



ADAPTATION FUND

AFB/B.17/3  
6 March, 2012

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Adaptation Fund Board  
Seventeenth Meeting  
Bonn, March 15-16, 2012

Agenda item 5.

## **REPORT ON ACTIVITIES OF THE SECRETARIAT**

## Background

1. This report lists the activities undertaken by the Adaptation Fund Board secretariat during the period of December, 2011 - March, 2012, between the 16<sup>th</sup> and 17<sup>th</sup> meetings of the Board.

### Finalization and posting of the report of the 16<sup>th</sup> Board meeting

2. Following the 16<sup>th</sup> meeting held in Durban, South Africa on 12-14 December 2011, the secretariat supported the Chair in finalizing the report of the meeting, through both editorial revisions and summarizing its discussions. As agreed by the Board, the report was completed and circulated to Board members and alternates for comments and approval. The report was revised for a few editorial discrepancies and was subsequently circulated amongst the Board for approval again. The Board agreed to the report and it has been posted on the website of the Adaptation Fund as document AFB/B.16/6/Rev.1.

### Preparations for the 17<sup>th</sup> Board meeting

#### *Meeting Arrangements*

3. The secretariat issued letters of invitation to the Board members and alternates, and facilitated visa arrangements with the assistance of the Government of Germany.

#### *Meeting documents*

4. The secretariat, working closely with the Board and Committees Chairs and Vice-Chairs, and the trustee, prepared the documents for the 17<sup>th</sup> Board meeting and for the 8<sup>th</sup> meetings of the Project and Programme Review Committee (PPRC), and of the Ethics and Finance Committee (EFC).

5. One document, Consideration of issues related to regional projects/programmes, which responds to AFB decision B.16/28 to update document AFB/B.16/5 based on the comments made at the 16<sup>th</sup> AFB meeting, is presented to be discussed by both PPRC and EFC, as outlined in the decision, as document AFB/PPRC.8/3 / AFB/EFC.8/11.

6. Other documents for the PPRC meeting comprise, in response to decision B.16/7, document AFB/PPRC.8/4, Guidance document for project and programme proponents to better prepare a request for funding, presents a short and concise guidance document for project and programme proponents to better apprehend the different sections of the proposal template. Document AFB/PPRC.8/Inf.1, Compendium of Board decisions and PPRC, consolidates Board decisions relevant to the project/programme review process. Conclusions related to the project review cycle are contained in document AFB/PPRC.8/5, Report of the Secretariat on initial project and programme review, which outlines the screening/technical review process undertaken by the secretariat. Further, seven project/programme documents with their corresponding technical reviews, and one Project Formulation Grant document, have been prepared:

AFB/PPRC.8/6  
AFB/PPRC.8/6/Add.1  
AFB/PPRC.8/7  
AFB/PPRC.8/8  
AFB/PPRC.8/9

Proposal for Benin  
Project Formulation Grant for Benin  
Proposal for Belize  
Proposal for Cambodia  
Proposal for Lebanon

AFB/PPRC.8/10  
AFB/PPRC.8/11  
AFB/PPRC.8/12

Proposal for Colombia  
Proposal for Ghana  
Proposal for Papua New Guinea

7. Among the documents related to the EFC meeting, document AFB/EFC.8/3, Reports on project/programme implementation: CSE presents CSE's second report on its programme implementation progress, using the newly approved PPR template. Document AFB/EFC.8/4 Investigative procedure, responding to decision B.16/22, proposes an investigative procedure for the Adaptation Fund. Document AFB/EFC.8/5, Consideration of the 50% cap for proposals submitted by Multilateral Implementing Entities (MIEs), responds to decision B.16/23 to present recommendations for the implementation of the 50% cap. Document AFB/EFC.8/6, Fundraising strategy, responds to decision B.16/24 and presents options for a fundraising campaign and strategy. Lastly, document AFB/EFC.8/12, Proposed amendments to the evaluation framework (prepared by the Adaptation Fund evaluation function), proposes amendments to the evaluation framework for consideration by the EFC to fully cover the items referred to in the decision related to the evaluative function of the Fund.

