Adaptation Accelerator Program: Building Climate Resilience through Enterprise Acceleration

Part I: Project Information

GEF ID

Project Type
MSP

Type of Trust Fund
LDCF

CBIT/NGI
- ☐ CBIT
- ☐ NGI

Project Title
Adaptation Accelerator Program: Building Climate Resilience through Enterprise Acceleration

Countries
Regional, Liberia, Madagascar

Agency(ies)
CI

Other Executing Partner(s)
CI-Ventures (LLC) and SMEs to be determined

Executing Partner Type
Private Sector

GEF Focal Area

Climate Change

Taxonomy

Climate Change, Focal Areas, Climate Change Adaptation, Ecosystem-based Adaptation, Small Island Developing States, Private sector, Innovation, Mainstreaming adaptation, National Adaptation Programme of Action, Climate resilience, Livelihoods, Least Developed Countries, Stakeholders, Private Sector, SMEs, Beneficiaries, Local Communities, Gender Equality, Gender Mainstreaming, Women groups, Sex-disaggregated indicators, Gender-sensitive indicators, Gender results areas, Access to benefits and services

Rio Markers

Climate Change Mitigation

Climate Change Mitigation 0

Climate Change Adaptation

Climate Change Adaptation 2

Duration

36 In Months

Agency Fee($)

92,254

Submission Date

11/12/2019

A. Indicative Focal/Non-Focal Area Elements

Programming Directions	Trust Fund	GEF Amount($)	Co-Fin Amount($)
CCA-3	LDCF	1,025,046	2,815,000
	Total Project Cost ($)	**1,025,046**	**2,815,000**

B. Indicative Project description summary

Project Objective

To facilitate the development of 30 climate change adaptation focused Small and Medium Sized Enterprises (SMEs) through the design and implementation of an adaptation accelerator in two emerging economies (Madagascar and Liberia), providing training, investment, and finance access, and ultimately proving a replicable model to catalyze investment in adaptation focused SMEs in emerging economies globally

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount($)	Co-Fin Amount($)

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount($)	Co-Fin Amount($)
Component 1: Identification of transformational adaptation investment themes, Sectors, and technologies	Technical Assistance	Outcome 1.1: Innovative investment channels and sectors by which to facilitate transformative adaptation benefits in Madagascar and Liberia identified Target 1.1: Three (3) investment sectors per geography identified	Output 1.1: Scoping report on existing adaptation focused businesses, industry and market ecosystem, funding landscape, and other key industry opportunities and gaps completed Output 1.2: Transformational adaptation themes and sectors in target geographies identified Output 1.3: Long list of 50 climate adaptation enterprises aligned to the three investment sectors <!-- /* Font Definitions */ @font-face {font-family:"Cambria Math"; panose-1:2 4 5 3 5 4 6 3 2 4; mso-font-charset:0; mso-generic-font-family:roman; mso-font-pitch:variable; mso-font-signature:-536870145 1107305727 0 0 415 0;} /* Style Definitions */ p.MsoNormal, li.MsoNormal, div.MsoNormal {mso-style-unhide:no; mso-style-qformat:yes; mso-style-parent:""; margin:0in; margin-bottom:.0001pt; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Times New Roman",serif; mso-fareast-font-family:"Times New Roman";} .MsoChpDefault {mso-style-type:export-only; mso-default-props:yes; font-size:11.0pt; mso-ansi-font-size:11.0pt; mso-bidi-font-size:11.0pt; font-family:"Calibri",sans-	LDCF	66,047	63,000

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount($)	Co-Fin Amount($)
Component 2: Identificatoin of AAP business cohort and operationalization of acceleration program	Technical Assistance	Outcome 2.1: 30 adaptation enterprises identified from longlist of Component 1 for AAP program Target 2.1: 30 adaptation enterprises selected for both AAP cohorts (15 per cohort) Outcome 2.2: AAP cohort completes intensive three-month acceleration program comprised of online and in-person capacity building and enterprise development trainings. Target 2.2: Successful completion of AAP program in two cohorts of 15 enterprises across selected countries	Output 2.1.1: List of key selection criteria for identifying adaptation SMEs developed. Output 2.1.2: Two cohorts of 15 SMEs selected using developed criteria. Output 2.2.1: Online training modules created to assist SMEs in business plan development, financing models, and corporate governance. Output 2.2.2: AAP committee established consisting of 20 expert advisors including both technical subject matter experts, and industry/ business leaders to lead AAP training and mentorship program Output 2.2.3: 30 target adaptation businesses complete AAP mentorship and training.	LDCF	312,611	173,250

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount($)	Co-Fin Amount($)
Component 3: AAP portfolio and model are replicated	Investment	Outcome 3.1: Investment in AAP cohorts through capacity building and linkages to external impact investors is completed	Output 3.1.1: Ten (10) most promising adaptation businesses receive up to $50,000 in business development investment	LDCF	515,744	2,500,000
			Output 3.1.2: Investor network with interest in adaptation created			
		Target 3.1: Minimum of five (5) new relationships between AAP cohort members and potential investors, industry strategic partnerships, and/or potential product/service offtakers/customers facilitated	Output 3.1.3: Deal and transaction facilitation and support through refining pitch decks, term sheet templates completed			
			Output 3.2.1 AAP scaling model including enterprise development curriculum, and fundraising plan disseminated			
		Outcome 3.2: The AAP model is replicated in other emerging economies	Output 3.3.1: AAP curriculum disseminated to other accelerator programs			
			Output 3.3.2: Online AAP platform launched			
		Target 3.1.2: AAP program expansion into two new emerging				

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount($)	Co-Fin Amount($)
Monitoring and Evaluation	Technical Assistance			LDCF	37,459	35,000
				Sub Total ($)	**931,861**	**2,771,250**
Project Management Cost (PMC)						
				LDCF	93,185	43,750
				Sub Total($)	**93,185**	**43,750**
				Total Project Cost($)	**1,025,046**	**2,815,000**

C. Indicative sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
GEF Agency	CI	Grant	Investment mobilized	315,000
Private Sector	Impact Investment Partners	Equity	Investment mobilized	1,500,000
GEF Agency	CI (in-kind co-financing from private partnership investment, public and private programs with adaptation focus)	In-kind	Recurrent expenditures	1,000,000
			Total Project Cost($)	**2,815,000**

Describe how any "Investment Mobilized" was identified

Funding is Investment Mobilized since the source of funding will be private sector investments that are not recurring.

D. Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)	Total($)
CI	LDCF	Regional	Climate Change	NA	1,025,046	92,254	1,117,300
				Total GEF Resources($)	**1,025,046**	**92,254**	**1,117,300**

E. Project Preparation Grant (PPG)

PPG Amount ($)
30,000

PPG Agency Fee ($)
2,700

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)	Total($)
CI	LDCF	Regional	Climate Change	NA	30,000	2,700	**32,700**
				Total Project Costs($)	**30,000**	**2,700**	**32,700**

Core Indicators

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	20			
Male	40			
Total	60	0	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

Number of direct beneficiaries: we expect that this number will be increased significantly as we develop the ProDoc.

Part II. Project Justification

1a. Project Description

1.1 The global environmental problems (or climate change adaptation problems if this is an adaptation project), root causes and barriers that need to be addressed

Natural hazards triggered by climate change have increased in both frequency and magnitude, negatively impacting communities and ecosystems globally through loss of life, reduced quality of life, loss of ecosystem services, and financial loss. Between 2003 and 2013 there were USD $1.5 trillion in economic damages related to climate change globally . These impacts are disproportionately felt in developing countries , who are significantly vulnerable to the effects of climate change. To address these impacts, protect communities and ecosystems, and avoid accruing further global costs, significant public and private investment in climate change adaptation and resilience is needed.

Climate change adaptation and resilience refers to preparing society and the economy to respond to and recover from the impending effects of climate change. The cost of adaptation needs in developing countries currently stands at $148-$300 billion per year and are projected to rise to USD $500 billion per year by 2050 . Current flows of international adaptation finance at approximately $22 billion are vastly inadequate to meet the urgent need to build adaptation and resilience capacity . This represents less than 5% of public climate financing. More alarming is the fact that close to 100% of the current adaptation financing comes from public sources, with very little private capital. Improving access to finance for adaptation is urgent. Due to developing countries' particular vulnerability to the effects of climate change, there is urgent need for investment in climate adaptation in these countries. To bridge the gap in adaptation financing, it is critical to get private sector investments into adaptation.

One avenue for catalyzing global investment into adaptation and resilience is to mobilize private finance through the development of Small and Medium Sized Enterprises (SMEs). Fortunately, business models and enterprises focused on climate change adaptation and resilience through technological adaptation and resilience products already exist. Technological advances addressing issues such as water shortages or flooding and shifting weather patterns through water capture tanks, solar pumps, predictive stormwater data, drip irrigation to respond to water shortages and flooding, precision agriculture and inputs, vertical farming, drone and agronomic advisor services, among others are promising. These technologies help SMEs re-orient their business operations, stay profitable and even achieve transformative outcomes in the face of climate impacts.

However, these adaptation SMEs face significant barriers in attracting global private finance investment.

1. Lack of investor knowledge on adaptation investing. Many investors lack sufficient knowledge of investible opportunities related to climate adaptation. As such, it is critical to identify investible adaptation themes and sectors, and companies that operate within these sectors. Adaptation investments should be presented in the same framework as other investments with risk, return and impact attributes clearly identifiable. It is also important to identify the investment themes that make the most sense with the local context and

transformational outcomes in mind. As a first step, AAP will identify these investment themes and sectors, alongside specific companies in each of the regions, thereby providing potential investors with greater clarity around potential investment pathways and opportunities.

2. Investor perception of high risk. Investors generally view adaptation investments as un-investable due to risk profile, scale, and lack of fully developed business models and the sovereign risk from investing in developing countries. The need for targeted, risk-tolerant capital to support innovative early-stage adaptation businesses and allow entrepreneurship and the scaling up of impact models is clearly demonstrated; the public sector must shift focus to generating incentives to scale up private sector engagement through the development of investment models specific to SMEs.

3. Lack of enterprise development specific to adaptation SMEs. Adaptation focused new innovation and business development has been greatly constrained due to the lack of sufficient enterprise development and business incubation facilities in the space. Adaptation SMEs, particularly in least developing countries do not have access to such opportunities to refine their business strategy and showcase their businesses as an investible asset. This is the core focus of AAP, in providing dedicated adaptation focusses business incubation, seed capital and developing entrepreneurship in the local areas. With sufficient business development and investment flows, not only does AAP establish adaptation as an investible asset but it generates local economic benefits and spurs new innovation.

If these barriers can be addressed, climate change adaptations are estimated to result in $236 billion in increased revenue for half of the world's biggest companies . It has been reported that investments of USD $1.8 trillion in climate adaptation has returned USD $7.1 trillion net benefits . This demonstrates that climate change adaptation can be profitable in the face of climate change; further, as climate risks increase over time, demand for companies to become involved in climate resilience will grow . The necessity for and investability of climate adaptation is clearly demonstrated, however, the barriers to SME investment need be addressed in order to facilitate investment and enhance adaptability and resilience in developing countries.

1.2 The baseline scenario and any associated baseline projects

Global climate change has already caused observable impacts on human populations and the environment, including loss of sea ice, accelerated sea level rise, and longer, more intense heat waves . The UN IPCC forecasts temperature rise of 2.5 to 10 degrees Fahrenheit over the next century . The extent of climate change effects will depend upon the ability of social and environmental systems to adapt. The net damage as well as associated costs of climate change are projected to increase over time; there are projected increases in warming and sea level rise as well as the severity and frequency of extreme events including hurricanes, droughts, and heat waves . The baseline scenario establishes that the pressures of increased effects of climate change compounded with lack of sufficient funding toward adaptation and resilience, human populations and environments will suffer, disproportionately so in the developing world.

Climate change has caused significant effects in Madagascar and Liberia. In the last two decades Madagascar has experienced extended droughts, increased variability of rainfall, intensification of cyclones and associated floods. In Madagascar, two thirds of the population live in coastal regions, which have already experienced sea level rise and cyclones .

Rising temperatures and changing precipitation patterns are projected to cause severe droughts in the southern part of the country, and more frequent cyclones and floods in coastal regions . Two thirds of the country's population live in the coastal regions, and are already exposed to rising sea levels and cyclones, which cause USD$50 million in damages annually . Liberia has predicted climate change effects including increased weather extremities of the wet/dry seasons as well as infrastructure risk from sea level rise and coastal erosion. 70% of Liberia's population lives in the coastal region, which is identified as vulnerable to climate change effects. Madagascar and Liberia are therefore important country's to target with adaptation investment, as they are exceedingly vulnerable to the effects of climate change.

