



GREEN
CLIMATE
FUND

Approved Project Preparation Facility Application

PPF065 | Service

Underlying proposal	Nature-based Solutions for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa
Country	South Africa
Accredited Entity	SANBI
Approval Date	18 April 2023

Notes	
•	The PPF supports the development of projects and programmes and enhance their quality at entry into the Fund's pipeline. With a view to enhancing the balance and diversity of the project pipeline, the PPF is designed to especially support Direct Access Entities for projects in the micro-to-small size category. International Accredited Entities seeking project preparation support from the PPF are encouraged to do so especially for LDCs, SIDS and African countries where no Direct Access Entity is accredited. All Accredited Entities are encouraged to articulate counterpart support for project preparation within their requests for support from the PPF.
•	A PPF submission should include below documents: <ol style="list-style-type: none"> 1. PPF request (this form) 2. PPF No-Objection letter 3. Concept Note
•	Please copy the National Designated Authority (ies) when submitting this PPF request.
•	Requests for support from the PPF should be submitted at the same time or following submission of a GCF Concept Note for a project or programme.
•	A guidance note is annexed to this application form and referenced throughout the document
•	Further information on GCF PPF can be found on GCF website Project Preparation Facility Guidelines.

List of acronyms

AE	Accredited Entity
APR	SANBI's Chief Directorate/Division Adaptation Policy and Resourcing
BS or (BS&VA)	Baseline Study or Baseline Study and Vulnerability Assessments
CN	Concept Note
CRV	Climate Risk and Vulnerability Assessment
CRA	Climate Risk Assessment
DAE	Direct Access Entity
DALRRD	Department of Agriculture, Land Reform and Rural Development
DFFE	Department of Forest, Fisheries and the Environment
DM	District Municipality
EbA	Ecosystem-based Approaches
EbA-Farm	Ecosystem-based Approaches for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa
EbA-Farm RG	Ecosystem-based Approaches for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa project's Reference Group
EC	Eastern Cape Province
EE	Executing Entity(ies)
ESAP	Environmental and Social Action Plan
ESP	Environmental and Social Policy
ESS	Environmental and Social Safeguards
ESS	Environmental and Social Studies
FP	GCF's Funding Proposal
FFP	GCF's Full Funding Proposal
GA	Gender Assessment
GAP	Gender Action Plan
GCF	Green Climate Fund
GRM	Grievance Redress Mechanism

IPA	Indigenous Peoples Assessment
IPCC	Independent Panel on Climate Change
IS	Implementation Site
ITAP	GCF's Independent Technical Advisory Panel
KZN	KwaZulu-Natal Province
LP	Limpopo Province
Log-frame	Logical Framework
MHEWS	Multi-Hazard Early Warning System
M&EF	Monitoring and Evaluation Framework
MP	Mpumalanga Province
NCR&VAF	National Climate Risk and Vulnerability Assessment Framework
NDA	National Designated Authority
PFS	Pre-Feasibility Study
PMC	Project Management Committee
PPF	The GCF's Project Preparation Facility
RA&MP	Risk Assessment and Mitigation Plan
RSA	Republic of South Africa
TC	Target Catchments
ToRs	Terms of Reference
SANBI	South African National Biodiversity Institute
SAP	GCF's Simplified Approval Process
SC	Steering Committee
SEP	Stakeholder Engagement Plan
SMART	Specific Measurable Achievable Realistic Time-bound
UKZN	University of KwaZulu-Natal
UNFCCC	United Nations Framework Convention on Climate Change
VA	Vulnerability Assessment

Note: This template serves to apply for **the project preparation facility service**, as part of the GCF Project Preparation Facility (PPF). This service is provided by a roster of independent project development firms. This PPF access modality is different from the traditional modality. Upon approval of a PPF service application, GCF, in coordination with the AE, will launch a tender process to hire an independent consultancy firm, to undertake the approved activities directly. Costs related to the consultancy firm will be borne by the GCF directly. Same as traditional PPF applications, the AE would be responsible for the quality control of the final products produced by the firm.

A. Executive Summary			
Accredited Entity (AE)	Name:	Dr Mandy Barnett	
	Position:	Chief Director: Adaptation Policy and Resourcing	
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Has a Concept Note been submitted in association with this request for support from the PPF?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If yes, please indicate Project/Programme title: Nature-based Solutions for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa	Has a No-Objection Letter been submitted for this request for support from the PPF?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Anticipated Duration	Number of months to implement the Project Preparation activities: 9 months		
Summary of the request for Project Preparation support	<p>South African smallholder farmers rely on rainfall and climate change is resulting in increased rainfall variability, which makes it difficult for farmers to plan and safeguard productivity. This is compounded by a lack of access to climate-risk informed agricultural advisory services to enhance their adaptive capacity. This, and recently the COVID-19 pandemic, is exacerbating existing vulnerabilities at the smallholder level, where agriculture is a vital source of livelihoods.</p> <p>The proposed project will adopt a participatory, action-learning approach using nature-based solutions to enhance the resilience of smallholder farmers in vulnerable catchments in the provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo in South Africa. This will be achieved through: i) providing tailored climate information and services through the development of a Multi-Hazard Early Warning System; ii) using nature-based solutions to transform smallholder farming systems to adapt to climate impacts and sustain adaptation investments; and iii) developing the cross-cutting capacity to institutionally embed and upscale transformative adaptation approaches. The project Concept Note was initially submitted to the GCF through the Simplified Approval Process window in December, and after two revisions to respond to comments from the GCF, was endorsed in October 2021, at which time SANBI was invited to submit a PPF request.</p> <p>PPF support from the GCF is sought to fill in gaps in terms of information, stakeholder consultations and assessment of potential adaptation options, and to develop the full Funding Proposal through the Simplified Approval Process. The following PPF studies will be undertaken, some of which can be done remotely, and some of which will require on-the-ground consultations at the local level:</p> <ol style="list-style-type: none"> 1. Scoping phase 2. Selection of Target Catchments 3. Baseline Study and Vulnerability Assessment 4. Pre-feasibility Study 5. Environmental and Social Action Plan 6. Gender Analysis and Gender Action Plan 		

