allocate resources to facilitate learning and knowledge sharing. This will build on what

existing lessons, knowledge, indigenous culture and wisdoms and the rich diversity of experiences and lessons from ongoing initiatives. For example, capitalizing on SGP's experience of setting up a Global Citizens Knowledge Platform or UNDP's work on South-South Cooperation, Knowledge Fairs and other initiatives is seen as an effective and efficient way to operationalize knowledge sharing founded on the work of the Aggregator Platform.

The main objective of a Knowledge Platform associated with the Aggregator Platform will be to support learning and sharing of adaptation finance and actions at national, regional and global levels, through AF small grants channeled via multilateral or direct access channels. Potential activities that could be supported include: knowledge identification, codification, capturing, validation, and packaging periodically to (a) support scaling up efforts; (b) build knowledge management capacity of grantees including youth and women group; and (c) outreach. This Knowledge Platform will utilize all available mediums and communication channels such as social media to encourage exchange of data, information, blog and working paper, ideas, lessons learned, open source code and applications, case studies, good practices, and etc.

35. To broaden the knowledge base, UNDP will facilitate a virtual linkage between the Knowledge Platform and network of leading incubators, accelerators, innovation labs, and climate change adaptation practitioners. To deepen knowledge creation and sharing, result driven knowledge sharing events (such as hackathon, innovation fair, product showcase), will be organized together with UNDP's public and private partners. Both Knowledge Platform and Knowledge Sharing Events will be open for both grantees awarded by the UN-AF Innovation Small Grant Aggregator Platform and grantees awarded by AF's

direct access mechanism. A strategic communication and dissemination program will be developed and implemented to enhance the transparency and visibility of the AF-UNDP Partnership for Small Grant Program among development partners and other stakeholder. The strategy will build on what exists, rather than inventing the wheel. For example, while SGP could possibly lead at the national level, a number of UNDP and AF mechanisms could also be employed to maximize on efficiencies at the regional and global level.



## Provisional Project Budget

Item	2019	2020	2021	2022	2023	Total	Notes
<b>Grants</b>							
Accelerator Grants		1,525,000	3,450,000	1,000,000		5,975,000	1
<b>Technical Support to Accelerators</b>							
IC (Business Dev. Advisor, Legal Support, Sourcing)	20,000	150,000	150,000	150,000	100,000	570,000	2
<b>Learning and Knowledge Sharing</b>							
M&E (Surveys, Results, Indicators, KPIs, country level vetting)		21,000	42,000	42,000	42,000	147,000	3
KM (codification, knowledge exchange/lessons/ best practices)			60,400	57,000	91,600	209,000	4
Travel		8,000	10,000	10,000	6000	34,000	5
APR/MTRs/TE		5,000	25,000	5,000	30000	65,000	6
<b>Project Management Costs</b>							
Project Management (administration support, finance associate, associated GEF/SGP admin. cost)	30,000	90,000	90,000	90,000	60,000	360,000	7
<b>Project Budget (sub-total)</b>	50,000	1,799,000	3,827,400	1,354,000	329,600	7,360,000	
<b>AE Oversight Fee</b>							
Agency oversight costs (for project cycle management and oversight costs)						640,000	8
<b>Total Budget</b>	50,000	1,799,000	3,827,400	1,354,000	329,600	8,000,000	

Unit: United States Dollar

Notes:

1. These amounts will be used for Grant awards (in UNDP terminology, these grants are referred to as Low Value Grants). We include here the likely schedule for payments, which can be further refined based on discussions with the Secretariat.

