



Design of Adaptation Fund Projects: Lessons Learned from UN-Habitat



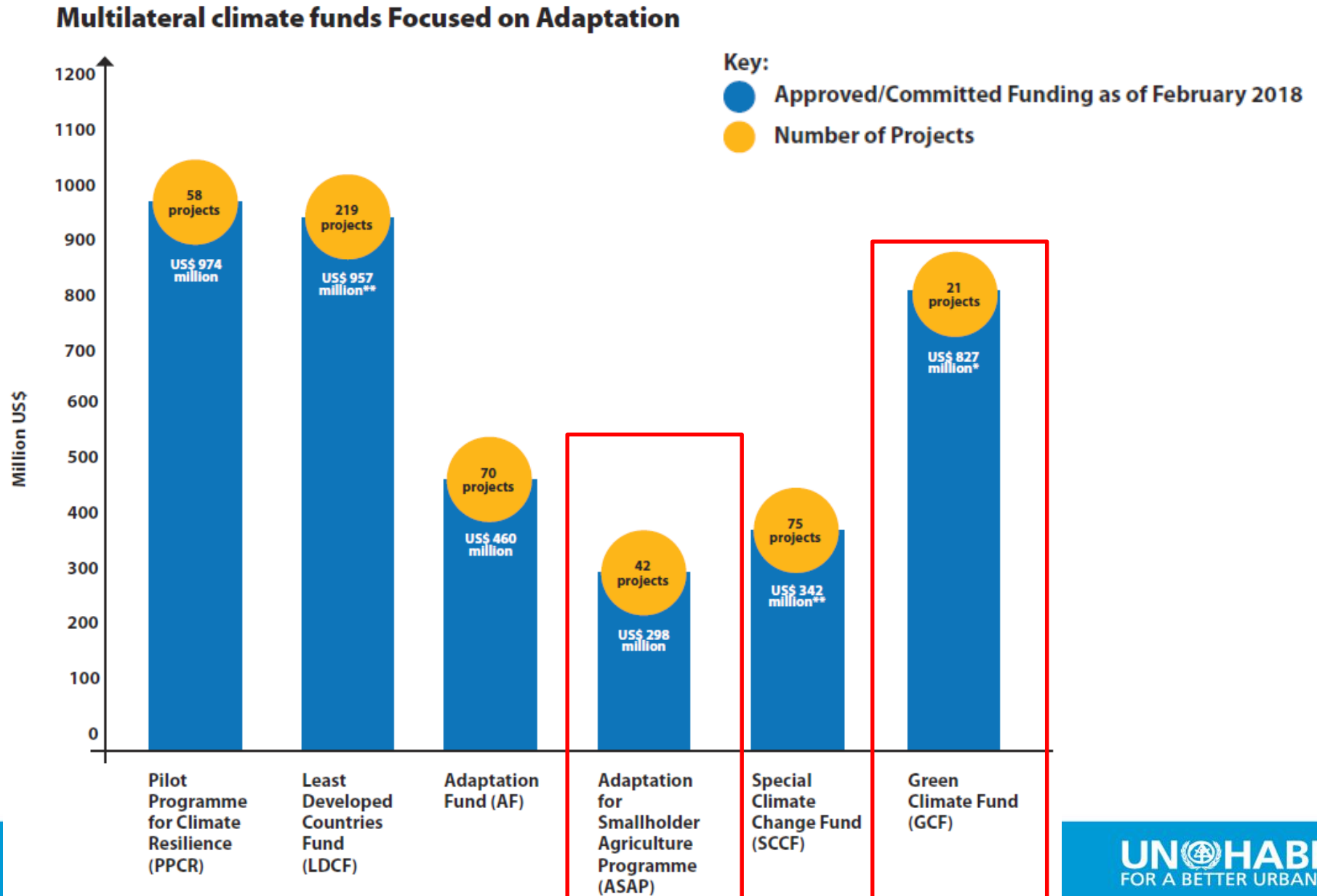
ADAPTATION FUND

WHAT IS ADAPTATION FUND

Adaptation Fund Key Facts

- Increase resilience through **concrete adaptation** projects & programmes
- Focus on **most vulnerable countries and communities** (developing countries)
- Country cap: **US\$10 million**
- Small-size Project size: **less than US\$1 million**
- Regular projects: **US\$ 1 million—US\$10 million**
- Regional projects: less than **US\$14 million**