Without accelerator projects such as the AAP, there is high likelihood that even if private sector financing of adaptation products and technologies were to increase, the barriers and challenges specifically associated with SMEs will deter investment at these levels. The AAP specifically seeks to foster investment in SMEs, addressing associated risks and making them an investable asset class. Building investable pipeline of adaptation businesses and developing the required deal documents can help in efficiently mobilizing mainstream capital to adaptation. In order to address the above business as usual scenario, there have been other funding initiatives developed to mobilize private sector finance. AAP complements these initiatives as a front-line accelerator vehicle that helps build capacity among adaptation businesses and facilitates investment flows to this emerging sector. In that manner, AAP is a desired component of the adaptation funding ecosystem that feeds promising SME investment opportunities to the rest of the chain, as well as develop these SMEs with investment and impact attributes that respond to the adaptation needs and investor preferences.

The Adaptation Accelerator Program will coordinate efforts and incorporate lessons learned from the following projects (outlined in further detail in section 6):

Project Name	**Years (Start-End)**	**Budget (USD)**	**Donor(s)**	**Objectives/Brief description of how it is linked to this GEF project**
Adaptation SME Accelerator Project (ASAP)	**2019-ongoing**	**$2,495.497 (including co-financing)**	**GEF SCCF**	**The ASAP project specifically has a goal of partnering with existing accelerators to incorporate adaptation SMEs into their programs. AAP being designed as an adaptation focused accelerator program has multiple opportunities to collaborate with ASAP, both on program delivery and relevant toolkit development.**
Climate Resilience and Adaptation Financing & Technology Transfer Facility (CRAFT)	**2017-ongoing**	**$2,463,000 (including co-financing)**	**GEF SCCF**	**CRAFT was the first private sector climate resilience and adaptation investment fund and technical assistance facility for developing countries. CRAFT will provide valuable conclusions and lessons learned for AAP.**

To advance the National Adaptation Plans (NAP) process for medium-term investment planning in climate-sensitive sectors (i.e. agriculture, energy, waste management, forestry and health) and coastal areas in Liberia	**2019-ongoing**	**USD $2,300,000**	**GCF, UNDP**	**National level program to strengthen the National Adaptation Plan, expand the knowledge base to scale up adaptation, build capacity for mainstreaming climate change adaptation, and formulate finance mechanisms for scaling up adaptation in the public and private sphere both nationally and internationally. This project will provide valuable resources in capacity building and private sector engagement in Liberia, as well as a repository of climate change data specific to Liberia.**
Sustainable Landscapes in Eastern Madagascar	**2016-ongoing**	**USD $53.5 million**	**GCF**	**Improving the resiliency of climate-vulnerable smallholder farmer families, reducing greenhouse gas emissions from deforestation and leveraging private sector climate investments. The Project aims to demonstrate a replicable model for addressing smallholder vulnerability that mobilizes both the public and private sector. This project will provide valuable contacts in the Malagasy landscape, and potential for coordination through the financial services investment fund being developed by EIB and Althelia.**

Conservation and Sustainable Use of Biological Diversity in the Northwestern Landscape (Boeny Region) – Madagascar	**2019-2022**	**18,356,936**	**GEF**	**To strengthen conservation and sustainable use of biodiversity in five protected areas in the Boeny region of Madagascar through improved management.**
Conservation and sustainable use of Liberia's coastal natural capital	**2017-2022**	**14,430,000**	**GEF**	**To improve conservation and sustainable use of Liberia's coastal natural capital by mainstreaming the value of nature into Liberia's development trajectory. Policy interventions, sustainable management of coastal ecosystems, and conservation of coastal resources through conservation agreements.**

1.3 Proposed alternative scenario with brief description of expected outcomes and components of the project

The Adaptation Accelerator Program is an adaptation technology accelerator developed and implemented by Conservation International (CI) to provide mentorship, training, and capital investment focused on maturing climate change adaptation business models being developed by local enterprises by improving fundamental business and entrepreneurial skills; facilitating market expansion; and providing catalytic investment which facilitates access to larger private sector investment.

While the AAP will initially operate within two countries (Madagascar and Liberia), the success of these two pilots and demonstrated program structure, curricula, and knowledge assets will be designed to be replicable, transferrable, and translatable across other emerging market geographies. The AAP will concentrate on adaptation-focused SMEs and business models which a) provide market-based solutions that measurably advance climate adaptation using technological innovation; and b) deliver products or services that increase the climate resilience of vulnerable populations.

AAP will build upon the expertise and local presence of Conservation International and specifically CI's impact investing fund Conservation International Ventures (CIV) and its Conservation Investment Partners (CIP) network, which have extensive financial expertise in enterprise development and impact investing. AAP will benefit from dramatically reduced transaction costs, access to investment capital and partnerships. CIV has a fully operational infrastructure, network and partnerships and professional expertise who can contribute to quickly executing AAP. Through CIV, AAP also has direct access to pipeline for identifying high impact adaptation businesses, deploying capital efficiently, and achieving impact. Replication of this infrastructure and the intellectual property would otherwise take time and resources; but CIV's extensive partnerships among the impact investment community, and technology accelerators in conservation, as well as in-country relations ships will help fast track delivery of AAP's objectives. Existing formal partnerships with leading conservation impact investors such as Andgreen, Eco.business Fund, and Althelia, as well as with adaptation and technology accelerators such as CRAFT and Elemental Accelerator. Through these relationships, CI will be able to efficiently source new deals, provide co-investment opportunities and design blended finance products as appropriate to the AAP cohort.

In the long term, this program will generate a pipeline of investable enterprises and provide them with co-investment opportunities as well as prove a replicable and scalable model for the climate finance world, contributing to climate change adaptation and resilience and improved wellbeing and livelihoods.

Project Objective: To facilitate the development of 30 climate change adaptation focused Small and Medium Sized Enterprises (SMEs) through the design and implementation of an adaptation accelerator in two emerging economies (Madagascar and Liberia), providing training, investment, and finance access, and ultimately proving a replicable model to catalyze investment in adaptation focused SMEs in emerging economies globally.

Component 1: Identification of transformational adaptation investment themes, sectors and technologies

A key objective of AAP is to identify adaptation business models and enterprises that are helping shape transformative adaptation outcomes in Madagascar and Liberia. The identification of these business models will be done through a three-tier process of scoping the existing adaptation focused businesses and opportunities, distilling transformational adaptation themes as well as three investment sectors within these themes, and from this a long-list of 50 climate adaptation enterprises aligned with these sectors.

The output from this phase will also help the larger investment community identify potential adaptation specific investment themes in the two geographies and will initiate the process of prospecting interest as potential off takers for the AAP cohorts.

This phase will be conducted through desktop research and engagement of in-country expert consultant who will provide a scope of investment opportunities, business and adaptation value proposition, current investment status, major investors and the long list of adaptation businesses in Madagascar and Liberia.

