

GEF-8 Program Framework Document (PFD)

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General Project Information

Project Title

Programme for innovation in climate adaptation and resilience building solutions (PARS)

Country(ies)

Global
Lesotho
Malawi
Ethiopia
Somalia

GEF Program ID

11566

GEF Agency(ies)

UNIDO

GEF Agency ID

240049

Other GEF Agenc(ies):

Submission Date

3/20/2024

Type of Trust Fund

LDCF

Anticipated Program Executing Entity(s):

Global - UNIDO, other partners (tbc)
Ethiopia -Ethiopian Forestry Development (EFD), CIFOR-ICRAF, PENHA
Lesotho - Ministry of Environment and Forestry (tbc)
Malawi - Ministry of Natural Resources and Climate Change (tbc)
Somalia - Shabeel Group (tbc)

Anticipated Program Executing Partner Type(s):

GEF Agency
Others
Government
Others
Others

Sector (Only for Programs on CC):

Climate Change Adaptation Sector

Project Duration (Months):

60

GEF Focal Area (s)

Climate Change

Program Commitment Deadline:

Taxonomy

Focal Areas, Climate Change, Stakeholders, Gender Equality, Gender results areas, Climate Change Adaptation, Climate finance, Innovation, Private sector, National Adaptation Programme of Action, Ecosystem-based Adaptation, Climate resilience, Adaptation Tech Transfer, National Adaptation Plan, Mainstreaming adaptation, Least Developed Countries, Climate information, Influencing models, Deploy innovative financial instruments, Strengthen institutional capacity and decision-making, Demonstrate innovative approaches, Civil Society, Non-Governmental Organization, Community Based Organization, Academia, Private Sector, Capital providers, SMEs, Financial intermediaries and market facilitators, Individuals/Entrepreneurs, Beneficiaries, Type of Engagement, Consultation, Information Dissemination, Partnership, Participation, Local Communities, Communications, Strategic

Communications, Awareness Raising, Behavior change, Access to benefits and services, Participation and leadership, Knowledge Generation and Exchange, Gender Mainstreaming, Women groups, Gender-sensitive indicators, Sex-disaggregated indicators, Capacity, Knowledge and Research, Capacity Development, Knowledge Generation, Workshop, Training, Knowledge Exchange, Peer-to-Peer, South-South, North-South, Learning, Adaptive management, Theory of change

GEF Program Financing (a) 30,107,798.00	PPG Amount: (c) 800,000.00
Agency Fee(s): (b) 2,709,702.00	PPG Agency Fee(s): (d) 72,000.00
Total GEF Project Financing: (a+b+c+d) 33,689,500.00	Total Co-financing 138,029,840.00

Project Tags

CBIT: No SGP: No

Program:

Other Program

Program Summary

Provide a brief summary description of the program, including: (i) what is the problem and issues to be addressed? (ii) what are the program objectives, and how will the program promote transformational change? (iii) how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the program should be in section B “program description”. (max. 250 words, approximately 1/2 page)

Least Developed Countries (LDCs) are facing unprecedented climate induced disasters with increased frequency and intensity. The private sector, predominantly composed of micro, small, and medium-scale enterprises (MSME[1]s), holds great potential to drive the development and deployment of innovative climate adaptation and resilience-building solutions. However, these enterprises face numerous challenges, including the lack of policy and regulatory support frameworks, limited access to financing and financial services, and insufficient market opportunities and technical assistance.

Aligned with GEF Climate Change Adaptation Strategy (2022-2026) on priority areas of scaling up finance; strengthening innovation and private sector engagement; fostering partnership for Inclusion and Whole-of-Society approach, this program seeks to unlock the ingenuity and creativity of MSMEs to drive innovative climate adaptation and resilience building solutions. The program focusses on four pillars that will transform and connect the markets for climate adaptation and resilience building solutions within and across participating countries.

Pillar 1 aims to create conducive policy and regulatory environment for MSMEs to stimulate the innovative and effective solutions. Pillar 2 will provide technical assistance, training and coaching for MSMEs to accelerate the development and deployment of impactful solutions. Pillar 3 aims to increase access to financing for MSMEs and end-users, through developing innovative financing

instruments and providing financial services. Pillar 4 promotes program coordination, knowledge sharing and management, optimizing resources and connecting global adaptation markets. These interventions will catalyse local and global private sector investment in the development and deployment of climate adaptation and resilience building solutions in LDCs.

This program PARS consists of a Global Child Project and partner country (national) Child Projects. It will focus on key sectors of food and agriculture, water and energy. Example solutions encompass agro-climate services, water-saving technologies to tackle droughts and floods, as well as technologies addressing energy supply shortages and disruptions. The selection of these sectors is based on the partner country-specific needs and challenges and national priorities outlined in several key policies and programs, such as National Adaptation Plans, Nationally Determined Contributions (NDCs), as well as baseline assessments of climate risks and existing projects. Country child projects will be implemented in Ethiopia, Lesotho, Malawi and Somalia, with more countries envisaged to join the programme. Through this program, it is estimated that over 491,100 direct beneficiaries access to local adaptation and resilience building solutions. Operating across multiple partner countries, this program will link solutions' market opportunities across borders, unlocking additional business opportunities.

[1] MSMEs are defined as micro, small and medium-scale enterprises that operate on a market basis. In some cases where relevant and applicable, community led entities that include indigenous knowledge, also innovating for adaptation and resilience building solutions are eligible

Indicative Program Overview

Program Objective

Reduce climate vulnerability and enhance resilience of vulnerable communities to climate change by promoting innovation, facilitating technology transfer and deploying adaptation and resilience building solutions at scale.

Program Components

Pillar 1: Creating a conducive policy and regulatory environment to stimulate the development and deployment of innovative climate adaptation and resilience building solutions

Component Type	Trust Fund
Technical Assistance	LDCF
GEF Program Financing (\$)	Co-financing (\$)
3,764,123.00	17,129,403.00

Program Outcome:

1.1 Policy and regulatory environment to stimulate the development and deployment of adaptation and resilience building solutions strengthened in programme partner countries and coordinated at global level

1.1.1 Gender-responsive cross-sectoral and sector specific policy and regulatory recommendations to develop and promote adaptation and resilience building solutions developed and shared

1.1.2 National and local institutions are trained (with 40% of women participation) on concrete measures identified in 1.1.1 to be integrated into operations

1.2 Collaboration and networking among ecosystem actors to advance global, regional and national markets for adaptation and resilience building solutions improved

1.2.1 Climate adaptation and resilience building experience events are organized (with 40% of women participation) to connect ecosystem actors

1.2.2 Gender-responsive mentorship program on the development of climate adaptation and resilience building solutions organized

1.2.3 National cross sectoral platforms established to promote adaptation and resilience building solutions

Pillar 2: Development and deployment of innovative climate adaptation and resilience building solutions

Component Type	Trust Fund
Technical Assistance	LDCF
GEF Program Financing (\$)	Co-financing (\$)
17,241,559.00	72,862,320.00

Program Outcome:

2.1 Increased development and adoption of innovative climate adaptation and resilience building solutions by MSMEs

2.1.1 Gender-responsive methodologies, guidelines, tools and training systems for accelerators/incubators supporting MSMEs with adaptation and resilience building solutions are developed at global level and disseminated to national child projects

2.1.2 Pool of experts are trained and certified (40% women) for accelerators/incubators supporting MSMEs with climate adaptation and resilience building solutions

2.1.3 MSMEs with climate adaptation and resilience building solutions are supported with targeted business growth support to build and scale-up their operations

2.2 Increased resilience of vulnerable communities through the deployment of adaptation and resilience building solutions

2.2.1 Awareness raising for vulnerable communities on adaptation and resilience building solutions developed

2.2.2 Capacity building of vulnerable communities and ecosystem actors to adopt adaptation and resilience building solutions developed

2.2.3 Centers of Excellences developed and established to support technology transfer

2.2.4 Implementation of adaptation and resilience building solutions with integrated financial viability

Pillar 3: Development of innovative financial instruments for climate adaptation and resilience building solutions

Component Type	Trust Fund
Investment	LDCF

GEF Program Financing (\$)	Co-financing (\$)
4,569,704.00	20,958,806.00

Program Outcome:

3.1 Development and deployment of climate adaptation and resilience building solutions through innovative financial instruments

3.1.1 Innovative financial instruments for MSMEs providing adaptation and resilience building solutions are developed, piloted and promoted

3.1.2 Innovative financial mechanisms/instruments for vulnerable communities to adopt adaptation and resilience building solutions are developed, piloted and promoted

3.2 Financial service providers increase funding to adaptation and resilience building solutions

3.2.1 Gender-responsive methodologies and guidebooks for assessing and quantifying adaptation and resilience building benefits of projects, developed at global level, and disseminated to programme partner countries

3.2.2 Capacity building of Financial service providers and relevant actors (with 40% women participation) in assessing benefits of climate adaptation and resilience building solutions improved

3.2.3 Climate risk and vulnerability assessment tools and methodologies developed

Pillar 4: Coordination, Knowledge Management and Learning

Component Type	Trust Fund
Technical Assistance	LDCF
GEF Program Financing (\$)	Co-financing (\$)
2,024,215.00	13,080,952.00

Program Outcome:

4.1 Programme coordination, coherence and knowledge management

4.1.1 Programme level internal guidelines developed at global level, and adapted and implemented in child projects for programmatic coherence across countries

4.1.2 Programme level knowledge management, communication and advocacy action plan developed at global level and implemented in programme partner countries

4.1.3 Global Web platform established to connect ecosystem players in adaptation and resilience building solutions within and across programme partner countries

4.1.4 Knowledge generation, exchange and dissemination at local, national and global levels to promote learning, collaboration and synergies across programme partner countries

4.2 Impact of programme tracked and reported at local, national and global level

4.2.1 Development and operationalization of data driven visual tool for aggregating results from global and programme partner country projects

M&E

Component Type	Trust Fund
Technical Assistance	LDCF
GEF Program Financing (\$)	Co-financing (\$)

1,061,746.00

5,968,204.00

Program Outcome:

5.1.1 Development and application of a programme monitoring and evaluation framework at the global level, ensuring consistency in monitoring and evaluation practices within partner countries for effective assessment of project outcomes.

5.1.2 Project progress monitoring and reporting as per UNIDO and GEF guidelines including development of gender action plan

5.1.3) Mid-term and Terminal Evaluation

Component Balances

Project Components	GEF Project Financing (\$)	Co-financing (\$)
Pillar 1: Creating a conducive policy and regulatory environment to stimulate the development and deployment of innovative climate adaptation and resilience building solutions	3,764,123.00	17,129,403.00
Pillar 2: Development and deployment of innovative climate adaptation and resilience building solutions	17,241,559.00	72,862,320.00
Pillar 3: Development of innovative financial instruments for climate adaptation and resilience building solutions	4,569,704.00	20,958,806.00
Pillar 4: Coordination, Knowledge Management and Learning	2,024,215.00	13,080,952.00
M&E	1,061,746.00	5,968,204.00
Subtotal	28,661,347.00	129,999,685.00
Project Management Cost	1,446,451.00	8,030,155.00
Total Project Cost (\$)	30,107,798.00	138,029,840.00

Please provide Justification

Due to inflation and increased costs of recruitment (staffing costs), consultations and management/administration of reports and deliverables, the PMC is slightly higher than 5%. The PMC currently stands at 5.02%.

PROGRAM OUTLINE

A. PROGRAM RATIONALE

Briefly describe the current situation: the global environmental problems that the program will address, the key elements and underlying drivers of environmental change to be targeted, and the urgency to transform associated systems in line with the GEF-8 Programming Directions document. Describe the overall objective of the program, and the justification for it. (Approximately 3-5 pages) see guidance here

1) The global environmental problems, key elements and underlying drivers of environmental change to be targeted

The latest IPCC report emphasizes the unprecedented scale of human-induced changes in the climate system. Climate extremes have resulted in widespread adverse impacts, causing significant losses and damages to both nature and communities globally. Vulnerable populations, historically least responsible for current climate change, bear a disproportionate burden. This is particularly acute for Least Developed Countries (LDCs), which are highly susceptible to climate changes^[1]².

Global warming will continue to increase in the near term (2021-2040) mainly due to increased cumulative CO₂ emissions in nearly all considered scenarios and modelled pathways, according to the IPCC report. The assessed climate response to GHG emissions scenarios results in an estimate of warming for 2081-2100 that spans a range from 2.7°C for an intermediate GHG emissions scenario (SSP2-4.5) and 4.4°C for a very high GHG emissions scenario (SSP5-8.5)¹.

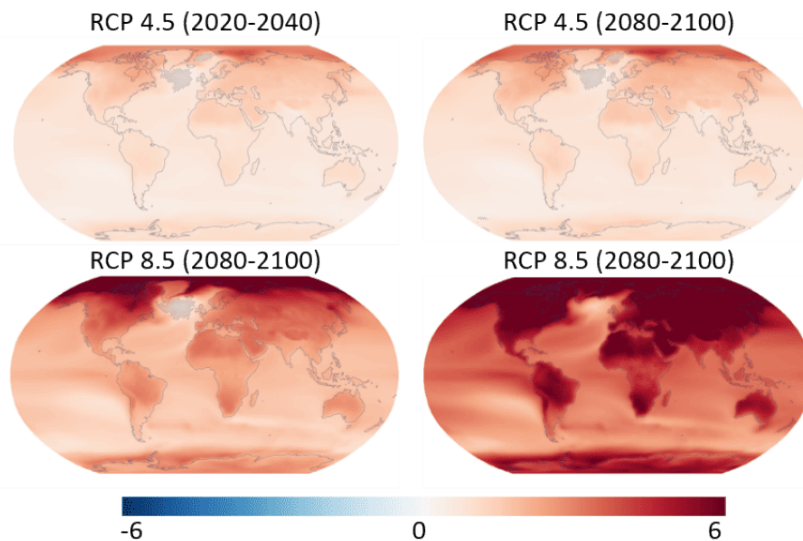


Figure1: Change of annual mean temperature (relative to 1986-2005) based on 34 models under RCP 4.5 and RCP 8.5 scenario (IPCC, 2023)^[2]³

The economic losses caused by climate disasters have increased significantly from 1960 to 2020 globally (Figure 2). Approximately 3.3 to 3.6 billion people live in areas that are highly vulnerable to climate change¹. Increasing weather and climate extreme events have exposed millions of people to acute food insecurity and reduced water security, with the largest adverse impacts observed in many locations and/or communities in Africa, Asia, Central and South America. Between 2010 and 2020, human mortality from floods, droughts and storms was 15 times higher in highly vulnerable regions¹, compared to regions with very low vulnerability. Floods, droughts, storms and cyclones are all major

climate-related natural hazards across LDCs (Figure 3). LDCs are particularly on the front lines of the climate crisis, as epitomized by the fact that over the last 50 years, 69% of worldwide deaths caused by climate-related disasters occurred in LDCs^[3]⁴. High climate scenarios predict that it will have a significant impact on global poverty, pulling about 88,7 million people into poverty in the LDC regions^[4]⁵.

The partner countries (Malawi, Ethiopia, Lesotho and Somalia) are among the most vulnerable countries to climate change and are the worst-affected by climate change impacts (Figure 4) in LDC regions. Notably, all partner countries have experienced a significant increase in the population affected by climate disasters over the past few decades (Figure 5). In addition, rain-fed agriculture is the backbone of the economies of all partner countries, making them susceptible to food insecurity, substantial economic costs, and threats to lives and livelihoods due to climate change.

In Malawi, climate disasters such as floods, tropical cyclones, and droughts are projected to cause a reduction in GDP by 6-20% and an increase of 4 million people in poverty by 2040 (Figure 4). In Ethiopia, the frequency and intensity of extreme droughts and floods pose serious implications for national food security^[8] (Figure 4). Lesotho is also highly vulnerable to climate change hazards of recurrent droughts, floods, extreme temperatures, storms and landslides (Figure 4). Moreover, Lesotho faces significant environmental challenges of soil erosion, land degradation, seriously reducing country's land productivity and affecting livelihoods significantly. Somalia is a least developed country and ranks at the bottom of low-income countries. The increasing intensity and severity of droughts and floods (Figure 4), as well as prolonged periods of conflict have affected agricultural productivity, led to the displacement of a significant portion of the rural population, severely disrupting agricultural activities and restricting access to markets.

Global warming will continue for at least several decades whichever scenario unfolds, IPCC urges the world must also take urgent action to adapt to the current and near-future impacts of climate change, particularly for LDCs. The global challenges posed by climate change urgently require coordinated effort that breaks down silos and advances holistic action across borders. However, the current global financial flows for adaptation are insufficient and constrain the implementation of adaptation options, particularly in LDC countries. The finance gap is widening as the estimated costs of adaptation for developing countries could reach US\$ 280-500 billion per year by 2050^[9].

This project aims to amplify the impact of Micro-, small and medium-sized enterprises (MSMEs) and innovative solutions in advancing climate adaptation and resilience building and sustainable development, with focus on key sectors such as water, energy, food, and agriculture in LDCs. In addition, this program offers a robust framework for optimizing resources, promoting learning and sharing best practises across partner countries. Through stimulating market-based solutions and creating market environment MSMEs, this program will connect adaptation market opportunities across partner countries leveraging global and regional networks and expertise, thereby unlocking more business opportunities for MSMEs in advancing climate adaptation and resilience building.

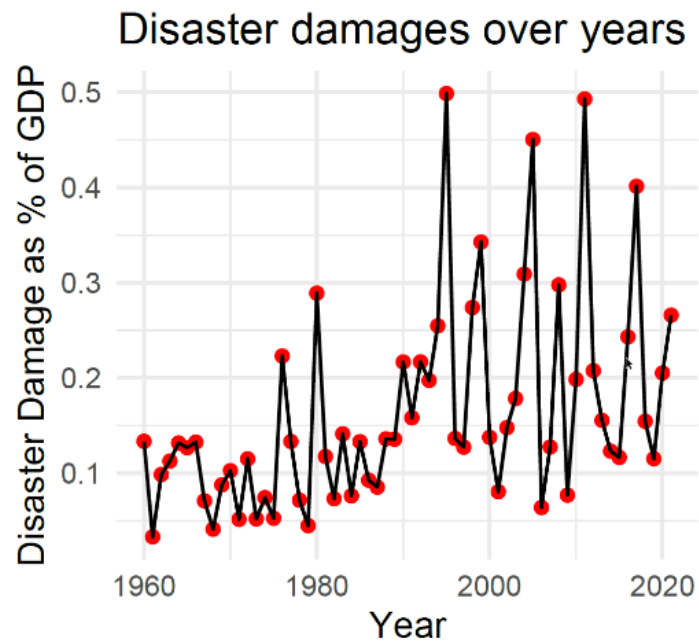


Figure 2: Total economic damages from climate disasters as a share of GDP from 1960-2021. (generated by the author based on the GDIS dataset and World in Data platform)

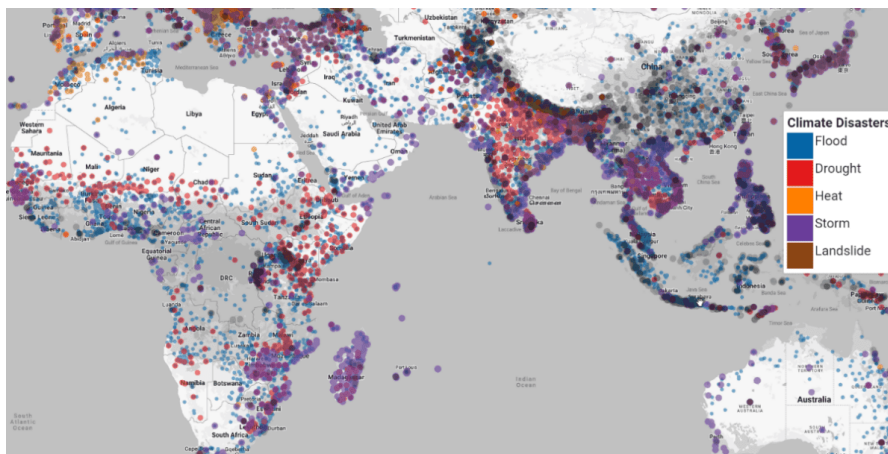


Figure 3: Major climate disasters recorded between 1960-2018 and total economic damages from disasters as a share of GDP (inset figure)(generated by the author based on the GDIS dataset and World in Data platform)

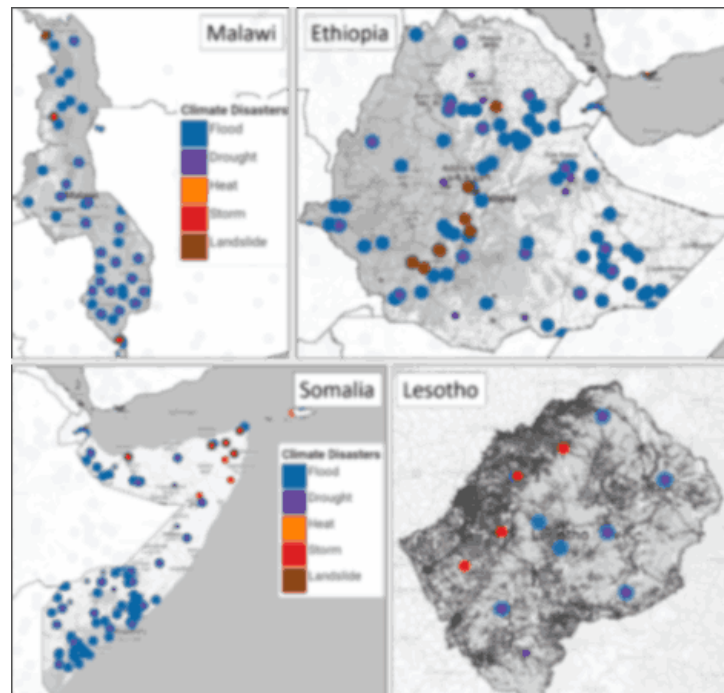


Figure 4 Major climate disasters recorded in Malawi, Ethiopia, Somalia and Lesotho between 1960-2018 (generated by the author based on the GDIS dataset). The black line and dot in the map demonstrate major cities and roads.

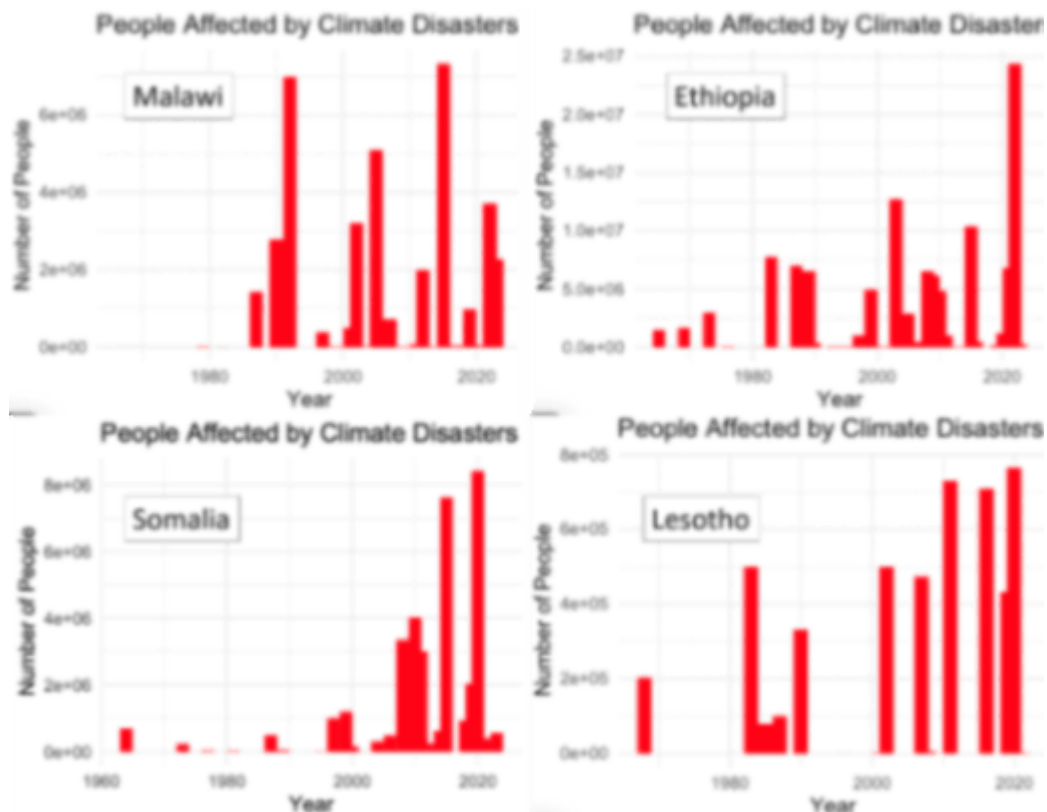


Figure 5: Number of people affected by climate disasters from 1968-2021 in Malawi, Ethiopia, Somalia and Lesotho (generated by the author based on the GDIS dataset).