Adaptation Fund Project Size



Access to Adaptation Fund

- Direct Access – National Implementing Entity
 - **Eight** African countries have direct access to Adaptation Fund
 - **Seek for Accreditation** – potentially difficult and time-consuming
 - Accreditation of Small National Implementing Entities (SNIE)
 -
 - **Streamlined Accreditation Process**
 - Up to **USD 1 million** per project or programme
 - Will contribute to the GCF accreditation
- Regional and multilateral implementing entity
 - Two RIEs in Africa
 - 12 MIEs, including **UNEP, UN-Habitat, UNDP, UNESCO**



ADAPTATION FUND

WHAT KIND OF PROJECTS

Projects Funded by AF

- <https://www.adaptation-fund.org/projects-programmes/>

Projects & Programmes

All Funded Projects

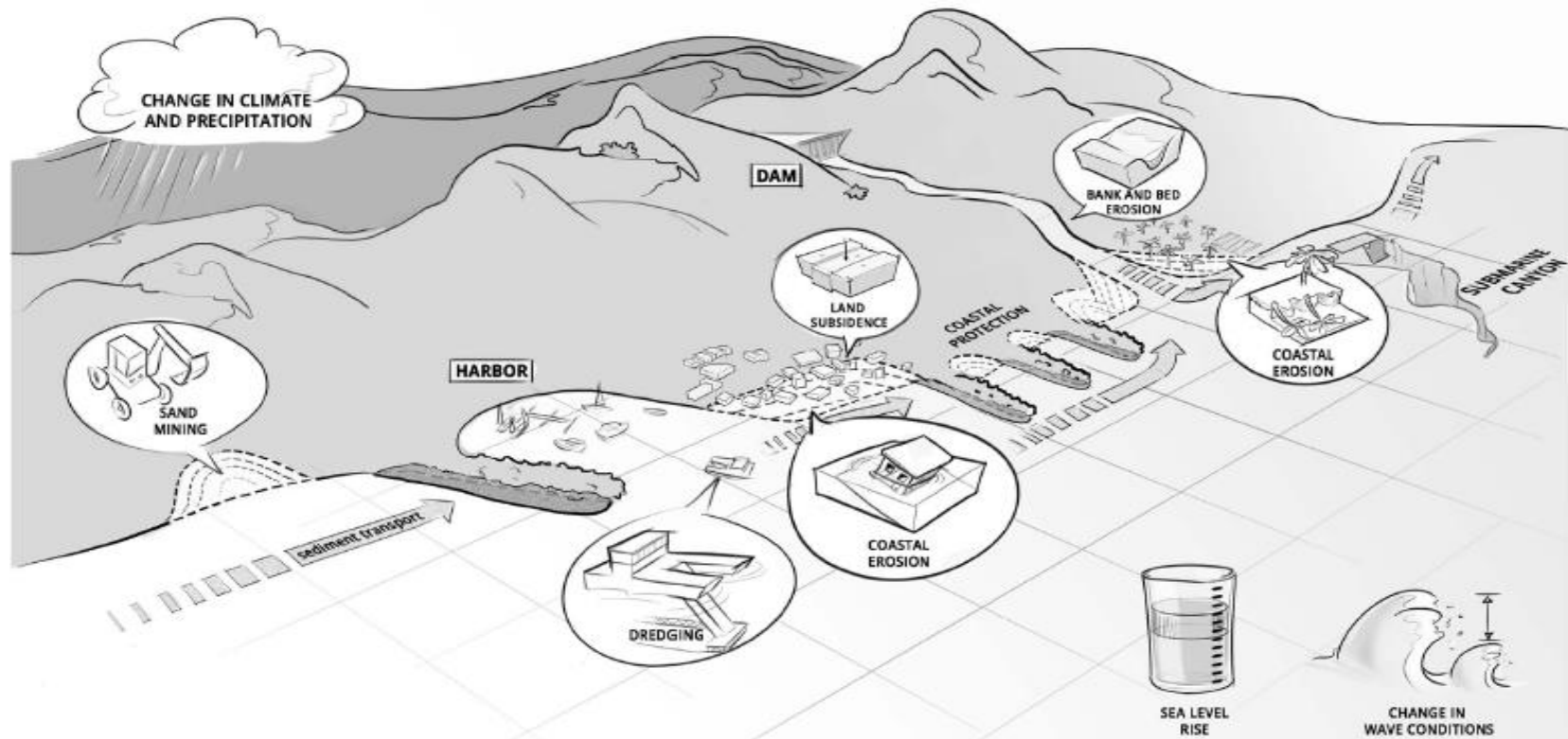
| Country | Title | Implementing Entity | Approved Amount in USD | Amount Transferred in USD | Approval Date |
|---------|---|--|------------------------|---------------------------|---------------|
| | Promoting Climate-Smart Agriculture in West Africa (Benin, Burkina Faso, Ghana, Niger, Togo) | Banque Ouest Africaine de Développement (BOAD) | 14,000,000 | | 2018-07-16 |
| | Reducing climate vulnerability and flood risk in coastal urban and semi urban areas in cities in Latin America (Chile, Ecuador) | CAF, Development bank of Latin America | 13,910,400 | | 2018-07-16 |
| | Adapting to Climate Change in Lake Victoria Basin (Burundi, Kenya, Rwanda, Tanzania, Uganda) | UNEP | 5,000,000 | 1,260,692 | 2017-07-05 |

