



ADAPTATION FUND



Technical Evaluation
Reference Group
ADAPTATION FUND

**Adaptation Fund
Technical Evaluation Reference Group of the Adaptation Fund**

Terms of Reference

Evaluation of the Adaptation Fund Readiness Programme

- 19 July 2024 -

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List of Acronyms

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|---|--|
| AF – Adaptation Fund | |
| AP – Accreditation Panel | |
| AF-TERG – Technical Evaluation Reference Group of the Adaptation Fund | |
| CCA – Climate Change Adaptation | |
| CDM – Clean Development Mechanism | |
| CERs – Certified Emission Reductions | |
| CMP – Meeting of the Parties to the Kyoto Protocol | |
| IE – Implementing Entity | |
| LDC – Least Developed Country | |
| MTR – Mid-term Review | |
| MTS – Mid-term Strategy | |
| NIE – National Implementing Entity | |
| PPRC – Project and Programme Review Committee | |
| RIE – Regional Implementing Entity | |
| SIDS – Small Island Developing States | |
| ToR – Terms of Reference | |
| UNEP – United Nations Environment Programme | |

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Introduction

This Terms of Reference (ToR) was prepared by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) based upon an initial literature review and consultation with the Adaptation Fund Board (AFB) Secretariat (the 'Secretariat) and other stakeholders. The purpose of this ToR is to provide key information to potential bidders and guide the evaluation team through specifying the expectations during the various phases of the evaluation.

The ToR is structured as follows: *Section 1* presents the rationale, objectives and main users of the evaluation; *Section 2 and 3* presents the context, subject, and the details of the Adaptation Fund Readiness Programme; *Section 4* defines the evaluation scope, criteria and questions; *Section 5* identifies the methodological approach and ethical considerations; and *Section 6* indicates how the evaluation will be organized. The annexes include the list of documentation that the evaluation team can build on.

Section 1: Background of the evaluation

Rationale

Thematic evaluations in the Adaptation Fund (AF) are conducted in line with the Adaptation Fund Evaluation Policy¹.

The evaluation offers an opportunity for the AF to benefit from an independent assessment of its readiness programme and generate evidence to inform its future implementation. Additionally, the evaluation has been commissioned at a pivotal moment, coinciding with the implementation of the second Medium -Term Strategy (MTS II) of the Adaptation Fund (2023-2027).² The MTS II foresees an expanded and enhanced readiness programme as a cross-cutting area of work to support the three strategic pillars of action, innovation, and learning and sharing, as well as the six crosscutting themes, in particular related to enhancing access to climate finance and long-term institutional capacities.

To inform the development of the enhanced readiness programme, the Implementation Plan (IP) of the MTS II³ suggests as an activity under the crosscutting theme enhancing access to climate finance and long-term institutional capacity an evaluation of the Readiness Programme by the AF-TERG to identify further gaps and recommendations for enhancing existing capacity-building instruments and grants (see page 36, paragraph 10). The MTSII IP has also identified a number of activities related to supporting and enhancing the capacity of National Implementation Entities (NIEs) and Designated Authorities (DAs) of the Fund.

In line with the MTS II IP, this evaluation has been commissioned to initiate and provide direction for a comprehensive evaluation of the Readiness Programme under guidance from the AF-TERG. The evaluation will be executed as a semi-independent evaluation. The findings of this evaluation will also inform the Secretariat's development of a revised strategy for an enhanced readiness programme, which is planned to be presented to the Adaptation Fund Board in March 2025. The semi-independent approach allows for quicker integration of evaluative insights into the readiness programme, facilitating faster implementation of findings.

¹ <https://www.adaptation-fund.org/wp-content/uploads/2022/07/New-Design-Evaluation-Policy.pdf>

² <https://www.adaptation-fund.org/document/medium-term-strategy-2023-2027/>

³ <https://www.adaptation-fund.org/wp-content/uploads/2023/03/AFB.B.40.5.Rev .1 Draft MTS Implementation -Plan.pdf>

Main users of the evaluation

The evaluation will seek the views of, and be useful to, a broad range of internal and external AF stakeholders. The main audience for this evaluation will be the Adaptation Fund Board and its Secretariat. It is to be used as an internal document for self-reflection and to inform the revised Readiness Strategy being developed in parallel. Additionally, since this evaluation will be conducted in a semi-independent manner, the Readiness team of the AF will be fully involved in giving their inputs at various phases/ stages of its execution.

Section 2: Context of the evaluation

Capacity-building in Climate Change Adaptation (CCA)

Climate change is predicted to greatly affect the poorest people in the world, who are often hardest hit by weather catastrophes, desertification, and rising sea levels, but who have contributed the least to the problem of global warming. In some parts of the world, climate change has already contributed to worsening food security, reduced the predictable availability of fresh water, and exacerbated the spread of diseases and other threats to human health. The 2023 report on Adaptation Gaps⁴ by the UNEP showed a 15 percent decrease in adaptation specific finance commitments from 2020 to 2021 which further emphasizes the need for quick action.

In 2001, the Conference of Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC), through decisions 2/CP.7 and 3/CP.7 adopted two capacity-building frameworks that affirmed that capacity-building is essential to enable developing countries to implement the objective of the Convention. The frameworks provide a set of guiding principles and approaches to capacity-building and set out a way forward for capacity-building activities, such as developing and strengthening skills and knowledge, as well as providing opportunities for stakeholders and organizations to share their experiences and increase their awareness to enable them to participate more fully in the climate change process. Article 11 of the Paris Agreement reaffirms that capacity-building should enhance the ability of developing countries to implement climate action, and should facilitate technology development, dissemination and deployment, access to climate finance, relevant aspects of education, training and public awareness, and the transparent, timely and accurate communication of information. It also asserts that capacity-building should be country-driven, and should be an effective, iterative process that is participatory, cross-cutting and gender-responsive.

About the Adaptation Fund

The Adaptation Fund, established in 2001, was officially operationalized in 2007 to finance concrete adaptation projects and programmes in developing countries that are parties to the Kyoto Protocol and are particularly vulnerable to the adverse effects of climate change. The Adaptation Fund finances projects and programmes that help vulnerable communities in developing countries adapt to climate change. Initiatives are based on country needs, views and priorities.