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|--|--|
| | <ul style="list-style-type: none"> 7. Stakeholder Engagement 8. Risk Assessment and Management Plan 9. Project Logframe, Monitoring and Evaluation Framework and Identification of Project-level Indicators 10. Full Simplified Approval Process Funding Proposal write-up |
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B. Description of Project Preparation Activities

Activities and Outputs

The activities listed below, with the indicated outputs, are required to fully develop the proposed GCF project, in conjunction with in-depth consultations with relevant stakeholders. Some of these consultations can be done remotely, while other will need to be done in-person, including at the local level. Should COVID-19 restrictions prevent in-person engagement, alternative arrangements will have to be made in conversation with the GCF. Further details on each of the studies noted below are provided in Section D: Terms of Reference.

1. **Scoping phase:** A round of initial consultations will be held with national (including Department of Agriculture, Land Reform and Rural Development; and the Department of Forestry, Fisheries and the Environment) and sub-national (including the departments overseeing agricultural and environmental matters in the four provinces) departments to improve the efficiency of subsequent engagement and project development processes.

Output 1: Scoping Report

2. **Selection of Target Catchments:** A set of criteria will be developed and applied to select Target Catchments in the priority provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo where smallholder farmers are highly vulnerable to climate-exacerbated floods, drought, veld fires and increases in average temperatures.

Output 2: List of Target Catchments and narrative detailing the associated selection process

3. **Baseline Study and Climate Risk and Vulnerability (CRV) Assessment:** The current characteristics of smallholder farmers and the ecosystem services they depend on in the Target Catchments will be determined through a Baseline Study, and a Climate Risk and Vulnerability Assessment will be conducted to identify barriers to reducing risk and vulnerabilities to climate-exacerbated floods, drought, veld fires and increases in average temperatures in the Target Catchments.

Output 3: Baseline Study and Climate Risk and Vulnerability Assessment

4. **Pre-feasibility Study:** A Pre-feasibility Study assesses the proposed project's interventions in terms of the soundness of their technical design, costs and benefits, social and environmental impacts, legal and regulatory environments in which the proposed interventions are expected to be implemented, institutional and financial aspects, and any other analysis to assess feasibility of the investment.

Output 4: Feasibility Study, Detailed Project Design and Implementation Budget

5. **Environmental and Social Action Plan:** An environmental and social action plan, including a detailed implementation budget, will be prepared for the project. This will ensure that the project is implemented in an environmentally and socially sustainable manner and in full compliance with the environmental and social policies and regulations of the GCF and the Government of South Africa.

Output 5: Environmental and Social Action Plan (ESAP)

6. **Gender Assessment and Gender Action Plan:** A gender analysis and action plan will be developed to mainstream gender considerations into the full Funding Proposal and into overall project implementation. The objective is to ensure that women, children and the most vulnerable populations duly benefit from the implementation of this project both in the short and long-term.

Output 6: Gender Assessment; Project-level Gender Action Plan

7. **Stakeholder Engagement:** In-depth stakeholder consultation will be conducted at national, provincial and local level to engage key partners and stakeholders to ensure that they understand and have a meaningful say in terms

of the selection and design of interventions. A stakeholder engagement plan will be developed to guide implementation, together with an appropriate grievance redress mechanism.

Output 7: Report on Stakeholder Consultations conducted during the preparation of the project; Project-level Stakeholder Engagement Plan; Project-level Grievance Redress Mechanism

8. **Risk Assessment and Management Plan:** A risk assessment for the project will be undertaken. The assessment will include social, environmental, operational, financial risk assessment and suggestion of risk management measures. The risk assessment will quantify hazard, exposure and vulnerability and propose different measures to achieve predefined objectives in terms of risk reduction.

Output 8: Risk Assessment and Management Plan

9. **Development of Project Logframe, Monitoring and Evaluation Framework and Identification of Project-level Indicators:** This task will include development of the project logframe with SMART project-level indicators in line with GCF expectations and Performance Management Framework. A Monitoring and Evaluation framework and plan will be developed to measure achievement, progress and support adaptive management. GCF core indicators relevant to the project will be identified, together with measurement of and formulation of a methodology to be used for calculating these core indicators.

Output 9: Logical framework including project-level indicators; Monitoring and Evaluation Framework; Standard reporting format

10. **Full Funding Proposal Write-Up:** This task will include leading and coordinating the process of preparing a full GCF Simplified Approval Process Funding Proposal for the project. The consultants will therefore be responsible for organizing and harmonizing the project components into the full Funding Proposal according to GCF's requirements for a Simplified Approval Process project. The final proposal will include all relevant annexes based on analytical work, studies developed during the project preparation period, as well as South African national strategies and stakeholder consultations. The consultants will be expected to address at most 3 rounds of comments from the GCF.