2) Barrier Analysis

MSMEs^[6] constitute around 90% of enterprises globally, and account for 60% of the world's total employment^[7]. MSMEs have a key role in climate change adaptation and resilience building and are the bedrock of economies, especially for countries that are vulnerable to climate change, and are the least developed. MSMEs are the engine for job creation, innovation, and entrepreneurship and most of the population rely on them for their livelihood. In particular, MSMEs are private sector entities that operate at very local levels and have existing market access, technological capacities and financial muscle that can be leveraged. It is for this reason that the role of MSMEs is vital in climate change adaptation and resilience building. Especially in rural areas where 80% of the workers are women in agriculture and lack access to resources, MSMEs are the only source of employment, income, and market access for the poor and vulnerable. Thus, it is important to increase the resilience of MSMEs in addition to that of vulnerable communities. The provision of solutions by MSMEs can help communities to adapt to climate change and benefit them alongside businesses.

The provision of solutions by MSMEs can help communities to adapt to climate change and benefit them alongside businesses. However, MSMEs often face major barriers in providing climate adaptation and resilience building solutions, including:

- Limited capacities of MSMEs for entrepreneurial performance to develop innovative solutions for climate change adaptation and resilience building
- Weak market linkages for provision of climate change adaptation and resilience building solutions
- Limited access to finance for MSMEs and vulnerable communities to adopt technologies and solutions for adaptation and resilience building
- Weak policy, regulatory and institutional framework
- Lack of awareness, knowledge, and access to information on climate effects and impacts.

Detailed description on the barriers for market based adaptation and resilience building solutions and information on priority in addressing these barriers can be found in the figure below. Public goods provision faces obstacles such as limited public funding, capacity constraints, challenges in community participation, and the exacerbating impacts of climate change. The barriers are widely recognized by each partner country. Specifically, limited access to knowledge and networks as well as finance for MSMEs are main challenges identified in Malawi^[10]. In Ethiopia, access to finance and electricity were the first and second major challenges for MSMEs development; particularly loan rejection rate is higher for MSMEs than medium enterprises^[11]. In Somalia, unstable political environment and limited government support, the lack of regulations and policy frameworks are main challenges for MSMEs growth^[12]. In Lesotho, lack of management skills, competition and contractor categorization, access to credit, and corruption and nepotism are main barrier^[13].

● Low Priority	● Moderate Priority	● High Priority
Barriers	Description	Priority
1) Weak institutional coordination mechanism to ensure sustainable, climate-resilient growth and formalized entrepreneurship development frameworks to unlock adaptation-oriented innovation	Weak institutional capacity and knowledge about the sector to drive innovation, incubation and entrepreneurship	●
	Insufficient or not properly enforced policy and regulatory frameworks as well as support mechanisms; high level of informality	●
	Weak institutional framework and burdensome procedures (e.g., bureaucracy of company's registration procedures; high taxes on MSMEs, complicated processes for obtaining permits)	●
	Lack of coordination among the institutions involved in the sector generates confusion among actors and increases bureaucracy (ministries and agencies managing the forest, agriculture, water, industry and environment sectors)	●
2) Limited information, awareness, and skills development and support for entrepreneurs (especially those led by youth and women-led) to transform their early-stage innovations into adaptation-focused technology enterprises	Lack of awareness within MSMEs regarding the risks of climate change and the opportunities that may arise to tackle it through innovation	●
	Lack of awareness at the government and institutional level about climate change impacts and adverse effects	●
	Limited availability of capacity building and training opportunities to develop businesses and foster entrepreneurship country-wide, especially for early-stage MSMEs/entrepreneurs	●
	Poor access of entrepreneurs/MSMEs to knowledge, information and technology, especially in the case of the youth, women, and vulnerable groups	●
3) Insufficient business growth services to support MSMEs, to deploy adaptation-oriented technologies and services and transform ideas into business opportunities	Lack of capacity by MSMEs to develop solid and validated business plans and marketing strategies to reduce risk of failure, especially in the early-stage	●
	Limited administrative and management capacities of MSMEs (business operations optimization, legal and financial compliance and monitoring, marketing, distribution, business plan development skills)	●
	Lack of knowledge of the climate change adaptation market, target clients and market potential; especially in the vulnerable groups (women, rural youth, smallholder farmers)	●
	High level of informality and limited availability of professionals reduces the chances of MSMEs to find and retain qualified and well-trained experts	●
	Lack of specialized education (technical colleges), training and research programs (universities) in climate change adaptation and related technologies	●
4) Lack of access to financing for MSMEs, to deploy adaptation-oriented technologies and services and transform ideas into business opportunities	Traditional financial products and banking sector have restrictive applicability conditions that exclude the most vulnerable ones	●
	Lack of financial products and services oriented to vulnerable groups	●
	Limited experience of the financial sector in providing financial products for climate change adaptation	●
5) Limited awareness and accessibility of small producers to climate-smart technologies and finance mechanisms	Limited mainstreaming of climate change adaptation solutions, knowledge transfer, available technologies and products	●
	Lack of coordination amongst value chains actors to better identify business opportunities, share knowledge, and foster technology transfer	●
	Limited access to equipment, state of the art technology that can increase productivity, and limited access to insurance, more particularly, climate change insurance	●
	Lack of demonstration or pilot projects that can show tangible benefits of implementing adaptation oriented TPS	●

Figure 4 Key barriers and their priorities

3) Baseline scenario and associated baseline projects

This program will leverage country-specific climate challenges and national priorities identified through stakeholder engagement, as well as national programs and policies such as National

Adaptation Plans (NAPs), National Adaptation Programmes of Action (NAPA), and Nationally Determined Contributions (NDCs) of partner countries. It will also draw upon country-specific private sector development policies, particularly those focused on the development of Micro, Small, and Medium Enterprises (MSMEs). Furthermore, the program will build upon existing global initiatives and resources related to adaptation MSMEs, as well as the projects and experiences of partner countries. Detailed information on the associated global and national baseline projects is provided in the table below.

For example, on a global scale, the GEF funded project 'Adaptation SME Accelerator Project (ASAP)' aims to enhance the ecosystem of SMEs involved in adaptation and climate resilience in developing countries. This project will capitalize on identified adaptation SMEs and markets, as well as adaptation SMEs networks and community platforms established through ASAP projects. Additionally, the program will utilize adaptation investment facilities associated with GEF global challenge programs (refer to the table below) to foster connections between adaptation MSMEs and financial partners, develop innovative private financing mechanisms, and enhance financial services accessibility for both local communities and MSMEs. This program also benefits from lessons learned from existing programs and projects. For example, effectively communicating the definition of climate adaptation solutions is a critical step in educating MSMEs and other stakeholders on how they can further scale up their climate resilience activities or offerings, as many of them did not think about their solutions in the context of climate change.

Nationally, existing projects focused on engaging the private sector in climate adaptation efforts have been assessed. For example, the Malawi child project within this program will be integrated with established climate finance facilities and the Malawi Innovation Challenge Fund (MICF), which were developed as part of the Transformational Adaptation for Climate Resilience in Lake Chilwa Basin of Malawi (TRANSFORM) project. Similarly, the Lesotho child project will draw lessons from ongoing initiatives such as 'Building Climate-Resilient Livelihoods and Food Systems'. This project provides capacity building and financial services to women and youth entrepreneurs engaged in green value chains, aiming to bolster resilience in the agriculture and food sector against climate and other shocks. In Ethiopia, existing projects focus on enhancing the adaptive capacity of communities by scaling up best practices and adopting an integrated approach. These projects emphasize the establishment and strengthening of public-private partnerships to effectively disseminate and adopt adaptation technologies.

A growing number of SMEs in Least Developed Countries (LDCs) that are actively developing and offering solutions to customers to help identify, assess, and address the impacts and risks associated with climate change. These solutions have the potential to be applied in new geographical areas to tackle similar challenges, spanning across various sectors. They provide products and services aimed at mitigating climate impacts in sectors such as Agriculture; Water Supply, Sewerage, Waste Management and Remediation; and Electricity, Gas, Steam & Air Conditioning Supply, among others^[14]. Example technologies include agriculture analytics and support platforms, parametric insurance, risk analytics and decision support tools, cold chain supply chains, weather analytics, cooling solutions, clean water technologies, and professional services. These technologies address key climate risks in the region, including vulnerable food supply, health challenges from heat and vector-borne illnesses, water stress, and natural disasters. Analysis of MSMEs in partner countries revealed that Malawi and Ethiopia exhibit a higher number of adaptations MSMEs, while limited adaptation MSMEs were identified in Somalia and Lesotho (Figure 6). Additionally, agri-tech companies play a dominant role in providing solutions. This analysis underscores the ample opportunities for adaptation MSMEs to develop in partner countries and emphasizes the importance of cross-sectoral and cross-boundary coordination and cooperation to accelerate the growth of adaptation MSMEs. The specific coordination with the below baseline initiatives will be identified and elaborated in the PPG phase.

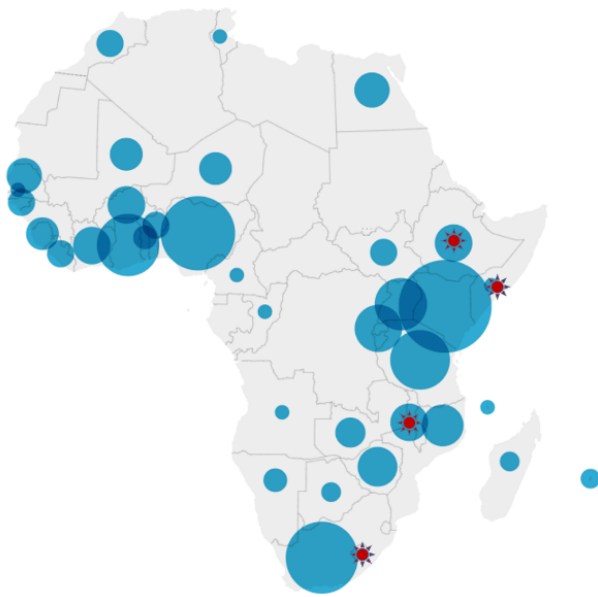


Figure 7: Africa market mapping of Small and Medium Enterprises providing climate adaptation and resilience solutions to customers, with partner countries marked in red star, modified from ASAP program report^[15]

In the target countries, the regulatory environment for the private sector has seen some improvements in recent years. For example, in Ethiopia, initiatives have aimed at streamlining business registration processes, reducing bureaucratic hurdles, and enhancing investor confidence; Somalia has focused on legal reforms and initiatives to attract foreign investment; Lesotho has prioritized improving its business environment, with reforms aimed at reducing red tape, enhancing access to credit, and strengthening investor protections and Malawi has improved its regulatory framework for business, including efforts to streamline business registration processes, enhance access to credit, and strengthen investor protections. However, challenges still persist (Ethiopia has inconsistent enforcement of regulations, limited access to finance, and bureaucratic inefficiencies; Somalia has complex political and security landscape and weak institutional capacity; Lesotho has limited infrastructure, high levels of informality and Malawi has inadequate infrastructure, and limited access to finance.

Table 1. List of relevant global and regional projects

Strengthening engagement and action by the Least Developed Countries Group on climate change	2022-2025	UNIDO IIED and Climate Analytics	GEF	The project will strengthen the institutional structures of the LDC Group on climate change to enable them to enhance their participation and advocacy for LDC positions in UNFCCC processes and decision-making on climate change adaptation and mitigation, as well as to access climate finance.
Adaptation Fund Climate Innovation Accelerator (AFCIA)	ongoing	UNEP/CTCN UNDP	Adaptation Fund	The Adaptation Fund Climate Innovation Accelerator, or AFCIA, aims to foster innovation in climate change adaptation in developing countries. The programme targets a broad range of potential finance recipients, including governments, non-governmental organizations, community groups, entrepreneurs, young innovators and other groups. It will award competitive grants of up to US\$ 250,000 each.

				<p>The accelerator was announced by the Adaptation Fund at the United Nations Climate Change Conference (COP25) in Madrid in December 2019 and launched in November 2020 by AF together with UNDP and UNEP/CTCN. It is expected that this programme will help to encourage and accelerate new innovations, develop innovative adaptation practices, tools and technologies, as well as generate evidence of effective, efficient adaptation practices, products and technologies to assess scaling up.</p>
<p>Reducing vulnerability and increasing resilience to climate change through promoting innovation, transfer and large-scale deployment of adaptation-oriented technologies in priority agriculture value-chains and creating jobs</p>	ongoing	UNIDO	GEF	<p>The project aims to reduce vulnerability and increase resilience to climate change by promoting innovation, transfer and large-scale deployment of adaptation-oriented technologies in priority agriculture value chains and creating jobs in the DRC</p>
<p>Unlocking investments in female and youth-led early-growth stage adaptation Micro, Small and Medium-sized Enterprises in Kenya and Uganda</p>	ongoing	UNIDO	Adaptation Fund	<p>The project takes an innovative approach in piloting a catalytic finance facility aimed to support early growth adaptation SMEs in Kenya and Uganda to scale their business models and adaptation impact on highly vulnerable target groups. The finance facility in combination with targeted business and post-investment advisory support will help these SMEs to overcome the missing middle financing gap and related challenges to grow and replicate their business operations, thus, widening the outreach and deployment of adaptation solutions to vulnerable groups. Vulnerable communities will benefit from an increased access to targeted and context-specific adaptation solutions, substantially increasing their resilience to climate change.</p>
<p>Acceleration of financial technology-enabled climate resilience solutions</p>	ongoing	UNIDO	GEF	<p>The project accelerates startup-led solutions by providing philanthropic capital, tailored venture- building support, mentoring and networks for the startups with the goal of: 1) de-risking the startup investment for future investors, thus increasing the chances of companies raising capital and scaling, and 2) improving the value proposition offered by the companies to get them closer to product/market fit, thus increasing the likelihood of customers adopting and using their products. As a result, the program will fuel growth and value created by the companies, improving climate adaptation and resilience of users, thus positively increasing the wellbeing of vulnerable people in Africa.</p>

Promotion of climate adaptation technology and business model innovations and entrepreneurship in Sierra Leone	ongoing	UNIDO	GEF	The project aims at reducing vulnerability and increasing resilience of vulnerable populations by supporting MSME*-driven innovation, transfer and large-scale deployment of adaptation technologies, products and services (TPS) in the water, agriculture and energy sectors in Sierra Leone.
Building adaptation and resilience to climate change in the essential oil sector in Madagascar (ARCHE)	ongoing	UNIDO	GEF	The project aims to address the main barriers related to building a climate resilient economy, including financial barriers, capacity building, knowledge and awareness about climate change TPS. This is achieved by engaging the private sector and tapping into the innovation potential, supporting the development of entrepreneurs, start-ups and MSMEs and facilitating the transformation of innovative and entrepreneurial ideas into market ready products for large-scale deployment of climate change adaptation-oriented technologies and solutions across the EO value chain.
Global Cleantech Innovation Programme (GCIP)	ongoing	UNIDO	GEF	GCIP supports start-ups and SMEs with innovative ideas to transform them into investment-ready, market-competitive and scalable solutions. It brings about transformative change through two main interventions: (1) direct support to emerging SMEs offering innovative cleantech solutions and (2) development and strengthening of cleantech innovation and entrepreneurship ecosystems (CIEEs).
Resilient Investment in Southern Africa	In design	UNIDO	GCF	RISA is an innovative finance mechanism based on a partnership with an impact fund manager. It will be the first dedicated funding facility in the SADC region targeting SMEs with climate adaptation solutions for smallholder farmers and combining it with dedicated technical assistance. It will address persistent barriers and lead to long lasting changes, by facilitating and enabling a market for SMEs creating climate adaptation and resilience impact.
Piloting innovative financing for climate adaptation technologies in medium-sized cities	ongoing	UNIDO	GEF	To increase the resilience of the cities by adopting climate change adaptation solutions through improved capital expenditure planning and innovative private financing mechanisms.
Amplifying the impact of the challenge program for the adaptation innovation of the GEF through learning and knowledge management	ongoing	UNIDO	GEF	This project will gather, discuss, manage and disseminate the learning and knowledge generated from adaptation innovation projects implemented by GEF through the establishment of a Digital Community of Practice on Investment Funds, MSMEs Incubation & Acceleration

				as well as Climate adaptation Impact Metrics.
Adaptation Accelerator Program: Building Climate Resilience through Enterprise Acceleration	ongoing	Conservation International, CI-Ventures (LLC) and SMEs	GEF	To catalyze investment in adaptation-focused SMEs through adaptation accelerators in Least Developed Countries
Structuring and Launching CRAFT: the First Private Sector Climate Resilience & Adaptation Fund for Developing Countries	Finished	Conservation International, Lightsmith Group LLC	GEF	To establish and mobilize resources for the Climate Resilience and Adaptation Finance & Technology Transfer Facility (CRAFT), the first private sector climate resilience and adaptation investment fund and technical assistance facility for developing countries, consistent with the goals of the Paris Agreement.
Enhancing Adaptive Capacity of communities by up-scaling best practices and adopting an integrated approach in Ethiopia	ongoing	United Nations Development Programme, Environment, Forest and Climate Change Commission (EFCCC)	GEF	To promote the design and implementation of adaptation interventions to address the climate vulnerabilities of local communities at scale across Ethiopia
Transformational Adaptation for Climate Resilience in Lake Chilwa Basin of Malawi (TRANSFORM)	Ongoing	UNDP Department of Environmental Affairs (DEA) of the Ministry of Natural Resources and Climate Change	GEF	To reduce the vulnerability of communities surrounding Lake Chilwa to the adverse effects of climate change by strengthening the resilience of livelihoods through Ecosystem-based Adaptation (EbA) and financing of climate-resilient enterprises.
Malawi-climate resilient and sustainable capture fisheries, aquaculture development and watershed management project	ongoing	African Development Bank, Ministry of Natural Resources and Climate Change (MNRCC)	GEF	To improve the sustainability of fisheries in Malawi lakes through improved community led and climate smart catchment management.
Climate Adaptation for Rural Livelihoods and Agriculture (CARLA)	Finished	African Development Bank, Ministry of Mines, Natural Resources and Environment, Ministry of Irrigation and Water Development	GEF	To improve resilience to current climate variability and future climate change by developing and implementing adaptation strategies and measures that will improve agricultural production and rural livelihoods
To enhance climate resilience of landscapes and communities for food and nutrition security through sustainable water management.	ongoing	Food and Agriculture Organization, Ministry of Agriculture and Food Security (MAFS)	GEF	To enhance climate resilience of landscapes and communities for food and nutrition security through sustainable water management.
Building climate-resilient livelihoods and food systems	ongoing	FAO, Ministry of Agriculture and Food Security (MAFS) Government	GEF	To enhance climate resilience of landscapes and communities for food and nutrition security through sustainable water management

[1] IPCC, 2023: Summary for Policymakers. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate

Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, pp. 1-34, doi: 10.59327/IPCC/AR6-9789291691647.001

[2] Generated based on [IPCC WGI Interactive Atlas](#)

[3] <https://www.iied.org/2020-review-climate-impacts-least-developed-countries>

[4] Jafino, Bramka Arga; Walsh, Brian; Rozenberg, Julie; Hallegatte, Stephane. 2020. Revised Estimates of the Impact of Climate Change on Extreme Poverty by 2030. Policy Research Working Paper; No. 9417. © World Bank, Washington, DC. <http://hdl.handle.net/10986/34555> License: [CC BY 3.0 IGO](#)

[5] <https://www.unep.org/resources/adaptation-gap-report-2021>

[6] MSMEs are defined as micro, small and medium-scale enterprises that operate on a market basis. In some cases where relevant and applicable, community led entities that include indigenous knowledge, also innovating for adaptation and resilience building solutions are eligible

[7] [WTO | Informal Working Group on Micro, Small and Medium-sized Enterprises \(MSMEs\)](#)

[8] USAID. 2015. Climate Variability and Change in Ethiopia – Summary of Findings. Technical Report. Available online: <https://www.usaid.gov/>

[9] <https://www.unep.org/resources/adaptation-gap-report-2021>

[10] [Supporting Malawi's small enterprises to spur economic growth and create more job opportunities \(worldbank.org\)](#)

[11] Endris, E., Kassegn, A. The role of micro, small and medium enterprises (MSMEs) to the sustainable development of sub-Saharan Africa and its challenges: a systematic review of evidence from Ethiopia. J Innov Entrep 11, 20 (2022). <https://doi.org/10.1186/s13731-022-00221-8>

[12] Abdiqani Diere, Fred Luganda, Muhwezi James, Barkhard Abiib Hassan, Supporting young and female entrepreneurs for SME growth in Uganda and Somalia, 2023. <https://idl-bnc-idrc.dspacedirect.org/server/api/core/bitstreams/c30c09e7-1437-48bb-b3b4-236720879e88/content>

[13] R.M. Thetsane, M.C. Mokhehi, Barriers to micro small and medium enterprise (MSME)

Contractor's growth and development in Lesotho, 2019. https://www.researchgate.net/profile/Osayuwamen-Omoruyi/publication/348931236_CONFERENCE_PROCEEDINGS_-_SAIMS_-_9_October_2019/links/6017e540a6fdcc071ba988b3/CONFERENCE-PROCEEDINGS-SAIMS-9-October-2019.pdf#page=41 https://www.researchgate.net/profile/Osayuwamen-Omoruyi/publication/348931236_CONFERENCE_PROCEEDINGS_-_SAIMS_-_9_October_2019/links/6017e540a6fdcc071ba988b3/CONFERENCE-PROCEEDINGS-SAIMS-9-October-2019.pdf - page=41

[14] The Adaptation SME Accelerator Program (ASAP): Africa Focused

Adaptation SME Market Study, 2023, The Lightsmith group: <https://climateasap.org/wp-content/uploads/2023/09/ASAP-Africa-Adaptation-SME-Market-Study-September-2023.pdf>

[15] The Adaptation SME Accelerator Program (ASAP): Africa Focused

Adaptation SME Market Study, 2023, The Lightsmith group: <https://climateasap.org/wp-content/uploads/2023/09/ASAP-Africa-Adaptation-SME-Market-Study-September-2023.pdf>

B. PROGRAM DESCRIPTION

This section asks for a theory of change as part of a joined-up description of the program as a whole. The program description is expected to cover the key elements of “good project design” in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the PFD guidance document. (Approximately 10-15 pages) see guidance here

The Theory of Change underscores the pivotal role of fostering innovation, facilitating technology transfer, and deploying adaptation-oriented solutions to enhance climate resilience while generating employment opportunities and wealth creation among vulnerable communities in regions impacted by climate change. The program's Theory of Change (TOC) is meticulously structured, recognizing the pivotal roles of people, processes, and systems. By prioritizing these pillars, the TOC guides the program's efforts to create a conducive policy environment, develop innovative solutions, and develop financial instruments. Additionally, it ensures seamless coordination and integrates gender considerations throughout its activities. This holistic approach empowers MSMEs to deliver impactful adaptation and resilience-building solutions, fostering social inclusion and long-term sustainability. Through capacity-building, awareness-raising, and networking initiatives, stakeholders' understanding and impact are enhanced, leading to increased resilience in vulnerable communities. The programme strategically focuses on four framework pillars to fulfill these objectives.