The Fund is financed largely from voluntary contributions by government and private contributors, and also from a two percent share of proceeds of Certified Emission Reductions (CERs) issued under the Protocol's Clean Development Mechanism (CDM) projects.

Additionally, effective 1st January 2019, it was decided through decisions 13/CMA.1 and 1/CMP.14 that the Adaptation Fund would serve the Paris Agreement and be given the share of proceeds

⁴ <https://www.unep.org/resources/adaptation-gap-report-2023>

that is levied to assist developing country parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation⁵. The AF provides readiness and capacity building support to developing countries, linking this work with the UNFCCC capacity building framework and Article 11 of the Paris Agreement.

Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG)

The Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) is an independent evaluation advisory group accountable to the Adaptation Fund Board, established in 2018 to ensure the independent implementation of the Fund's evaluation framework.

The first AF-TERG strategy and work programme was approved intersessionally in June 2020, between the first and second part of its thirty-fifth meeting.

The second AF-TERG work programme has been drafted and is planned to be presented at B.42 in April 2024. The work programme specifically covers the work on the thematic evaluation of the Readiness Programme for the FY24-25.

Section 3: Subject of the evaluation

At its twenty-first meeting, the Board recognized the need for a programme to support readiness for direct access to climate finance for national and regional implementing entities. Subsequently the readiness programme was formally launched in May 2014 with two overall objectives: (i) increasing the preparedness of applicant national implementing entities (NIEs) seeking accreditation by the Adaptation Fund and (ii) increasing the number of high-quality project/programme proposals submitted to the Board within a reasonable time period after accreditation. These would be achieved through a range of capacity enhancement measures from support in the identification of potential NIEs within a country, to strengthening the appraisal, design implementation, and monitoring of adaptation projects and programmes undertaken by NIEs and Regional Implementing Entities (RIEs).

Objectives of the Readiness Programme

In recognition of the early successes of the readiness programme to address readiness and capacity gaps, at its twenty-seventh meeting, the Board decided through Decision B.27/38 to institutionalize the readiness programme and make it a more permanent feature of the Fund. At its thirtieth meeting, the Board approved an updated results framework for the readiness programme and articulated the programme's specific objectives through decision B.30/45 to be:

- I. to increase the preparedness of applicant national implementing entities seeking accreditation by the Adaptation Fund, and
- II. to increase the number of high-quality project/programme proposals submitted to the Board after accreditation.

The decision of the Board is supported by Parties to the Kyoto Protocol at the tenth session of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 10), at which the Parties recognized the Adaptation Fund Readiness Programme and decided to invite further support for the readiness programme of the Adaptation Fund Board for direct access to climate finance in accordance with decision 2/CMP.10, paragraph 5. Further, CMP 18 reinforced the Parties' support for the readiness programme and requested the Adaptation Fund Board to

⁵ <https://unfccc.int/Adaptation-Fund>

continue to enhance access to the Fund and country ownership by considering strengthening the readiness activities for national implementing entities, considering their long-term capacity-building needs in accordance with draft decision -/CMP.18, paragraph 10(a).

Key components of the Readiness Programme

The Board identified priority intervention areas for the readiness programme and approved four key components under which readiness support activities would be planned and implemented. By organizing the implementation of activities around four key components, the Readiness Programme can promote lessons learned and exchange of best practices during the full Adaptation Fund financing cycle, from accreditation through project design, implementation and reporting. In addition, the four key components provide a framework for strengthening the promotion of Direct Access. The Readiness Programme's four key components are:

1. Support to accredited Implementing Entities.
2. Cooperation/Partnership with climate finance readiness providers.
3. Support to countries seeking accreditation; and
4. Knowledge Management.

A description of the key components is provided in [Annex 1](#). Activities identified and planned under the four key components would be approved by the Board annually and implemented as per the budget also approved by the Board annually.

Evolution of Adaptation Fund's Readiness Programme

The Programme started off as primarily an awareness-raising instrument (assessed yearly) which has evolved into a permanent feature of the Adaptation Fund, fully integrated into its operational guidelines with a set annual budget. Conducting workshops, organizing events, and supporting capacity-building for countries are some of the main activities undertaken under this programme with the aim to strengthen the capacity of national and regional implementing entities to receive and manage climate financing, particularly through the Fund's [Direct Access modality](#), and to adapt and build resilience to counter changing climate conditions in sectors ranging from agriculture and food security to coastal zones and urban areas. For the first couple of years of the Programme, workshops were conducted in various regions with the aim of guiding the countries on accessing the funds as well as to increase the awareness about the Adaptation Fund and its processes and procedures. Since then, the focus has shifted toward training and capacity building.

The Adaptation Fund Readiness Programme has evolved through several key stages (See Figure 1).

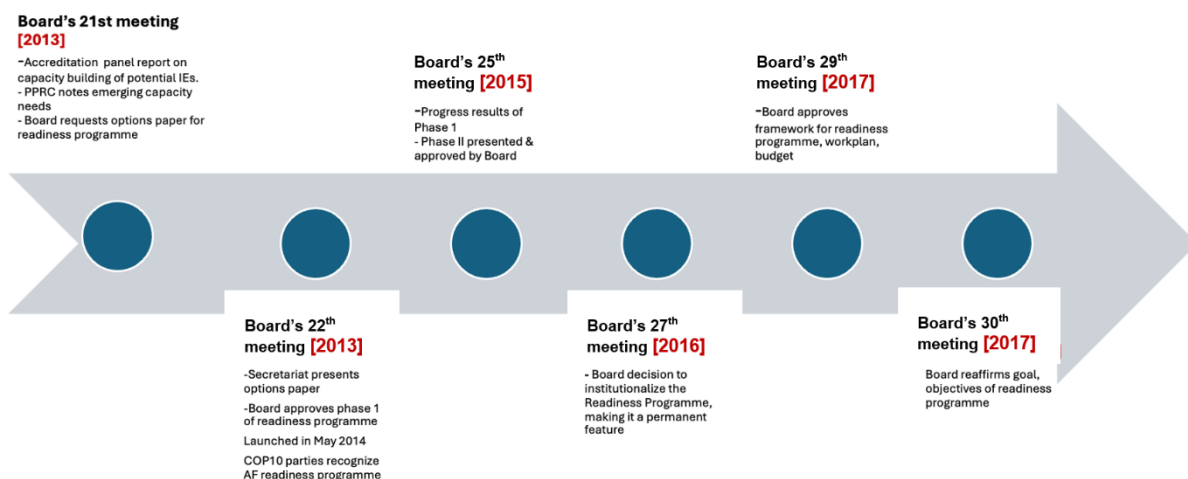


Figure 1: Evolution of Readiness Program (Source: TERG's interpretation based on literature review)