:

2019	2020	2021	2022	2023
<b>Program Start</b>	<b>June- 14 Grants Awards (Response to 1<sup>st</sup> Call):</b>	<b>Jan - 11 Grants- Awards (Response to 2<sup>nd</sup> Call):</b>	<b>Jan - 4 Grants- Awards (Response to 4<sup>th</sup> Call)</b>	<b>Project Close</b>
	5xUS\$50,000; 5xUS\$75,000; 2xUS\$200,000; 2xUS\$250,000 = US\$ 1,525,000	5xUS\$50,000; 5xUS\$75,000; 3xUS\$200,000; 2xUS\$250,000 = US\$1,725,000	4xUS\$250,000 =US\$1,000,000	
<b>Oct- 1st Call for Proposals</b>	<b>Aug- 2nd call for proposals</b>	<b>Feb- 3<sup>rd</sup> Call</b>		
		<b>Jun - 11 Grants- Awards (Response to 3<sup>rd</sup> Call):</b>		
		5x\$50,000; 5x\$75,000; 3x\$200,000; 2x\$250,000 = US\$1,725,000		
		<b>Aug- 4<sup>th</sup> Call</b>		

2. Hiring of technical specialists on business development, legal, etc.) to support both grant recipients and others:

Y1: \$500x40 days;

Y2-Y3: \$500x100 daysx3 persons;

Y4: \$500x100 daysx3 persons.

3. Specialist and SGP cost associated for M&E (surveys, results, indicators, KPIs):



Y2: US\$500x42 days;

Y3-Y5: US\$500x84 days

4. Costs associated with bringing grant recipients together to share experiences, exchange knowledge through knowledge fairs/workshops/digital media. Provision made to bring 3-4 awardees from the direct access window of the AF as well for each annual knowledge exchange, commencing in year 3.

Y3: @3,400 (ticket/DSA x 16 pax + Resource Person(s) (\$10,000 = \$500x12 days));

Y4: @3,400 (ticket/DSA x 15 pax + Resource Person(s) (\$4,000 = \$500x12 days));

Y5: @3,400 (ticket/DSA x 24 pax + Resource Person(s) (\$4,000 = \$500x20 days)).

5. Travel costs estimated using on average US\$3000 per trip (economy airfare plus DSA). Amounts for each year reflect likely travel required.

6. Cost of APR/MTR/TEs based on average costs based on experience for AF projects.

7. Includes cost of:

Project administrator (\$50,000/year);

Finance associate (@US\$40,000 per year); and

Associated SGP administrative cost.

First and last year, costs are pro-rated for estimated months when project management functions are likely to be required (2 months and 9 months, respective).

8. The Accredited Entity Fee is 8% based on UNDP's Executive Board policy for minimum cost recovery.

Note: All figures provided in the Provisional Project Budget are tentative, subject to change based on a thorough market analysis. They are presented above to indicate likely cost envelopes. Final estimates will be provided when/if UNDP is invited to submit a full proposal

## UNDP Team Designing the Project

**Pradeep Kurukulasuriya** leads the United Nation Development Programme's support to countries seeking to access climate finance from various sources including the GEF Family of funds, Adaptation Fund, and the Green Climate Fund. With a team of Regional Technical Advisors and Specialists located in UNDP's Regional Hubs around the world, Pradeep provides the technical and management leadership required to oversee a climate change adaptation portfolio that is active in more than 90 countries around the world. An economist by training, he holds a PhD from Yale and publishes regularly on the subject of economic valuation of climate change impacts and adaptation.

**Srilata Kammila** is a Regional Technical Advisor working on Climate Change Adaptation across a number of UNDP supported programmes in Asia and Africa supporting countries in accessing bi-lateral and multi-lateral environment finance. Srilata has wide expertise in developing policies and programs related to climate-resilient technologies and practices, livelihoods, and energy access with particular focus on working with the private sector, including MSMEs, in advancing low-emission, climate resilient development. Srilata holds a Bachelor of Science degree from University of Alberta in Canada and a joint Masters in Business Administration from MIT and Master of Public Administration from Harvard, USA.