- *Pillar 1: Creating a conducive policy and regulatory environment to stimulate the development and deployment of innovative climate adaptation and support the uptake of resilience building solutions.*

This involves developing cross-sectoral and sector specific policy and regulatory recommendations and support national and local institutions in their integration into operations. Additionally, collaboration and networking among ecosystem actors are improved through climate adaptation and resilience building experience events, mentorship programs, and the establishment of national cross-sectoral platforms to promote solutions at global, regional, and national levels.

- *Pillar 2: Development and deployment of innovative climate adaptation and resilience building solutions.* This involves developing methodologies, guidelines, tools, and training systems at a global level and disseminating them for adaptation according to the national projects contexts, along with training a pool of experts to support MSMEs. In this project, specific emphasis will be given to developing innovations that occur within Technology readiness Level (3-7) and Business readiness level (2-7) because these adaptation SMEs at the early stages of growth (TRLs 3-7 and BRLs 2-7) lack access to capital, talent, know-how, and networks to fulfill their potential as high-impact, scalable solutions . Additionally, the program seeks to enhance the resilience of vulnerable communities through awareness raising, capacity building, fostering centers of excellence for technology transfer, and implementing financially viable solutions in priority sectors.

- *Pillar 3: Development of innovative financial instruments for climate adaptation and resilience building solutions.* This includes identifying and promoting financial opportunities for both MSMEs and vulnerable communities, as well as increasing funding from diverse financial service providers, especially from the private sector. Methodologies and guidebooks for assessing project benefits are developed and disseminated globally, while relevant actors are trained in their application. Additionally, climate risk and vulnerability assessment tools and methodologies are developed in partner countries.

- *Pillar 4: Coordination, Knowledge Management and Learning.* This involves developing internal guidelines and implementing them across countries for programmatic coherence, as well as creating knowledge management and communication strategies implemented at the global and partner country levels. Additionally, a global

web platform is established to consolidate solutions, and knowledge exchange and dissemination activities are conducted to promote learning and collaboration. Impact tracking and reporting are prioritized, with a data-driven visual tool for aggregating results and a monitoring and evaluation framework developed and applied across partner countries.

Accordingly, this program will catalyse market-based development and deployment of innovative adaptation and resilience building interventions by MSMEs, leveraging their local presence and long-term engagement with beneficiary communities, promoting social inclusion, and ensuring project sustainability, at scale. Capacity-building and awareness-raising activities will address key stakeholder needs, fostering networking, advocacy, and knowledge exchange to enhance ecosystem stakeholders' awareness and impact of the program. IF access to innovative finance for adaptation and resilience building action is enabled through the program AND key stakeholders and target groups gain capacity and awareness on climate change and its solutions, THEN adaptation and resilience building action is regularly delivered, leveraging synergies through national, regional, and international coordination, WHILE increasing resilience of vulnerable people, communities, ecosystems, and infrastructure in LDCs. The program's theory of change demonstrates the complex and long-term nature of climate change adaptation and resilience building.

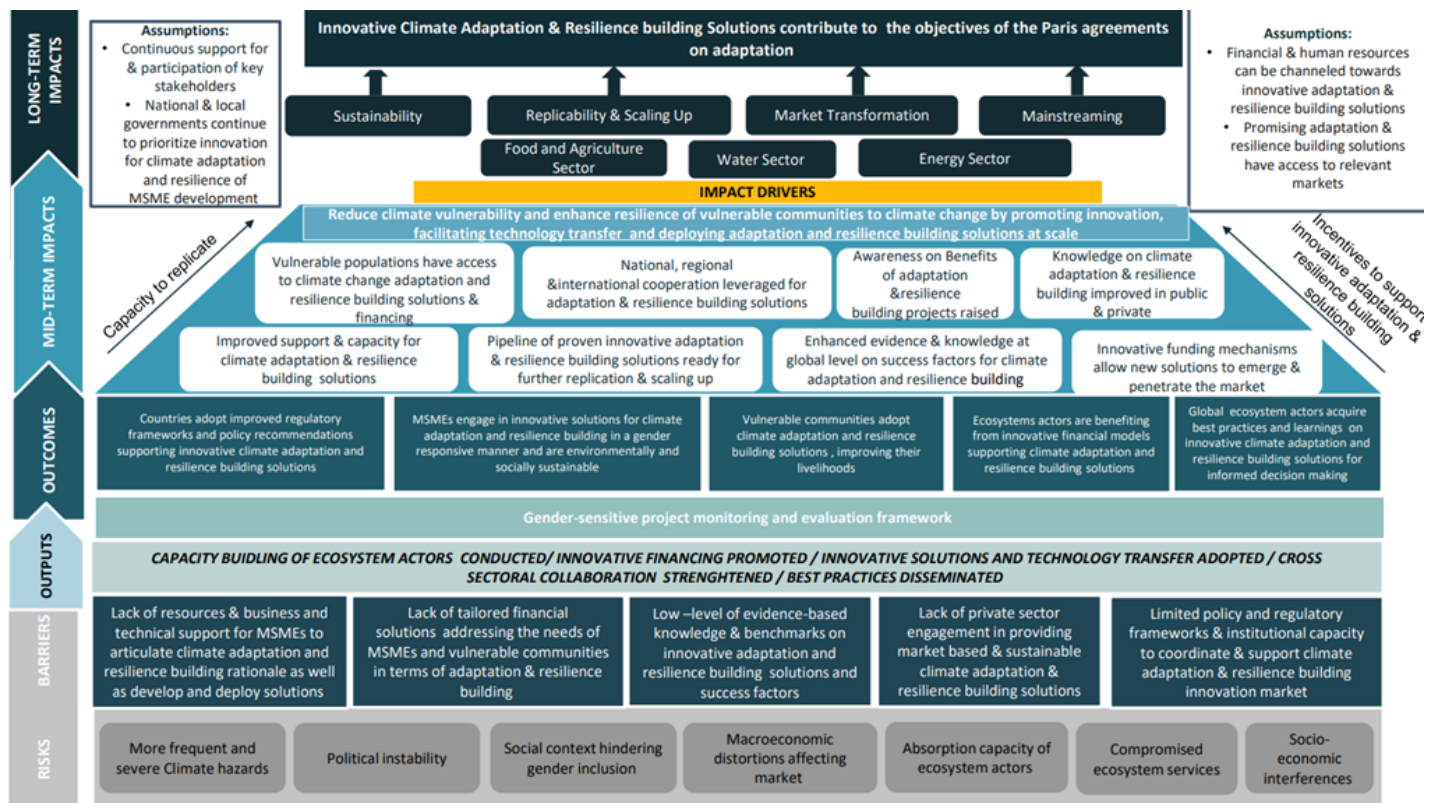


Figure 8: Theory of Change

PARS will also promote Public-Private Partnership (PPP) based models to enhance adaptation and resilience building efforts in the target countries. An example of such a PPP-based model could involve collaboration between a government agency, a private sector MSME, and a local community to implement a climate-resilient agriculture project. In this example, the government agency provides policy support, regulatory oversight, and possibly funding to facilitate the project. The private sector company, such as an agricultural technology firm or agribusiness, contributes expertise, resources, and technology to develop climate-smart agricultural practices or innovative crop varieties that can withstand climate-related stresses like droughts or floods. The local community participates in the project by providing land, labor, and traditional knowledge, as well as benefiting from improved agricultural productivity and livelihoods. Through this PPP-based model, stakeholders pool their resources, expertise, and responsibilities to address shared challenges and achieve mutual objectives.

Pillar 1: Creating a conducive policy and regulatory environment to stimulate the development and deployment of innovative climate adaptation and-resilience building solutions

Outcome 1.1 Policy and regulatory environment to stimulate the development and deployment of adaptation and resilience building solutions strengthened in programme partner countries and coordinated at global level

PARS supports institutional frameworks creating an enabling environment that allows MSMEs to enter and operate in the adaptation and resilience building sector effectively by enhancing the capacity of government agencies responsible for policy development and regulation in adaptation and resilience building, improving the efficiency of regulatory frameworks to reduce bureaucratic hurdles for MSMEs, fostering transparency and accountability within institutions, facilitating collaboration among stakeholders, and working closely with financial institutions to provide tailored financial products and services for MSMEs engaged in climate adaptation activities.

Output 1.1.1 Gender-responsive cross-sectoral and sector specific policy and regulatory recommendations to accelerate and promote market-based development of climate adaptation and resilience building solutions developed and shared

Through extensive research and stakeholder consultation, comprehensive cross-sectoral (horizontal) and priority sector specific (vertical) policy and regulatory recommendations will be formulated to facilitate the acceleration of innovation and promotion of market-based development and deployment of climate adaptation and resilience building solutions. These policy and regulatory recommendations will address key challenges and opportunities across various priority sectors, providing a strategic framework for integrating adaptation and resilience measures into national and global agendas. These recommendations will also include focus on improving progress across the macroeconomic level with finance and economy ministries to establish a conducive environment for innovation in adaptation and resilience building solutions and engagement with the private sector. This output will also ensure policy coherence for ensuring the effective engagement of the private sector through aligned objectives, reduced regulatory burden, enhanced predictability and stability, promotion of sustainable development, facilitation of public private partnerships and enhanced competitiveness. By ensuring that policies are coherent, governments can create an enabling environment that fosters private sector engagement, investment, and entrepreneurship, ultimately benefiting businesses and society. The recommendations emphasize the importance of proactive measures, leveraging technology, and fostering collaboration among diverse stakeholders to enhance adaptive capacity and reduce vulnerability to climate impacts. By sharing these recommendations widely, this programme aims to focus on policy coherence as well as to catalyze collective action and inspire governments, businesses, and communities to prioritize investments in solutions that promote climate adaptation and build resilience. Implementation of these policy and regulatory recommendations promises to unlock new pathways for

sustainable development, ensuring that future generations inherit a more climate-resilient world. These recommendations will be subject to adaptive management principles, where ongoing evaluation and refinement are incorporated based on feedback from stakeholders and emerging best practices. By continuously updating the recommendations in response to changing market conditions and stakeholder needs, the program ensures that policies remain effective and relevant in promoting climate resilience. This iterative approach fosters policy coherence and catalyzes collective action, inspiring governments, businesses, and communities to prioritize investments in solutions that promote climate adaptation and build resilience.

Output 1.1.2 National and local institutions are trained on concrete measures identified in 1.1.1 to be integrated into operations

These training programs are tailored to address specific needs identified in Output 1.1.1, enabling institutions to increase capacity of institutions to effectively mainstream market-based development and deployment of innovative climate adaptation and resilience building solutions across various sectors at national and local levels. Through hands-on workshops and capacity-building exercises, participants will gain practical insights into implementing innovative solutions that enhance their adaptive capacity and strengthen resilience to climate-related risks. The training initiatives foster a culture of continuous learning and adaptation, empowering institutions to adopt flexible strategies that can evolve in response to changing climatic conditions and emerging challenges. By investing in institutional capacity building, this programme will lay the foundation for long-term sustainability and resilience, ensuring that decision-makers are equipped to navigate complex climate dynamics and safeguard the well-being of their communities. Transitioning from an incremental to a transformative approach necessitates highlighting how the training programs will not only tackle immediate challenges but also address systemic barriers hindering effective climate adaptation, thereby fostering a holistic and sustainable response to climate change.

Outcome 1.2 Collaboration and networking among ecosystem actors to advance global, regional and national markets for climate adaptation and resilience building solutions improved

Output 1.2.1 Climate adaptation and resilience building experience events are organized to connect ecosystem actors

Climate adaptation and resilience building experience events will serve as dynamic platforms for fostering collaboration and knowledge exchange among diverse ecosystem actors. Ecosystem actors in adaptation and resilience building are the diverse stakeholders involved in planning, supporting and implementing initiatives to address climate change impacts and enhance resilience. These actors can include government, civil society, academia, private sector, international organizations, and financial institutions, collaborating to advance solutions through policy, technology, finance, innovation, and community engagement. These events bring together these ecosystem players to share best practices, showcase innovative solutions, and explore collaborative opportunities for advancing climate resilience. Through interactive workshops, panel discussions, and networking sessions, participants gain valuable insights into cutting-edge adaptation strategies and emerging trends in resilience building. By facilitating dialogue and collaboration across sectors and disciplines, these events catalyze collective action and inspire transformative change at the local, national, and global levels. As a result, this programme will build a vibrant community of practice dedicated to co-creating sustainable solutions and driving meaningful impact in the face of climate change. By incorporating

feedback from participants and evaluating the outcomes of each event, the program can continuously improve its approach to fostering collaboration and driving meaningful impact in climate resilience efforts.

Output 1.2.2 Gender-responsive mentorship program on the development of climate adaptation and resilience building solutions organized

The mentorship program on the development of climate adaptation and resilience building solutions pairs experienced practitioners with emerging leaders to provide guidance, support, and expertise in navigating complex climate challenges. Through one-on-one mentoring relationships, mentees gain valuable insights, skills, and perspectives that empower them to drive positive change and innovation in their respective fields. Mentors serve as role models and advisors, offering practical advice, sharing lessons learned, and helping mentees navigate career development opportunities in the field of climate adaptation and resilience building. Adaptive management principles will ensure that mentorship relationships are responsive to the evolving needs of mentees, allowing for adjustments based on feedback and changing circumstances. The mentorship Program fosters a culture of knowledge sharing and collaboration, nurturing a new generation of leaders equipped to address the multifaceted challenges posed by climate change. By investing in mentorship and professional development, this programme cultivates a diverse and resilient workforce capable of championing transformative solutions.

Output 1.2.3 National cross sectoral platforms established to promote adaptation and resilience building solutions

These platforms serve as inclusive spaces where government agencies, civil society organizations, academic institutions, and private sector actors can come together to exchange ideas, leverage resources, and coordinate efforts. Through regular meetings, workshops, and joint initiatives, stakeholders collaborate on priority issues, identify synergies, and develop integrated approaches to address climate-related challenges at the national level. By fostering dialogue and partnership across sectors, these platforms enhance the effectiveness and impact of adaptation and resilience building interventions, ensuring that efforts are aligned with national priorities and goals.

Pillar 2: Development and deployment of innovative climate adaptation and resilience building solutions

Outcome 2.1 Increased development and adoption of innovative climate adaptation and resilience building solutions by MSMEs

Output 2.1.1 Gender-responsive methodologies, guidelines, tools and training systems for accelerators/incubators supporting MSMEs with adaptation and resilience building solutions are developed at global level and disseminated to national child projects

These resources will encompass comprehensive frameworks and practical insights aimed at fostering innovation and entrepreneurship within the context of climate adaptation and resilience





































building. In this project, specific emphasis will be given to innovations that occur within Technology readiness Level (3-7) and Business readiness level (2-7) because these adaptation SMEs at the early stages of growth (TRLs 3-7 and BRLs 2-7) lack access to capital, talent, know-how, and networks to fulfill their potential as high-impact, scalable solutions. . Designed to empower accelerator and incubator programs, they will facilitate the effective identification, nurturing, and scaling of innovative solutions addressing climate-related challenges encountered by MSMEs. Through dissemination efforts, these resources will be made readily accessible to national child projects across participating countries. Continuous feedback mechanisms will be established to gather insights and improvements from national implementations, ensuring iterative enhancements and refinement of the methodologies and tools for future accelerator cycles.
















Level	TRL (Technology Readiness Level)	BRL (Business Readiness level)
1	Basic principles observed	Hypothesizing on business concept
2	Technology concept or application formulated	First concept described. Identified overall market & some competitors
3	Critical function or proof of concept established	Draft of business model. Described market & competitive overview
4	Technology validated in the laboratory environment	First version of business model, projections of economic viability
5	Technology validated in a relevant environment	Business model testing, competitive position verified in market
6	Technology demonstrated in a relevant environment	Full business model including pricing verified on customers
7	Prototype demonstrated in an operational environment	Product/market fit demonstrated. Attractive cost projections
8	Technology system qualified through test and demonstration	Business model is fine-tuned. Sales show model holds and can scale
9	Technology system proven in operational environment	Business model finalised. Business scaling with recurring revenues





















Figure 6: Technology Readiness Level and Business Readiness Level Descriptions

The programme defines adaptation and resilience building MSMEs in accordance with the Adaptation Solutions Taxonomy framework developed by the Adaptation SME Accelerator Project (ASAP)[1] funded by the Global Environmental Facility (GEF). An adaptation and resilience building MSME is a company providing solutions that: Address systemic barriers to adaptation, by strengthening user’s ability to understand and respond to physical climate risks and related impacts and/or capture related opportunities AND/OR contribute to preventing or reducing material physical climate risk and/or the adverse associated impacts on assets, economic activities, people or nature AND do no harm and generate long term value. Furthermore, the following ASAP screening criteria will be taken up by the project: The adaptation SME operates in compliance with relevant E&S standards and local regulation and commits to put in place actions to: 1) Increase its own resilience to climate change risks and impacts; 2) Adopt best available knowledge to provide solutions that do not lead to maladaptation (of the direct user or the system in which the user

operates); 3) Build the awareness and capacity of the target users of their solutions to avoid maladaptation; 4) Apply best environmental & social (E&S) safeguards practices. Finally, the adaptation SME's contribution can be quantitatively and/or qualitative measures. Reflecting on the above identified vulnerabilities in the target countries, adaptation and resilience building MSMEs can offer the following solutions among others:

Temperat ure rise	Climate event		Climate Adaptation <u>And</u> Resilience Building Solutions	Sectors		
	Floods and/or increased precipitation & Sea Level Rise	Droughts and seasonality variation		W	E	F
			Installations of weather station of collection of data (provision of reliable and accurate data) and adoption of forecasting models and software	♦	♦	♦
			Testing and deployment of more drought-resistant varieties and storage infrastructure to mitigate drought years and crop-failure.			♦
			Remote sensing-based drought monitoring tools using different drought indicators (Precipitation Index, Soil moisture, Groundwater and Terrestrial Water Storage, Evapotranspiration, snow, vegetation index) for early drought detection.	♦	♦	♦
			Remote sensing data sets to develop multiple global flood models for monitoring, understanding and managing flood risks on transportation networks.	♦	♦	
			Develop and adopt appropriate modelling tools to assist strategic planning of water resources both for droughts and flood events	♦		
			Drones for crop or livestock data collection and analytics platform with mapping interface .			♦
			In-situ monitoring to improve soil structure and fertility, study weather conditions in the field to forecast rain, drought, or wind changes. Control of humidity and temperature levels in crops to prevent fungus and other microbial contaminants.			♦
			In-situ monitoring of water quality in both surface and underground water given the risks of contamination from pit latrines particularly in densely populated urban areas	♦		
			In-situ monitoring, control and surveillance of fishing ground and fish stocks for sustainable exploitation			♦
			Water Monitoring and modelling to avoid damages or disturbances due to droughts and floods (E.g., water resource mapping).	♦	♦	
			Livestock monitoring: to track the location, health, and well-being of cattle.			♦
			Early warning systems to provide notifications to farmers (including fisher farmers) about potentially hazardous events, such as intense precipitation, landslides and floods. Also, pest and disease early warning systems.			♦
			Sustainable agriculture: Use of organic matter to protect field surfaces and to preserve soil moisture (e.g., mulching and crop residue management). The use of compost and manure to enrich soil organic and mineral matter Conservation tillage (enhance soil moisture storage and improve soil structure and organic matter contents) Intercropping by planting trees to create windbreaks and maintain soil moisture and fertilize the earth without needing chemical fertilizers. For example, intercropping maize with fast-growing N-fixing trees, including <i>Gliricidia sepium</i> , <i>Tephrosia candida</i> or <i>Pisum nigrum</i> ; using trees such as <i>Sesbania sesban</i>	♦		♦

			<p>as an improved fallow, or integrating full-canopy fertilizer trees such as <i>Faidherbia albida</i> has proven to be a particularly effective practice.¹</p> <p>Crop rotation practices, improves soil fertility as well as helps control weeds, pests and diseases. For example, some insect pests and disease-causing organisms are hosts' specific. Rice stem borer feeds mostly on rice. If you don't rotate rice with other crops belonging to a different family, the problem continues as food is always available to the pest. However, if you plant legume as the next crop, then corn, then beans, then bulbs, the insect pest will likely die due to absence of food².</p> <p>Agro-sylvopastoral system, combining both livestock as well as crop cultivation. This integrated system improves the land, makes livestock better able to handle high temperatures, and provides new sources of income.</p> <p>To improve yield of pastures, the zero-grazing technique could be implemented. This means that the livestock will not graze in the pasture, but the grass is cut regularly and then fed to the animals³.</p> <p>Agroforestry systems can help reduce erosion risk and nutrient leaching. E.g., Cocoa is one commodity that benefits from agroforestry. Cocoa plants can grow better and be even more resilient under the shade of other trees. Agroforestry systems, which include incorporating deep-rooted trees and shallow-rooted crops, can be used to better exploit available soil moisture, providing sufficient shade to allow high-value crops to be grown and maximizing benefits at the farm level⁴.</p> <p>Greenhouse farming: Is concerned with increasing the yields of vegetables, crops, fruits etc. Greenhouses control the environmental factors through manual intervention or a proportional control mechanism (sensors).</p>			
			Improve pest and weed management practices			♦
			Nutrient management techniques			♦
			Rainwater harvesting	♦		♦
			Drainage systems to prevent water logging and increased yields.			♦
			Drainage systems for urban areas to reduce incidence of flooding as flooding can destroy energy production, transmission and distribution	♦	♦	
			Ecosystem-based Adaptation (EbA), green infrastructure, wetlands and urban forestry to reduce urban heat islands and to enhance groundwater storage by more infiltration through the soil ⁵	♦	♦	
			Ground water management for water shortage	♦		♦
			Irrigation and drainage techniques to reduce dependency on rainwater and thus reduce the risk of crop failure due to lack of rains	♦		♦

			Dryers: e.g., Solar or wind powered improved dryers			♦	♦
			Improved crop storage technologies/material that impede insect intrusion				♦
			Cold storage and cold chain facilities powered by solar energy			♦	♦
			Solar refrigerators (E.g., https://www.kit4africa.com/kits-solaires)			♦	♦
			Improve energy efficiency in buildings, industries, and the residential sector in urbanized areas. For example, promote sustainable constructions (green roofs, natural light, thermal insulation materials, recycling of water, rainwater harvesting, solar and wind energy for electricity, solar energy to heat water, incorporate trees for shadow, waste recycling (compost), others) and adoption of energy efficient equipment (energy efficient, freezers, others).			♦	
			Selective breeding for increased resilience in aquaculture				♦
			Effective aquaculture feed management systems				♦
			Climate insurance products for livestock, crops and fish, especially small-scale farmers.				♦
			Expand small-scale access to flood insurance, compensation and tax relief, and finance to adaptive technologies to build resilience.			♦	♦
			Improved access to climatic data through Digitally – enabled information and education tools			♦	♦
			<p>Improvement of coastal and fisheries resource management:</p> <p>Promotion on non-destructive fishing techniques to prevent destruction of marine environment (e.g., help to change fishers' behaviour to ensure a continued supply of fish, use effective techniques and management or resources such as: fish food, learn about climate change, others)</p> <p>Improve productivity and sustainable management of fisheries and marine sector</p> <p>Develop integrative coastal zone management plans and build awareness and capacity on those to ensure proper implementation and monitoring</p> <p>Build capacity and raise awareness on fishing practices and on other coastal activities</p> <p>Improve fish farmer's access to climate data to help fisheries optimise quotas and reduce uncertainty around species' distribution.</p>			♦	♦
			<p>Improve natural resource management in critical biodiversity hotspots:</p> <p>Manage rangelands and pastures by managing grazing systems and grazing intensity, fire management and pasture rehabilitation</p> <p>Restore degraded lands with high production potential</p> <p>Establish new forest reserves, national parks and protected areas</p>			♦	♦

The methodologies and tools will be continuously updated in response to emerging challenges and opportunities, the program ensures that MSMEs have access to the most effective support mechanisms for scaling their climate resilience solutions.