Outcome 1.1: Innovative investment themes and sectors by which to facilitate transformative adaptation benefits in Madagascar and Liberia identified
In country consultant to generate a scoping report for both Madagascar and Liberia, identifying existing adaptation businesses, value propositions, funding opportunities, and gaps. Using these reports, transformational adaptation themes will be identified as well as three specific investment sectors per geography. These themes and sectors will be used to identify a long list of 100 climate adaptation enterprises aligned to themes in each pilot geography.

-
- Output 1.1: Scoping report on existing adaptation focused businesses, industry and market ecosystem, funding landscape, and other key industry opportunities and gaps completed
- Output 1.2: Transformational adaptation themes and sectors in target geographies
- identified
- Output 1.3: Long list of 50 climate adaptation enterprises aligned to the three investment sectors
-

<u>Component 2: Identification of AAP Business Cohort and Operationalization of Acceleration Program</u>
AAP will identify, select, and recruit a cohort of 30 businesses to complete the acceleration program, generating a pipeline of investable adaptation enterprises through capacity building and enterprise development. The AAP cohort will complete an intensive three-month acceleration program including mentorship and capacity building by a committee of 20 expert advisors.

The selection process for the AAP cohort will be guided by the scoping study and SME selection criteria delivered from component 1. The Lightsmith group has estimated the global market size for adaptation and resilience solutions technologies, products & services is $130 billion spanning 20 market segments. The scoping study will identify specific sectors, that have greatest potential for generating adaptation impact and business viability in Liberia and Madagascar.

Indicative sectors of interest to AAP include

1. Climate smart agriculture, including precision agriculture, seed treatments and vertical farming, climate & resilience advising, drone monitoring etc.
2. Water: Drip irrigation, solar pumps, water storage, water management systems etc.

3. Management of Catastrophic risk: Early warning systems, microinsurance, risk analytics etc.
4. Financial services: micro lending, input credit services, ecosystem payment systems etc.

Outcome 2.1: 30 investable adaptation enterprises from longlist of Component 1 are recruited for AAP program
AAP will develop a criterion by which to identify SMEs that address adaptation and resilience. The criterion will include business indicators and liability, impact potential, and transformational potential. Using these criteria, AAP will identify, select, and recruit 30 SMEs into its business cohort and three-month acceleration program.

During this time, AAP will develop, and an online business plan development module geared toward enterprise development. The business plan development module will have multiple components, with emphasis on customer/market segmentation, testing and discovery, and competitive analysis and commercial forecasting.

Output 2.1.1: List of key criteria on SMEs to identify 30 investable business models/enterprises contributing to climate change adaptation developed.
Output 2.1.2: Cohort of 30 SMEs selected using developed criteria.
Output 2.2.1: Online training modules created to assist SMEs in business plan development, financing models, and corporate governance.

Outcome 2.2: AAP cohort completes intensive three-month acceleration program comprised of online and in-person capacity building and enterprise development trainings.
AAP will identify 20 expert advisors to lead the AAP technical training program. These experts will include technical experts and business leaders, who will lead the AAP curriculum and provide mentorship to the 30-business cohort. Businesses will complete the three-month acceleration program.
Output 2.2.2: AAP committee established consisting of 20 expert advisors including both technical subject matter experts, and industry/ business leaders to lead AAP training and mentorship program.
Output 2.2.3: 30 target adaptation businesses complete AAP mentorship and training.

Component 3: AAP Portfolio and Model are Scaled and Replicated
Ten (10) of the thirty (30) AAP business cohort enterprises will be selected to receive a $50,000 business development investment in the form of a revolving grant mechanism, in which repayment is triggered by further co-investment. AAP will generate market access through its network of investment partners and facilitate transactions with the network through developing documents including term sheets, investment decks, etc. The AAP model including the development curriculum, and fundraising plan will be disseminated and available to replicate this model to other geographies.

Outcome 3.1: Investment in AAP cohorts through capacity building and linkages to external impact investors is completed

Upon successful completion of the program, up to $50,000 will be awarded to the 10 business as identified by the cohort participants. This investment will be structured as a short term zero interest repayable grant instrument. Repayment will be triggered upon the enterprise securing other qualified financing. CI will work to facilitate this co-investment process by providing business owners with the skills and contacts to raise funds through the acceleration training program. In addition to AAP "investment readiness" support, businesses from the cohort will also be considered potential candidates for investment for CI's own impact fund: CI-Ventures. Other AAP graduates will be integrated within the CI-Ventures portfolio allowing for ongoing management and a sustainable exit to occur after project completion. This includes showcasing potential investments with CI-Ventures' partnership network that includes leading investor members from conservation finance community.
CI will work to facilitate this co-investment process by providing business owners with the skills and contacts to raise funds through the acceleration training program. In addition, to AAP "investment readiness" support, businesses from the cohort will also be considered potential candidates for investment for CI's own impact fund: Conservation International Ventures (CIV). Other AAP graduates will be integrated within the CIV portfolio allowing for ongoing management and a sustainable exit to occur after project completion. This includes showcasing potential investments with CIV's partnership network that includes leading investor members from conservation finance community.

Output 3.1.1: Ten (10) most promising adaptation businesses receive up to $50,000 in business development investment.
Output 3.1.2: Investor network of investors with interest in adaptation themes created
Output 3.1.3: Deal and transaction facilitation and support through refining pitch decks, term sheet guidance, and provide document templates for AAP portfolio completed

Outcome 3.2: The AAP model is replicated in other emerging economies.
Subject to additional funding from public and private sources, AAP expects to expand to two additional countries with its accelerator program. These countries will be selected based on investor interest, pipeline of adaptation SME's, adaptation impact potential and alignment with CIV priority countries.
Output 3.2.1 AAP scaling model including enterprise development curriculum and fundraising plan disseminated

Outcome 3.3: AAP program resources and model are scaled through online dissemination and partnership with other accelerator/incubator programs.
The scaling model envisaged for AAP includes 1). an open source module for the AAP curriculum and 2). Integration of AAP curriculum with other accelerator programs Specifically, the AAP curriculum will be made available online for use by Adaptation SMEs globally as well as disseminated to other accelerator programs to be integrated into their curriculum. CI has close relationships with leading accelerators programs such as elemental accelerator, Techstars etc. who can benefit from AAP experience and curriculum support with respect to accelerating adaptations SME's.
This curriculum will be a toolkit for entrepreneurship development and business development courses. Further, opportunities to integrate AAP with the CI-Ventures program will be explored: AAP cohorts and pipeline will be shared with CI-Ventures' investment partner community, Conservation Investment Partners (CIP), CI's broader partnership with other accelerators and incubators in the conservation space, and relevant GEF funded project activities such as the Adaptation SME Accelerator Project (ASAP).
Output 3.3.1: AAP curriculum disseminated to other accelerator programs
Output 3.3.2: Online AAP platform launched