UN-Habitat Projects Funded by AF

| Project | Status | Funding in \$M |
|---|-----------------|----------------|
| Lao PDR: CC resilience of 189 Settle'ts | Started 2017 | 4.5 |
| Fiji: CC resilience in IS in 4 towns | Started 2018 | 4.2 |
| Solomon Islands: Urban Resilience / IS | Started 2018 | 4.4 |
| Mongolia (Ger Area) | PD approved | 4.5 |
| Cambodia (Coastal Towns) | PD resubmission | 5.0 |
| Southeastern Africa | CN Endorsed | 14 |
| West Africa (Ghana and IC) | CN endorsed | 14 |
| Other Asia: Laos II, Pakistan | | |

Example

- [UN-Habitat AF proposal](#) - Improved Resilience of Coastal Communities in Countries: Cote d' Ivoire and Ghana.



Example

- UN-Habitat approach:
 - **Combining** national **priorities**, community priorities and UN-Habitat priorities and **scale up AF project after** (e.g under GCF)
 - **Regional approach**: coastal erosion is **cross-country problem**, solutions may have impacts in other countries and lessons learned need to be **shared regionally**
 - **Innovative**: test low-cost building with nature alternative solutions to protect the coast or to protect, enhance, diversify livelihoods. Which can be **replicated elsewhere in West Africa**



ADAPTATION FUND

PROJECT DEVELOPMENT

What “files”