Output 2.1.2 Pool of experts are trained and certified for accelerators/incubators supporting MSMEs with climate adaptation and resilience building solutions

A comprehensive training and certification framework and program will be developed at the global level to establish a pool of experts in adaptation and resilience building specifically geared towards supporting early stages of growth (TRLs 3-7 and BRLs 2-7) MSMEs. This program aims to equip mentors, coaches, and judges with the necessary knowledge and skills to effectively guide and evaluate participating teams within accelerators and incubators focused on climate adaptation and resilience solutions. This training initiative will undergo rigorous review by each participating country to ensure alignment with their national contexts and priorities related to adaptation and resilience efforts. Partnerships can be established with industry associations, business networks, and chambers of commerce to promote participation and investment from a wide range of private sector actors in the training and certification program. By fostering a community of certified experts with deep understanding of adaptation strategies, resilience frameworks, and local contexts, the program seeks to enhance the capacity and effectiveness of accelerator and incubator programs worldwide in addressing climate-related challenges faced by MSMEs.

Output 2.1.3 MSMEs with climate adaptation and resilience building solutions are supported with targeted business growth support to build and scale-up their operations

In the scope of the **Global Coordination Project**, the objective is to foster collaboration and innovation across MSMEs from partner countries in the realm of climate adaptation and resilience building solutions. Firstly, a comprehensive global database of MSMEs engaged in innovative climate adaptation and resilience building solutions will be developed. This database will serve as a centralized repository, comprising a minimum of 120 MSMEs across partner countries. Emphasizing inclusivity, the database aims to have 35% of the MSMEs led by women, 40% with women in leadership roles, and 25% offering products or services specifically tailored for women. By capturing a diverse array of enterprises, the database seeks to showcase the breadth and depth of innovative solutions being developed globally to address climate challenges. Subsequently, identified MSMEs from the global database will receive tailored technical assistance and investment facilitation support. This assistance is designed to enhance their readiness to engage with global and regional investors, thereby increasing their capacity to scale their climate adaptation and resilience solutions. Through targeted interventions, such as capacity-building workshops, mentorship programs, and access to financing opportunities, MSMEs will be equipped with the tools and resources needed to navigate the complexities of the global market landscape. In addition to capacity-building efforts, the project will organize four global innovation competitions in collaboration with strategic partners. These competitions will provide selected MSMEs with a platform to showcase their innovative solutions and address pressing climate adaptation and resilience challenges. By leveraging the expertise and networks of strategic partners, the competitions aim to amplify the visibility and impact of participating MSMEs, ultimately fostering cross-border collaboration and knowledge exchange. The Global Coordination Project is paramount in addressing the urgent need for scalable solutions to climate adaptation and resilience challenges on a global scale. By facilitating collaboration among MSMEs from diverse geographic regions and sectors, the project fosters innovation and knowledge sharing, accelerating the development and deployment of impactful solutions. Furthermore, the inclusion of women-led enterprises and those targeting women's needs ensures a more equitable and inclusive approach to climate resilience efforts, maximizing the potential for positive social and economic outcomes.

In the context of the **country child project**, the overarching goal is to fortify climate adaptation and resilience efforts by providing targeted support to MSMEs operating nationally. This initiative adopts a multifaceted approach, starting with the construction and analysis of a robust database. This database serves as a

foundational resource, facilitating the identification and evaluation of MSMEs engaged in climate adaptation and resilience activities within the country. The database is meticulously curated to ensure representation across different Technology Readiness Levels (TRL) and Business Readiness Levels (BRL). Furthermore, it places a strong emphasis on gender diversity, with specific quotas set to ensure the inclusion of women-led enterprises and those catering to women's needs. This strategic approach not only fosters gender equality but also recognizes the unique contributions and perspectives that women bring to climate resilience efforts. The project will employ a systematic process to source MSMEs and screen them for their potential to support concrete adaptation actions, thereby assisting participating developing countries in addressing the adverse effects of climate change and building climate resilience. Applications received will be assessed against the UNIDO “climate adaptation impact hypothesis”, which will include the Environment and Social Management Framework (ESMF) and maladaptation assessment considerations, and with input from investment and finance experts. Subsequently, identified MSMEs (TRL 3-5 and BRL 2-4) will undergo the first stage of acceleration process. This phase is pivotal in providing these enterprises with the necessary technical support and resources to enhance the effectiveness and impact of their solutions. Then for selected MSMEs (TRL 5-7 and BRL 5-7), tailored support, guidance and mentorship as well as performance-based grant (range of 50,000 USD to 150,000 USD) is provided to refine their offerings, test and validate their solutions directly in local climate vulnerable communities as well as navigate challenges associated with climate adaptation and resilience. Strategic partnerships with research institutions, innovation hubs, and technology transfer centers will be important. By collaborating with these entities, the program can tap into cutting-edge research and development initiatives, access state-of-the-art technologies, and leverage existing networks and expertise. Additionally, fostering partnerships with venture capital firms or impact investors could facilitate investment opportunities for early-stage adaptation and resilience solutions developed by MSMEs. This expanded network of stakeholders can provide crucial support in scaling up innovative solutions and driving sustainable impact across priority sectors. Additionally, the project emphasizes the importance of sustainability considerations, ensuring that MSMEs adopt practices that promote long-term environmental stewardship and community resilience. This phase emphasizes hands-on learning, collaboration, and innovation, empowering MSMEs to develop scalable and sustainable solutions that address pressing climate challenges. Additionally, the project recognizes the importance of market validation and scalability, offering performance-based grants to support MSMEs in deploying or scaling their solutions in validated markets.

Outcome 2.2 Increased capacity of vulnerable communities and deployment of adaptation and resilience building solutions reached at scale

Output 2.2.1 Awareness raising for vulnerable communities on adaptation and resilience building solutions developed

Tailored awareness-raising campaigns and programmes will be developed to educate vulnerable communities on the importance of adaptation and resilience building solutions. These campaigns will utilize a variety of communication channels, including community workshops, radio broadcasts, and informational materials, to reach a wide audience. Information will be provided in accessible formats and local languages to ensure maximum comprehension and engagement among community members. The awareness-raising initiatives will highlight the specific climate challenges faced by vulnerable communities and showcase practical solutions that can enhance their resilience. Through interactive sessions and engagement activities, community members will be empowered to actively participate in adaptation efforts and advocate for their needs. Partnerships with local community leaders, civil society organizations, and government agencies will

be leveraged to amplify the reach and impact of the awareness-raising campaigns. Collaboration will also be sought with corporate social responsibility (CSR) initiatives and private sector entities to sponsor and support the tailored awareness-raising campaigns in vulnerable communities. Continuous monitoring and evaluation will be conducted to assess the effectiveness of the awareness-raising initiatives and identify areas for improvement.

Output 2.2.2 Capacity building of vulnerable communities and ecosystem actors to adopt adaptation and resilience building solutions developed

Tailored capacity-building programs will be developed to enhance the knowledge and skills of vulnerable communities and ecosystem actors in adopting adaptation and resilience building solutions. These programs will provide hands-on training, technical assistance, and mentoring support to empower communities to implement sustainable practices. Capacity-building initiatives will be tailored to the specific needs and priorities of each community, taking into account local context, resources, and cultural considerations. Training modules will cover a range of topics, including climate risk assessment, ecosystem management, disaster preparedness, and sustainable livelihoods. Innovative approaches, such as participatory learning methods and peer-to-peer exchanges, will be utilized to promote active engagement and knowledge sharing. Partnerships will be forged with corporate training programs and business associations to provide resources and expertise in delivering tailored capacity-building programs to vulnerable communities and ecosystem actors. Capacity-building activities will be integrated into existing community development programs and initiatives to ensure sustainability and long-term impact.

Output 2.2.3 Centers of Excellences developed and established to support technology transfer

Centers of Excellence will be established to serve as hubs for fostering technology transfer and innovation in adaptation and resilience building. These centers will bring together experts, researchers, and practitioners to collaborate on developing and disseminating cutting-edge solutions. By leveraging expertise from diverse fields, including climate science, engineering, and social sciences, Centers of Excellence will facilitate interdisciplinary approaches to addressing complex resilience challenges. Partnerships with academic institutions, research organizations, and private sector entities will be forged to ensure access to the latest research findings and technological innovations. Centers of Excellence will provide training programs, workshops, and knowledge-sharing platforms to build the capacity of local stakeholders in utilizing innovative technologies and approaches. Strategic alliances will be established with technology firms, industry leaders, and innovation hubs to support the establishment and operation of Centers of Excellence, fostering collaboration and knowledge exchange for technological advancements in adaptation and resilience building. Lessons learned and best practices will be shared widely to inform future initiatives and strengthen the global community's collective efforts towards resilience building. In addition to fostering technology transfer and innovation, Centers of Excellence will also serve as platforms for showcasing solutions from the Global North and seeking local partnerships to adapt these solutions for local use. This will facilitate cross-regional collaboration and knowledge exchange, enabling the adaptation of proven technologies to suit the specific needs and contexts of LDCs.

Output 2.2.4 Implementation of adaptation and resilience building solutions with integrated financial viability

Implementation plans will be developed to deploy identified adaptation and resilience building solutions with integrated financial viability in priority sectors. These plans will identify key sectors, such as food and agriculture, water management, energy, where investments in resilience are most urgently needed. Innovative financing mechanisms, such as public-private partnerships, climate funds, and impact investing, will be explored to mobilize resources for implementation. Additionally, capacity-building initiatives will be implemented to empower private sector actors to actively participate in the implementation process and contribute to the sustainability of resilience initiatives. Projects will be designed to prioritize the needs and vulnerabilities of vulnerable communities, ensuring that solutions are equitable and inclusive. Implementation activities will be carried out in close collaboration with local stakeholders, including government agencies, NGOs, and community organizations.

Pillar 3 Development of Facilitating innovative financial instruments for climate adaptation and resilience building solutions

Outcome 3.1 Development and deployment of climate adaptation and resilience building solutions through innovative financial instruments

In designing financing instruments under PARS, the project will focus on key principles, sustainability, scalability and stakeholder buy-in, which is key to its success. The project would engage in a collaborative approach with key stakeholders, including government, financial institutions, MSMEs, civil society, local and relevant international organizations, involving stakeholder consultations, workshops, and assessments to identify priorities, assess feasibility, and garner support for proposed mechanisms.

Securing necessary approvals and endorsements from relevant stakeholders would require engagement at various levels, involving advocacy efforts, dialogues, and formal agreements to ensure buy-in and commitment. Anchoring these options within national systems for large-scale adoption would entail integrating them into existing frameworks, mechanisms, and structures, such as capacity-building initiatives, and partnerships with financial institutions and ministries, ensuring mainstreaming of climate adaptation finance into national strategies. Additionally, the project will assess entities housing these instruments on criteria like decentralized services, provision of comprehensive business support to MSMEs, capacity to scale up instruments, innovation track record, and transparency, aiming for effective stakeholder engagement and successful implementation of adaptation initiatives at scale.

Output 3.1.1 Innovative financial instruments for MSMEs providing adaptation and resilience building solutions are developed, piloted and promoted

Collaborating with governments, financial institutions, and the private sector, this output endeavors to develop solutions that reduce the cost of capital, enhance financial capacity, and streamline policy to support MSMEs. By identifying, testing, and promoting novel financing mechanisms, this output seeks to empower MSMEs to access the resources needed to thrive in the climate adaptation and resilience sector.

This output involves a comprehensive process of identifying, testing, and promoting novel financing mechanisms tailored to the unique needs and challenges faced by MSMEs in the climate adaptation and resilience space. The first step is to conduct a thorough analysis of existing financial instruments and mechanisms to assess their suitability for MSMEs involved in adaptation and resilience activities. This involves reviewing traditional funding sources such as grants, loans, and equity investments, as well as exploring emerging financing models such as impact investing, blended finance, and green

bonds. Considering the nature of applicability of these instruments in LDCs, it will be notably concessional, comprising performance grants, Pay-for-Success financing, and blended financing mechanisms that combine grants with loans, among others, to ensure accessibility and effectiveness for the target beneficiaries. Once potential financial opportunities have been identified, they undergo a rigorous testing phase to evaluate their effectiveness and feasibility in supporting MSMEs. This may involve pilot programs, feasibility studies, and impact assessments to assess the viability and scalability of different financing options. During the testing phase, partnerships with financial institutions, development agencies, and philanthropic organizations, especially from the private sector, are leveraged to provide financial support and technical expertise. This collaboration ensures that the identified financial opportunities align with the needs and priorities of MSMEs and contribute to their long-term sustainability and growth. The iterative nature of this process ensures adaptive management, where feedback from pilot programs and feasibility studies is continuously incorporated to refine and improve financial instruments. Promotion of innovative financial opportunities involves raising awareness and building capacity among MSMEs and relevant stakeholders. This may include organizing workshops, seminars, and training sessions to educate MSMEs about available financing options, eligibility criteria, and application processes. Additionally, outreach activities such as webinars, conferences, and networking events are organized to facilitate connections between MSMEs and potential investors or financiers.

Output 3.1.2 Innovative financial mechanisms/instruments for vulnerable communities to adopt adaptation and resilience building solutions are developed, piloted and promoted

Innovative financial opportunities tailored for vulnerable communities to adopt adaptation and resilience solutions are crucial for addressing their unique needs amidst climate change impacts. Vulnerable communities are often disproportionately affected by climate change and are in critical need of innovative financial opportunities to adopt adaptation and resilience building solutions. This output focuses on identifying, testing, and promoting financial mechanisms that are accessible and appropriate for vulnerable communities. For vulnerable communities, the project will leverage existing financial architectures while introducing novel instruments such as Community Resilience Funds, Climate Vouchers, Resilience Grants, and Social Impact Investments. Additionally, it will explore avenues like Risk-Sharing Facilities, Microinsurance for Resilience, and Weather-Indexed Loans, among a spectrum of other options. These instruments are designed with a dual purpose: to bolster community resilience and to establish a robust link between local financing structures and global opportunities, including engagement with impact investors, incubators, accelerators, and other relevant stakeholders. The first step in this process is to conduct a comprehensive assessment of the financial needs and capabilities of vulnerable communities, taking into account factors such as income levels, access to financial services, and susceptibility to climate-related risks. This assessment helps to identify the most suitable financial instruments and mechanisms that can effectively address the needs of vulnerable communities and support their adaptation efforts. Once potential financial opportunities have been identified, they undergo a testing phase to evaluate their suitability and effectiveness in meeting the needs of vulnerable communities. This may involve piloting different financial models in partnership with local organizations, conducting feasibility studies, and assessing the impact of various financing options on community resilience. During the testing phase, efforts are made to build the capacity of vulnerable communities to access and utilize financial services effectively. This may include providing financial literacy training, facilitating access to banking services, and promoting community-based savings and credit schemes. Additionally, partnerships with financial institutions, development agencies, and other stakeholders are leveraged to provide technical assistance and support to vulnerable communities in navigating the complexities of financial markets. The iterative testing phase allows for adaptive management, enabling stakeholders to assess the suitability and effectiveness of different financial models in meeting the unique needs of vulnerable communities. Promotion of innovative financial opportunities for vulnerable communities involves raising awareness, building trust, and fostering partnerships among stakeholders. This

may include organizing community meetings, conducting outreach campaigns, and leveraging traditional and social media platforms to disseminate information about available financial services and how they can support adaptation and resilience efforts. Through comprehensive assessments, testing phases, and capacity-building efforts, this output aims to ensure that vulnerable communities have the resources and support needed to navigate climate-related challenges effectively.

Outcome 3.2 Financial service providers increase funding to adaptation and resilience building solutions

Output 3.2.1 Gender-responsive methodologies and guidebooks for assessing and quantifying adaptation and resilience building benefits of projects, developed at global level, and disseminated to programme partner countries

In order to catalyze increased funding for adaptation and resilience building solutions, it is imperative to provide financial service providers with robust, commonly agreeable methodology and guidebook for assessing the benefits of such projects. This output entails the development of a comprehensive framework that enables stakeholders to evaluate the economic, social, and environmental impacts of resilience initiatives, building on UNIDO experience in this space. These methodologies are crafted at the global level to ensure consistency and standardization in project evaluation processes. By establishing clear guidelines for assessing the benefits of adaptation and resilience building projects, financial service providers can make informed decisions regarding investment allocations, thereby increasing confidence in supporting climate resilience efforts. The development of methodologies and guidebooks involves a collaborative effort between experts in climate science, economics, and finance. This framework are designed to capture the multidimensional nature of adaptation and resilience benefits, accounting for factors such as risk reduction, cost savings, and social co-benefits. Guidebook will provide practical guidance on applying these methodologies in real-world contexts, offering case studies, best practices, and step-by-step instructions for project evaluation. The dissemination of these tools to program partner countries not only enhances their capacity for project evaluation but also fosters a conducive environment for private sector investment in adaptation and resilience initiatives. The development and appliance of the methodologies and tools will consider any relevant existing standards, such as WOCAN's W+ Standard^[1], that support the quantification and monetization of women's empowerment in projects.

[1] <https://www.wplus.org/>

Output 3.2.2 Train Financial service providers and relevant actors in assessing benefits of climate adaptation and resilience building solutions

Building the capacity of financial service providers and relevant actors to assess the benefits of climate adaptation and resilience building solutions is essential for accelerating the flow of funds towards adaptation and resilience building solutions. This output involves targeted training programs aimed at enhancing the

analytical skills and knowledge base of financial professionals and relevant actors in evaluating the value proposition of funding/investing in adaptation and resilience building projects. The guidebook's case studies and practical exercises will provide real-world examples of how to apply these concepts in investment decision-making. By building a common understanding of the value of resilience and the importance of climate-resilient investments, these stakeholders can collaborate more effectively to mobilize resources and scale up adaptation efforts. Capacity-building activities are delivered through a variety of channels, including workshops, webinars, e-learning platforms, and peer-to-peer exchanges. Training materials are developed in collaboration with experts in climate finance, economics, and education to ensure relevance and applicability to diverse audiences. This output plays a pivotal role in fostering private sector development by equipping financial service providers and relevant actors with the necessary skills to assess the benefits of climate adaptation and resilience solutions comprehensively. Through targeted training programs and practical exercises, stakeholders gain valuable insights into the economic viability and societal impacts of investing in resilience-building projects, fostering a culture of informed decision-making across the financial sector. By enhancing the capacity of these stakeholders to recognize the value of climate-resilient investments, this initiative catalyzes increased collaboration and resource mobilization for scaling up adaptation efforts beyond traditional boundaries. The iterative nature of capacity-building activities ensures adaptive management, where training materials and methodologies are continuously updated based on feedback and emerging best practices. By fostering a culture of informed decision-making and collaboration, these training programs empower stakeholders to mobilize resources effectively and scale up adaptation efforts in response to evolving challenges and opportunities.

Output 3.2.3 Climate risk and vulnerability assessment tools and methodologies developed at global level and disseminated for application to programme partner countries

Climate risk and vulnerability assessment tools and methodologies developed at the global level and disseminated for application to program partner countries represent a crucial step towards enhancing resilience to climate change. However, while global-level assessments provide valuable insights, there is a pressing need to integrate local vulnerability assessments into adaptation and resilience planning processes. Local vulnerability assessments offer a granular understanding of community-level vulnerabilities, enabling targeted interventions that address the specific needs of at-risk populations. By incorporating local knowledge, community perspectives, and indigenous wisdom, these assessments provide nuanced insights into the unique challenges faced by different regions, communities, and ecosystems. The development of climate risk and vulnerability assessment tools and methodologies begins with a comprehensive review of existing approaches and best practices from around the globe. Then at the national level, stakeholders can ensure that assessment tools are contextually relevant and responsive to the needs of diverse communities. Local vulnerability assessments play a critical role in identifying hotspots of vulnerability, areas of high exposure to climate risks, and communities most in need of support. These assessments enable stakeholders especially MSMEs to prioritize resources, target interventions, and tailor adaptation strategies to the specific needs and priorities of at-risk populations. By providing decision-makers with actionable data and insights, local vulnerability assessments empower them to make informed choices that maximize the effectiveness and impact of resilience-building efforts. The dissemination of climate risk and vulnerability assessment tools and methodologies at the global level fosters private sector development by providing decision-makers with comprehensive insights into climate-related risks. These tools enable stakeholders to make informed investment decisions, allocate resources effectively, and develop targeted adaptation strategies that address the specific needs of vulnerable communities and ecosystems. By integrating local vulnerability assessments into adaptation planning processes, these tools ensure that adaptation efforts are contextually relevant,

responsive, and tailored to the unique challenges faced by different regions and communities. The tools are continuously refined based on feedback and learning from stakeholders.

Pillar 4: Coordination, Knowledge Management and Learning

Outcome 4.1 Programme coordination, coherence and knowledge management

Output 4.1.1 Programme level internal guidelines developed at global level, and adapted and implemented in child projects for programmatic coherence across countries

This program is designed to ensure coherence and uphold standards of execution across partner countries: Ethiopia, Lesotho, Malawi, and Somalia. These countries were selected based on their high vulnerability to climate change and the severity of climate impacts. All four are among the most vulnerable nations to the impacts of climate change, with a significant rise in the population affected by climate disasters over the past few decades (Figure 5). Additionally, climate change adaptation and resilience building are identified as critical priorities for sustainable development in these nations.

In order to maintain coherence and standards of execution across multiple countries, programme guidelines will be developed under the global child project and disseminated as a tool for national child projects. These guidelines will be adaptable and subject to iterative adjustments based on real-time feedback and changing circumstances. This will also include the establishment of national Project Management Units (PMUs). International training for PMUs will be an important channel for programmatic coherence across partner countries, and therefore PMUs will be brought together at least once a year to discuss the programme approach and methodologies, and share experiences and insights. In addition, sustainability and exit strategy of the programme will be developed under the global child project in first year of implementation for review and adaptation by each national child project country by beginning of year 2 at national levels, allowing for flexibility and responsiveness to evolving challenges.

Output 4.1.2 Programme level knowledge management, communication and advocacy action plan developed at global level and implemented in programme partner countries

Under the global child project, a programme knowledge management, communication and advocacy strategy will be created to efficiently collect and disseminate management and operation related created knowledge under the national child projects. This strategy will include mechanisms for continuous monitoring and evaluation, allowing for adaptive decision-making and refinement of communication and advocacy efforts based on feedback and learning. Each national PMU will be requested to coordinate closely with Global Coordination Unit.

In addition, guidelines for national level communication and advocacy strategy will be developed for review and adaptation by each national PMU. The communication and advocacy efforts will have three aims:

1. Promoting visibility of the programme and communication of impacts achieved at national and global levels,
2. Increasing awareness of the catalytic role of adaptation and resilience solutions
3. Showcasing supported high impact adaptation and resilience innovations and enterprises, thus enhancing their visibility and credibility.

The project will implement a comprehensive knowledge management, communication and advocacy plan which is fully aligned with UNIDO and GEF Knowledge Management and Learning (KM&L) strategy and policies[1], emphasizing knowledge sharing, learning, and innovation. This plan will facilitate South-South exchange, promoting the exchange of experiences and best practices among countries. Additionally, the program will fully adhere to the GEF Communication and Visibility Policy[2]⁹, ensuring effective outreach and communication of best practices and lessons learned to enhance program impact and credibility. Through these efforts, the program aims to foster continuous learning, facilitate replication of successful interventions, and accelerate progress towards climate resilience goals.

Output 4.1.3 Global Web platform established to connect ecosystem players in consolidate adaptation and resilience building solutions within and across from programme partner countries

The web platform will be developed as a tool for four key functions. First as an internal management and operations tool for use by PMUs at national and global levels. Guidelines and tools developed at the global levels will be disseminated through the web platform. Second as a tool for execution of annual accelerators at national and global levels, to be used from the beginning of the accelerator cycle (call of applications and receipt of applications), and during the accelerator (webinars, submission of assignments etc.). Third is for maintenance of a community at national and global levels. All programme alumni enterprises, as well as certified mentors and coaches will be invited to join the online community as a networking tool. Profiles and impact potential of each supported adaptation and resilience solution will be showcased through the web platform. Therefore, it will serve as a gateway for potential investors and customers to collect information on alumni enterprises. Fourthly it will act as a knowledge repository for the general public. The web platform will make available all knowledge and communication products developed at national and global levels for public consumption.