At its twenty-first meeting⁶, the Adaptation Fund Board discussed the necessity for capacity enhancement measures, including support for potential National Implementing Entities (NIEs) and strengthening project cycle processes. Recommendations from the Accreditation Panel (AP) and the Project and Programme Review Committee (PPRC) underscored the need for capacity building. Responding to these needs, the Board requested the Secretariat to prepare options for a readiness programme supporting direct access to climate finance for national and regional implementing entities, aiming to enhance their preparedness and increase the quality and quantity of project proposals.

In response, the Secretariat developed document AFB/B.22/6⁷, outlining elements and options for a phased Readiness Programme. Phase I was approved at the twenty-second meeting, with a budget of US \$970,000, focusing on performance-based funding principles. The programme was launched in May 2014 and recognized at the tenth session of the Conference of the Parties serving as Meeting of the Parties to the Kyoto Protocol (CMP 10) and decided to invite *further support for the readiness programme of the Adaptation Fund Board for direct access to climate finance in accordance with decision 2/CMP.10, paragraph 5*. Phase I witnessed the successful execution of Climate Finance Readiness Seminars, engaging experts and accredited entities, particularly NIEs. Workshop reports, and some post workshop assessment reports are available here: <https://www.adaptation-fund.org/readiness/news-seminars/>. These efforts proved fruitful, leading to an increase in accredited NIEs and project proposals.

Building on the success of Phase I⁸, the Secretariat proposed Phase II at the twenty-fifth meeting. Phase II was approved with a total funding of US\$ 965,000, aiming to further enhance benefits and expand gains achieved in Phase I. The combined success of Phase I and II⁹ was evident in the

⁶ Adaptation Fund, 2013. Adaptation Fund Board Twenty-second Meeting, Bonn, Germany, 31 October-1 November 2013, Agenda item 8 c). Options for a programme to support readiness for direct access to climate finance for national and regional implementing entities. AFB/B.22/6, 16 October 2013

⁷ Adaptation Fund, 2014. Adaptation Fund Board Twenty-third Meeting Bonn, Germany, 20-21 March 2014 Agenda item 9 b). Programme to support readiness for direct access to climate finance for national and regional implementing entities. Execution arrangements, criteria, eligibility criteria for allocation of funds to accredited implementing entities for specific activities, and timeline of activities. AFB/B.23/5 21 February 2014.

⁸ Adaptation Fund, 2015. Adaptation Fund Board Twenty-fifth Board Meeting, Bonn, Germany, 9-10 April 2015, Agenda item 9 B) READINESS PROGRAMME: PHASE I PROGRESS REPORT AND PHASE II PROPOSAL. AFB/B.25/5 27 March 2015

⁹ Adaptation Fund, 2016. Bonn, Germany, 15-16 March 2016 Agenda item 12 b). READINESS PROGRAMME: PHASE II PROGRESS REPORT AND PROPOSAL FOR FY17. AFB/B.27/7.Rev1

increased number of accredited NIEs, project proposals, and the growth of the readiness grant portfolio. Consequently, the Secretariat proposed institutionalizing the Readiness Programme as a permanent feature of the Fund¹⁰. The Board supported this proposal, institutionalizing the programme through Decision B.27/38 at its twenty-seventh meeting¹¹. Subsequent steps were taken to integrate the Readiness Programme into the Fund's operations, policies, and guidelines, culminating in the approval of the results framework for the programme at the twenty-ninth meeting (see results framework in [Annex 2](#)).

Implementation modalities

To meet the objectives of the Readiness Programme, the following activities are carried out by the Readiness Team to enhance IE capacities to develop high-quality project/programme proposals, increase project/programme implementation capacity and to increase the capacity of entities seeking accreditation with the Fund to navigate the accreditation process¹².

- 1. Workshops and trainings:** Workshops are conducted to prepare and train organizations to meet the fiduciary standards of the Fund while managing social and environmental risks in accordance with the Fund's ESP. The workshops are developed by the AFB Secretariat and conducted in partnership with other organizations such as those already helping countries in establishing NIEs. Trainings are also provided to manage social and environmental risks in projects as well as familiarizing the IEs with AF's policies and on preparing high quality adaptation projects. In addition the AF's Readiness Team engages the NIEs by organizing webinars, seminars, and country exchange visits, to further support capacity building and knowledge sharing efforts at the country and local levels.
- 2. Grants for IEs:** Various grants have been made available for accredited implementing entities with tangible achievements with the Fund to apply for, to assist national entities applying for accreditation or existing NIEs requesting additional assistance in pursuit of developing high quality projects. More details on the Grants are reflected in table 1.

The Adaptation Fund Board has made available several small grants under the Readiness Programme to help National Implementing Entities (NIEs) provide peer support to countries seeking accreditation with the Fund and to build capacity for undertaking various climate finance readiness activities. These are namely, the Readiness Package Grants, which replaced the South-South Cooperation (SSC) Grants as per AFB Decision B.36/25¹³, the Project Formulation Grants (PFG), the Project Scale-up Grants, and the Technical Assistance (TA) Grants for ESP and Gender Policy. However, out of these, the Readiness Package Grants, the Project Scale-up Grant, and the Technical Assistance Grants are operational while the rest have either been discontinued or merged into the existing Grants. Table 1 below summarizes the current Grant structure.