Output 10: A final GCF Simplified Approval Process Funding Proposal with all required Annexes

C. Justification of the Project Preparation Request

The PPF is specifically designed to support Direct Access Entities and micro-to-small size category projects. This is exactly the case for this proposal. To conduct all of the above-listed activities and develop the full Funding Proposal, the South African National Biodiversity Institute (SANBI) as the Accredited Entity (AE) and its executing partners would have to spend a significant amount of resources to obtain the required supporting documents. The expertise involved in the activities mentioned in the deliverables are very specific and the production of these deliverables will require expert consultants and specialists to conduct the numerous field studies and consultations, as well as undertake robust analyses of the feasibility, viability and sustainability of project interventions. SANBI, DFFE as the National Designated Authority and the executing partners for the project do not have the required capacity to undertake the work, or available funding to contract the consultants required to support the development of the full Funding Proposal.

As a result, without PPF support, the project would not be able to progress from a Concept Note to a full Funding Proposal, given the project's background, and the financial limitations noted above. This project is a priority for the Government of South Africa, and the preparatory phase is a fundamental step in shaping the likelihood of the project achieving the expected results as well as a transformational impact. The detailed studies undertaken in this preparatory phase will ensure that the project addresses national priorities, is country-driven, fills the investment gap and that the interventions are sustained in the long term.

SANBI will play an active role in managing the consultants contracted by the GCF to deliver on the requirements outlined in this application. This will include: i) a requirement that the consultants provide quarterly progress updates to the EbA-Farm Reference Group, which is chaired by SANBI; ii) a requirement that the consultants provide monthly progress updates to the Project Management Committee, which will be chaired by SANBI; iii) more frequent engagements (weekly or even daily if required) with the consultants to support progress and the unblocking of challenges, as they arise; iv) a review of all draft outputs, including written comments as required; and v) the sign-off on all deliverables produced by the consultants. SANBI will thus be extremely involved in all project development processes, and, together with the lead partners, will take ownership of the full Funding Proposal ultimately developed through the work.

D. Terms of Reference

Please provide terms of reference for all studies, assessments and activities to be undertaken through this PPF in below.

Overview:

Project Preparation Facility Services application for the project: “Ecosystem-based Approaches for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa”.

A. PROJECT TITLE

“Ecosystem-based Approaches for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa “.

B. BACKGROUND

The GCF is a fund within the United Nations Framework Convention on Climate Change (UNFCCC) founded as a mechanism to assist developing countries in adaptation and mitigation practices to counter the impacts of climate change. It makes use of Accredited Entities to develop funding proposals and oversee, supervise, manage and monitor their respective GCF-approved projects and programmes. In October 2016 SANBI was accredited as a Direct Access Entity of the GCF. SANBI is a national entity and a research institute that coordinates research, monitors and reports on the state of biodiversity in South Africa. SANBI also provides planning and policy advice to DFFE (the National Designated Authority in South Africa) and associated government Departments.

SANBI, in partnership with its executing partners is developing a full Funding Proposal under the GCF to build resilience and adaptive capacity of smallholder farmers in South Africa. The proposed project will adopt a participatory, action-learning approach using nature-based solutions to enhance the resilience of these smallholder farmers in vulnerable catchments in the provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo in South Africa. This will be achieved through: i) providing tailored climate information and services through the development of a Multi-Hazard Early Warning System; ii) using nature-based solutions to transform smallholder farming systems to adapt to climate impacts and sustain adaptation investments; and iii) developing the cross-cutting capacity to institutionally embed and upscale transformative adaptation approaches.

C. OBJECTIVES OF THE CONSULTANT’S SERVICES

SANBI seeks the support of a suitably qualified and experienced consulting firm or consortium to support SANBI’s Adaptation Policy and Resourcing Division by conducting all the necessary activities and providing all the deliverables that will form part of the preparation of a full Funding Proposal for the project titled “Ecosystem-based Approaches for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa “ in accordance with GCF guidelines. The Consultancy must analyse and present findings in respect of applicable international, regional, and local legislation, policies, norms, standards, guidelines, and current best practice that are pertinent to this investment undertaking.

The required activities are outlined in the Terms of Reference of the Outputs listed below.

Terms of Reference for Output 1:

Scoping phase

PPF Activity Area: Pre-feasibility, feasibility studies and project design

A round of initial consultations will be held with national (including Department of Agriculture, Land Reform and Rural Development; and the Department of Forestry, Fisheries and the Environment) and sub-national (including the departments overseeing agricultural and environmental matters in the four provinces) departments. These consultations will be used to confirm: i) key stakeholders that need to be engaged with; ii) existing structures, including governance structures, that could be made use of; iii) the availability of data and studies in the provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo; iv) relevant on going and planned initiatives in these provinces; and v) anything else the consultants should be aware of before proceeding with Outputs 2-10.

The relevant national and sub-national departments are all represented on the EbA-Farm Reference Group, and have requested this initial round of consultations to improve the efficiency of subsequent engagement and project development processes.

The consultations can be held virtually.

Output 1:

- Scoping Report

Indicative number of working days for this output: 5 working days

Terms of Reference for Output 2:

Selection of Target Catchments

PPF Activity Area: Pre-feasibility, feasibility studies and project design

The proposed project will adopt a participatory, action-learning approach using nature-based solutions to enhance the resilience of smallholder farmers in vulnerable catchments in the provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo. Annex 2 of the Concept Note provides a high-level overview of climate change projections, risks and hazards for smallholder farmers in each of these provinces.

A process to select Target Catchments within the provinces noted above will be undertaken in close consultation with the EbA-Farm Reference Group¹, relevant experts and sub-national stakeholders. Implementation Sites within these Target Catchments will be identified Output 2: Baseline Study and Climate Risk and Vulnerability Assessment.