1.4 Alignment with GEF focal area and/or impact program strategies

The AAP supports the GEF Programming Strategy on Adaptation to Climate Change in the LCDF and SCCF's goal of "strengthening resilience and reducing vulnerability to the adverse impacts of climate change in developing countries, and supporting their efforts to enhance adaptive capacity." The AAP supports all sub-objectives of this goal, being: Objective 1 "reducing vulnerability and increasing resilience through innovation and technology transfer for climate change adaptation"; Objective 2 "Mainstream climate change adaptation and resilience for systemic impact,"; and Objective 3 "To foster enabling conditions for effective and integrated climate change adaptation." The AAP addresses these sub-goals through directly supporting climate adaptation technologies, creating mainstream market access for adaptation SMEs and therefore of adaptation and resilience itself both nationally and globally, and ultimately fostering conditions for more effective climate change adaptation. AAP is designed to be scaled, and as such involves "technological, social, and instructional innovation" that can be "transferred, adapted, and deployed across the developing world." Through investment partnerships, co-investment facilitation, and finance access, it involves "leveraging non-GEF partners and initiatives to deliver great impact and scaled-up finance in vulnerable countries." AAP also enhances national level initiatives and capacity while supporting Madagascar and Liberia's NAP's.

LCDF and SCCF financing of the Adaptation Accelerator Program would support their goals of "piloting and demonstrating technologies, techniques, and business models for adaptation," as well as "identifying opportunities for scale-up through other sources of climate and development finance." The AAP identifies, incubates, and develops enterprise SMEs, while demonstrating a replicable model. This financing will enable the AAP to secure large-scale financing from the private sector for otherwise risky enterprises. Additionally, AAP is initially piloting at the national level to achieve country level change, but the model itself can be adapted and replicated in least developed countries (LDCs) globally. The AAP will mitigate risk and create enabling conditions for innovative concepts in SMEs within developing countries.

AAP as an accelerator also supports the GEF Adaptation strategy to develop local innovation through incubators and accelerators by "contributing to networks of commercialization and market access for technologies at the regional or global scale" in their use of investment partner networks. In doing so, AAP will "raise capacity of local private actors" through enterprise development and "support [] national and global platforms for enhanced coordination and pooling of support" through the coordination of investment partners and the development of a panel of experts. AAP utilizes a revolving grant mechanism, which supports the private sector engagement strategy of "expanding catalytic grant and non-grant instruments," as well as "support[ing] enabling environments for the private sector to act as an agent for market transformation." As demonstrated, AAP fulfills the LCDF and SCCF strategies to develop innovative finance mechanisms to target adaptation and resilience in developing countries.

By the time of CEO Endorsement, the project will present: (i) a detailed explanation of the mechanism through which the Executing Entities will select the grant proposals and disburse the funds; (ii) how GEF Implementing Agency will ensure that the Minimum Fiduciary Standards Requirements are met by each one of the Executing Entities at all levels of the project implementation; and (iii) a legal establishment/mechanism on how the GEF fund is transferred to set up revolving funds, and how the new fund is to be operated with outflows/inflows of loans and credits if any.

1.5 Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing

The project seeks funding to establish an accelerator program to develop adaptation SME in Madagascar and Liberia, with the primary goal of proving a replicable model to catalyze investment in adaptation focused SMEs in emerging economies globally.

As noted elsewhere in this document, there is a paucity of climate financing directed towards adaptation. In addition, development of SMEs in general and climate-oriented businesses needs special attention, especially in least developed economies which also tend to be most vulnerable to climate change. There is no enterprise development program or accelerator program that specifically targets adaptation enterprises. In the absence of the AAP, adaptation sector in general and adaptation enterprises in particular will suffer from a lack of financing or mature as investible assets. The sector will continue to lag behind in funding and its ability to provide adaptation focused innovation.

Co-financing: A key value proposition for AAP is its alignment and integration with the CI Ventures. This allows for AAP to benefit with much of expertise, infrastructure, work activity and partnerships already established within CIV. We envision three components of co-financing that will be made possible through this project:
1) Direct in-kind contributions made from CI Ventures staff time, existing Conservation Investment Partners network, and infrastructure.
2). Co-financing made available to adaptation enterprises due to AAP. In essence, AAP de-risks projects and build investable pipeline.
3). Co-financing through other relevant public and private programs that interface with the project activity. Examples include in-kind financing from the 10 businesses that received funding from the project and alignment with the recently approved UNDP-GCF funded project in Liberia

1.6 Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF)

Adaptation benefits that will be generated by the GEF-supported alternative scenario will relate to increased climate adaptation and resilience in developing countries through the following outputs:

Output 1.1: Technologies and innovative solutions piloted or deployed to reduce climate-change related risks and/or enhance resilience
The AAP Supports climate change resilience and adaptation through the support of technological interventions which benefit livelihoods and income in vulnerable populations and geographies and enhance market access.

Output 1.2: Innovative financial instruments and investment models enabled or introduced to enhance climate resilience
The AAP introduces an accelerator and will support both entrepreneurs (disaggregated by gender) and a target number of adaptation technologies. It will also introduce a financial development model.

Outcome 2.2: Adaptation considerations mainstreamed into investments
AAP will support adaptation investments through demonstration of a successful initiative and the technologies supported, as well as private investment mobilized in Component 3.

The project will yield positive environmental and social impacts by supporting adaptation-focused SMEs. Through the enterprise development and enhanced market access, the AAP will have the following outcomes:

GEF Outcome	GEF Indicator	AAP Project Target Group	Unit of Measurement
Vulnerability of people, livelihoods, physical assets and natural systems to the adverse effects of climate change	**Number of direct beneficiaries**	**People of Madagascar and Liberia will have access to climate change adaptation goods and services**	**Number of People accessing accelerator companies' goods and services during the project lifespan and projected over the next 5 years**
Livelihoods and sources of income of vulnerable populations diversified and strengthened	**Population benefiting from the adoption of diversified, climate-resilient livelihood options**	**New forms of employment and value addition created for product/service users or supply chain participants will be measured to understand the value of adaptation businesses supported**	**Number of People reached by businesses supported by Accelerator.** **$ Value of Personal Savings accrued by product/service user** **Number of jobs created or supported**

Climate-resilient technologies and practices adopted and scaled up	**Extent of adoption of climate-resilient technologies/practices**	**Sector-specific interventions in key commodity sectors (fisheries, rice, cocoa, etc.) that play important role in food security and household cashflows in Madagascar and Liberia**	**% of producers in market segment adopting climate smart technology as a result of engagement with businesses entered into the AAP**

1.7 Innovation, sustainability, and potential for scaling up

Innovation: AAP is the first of its kind as an accelerator program designed specifically for adaptation. As such, it fills an important gap in adaptation enterprise development. Secondly, AAP is uniquely placed in its linkage with an operational impact investment platform in Conservation International Ventures (CIV). This allows AAP to be one of the few accelerator programs that also have the ability to draw expertise and resources from a functional investment operation. This innovative model is synergistic to both CIV and AAP, in terms of deal sourcing, building pipeline and its linkage to mainstream investment partners. Thirdly, the project is an innovative way of deploying finance and technical assistance to develop sustainable solutions to tackle climate impacts and enhance entrepreneurship in local communities.