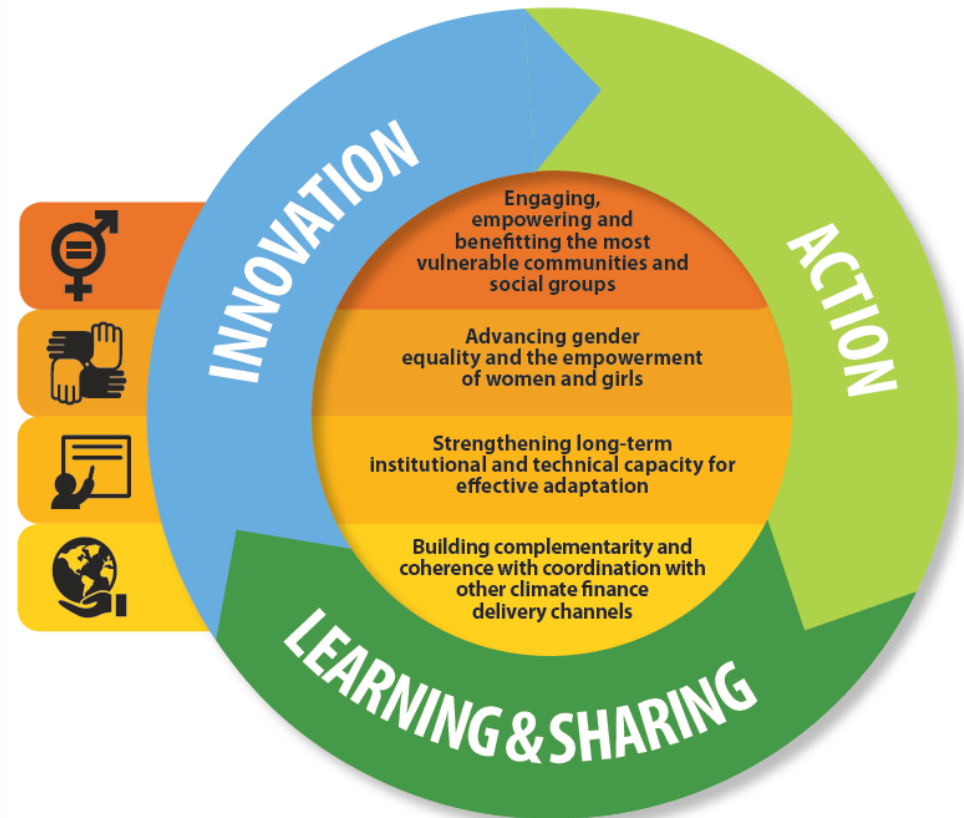
ADAPTATION FUND

Helping developing countries build resilience and adapt to climate change



Medium-Term
Strategy

2018-2022



Guidelines and Forms



ADAPTATION FUND

Helping developing countries build resilience and adapt to climate change

Projects & Programmes

Apply For Funding

Readiness

News & Events

Adaptation Fund at COP23



Project Proposal Materials

Apply For Funding

Accreditation >

Project Funding >

Project Proposal Materials

Readiness Grant Funding >

Operational Policies & Guidelines

Designated Authorities

Implementing Entities >

Project Proposal Materials

- [Instructions for Preparing a Request for Project/Programme Funding](#) (Amended in Nov 2013) (105 kB, PDF)
- [Approval and Operations Procedures](#) (137 kB, PDF)
- [Adaptation Fund Project/Programme Review Criteria](#) (71 kB, PDF)
- [Request for Project/Programme Funding from Adaptation Fund](#) (Amended in Nov 2013) (181 kB, DOC)
- [Government Endorsement Letter Template](#) (Submitted through NIEs/RIEs/MIEs) (25 kB, DOC)
- [Guidance document for Environment and Social Policy](#)

For Fully-Developed Proposals

- [Results Framework Alignment Table](#) (77 kB, DOC)
- [Disbursement Schedule Template](#) (18 kB, XLS)
- [Methodologies for reporting Adaptation Fund core impact indicators](#) (78 kB, DOC)
- [Methodologies for reporting Adaptation Fund core impact indicators](#) (152 kB, PDF)