Output 4.1.4 Gender-responsive knowledge generation, exchange and dissemination at national, local, national and global levels to promote learning, collaboration and synergies across programme partner countries

At the heart of this output lies the generation of new knowledge through research, innovation, and data collection efforts. This may involve conducting studies, assessments, and evaluations to better understand climate impacts, vulnerabilities, and adaptation strategies in different contexts. By capturing new insights and evidence, stakeholders can make informed decisions and develop targeted interventions that address the most pressing challenges faced by communities and ecosystems. Exchange of knowledge occurs through various channels, including workshops, seminars, conferences, and online platforms. These forums provide opportunities for stakeholders to share experiences, lessons learned, and success stories, fostering cross-country learning and collaboration. Through peer-to-peer exchanges and networking events, stakeholders can build relationships, forge partnerships, and identify opportunities for joint action and cooperation. Dissemination of knowledge is essential for ensuring that insights and lessons learned reach a wide audience and have a meaningful impact. This may involve publishing reports, articles, and case studies, as well as developing knowledge-sharing platforms and online repositories. By making information accessible and

understandable, stakeholders can empower decision-makers, practitioners, and communities to integrate best practices and innovative approaches into their work.

At the national level, knowledge generation, exchange, and dissemination efforts are tailored to the specific needs and priorities of each country. This may involve developing country-specific case studies, policy briefs, and training materials that address local challenges and opportunities. By contextualizing knowledge within national contexts, stakeholders can ensure relevance and applicability, maximizing the uptake and impact of climate adaptation and resilience initiatives. Similarly, at the local level, efforts are made to engage communities, civil society organizations, and local authorities in knowledge-sharing activities. This may include organizing community workshops, participatory events, and knowledge-sharing forums that empower local stakeholders to contribute their insights and experiences. By promoting grassroots participation and ownership, stakeholders can ensure that adaptation and resilience efforts are responsive to the needs and priorities of the communities they serve. At the global level, knowledge exchange and collaboration efforts are facilitated through international networks, partnerships, and initiatives. This may involve participating in global conferences, workshops, and working groups that bring together experts and stakeholders from around the world. By sharing experiences, challenges, and solutions on a global scale, stakeholders can identify common themes, emerging trends, and opportunities for collective action. All generated knowledge products will capture gender dimensions.

Outcome 4.2 Impact of programme tracked and reported at national, local, national and global

Output 4.2.1 Development and operationalization of data driven visual tool for aggregating results from global and programme partner country projects

The development and operationalization of a data-driven visual tool for aggregating results from global and program partner country projects can serve as a visual summary of both quantitative and qualitative indicators, allowing stakeholders to assess the effectiveness and progress of projects across various levels, from the project or portfolio level to the country or regional level. This tool will include mechanisms for ongoing monitoring and evaluation, allowing for adaptive management and refinement of strategies to maximize impact. The metrics considered for the impact dashboard can be categorized based on their scope, including geographic, ecosystem, and portfolio metrics. Geographic metrics provide insights into where the project is making an impact and who is being affected. Ecosystem metrics focus on the purpose and stakeholders involved in utilizing the impact dashboard, ensuring its validation and relevance. Portfolio metrics delve into how the project measures its impact, where data is obtained from, and which tools are employed for data collection and management. The impact dashboard also encompasses portfolio metrics that measure the overall impact and distribution of support provided to MSMEs. These metrics aim to avoid concentrating support on specific MSMEs and promote equity in funding access. By analyzing the number of supported MSMEs, the proportion led by women or youth, and the types of solutions proposed, stakeholders can ensure a balanced and inclusive approach to supporting climate adaptation and resilience efforts. The appliance of adaptive management practices through the tool will enable stakeholders to iteratively improve interventions based on real-world feedback and learning, thus enhancing the effectiveness and relevance of the program over time.

UNIDO's commitment to gender equality and women's empowerment is deeply rooted in its recognition of their pivotal role in driving sustained economic growth and inclusive industrial development. This commitment

is exemplified through the organization's policy on Gender Equality and the Empowerment of Women (2015), which provides overarching guidelines for the implementation of gender mainstreaming strategies across its initiatives. Furthermore, UNIDO has developed operational guides, such as the energy-gender guide, to ensure the integration of gender perspectives within sustainable energy projects.

Recognizing female entrepreneurship as a potent catalyst for women's empowerment, the program places a strong emphasis on fostering equal opportunities for both women and men to engage in and benefit from its climate adaptation and resilience-building solutions. It acknowledges that promoting female entrepreneurship not only enhances the quality of life for women but also catalyzes transformative changes in societal norms and power dynamics.

A guiding principle of the program is to ensure gender parity at all levels of project implementation, from managerial and technical roles to participation as consultants, entrepreneurs, mentors, and beyond. Special efforts will be made to facilitate the equal participation of women and men in global challenges, competitions, and post-accelerator support, ensuring that female entrepreneurs are actively engaged and supported throughout all stages of the project.

Female entrepreneurs will have the opportunity to contribute to and benefit from all aspects of the program, including participation in Pillar activities, post-accelerator support, and successful competition and acceleration programs. By actively involving female entrepreneurs, the program not only enhances their economic empowerment but also contributes to the broader goal of advancing gender equality and women's empowerment in the context of climate adaptation and resilience-building initiatives.

The programme strategy and implementation modalities for gender equality and women's empowerment will be designed by using a guide for gender integration to ensure that it is in line with both the requirements of UNIDO (UNIDO Energy Department's Guide on Gender Mainstreaming Energy and Climate Change) and GEF (the Guidance to Advance Gender Equality in GEF Projects and Programs (GEF/C.54/Inf.05 June 1, 2018), and shall include the following:

- A gender analysis will identify the differentiated needs and roles of women and men with respect to the programme and national child project interventions. An appropriate response will be developed and based on that, a gender action plan.
- Gender-based analysis of MSMEs: While building the database of MSMEs, an analysis will be performed to understand the demographics (including gender and age) of current MSME founders/owners and the gender-lens of their solutions. We will ask questions like: how many MSMEs have female founders or co-founders, how many MSMEs have a women-focused product/solution, do MSMEs provide gender disaggregated data of user base, how are these MSMEs spread out across various markets, do the products/ services offered by the MSMEs particularly benefit women or vulnerable groups. This analysis will help provide deeper insights into the existing MSMEs base.
- Gender-responsive MSMEs selection: To select MSMEs to be supported in their business growth, the sourcing team will include a gender lens to ensure that MSMEs with female founders, co-founders, or women in the management team are prioritized where possible. In addition, MSMEs with products and services aimed to improve the climate resilience of women will also be considered favorably. This will include targeted outreach e.g. through women's groups and

associations to reach women founders and social entrepreneurs. Wherever possible, active conversations with investors will also be held to raise their awareness on gender-related issues as they link to the impacts of climate change and what models to support.

- To the extent possible, efforts will be made to promote equal participation of women and men in training activities, both at managerial and technical levels, as participants and facilitators;
- Gender-sensitive recruitment will be practiced at all levels where possible, especially in selecting programme and national child project staff to ensure diversity in team composition.
- Both Staff and project stakeholders will receive training on gender awareness, including sensitization on gender dimensions and bias.
- Whenever possible and reasonable, gender focal points of stakeholders, women's groups and associations, gender experts and/or other stakeholders that promote gender equality will be consulted.
- Knowledge products to be gender responsive. The different knowledge products generated in the framework of the project will make a 'gender lens' analysis to understand the gender opportunities and challenge. The project will pursue thorough gender responsive communication and ensure stakeholder involvement at all levels, with special regard to involving women and men, as well as civil society and non-governmental organizations promoting gender equality. This shall mitigate social and gender related risks, promote gender equality, create a culture of mutual acceptance, and maximize the potential contribution of the project to improving gender equality in this field.
- The project will target to include at least 40% women in decision-making. All decision-making processes will consider gender dimensions. Also, at the level of project activity implementation, efforts will be made to consult with stakeholders focusing on gender equality and women's empowerment issues. This is especially relevant in policy review and formulation as well as for capacity building activities;
- Whenever possible, dedicated financial products and services targeting women's needs will be developed. Priority will be given in accessing technical assistance and financing opportunities to groups and organizations led by women.
- Wherever possible, the program will ensure that the selected MSMEs do not contribute to gender-negative actions.

Finally, under Pillar 4, gender-disaggregated indicators and related targets at the programme's and national child projects' outset will be participative designed to consistently measure the impact of the programme and project regarding gender dimensions. When data collection or assessments are conducted, gender dimensions will be considered.

Gender Action Plans will be developed as part of the child projects. The gender analysis during the child project design will identify the specific circumstances of women and youth and will provide a basis on how the priorities and needs of these groups will be integrated in the implementation of the project. Child project log-frames will be developed to reflect key gender dimensions of the respective outputs, activities, indicators and targets. Analysis of the programme has identified the following gender specific targets to be monitored and evaluated throughout the programme implementation period.

[1] GEF Knowledge Management and Learning Policy

[2] GEF Communication and Visibility Policy

Monitoring and Evaluation

Describe the approach to program-level Monitoring and Evaluation, including ways to ensure coherence across Child Projects and to allow for adapting to changing conditions, consistent with GEF policies. In addition, please list results indicators that will track the Program Objective, beyond Core Indicators. (Max 1-2 pages).

Integrated Monitoring, Evaluation, and Gender Mainstreaming Framework

5.1.1) Development and application of a programme monitoring and evaluation framework at the global level, ensuring consistency in monitoring and evaluation practices within partner countries for effective assessment of project outcomes.

The project aims to establish a comprehensive monitoring and evaluation framework that will be implemented globally, fostering uniformity in assessment procedures across partner nations. This framework will serve as a benchmark for evaluating project progress and impact, ensuring that assessments are conducted consistently and accurately across diverse contexts. By adhering to standardized monitoring and evaluation practices, the project can effectively gauge its performance and make informed decisions for continuous improvement. The global-level framework will facilitate the systematic assessment of project outcomes, enabling stakeholders to track progress and identify areas for intervention as needed. Through the implementation of this framework, the project seeks to enhance transparency and accountability while promoting a culture of evidence-based decision-making across all partner countries.

5.1.2 Project progress monitoring and reporting as per UNIDO and GEF guidelines including development of gender action plan

Project progress monitoring and reporting will strictly adhere to guidelines set forth by UNIDO and GEF, ensuring alignment with international standards for assessment and reporting. In addition to standard monitoring practices, the project will develop a comprehensive gender action plan to address gender disparities and ensure inclusivity in project outcomes. By integrating gender considerations into monitoring and reporting processes, the project aims to create a more equitable and responsive intervention strategy. The adherence to UNIDO and GEF guidelines will facilitate accurate and transparent reporting, enabling stakeholders to assess progress towards project objectives with confidence. Through the development of a gender action plan, the project demonstrates its commitment to promoting gender equality and social inclusion within its activities.

5.1.3) Mid-term and Terminal Evaluation

Mid-term and Terminal Evaluations will serve as critical milestones for assessing project performance and impact at key junctures. These evaluations will provide valuable insights into the effectiveness of project interventions and the achievement of desired outcomes. By conducting Mid-term and Terminal Evaluations, the project can identify strengths, weaknesses, and areas for improvement to inform future decision-making. The evaluations will offer stakeholders an opportunity to reflect on progress made and make necessary adjustments to project strategies and activities. Through rigorous evaluation processes, the project aims to ensure accountability, transparency, and ultimately, the successful attainment of project goals.

Targeted M&E activities including consultant with detailed budget plan split will be detailed in the PPG phase.

Core Indicators

ID	Item
Core Indicator 1	<p>Total no. of direct beneficiaries:</p> <p>Global: Not applicable</p> <p>Lesotho: 93,600</p> <p>Malawi: 49,500</p> <p>Ethiopia: 147,000</p> <p>Somalia: 201,000</p>
Core Indicator 2	<p>Area of land managed for climate resilience (ha) only for agriculture is relevant:</p> <p>Global: Not applicable</p> <p>Lesotho: 1125 HA</p> <p>Malawi: 375 HA</p> <p>Ethiopia: 10,000 HA</p> <p>Somalia: 15,000 HA</p>
Core Indicator 3	<p>Total number of policies/plans/briefs/methodologies that will mainstream climate resilience</p> <p>Global: 146</p> <p>Lesotho: 144</p> <p>Malawi: 79</p> <p>Ethiopia: 130</p> <p>Somalia: 120</p>
Core Indicator 4	<p>Total number of people trained:</p> <p>Global: 12,560 (40% female gender: Male: 7,536 : Female: 5,024)</p> <p>Lesotho: 2,640 (40% female gender: Male: 1584: Female: 1056)</p> <p>Malawi:1,159 (40% female gender: Male: 695: Female: 464)</p> <p>Ethiopia: 3,000 (40% female gender: Male: 1,800: Female: 1,200)</p> <p>Somalia: 3,420 (40% female gender: Male: 2,052: Female: 1,368)</p>

Core Indicator 5	<p>Number of private sector enterprises engaged in climate change adaptation and resilience:</p> <p>Global: 120</p> <p>Lesotho: 80</p> <p>Malawi: 48</p> <p>Ethiopia: 110</p> <p>Somalia: 100</p>
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Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (*max. 250 words, approximately 1/2 page*)

This program catalyses the development and deployment of adaptation and resilience building solutions among vulnerable communities, provided by the full spectrum of the private sector. This includes fostering innovation and accelerating the development of new adaptation practices, tools, and technologies led by MSMEs that are at various stages of development. In this case, emphasis will be given to innovations occurring within Technology Readiness Levels (TRLs 3-7) and Business Readiness Levels (BRLs 2-7) because these adaptation SMEs, at early growth stages, lack access to capital, talent, know-how, and networks to become high-impact, scalable solutions.

Another aspect is to facilitate technology transfer and large-scale deployment of adaptation-oriented technologies and solutions through community-level projects, big companies, cooperatives, and associations, while these solutions are more mature and ready for the market, thus reaching broader end-users. The promotion and implementation of different technology solutions depend on the specific needs and contexts of the target countries, as well as the sectors focused on for each country. This difference in implementing various solutions and focused sectors for each country reflects the difference in indicators across the various child projects. For example, indicator 2 (the area of land managed) varies among different countries. In Ethiopia, a higher number of lands will be managed through a cluster farming initiative in the agriculture, livestock, and non-wood forest product (NWFP) sectors, while in Somalia, this project will have a higher percentage for the agriculture sector, therefore leading to a larger number of land managed. Detailed rationale and underlying logic for each indicator can be found in the child project concept note.

The key socio-economic benefits of the program are listed below:

- By creating a conducive policy and regulatory environment, the program facilitates the development and deployment of innovative climate adaptation and resilience solutions. This can lead to streamlined processes, reduced bureaucratic barriers, and increased investment certainty.
- Market Stimulus: Through gender-responsive policy recommendations, the program stimulates innovation and promotes market-based development and deployment of climate adaptation solutions. This can attract investment and foster economic growth in related priority sectors.

- **Institutional Capacity Building:** Training national and local institutions on concrete measures identified in the policy and regulatory recommendations ensures that they are equipped to integrate climate adaptation and resilience solutions into their operations. This builds institutional resilience and fosters sustainable development.
- **Networking and Collaboration:** Improved collaboration and networking among ecosystem actors advance global, regional, and national markets for climate adaptation and resilience building solutions. This can lead to knowledge exchange, technology transfer, and collaborative problem-solving.
- **MSME Empowerment:** Development and adoption of innovative climate adaptation solutions by MSMEs are facilitated through gender-responsive methodologies, tools, and training systems. This empowers MSMEs to contribute to climate adaptation and resilience building while enhancing their competitiveness and sustainability.
- **Community Resilience:** Increased resilience of vulnerable communities through the deployment of adaptation solutions involves awareness raising, capacity building, and the establishment of Centers of Excellence. This empowers communities to adapt to climate change impacts, protect livelihoods, and reduce vulnerability.
- **Financial Innovation:** Development and deployment of innovative financial instruments models for climate adaptation solutions enhance access to finance for MSMEs and vulnerable communities. This can unlock new funding sources, reduce financial barriers, and stimulate investment in climate adaptation and resilience building projects.
- **Coordination and Knowledge Management:** Programme coordination, coherence, and knowledge management ensure effective implementation and learning across partner countries. This fosters collaboration, knowledge exchange, and the consolidation of adaptation solutions at national, regional, and global levels.

Fragile and conflict-affected assessment and analysis

As per the Ethiopia's and Somalia's current status as 'Fragile and Conflict-affected Situations', an assessment of security issues and risk will be undertaken and the appropriate mitigation plan will be given developed during PPG.

During implementation, the project will coordinate with the prevailing country level security systems and ensure compliance with the security requirements as per UNDSS, UNSOM requirements in Ethiopia/Somalia.

Coordination and cooperation with Ongoing Initiatives and Programs.

Is the GEF Agency being asked to play an execution role on this program? Yes

If so, please describe that role here. Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing (max. 500 words, approximately 1 page)

The programme will coordinate and cooperate with ongoing GEF and non-GEF financed initiatives, projects/programs, as well as government, private sector, and other bilateral/multilateral supported initiatives in the program area, which are fundamental aspects of our approach. The strategy is grounded in the initial baseline assessments conducted on existing projects and national adaptation policies and programs, allowing us to identify gaps and priorities (Table 1). Moving forward, the coordination and cooperation efforts

will be guided by lessons learned from existing initiatives and will leverage and strengthen existing national institutional frameworks. Additionally, the programme will collaborate with other projects on joint planning efforts, capacity-building activities, and policy harmonization initiatives to avoid duplication of efforts and maximize impact. By adopting this comprehensive approach to coordination and cooperation, the programme aims to ensure the effective implementation of our program and contribute to enhanced climate resilience in partner countries.

UNIDO as GEF agency will be responsible for the implementation of the project and liaise with the GEF Secretariat. UNIDO will also be responsible for all inquiries regarding the Project implementation progress, Project-level reporting, mid-term as well as terminal evaluation, and tracking final programme completion and the achievement of higher-level impacts on the global environment.

UNIDO envisages to be the execution lead entity for the global child project, as it serves as a bedrock to ensure effective and resource efficient coordination and cohesiveness across all national child projects. As an international organization, UNIDO is in the ideal position to stimulate knowledge sharing and learning across all countries, while creating linkages between private and public sector actors. Any other execution partners will be identified through an open and competitive process during the PPG phase.

UNIDO has been requested to provide execution support in some national child projects. [This could ensure that ad-hoc requests from the GEF OFP and office and any contingences are addressed adequately in a timely manner. This could entail hiring 1-2 national consultants to act as liaison between GEF OFP and office, the selected Project Executing Entity, and UNIDO. This could further allow UNIDO to support the project executing entity in setting up the initial project activities during the inception year and whenever deemed necessary. The exact extent of the co-execution support will be detailed in the PPG phase.

For the current work program, UNIDO is submitting the PFD including 5 child projects, i.e. Global, Ethiopia, Lesotho, Malawi and Somalia. At present, the global child project budget has been calibrated to deliver the coordination role for the mentioned countries. The project team is still undergoing discussions with additional countries that have expressed interest in joining the programme in the subsequent work programmes. Depending on the additional countries confirmed, it is envisaged to have an increase in the global child project budget, for effective project delivery.

Global Programme Coordination Unit

UNIDO will further provide execution support for the Global Child Project. It will host the Global Programme Coordination Unit which will be responsible for the day-to-day execution of the programme. The PMU will compose of a programme Coordinator, two technical experts on climate change adaptation and resilience, one communication expert that will be responsible communications and partnerships as well as impact monitoring and reporting, and one administration assistant. Main added value of the Global Coordination Unit will be to maintain the programmatic approach to ensure the efficient use of funds across all child projects that benefit from the constant development and updating of the materials provided to the national child projects. Furthermore, the Global Programme Coordination Unit will recruit national programme focal points, that will ensure robust communication channels between the Global Coordination Unit and the national child project executing entities as well as the national counterparts. The selection of the national programme focal points will be done jointly with the national executing entities and main national counterpart, i.e. GEF operational focal point. For the national child projects UNIDO will be the implementation agency. In each country, national executing entities will be selected in consultations with national stakeholders and taking into

consideration existing and relevant institutions and their capacities. In some countries, the counterpart ministry and a national institution will jointly execute the national child projects.

Global Advisory Board

The Global Advisory Board will be responsible for the governance of the programme and will comprise of the GEF SEC, UNIDO and government representatives of each national child project. Other key partners and stakeholders may be invited to join the Global Advisory Board if deemed adequate by the Board.

The Global Advisory Board will provide strategic guidance to the programme, and will be the decision-making body for items of major impact on the programme. It will meet once a year to monitor progress against the objectives of the overall global programme, address potential problems and address strategic and policy issues affecting the programme. It will review impact tracking and will be responsible for defining strategy and advocacy messages. While each county child project will have its own project steering committee, the Global Advisory Board will also actively discuss emerging issues across child projects and suggest solutions that contribute to the overall objectives of the programme.

In addition, the program will explore possibility to consider including an Ideas Committee to include opportunity to seek ideas from entrepreneurs, designers, MDB/investors, philanthropies & impact investors, insurance, NGOs, communications and engagement experts and policy and development experts at defined intervals to strengthen this program.

Throughout the PPG Phase, a rigorous evaluation and selection process will meticulously identify national executing entities. These selected entities will play a pivotal role in designing and further directing the child projects towards their defined objectives. This approach not only ensures the ownership of projects by the respective countries but also will foster policy coherence for climate adaptation and resilience building solutions' development and deployment. By mainstreaming such efforts, it guarantees a high impact of the program's activities.

Full or partial title and ownership of equipment purchased under the project may be transferred to national counterparts and/or project beneficiaries during the project implementation as deemed appropriate by the UNIDO Project Manager in consultation with project stakeholders.

Legal context: It is expected that each set of activities to be implemented in the target countries will be governed by the provisions of the Standard Basic Cooperation Agreement concluded between the Government of the recipient country concerned and UNIDO or – in the absence of such an agreement – by one of the following: (i) the Standard Basic Assistance Agreement concluded between the recipient country and UNDP, (ii) the Technical Assistance Agreements concluded between the recipient country and the United Nations and specialized agencies, or (iii) the Basic Terms and Conditions Governing UNIDO Projects.