The final number Target Catchments will depend on the outcomes of the Vulnerability Assessments, Pre-feasibility Study and the scale of the envisaged programme of work, noting that it may be possible to focus efforts broadly across many sites or more intensely across fewer sites.

Consultants will be required to lead a process to select Target Catchments which will include the following deliverables:

- Criteria for the identification of Target Catchments; and
- Identification of a set of Target Catchments for further investigation in the Vulnerability Assessments, through applying the criteria to the priority provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo.

It is expected that this will be a desktop exercise. Consultations can be conducted virtually if necessary – see Output 6: Stakeholder Engagement.

Output 2:

- List of Target Catchments and narrative detailing the associated selection process

Indicative number of working days for this output: 20 working days

Terms of Reference for Output 3:

Baseline Study and Climate Risk and Vulnerability (CRV) Assessment

PPF activity area: Pre-feasibility, feasibility studies and project design

The Baseline Study will determine the current characteristics of smallholder farmers, the environment and the climate situation in the Target Catchments within the priority provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo, and will include the following deliverables:

- A description of the climate change problem in the Target Catchments, to identify what types of observed changes are climate-related i.e. an investigation into climate data on hazards using multiple sources to analyse climate drivers and hazards to identify historic (at least 30 years) trends;
- The identification of smallholder farmers and locations where they farm, associated social and economic vulnerabilities and particular susceptibility to climate impacts in terms of the climate change risk and vulnerability (in terms of exposure, sensitivity and adaptive capacity), including highlighting the most high-risk smallholder farmers groups and regions;

¹A reference group (i.e. the EbA-Farm Project Reference Group) has been established to guide the work to be undertaken in the PPF phase. This EbA-Farm Project Reference Group is made of representatives of relevant national and provincial stakeholders (full ToR are available). The reference group will:

- Provide strategic direction, vision and guidance in the conceptualisation and finalisation of key areas and outputs of the project.
- Provide strategic linkages to other policies and strategies, as relevant.
- Guide in terms of inter- and intra-governmental coordination.
- Provide inputs (written and verbal) regarding the strategic implications and challenges of the project across Departments and sectors.

- An analysis of how climate change-related impacts, including floods, drought, veld fires and increases in average temperatures, are currently affecting smallholder farmers and how these relate to non-climatic drivers; and
- An analysis of the socio-economic, governance and policy mechanisms that are exacerbating climate impacts on the ground.

The Climate Risk and Vulnerability Assessment will include an assessment of climate risks, vulnerabilities (capacity and sensitivity) and probability impacts for smallholder farmers in the Target Catchments, and serves to strengthen the project's climate rationale. The assessment will look at risk and vulnerability through a combination of top-down and bottom-up, qualitative and quantitative approaches using impact chains as a means of integration, as described in South Africa's National Climate Risk and Vulnerability Assessment Framework². The study will provide information on the environmental, social and economic conditions that result in current and future vulnerability.

The results of the Climate Risk and Vulnerability Assessment will include the following deliverables:

- Definition of indicators of vulnerability (environmental, social and economic) - it is essential that the selection of indicators is guided by in-depth stakeholder engagement, over and above the availability of data;
- Identification of where within the Target Catchments smallholder farmers are currently most at risk to climate impacts, establishing exposure and sensitivity to different climate hazards using existing data where possible;
- Information on climate impacts and trends, including historical data and future modelling (using existing data where possible), in the Target Catchments to assess current risks and vulnerability of smallholder farmers (determining who and what is vulnerable (e.g. populations, ecosystems), what are they vulnerable to (including floods, drought, veld fires and increases in average temperatures), where are they vulnerable (areas and sites) and factors of vulnerability e.g. social, economic and environmental aspects combined);
- Assessment of the socio-economic mechanisms associated with the Target Catchments that exacerbate climate impacts on the ground;
- Assessment of current exposure, sensitivity and adaptive capacity, and overall current risk and vulnerability of smallholder farmers and the ecosystem services they depend on within the Target Catchments;
- Assessment of future exposure, sensitivity and adaptive capacity of smallholder farmers and the ecosystem services they depend on within the Target Catchments e.g. through downscaling existing climate scenarios and modelling;
- Assessment of overall future vulnerability and risk of smallholder farmers and the ecosystem services they depend on e.g. through a vulnerability index that aggregates proxies; and
- A robust climate rationale, based on the scientific information obtained from the Climate Risk and Vulnerability Assessment.

Based on the above, the following deliverables will be required as informants of Output 3:

- Definition of a means to assess and prioritise Implementation Sites within the Target Catchments, depending on risks;
- Definition of a means to assess and prioritise interventions in each Implementation Site, depending on risks; and
- Identification of potential adaptation solutions and outcomes, and associated potential targets for each of the Implementation Sites within the Target Catchments, for further assessment through the Pre-feasibility Study. The brainstorming of suitable adaptation / risk reduction interventions should be done as a last step in developing the impact chains, paying close attention to options that reduce risk to combinations of hazards and are robust against a range of future scenarios.

The Climate Risk and Vulnerability Assessment will be guided by:

- [South Africa's National Climate Risk and Vulnerability Assessment Framework](#)
- [The Vulnerability Sourcebook: Concept and guidelines for standardised vulnerability assessments](#)
- Risk Supplement to the Vulnerability Sourcebook: Guidance on how to apply the Vulnerability Sourcebook's approach with the new IPCC AR5 concept of climate risk ([English](#))

The Baseline Study and Climate Risk and Vulnerability Assessment will be undertaken in close consultation with affected stakeholders, smallholder farmers and local communities in the Target Catchments, and will produce spatial products together with rich narratives (i.e. revealing the where and the why/how risk is generated) where relevant. The validation of both interim and final findings will be undertaken in consultation with stakeholders, including local communities.

