



ADAPTATION FUND



B42 UPDATES: PROJECT FORMULATION GRANTS AND LOCALLY LED ADAPTATION

Project Formulation Grants

Adopted by Decision B.42/37



Increased PFG support to implementing entities



Increasing the size of the PFG would better provide for the actual needs of undertaking key assessments and required consultations and could therefore be expected to enhance the quality of the proposals.

The following considerations were taken into account:

- LLA projects may require additional funding to enable the operationalization of the LLA principles, especially devolving decision making to the local level.
- For regional projects, the scale of the funding could be commensurate to the number of countries, to account for the costs related to undertaking consultations as mandated by the Fund's ESP.
- Expanding the eligibility to RIEs and MIEs would also enable more effective consultations and involvement of the local stakeholders in the design of the project.
- The scope and the size of the requested PFG funding should be justified to enable the review of the PFG alongside the project concept note.

PFG caps per project/programme inclusive of IE fee

IE fee capped at 8.5%

Single Country projects under all funding windows (regular, large innovation and [EDA/LLA]):

- For single country projects below US\$ 2 million the limit is set at US\$ 50,000;
- For single country projects US\$ 2 million and above but below US\$ 5 million the limit is set at US\$ 100,000;
- For single country projects US\$ 5 million and above, the limit is set at US\$ 150,000;

Additional PFG for [LLA] projects:

- For single country [LLA] projects, additional PFG amount up to a maximum of US\$ 100,000 and will be evaluated on a case-by-case basis as per the provided justifications to support activities that enable devolving decision making to local actors & to enable local actors to make informed decisions on how adaptation actions are defined, prioritized, designed and implemented.

Regional projects under all funding windows:

- For all regional projects of US\$ 5 million and above with less than three countries, the limit is set at US\$ 150,000.
- The limit can increase by US\$ 15,000 for each additional country involved, up to a maximum of US\$ 250,000.

PFG for projects submitted using three-step approach:

- When a 3-step approach is used, the maximum amount of PFG that can be requested at the pre-concept stage is twenty percent (20%) of the maximum total PFG applicable to the project.

Requests for a PFG should be made at the same time as the submission of a project concept or pre-concept to the secretariat using the revised PFG form in Annex I of document AFB/PPRC.33/40.

Footer



ADAPTATION FUND



Activities that are eligible for PFG funding



Local consultations, and/or workshops to discuss the specific project and program ideas (including translation into local languages, preparation of background papers, etc).

Travel costs for experts, when required, for consultations and discussions with interested parties and stakeholders, and local participation as needed in project design.

Country-, region-, or site-specific risk assessments, including identifying hazards, vulnerabilities, development of scenarios and determining hazard mitigation options.

Consultancies and contracts to develop program and/or project options.

Gender and Environmental and Social risk analyses and formulation of Environmental and Social Management Plan and Gender Action Plan.

Free prior and informed consent and related consultations where appropriate to ensure compliance with the Environmental and Social Policy.

Specific analyses in support of the proposed projects (policy analysis, data inventories and analyses, cost effectiveness, etc).

Identification of project or programme indicators and development of monitoring and evaluation plan.

Costs of translating documents into and out of English.

Assessing capacity of executing partners.

Enabling activities that support devolving the decision making regarding the project design to the lowest appropriate level.

Identification of project/programme level indicators

Expenditures that are **not eligible** for PFG support include:



Costs associated with normal responsibilities of an IE and/or government staff beyond specific project preparation and formulation activities.

Project start-up costs; demonstration and pilot projects and large-scale enabling activities.

Capital goods other than those directly required for project preparation (e.g. computers, hardware and mechanical equipment).

Purchase of motorized vehicles.

Locally Led Adaptation

Adopted by Decision B.42/36



Additional delivery modalities for expanding support to LLA in the Adaptation Fund

Single country LLA projects

Replacing the existing Enhanced Direct Access window with Single Country LLA Window

Encourage national programming
Build capacity of national delivery mechanisms
Enable involvement of subnational and local actors

NIE, RIE, MIE
Countries can access up to US\$ 5 million per project/programme
PFG set for a maximum of US\$ 150k + US\$ 100K
Operationalizing LLA Principles

Global Aggregator

EOI to be issued in the coming months

Enable direct access to non-accredited entities
Coordinate capacity development (tools, marketplace, networks)
Support to build in-country programming

RIE, MIE
Secretariat to issue Expressions of Interest (EOI)
Provisional size of the aggregator US\$ 35 Million

Regional LLA projects (3+ countries)

Strengthen regional delivery mechanism(s)
Deliver tailored capacity building & Learning Hubs
Leveraging synergies based on regional similarities
Address transboundary needs

Details of this funding window, including the size of the grant, size of PFG and specific criteria for review of regional LLA projects for consideration by the Board at its AFB44 (Spring 2025)



Next steps

Single Country LLA projects

- Revised proposal template and project review sheet contained respectively in Annex 3 and Annex 4 of document AFB/PPRC.33/39 approved at AFB42
- <https://www.adaptation-fund.org/document/additional-delivery-modalities-for-expanding-support-to-locally-led-adaptation/>
- Secretariat to develop instructions for preparing requests for proposals and additional guideline materials for projects/programmes under this window

Global Aggregator for LLA

- Secretariat to issue a request for EOIs from MIEs and RIEs to serve as aggregator(s) for small grants for LLA under the Global LLA Aggregator programme.
- Criteria described in paragraphs 45-53 <https://www.adaptation-fund.org/document/additional-delivery-modalities-for-expanding-support-to-locally-led-adaptation/>
- To review the proposals received, and to present the results to the PPRC at its 34th meeting (Oct 2024).
- Guidance to the MIE and RIE aggregators for preparing proposals the Global LLA Aggregator programme (to be developed)

Regional LLA projects/programmes

- Secretariat to present options for a new window for regional projects for consideration by the AFB at its 44th meeting (Spring 2025).

Indicators for LLA projects and programmes

- Secretariat to develop indicators for LLA projects and programme for consideration by the AFB at its 43rd meeting (Oct 2024)



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Thank you!