¹⁰ *Adaptation Fund, 2017. Bonn, Germany, 16-17 March 2017 Agenda item 11, Proposed framework for the readiness Programme. AFB/B.29/8 6 March 2017*

¹¹ *Adaptation Fund, 2021. Adaptation Fund Board Project and Programme Review Committee Twenty-seventh Meeting Bonn, Germany (Virtual), 22-23 March 2021 Agenda item 12 REPORT ON THE READINESS SUPPORT PACKAGE PILOT*

¹² *Adaptation Fund, 2013. Bonn, Germany, 31 Oct - 1 Nov, Options for a programme to support readiness for direct access to climate finance for national and regional implementing entities. AFB/B.22/6 16 October 2013*

¹³ *Adaptation Fund, 2021. Bonn, Germany, 6-8 April 2021, Report Of The Thirty-Sixth Meeting Of The Adaptation Fund Board. AFB/B.36/10 2 June 2021*

Table 1: Current Grant structure of the AF Readiness Programme

| Grant Type | Description |
|--|---|
| Readiness Package Grants (replaced the South-South Cooperation (SSC) Grants) ¹⁴ | Small grants meant to facilitate the delivery of more enhanced, targeted, and tailored readiness support for accreditation to developing countries. The maximum amount of grant is US\$ 150,000 per NIE to support NIE accreditation to the AF through South-South Cooperation (SSC) |
| Project Scale-up Grants ¹⁵ | Provide readiness funding to National Implementing Entities (NIEs) to support planning, designing, enhancement and overall capacity to develop scale-up pathways for AF funded projects nearing completion or already completed. Project Scale-up Grants are available up to a maximum of US\$ 100,000 per project and programme. |
| Technical Assistance (TA) Grants for ESP and Gender Policy ¹⁶ | <p>These are small grants to help NIEs build their capacity to address and manage environmental and social as well as gender associated risks within their projects/programmes in accordance with the Fund's Environmental and Social Policy (ESP) and Gender Policy. Through these grants, NIEs have the option to hire external expertise to help them address these issues. There are two types of Technical Assistance grants:</p> <p>Technical Assistance Grant for the Environmental and Social Policy and Gender Policy (TA-ESGP): Aimed at strengthening the capacity of NIEs to identify, screen, address and manage environmental and social risks as well as gender related issues in their projects and programs in line with the Fund's Environmental and Social Policy and Gender Policy. The grant is up to a maximum of US\$25,000 per NIE.</p> <p>Technical Assistance Grant for the Gender Policy (TA-GP): Meant for NIEs that already have robust environmental and social policies to put in place measures to avoid, minimize and/or mitigate adverse gender impacts in accordance with the Adaptation Fund's Gender Policy. The grant is up to a maximum of US\$10,000 per NIE.</p> |

3. **Technical assistance:** The readiness programme collaborates with consultants to develop manuals, training materials, and guideline documents. This includes providing assistance in the accreditation or re-accreditation process by developing and disseminating various manuals and guidelines on the Fund's operational policies. These policies cover areas such as social and environmental risk identification and assessment, project delays, gender assessments, and grant application and review processes.
4. **Knowledge Management:** This involves facilitating country exchanges and webinars on key topics identified as areas of interest by NIEs, sponsoring adaptation conferences with expert speakers from across the adaptation finance spectrum,; webinars with experts; supporting the community of practice for direct access entities (CPDAE); links to helpful resources; and doing outreach through traditional and digital media to build awareness of the Fund's direct access and capacity building.

¹⁴ <https://www.adaptation-fund.org/readiness/readiness-grants/readiness-package-grants/>

¹⁵ <https://www.adaptation-fund.org/readiness/readiness-grants/project-scale-grants/>

¹⁶ <https://www.adaptation-fund.org/readiness/readiness-grants/technical-assistance-grants/>

Budget for the Adaptation Fund's Readiness Programme

The annual budget for the Readiness Programme activities has steadily risen over the years as the programme has evolved along with an evolution in the capacity building initiatives and activities conducted under it. From an approved budget total of USD 670,000 in FY14-FY15 (2 years), the budget has reached USD 920,900 in FY24, with the latest proposed budget for FY25 being approximately USD 1,200,000. See figure 2 below.

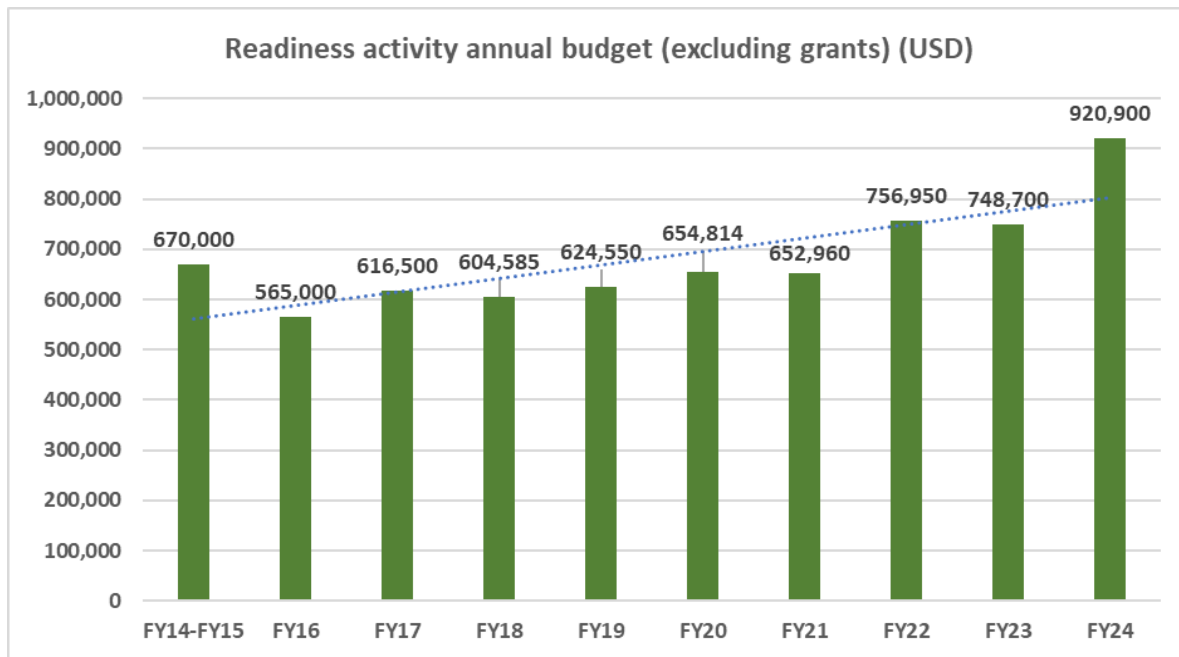


Figure 2: Readiness activities yearly budget (Source: Adaptation Fund Board decisions)

In addition to the approved annual budget are the grant amounts disbursed under the Readiness Programme. These show a varied disbursement trend since FY15 with the highest disbursed amount being USD360,347 in FY16 and the lowest being USD59,820 in FY21. In FY24, the amount has been USD144,197 with a prediction of USD149,340 in FY25. Figure 3 below provides a summary of the variation in disbursement.