**Artak Melkonyan** works on introduction of impact investment approaches to address financing of SDGs through engagements with private sector under various formats: accelerators, investment funds and PPP projects. He set-up ImpactAIM, UNDP's first pilot impact accelerator and contributed to Acceelrate2030 initiative between UNDP and ImpactHUB. Artak has 25-year track record of exposure to businesses and non-profit projects in over 40 countries. Before joining UNDP, he headed a venture philanthropy fund in Eastern Europe; prior to that he was Senior VP with Dun & Bradstreet and led the expansion of the company's financial infrastructure business in Middle East, South Asia and Africa. His previous experience includes management roles in private equity fund, Big4, banking and top government. Artak also served as Dean of Business at French University of Armenia, taught courses in American University of Armenia and Public Administration Academy of Armenia. He holds master degrees from AUA and State Engineering University of Armenia, as well as graduated executive programs at Georgetown University and INSEAD.

**Terence Hay-Edie** is a Programme Advisor for the Global Environment Facility Small Grants Programme (SGP), implemented by UNDP. Since its inception in 1992, the SGP has provided cumulative funding of over \$800 million to civil society organizations in 128 countries worldwide. Over a fifteen-year period, Terence has developed numerous partnerships and cost sharing agreements with bilateral and multilateral donors which have used the SGP delivery mechanism for the provision of small grants in relation to biodiversity, climate change adaptation, and business development support to SMEs. Terence holds a PhD in Social Anthropology from the University of Cambridge, and Masters and Undergraduate degrees from University of Oxford.

**Yoko Watanabe** heads the GEF Small Grants Programme, implemented by UNDP, as its Global Manager based in New York. She manages and provides leadership to the global SGP team that is active in 125 countries globally. The flagship program promotes innovative local actions on global environmental issues through empowerment and capacity development of civil society organizations and community-based organizations, including women and girls, indigenous peoples, youth and other vulnerable groups. Yoko has over twenty-five years of experiences in leading and managing biodiversity, climate change, and other global environmental and community development programs/projects at the country, regional and global levels at the GEF Secretariat, UNDP, and WWF. She holds a master degree on development and environment management from the American University in Washington DC.

**Savinda Ranathunga** is the Regional Youth Project Coordinator for UNDP Bangkok Regional Hub. He is a Civil Engineering graduate from Moratuwa University Sri Lanka, he also possesses chartered qualifications in Management and Marketing and a Diploma in Buddhism. Savinda also possess many experiences with the start-up eco system and his passion is to create an enabling environment for the youth entrepreneurs in Asia-Pacific Region. Currently he is reading for his PhD on Youth Empowerment at Chulalongkorn University, Thailand.

**Beniam Gebrezghi** is a Programme Specialist on Civil Society and Youth Empowerment. An Eritrean/Swedish national, he has for the past 17 years worked in the field of international development cooperation. In New York, he worked on developing partnerships and policies for UNDP. Prior to that, he worked for Government and NGOs in South Africa and Sweden. He started his career at the Swedish International Development Cooperation Agency (SIDA), where he worked in the Department of Communications and later on in the NGO Section providing grants and capacity development to Civil Society Organisations. He holds a Master's degree in Public Administration from The School of Government, University of the Western Cape, South Africa.

## Annex 1: UNDP Experiences in Working with Incubators and Accelerators

UNDP has developed a history of working to champion innovation and entrepreneurship at the country level.