A combination of virtual and in-person consultations will be required to develop the Baseline Study and Climate Risk and Vulnerability Assessment – see Output 6: Stakeholder Engagement.

² Department of Environment, Forestry and Fisheries, 2020. National Climate Risk and Vulnerability (CRV) Assessment Framework summary document, Pretoria: South Africa.

The Baseline Study and Climate Risk and Vulnerability Assessment will build on existing studies where available, including both at the provincial level and potentially in any of the selected Target Catchments. The availability of such studies will be determined during Output 1.

Output 3:

- Baseline Study and Climate Risk and Vulnerability Assessment

Indicative number of working days for this output: 60 days

Terms of Reference for Output 4:

Pre-feasibility Study

PPF activity area: Pre-feasibility, feasibility studies and project design

The GCF requires that a Pre-feasibility Study is undertaken to inform the development of full Funding Proposals under the Simplified Approval Process modality. The Pre-feasibility Study will present an assessment of the proposed project's interventions (as described in the Concept Note) in terms of the soundness of their technical design, costs and benefits, social and environmental impacts, legal and regulatory environments in which the proposed interventions are expected to be implemented, institutional and financial aspects, and any other analysis to assess feasibility of the investment. The Pre-Feasibility study will provide a clear conclusion, with recommendations that explain the underlying logic of the project structure and activities.

This assessment of proposed project interventions is needed within each of the proposed Implementation Sites within each of the selected Target Catchments of the priority provinces of KwaZulu-Natal, Eastern Cape, Mpumalanga and Limpopo.

When preparing the Pre-feasibility Study, the consultants may consider the following:

- The study can make use of existing information and data from secondary sources and complement these with primary data as needed.
- Technical studies, data and information can be collected from previously implemented projects, or projects that are approaching the end of their implementation.
- If evaluation reports and previous feasibility studies from those previously implemented/ongoing projects are available, they can be used in the preparation of the pre-feasibility study, assuring that the technologies and solutions proposed are tailored and assessed to be feasible and viable in the context of the proposed Simplified Approval Process project.
- Information presented in the full Funding Proposal and Pre-feasibility Study should be presented in a succinct and structured manner, in a way that information is not duplicated and is complementary to each other. The full Funding Proposal should refer to the Pre-feasibility Study page and paragraph where additional details and in-depth information are provided.
- The length of the Pre-feasibility Study is not restricted.

The Pre-Feasibility Study should include the scientifically-based climate rationale for the project. The following questions should be considered when developing the climate rationale:

- Why responding to climate change is important for the country, people and economy?
- Which type of discernible changes have been influenced/forced by climate-related parameters in the Implementation Sites, and which impacts can be linked and by how much (emphasising on attribution) for the smallholder farmers?
- What projected impacts are likely to occur in the Implementation Sites under climate change within a time frame of the project cycle (for example, between now and 2030s or 2040s)?
- What general responses (i.e., interventions) are proposed and considered to address the changes and related impacts?
- Can there be viable alternative responses/interventions for the same climate change-related problems, and which one is chosen and what is the rationale for such choices being made?
- An analysis of the barriers, as perceived within the prevailing context, to the implementation of the proposed intervention.

The structure of the Pre-feasibility Study should include the following at a minimum:

1. Executive Summary
2. Context setting:

- Baseline assessment and situation Analysis (drawing from the Baseline Study and Climate Risk and Vulnerability Assessment)
 - Analysis of climate change risks, impacts, and vulnerability analysis at national/regional level and location of the project (drawing from the Climate Risk and Vulnerability Assessment)
 - Policy landscape
 - Legal and regulatory landscape
 - Current and recently closed projects related to climate change that the proposed project will scale up and/or build upon/complement
3. Pre-feasibility assessment:
- Technical assessment that will focus on identifying, scoping and assessing proposed technical interventions, as described in the Concept Note, and comparing these with other potential solutions, to demonstrate how the approach differs from conventional approaches in terms of innovation and cost-benefits. This will necessitate an understanding off all aspects of the agricultural value chain in each of the Target Catchments, from the smallholder farm level and specific interventions, infrastructure and equipment required to build resilience, to the provision of information and support to smallholder farmers, to links with potential markets and agro-processing chains. The deliverable will be plans that address the climate change adaptation needs and overcome the barriers to enhancing the resilience of rural farming communities through scaling up transformative agriculture approaches in the Implementation Sites, while strongly drawing on ecosystem-based approaches.
 - Environmental, economic and social assessments
 - Financing options, reasoning for the concessionality requested, capex and opex (O&M) description
 - Economic and/or financial viability
 - Exit strategy and sustainability
4. Specific information on the project:
- Climate rationale
 - Incremental cost reasoning
 - Theory of change
 - Project objective, logic of action and components
 - Timeline of the implementation
 - Identification of project beneficiaries, paying particular attention to matters relating to gender, youth and people with disabilities
5. Implementation arrangements:
- Stakeholder analysis and evidence of consultations and stakeholder engagement plan
 - Identification of appropriate Executing Entity (ies) and associated capacity and due diligence assessments
 - Implementation arrangements and governance of the project
 - Steering committees, project implementation unit composition
 - Institutional and project level grievance redress mechanism
6. Recommendations
- Brief conclusions of what has been presented as part of the Pre-feasibility Study describing how factors (such as solutions, technologies, implementation plan):
 - fit the context where the project is intended to be implemented
 - can achieve the climate results envisaged
 - provide the sustainability of those climate results overtime, once GCF exits the project
7. References
- List of the studies, reports, media sources, books, articles, published and unpublished that have been used as second source of information

A combination of virtual and in-person consultation consultations will be required to produce the deliverables – see Output 6: Stakeholder Engagement.

