



ADAPTATION FUND

AFB/PPRC.34/Inf.2  
10 September 2024

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Adaptation Fund Board  
Project and Programme Review Committee  
Thirty-fourth Meeting  
Bonn, Germany, 8-9 October 2024

**REPORT OF THE SECRETARIAT ON THE INTERSESSIONAL  
REVIEW CYCLE FOR READINESS GRANTS**

## Background

1. At its thirty-sixth meeting, the Board discussed recommendations by the PPRC to the Board coming from its discussion of document AFB/PPRC. 27/30 on the report of the secretariat on the intersessional review cycle for readiness grants. Having considered the comments and recommendations of the Project and Programme Review Committee, the Board decided:

- (a) *To request the secretariat to review readiness grant proposals during all intersessional periods between Board meetings while recognizing that such grants may also be reviewed at regular meetings of the Board;*
- (b) *To request the PPRC to consider intersessionally the technical review of such readiness grant proposals as prepared by the secretariat and to make intersessional recommendations to the Board;*
- (c) *To consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure;*
- (d) *To also request the secretariat to send a notification to implementing entities and other stakeholders informing them about the new arrangement;*
- (e) *To further request the secretariat to present, at the twenty-eighth meeting of the PPRC, and at subsequent PPRC meetings following each intersessional review cycle for readiness grants, an analysis of the intersessional review cycle.*

### **(Decision B.36/26)**

2. At its forty-first meeting, the Board, through decision B.41/15, had updated the review cycle for readiness grants and invited IEs of the Fund to submit responses to the initial technical review within two weeks of receiving the initial technical review.

3. The current report has been prepared following the request in Decision B.36/26 subparagraph (e).

## Overview of the Intersessional Cycle

4. The intersessional project review cycle for readiness grants was conducted during the period between the forty-second and forty-third meetings of the Board. As per Board Decision B.36/26 the secretariat launched a call for readiness grants from 5 February – 5 April. This gave eligible entities eight weeks to prepare and submit proposals. The secretariat sent a notification of the availability of the grants to all the Fund's stakeholders through the Fund's network and directed the stakeholders to the Fund's website, where detailed information about the purpose of the grants, eligibility criteria, access processes, and supporting documents is available.

5. The secretariat received a total of three proposals for readiness package grants (RPGs).

6. The three RPG proposals were submitted by the Bhutan Trust Fund for Environmental Conservation (BTFEC) of Bhutan (the intermediary), for the accreditation of a second NIE in Bhutan on behalf of the government of Bhutan, by the Environmental Project Implementation Unit (EPIU)

of Armenia (the intermediary), for the accreditation of the first NIE in Tajikistan on behalf of the government of Tajikistan, and by the National Environment Management Authority (NEMA) of Kenya (the intermediary), for the accreditation of a second NIE in Zimbabwe on behalf of the government of Zimbabwe. The secretariat conducted initial reviews of the RPG proposals and submitted the reviews to the proponents for an opportunity to amend and clarify their proposals. However, the grant proposal submitted by National Environment Management Authority (NEMA) on behalf of the government of Zimbabwe was ineligible as the intermediary NEMA did not have active accreditation status with the Fund at the time of the review. That proposal was therefore not considered in the current review cycle.

7. The remaining two proponents submitted revised versions of their proposals. The secretariat conducted a final technical review of those proposals and circulated its report on the initial screening and technical review contained in document AFB/PPRC.33-34/1 to the PPRC for intersessional commenting for a period of one week. During this time, no comments on the reviews were received. The recommendations were endorsed by the PPRC as document AFB/PPRC.33-34/4 "Recommendations of the PPRC on Readiness Grant Proposals," and submitted as decisions to the Board for intersessional approval. No objections were raised by the Board and the decisions were, thus, approved as Decisions B.42-43/22 and B.42-43/23. The decisions are included in Annex I to the present document.

### **Analysis of the Intersessional Cycle**

8. Only two out of the three RPG proposals that were received during the current intersessional review cycle were eligible<sup>1</sup> to be considered during this intersessional review cycle. The proposals were meant to enhance peer support for accreditation to the Fund through South-South cooperation and the delivery of a comprehensive suite of tools to help entities in the countries seeking to use the Fund's Direct Access modality, to prepare and submit their applications for accreditation.

9. The trend where the secretariat did not receive any proposals for technical assistance (TA) grants continued during the current review cycle. The last TA grant applications were submitted in calendar year 2020. As alluded to in past reports by the secretariat on the intersessional review cycle for readiness grants, the lack of submission of both TA-ESGP and TA-GP proposals could be attributed to the fact that an accredited NIE can only access either of these grants as a once off, and also not interchangeably. A significant number of NIEs<sup>2</sup> had already received one of these grants. There have however, been informal queries made by NIEs at readiness workshops and other events regarding the possibility of accessing TA-ESGP and TA-GP grants during reaccreditation to support the update and robustness of environmental and social policies and gender policies in order to meet the reaccreditation criteria adequately and timeously.