- In partnership with the Government of Denmark, UNDP established the Innovation Facility as a global mechanism to support innovation for development. The Facility provides technical support and funding to test frontier technologies and new approaches to deliver better results. Since then the Facility has invested in over 140 country-level experiments, across 87 countries and territories. The Facility's portfolio is firmly rooted in the 2030 Agenda for Sustainable Development. The portfolio explores current and emerging service lines to: eradicate poverty, protect the planet, prevent violent conflict, manage climate change risk, and advance gender equality, among other development challenges.
- In Zambia, The UNDP's Climate Action Hackathon hosted in Livingstone, Zambia, brought together young software developers from around the world to develop innovative data and communications technologies to share weather and climate information with communities to better prepare themselves for the realities of climate change. Experts from UNDP, Columbia and Stanford University's The Brown Institute for Media Innovations and The International Research Institute for Climate and Society (IRI) were on hand to facilitate discussions, help hackers understand the nuanced approaches necessary, and connect broad sets of data with the unique needs of end users. Examples of the final products include: [The #mLisho Project](#) The mLisho Project created a basic early warning system platform that uses a mobile phone SMS API to send sustainability and market information to nomadic pastoralists based on predictions of range land productivity and market studies. [The Farmers' Guide Project](#) This project works to provide farmers with improved information on when to plant and how to maximize profits and productivity.
- Rwanda is highly prone to natural disaster, including landslides, flash floods, droughts, windstorms, lightning, and earthquakes. Against the rapid changes, traditional meteorological stations fall short. Rwanda Meteorology Agency (Meteo) and UNDP Innovation Facility have been testing the application of "Internet of Things" (IoT) technology to improve the accuracy and speed of climate and resources reporting. In February 2018, 68 participants in 18 teams gathered in Kigali to pitch their ideas for web- and mobile- based applications, focusing on what the farmers need. As such, participants worked closely with the pilot's sectors and visited the communities in Rwinkawavu sector, to observe the IoT sensors and speak with local agronomists and farmers. Six teams were shortlisted to prototype a scalable solution. One product planned is an Early Warning System to improve disaster preparedness.
- Aftermath of the devastated earthquake in Haiti, UNDP, through the *Innovation Facility*, have begun a pilot initiative to give youth the opportunity to start their own businesses. We decided that we would bring innovation to Fort National and came up with a [LIDE Bus](#): Lidé means idea in Creole and is also a French acronym

- for "Laboratory for Innovation and Economic Development". The initiative started with the training of all 300, giving additional business training to 80 who showed the most interest. Based on the knowledge acquired, these young people presented their business plan proposals for funding. There were proposals to develop businesses for organic chocolates, electronics and computer services, a library, a restaurant serving Creole food, and the production of perfumes based on plants native to Haiti. Forty initiatives were selected, and with an initial capital of US\$500 to \$1,500, they could start their company and receive technical support in implementing their business to reduce risk.
- UNDP helped the Government of Georgia build its very first public sector innovation lab, ServiceLab. Based at the national level, it focuses on bringing public servants and citizens into one space to co-design a new generation of public services. Four years and several new services later, ServiceLab has been appointed by the Government as the leading entity in the Public Administration Reform process, to advise on the design and delivery of public services.
  - UNDP PNG with PNG's Department of Finance tested a pilot in the ministry as part of a Provincial Capacity Building Programme funded by the Australian Government. This simple texting app soon became a game changer in the fight against public corruption in PNG.
  - In Armenia, following the successful early investment by UNDP in a social innovation incubator (KolbaLab), UNDP went on to establish the ImpactAim Venture Accelerator", which aims to develop different, field-based acceleration programs to support early stage and established start-ups that address identified gaps of achieving the SDGs. This is seen as the next-step support pillar for impact ventures via direct equity investments or by growing and maturing viable solutions to the more advanced outcome buying market. The selection criteria for the initiatives supported by the Accelerator reflects the mission and programmatic priorities of the UNDP. Recently, UNDP launched the Climate Change Technology Accelerator (CCTA) also in Armenia, in cooperation with ISTC Foundation, Founders Institute Yerevan and Enterprise Incubator Foundation. It is one of the key components of "Addressing Climate Change Impact Through Enhanced Capacity for Wildfires Management in Armenia" Project funded by Russia and implemented jointly with Ministry of Nature Protection of the Republic of Armenia.
  - In Viet Nam, UNDP in partnership with HATCH! VENTURES organized the SDG Challenge 2017 competition. The event attracted hundreds of applications and launched the Social Impact Incubation Program to provide business consultancy to the winning teams for further project development. The four winners; (i) photo/video editing services for disabled persons; (ii) sign language interpretation services; (iii) smart water refill network; and (iv) low-cost systems design of wind turbines and solar panels were awarded in December 2017.