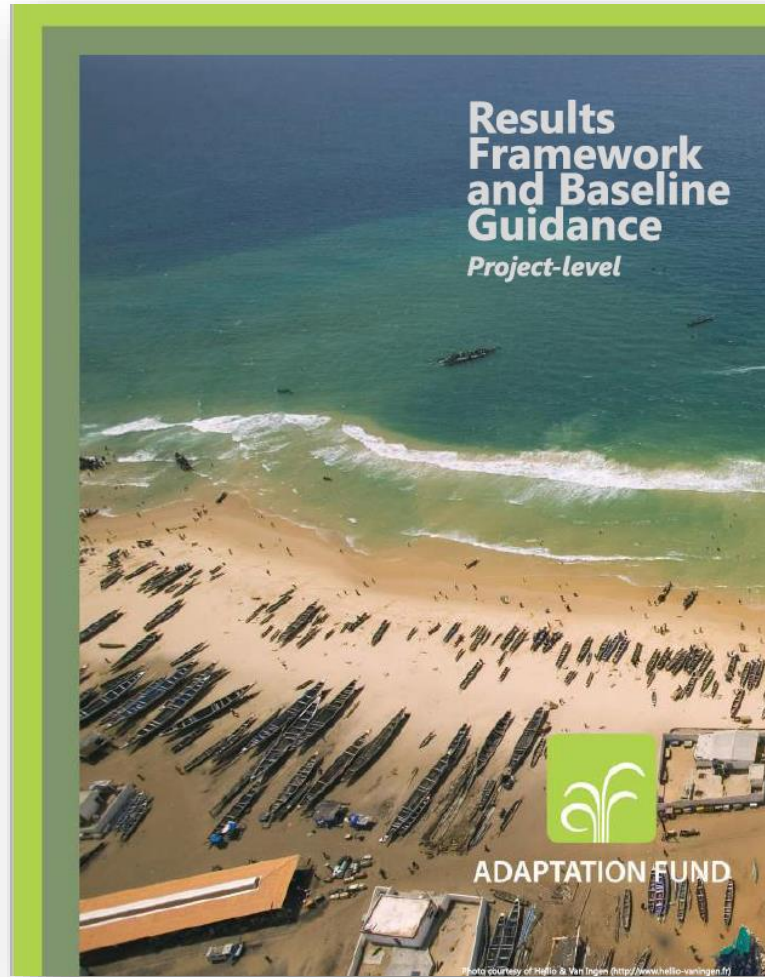
For NIE Proponents – to Submit Along with Concept Proposal

- [Request for Project Formulation Grant \(PFG\)](#) (57 kB, DOC)
- [Request for Project Formulation Assistance Grant \(PFA\)](#) (26.8 kB, DOC)

For Submissions for Regional Projects

- [Regional Project Proposal Template](#) (DOC)
- [Regional Project Pre-Concept Template](#) (DOC)
- [Call for proposals of Regional Projects](#) (PDF)

Results Framework and Baseline Guidance



- Briefly explain the AF's RBM framework
- Clarify AF core indicators, and suggest ways to measure
- Suggest how to report outputs and outcomes

Output – AF projects

Output 1: Risk and vulnerability assessments conducted and updated at a national level

Output 2.1: Strengthened capacity of national and regional centres and networks to respond rapidly to extreme weather events

Output 2.2: Targeted population groups covered by adequate risk reduction systems

Output 3: Targeted population groups participating in adaptation and risk reduction awareness activities

Output 4: (**development and natural resource sectors**) Vulnerable physical, natural, and social assets strengthened in response to climate change impacts, including variability

Output 5: (**ecosystem resilience**) Vulnerable physical, natural, and social assets strengthened in response to climate change impacts, including variability

Output 6: Targeted **individual and community livelihood strategies** strengthened in relation to climate change impacts, including variability

Output 7: Improved integration of climate-resilience strategies into country development plans

Project/Programme Review Criteria

| | |
|--------------------------------------|--|
| 1. Country Eligibility | <input type="checkbox"/> Is the country party to the Kyoto Protocol? ... |
| 2. Project Eligibility | <input type="checkbox"/> Does the project / programme support concrete adaptation actions to assist the country in addressing the adverse effects of climate change and build in climate change resilience? <input type="checkbox"/> Does the project / programme provide economic, social and environmental benefits , with particular reference to the most vulnerable communities, including gender considerations? ... |
| 3. Resource Availability | <input type="checkbox"/> Is the requested project funding within the cap of the country? |
| 4. Eligibility of NIE/MIE | <input type="checkbox"/> Is the project submitted through an eligible NIE/MIE that has been accredited by the Board? |
| 5. Implementation Arrangement | <input type="checkbox"/> Are there measures for financial and project risk management? ... |