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<sup>1</sup> According to the requirements posted on the Adaptation Fund website, to be eligible for a Readiness Package grant, all developing country Parties to the Kyoto Protocol and Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) that wish to have an NIE accredited with the Fund are eligible to receive the Readiness Package grant, including those that had previously accessed the SSC grant. For an accredited NIE providing intermediary services, the NIE will need to have an active accredited status, be able to demonstrate experience implementing an Adaptation Fund project/programme, and also demonstrate experience participating in, organizing support to, or advising other NIEs, entities or governments relevant to accreditation or capacity building to receive climate finance for adaptation projects/programmes.

<sup>2</sup> 25 out of the 33 NIEs accredited as at the date of this report have accessed a TA-ESGP grant (15) or grant for the environmental and social policy (ESP) that had been in effect before the TA-ESGP (6), and 4 NIEs have received a TA-GP.

10. A summary of the eligible readiness grant proposals submitted during the intersessional review cycle between the forty-second and forty-third meetings of the Board is presented in Table 1 below and the subsequent decisions by the Board are presented in Annex I.

**Table 1: Project proposals submitted to the intersessional review cycle between the forty-second and forty-third meetings of the Adaptation Fund Board**

Country	IE providing support	Type of grant	Document reference	Decision	Funding set aside (USD)
Bhutan	BT FEC	Readiness Package Grant	AFB/PPRC.33-34/2	B.42-43/22	\$149,818.25
Tajikistan	EPIU	Readiness Package Grant	AFB/PPRC.33-34/3	B.42-43/23	\$130,200
<b>Total</b>					<b>\$280,018.25</b>

11. The Board approvals in this intersessional review bring the total number of readiness grants approved by the Board to date to 50, with a breakdown presented in Table 2 below.

**Table 2: Approved readiness grants to date**

Grant	Count	Amount (USD)
RPG	7	\$961,235.77 <sup>i</sup>
SSC	17	\$836,747 <sup>ii</sup>
TA-ESGP	21	\$480,020 <sup>iii</sup>
TA-GP	4	\$40,000
<b>Total</b>	<b>50</b>	<b>\$1,888,642<sup>iv</sup></b>

<sup>i</sup> Includes \$100,000 approved by the Board for the RPG pilot phase.

<sup>ii</sup> At its 36<sup>th</sup> meeting, the Board decided to cease South-South Cooperation (SSC) grants and replace them with readiness package grants. See Decision B.36/25.

<sup>iii</sup> Includes TA-ESP grants approved prior to the introduction of TA-ESGP.

<sup>iv</sup> Excludes project scale-up grants which currently are submitted on a rolling basis and can only be considered at regular meetings of the Board.

**ANNEX I: READINESS GRANTS APPROVED INTERSESSIONALLY DURING THE FORTY-SECOND AND FORTY-THIRD MEETINGS OF THE BOARD****Bhutan: Readiness Package Grant Proposal for accreditation support: BTFEC (Bhutan; US\$ 149,818.25)**

Following the technical review of the grant proposal for accreditation support through the readiness package carried out by the secretariat and the Project and Programme Review Committee (PPRC), and having considered the recommendation of the PPRC, the Adaptation Fund Board decided to:

- a) Approve the proposal for the readiness package grant of US\$ 149,818.25 submitted by the Bhutan Trust Fund for Environmental Conservation (BTFEC) on behalf of the government of Bhutan; and
- b) Approve the funding of US\$ 149,818.25 for implementation of the readiness package grant for the accreditation of a second national implementing entity in Bhutan as requested by BTFEC; and
- c) Request the secretariat to draft an agreement with BTFEC as the national implementing entity acting as intermediary for the requested support for accreditation.

**(Decision B.42-43/22)**

**Tajikistan: Readiness Package Grant Proposal for accreditation support: EPIU (Armenia; US\$ 130,200)**

Following the technical review of the grant proposal for accreditation support through the readiness package carried out by the secretariat and the Project and Programme Review Committee (PPRC), and having considered the recommendation of the PPRC, the Adaptation Fund Board decided to:

- a) Approve the proposal for the readiness package grant of US\$ 130,200 submitted by the Environmental Project Implementation Unit (EPIU) on behalf of the government of Tajikistan; and
- b) Approve the funding of US\$ 130,200 for implementation of the readiness package grant for the accreditation of a national implementing entity in Tajikistan as requested by EPIU; and
- c) Request the secretariat to draft an agreement with EPIU as the national implementing entity acting as intermediary for the requested support for accreditation.

**(Decision B.42-43/23)**