Sustainability: The outputs from AAP inherently creates a pipeline of adaptations SMEs focused on delivering solutions to meet the climate adaptations needs of the community. As a business development enterprise, AAP SME will be market-tested for their business viability alongside their environmental value they provide. AAP will lead efforts to establishing adaptation as a new asset class to further sustainable innovations, entrepreneurship and funding in that space.

Potential for scaling up: Overall, AAP will lead to enhanced financing and scaling up of efforts to investing in adaptation. By building investable pipeline and by providing transactional support, AAP is helping making investing in adaptation more efficient. Second, as a program AAP has tremendous opportunity to scale up, not just organically but through strategic partnerships. The curriculum and resources developed by AAP can be easily scaled to other geographies. In addition, AAP will deploy these materials online for easy access by adaptation entrepreneurs globally.

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Indigenous Peoples and Local Communities

Civil Society Organizations

Private Sector Entities Yes

If none of the above,please explain why:

In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.

Stakeholder	Interest in project	Stakeholder influence in project	Project effect(s) on stakeholder
Adaptation Small and Medium Businesses	**Business development support** **Access to investors** **Adaptation Impact Enterprise**	**SMEs business value propositions and baseline state will drive the AAP curriculum, mentorship and funding sources** **Potential multiplier effect from dissemination of best practices and knowledge to other enterprises, spur positive competition and help community adaptation**	**Enhanced business and adaptation impact knowledge** **Enhanced funding opportunities available to stakeholder** **Increased demand and readiness to accept finance from local banks and other agencies** **Better impact measurement and reporting**

Climate impact Investors (private, public and Philanthropic capital)	**Access to pipeline of investable opportunities in the adaptation space** **Clarity in defining investable themes under adaptation and sectors**	**Ability to share candidates from pipeline who were un-investable and require business development support from AAP** **Ability to be off takers from AAP Cohorts** **Opportunity to serve as Mentors and/or help in shaping the curriculum**	**Clarity on investable themes in Adaptation and sectors** **Enhanced investment opportunities in adaptation**
Incubator and Accelerator Programs	**Partnership in developing adaptation focussed curriculum for AAP** **Pipeline sharing opportunities**	**Sharing lessons learnt and curriculum as relevant** **Sharing candidates from their pipeline who can benefit from AAP**	**Opportunity to integrate impact metrics into their program modules2.** **Opportunity to integrate adaptation specific content into their programs**

Local governments and communities	**Opportunity to develop local entrepreneurship, support local enterprises, diversify economy and job creation**	**Support innovation and entrepreneurship through enabling policy environment** **Recognition of adaptation potential and enhance financial flows to sector** **Can hinder project if enabling environment is absent or implement policies that have counter effect**	**New economic development, job creation and entrepreneurship** **Potential increased tax revenues, financial flows or axillary industry development in sector.**

Potential future funders for the AAP program	**Opportunity to make an impact in emerging adaptation investment space** **Ability to generate higher impact ROI through the unique investment model of AAP**	**Set overall impact and investment guidelines, and geography for AAP** **Governance and reporting** **Additional funding opportunities**	**Adaptation impact aligned funding opportunities** **AAP project can prove as a pilot for funders for a novel model to contribute to the local economy** **If project is not successful, then can have a negative impact on adaptation accelerator models**

3. Gender Equality and Women's Empowerment

Briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis).

The Adaptation Accelerator Program will ensure that gender criteria are integrated into all project activities. A gender focus will be clearly demonstrated in all stages of the accelerator program in order to optimize the projects efficiency, sustainability, and equity, leading to economic and social gains and increased participation.

During the implementation of the project, attention will be given to ensuring equitable opportunities for women to participate in the project and in all stakeholder engagement activities, including when engaging with: (i) Adaptation SMEs, (ii) private finance experts and partners, and (iv) investee networks. In each of the key project components, the focus for gender mainstreaming will be on the following aspects:

1. Component 1: Identify Innovative Investment Channels and Sectors by Which to Facilitate Transformative Adaptation Benefits in Madagascar And Liberia. In this component, the focus is on scoping and mapping existing SMEs and investment channels in each region. CI will ensure that there are equitable opportunities for companies with women in senior leadership to be selected and represented in the long list of 100 enterprises.
2. Component 2: Identification of AAP Business Cohort and Operationalization of the Acceleration Program. This component involves identifying, selecting, and recruiting the business cohort of 30 SMEs to then complete the acceleration program. CI will ensure participation from companies with women in leadership roles and will track the number of women attending regional events. CI will ensure participation from women in panel discussions at these events, with the goal of having at least one woman participate. AAP will also ensure that the committee of 20 expert advisors includes an equitable percentage of women experts to lead the intensive accelerator program.

3. Component 3: AAP Portfolio and Model are Scaled. This component involves the selection of 10 enterprise to receive a business development investment as well as exposure to a network of adaptation investors. AAP will ensure there are equitable opportunities for companies with women in senior leadership roles to be selected and will include gender equality considerations in the AAP model to be disseminated at scale.

AAP will collect gender-disaggregated information from key stakeholder meetings to track gender participation and engagement. Conservation International (CI) is an Affirmative Action/ Equal Opportunity Employer of minorities, women, veterans, and individuals with disabilities. AAP will integrate GEF's 2017 Gender Policy and will include disaggregated indicators for men and women so that impacts and outcomes, and their gender relevance, can be tracked and analyzed.

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes

closing gender gaps in access to and control over natural resources;

improving women's participation and decision-making; and/or

generating socio-economic benefits or services for women. Yes

Will the project's results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Will there be private sector engagement in the project?

Yes

Please briefly explain the rationale behind your answer.