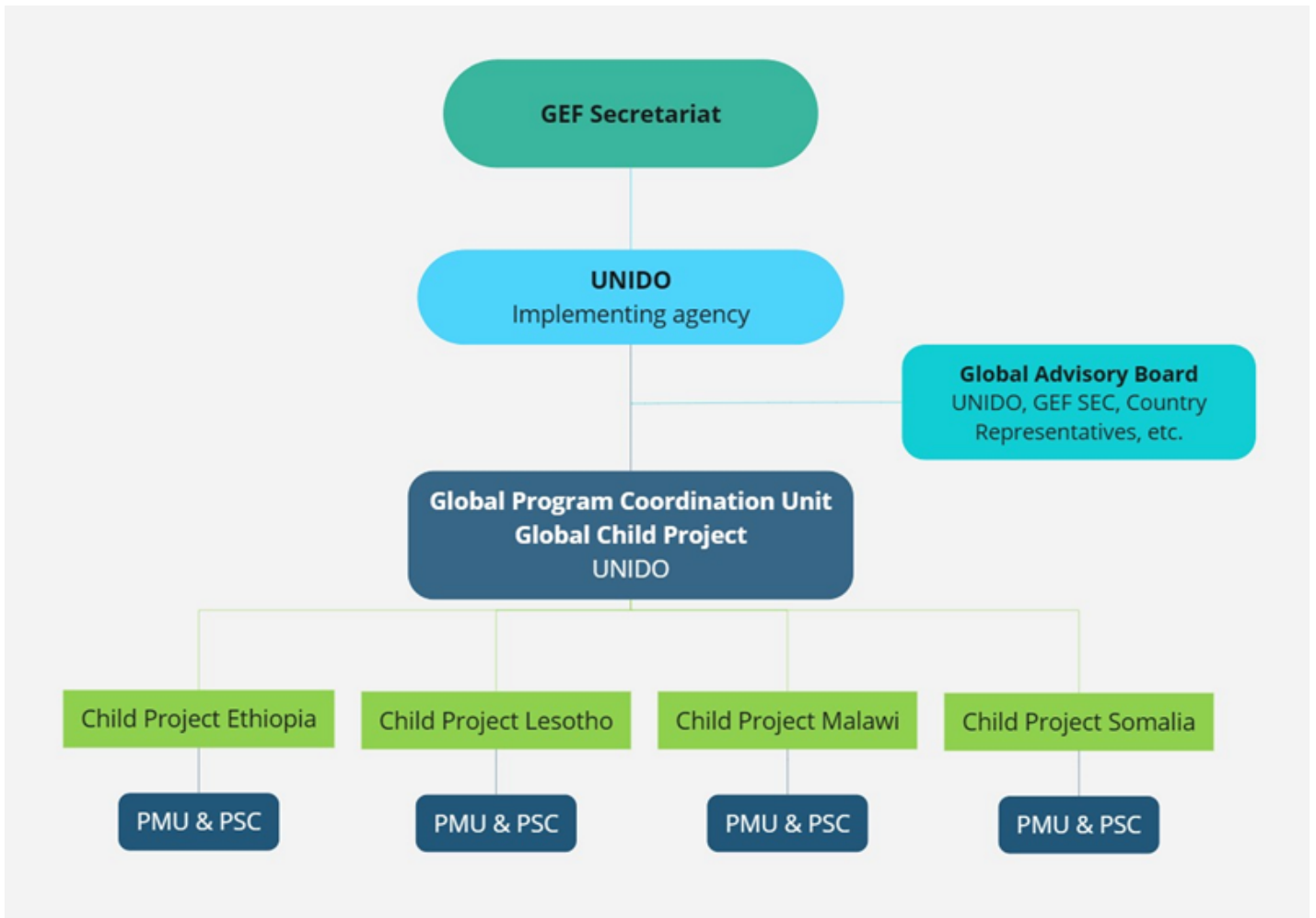


Figure 7: Organizational structure of the programme

Table On Core Indicators

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

META INFORMATION – LDCF

LDCF true	SCCF-B (Window B) on technology transfer false	SCCF-A (Window-A) on climate Change adaptation false
Is this project LDCF SCCF challenge program?		
false		

This Project involves at least one small island developing State(SIDS).

false

This Project involves at least one fragile and conflict affected state.

false

This Project will provide direct adaptation benefits to the private sector.

true

This Project is explicitly related to the formulation and/or implementation of national adaptation plans (NAPs).

true

This project will collaborate with activities begin supported by other adaptation funds. If yes, please select below

Green Climate Fund	Adaptation Fund	Pilot Program for Climate Resilience (PPCR)
false	false	false

This Project has an urban focus.

false

This project will directly engage local communities in project design and implementation

true

This project will support South-South knowledge exchange

true

This Project covers the following sector(s)[the total should be 100%]: *

Agriculture	30.00%
Nature-based management	5.00%
Climate information services	10.00%
Coastal zone management	5.00%
Water resources management	20.00%
Disaster risk management	10.00%
Other infrastructure	0.00%
Tourism	0.00%
Health	10.00%
Other (Please specify comments)	
Energy	10.00%
Total	100.00%

This Project targets the following Climate change Exacerbated/introduced challenges:*

Sea level rise	Change in mean temperature	Increased climatic variability	Natural hazards
true	true	true	true
Land degradation	Coastal and/or Coral reef degradation	Groundwater quality/quantity	
true	false	false	

CORE INDICATORS – LDCF

	Total	Male	Female	% for Women
CORE INDICATOR 1 Total number of direct beneficiaries	491,100	245,550.00	245,550.00	50.00%
CORE INDICATOR 2 (a) Area of land managed for climate resilience (ha)	26,500.00			

(b) Coastal and marine area managed for climate resilience (ha)	0.00			
CORE INDICATOR 3 Number of policies/plans/ frameworks/institutions for to strengthen climate adaptation	636.00			
CORE INDICATOR 4 Number of people trained or with awareness raised	22,239	13,343.00	8,896.00	40.00%
CORE INDICATOR 5 Number of private sector enterprises engaged in climate change adaptation and resilience action	458.00			

Key Risks

	Rating	Explanation of risk and mitigation measures
CONTEXT		
Climate	Low	<ul style="list-style-type: none"> · Extreme weather events in the respective child project countries may occur and damage public infrastructure and disrupt stakeholder engagement, thereby potentially impacting program activities. However, by implementing adequate risk management measures and adjusting project activities in case of extreme weather conditions, the impact of climate risks can be mitigated, resulting in low climate risk for project preparation and implementation. · Additionally, climate change will lead to a growing recognition of the need for concerted action to address the multifaceted challenges posed by climate change, which align with the aim of this program to harness innovative solutions for building resilience and reducing vulnerability. As climate-related events become more frequent and severe, there will be greater motivation for participation and engagement in such projects. Furthermore, climate crisis will highlight the urgency of solutions for fostering adaptation and resilience, compelling stakeholders from various sectors to increasingly prioritize such project intervention. · However, given that this project aims to leverage innovative solutions from MSMEs to enhance resilience and mitigate vulnerability to climate change, the unpredictability of weather patterns and occurrence of unforeseen extreme events may pose challenges to MSMEs in providing tangible technologies and solutions for addressing climate change. To mitigate this challenge, adequate training and financial support will be provided to MSMEs to accelerate their growth. Consequently, the impact of climate change risks on the successful implementation of program activities is expected to be low, with underperformance or failure resulting from climate risks being highly unlikely.
Environmental and Social	Low	<ul style="list-style-type: none"> • Maladaptation that actually create more risk and vulnerability might cause environmental and social risks, however the proposed project will

		<p>minimize adverse social and/or environmental impacts, following the UNIDO Environmental and Social Safeguards Policy and Procedures (ESSPP). In addition, the project will develop Climate Adaptation Impact Hypothesis with an Environmental and Social Management Framework (ESMF). With this framework, maladaptation assessment will be conducted when selecting individual MSMEs, and this will ensure that no adverse impacts emerge from the selected MSME subproject activities and related interventions.</p>
Political and Governance	Low	<ul style="list-style-type: none"> The countries involved may face challenges with competing priorities and political governance when it comes to climate adaptation projects. To address this, the program will conduct capacity-building activities aimed at fostering cross-sectoral collaboration to strengthen support for climate adaptation and resilience building projects. Additionally, governments recognize the significant long-term economic benefits of climate adaptation measures, such as reducing disaster risks, enhancing food security, and creating green jobs. As a result, they prioritize climate action within their governance agendas. Therefore, the associated risk with Political and Governance aspects for climate adaptation projects is considered low.

INNOVATION

Institutional and Policy	Low	<ul style="list-style-type: none"> Weak policy, regulatory, and institutional frameworks pose risks to the successful implementation of the project. To address this, the program will provide support for the development and enhancement of policies and regulatory frameworks at the child project level. Throughout this process, the program will ensure thorough and extensive consultation with local ecosystem players to create a conducive policy environment. Through these actions, the program aims to minimize potential operational challenges of the project.
Technological	Low	<p>The project will develop UNIDO Climate Adaptation Impact Hypothesis - a project-level tool to apply when selecting Micro-, Small and Medium-sized Enterprises (MSMEs) and deployed solutions. any technological risks will be assessed and mitigated.</p>
Financial and Business Model	Low	<p>The project will develop UNIDO Climate Adaptation Impact Hypothesis - a project-level tool to apply when selecting Micro-, Small and Medium-sized Enterprises (MSMEs) and deployed solutions. any technological risks will be assessed and mitigated. Any severe risks will not be taken forward and any other financial and business model related challenges will be addressed through the programme intervention.</p>

EXECUTION

Capacity	Moderate	<p>Limited institutional capacity can pose challenges for project implementation. To address this, comprehensive capacity-building activities will be conducted throughout the program period, aimed at equipping key stakeholders with the necessary skills for efficient</p>
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		implementation. This thorough training approach aims to facilitate long-term impact and success. Additionally, ongoing discussions are underway regarding UNIDO’s co-execution of child projects with the respective GEF OFPs, aimed at addressing limited institutional capacity and ensuring the successful execution of the project. This collaborative effort will further help to enhance institutional capacity and ensuring the sustainability of the program.
Fiduciary	Low	<ul style="list-style-type: none"> • UNIDO, as the implementing agency, will ensure effective financial management and monitoring. The Fiduciary risk is mitigated and considered low implementation of anti-money laundering and counter-financing terrorism measures, effectively preventing opportunities for money laundering, terrorist financing, or other prohibited practices. The exclusionary criteria will also be included in the Climate Adaptation Impact Hypothesis, which will further mitigate this risk occurring through MSMEs.
Stakeholder	Moderate	<ul style="list-style-type: none"> • Stakeholder engagement will be hindered by competing role and low motivation among potential participants. To ensure active stakeholder engagement, the programme will develop a stakeholder engagement plan. This plan will include stakeholder identification and mapping, as well as needs assessments to understand the specific requirements of stakeholders. Subsequent engagement activities will be tailored to foster cooperation and alignment among the identified entities, thereby maximizing their participation and contribution to the program's objectives.
Other	Low	<ul style="list-style-type: none"> • The global programme will pursue gender responsive integration and ensure stakeholder involvement at all levels, involving equal engagement of women and men streamlined throughout all activities. UNIDO’s gender policy requirements will be implemented to mitigate potential lack of interest to actively promote gender equality in project activities.
Overall Risk Rating	Low	The overall rating is low.

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm that any country policies that might contradict with intended outcomes of the project have been identified. (approximately 2-3 pages)

In the selection of partner countries for the PFD Program, meticulous consideration was given to various factors, including baseline vulnerability, readiness for adaptation measures, scope for innovation, and potential for scalable impact. These nations were chosen not only for their high vulnerability to climate change but also for the severity of climate impacts they have experienced. Over the past few decades, there

has been a noticeable increase in the population affected by climate disasters within these countries, highlighting the urgent need for comprehensive adaptation strategies. Moreover, these countries have demonstrated a strong commitment to prioritizing climate change adaptation and resilience building as integral components of their sustainable development agendas. Their proactive stance, combined with their inherent vulnerability, presents a unique opportunity for the implementation of innovative solutions that can be scaled up to address the challenges posed by climate change on a broader scale. Furthermore, these partner countries exhibit promising potential for the implementation of innovative financial instruments and adaptation solutions, given their diverse socio-economic contexts and varying levels of institutional capacity. By engaging with these nations, the PFD Program aims to catalyze transformative change and foster a culture of resilience that can serve as a model for other vulnerable regions globally.

The proposed programme aligns directly with the GEF Climate Change Adaptation Strategy 2022-2026:

- *Priority Area 1: Scaling up finance:* The programme foresees establishing an innovative financial mechanism that aims to leverage climate adaptation and resilience through a whole-of-government approach across different institutions at national level, to ensure effective mobilization of resources for, promoting and tracking investments in solutions that promote adaptation and resilience building.
- *Priority Area 2: Strengthening innovation and private sector engagement:* The programme directly supports innovative technologies and solutions for adaptation and resilience building through notably the private sector (MSMEs). Furthermore, the programme will enable conditions for private sector action through (i) the resource mobilization plan and (ii) the awareness raising trainings for financial institutions. Lastly, the financing mechanism established by the programme enables risk sharing with grant financing of the selected MSMEs, which will further attract private sector action and investment.
- *Priority Area 3: Fostering Partnership for Inclusion and Whole-of-Society Approach:* The programme also embeds decision making at the local level through partners and local communities and takes a needs-based approach to administering adaptation finance. The approach will also reduce the transaction cost of deploying climate finance effectively to remote areas. More importantly, by intervening at community level, the project ensures that its interventions benefit all stakeholders at community levels to include youth, women and indigenous communities, where possible.

The programme was developed taking into account the international development objectives and priorities stated in main international strategic documents including:

- ✓ - Paris Agreement
- ✓ - 2030 Agenda for Sustainable Development
- ✓ - IPCC Sixth Assessment Report
- ✓ - Adaptation Gap Report 2023

The proposed interventions are aligned and will ensure the support of NAPs, NAPAs, NDCs and other adaptation strategies and goals of the target child project countries. By supporting innovative technologies for adaptation through the private sector MSMEs, the programme will make a case on how the private sector can contribute to national adaptation planning processes and targets.

At country level, the child projects are in alignment with the national priorities as set out below. No country policies that contradict the intended outcomes have been identified.

Lesotho

In terms of the institutional framework, Lesotho's current structure is outlined in its five-year National Strategic Development Plan (NSDP) II, emphasizing private sector development and people-centered development. The framework includes key policies such as the Lesotho National Climate Change Policy 2017-2027 and Implementation Strategy (CCPIS), The National Strategic Development Plan 2019-2023 (NSDP II) prioritizes technology and innovation as one of the four main productive sectors that have the potential to create jobs and contribute to inclusive growth. The Lesotho Integrated Plan for Agricultural Development (2019–2023), Lesotho Water and Sanitation Policy (2007)¹⁵, Lesotho Energy Policy 2015-2025, Sustainable Energy Strategy 2017 and the Electrification Master Plan 2018-2035 are also important policies underscore the need to promote innovation and cost-effective technologies. In addition, the Lesotho Government, recognizing the crucial role of MSMEs in driving economic growth and reducing poverty, enacted the MSMEs Policy in 2016. This policy, administered by the Ministry of Small Business, Cooperatives, and Marketing, aligns with the objectives outlined in the Sixth 5-year National Development Plan. This MSME Policy aims to provide incentives, enhance managerial and technical skills, identify growth sub-sectors, secure financing, and fortify support institutions, with a vision to cultivate a vibrant, innovative, and sustainable MSME sector by 2027. Through these efforts, the country endeavors to create an enabling environment conducive to MSME growth, job creation, and poverty alleviation.

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Malawi

The proposed project leverages on Malawi's strategic plans to build resilience and foster adaptation to climate change, as well as builds on the country's efforts to boost competitiveness to accelerate private sector-led growth and job creation. It is fully aligned with previous and ongoing projects and programmes executed at the national level by the Government of Malawi as well as relevant national strategies, plans and reports, such as: i) National Climate Change Programme; ii) National Climate Resilience Programme; iii) Climate Resilience Initiative in Malawi (CRIM); iv) Enhancing Climate Resilience Programme; v) National Action Plan for Adaptation (NAPA), vi) National Biodiversity Strategies and Action Plan (NBSAP), vii) Technology Needs Assessment (TNA) under UNFCCC, viii) Malawi Implementation Plan (MIP) and ix) Sustainable Development Goals (SDGs). Furthermore, the Government of Malawi has been actively engaged in fostering the growth and development of private sector and has designated private sector as the engine for the country's economic growth and poverty alleviation. This is evident in all GOM's economic policy documents, such as the Malawi Growth and Development Strategy (MGDS III) 2017-2022, the Micro, Small and Medium Enterprises Policy 2019, the National Industrial Policy, the National Trade Policy, the National Export Strategy, the National Employment and Labour Policy as well as in sectoral policies such as the National Agricultural Policy, the Financial Sector Development Strategy and the National Financial Inclusion Strategy amongst others.

Ethiopia

The project is well-aligned with Ethiopia's national priorities. It is aligned with three of the 11 prioritized projects identified in Ethiopia's National Adaptation Program of Action (NAPA, 2007), namely: i) promotion of on-farm and homestead forestry and agro-forestry practices in arid, semi-arid and dry sub-humid parts of Ethiopia; ii) strengthening/enhancing drought and flood early warning systems in Ethiopia; and iii) improving/enhancing rangeland resource management practices in the pastoral areas of Ethiopia. It will also contribute to four of the 18 major adaptation options identified in Ethiopia's National Adaptation Plan (NAP, 2019), namely: i) enhancing food security through improving agricultural productivity in a climate smart manner; ii) building social protection and livelihood options of vulnerable people; iii) developing efficient value chain and marketing systems; and iv) improving early warning systems. The project will contribute to five prioritized adaptation interventions outlined in the Updated Nationally Determined Contribution (NDC, 2021), including: i) enhance food security by improving agricultural productivity in a climate-smart manner; ii) improve sustainable utilization of forest resources; iii) enhancing climate service

data reliability; iv) surface water resource assessment coverage; and v) ground water resource assessment coverage. The project is also aligned with the goals of the Climate-Resilient Green Economy Strategy (CRGE, 2011), specifically related to the Agriculture Pillar where the goal is to improve crop and livestock production practices for higher food security and farmer income while reducing emissions. These documents serve to fulfill Ethiopia's commitments under the 2015 Paris Agreement. In addition, there is significant policy support aimed at fostering MSMEs to generate more employment opportunities in Ethiopia. The government's dedication to supporting MSMEs is evident in various official documents such as the Industrial Policy, Micro and Small Enterprises Development Strategy, and the Growth and Transformation Plans (GTP I & II). As observed in the industrial development strategy and GTP II, Ethiopia aims to be maintaining the current trajectory of MSMEs' growth, transitioning from Micro to Small and eventually to Medium enterprises. Notably, the development of micro and small enterprises constitutes a central strategy within GTP II to expand employment opportunities and alleviate poverty, with a particular focus on empowering women and youths.

Somalia

The project is aligned with the NAPA (2013): i) to develop and implement immediate and urgent project-based activities to adapt to climate change and climate variability; ii) build the community awareness on climate change; and iii) support the adoption of government policies and strategies to improve resilience to climate risks among vulnerable population groups and economic sectors. It is also aligned with key themes as outlined in the NAP Framework (2022), such as i) a participatory, inclusive, whole-of-society approach; ii) gender-responsive NAP process; iii) prioritizing resource mobilization for implementation; and iv) promotion of good governance and strengthening national capacity. The project is aligned with several priority adaptation actions as outlined in the country's Updated NDC (2021) such as i) developing irrigation systems; ii) support SMEs to promote value addition of the crop and livestock products; iii) build adaptation capacity in climate-resilient agronomic practices for smallholder farmers; iv) promote rainwater harvesting and conservation of water; and v) increase resilience of communities, infrastructures and ecosystems to droughts and floods. Finally, the project is aligned with key policy statements related to climate-resilient agriculture as outlined in Somalia's National Climate Change Policy (2021). The Somali government recognized the pivotal role of MSMEs in driving the growth and sustainability of Somaliland's economy through its Vision 2030. Consequently, the government enacted the Micro, Small, and Medium Enterprises Policy in 2019. This policy aims to foster the development of a robust private sector capable of generating investment, employment opportunities, sustainable livelihoods, and essential services. These initiatives are integral to fortifying the economic underpinnings necessary for prosperity.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment

We confirm that gender dimensions relevant to the program have been addressed as per GEF Policy and are clearly articulated in the Program Description (Section B).

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during PFD development as required per GEF policy, their relevant roles to program outcomes and plan to develop a Stakeholder Engagement Plan in the Coordination Child Project before CEO endorsement has been clearly articulated in the Program Description (Section B).

Yes

Were the following stakeholders consulted during PFD preparation phase:

Indigenous Peoples and Local Communities:

Civil Society Organizations :

Private Sector : Yes

Provide a brief summary and list of names and dates of consultations

At this preparatory stage, an online questionnaire was developed by UNIDO and distributed to Program stakeholders across various regions (Global, Lesotho and Malawi) between 29 January 2024 and 15 February 2024 with two primary objectives: 1. Stakeholder Consultation: responses were collected to ensure that the Program aligns with the diverse needs, priorities and expectations of key stakeholders; 2. Co-Financing Opportunities: various avenues for the Program co-financing were explored.

In total, 25 responses were received from Botho University Lesotho, Department of agricultural Research (Lesotho), Rural Women Assembly, Ministry of Agriculture, Irrigation & Water Development - Mangochi District Council, UNIDO National Technical Expert (Malawi), FSD Africa, Bethel Business and Community Development Centre (Lesotho), Blantyre Water Board (Malawi), Department of Land Resources Conservation - Ministry of Agriculture, University of Malawi, BEDCO (Lesotho), Leadership for Environment and Development (LEAD) Malawi, Lesotho National Development Corporation (LNDC), AECF, Lesotho PostBank, African Clean Energy , Seedstars, EIT Climate-KIC, Nordic Development Fund, Malawi University of Science and Technology, Climate Champions Team, Asian Development Bank, Southern Region Water Board and Village Capital

The responses distribution is as follows: 11 from Malawi, 7 from Lesotho and 7 globally. Stakeholder representatives from Government, NGO/CSOs, Academic and Research Institutions, Investor, FIs, Corporates and Technology Providers participated in this initial consultation. The majority of respondents contributed ideas to enhance the Program and shared information on how to better connect this program to existing initiatives that can be leveraged, and shared relevant contacts to facilitate connections. Some of the respondents shared further information about their institution via email and expressed a keen interest in maintaining ongoing communication for further dialogue.

In addition, stakeholder consultation webinars were held for Lesotho and Malawi on 1ST March and 8th March respectively. Details can be found in below:

Lesotho

Stakeholder engagement on the project “Promoting Climate Adaptation and Resilience through Innovation and Entrepreneurship for Green Jobs in Lesotho”

Meeting date: 1st March, 9:30-11:00 am UTC +1:00

List of participants

Name	Unit
Qongqong Hoohlo	GEF Operational Focal Point, Department of Environment, Ministry of Tourism, Environment and Culture, Lesotho
Mokoena France	Director of Lesotho Meteorological Services, Lesotho
Malehloa Jockey	Department of Lesotho Meteorological Services, Lesotho
Maboi Mahula	Department of Environment, Ministry of Tourism, Environment and Culture, Lesotho

Patricia Marorisang Makututsa	National Technical Expert and NPC, Lesotho
MHLANGA, Alois	UNIDO Climate Technology and Innovation (CTI)
Chengxiu Li	UNIDO Climate Technology and Innovation (CTI)
Anais Barisani	UNIDO Climate Technology and Innovation (CTI)
Rashmi Jawahar	UNIDO Climate Technology and Innovation (CTI)

Meeting Highlights: Following an introduction, UNIDO team presented an update on the Programmatic Framework Document (PFD) as well as the latest Lesotho concept draft. Stakeholders from Lesotho supported the project ideas. They provide comprehensive feedback and input to improve the concept note and the UNIDO CTI team have already incorporated comments. Key highlights included:

1. Supporting MSMEs growth

Lesotho stakeholders suggested UNIDO CTI team review the number of MSMEs supported in this project, considering the market size and budget availability in Lesotho. After taking the suggestions, MSMEs supported at the Stage 1 was increased from 56 to 80 (20 MSMEs/year) and Stage 2 was increased from 20 to 32 (8 MSMEs/year).

2. Co-finance and stakeholder engagement

UNIDO CTI team presented existing stakeholder engagement and co-financing activities, Lesotho stakeholders suggested Ministry of Trade, Industry, Business Development and Tourism as potential co-financiers, considering synergies with their project with World Bank ([Link](#)) on climate proofing MSMEs with insurance services. In addition, Ministry of Environment and Forestry, [Ministry of Energy](#), [Ministry of Agriculture, Food Security and Nutrition](#), [Ministry of Trade, Industry and Small Business](#), [Ministry of Information, Communications, Science, Technology and Innovation](#) were suggested as potential co-finance stakeholders. In addition, UNIDO requests relevant email contacts/introductions within the Ministries and entities listed below to present the project and explore specific co-financing opportunities for the project. Further stakeholder engagement workshop are planned to hold with stakeholders following department in Lesotho.

- Ministry of Energy
- Ministry of Natural Resources
- Ministry of Trade, Industry and Small Business
- Investment Promotion Agency Lesotho (IPA)
- Lesotho Bureau of Standards
- National University of Lesotho
- Private Sector Foundation Lesotho (PSFL)
- Financial institutions: Central Bank of Lesotho, Standard Lesotho Bank Ltd, Nedbank (Lesotho) Ltd, First National Bank of Lesotho

3. Identification of Project Executing Entity (PEE) in at the PPG stage

UNIDO introduced GEF's policy on selecting a Project Executing Entity (PEE). The chosen entity must possess the capability to enter into a legal agreement with UNIDO and align with UNIDO and GEF requirements. In line with GEF requirements for project implementation modalities, UNIDO must verify that the executing entity has specific control mechanisms in place and has undergone an appropriate due-diligence assessment (HACT assessment, EU-pillar assessment or similar) within the last 4 years. If such an assessment is not available, then the project preparation phase will need to budget for conducting a HACT assessment as a part of the due-diligence requirements. It will be then undertaken by KPMG or other identified auditing companies for UNIDO. In addition, there was a discussion on the co-execution of project activities, which ensure that ad-hoc requests from the GEF OFP and office and any contingences are addressed adequately in a timely manner. This could

entail hiring 1-2 national consultants to act as liaison between GEF OFP and office, the selected Project Executing Entity, and UNIDO.