Alignment with the Environmental & Social Policy and Gender Policy

| Part./Section | ESP | GP |
|---|--|--|
| II.E. Compliance with national technical standards and ESP | Principle 1, 4, 5 & 6 apply always. Risks of all triggered principles need to be identified. Esp. gender analysis and assessment to select gender-responsive indicators. | |
| II.G Learning and KM | Recommended: ESP and GP mainstreamed KM | |
| II.H. Consultation Process | Esp. marginalized and vulnerable groups consulted and environmental and social risks identified | Consultation in gender equal way and informed participatory methods (§13) |
| II.J. Justification | Justification that (a) project meets all standards of triggered ESPs (b) risk of triggered ESP is mitigated | |
| II. K. Environmental and Social Risks and impacts | Full ESS and Gender screening and impact assessment of sub-projects. Esp. Identify and mitigate project-related risks to gender equality and women empowerment (§ 8 ESP and §12 GP). | |
| III.A. Arrangements for project Management | In compliance with ESS | IE: Gender focal point Recommended for EE: Gender-balanced representation Recommended for Personnel: Hiring gender expertise |
| III.B. ESMP | Strong ESMP for compliance of project and sub-projects with ESP and GP (§12 GP) during project formulation and implementation. | |
| III.D. MRE | Monitoring, Reporting and Evaluation based on ESMP and GP (§12, 23 GP) | |
| III. E. Results-Framework | | Gender-responsive indicator (§12) Aim for gender disaggregated service, information, capacity building etc. |
| III. G. Detailed Budget | | Adequate resources for gender-responsive implementation. E.g. provision for the involvement and capacity-building of women stakeholders as important actors in implementation. |

Project Design Steps

Identification

1. Identify if funding is available and National Designated Authority
2. Engage with potential key Executing Entities and NDA early on
3. Confirm that project idea aligns with government priorities & AF outcome areas.

Preparation

1. Identify climate change related issues, needs, priorities and other relevant projects by consulting ministries, UN agencies, NGO's, donors, etc.
2. Identify target areas in line with above + focus on vulnerable groups / communities (i.e. poor, informal, proximity to hazard, etc.)
3. Identify vulnerable groups specific needs and concerns through consultations and establish a 'gender approach' baseline (i.e. conducting vulnerability assessments and collecting disaggregated data).

Project Design Steps

Concept / Proposal development

1. Prioritize / select interventions with vulnerable groups / communities
2. Agree on implementation modalities with EE and NDA & other partners
3. Ensure selected interventions are feasible (cost-effective, can be operated, maintained / sustained by collecting enough details to conduct a feasibility study)
4. Ensure potential risks and impacts of selected interventions are manageable by conducting a risks screening and proposing mitigation and management arrangement where needed.

Investment

Concept

- Existing Projects
- Consultations with NDA
- Consultations with EE
- Consultations with communities
- Policy scans
- Drafting and review

Proposal

- ESS Screening
- Project Design
- Community consultations
- Government consultations
- Drafting and review



Climate Change Planning Unit

Stages of Project Development

1. Pre-concept (regional only)

+ project dev. grant

2. Concept

3. Proposal

Submissions:

- End Jul (Oct Board Meet)
- Early Jan (March Meet)
- April (only revisions) for intersession review

Review by AFBS

- 3 weeks after deadline
- 1 week for review (UN-H)

Review by AFBS (e.g.)