AAP will make concerted efforts to engage with private sector including financial institutions, other accelerator programs and corporates to enhance the value proposition to adaptation SMEs and entrepreneurs in Liberia and Madagascar. It is notable that CI and CIV already have extensive partnerships with the impact investment community and technology accelerators in conservation, as well as in-country relations ships which will help fast track delivery of AAP's objectives. There are existing formal partnerships with leading conservation impact investors such as Andgreen, Eco.business Fund, and Althelia, as well as with adaptation and technology accelerators such as CRAFT and Elemental Accelerator. In addition, CI also hosts the Center for Environmental Leadership in Business (CELB) which has important links with the corporate sector, including agribusiness, technology and energy multinationals in the pilot regions. These engagements will help AAP to not only focus the business value proposition for its cohorts and get practical market advice but also to efficiently source new deals, provide co-investment opportunities and explore blended products as appropriate.

5. Risks

Indicate risks, including climate change, potential social and environmental risks that might prevent the Project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the Project design (table format acceptable)

Risk description	Risk Level: High (H), Substantial (S), Modest (M), Low (L)	Mitigation Actions
Failure to identify Adaptation business or investment opportunities	**S**	**Conservation International local presence in both Liberia and Madagascar provides considerable technical knowledge and local relationships to identify impactful investment themes and businesses. In additional, the initial scoping exercise conducted by AAP will help inform the selection process and long list of specific businesses. AAP will also work in partnership with ASAP and CRAFT, and other partners to identify investible value propositions in the countries.**
Failure to develop and execute a curriculum that is useful to Adaptation SME	**L**	**AAP will supplement its efforts in curriculum development by partnering with other existing accelerators and the in-house technical expertise available at CI. In additional, about 20 experts I technical and business matters will be engaged as mentors, who will help advice on practicality of curriculum and in deployment. On business development aspects, CI also has multiyear expertise through its experience running Verde ventures and CI Ventures.**

Failure to garner sufficient interest from investment partners and other key partners	**M**	**AAP will benefit from the string relationships CI has with the impact investment community, and the frequent interaction with these partners through CIV. Investment partners will be engaged from the beginning of the process to provide direction on investment preferences and in shaping the outcomes of the cohort.**
Failure to select ideal AAP cohort in Madagascar and Liberia	**L**	**There will be a rigorous selection process for the Adaptation SMEs into the incubator program to ensure the suitability of their business models, abilities of the management for implementation, and the adaptation benefits. Training and other support will be provided as necessary to develop the SMEs to provide the best chance of their success.**
Reputational risk to CI and CIV	**L**	**CI will follow its tested approaches and experience from Verde ventures and CIV Due diligence processes in selecting the AAP cohort and partners. CI will ensure that there is sufficient transparency and stake holder consultation in implementing AAP.**
Inability to get transformational adaptation outcomes and/or scale up	**M**	**AAP has in its implementation plan a scoping study to identify specific sectors that have transformational adaptation outcomes. The AAP program will be implemented according to this theory of change. In addition, in country CI presence and AAP experts will help in directing the interventions towards these outcomes.**

6. Coordination

Outline the institutional structure of the project including monitoring and evaluation coordination at the project level. Describe possible coordination with other relevant GEF-financed projects and other initiatives.

The AAP is the first adaptation based accelerator of its kind, but exists alongside projects working towards the goal of private investment in adaptation globally as well as within Liberia and Madagascar. In order to maximize impact, the AAP is building relationships and coordinating plans with the following projects in order to glean lessons learned, minimize duplication of efforts, and demonstrate additionality.

Lightsmith Group founded the GEF-funded Climate Resilience and Adaptation Financing & Technology Transfer Facility (CRAFT), as well as the more recent Adaptation SME Accelerator Project (ASAP). The CRAFT project was the first private sector climate resilience and adaptation investment fund for developing countries and is now publishing

conclusions that will be very useful as lessons learned to incorporate into the AAP. The ASAP project partners with existing accelerators to incorporate SMEs into their programs and has key overlap with AAP for collaboration. Firstly, ASAP is developing a mapping and taxonomy of 100 SMEs within Africa, which will be useful in identifying SMEs specific to Liberia and Madagascar through general trends and sectors within the region. Secondly, ASAP is developing a toolkit for SMEs regarding environmental and social impact and impact management. This toolkit will be useful as it relates to the development of the impact measurement and management system for this project (described below) and efforts will be made to integrate the salient components into the work proposed here. Outputs from the ASAP project will also hopefully be drawn upon to develop AAP's training curriculum. In prior discussions, Lightsmith/ASAP has already agreed to share information and deliverables with CI's proposed AAP as their project deliverables become available.

AAP will work to coordinate with the GCF projects in Madagascar (Sustainable Landscapes in Eastern Madagascar) and Liberia (To advance the National Adaptation Plans NAP process). AAP will also coordinate with the GEF-6 Boeny Landscape project in Madagascar and the GEF-6 NCA project in Liberia during the PPG phase.

Impact Measurement and Management

Project success will be measured by metrics that align with multiple impact metric frameworks from a variety of perspectives, but most importantly it will be guided by the GEF's Climate Change Adaptation Tracking Tool . The project team will select and put into place indicators and data collection and analysis protocols which align with GEF's mandate especially as it relates to the LDCF an SCCF objectives and Tracking Tool Outcomes 1.1-1.3. In addition to this framework, impact measurement efforts at a project-level will consider metrics that help to understand the effectiveness and potential for replicability of the AAP model.

Accordingly, the project team will select and periodically measure a collection of output, outcome, and impact indicators where appropriate. Particularly with regard to the measurement of project-level ambitions to develop a scalable model that addresses climate adaptation needs globally; indicators will be selected to understand the impact from the point of view of the Accelerator model's ability to channel private sector capital to address climate change adaptation challenges. Additionally, CI's Impact Measurement and Management (IMM) approach will be characterized as follows:

Alignment with relevant adaptation metrics: CI will adopt GEF metrics as required by the Facility's M&E policy, requests by GEF project management staff, and relevant frameworks (i.e. Climate Change Adaptation Tracking Tool) as well as other relevant indicators from other impact measurement initiatives such as the Sustainable Development Goals (SDGs), or the Impact Reporting and Investment Standards (IRIS)

Lean Data for measuring impact: Whenever possible, CI will follow impact measurement principles in the spirit of the Lean Data approach pioneered by the Acumen Fund, in which, a select, limited number of enterprise related metrics are collected in a robust manner which will allow project staff and GEF program managers to cut through the noise to understand the depth of impact of participating enterprises and the AAP model. For example, the project team may survey AAP participants or their clients using the Net Promoter Score , a commonly used metric by private sector service providers which has been shown to accurately gauge a businesses' potential to grow. This will allow CI to understand the potential replicability of the AAP model from a unique perspective.