Malawi:

Stakeholder engagement on the project “Promoting Climate Adaptation and Resilience through Innovation and Entrepreneurship for Green Jobs in Malawi”

Meeting date: 8th March, 10:00-11:20 am UTC +1:00

List of participants

Name	Unit
Evans Njewa	GEF Operational Focal Point, Chief Environmental Officer Ministry of Natural Resources and Climate Change, Malawi
Jarvis Mwenechanya	Environmental district officer, Malawi
Ms. Martha Mphastso Kalemba	Environmental Affairs Department, Malawi
Tawonga Mbale-Luka	Environmental Affairs Department, Malawi
Alois MHLANGA,	UNIDO Climate Technology and Innovation (CTI)
Patrick NUSSBAUMER	UNIDO Directorate of SDG Innovation and Economic Transformation/Div.of Innovative Finance (IET/IFI)
Colin BROUARD	UNIDO Directorate of SDG Innovation and Economic Transformation/Div.of Innovative Finance (IET/IFI)
Chengxiu Li	UNIDO Climate Technology and Innovation (CTI)
Anais Barisani	UNIDO Climate Technology and Innovation (CTI)
Rashmi Jawahar	UNIDO Climate Technology and Innovation (CTI)

Meeting Highlights:

UNIDO team presented an update on the Programmatic Framework Document (PFD) as well as the latest Malawi concept draft. Stakeholders from Malawi expressed a keen interest in the project. They provide comprehensive feedback and inputs for project activities. Key highlights included:

1. Sectors involved:

The meeting participants discussed about the sectors focused in this project, Malawi stakeholders commented the importance of waste management and forestry sector in climate adaption. The team agreed that although the focus is on food, agriculture, water, and energy, it's essential to clarify that the project will not solely concentrate on these sectors. Instead, it will encompass innovative MSME solutions that can contribute to these sectors from other areas as well. This might include additional sectors, such as waste management, and

other key sectors of nature resource such as forestry and land management. In addition, this project will also focus on sectors that align with market needs and local demand on the ground, ensuring relevance and effectiveness in addressing climate-related challenges. Therefore, the project has broad focus that can source innovations from diverse sectors.

2. Core indicators:

The participants discussed about the core indicators on land area managed in the project. This project support 48 Micro, Small, and Medium Enterprises (MSMEs) at the first stage and 15 MSMEs at the second stage with Technology Readiness Level (TRL) Scale 5-7. Since stage 1 MSMEs will be at an earlier stage and may not ready to validate their technologies in the communities, while stage-2 MSMEs will have the capacity to commercialize and bring their products, services, and opportunities to the market for end-users. Among the stage-2 MSMEs, approximately 20% will provide solutions related to agriculture. Considering the small scale of these MSMEs and their target markets, we estimate that they will collectively reach around 250 beneficiary households. Each household, on average, is assumed to manage approximately 0.5 hectares of farmland as smallholder farmers. So final land managed through this project is 375 HA, which is based on $375 \text{ HA} = 20\% * 15 * 250 * 0.5 \text{ HA}$.

3. Key policy documents

Several national policy documents were mentioned to review. To fully align with the country demand for effective climate adaptation and resilience building, UNIDO team reviewed following documents including “Malawi Technology Needs Assessment document”, “Malawi 2023 Tropical Cyclone Freddy Post Disaster Needs Assessment” and “Malawi’s nationally determined contributions (NDCs)” and incorporated national priorities into concept note and project activities.

4. Discuss HACT assessment

UNIDO introduced the policy that executing entity need to have an appropriate due-diligence assessment (HACT assessment, EU-pillar assessment or similar).

5. Discuss the co-finance at PPG stage

UNIDO introduced GEF Co-Financing Policy. This project needs to in collaboration with recipient countries and executing partners, identify, document, monitor and report on sources and types of Co-Financing. The co-finance aims to promote collaboration among intuitions and projects, as well as benefiting from existing projects. The UNIDO have identified certain stakeholders for co-finance, where they will come up with new mechanisms to support MSMEs. In the next Project Preparation stage, detailed stakeholder consultation will be held.

6. Stakeholder engagement:

UNIDO introduced stakeholder engagement activities in Malawi. At concept note preparatory stage, an online questionnaire was developed by UNIDO and distributed to Program stakeholders across the Malawi between 29 January 2024 and 15 February 2024 with two primary objectives: 1. Stakeholder Consultation: responses were collected to ensure that the Program aligns with the diverse needs, priorities and expectations of key stakeholders; 2. Co-Financing Opportunities: various avenues for the Program co-financing were explored. The majority of respondents contributed ideas to enhance the Program and shared information on how to better connect this program to existing initiatives that can be leveraged, and shared relevant contacts to facilitate connections. Some of the respondents shared further information about their institution via email and expressed a keen interest in maintaining ongoing communication for further dialogue. Malawi team suggested to have a stakeholder consultation given the nature of the project and the multitude of stakeholders involved. This involves engaging key stakeholders such as the Ministry of Trade and Industry, Ministry of Agriculture,

Ministry of Water, and the private sector. The comprehensive consultation and validation workshop will be held at the later stage.

Ethiopia

In developing the PIF, UNIDO has had continuous and intensive consultative meetings with staff from Min Agriculture, Ethiopian Forestry Department (EFD) and the EFD's technical partners including the Center for International Forestry Research–World Agroforestry (CIFOR-ICRAF). The State Bureaus of Agriculture in the target regions very early in the development of the (between September and December 2022). A CSO (Pastoral and Environmental network in the Horn of Africa (PENHA)) with projects in the target location was also consulted during the process. In September 2023, a stakeholder consultation meeting was held to present the draft PIF and receive inputs on the scope and intervention proposed from key stakeholders (Table 1 & Figure 3). During the PPG further consultation will take place starting with a kickoff meeting, with the key stakeholder including representation from the Zonal, Woredas (districts) and Kebele levels, with the expected beneficiaries, CSOs and private sector.

A summary of the dates of consultation is presented in Table 2.

List of participants' at the PIF consultative workshop 14 September 2023

Name	Organization	Position
Dr. Abraham Abiyu	CIFCO-ICRAF	Senior researcher
Dr. Mulugeta Mokria	CIFCO-ICRAF	Research consultant
Mr. Niguse Hagazi	CIFCO-ICRAF	Country representative
Dr. Abdu me Abdulkadir	CIFCO-ICRAF	Research consultant
Mrs. Amsale Ahibeshi	PENHA	Regional coordinator
Mr. John Livingston	PENHA	Regional Policy Advisor
Mr. Anteneh Fekadu	Ministry of Agriculture (MoA)	Former Advisor to Natural Resources Development Sector State Minister, Currently Vice-president of South Ethiopia regional state government
Mr. Abas Mohammed Ali	Ministry of Planning and Development	GEF Operational Focal Point
Mr. Araya Abraham	Ministry of Agriculture (MoA)	Lead Extension Feed Development
Mr. Yosef Assefa	Ministry of Agriculture (MoA)	Watershed Development Desk Head
Mr. Solomon Messele	Ministry of Agriculture (MoA)	SSILE Advisor
Mr. Dawit Tekle	Ministry of Irrigation and Lowland (MILLS)	Head of PAP Research
Mr. Motuma Tolera	Ethiopian Forestry Department (EFD)	DDG
Mr. Wubshet Mengistu	Min of Planning & Development (MOPD)	Team Leader
Mr. Alemayehu Megassa	EFD	Director
Dr. Abeje Eshete	EFD	Director
Mr. Endris Seid	MILLS	NRM Expert

Mr. Habtemariam Kassa	CIFOR	Researcher
Mr. Endalkachew W/Meskel	ICRAF	Researcher
Mr. Mensur Dessie	MOPD	GEF Operational Focal Point, Director, Multilateral Environmental Negotiation Coordination Environmental Protection Authority
Mr. Asfaw Abebe	Ministry of Industry (MOI)	Advisor
Ms. Selamawit Getachew	Ministry of Industry (MOI)	Senior Expert on import substitution
Ms. Yvonne Lokko	UNIDO	Project Manager
Ms. Aurelia P. Calabro	UNIDO	UNIDO RO Representative and Director
Prof. Eyasu Elias	Ministry of Agriculture (MoA)	State Minister
Mr. Boja Girma	Ministry of Agriculture (MoA)	Expert
Mr. Mulugeta Assefa	CIFOR	Consultant
Mr. Olijira Kuma	UNIDO	National Project Coordinator
Mr. Tsegabu Teka	UNIDO	National Project Coordinator

Table 2 Summary of stakeholder consultation during PIF formulation

Date	Summary	Participants
15 Dec. 2022	<p>Brainstorming of potential project ideas and topics. In response to the need for an intervention to address adaptation to climate change, UNIDO engaged with relevant stakeholder in coming up with a project concept that could be developed for GEF funding. Following the brainstorming the team agreed to focus on the following points and then to communicate with Ministry of Agriculture (MoA) & Ethiopia Forestry Development (EFD) for further inputs, comments, and next steps.</p> <p>Purpose of program: The purpose of the discussion was mainly related to develop a project concept note and/or proposal to be submitted to the GEF for climate affected and drought prone areas.</p> <p>Proposed project locations: In selected districts of Somali, Oromia and SNNPR regions.</p> <p>Proposed project components: i) Regenerative agroforestry; ii) forest and tree value chains including gum and resin; iii) livestock and high value crops, iv) capacity buildings and knowledge management.</p> <p>Proposed potential partners: UNIDO, CIFOR-ICRAF, PENHA, EFD, MoA</p>	UNIDO (Yoseph, Tsegabu), CIFOR-ICRAF (Habtemariam, Niguse, Abdu, Mulugeta, Abraham) and PENHA (Amsale & John)
11 Jan. 2023	<p>Discussion with MoA, and EFD: The discussion was mainly on the project concept to be submitted to GEF, potential intervention components, project locations, partners, co-financing, and other associated issues. The following points were agreed upon. Both MoA and EFD agreed that the identified intervention options and proposed areas are in line with government interests and priorities, and hence need to be supported by dev't partners.</p>	MoA – Advisor to the state minister (<i>Mr. Anteneh Fekadu advisor to the state minister</i>) and EFD (<i>Dr Motuma Tolera, Deputy Director General</i>)

	<p>EFD and MoA provided comments and proposals to strengthen the CN though they agreed with the proposed intervention components and project locations. Their suggestions can and will be accommodated during the preparation of the proposal.</p> <p>They agreed to provide the support letter to the GEF operational focal point at the Ministry of Planning and Development (MoPD).</p> <p>They identified some potential co-financing programs and projects as well.</p>	
17 th Jan. 2023	<p>Discussion with GEF operation focal point (OFP), Mr. Abas Mohammed, Ministry of Planning and Development. The discussion was mainly related to:</p> <p>Briefing to Mr. Abas about the project idea and its alignment with GEF focal areas and government priorities.</p> <p>Briefing to Mr. Aba about the discussion held with the MoA and EFD as it is in their priority and aligns perfectly with national strategies and programs.</p> <p>Following the update and briefing, Mr Abas advised the team to consider the following points to be able to increase the chances of securing funding from GEF:</p> <p>The need for getting supporting letter from the government officials stating the need for the proposed project, along with the proposed modalities of implementation and monitoring</p> <p>To ensure that the CN is well aligned with focal areas of LDCF</p>	UNIDO (Yoseph & Tsegabu) with MoPD (Mr. Abas Mohammed)
23 rd – 27 th Jan. 2023	<p>Concept note development based on agreed thematic areas with government. Following the above discussion, recommendation, and guidance from the MoA, EFD and MoPD, a team of experts composed of UNIDO, CIFOR-ICRAF, PENHA, MoA, and EFD developed the CN to be submitted to MoPD to get endorsement letter to GEF-LDC</p>	UNIDO(Yoseph & Tsegabu); CIFOR-ICRAF (Habte, Niguse, Abdu, Mulugeta, Abraham) and PENHA (Amsale & John), MoA (Mr Anteneh) and EFD (Dr Motuma)
14 Feb. 23	Signed support letter was obtained from H.E. Prof. Eyasu Elias (MoA) to be submitted to MoPD	
13 March, 23	UNIDO official letter of request from Mrs. Aurelia, UNIDO Representative Director of the regional hub to GEF operational focal point (MoPD) accompanied with the project concept note and signed letter of support from the MoA	
23 March 23	Letter of endorsement from GEF operational focal point Mr Mohammed Abas	
April 2023 to February 2024	Drafting of PIF with input from EFD, CIFOR-ICRAF,	
15 August 2023	Updated letter of endorsement from current GEF-OFP for Ethiopia Mr Mensur	
September - October 2023	Stakeholder validation workshop 14 September 2023 Consolidation of inputs to PIF from stakeholders was led by EFD	List of participants at workshop in table 3 UNIDO (Y. Lokko, T. GEBREYESSUS) EFD (Dr. Motuma)
February 2024	Sharing of final PIF document with counterparts ahead of submission	

Somalia

During the development of country child project concept, UNIDO has had continuous and intensive consultative meetings as follows:

Table XX: Stakeholders engaged in Somalia

Institution	Sector	Relevance to the Project	Potential Contributions
Ministry of Environment & Climate Change	Government	Central to enhancing climate resilience and adopting climate-smart technologies.	Leading adaptive measures to combat climate change impacts.
Ministry of Commerce & Industry	Government	Supports innovation and economic development, particularly through Innovation Hubs.	Formulation of sustainable business models; support for economic development.
Ministry of Agriculture & Irrigation	Government	Addresses agricultural challenges like post-harvest losses through climate-smart practices.	Boosting agricultural productivity; ensuring food security.
Somali Chamber of Commerce & Industry	Non-Government	Committed to economic stability and support of MSMEs in agriculture.	Enhancing agricultural productivity; facilitating economic stability.
African Drought Inhibition & Livestock Protection (ADILP)	Private Sector	Focuses on rural livelihood and climate change adaptation solutions.	Research and development consulting; implementation support.
Nuros9 Solutions	Private Sector	Supplies agricultural produce and provides technologies and training.	Improving agricultural productivity and sustainability.
Premier Bank	Private Sector	Offers financial support necessary for the agricultural sector.	Providing tailored financial products and services; financial support for farmers.

MEETING MINUTES (ADILP)

Meeting minutes (African Drought Inhibition & Livestock Protection)

Date: Feb 13, 2024

Location: over the phone

Person Consulted: Abdishakur Mohamed (Chief Executive Officer)

1. **Business Impact and Involvement**

a. **Is your business impacted by rainfed agriculture or small-scale subsistence farmers?**

Our business actively supports several small-scale farms across the country, indicating a direct impact and involvement with rainfed agriculture and subsistence farming. This engagement not only underscores our commitment to the agricultural sector but also positions us as a stakeholder with the potential to significantly contribute to the project aimed at enhancing this sector's resilience and productivity.

b. **In what ways could your company contribute to or benefit from a potential project implementation in this sector?**

Our company's contributions could extend to providing specialized training to small-scale farmers, leveraging our existing programs and expertise to bolster their capabilities. This involvement offers a dual benefit: enhancing the project's outcomes through our support and expertise, and simultaneously enriching our engagement and impact within the agricultural community.

2. **Innovation and Technology**

a. **What innovative practices or technologies do you think could be integrated into this project to enhance its effectiveness?**

In terms of innovation and technology, while our current operations utilize locally available technologies, we are poised for an upgrade to international standards, contingent on securing additional funding. This transition represents a significant opportunity to enhance the project's effectiveness by integrating advanced agricultural practices and technologies.

b. **Are there existing barriers or opportunities to adopting these innovations, and how can they be overcome?**

The adoption of technological innovations faces challenges, particularly due to the security situation in rural areas, where many of these farmers are located. The logistical hurdles of reaching farmers in their communities, coupled with the issue of land availability without the necessary support for initiating farming, present barriers to effective project implementation. Overcoming these challenges requires a multifaceted approach. Security concerns necessitate careful planning and possibly the establishment of local partnerships to ensure safe and effective engagement with farmers in their communities. Additionally, the issue of underutilized land can be addressed through targeted support and investment in ready-to-farm landholders. Our company, with its extensive network and experience in supporting small-scale farmers, stands ready to facilitate this process. By partnering with us, the project can leverage our network to identify and support farmers who are primed for investment, thereby overcoming barriers to innovation adoption and maximizing the impact of the project on rainfed agriculture and small-scale farming.

MEETING MINUTES (SCCI)

Meeting minutes (Somali Chamber of Commerce & Industry)

Date: Feb 12, 2024

Location: over the phone

Person Consulted: Isse M. Xalane (Deputy Director General)

1. Alignment with Economic Objectives

a. How does this proposed project align with the Chamber of Commerce's current objectives for economic development and support for MSMEs in the agricultural sector?

The proposed project to support Micro, Small, and Medium Enterprises (MSMEs) in the agricultural sector is perfectly aligned with the Chamber of Commerce's overarching goals for economic development and targeted support within this crucial industry. Our mandate is to foster an environment that promotes business growth, entrepreneurship, and sustainable economic advancements, focusing particularly on the agricultural sector due to its significant role in the economy. By providing agricultural MSMEs with access to modern farming technologies, technical support, and financial resources, the project directly supports our objectives. These initiatives are designed to enhance the productivity, efficiency, and competitive edge of small and medium-sized agricultural enterprises, ensuring they contribute meaningfully to economic growth and food security.

2. Business Community Engagement

a. What strategies would you recommend for effectively engaging the local business community, especially MSMEs, in the project's initiatives?

I recommend a strategy centered on organic relationship building, a principle that has been the cornerstone of our approach. This involves creating genuine connections with business owners through regular, transparent communication and collaboration. By organizing community meetings, workshops, and networking events tailored to the specific needs and challenges of MSMEs in the agricultural sector, we can foster a sense of community and partnership. These platforms provide an invaluable opportunity for businesses to share their experiences, challenges, and best practices, thereby creating a collaborative environment that encourages participation in the project's initiatives. Moreover, leveraging social media and digital platforms to maintain ongoing dialogue and provide real-time updates on project developments can enhance engagement and ensure that MSMEs feel closely connected to the project's goals and activities.

b. How can the project leverage the Chamber's network to facilitate broader participation and buy-in from the business community?

Utilizing the Chamber's expansive network, which includes almost 400 diverse companies, is key to fostering broader participation and securing buy-in from the entire business community for the project. This network, encompassing a wide array of industries, offers a unique platform for engaging with a vast audience, ensuring that the project's initiatives are communicated and adapted to address the distinct needs of various sectors, including the crucial Micro, Small, and Medium Enterprises (MSMEs) in the agricultural sector. By organizing targeted events such as webinars, workshops, and networking sessions, we can facilitate meaningful exchanges between businesses, promoting the project's objectives, sharing success stories, and encouraging collaborations. Additionally, through tailored outreach efforts, the project can bridge connections between MSMEs and larger corporations within the Chamber's network, opening up opportunities for mentorship, partnerships, and access to new markets. This approach not only amplifies the project's reach and impact but also cultivates a collaborative ecosystem that leverages collective strengths and innovation, ensuring the project's initiatives are embraced widely across the business community.

3. Support and Collaboration Opportunities

a. Are there existing programs or initiatives led by the Chamber that could be aligned or integrated with the project's objectives?

The Chamber of Commerce already operates the Enterprise Development Unit, which offers consultations for small businesses, training in business literacy, and training in new technologies. This existing program is ideally positioned to align with and be integrated into the project's objectives, offering a direct pathway to bolster the project's impact on Micro, Small, and Medium Enterprises (MSMEs), particularly in the agricultural sector. By leveraging the resources, expertise, and established engagement channels of the Enterprise Development Unit, the project can enhance its offerings, providing more comprehensive support to businesses. This integration not only streamlines efforts to boost business capabilities and technological adoption among MSMEs but also ensures a more coordinated approach to enterprise development within the Chamber's broader strategy, maximizing resource efficiency and impact.

b. Are there specific regulatory or market barriers that the project should be aware of and address to be successful?

To ensure the success of the project, it's crucial to recognize and address the specific barrier of trust within the business community, particularly among small-scale farmers who may be wary of new partnerships due to their lack of literacy and previous experiences. Building trust is fundamental, necessitating considerable time and effort to foster genuine relationships with these stakeholders. This challenge underscores the importance of approaching engagement with sensitivity and a commitment to understanding the unique perspectives and needs of small-scale farmers. An effective strategy to navigate this barrier is leveraging the existing network of the Chamber of Commerce. This network offers a valuable head start in establishing credibility and trust, as it provides a familiar and respected platform through which the project can introduce its initiatives. By utilizing the Chamber's connections and reputation, the project can more effectively reach and engage these critical stakeholders, creating a foundation of trust that facilitates collaboration and support for the project's objectives.

MEETING MINUTES (PREMIER BANK)

Meeting Minutes (Premier Bank)

Date: Feb 15, 2024

Location: Premier Bank Headquarters in KM4

Person Consulted: Ahmednur Mohamed Abdi (Head of Public Relation)

1. Financial Products for Agriculture

c. What specific financial products or services do you currently offer that support the agricultural sector, especially rainfed agriculture?

Our financial institution acknowledges the pivotal role of the agricultural sector, particularly rainfed agriculture, in the economy and is committed to supporting its growth and resilience. We offer a range of loans and financial services tailored to meet the specific needs of the agricultural sector. This personalized approach ensures that each client receives the financial support necessary for their unique circumstances, enabling them to overcome challenges and capitalize on opportunities within the sector.

d. Are there any tailored loan programs or insurance products designed to mitigate the risks associated with climate variability and agricultural production?

Currently, we do not have specialized loan programs or insurance products explicitly designed to address the risks associated with climate variability and agricultural production. This gap highlights an area for potential development and innovation in our offerings to better support the agricultural community in managing the uncertainties of climate change.

2. Challenges and Barriers

e. Based on your experience, what are the main financial challenges faced by clients in the agricultural sector, particularly those involved in rainfed agriculture?

Clients in the agricultural sector, especially those involved in rainfed agriculture, face several financial challenges that impede their ability to thrive. Low financial literacy among farmers significantly limits their understanding and utilization of financial services. Additionally, farms are often situated in areas that are difficult to access, exacerbated by connectivity issues and security concerns, further complicating financial engagement. The primary collateral available to these farmers is the farm itself, with many reluctant to risk their land, their most valuable asset, for loans. These challenges underscore the need for innovative financial solutions that can accommodate the unique needs and constraints of the agricultural sector.

3. Collaboration with Development Projects

f. Is your bank open to collaborating with development projects aimed at enhancing the resilience and productivity of rainfed agriculture? What forms of collaboration are most effective from your perspective?

Our bank is not only open to but enthusiastic about collaborating with development projects focused on enhancing the resilience and productivity of rainfed agriculture. We believe that effective collaboration can significantly ease project implementation and extend its impact. Our past partnership with the USAID-funded GEEL program, which facilitated \$150,000 loans for farmers, exemplifies our capability and commitment to support agricultural development initiatives. Such collaborations have proven to be instrumental in reaching a broader audience and driving meaningful change within the sector. We are keen to explore various forms of collaboration that leverage our expertise and resources to support the agricultural community, particularly in projects that aim to innovate and improve the financial accessibility for rainfed agriculture.

MEETING MINUTES (MOECC)

Meeting Minutes (The Ministry of Environment and Climate Change)

Date: Feb 11, 2024

Location: The Ministry of Environment and Climate Change

Person Consulted: Abdullahi Diriye Khalif (Principal Advisor to the Minister)

1. Policy and Regulation

a. What existing policies and regulations do you believe could impact the implementation of rainfed agriculture or MSMEs financing?

Regarding the impact of policies and regulations on the implementation of rainfed agriculture and MSMEs financing, it appears that such matters fall outside the direct purview of the Ministry of Environment and Climate Change. For detailed insights into existing policies and any forthcoming regulatory changes that could influence rainfed agriculture or MSME financing, engaging with the Ministry of Agriculture or the Ministry of Commerce is recommended, as they are more directly involved in these areas.

b. Are there any planned policy changes that might affect rainfed agriculture or MSMEs financing?