Output 4:

- Pre-feasibility Study

Indicative number of working days for this output: 60 days

Terms of Reference for Output 5:

Environmental and Social Action Plan

The project falls into the GCF's Environmental and Social Safeguard (ESS) category C i.e. "Activities with minimal or no adverse environmental and/or social risks and/or impacts". Please see Annex 1 of the Concept Note for the ESS screening of potential environmental and social risks and impacts.

Further social and environmental screening procedures will be undertaken in conjunction with consultations with a range of stakeholders in the Implementation Sites, to confirm this rating. An Environmental and Social Action Plan will be prepared to manage the anticipated risks/impacts identified through the Vulnerability Assessment, Pre-feasibility Study and stakeholder engagement processes. This will be done in accordance with GCF's Environmental and Social Policy and guidelines, and will be validated by stakeholders.

The deliverables will be an Environmental and Social Action Plan, which will include a detailed budget for the implementation of the proposed solutions.

Output 5:

- Environmental and Social Action Plan (ESAP)

Indicative number of working days for this output: 20 days

Terms of Reference for Output 6:

Gender Assessment and Gender Action Plan

PPF activity area: Environmental, social and gender studies

A Gender Assessment will be undertaken, which will include an assessment of the baseline situation and gender dynamics, including female youth and women with disabilities, in the Implementation Sites. The preparation of the Gender Assessment will be used to collect data and evidence on gender issues in the sectors of intervention and the context of the EbA-Farm project. In addition, stakeholder engagement and consultations during project preparation will be used to identify the needs and priorities of men and women that the project can address. Stakeholder consultation will be held at different levels (horizontally and vertically), ensuring adequate community level engagements – consultations will need to be a combination of virtual and in-person engagements – see Output 6: Stakeholder Engagement. The information collected will be clear about the challenges and opportunities presented for women and used to identify the needs and priorities of women and men in relation to the project.

The assessment of challenges and opportunities will also include economic as well as social dimensions given the local context, so that the project will be able to meet its objectives. Information collected through the Gender Assessment will be analysed and used to recommend opportunities or entry points that ensure the participation and access to project benefits by both men and women, including the project's activities that offer such opportunities.

A budgeted project-level Gender Action Plan and gender-responsive indicators and targets with baselines will be incorporated into the project logframe. The Gender Action Plan will be prepared with activities identified through the Gender Assessment, Vulnerability Assessments, the Environmental and Social Action Plan, identification of baselines, targets, performance indicators, timelines and responsibilities for implementation, and will include a budget for implementation of activities. The gender expert who conducts the Gender Assessment will be involved throughout the project development process to sufficiently integrate gender issues.

In the development of the overall project design and implementation arrangements (Output 3), a gender expert (or experts) should be included either in the Project Management Unit or where it makes reasonable sense within the institutional arrangement for the project. This expert must clearly be tasked with the implementation and monitoring of the Gender Action Plan and be included in the decision-making structures, such as Project Steering Committees, as relevant.

The assessment will revisit the definition of Indigenous Peoples in a South African context, as pastoralists (who are considered Indigenous Peoples according to the GCF's Indigenous Peoples Policy) and potentially other relevant groups may be present in the Implementation Sites. Should it be determined that Indigenous Peoples are present in the Implementation Sites, the appropriate steps as per the GCF's Indigenous Peoples Policy will need to be taken.

The development of the Gender Assessment and gender Action Plan will be guided by:

- The GCF's Gender Mainstreaming Manual: <https://www.greenclimate.fund/document/mainstreaming-gender-green-climate-fund-projects>

A detailed budget for the implementation of the proposed solutions will be prepared.

Output 6:

- Gender Assessment, including Indigenous Peoples Assessment
- Project-level Gender Action Plan

Indicative number of working days for this output: 40 days

Terms of Reference for Output 7:

Stakeholder Engagement

PPF activity area: Environmental, social and gender studies

Stakeholder consultation will be conducted at national, provincial, district and local levels to engage partners and stakeholders, define priorities, understand barriers, review and refine proposed interventions, and improve the project's design and strategy. Consultations can include a mix of virtual and in-person engagements – see below for further details. Based on experience, it is SANBI's view that in-person consultations are more beneficial than those conducted virtually. However, the uncertainty around potential COVID-19 related restrictions is noted, as is the familiarity with virtual engagements of most stakeholders at national and provincial levels, given the restrictions that have been in place in South Africa for the last 24 months. Therefore, where it is noted below that "consultations can be done virtually", while in-person engagements would be preferable, virtual consultations are acceptable. Should COVID-19 restrictions prevent in-person engagements where these are required, such as at the local level with communities and beneficiaries in Implementation Sites to ensure that they understand and have a meaningful say in terms of the selection and design of interventions, alternative arrangements will have to be made in conversation with the GCF.