Triple bottom line approach to measuring AAP models impact: CI's project team will measure impact using metrics focused on business sustainability from three points of view: social, environmental, and financial. Diverse impact metrics such as: revenue growth, job creation, and climate resilience services provided will be measured to understand the AAP model's return on investment from multiple dimensions defining sustainability.

An example monitoring matrix has been provided below to illustrate the types of metrics that will be collected.

Metric	Definition	Type of Indicator	Indicator Source	Frequency	Responsible	Means of Verification	Target
Technology adoption	**Population benefiting from the adoption of climate resilient technologies/practices**	**Output**	**GEF**	**Annually**	**CI**	**Survey of AAP participants**	**100K**
Livelihoods diversified and strengthened	**Population benefiting from the adoption of diversified, climate-resilient livelihood options**	**Output**	**GEF**	**Annually**	**CI**	**Survey of AAP participants**	**100K**
Coverage of Resilience Benefits	**Hectares, km, etc. of land or water that have increased climate change resilience as a result of AAP participants products or services**	**Output**	**GEF/CI**	**Annually**	**CI**	**Survey of AAP participants / project spatial analysis**	**TBD**
Businesses Supported	**Businesses receiving support through AAP**	**Output**	**CI**	**Annually**	**CI**	**Project records**	**30**
Sales Revenue growth	**The organization's earned revenue after selling a product or service.**	**Outcome**	**Impact Reporting Investment Standards**	**Annually**	**CI**	**Survey and Financial Statements**	**50% growth in 2 years**
Jobs created	**Number of jobs created on a permanent full-time or part- time basis as defined by IRIS**	**Outcome**	**Impact Reporting Investment Standards**	**Annually**	**CI**	**Survey and Payroll Records**	**60 over 2 years**

Average Net Promotor Score for AAP Participants and AAP	**Portfolio Average of All companies in the AAP program and evaluation of AAP program**	**Impact**	**Bain and Co.**	**End of each cohort**	**CI**	**Survey**	**Avg. score: 9**

7. Consistency with National Priorities

Is the Project consistent with the National Strategies and plans or reports and assesments under relevant conventions

Yes

If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc

National Adaptation Programme of Action of Action:

Madagascar submitted their NAPA in 2006, and since then have implemented a National Adaptation Plan (NAP) planning committee, and in 2016 launched their NAP process. The Malagasy NAPA states that there are five areas of impact prioritization: vulnerable groups and resources, poverty reduction, community assets, cost-effectiveness, and synergy with multilateral environmental agreements. The NAPA identifies public health, food security and agriculture, water resources, basic infrastructure, land use management, cultural heritage, and biological diversity as extremely important to adaptation. The NDC (September 2016) of Madagascar includes up to date goals regarding adaptation, including the implementation of a NAP. The priority sectors identified for adaptation in Madagascar are: agriculture, water resources, infrastructure, coastal zone management, human health, forests and biodiversity, and climate risk management. Prospective development areas include economic signs of recovery and unique natural capital, and a critical gap identified is climate forecasting and information systems oriented to end users and decision makers. AAP will support the Malagasy NAPA goals to focus on adaptative and resilient development to benefit local communities and the most vulnerable stakeholders. AAP will take into account the priority sectors and geographies into their scoping exercises.

Liberia developed their NAPA in 2008, and identifies the most vulnerable groups in urgent need of adaptation activities as those living in coastal areas, whose livelihoods are dependent on fishing, farming, and low level trading. It identifies key activities as “the introduction of measures to maintain fishery production capability, inhibit the spread of disease, preserve forests/wetlands, and increase agricultural productivity.” The three priority areas identified for adaptation are: enhancing resilience through crop diversification and agricultural practices; rebuilding the national hydro-meteorological monitoring network to enhance resilience; and reducing vulnerability of coastal urban areas. Liberia’s

NDC (2015-2030) includes the development of a NAP, with focus on coastal development and management, agriculture, energy (hydropower), forest management and coastal resilience, and health and waste management. AAP will support Liberia's NAPA and NAP goals and take into account key geographies and sectors (coastal region, coastal development and management, agriculture, energy, forest management, and a health and waste management) into its scoping reports and enterprise selection.

8. Knowledge Management

Outline the Knowledge management approach for the Project, including, if any, plans for the Project to learn from other relevant Projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

This project is developing the first accelerator dedicated to adaptation and resilience SMEs. As such, this project involves the creation and dissemination of new knowledge within this field, building upon previous projects and contributing significantly to adaptation in LDCs. The knowledge generated in this project will include sector and geographic scoping for development and investment within Liberia and Madagascar, the development of enterprise development curriculum, and dissemination of these materials.

Knowledge Creation:
AAP will generate the following products which will contribute to the knowledge of the field:
In Component 1 AAP will generate: 1) scoping reports in Madagascar and Liberia that encompass the existing adaptation focused businesses, funding opportunities, and gaps, then used to identify the investment themes and sectors within each geography. For this product, AAP will utilize the taxonomy of businesses created by ASAP; however, ASAP has a broader regional scope and as such AAP will need to do further in-country analysis to refine the analysis to the country level. This component will also produce 2) a long list of 50 adaptation enterprises in both Madagascar and Liberia, contributing to the market knowledge and visibility of these SMEs.
In Component 2, AAP will generate: 1) a criterion used to identify adaptation SMEs that will include business indicators and liability, impact potential, and transformational potential. This criterion can be replicable for other entities to evaluate SMEs for their investment and adaptation potential. 2) An online business development module geared toward enterprise development. The business plan development module will have multiple components, with emphasis on customer/market segmentation, testing and discovery, and competitive analysis and commercial forecasting.

Knowledge Dissemination:
The products created through Components 1 and 2 of AAP will be disseminated and replicated in Component 3. The scoping report created in Component 1 will provide a template that can be used to replicate the process in another geography, providing a three-tiered approach of theme, sector, and enterprise. The criteria of adaptation SMEs created in Component 2 will be disseminated as part of the enterprise development toolkit, as it identifies criteria of investability and environmental transformation that are key to both enterprises and investors in this space. Lastly, the online business development module will be available for replication by other accelerators, enterprises, and investors to enhance investment in the adaptation space.

Part III: Approval/Endorsement By GEF Operational Focal Point(S) And Gef Agency(ies)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Point endorsement letter with this template).

Name	Position	Ministry	Date
Nathaniel Blama	OFP, ED	Environment Protection Agency	11/6/2019
Christina Ralalaharisoa	OFP	General Directorate, Sustainable Development	11/6/2019

ANNEX A: Project Map and Geographic Coordinates

Please provide geo-referenced information and map where the project intervention takes place