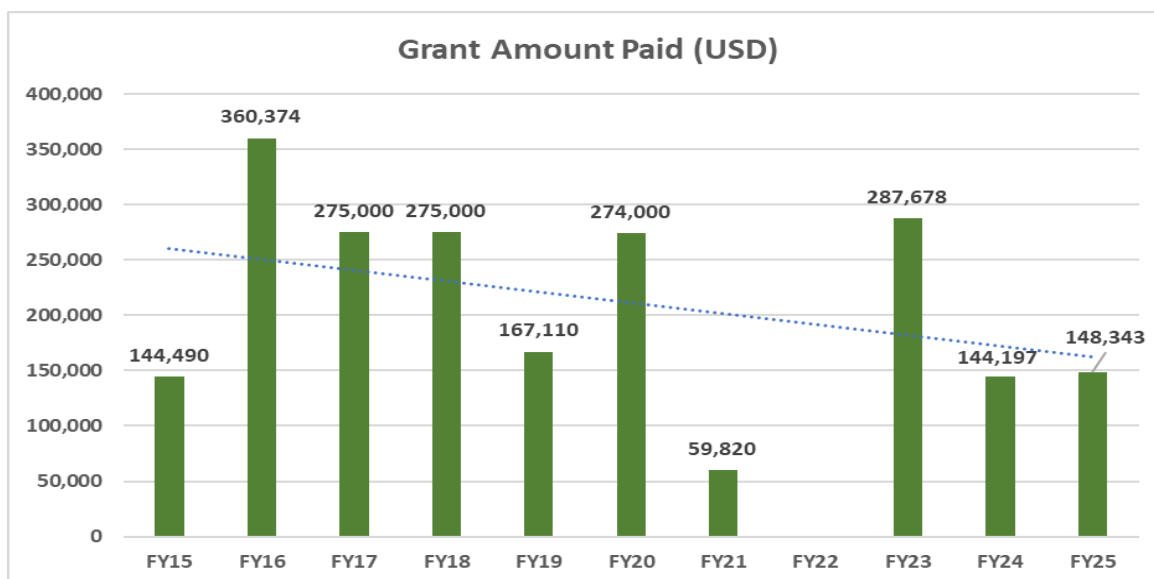


Figure 3: Readiness Grants Paid (Source: Adaptation Fund Board decisions)

The Secretariat monitors the progress of the Grants implementation as part of the overall monitoring of the Readiness Programme. For the monitoring and evaluation process under the Readiness programme, refer to [AFB/B.29/8](#).

Section 4: Evaluation purpose, scope, and criteria

Evaluation purpose

The purpose of the evaluation is to have a comprehensive assessment of AF's readiness programme since its inception and chart a course for its future in supporting the accreditation process effectively and increasing the number of approved project proposals by the Board. The readiness programme evaluation is to be conducted as a thematic evaluation. It will be executed as a semi-independent evaluation¹⁷ as defined in the Adaptation Fund Evaluation Policy and guided by the policy's evaluation principles and criteria. It must also be stressed that this evaluation shall provide, through findings and recommendations, guidance on the future development and evolution of the readiness programme to further enhance its purpose especially considering that the readiness team will be revising the readiness strategy in parallel with this evaluation.

Evaluation scope

The evaluation will consider the entire period, comprehensively covering every aspect of the Readiness programme, as well as in context to the overall performance of the AF.

The unit of analysis of this evaluation is the AF Readiness Programme which is managed by the Readiness Unit of the Secretariat. The readiness programme is understood as the set of components, objectives, outcomes, outputs, activities and inputs that were included in the results framework approved by Board, as well as any subsequent revisions in the results framework to revise indicators and enable performance measuring as outlined in AFB/B.30/8¹⁸. The evaluation

¹⁷ These are conducted by an evaluation team comprised of a combination of independent evaluators and personnel within the management or operational structure of the entity being evaluated, as well as other relevant stakeholders

¹⁸ *Adaptation Fund, 2017. Bonn, Germany, 16-17 March 2017 Agenda item 11, Proposed framework for the readiness Programme. AFB/B.29/8 6 March 2017*

will cover readiness components 1 to 3. Component 4 on knowledge management is excluded as this is managed under a separate knowledge management unit within the Secretariat. However, a brief assessment regarding readiness contribution to knowledge management will be conducted.

The evaluation will assess the focus of the programme at its genesis in 2014, the evolution in its priorities and operations over the years, particularly under the Fund's first Medium-Term Strategy (2018-2022), and provide insights and recommendations for its path forward in accordance with the mission and objectives of the second MTS of the Fund (2023-2027) and its Implementation Plan. The evaluation team should also explore the extent to which the readiness programme sought to learn from other partners/stakeholders in the climate finance through a landscape analysis of the climate finance readiness space encompassing not only climate funds, but also other donors. In line with the MTSII Implementation Plan, the evaluation team should also identify potential gaps and recommendations for enhancing existing capacity-building instruments and grants under the Readiness Programme.

Evaluation criteria and questions

The evaluation will adhere to the AF Evaluation Policy criteria, encompassing Relevance, Coherence, Effectiveness, Efficiency and Impact. During the inception phase, the evaluation team, collaborating with the TERG, will establish a theory of change for the readiness programme and refine these questions accordingly. Furthermore, the Evaluation Team will identify learning themes derived from ten years of implementing the readiness programme to be addressed in the inception report, translating them into specific lines of inquiry under the relevant evaluation questions and sub-questions.