Stakeholder engagement will include identifying relevant stakeholders and conducting stakeholder consultation processes within the target provinces and Implementation Sites, and consultations on the following activities:

- Scoping phase (consultations can be done virtually);
- Selection of Target Catchments (consultations can be done virtually);
- Baseline Study and Vulnerability Assessments (in-person consultations will be required);
- Pre-Feasibility Study (in-person consultations will be required);
- Environmental and Social Studies (in-person consultations will be required);
- Gender Assessment and Gender Action Plan (in-person consultations will be required);
- Risk Assessment and Mitigation Plan (in-person consultations will be required); and
- Full Funding Proposal (in-person consultations will be required).

Engagements will take place with stakeholder categories and groupings as follows:

- Partner consultation with Executing Entities, the EbA-Farm Reference Group and other relevant project partners (consultations can be done virtually);
- Consultation with related National Sector Departments (consultations can be done virtually);
- Consultations with all relevant stakeholders to select the Implementation Sites within relevant provinces (in-person consultations will be required);
- Consultations with national, provincial and local stakeholders, including the organised agricultural sector, to assess implementation options (in-person consultations will be required);
- Consultations with relevant stakeholders, including smallholder farmers and local communities, on the preparation of detailed implementation and management plans for each Implementation Site (in-person consultations will be required); and
- Consultations with key local stakeholders to obtaining letters of support (in-person consultations will be required).

Special care will be taken to guarantee that marginalised groups (e.g. women, unemployed, landless and youth) are meaningfully included.

It is tentatively anticipated that at least 90 stakeholder consultation sessions will be required, as noted below. Many of these consultations can be held in parallel across the Target Catchments and Implementation Sites:

- National – three high-level consultations in Pretoria or Cape Town, with approximately 50-100 stakeholders per session (consultations can be done virtually);
- Provincial – 12 high-level Government consultations across the four provincial capitals, with approximately 30-50 stakeholders per session (consultations can be done virtually);
- Provincial – 12 high-level consultations with Civil Society and the private sector, including the organised agriculture, across the four provincial capitals, with approximately 30-50 stakeholders per session (consultations can be done virtually);
- District – 12 working-level consultations across the four District Municipality principal cities, with approximately 20-30 stakeholders per session (in-person consultations will be required);

- Local/site level – 40 working-level consultations across the Implementation Sites, including with traditional leadership, with approximately 10-50 stakeholders per session (in-person consultations will be required);
- Project Governance – 3 engagements with the EbA-Farm Reference Group (quarterly) (consultations can be done virtually); and
- Project Management – 9 engagements with Project Management Committee (monthly) (consultations can be done virtually).

Local consultants should be contracted to implement the necessary consultations, noting the language complexity of South Africa. The local/site level consultations will need to be in both English and the local languages to ensure that stakeholders/beneficiaries who do not speak English well can express their input in their local language.

A stakeholder engagement plan will be developed to guide project implementation that includes details of consultations made during the project preparation, its aim being to:

- Ensure there are meaningful opportunities during the project for stakeholders to provide feedback, assess options, ask questions and raise concerns;
- Ensure information sharing and disclosure through the project's duration;
- Establish a culturally appropriate grievance redress mechanism, in accordance with both GCF and SANBI criteria; and
- Foster strong project-stakeholder relationships, including at the community level.

A Stakeholder Engagement Plan for the duration of the EbA-Farm project should be developed.

The stakeholder engagement processes will be guided by:

- Sustainability guidance note: Designing and ensuring meaningful stakeholder engagement on GCF-financed projects

A detailed budget for the implementation of the proposed engagements will be prepared.

The full Funding Proposal will include information on a project-level and the AE's institutional-level grievance redress mechanism, including the GCF independent redress mechanism.

Output 7:

- Report on Stakeholder Consultations conducted during the preparation of the project, including information on proceedings, dates and audience
- Project-level Stakeholder Engagement Plan
- Project-level Grievance Redress Mechanism (referring to the AE's institutional-level grievance redress mechanism and the GCF's independent redress mechanism)

Indicative number of working days for this output: 100 days

Terms of Reference for Output 8:

Risk Assessment and Management Plan

PPF activity area: Risk assessment

A risk assessment for the project will be conducted, which identifies how risks can be mitigated and managed. The deliverables for this activity will include:

- An integrated risk assessment identifying any substantive institutional, technical (including capacity to implement the planned project), operational, economic, financial, legislative (including municipal bylaws and provisional legislative frameworks), social, environmental and any other (such as unforeseen events e.g. pandemics, global conflicts) risks that the project may face. This assessment will be based on consultation from sectoral experts and relevant stakeholders, direct visits to and observation of Implementation Sites, and where appropriate, analysis of previous related interventions – consultations will need to be a combination of virtual and in-person engagements – see Output 6: Stakeholder Engagement;
- Quantification of hazard, exposure and vulnerability and proposal of different measures to achieve predefined objective in terms of risk reduction, with respect to their costs; and
- A management plan clarifying the relevant management measures and the role of key actors involved in the delivery of the different project components, including mechanisms that will ensure that the process of transfer of project benefits to final beneficiaries is transparent, efficient and follows the norms of the country.

A detailed budget for the implementation of the proposed measures will be prepared.

Output 8:

- Risk Assessment and Management Plan

Indicative number of working days for this output: 20 days

Terms of Reference for Output 9:

Development of Project Logframe, Monitoring and Evaluation Framework and Identification of Project-level Indicators

PPF activity area: Identification of programme/project level indicators

The project's logical framework with SMART project-level indicators (building on what was suggested in the Climate Risk and Vulnerability Assessment and refined in the Pre-feasibility Study) will be developed, in line with GCF expectations and Performance Management Framework.