- Presentation to board

If endorsed/approved

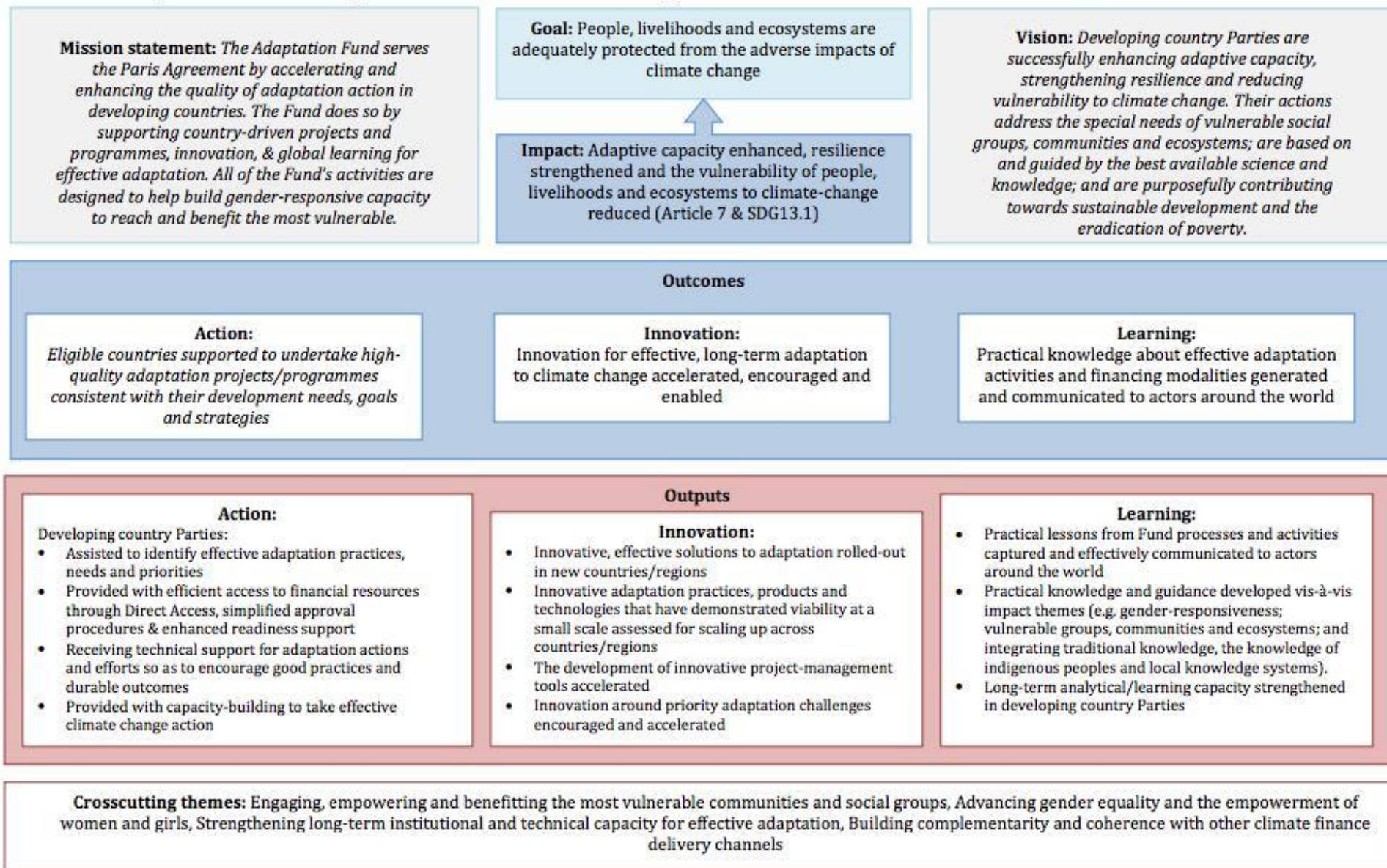
- move to next stage
- Sign agreement

IF not

- Resubmission
- Reviewed as “new” prop

AF Medium-Term Strategy Framework

Illus. 5: Summary framework of the Adaptation Fund's Medium Term Strategy, 2018-2022



Project Implementation (early lessons)

- **Executing Entity** – Important to select a reliable, trustworthy EE, as projects implemented through AoC
- **Project tool** – Develop as the start a project tool that covers M&E, KM, ESMP and substantive approaches (CBA, VA, etc)
- **Adaptation Focus** – Where the project has USPs, ensure that they have a clear adaptation benefit
- **Reporting** – Fairly Complex template. Design with reporting in mind

Enhancing Climate and Disaster Resilience Lao People's Democratic Republic (PDR)

Project overview

UN-Habitat together with the Ministry of Public Works and Transport is implementing the first Adaptation Fund project in Lao PDR. The project's main objective is to enhance the climate and disaster resilience of the most vulnerable rural and emerging urban human settlements in Southern Lao PDR by increasing sustainable access to basic infrastructure systems and services, emphasising resilience to storms, floods, droughts, landslides and disease outbreaks.

Sector: Climate change/Disaster risk reduction
Adaptation Fund Grant: USD 4,500,000
Implementing Entity: UN-Habitat Lao PDR
Executing Entity: Ministry of Public Works and Transport & Nam Papa State Enterprise
Duration: 4 years



First Adaptation Fund Project in Lao PDR implemented by UN-Habitat