Table 2: The Evaluation Questions

| EQ 1 - To what extent is the Readiness Programme strategically focused to address the needs and priorities of the national and regional implementing entities? (Relevance) | |
|---|--|
| 1.1 | To what extent is the readiness programme aligned to national and regional entity priorities, the AF Medium-Term Strategy and the UNFCCC climate finance priorities, including guidance from the CMP and the CMA? |
| 1.2 | To what extent was the design of the readiness programme and its consecutive adjustments informed by credible evidence on the capacity building needs for climate finance access and programming? |
| 1.3 | To what extent did the readiness programme adapt and respond to evolving needs and priorities to ensure continued relevance during implementation? |
| EQ 2 - To what extent has the Readiness Programme achieved or is expected to achieve its objectives and outcomes? (Effectiveness) | |
| 2.1 | To what extent did the readiness programme strengthen the capacity of national and regional implementing entities to receive and manage climate financing, particularly through the Fund's Direct Access modality? |
| 2.2 | To what extent has the Readiness Programme been successful in supporting countries seeking accreditation and re-accreditation through small grants? |
| EQ 3 - To what extent is the Readiness Programme of AF compatible with other similar programmes within a country, sector, or institution? (Coherence) | |
| 3.1 | How well has the Readiness Programme complimented existing readiness programmes in supporting accredited entities through learnings and grants? |

| | |
|--|--|
| 3.2 | To what extent has the Readiness Programme successfully collaborated with other climate finance readiness providers? |
| 3.3 | To what extent has the readiness programme been effective in fostering cooperation and coordination among climate finance readiness providers? |
| EQ 4 - To what extent is the Readiness Programme cost effective and timely without consuming unnecessary time and resources? (Efficiency) | |
| 4.3 | To what extent was the readiness programme delivered in a cost-efficient and timely manner? |
| EQ 5 - To what extent is the Readiness Programme generated or is expected to generate significant positive or negative, intended, or intended, higher-level effects? (Impact) | |
| 5.1 | How impactful has the readiness programme been in making capacity improvements within the implementing entities? |
| 5.2 | How well and in what ways did the readiness programme establish and leverage strategic and operational partnerships to maximize long-lasting change? |

Section 5: Evaluation approach and methods

Approach

The evaluation will employ a hybrid, phased approach to carrying out the expected work which includes desk-based research, data analysis, literature review, semi-structured interviews with the various key stakeholders identified, and field visits, etc. Since this is the first ever evaluation of AF's Readiness Programme, it would be beneficial to have the analysis and the findings sequenced along with the major modifications/ events surrounding the program, especially in the recent years, as the program evolved since 2014. As mentioned earlier, as a semi-independent evaluation, consultations will happen with the Readiness team at every phase to guide and shape the evaluation execution. The approach is further elaborated below.

Phase 1: Evaluation scoping and design (Inception Phase)

The evaluation team will develop the draft theory of change for the readiness programme and refine the evaluation questions to be answered by the evaluation. The inception report will present the results from initial consultations and retrospective theory of change exercise, fine-tune questions of the overall evaluation and contain clear protocols for field visits and for the focus groups and stakeholder conversations (particularly from the Board, AFB Secretariat, AF-TERG and the IEs), organized by respondent type.

The inception report will identify, in consultation with the AF-TERG, key stakeholders to be interviewed and will lay out the plan for country visits, and in-depth case studies for process tracing, while ensuring representativeness of the sample. It will explicitly discuss the criteria for selecting case study countries, striving for representativeness within the portfolio while considering time and budget constraints. An evaluation matrix linking evaluation questions to verification tools and methods will be compiled. Finally, the inception period will conclude by finalizing the protocol for the portfolio analysis.

Phase 2: Data extraction and interviews phase (Evaluation Phase)

The second phase will involve data collection from the activities established in Phase 1. Additionally, a comprehensive synthesis of documentation and the readiness portfolio will be performed.

Phase 3: Data analysis and synthesis phase

The third phase of the evaluation will consist of analyzing the obtained data (Readiness programme components, perceptions, interviews, etc) and synthesizing the existing evidence to extract emerging lessons. Multiple methods will be employed to triangulate data and ensure the robustness of any inferences.

Phase 4: Reporting phase

During the last phase of the evaluation period, an initial draft of the evaluation will be prepared in accordance with guidelines established in this ToR as well as consultations with the AF-TERG. This will also contain a technical annex consisting of an evidence trail to discuss methods used for the evaluation. It will also provide recommendations for strengthening the Readiness programme going forward based on the findings of the evaluation and the evaluation questions. The draft will be circulated to the AF-TERG team as well as the AFB Secretariat for feedback. Then, a final draft report of the evaluation with the technical annex and the customizations as per the AFB Secretariat's management response will be presented to the Board.

Methods

The Evaluation will employ a mixed method approach. It will examine key changes during implementation and possible learning by the readiness team.

Literature review of key documents: The evaluation will review decisions from the AF Board that are related to the readiness programme, guidelines, administrative processes, management structures and the results framework for the programme including policy documents, guidance documents, proposals, progress reports, board documents and any in-house or other assessments that may have been undertaken. The initial documents to be consulted are found in [Annex 3](#).

Key informant interviews: Key stakeholders including experts, selected stakeholders at the AF Board, representatives of other entities that are doing similar work, selected country stakeholders including but not restricted to designated authorities, implementing entities and focal points, members of the readiness team and others inside and outside the AF. The questionnaire will be developed in consultation with the AF-TERG. The readiness coordination mechanism will also be assessed.

Focus group discussions: at key events such as scheduled structured dialogues or specific events held for accredited or to be accredited entities. The design of the FGDs will be developed in consultation with the AF-TERG and the AFB Secretariat.

Survey(s) needed: may be conducted to gather perceptions regarding the AF's Readiness Programme from key stakeholders such as Implementing Entities, Designated Authorities, AFB Sec, AF-TERG to inform the evaluation. The language of the survey(s) shall be English, French, and Spanish.

Site visits and specific case studies: Specific countries will be identified, in consultations with AF-TERG, for site visits and for detailed understanding of specific questions that the evaluation team may want to address. Countries/cases will be chosen to ensure that there is adequate representativeness especially for stage of engagement with the Readiness team as well as country groups (SIDS, LDCs, Africa, others) and that each case has specific questions it will address. The method for selecting country case studies and implementing entities will be elaborated in the inception report in consultation with the AF-TERG.