As of now, there's no specific awareness of planned policy changes affecting these sectors.

2. Support and Collaboration

a. Are there opportunities for collaboration between a potential project centred on supporting rainfed agriculture, and MSMEs and ongoing or upcoming government initiatives?

On the aspect of support and collaboration, the Ministry of Environment and Climate Change expresses a welcoming stance towards partnerships, highlighting an openness to collaborate on projects focused on rainfed agriculture and MSMEs. This indicates a conducive environment for fostering alliances that could support such initiatives, reinforcing the ministry's commitment to collaborative efforts for environmental sustainability and economic development.

3. Challenges and Opportunities

a. What challenges do you foresee in work with individuals involved in rainfed agriculture within your regulatory domain?

In terms of challenges, a potential hurdle identified involves navigating the institutional arrangements of projects to prevent conflicts between federal and state institutions. This emphasizes the need for clear governance structures and effective communication channels to ensure smooth project implementation and stakeholder cooperation.

b. Are there untapped opportunities that this project could leverage for greater impact?

The current climate presents untapped opportunities, especially with a national inclination towards supporting industry and small-scale enterprises. By leveraging this conducive environment, the project could significantly amplify its impact, suggesting that strategic alignment with national priorities and active engagement with relevant ministries could unlock substantial benefits for rainfed agriculture and MSME development.

MEETING MINUTES (MOAI)

Meeting minutes (The Ministry of Agriculture and Irrigation)

Date: Feb 18, 2024

Location: over the phone

Person Consulted: Mohamed Mohamud (Director General)

1. Policy and Regulation

a. What existing policies and regulations do you believe could impact the implementation of rainfed agriculture or MSMEs financing?

Existing policies and regulations that could significantly impact the implementation of rainfed agriculture or the financing of MSMEs include land use policies established by the previous government. These policies encompass various aspects related to small-scale and rainfed agriculture, potentially influencing how agricultural activities are conducted and financed. The nuances within these land use regulations may dictate the allocation, utilization, and management of land specifically for rainfed agricultural practices, thereby affecting the operational dynamics and financial accessibility for small-scale farmers and agricultural MSMEs.

b. Are there any planned policy changes that might affect rainfed agriculture or MSMEs financing?

While there are no specific planned policy changes currently outlined that directly affect rainfed agriculture or MSMEs financing, there is an ongoing process of policy review and development within the ministry. This continuous evaluative approach aims at refining and introducing new policies across all areas of agriculture. This dynamic process of policy evolution indicates that adjustments and new regulatory frameworks could emerge, potentially influencing the landscape of rainfed agriculture and the financial mechanisms supporting MSMEs.

2. Support and Collaboration

a. Are there opportunities for collaboration between a potential project centered on supporting rainfed agriculture, and MSMEs and ongoing or upcoming government initiatives?

The potential for collaboration between projects focused on supporting rainfed agriculture and MSMEs and ongoing or upcoming government initiatives is significant. Rainfed agriculture, being one of the most affected areas, benefits from a variety of internal programs initiated by various partners. The ministry expresses a strong openness towards collaborative projects and is prepared to offer support to enhance these initiatives.

3. Challenges and Opportunities

a. What challenges do you foresee in work with individuals involved in rainfed agriculture within your regulatory domain?

Working with individuals involved in rainfed agriculture within our regulatory domain presents several foreseeable challenges, notably concerning security and accessibility to rural areas. Security concerns pose significant risks to both the individuals working in these agricultural settings and to the successful implementation of agricultural projects, potentially hindering progress and productivity. Additionally, the challenge of accessing rural areas, where much of rainfed agriculture takes place, complicates the delivery of necessary services, resources, and support.

b. Are there untapped opportunities that this project could leverage for greater impact?

The project targeting rainfed agriculture presents untapped opportunities for significant impact, primarily due to the substantial need for such initiatives within the community and the supportive stance of the government. The recognition of this need by both citizens and governmental bodies highlights a fertile ground for the project's implementation, suggesting that efforts aimed at improving rainfed agriculture would be highly welcomed. This alignment of community needs and governmental support creates a promising environment for the project to not only achieve its goals but also to contribute meaningfully to the enhancement of agricultural productivity, sustainability, and overall livelihood improvement for those involved in rainfed agriculture.

Meeting minutes (The Ministry of Commerce and Industry)

Date: Feb 18, 2024

Location: over the phone

Person Consulted: Zackariye Barise (Technical Advisor at MCI)

1. Policy and Regulation

a. What existing policies and regulations do you believe could impact the implementation of rainfed agriculture or MSMEs financing?

The implementation of rainfed agriculture and financing for MSMEs is currently minimally impacted by existing policies and regulations. This situation stems from two primary factors. Firstly, the majority of support received by ministries is project-based, focusing on addressing immediate needs rather than establishing long-term regulatory frameworks. Secondly, there is a cautious approach from the ministry to avoid hastily implementing policies that could potentially impede economic growth. This indicates a need for more time and resources to be dedicated to developing comprehensive and well-considered policies that align with the country's and its citizens' best interests.

b. Are there any planned policy changes that might affect rainfed agriculture or MSMEs financing?

Currently, there are no planned policy changes known that would directly affect rainfed agriculture or the financing of MSMEs.

2. Support and Collaboration

a. Are there opportunities for collaboration between a potential project centered on supporting rainfed agriculture, and MSMEs and ongoing or upcoming government initiatives?

While no specific projects currently come to mind, the ministry remains open to collaboration with any party interested in improving the lives of those most affected by climate change.

3. Challenges and Opportunities

a. What challenges do you foresee in work with individuals involved in rainfed agriculture within your regulatory domain?

In the context of Somalia, working with individuals involved in rainfed agriculture presents distinct challenges within the regulatory domain. Security remains a paramount concern, impacting not only the safety of those working in the sector but also the implementation and sustainability of agricultural initiatives. This situation necessitates robust security measures and continuous monitoring to ensure the safety and well-being of all stakeholders involved.

Additionally, financial schemes aimed at lending to individuals already facing economic hardships pose a significant financial risk. This requires careful consideration and strategic planning to ensure that such financial support does not exacerbate the beneficiaries' financial burdens.

b. Are there untapped opportunities that this project could leverage for greater impact?

Somalia's status as a fast-growing economy presents untapped opportunities for projects aimed at supporting rainfed agriculture and MSMEs. The momentum of economic growth offers a fertile ground for initiatives that align with the country's development trajectory.

MEETING MINUTES (NUROS9 SOLUTIONS)

Meeting minutes (Nuros9 Solutions)

Date: Feb 13, 2024

Location: over the phone

Person Consulted: Mohamed Nur Mohamud (Director)

1. Business Impact and Involvement

a. Is your business impacted by rainfed agriculture or small-scale subsistence farmers?

Our company is deeply engaged with the agricultural sector, particularly with farmers in areas dependent on rainfed agriculture, focusing on crops such as cassava and millet. We have established partnerships with those using traditional irrigation methods and canals, underlining our commitment to this sector.

b. In what ways could your company contribute to or benefit from a potential project implementation in this sector?

For the past five years, our initiatives have aimed at solving water and irrigation challenges faced by small-scale farmers. Our contributions include offering extensive training, aiding in land preparation, and facilitating the distribution of seeds and fertilizers. In a significant collaboration with the International Organization for Migration (IOM), we have helped create a seed bank designed specifically for small farmers and have also set up post-harvest storage facilities. These efforts are designed to reduce losses, enhance food security, and ultimately improve the livelihoods of small-scale farmers in rainfed areas.

2. Innovation and Technology

a. What innovative practices or technologies do you think could be integrated into this project to enhance its effectiveness?

To augment the project's impact, implementing open-field drip irrigation systems and enhancing skills in water harvesting techniques could significantly benefit rainfed agriculture. Such innovations are critical for optimizing water use and ensuring sustainability.

b. Are there existing barriers or opportunities to adopting these innovations, and how can they be overcome?

The adoption of technologies faces notable barriers, primarily due to the high costs associated with equipment and essential inputs like seeds and fertilizers, which are often beyond the financial reach of rainfed farmers. Additionally, the reliance on harvested rainwater is frequently insufficient, necessitating alternative solutions like boreholes. To address these challenges, it's imperative to engage with borehole owners to negotiate reduced water prices for farmers, alongside exploring subsidies or financial assistance programs to lower the overall cost burden of adopting these

innovations. By mitigating these barriers, we can make advanced agricultural technologies more accessible to rainfed farmers, enhancing productivity and resilience in the sector.

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PFD preparation phase)

Private Sector

Will there be private sector engagement in the program?

Yes

And if so, has its role been described and justified in section B program description?

Yes

Environmental and Social Safeguards

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Low			

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Program Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

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

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	GEF Program Financing (\$)	Agency Fee(\$)	Total GEF Financing (\$)
UNIDO	LDCF	Global	Climate Change	LDCF Global/Regional support	1,500,000.00	135,000.00	1,635,000.00

UNIDO	LDCF	Lesotho	Climate Change	LDCF Country allocation	8,974,312.00	807,688.00	9,782,000.00
UNIDO	LDCF	Malawi	Climate Change	LDCF Country allocation	4,437,156.00	399,344.00	4,836,500.00
UNIDO	LDCF	Ethiopia	Climate Change	LDCF Country allocation	8,974,312.00	807,688.00	9,782,000.00
UNIDO	LDCF	Somalia	Climate Change	LDCF Country allocation	6,222,018.00	559,982.00	6,782,000.00
Total GEF Resources (\$)						2,709,702.00	32,817,500.00

Project Preparation Grant (PPG)

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	PPG(\$)	Agency Fee(\$)	Total PPG Funding(\$)
UNIDO	LDCF	Global	Climate Change	LDCF Global/Regional support	50,000.00	4,500.00	54,500.00
UNIDO	LDCF	Lesotho	Climate Change	LDCF Country allocation	200,000.00	18,000.00	218,000.00
UNIDO	LDCF	Malawi	Climate Change	LDCF Country allocation	150,000.00	13,500.00	163,500.00
UNIDO	LDCF	Ethiopia	Climate Change	LDCF Country allocation	200,000.00	18,000.00	218,000.00
UNIDO	LDCF	Somalia	Climate Change	LDCF Country allocation	200,000.00	18,000.00	218,000.00
Total PPG Amount (\$)					800,000.00	72,000.00	872,000.00

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
Total GEF Resources					0.00

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)
CCA-1-2	LDCF	500,000.00	1,755,806.00
CCA-1-3	LDCF	1,000,000.00	4,997,294.00
CCA-1-2	LDCF	1,900,000.00	8,044,400.00
CCA-1-3	LDCF	7,074,312.00	22,895,600.00
CCA-1-2	LDCF	1,269,704.00	6,658,600.00
CCA-1-3	LDCF	3,167,452.00	18,951,400.00
CCA-1-3	LDCF	8,974,312.00	50,954,580.00
CCA-1-2	LDCF	900,000.00	4,500,000.00
CCA-1-3	LDCF	5,322,018.00	19,272,160.00
Total Project Cost		30,107,798.00	138,029,840.00

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
GEF Agency	UNIDO	Grant	Investment mobilized	53,100.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	200,000.00
Private Sector	Fund Entities	Grant	Investment mobilized	1,000,000.00
Private Sector	Fund Entities	In-kind	Recurrent expenditures	500,000.00
Others	Multilateral Development Banks	Grant	Investment mobilized	500,000.00
Others	Multilateral Development Banks	In-kind	Recurrent expenditures	500,000.00

Private Sector	Impact investors	Grant	Investment mobilized	500,000.00
Private Sector	Impact investors	In-kind	Recurrent expenditures	500,000.00
Private Sector	Corporate Foundations	Grant	Investment mobilized	500,000.00
Private Sector	Corporate Foundations	In-kind	Recurrent expenditures	500,000.00
Private Sector	Global Innovation Partners	In-kind	Recurrent expenditures	1,000,000.00
Private Sector	Standard setting institutions	Grant	Investment mobilized	500,000.00
Private Sector	Standard setting institutions	In-kind	Recurrent expenditures	500,000.00
GEF Agency	UNIDO	Grant	Investment mobilized	154,580.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	500,000.00
Recipient Country Government	Ministry of Agriculture and Food Security and Nutrition	In-kind	Recurrent expenditures	1,985,420.00
Recipient Country Government	Ministry of Energy	In-kind	Recurrent expenditures	2,000,000.00
Recipient Country Government	Ministry of Natural Resources	In-kind	Recurrent expenditures	2,000,000.00
Recipient Country Government	Ministry of Trade, Industry and Small Business	In-kind	Recurrent expenditures	2,000,000.00
Recipient Country Government	Ministry of Environment and Forestry	In-kind	Recurrent expenditures	2,000,000.00
Recipient Country Government	Ministry of Information Communications, Science, Technology and Innovation	In-kind	Recurrent expenditures	2,000,000.00

Recipient Country Government	Lesotho National Development Corporation (LNDC)	In-kind	Recurrent expenditures	2,000,000.00
Others	Lesotho Post Bank	Loans	Investment mobilized	5,000,000.00
Others	Lesotho Post Bank	In-kind	Recurrent expenditures	500,000.00
Private Sector	Financial Institutions in Lesotho	Grant	Investment mobilized	5,000,000.00
Private Sector	Financial Institutions in Lesotho	In-kind	Recurrent expenditures	500,000.00
Private Sector	Basotho Enterprises Development Corporation (BEDCO)	In-kind	Recurrent expenditures	400,000.00
Recipient Country Government	Lesotho Bureau of Standards	In-kind	Recurrent expenditures	400,000.00
Private Sector	African Clean Energy	Grant	Investment mobilized	2,000,000.00
Private Sector	African Clean Energy	In-kind	Recurrent expenditures	500,000.00
Others	National University of Lesotho	In-kind	Recurrent expenditures	1,000,000.00
Private Sector	Private Sector Foundation Lesotho (PSFL)	In-kind	Recurrent expenditures	1,000,000.00
GEF Agency	UNIDO	Grant	Investment mobilized	114,000.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	500,000.00
Recipient Country Government	Ministry of Agriculture	In-kind	Recurrent expenditures	2,000,000.00
Recipient Country Government	Ministry of Water and Sanitation	In-kind	Recurrent expenditures	2,000,000.00

Recipient Country Government	Southern Region Water Board	In-kind	Recurrent expenditures	1,000,000.00
Recipient Country Government	Blantyre Water Board	In-kind	Recurrent expenditures	1,000,000.00
Others	University of Malawi	In-kind	Recurrent expenditures	996,000.00
Private Sector	National Local Government Finance Committee	In-kind	Recurrent expenditures	1,000,000.00
Others	Rural Women Assembly	In-kind	Recurrent expenditures	1,000,000.00
Civil Society Organization	Leadership for Environment and Development (LEAD)	In-kind	Recurrent expenditures	1,000,000.00
Private Sector	Malawi national financial services organization	Grant	Investment mobilized	10,000,000.00
Private Sector	Malawi local financial services organization	In-kind	Recurrent expenditures	5,000,000.00
GEF Agency	UNIDO	Grant	Investment mobilized	154,580.00
Recipient Country Government	Ethiopian Forestry Department	Grant	Investment mobilized	6,000,000.00
Recipient Country Government	Ethiopian Forestry Department	In-kind	Recurrent expenditures	18,000,000.00
Beneficiaries	Regional State (Oromia, Somali, South Ethiopia Regional States) and district governments where the project will be implemented	In-kind	Recurrent expenditures	24,500,000.00
Civil Society Organization	Pastoral & environmental network in the horn of Africa(PENHA)	Grant	Investment mobilized	100,000.00
Civil Society Organization	Pastoral & environmental network in the horn of Africa(PENHA)	In-kind	Recurrent expenditures	400,000.00
Others	CIFOR-ICRAF	Grant	Investment mobilized	200,000.00

Others	CIFOR-ICRAF	In-kind	Recurrent expenditures	1,200,000.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	400,000.00
Others	World Bank through the Barwaago – Somali Water for Rural Resilience Project	In-kind	Recurrent expenditures	3,000,000.00
Others	African Development Bank through the Program to Build Resilience for Food and Nutrition Security in the Horn of Africa project	In-kind	Recurrent expenditures	3,000,000.00
Others	EU through the Market Access Upgrading Programme for Somalia	In-kind	Recurrent expenditures	3,000,000.00
Private Sector	Private Sector and UNIDO through the Compact Fund for SME in Somalia project	Grant	Investment mobilized	7,500,000.00
Private Sector	Bank to support the lending scheme of the project	Grant	Investment mobilized	4,000,000.00
Private Sector	Simad iLab	In-kind	Recurrent expenditures	150,000.00
Private Sector	Tamarso Energy Company	In-kind	Recurrent expenditures	790,000.00
Private Sector	Gaalooqe Cooperative – Tractors and Agro mechanization TVET School	In-kind	Recurrent expenditures	470,000.00
Private Sector	Al-Ashraf International Group	In-kind	Recurrent expenditures	500,000.00
Private Sector	Moumin Group	In-kind	Recurrent expenditures	400,000.00
Private Sector	Somali Bovine Genetics	In-kind	Recurrent expenditures	110,000.00
Private Sector	Bay Agro-seeds Company	In-kind	Recurrent expenditures	380,000.00
GEF Agency	UNIDO	Grant	Investment mobilized	132,160.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	340,000.00
Total Co-financing				138,029,840.00

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	phone	Email
GEF Agency Coordinator	UNIDO	3/20/2024	Ganna ONYSKO	+43 1 26026 3647	G.ONYSKO@unido.org
Project Coordinator	UNIDO	3/20/2024	Alois MHLANGA	+43 1 26026 5169	A.MHLANGA@unido.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

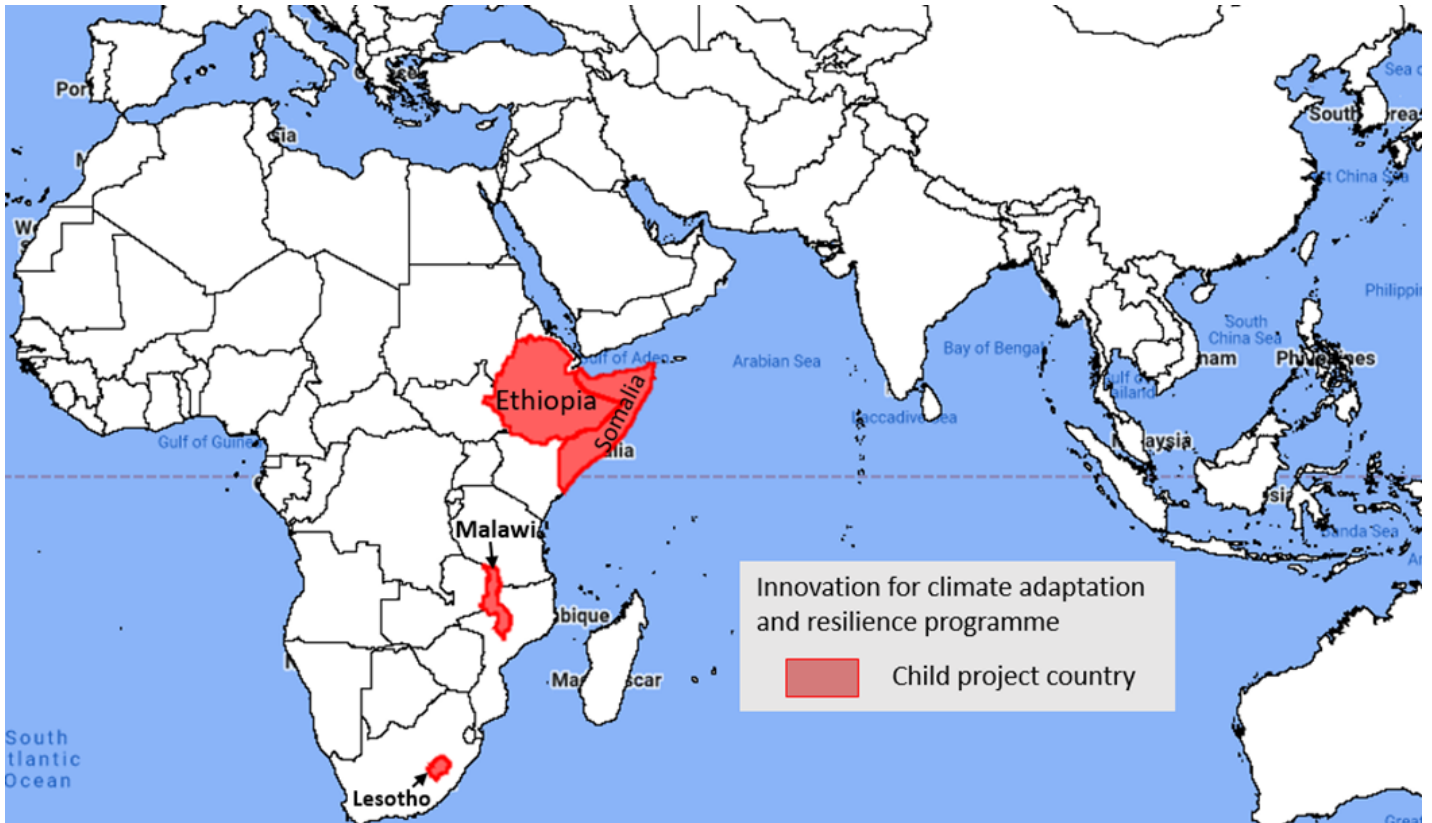
Name	Position	Ministry	Date (MM/DD/YYYY)
Ms. Qongqong Hoohlo	Acting Director - Department of Environment	Ministry of Defence National Security and Environment	6/15/2023
Mr. Evans Njewa	Chief Environmental Officer	Ministry of Natural Resources and Climate Change	1/23/2024
Mr. Mensur Dessie Nuri	Director, MEAs Negotiation Coordination Directorate	Environmental Protection Authority/Ministry of Planning and Development	3/27/2024
Mr. Liban Mohamed Abdulkadir	Operational Focal Point	Ministry of Environment and Climate Change	4/5/2024

ANNEX C: PROGRAM LOCATION

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

The map and geo-referenced information of four child project countries are demonstrated below.

Country Name	Region	Latitude	Longitude
Ethiopia	Eastern Africa	9.025 N	38.75 E
Somalia	Eastern Africa	2.039 N	45.34 E
Malawi	Southeastern Africa	13.98 S	33.78 E
Lesotho	Southeastern Africa	29.31 S	27.48 E



ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(Program level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

Title

ES_Screening_PARS

ANNEX E: RIO MARKERS

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Decertification
No Contribution 0	Principal Objective 2	No Contribution 0	No Contribution 0

ANNEX F: TAXONOMY WORKSHEET

ANNEX H : CHILD PROJECT INFORMATION

Title

Consolidated Child projects 25 April 2024

Consolidated child projects 15April2024

Consolidated child project concept notes.final

Consolidated Child projects concept notes

Child Projects under the Program

Country	Project Title	GEF Agency	GEF Amount (\$) PROJECT FINANCING	Agency Fees(\$)	Total(\$)
	FSPs				
Lesotho	Promoting climate adaption and resilience through innovation and entrepreneurship for green jobs in Lesotho	UNIDO	8,974,312.00	807,688.00	9,782,000.00
Ethiopia	Promoting adaptation and resilience through innovation and entrepreneurship for green jobs and livelihood improvement in Ethiopia	UNIDO	8,974,312.00	807,688.00	9,782,000.00
Somalia	Promoting adaptation to climate change through innovation and entrepreneurship for green jobs and livelihood improvement in rain-fed and pasture agricultural communities in Somalia	UNIDO	6,222,018.00	559,982.00	6,782,000.00
	Subtotal (\$)		24,170,642.00	2,175,358.00	26,346,000.00
	MSPs				
Global	Programme for innovation in climate adaptation and resilience building solutions - Global Coordination	UNIDO	1,500,000.00	135,000.00	1,635,000.00

Malawi	Promoting climate change adaptation and resilience through innovation and entrepreneurship for green jobs in Malawi	UNIDO	4,437,156.00	399,344.00	4,836,500.00
	Subtotal (\$)		5,937,156.00	534,344.00	6,471,500.00
	Grant Total (\$)		30,107,798.00	2,709,702.00	32,817,500.00