The logframe will include suitable indicators at outcome, output and activity levels. Whenever appropriate indicators will be gender-disaggregated. The full Funding Proposal will include key indicators and baselines, which will confirm that climate risk management will be better integrated into policy and planning for landscape rehabilitation and management.

A Monitoring and Evaluation Framework and plan will be developed to measure achievement, progress and support adaptive management.

A detailed budget for the implementation of the proposed solutions will be prepared.

A standard reporting format will be developed that will capture the effectiveness of planned and achieved output and outcomes.

It is not expected that this output will require any detailed stakeholder consultations.

Output 9:

- Logical framework including project-level indicators
- Monitoring and Evaluation Framework
- Standard reporting format

Indicative number of working days for this output: 20 days

Terms of Reference for Output 10:

Full Funding Proposal write-up

PPF activity area: Other project preparation activities

This activity will result in the following deliverables:

- a) Project design:
 - Final EbA-Farm project design (as per GCF Simplified Approval Process Funding Proposal template and annexes).
- b) Stakeholder consultation:
 - Participation in consultations as required to ensure relevant stakeholder involvement in the design of the full Funding Proposal; and
 - Oversight of all stakeholder inputs and review of feedback into project proposal drafts.
- c) Project budget and financial report:
 - Costing and budgeting the project according to GCF standards, including:
 - Drafting the detailed budget;
 - Justifying the level of concessionality;
 - Assessing the resource-leveraging potential;
 - Assessment of the project's alignment with GCF investment criteria; and
 - Developing a co-financing framework and assisting the AE in obtaining co-financing letters.

d) Proposal writing:

- Draft of the full Funding Proposal and all supporting Annexes using GCF templates;
- Incorporation and addressing comments received from internal and external stakeholders and reviewers; and
- Response to comments from the GCF Secretariat, ITAP and GCF Board, and preparing the revised final Funding Proposal incorporating such comments and feedback.

Output 10:

- A final GCF Funding Proposal with all required Annexes

Indicative number of working days for this output: 60 days

Estimated time for completion of the full Funding Proposal: 9 months

E. Terms and Conditions

In submitting this application form, the Accredited Entity agrees to the following:

1. The Accredited Entity shall be responsible for:
 - a) managing the independent consultancy firm selected to provide project preparation support services.
 - b) providing instructions to the independent consultancy firm selected to provide project preparation support services.
 - c) the quality control of the final products produced by the independent consulting firm.
2. The Accredited Entity shall provide to the GCF the relevant certification that the Services are satisfactory and meet the contract standards within thirty [30] days from the date of completion of services by the independent consultancy firm.
3. The Green Climate Fund shall have no liability for the performance or quality of the services provided by the independent consultancy firm. To the maximum extent permitted by law, the Accredited Entity agrees to release the Green Climate Fund, **and its employees, agents and representatives** from any and all liability related to damage, loss, cost, expense incurred or injury suffered by the Accredited Entity as a result of the project preparation support services.



forestry, fisheries & the environment

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Dear Sir/Madam

PROPOSAL FOR THE GREEN CLIMATE FUND PROJECT PREPARATION FACILITY BY THE SOUTH AFRICAN NATIONAL BIODIVERSITY INSTITUTE REGARDING THE 'ECOSYSTEM-BASED APPROACHES FOR TRANSFORMING SMALLHOLDER FARMING SYSTEMS THAT ARE VULNERABLE TO THE IMPACTS OF CLIMATE CHANGE IN SOUTH AFRICA' PROJECT

We refer to the Project Preparation Facility (PPF) proposal titled 'Ecosystem-based Approaches for transforming smallholder farming systems that are vulnerable to the impacts of climate change in South Africa' for the preparation of the funding proposal for the project of the same name, as included in the PPF proposal submitted by the South African National Biodiversity Institute (SANBI) to us on 1 November 2022.

The undersigned is the duly authorised representative of the Department of Forestry, Fisheries and the Environment, the National Designated Authority/Focal Point of South Africa.

Pursuant to GCF decisions B.08/10 and B.13/21, the content of which we acknowledge to have reviewed, we hereby communicate our no-objection to the PPF activities, as included in the PPF proposal.

By communicating our no-objection, the following is implied:

- (a) The Government of South Africa has no-objection to the Project Preparation Facility request, as included in the PPF proposal;



Batho pele – putting people first

The processing of personal information by the Department of Forestry, Fisheries and the Environment is done lawfully and not excessive to the purpose of processing in compliance with the POPI Act, any codes of conduct issued by the Information Regulator in terms of the POPI Act and/or relevant legislation providing appropriate security safeguards for the processing of personal information of others.

PROPOSAL FOR THE GREEN CLIMATE FUND PROJECT PREPARATION FACILITY BY THE SOUTH AFRICAN NATIONAL BIODIVERSITY INSTITUTE REGARDING THE 'ECOSYSTEM-BASED APPROACHES FOR TRANSFORMING SMALLHOLDER FARMING SYSTEMS THAT ARE VULNERABLE TO THE IMPACTS OF CLIMATE CHANGE IN SOUTH AFRICA' PROJECT

- (b) The PPF proposal is in conformity with South Africa's national priorities, strategies and plans; and
- (c) In accordance with the environmental and social safeguards of the GCF, the PPF activities, as included in the PPF proposal, is in conformity with the relevant national laws and regulations.

We also confirm that our national process for ascertaining no-objection to the PPF proposal has been duly followed.

We acknowledge that this letter will be made publicly available on the GCF website.

Yours sincerely



Ms Nomfundo Tshabalala
DIRECTOR-GENERAL
DATE: 22/11/2022