Landscape analysis: To conduct this analysis, the evaluation team will do a literature review of and engage with staff and leads of relevant readiness initiatives in the climate finance space encompassing not only climate funds but other donors to understand key challenges and strengths that can inform the implementation of the AF readiness programme.

Evaluation timeline and deliverables

Table 3: Evaluation timeline overview

| Task | Deliverable | Timeframe |
|-------------------------|--|------------------------------|
| Phase 1: Inception | Inception report prepared and approved following consultation, synthesis, evaluation design. | September 2024 |
| Phase 2: Data Gathering | Data collection activities complete with all elements of design followed. Data recorded, cleaned, arranged, and primed for analysis. To be delivered: data files, reports, interview minutes, interviewee details, data analysis strategy. | October 2024 |
| Phase 3: Data Analysis | Data analysis completed and emerging finding/lessons recorded, and initial design of final reporting prepared. To be delivered: Report with initial findings based on the data analysis that was performed in accordance with the established evaluation questions. | –November - December 2024 |
| Phase 4: Reporting | Final report submitted as per requirements in the ToR. A draft final report with an initial set of recommendations is to be delivered by mid-December 2024. | December 2024 – January 2025 |

Evaluation management and quality assurance

The evaluation will be managed by the AF-TERG with inputs from the AFB Secretariat. Quality Assurance of the evaluation will be performed as per the quality assurance framework of the Adaptation Fund (“AF-TERG is responsible for commissioning, conducting, and managing high quality evaluations at the strategic and Fund levels...” – page 17 of EP, 2022)

The contracted firm will report directly to the AF-TERG Secretariat Coordinator/Senior Evaluation Officer. Guidance will also be received from the AF-TERG Focal Point and all the deliverables shall only be cleared after meeting all the quality standards of the AF-TERG.

The contracted firm shall have a robust data validation process and procedure in place to ensure transparency and accuracy of the data used for the evaluation. Full validation of data shall be

achieved for internal peer reviews of deliverables, methods of data collection, sources of data collection, etc. Regular check-ins with the AF-TERF shall further strengthen the validation process.

Section 6: Application and selection process

The application and selection process will be conducted in line with the World Bank procurement rules and procedures. The bidder must provide a statement of absence of conflict of interest with any other work that it or the involved consultant(s) deliver for the Adaptation Fund.

Section 7: Work principles of the AF-TERG

Based on the AF-TERG's mandate and its two overarching objectives, and in the spirit of guiding its work for the benefit of the Fund, the AF-TERG has developed a set of ten work principles to guide the work of the AF-TERG, including the work that it commissions. The contracted firm will ensure that these principles are followed in the processes and products as outlined in [Annex 4](#).

Annexes

Annex 1: Key components of the readiness programme

Component 1: Support to Accredited Implementing Entities

Description: Under this component, the Readiness Programme will seek to increase the capacity of newly accredited entities including entities that are in the first five years of accreditation, and those that are seeking re-accreditation with the Fund, to design, develop and implement adaptation projects/programmes and to comply with the Fund's policies and procedures, in particular the environmental and social policy (ESP) and the gender policy (GP). Instruments and tools that could be used to advance this component include: NIE introduction seminars, webinars, workshops, small grants to support project technical design and implementation of the Fund's policies, and cooperation with partners to support project design and implementation and provide on-going support to the Fund's NIE community of practice.

Activities: Activities under this component could be approved by the Board annually and simultaneously with the Readiness Programme annual administrative budget.

Component 2: Cooperation/Partnership with Climate Finance Readiness Providers

Description: Under this component, the Readiness Programme will strive to enhance capacity building for project development, monitoring and evaluation by accredited entities and entities seeking accreditation with the Fund through partnerships with other organizations providing readiness support for climate finance and/or working on climate change adaptation. Tools that could be used to advance this component include: Working with various partners on joint activities, build upon existing partnerships, and forging new partnerships to reach more vulnerable communities from developing countries across the globe.

Activities: Activities under this component could be approved by the Board annually and simultaneously with the Readiness Programme annual administrative budget.

Component 3: Support to Countries Seeking Accreditation

Description: Under this component, the Readiness Programme will advance progress to meet the rising demand by developing countries for climate finance from the Fund, and particularly encourage Direct Access, taking due consideration to also support least developed countries (LDCs) and Small Island Developing States (SIDS). The Readiness Programme will seek to increase the capacity of national implementing entities to meet the Fund's fiduciary standards and comply with policies and procedures of the Fund, in particular the environmental and social policy (ESP) and the gender policy. Instruments and tools that could be used to advance this component include: Workshops, guidance documents, and where possible, facilitating capacity building for the application of such guidance documents by entities, and providing South-South cooperation grants to support accreditation with the Fund.

Activities: Activities under this component could be approved by the Board annually and simultaneously with the Readiness Programme annual administrative budget.

Component 4: Knowledge Management

Description: Under this component, the Readiness Programme will seek to enhance implementation of the Fund's Knowledge Management Strategy by supporting capacity enhancement for implementing entities in the generation and management of knowledge, and the dissemination of adaptation experience and lessons learnt. The programme will continue to contribute towards raising awareness of the Fund's Climate Finance Ready microsite (an online collaboration and knowledge sharing platform) and providing content to the microsite. Tools that could be used to advance this component include: Media outreach, case studies, webinars, as well as various social media and web-based tools such as the Climate Finance Ready microsite, the Fund's website and Facebook.

Activities: Activities under this component could be approved by the Board annually and simultaneously with the Readiness Programme annual administrative budget.

Annex 2: Readiness Programme Results Framework

Goal: Increase the capacity of developing country Parties to directly access climate adaptation finance and their overall capacity to develop and initiate implementation of concrete projects and programmes that increase the resilience of vulnerable communities to the impacts of climate change.

Impact: Increased resilience at the community, national, and regional levels from concrete adaptation undertaken in developing countries through the direct access and RIE modalities.

Objective (i): to increase the preparedness of applicant national implementing entities seeking accreditation by the Adaptation Fund

Objective (ii): to increase the number of high-quality project/programme proposals submitted to the Board after accreditation.

Outcome

Outcome 1: Increased capacity of national entities to meet the Fund's fiduciary standards.