## Annex 2: Provisional Proposal Template for the AF-UNDP Innovation Platform

### Adaptation Fund Innovation for Adaptation Small Grant Program

#### PROJECT PROPOSAL TEMPLATE<sup>8</sup>

#### 2. COVER PAGE

Country:.....Submission date.....

Project No. \_\_\_\_\_ (For Official Use. Do not write anything here)

Project Title: \_\_\_\_\_

*(The title must capture the essence of project and align it to the AF thematic areas)*

#### APPLICANT

Name of Organization: \_\_\_\_\_

Year established \_\_\_\_\_ Number of members \_\_\_\_\_

Number of projects implemented \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Physical Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_ E-Mail: \_\_\_\_\_

Principal Officer: \_\_\_\_\_ (Name and Position)

Project Contact/Manager: \_\_\_\_\_ (Name and Position)

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<sup>8</sup> This generic project template can be customized if needed in accordance with further discussion and agreement with AF.

**PROJECT**

AF Thematic and Social Focus Areas. Please mark all that applied.

Thematic Area		Social Focus Area	
	Urban Adaptation		Social Innovation
	Food Security		Inclusion of Youth
	Nature Based Solutions		Advancement of Gender Equality
	Water Resources Management		Focus on Communities
	Disaster Risk Reduction		Enhancement of Cultural Heritage

Proposed Start Date: \_\_\_\_\_ Expected Project Duration (24 months or less) : \_\_\_\_\_

**FINANCES**

Total AF Small Grant Request: [Local currency] \_\_\_\_\_ [US\$ \_\_\_\_\_ ]

Total from Other Sources: [Local currency] \_\_\_\_\_ [US\$ \_\_\_\_\_ ]

Total project cost: [Local currency] \_\_\_\_\_ [US\$ \_\_\_\_\_ ]

UN rate of exchange \_\_\_\_\_ (For Official Use. Do not write anything here)

**3. PROPOSAL****SECTION A: PROJECT RATIONALE AND APPROACH**

1. Project Summary
2. Organizational Background and Capacity to implement the Project
3. Project Objectives
4. What will be the expected impact of the idea/project? How will the impact be measured, monitored, and evaluated?
5. What is the size of the direct and indirect beneficiaries? What is the market size (if any)? Who are the main competitors (if any)? Will the proposed idea depend on other products or services to succeed?
6. Description of Project Activities
7. What is novel/innovative aspect of the proposed idea– in scope or application? What is the problem that will be solved by the proposed idea? How has the problem been solved in the past? How does the proposed idea better (more effective and efficient less expensive, reach wider beneficiaries, higher value, etc.) than other solutions? What is the comparative advantage of the proposed idea over others? What are the factors that prevent other ideas to be as good as the proposed idea? What are the factors that will hinder the proposed idea from reaching the expected impact?
8. How much have already been invested in developing the idea? Who are the initial investors? What was the ticket size of each investor? What are their profiles and track record?

9. How and when will the idea be realized? What do you need to make your idea work? How will the idea/project be sustained beyond the support from AF's small grant? How much are the direct beneficiaries willing to pay for the benefit received from the idea/project?
10. What is the business model?
11. Has the idea been tested before? What has been the result? What has worked well and why? What has not worked well and why?
12. What are the Implementation Plan, Time frame of key milestones?
13. How will the idea be scaled up and/or replicated? What are the prerequisites?
14. How does the proposal take gender, youth, and safeguards considerations into account?
15. How does the proposal address needs of marginalized, vulnerable people?
16. How does the learning plan fit with the Adaptation Fund Medium Term Strategy's Knowledge and Sharing Pillar?
17. How does the idea align with other initiatives?
18. How does the idea comply with AF's review criteria for resource programming? These criteria include eligible country, implementing entity eligibility, resource availability, project implementation arrangement, risk management process, compliance with AF's Environment and Social Policy and Gender Policy, procurement and financial management, and monitoring and evaluation framework.
19. What is the Community Participation plan?
20. What are the Learning and Knowledge Management plan?
21. What are the Gender Equality aspects of the project?
22. Communication of Results and Replication