Outcome Indicator

1. Percentage of developing countries with an accredited direct access entity of the Fund.

Output

1.1. Workshops, seminars and other readiness events are convened to raise awareness, share knowledge and enhance understanding on the accreditation process.

1.2. Cooperation with multilateral bilateral and civil society organizations currently providing accreditation support to national institutions is increased.

1.3. South-South cooperation through accredited NIEs to support non-accredited entities is enhanced.

Output Indicator

1.1.(a) Number of applications for NIE accreditation received per year.

1.1.(b) Number of readiness events per year targeting developing countries without an accredited NIE.

1.2. Number of partner organizations co-funding or participating at readiness events per year.

1.3. Number of readiness grants approved for South-South Cooperation per year.

Outcome 2: Increased capacity of accredited national and regional organizations to develop and implement concrete adaptation projects/programmes.

2. Number of fully developed concrete projects/programmes prepared by NIEs/RIEs and approved by the Board.

2.1. Workshops, seminars and other readiness events are convened to raise awareness, share knowledge and enhance understanding on the Fund's project full cycle process.

2.2. The quality of gender considerations, environmental and social risk screening and risk management in proposals submitted for approval by the Board is improved.

2.3. Cooperation with multilateral, bilateral and civil society organizations currently providing project support to national or regional institutions is increased.

2.1. Number of readiness events per year covering the AF project full cycle process.

2.2. Percentage of accredited NIEs/RIEs with procedures, manuals, policies or guidelines for screening and mitigating projects from causing adverse gender, social and environmental impacts.

2.3. Number of national and regional institutions that have received project support from partner organizations.

Outcome 3: Improved knowledge, knowledge sharing, and performance of the readiness programme to enhance direct access to adaptation finance, and the implementation of concrete adaptation projects.

3.(a) Improved understanding of the accreditation process and accessing the Fund's resources, (as measured through surveys from workshops/trainings)
(b) Improved sharing of knowledge and lessons learnt to improve the effectiveness of the readiness programme

3.1. Tools, and guidelines on the Fund's direct access modality have been developed and/or shared with developing countries.

3.2. A platform for the community of practice and knowledge sharing for accredited implementing entities of the Fund has been established and is operational (is sharing information, lessons learnt and knowledge on Fund processes and procedures).

3.1. Number of tools, guidelines translated and shared with NIEs.

3.2.(a) Number of NIE visits to the online platform for the community of practice.

3.2.(b) Volume of traffic on CoP and Climate Finance Ready platform

3.3. Level of improvement of the readiness programme work plans as a result of the knowledge and experience gained through implementing readiness grants.

3.4. Number of meetings, activities or events held with members of the network of providers of readiness support for adaptation.

3.3. Knowledge and lessons learnt from implementation of readiness grants have been captured throughout the Fund's RBM system, including overall or thematic evaluations, AF project PPRs, readiness event feedbacks, etc.

3.4. The Adaptation Fund is coordinating knowledge and information sharing within the network of organizations that provide readiness and adaptation support to developing countries.

Annex 3: Links to key documentation

1. Key decision documents can be found here: [AFB Documents](#)
2. Compendium of Adaptation Fund Board Decisions: [Compendium on Readiness AFB Decisions.docx](#)
3. Adaptation Fund Board Decisions Webpage: <https://www.adaptation-fund.org/documents-publications/meeting-documents/>
4. The Evaluation Policy of the Adaptation Fund: <https://www.adaptation-fund.org/document/evaluation-policy-of-the-adaptation-fund-graphically-edited/>
5. Workshop reports, and some post workshop assessment reports: <https://www.adaptation-fund.org/readiness/news-seminars/>. Knowledge Management products on readiness include Knowledge Management products from country exchanges: <https://www.adaptation-fund.org/readiness/news-seminars/>.
6. Other country exchange knowledge products produced by Knowledge Management unit in subsequent country exchanges: <https://www.adaptation-fund.org/knowledge-learning/knowledge-events/>. Knowledge Management paper on readiness: "Study on Readiness and Capacity Building for Direct Access to Adaptation Finance": <https://www.adaptation-fund.org/document/study-on-readiness-and-capacity-building-for-direct-access-to-adaptation-finance/>.

Annex 4: Work principles of the AF-TERG

1. **Be relevant and responsive to the Fund priorities and operating contexts:** Stay tuned and responsive to the Fund's operational strategic and governance priorities; Fund partners' priorities; and relevant developments in the broader field of CCA and operating contexts.
2. **Make contributions that benefit Fund's stakeholders - people, livelihoods and ecosystems:** Observe equity, transparency and impartiality in our work designs, processes and products to serve the interests of Fund stakeholders.
3. **Produce MEL products that add value to the Fund:** Ensure the production of useful, credible, actionable, innovative, independent and timely monitoring, evaluation and learning (MEL) products that contribute to the performance and impact of the Fund at all levels.
4. **Support the development of MEL capacity of the Fund's key stakeholders:** develop the MEL capacity of the Fund's key stakeholders through engaging them in all our work, nurturing relationships of trust, co-learning and co-creation, and cultivating a sense of collective ownership of the MEL tools.
5. **Contribute to the development of the CCA monitoring, learning and evaluation (MEL) field:** Seek opportunities for sharing the Fund's MEL experience with the CCA and evaluation communities and to contribute to the discussion and development of the MEL in CCA and related fields.
6. **Draw on good and innovative MEL practice:** Identify, utilize and build on good, new, ethical MEL approaches and practice in the CCA and related fields.
7. **Respect and utilise different knowledges:** Seek, respect, value and work with traditional and local knowledge alongside other forms of knowledge and apply appropriate standards of quality to all types of knowledge.
8. **Work synergistically to produce optimal results:** Work collaboratively together, equitably share responsibilities, give our best, engage in constructive dialogue, exercise mutual respect, assume good intent and be open to surprise towards getting the most from the Fund's investment in MEL.
9. **Conduct collective, reflexive learning that improves practice:** Undertake purposive, collective, continuous and critical learning to improve our evaluative, oversight and advisory practice and the value it creates for the Fund over time.
10. **Ensure cost-effective utilization of the Fund's resources:** Utilize our time and budget in the most cost-effective ways while ensuring the production of fit-for-purpose MEL products.