#### **SECTION B: PROJECT RISKS, MONITORING & EVALUATION**

- 2.1. Risks to Successful Implementation
- 2.2. Monitoring, Evaluation Plan and Indicators
- 2.3. Sustainability of Results Achieved

#### **SECTION C: PROJECT BUDGET**

- 3.1 Financial Details
- 3.2 Projected Expenditures
- 3.3 Bank Details

#### **ANNEX 1: INDICATORS**

- A. AF Small Grant Project Indicators
- B. SGP CBA Project Indicators



**Draft Templates:**

**Activity Planning**

Brief description of General Objective of Project:														
Brief Description of Specific Capacity Results Outcomes No 1 <sup>9</sup> :														
List the activities necessary to fulfil this outcome. Indicate who is responsible for each activity and an indicator of activity accomplishment.								Duration of Activity in Months (or Quarters)						
Activity	Responsible Party	Indicator	1	2	3	4	5	6	7	8	9	10	11	12
1.1														
1.2														
1.3														
1.4														

**Project funding summary**

Funding Source	Funding Plan, [local currency]		Total [local currency]	Total US\$
	Year 1	Year 2		
a. AF Small Grant Project				
b. Community				
c. Proposing Organization				
d. Other co-financiers				
<b>Total Project Cost</b>				

<sup>9</sup> Please indicate as many Capacity Results Outcomes as in the project and include rows as required for the project under preparations.

### Proposing organizations contributions

Sources of Contribution	Type	Committed or Projected?	Value, local currency
1.			
2.			
<b>Total</b>			

### Projected expenditures

Expenditure Category	Year 1, [local currency]	Year 2, [local currency]	Total, [local currency]	US\$	% Total
1. Personnel / Labour					
2. Equipment / Materials					
3. Training / Seminars / Travel Workshops					
4. Contracts					
7. Other support requested					
<b>Total Project Cost</b>					

**Annex 3 – UN-Environment/CTCN submission**  
**Annex 4 – UN-Habitat submission**

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19/09/2018

**RE: CTCN / UN Environment Expression of Interest as a Small Grant Aggregator for the New Special Financing Window in Support of Innovation for Adaptation**

Dear Mr. Victor Viñas

I strongly welcome the Adaptation Fund's actions to escalate support for innovations in climate change adaptation as described in your Medium-Term Strategy. Your efforts will certainly complement and enhance the ongoing work of the Climate Technology Centre and Network (CTCN) as we pursue our mandate of facilitating the development, transfer, dissemination and deployment of innovations and technologies for enhanced climate action.

I am also pleased to hear that the Expression of Interest to serve as a small grant aggregator has been made available to the CTCN through our host agency, UN Environment. The CTCN's submission demonstrates concrete and tangible action to implement COP decisions calling for enhanced collaboration between the Technology Mechanism and the Financial Mechanism. I recall, in particular Decision 13/CP.21:

*Recognizes the importance of and the need for defined, mutually beneficial and functional linkages between the Technology Mechanism and the Financial Mechanism through its operating entities...*

In light of the above, in my capacity as the Chair of the Advisory Board to the CTCN, I express my strong support for the CTCN / UN Environment Expression of Interest. I look forward to our continued collaboration on strengthened linkages between our two bodies.

Yours sincerely,



**Maia Tskhvaradze**  
Chair of Advisory Board, Climate Technology Centre and Network

Mr. Victor Viñas  
Chair of Advisory Board, Adaptation Fund  
afbsec@adaptation-fund.org

**Climate Technology Centre and Network**  
UN City, Marmorvej 51, 2100 Copenhagen, Denmark  
Email: [ctcn@unep.org](mailto:ctcn@unep.org) Web : <http://www.ctc-n.org>