8. Other documents prepared by the Trustee for consideration by the EFC at its 8<sup>th</sup> meeting include AFB/EFC.8/7, Financial status of the Adaptation Fund Trust Fund (as at 31 December, 2011); AFB/EFC.8/7/Add.1, Transaction record – Individual CER sales; AFB/EFC.8/8, Additional information from the trustee on CER markets and monetization; AFB/EFC.8/9, CER monetization program guidelines (updated March 2012); AFB/EFC.8/10, Investment management by the trustee; and AFB/EFC.8/Inf.1, Investment Management of Donor Funds (World Bank Group).

9. Documents for the 17<sup>th</sup> Board meeting include the usual secretariat and Accreditation Panel reports (AFB/B.17/3 and AFB/B.17/4); document AFB/B.17/5, Number of Board meetings, responding to decision B/16/37 on the savings of reducing the number of meetings a year; and information documents such as List of documents; Board Members and Alternates; the List of accredited observers; the power-point Presentation on CER monetization by the trustee; and the Performance review of the secretariat and trustee.

## **Membership of the Board**

10. Following the election of the new Board members and alternates by the seventh Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP7), the several newly elected members and alternates' terms will commence at the 17<sup>th</sup> AFB meeting.

11. The following includes a list of the changes in the membership of the Board:
- a. Mr. Ezzat Lewis Hannalla Agaiby (Egypt, Africa) will become the Member and Mr. Zaheer Fakir (South Africa, Africa) will be the Alternate for the Africa constituency.
  - b. Ms. Laura Dzelzyte (Lithuania, Eastern Europe) will replace Ms. Barbara Letachowicz (Poland, Eastern Europe) as Member and Mr. Aram Ter-Zakaryan (Armenia, Eastern Europe) will become Alternate for the Eastern Europe constituency.

- c. Mr. Luis Paz Castro (Cuba, GRULAC) became the Member and Mr. Jeffery Spooner (Jamaica, GRULAC) became Alternate for the GRULAC constituency. Mr. Philip Weech (Bahamas, GRULAC) will replace Mr. Luis Paz Castro (Cuba, GRULAC) as Member and Mr. Spooner will remain Alternate.
- d. Mr. Anton Hilber (Switzerland, WEOG) will become the Member and Mr. Hans Olav Ibrekk (Norway, WEOG) will be the Alternate for the WEOG constituency.
- e. Mr. Farrukh Iqbal Khan (Pakistan, Non-Annex I), Member, terminated his mandate as Member of the Board, and Mr. Bruno Sekoli (Lesotho, Non-Annex I), formerly Alternate, has become Member for the Non-Annex I constituency.
- f. Ms. Kate Binns (United Kingdom, Annex I), Alternate, has resigned from the Board.
- g. Mr. Mohamed Shareef (Maldives, SIDS) has replaced Mr. Amjad Abdulla (Maldives, SIDS) as Alternate for the SIDS constituency.
- h. Mr. Mamadou Honadia (Burkina Faso, LDCs) will replace Mr. Richard Muyungi (Tanzania, LDCs) as Member and Mr. Adao Saores Barbosa (Timor Leste, LDCs) will replace Mr. Monowar Islam (Bangladesh, LDCs) as Alternate for the LDC constituency.

12. A Board member position remains vacant for the Asia-Pacific constituency (1), and Alternate positions remain vacant for Non-Annex I Parties (1), the Asia-Pacific constituency (1), and Annex I Parties (1).

### **Implementation of decisions adopted by the Board at its 16<sup>th</sup> meeting and during the ensuing intersessional period**

#### *Communication of Board decisions on accreditation and project proposals*

13. The secretariat issued letters to applicant implementing entities' coordinators informing them of the Board decisions on accreditation of implementing entities and project proposals submitted.

#### *Preparation of standard legal agreement between the Board and Implementing Entities*

14. The secretariat prepared legal agreements for the approved projects for Uruguay (ANII), Cook Islands (UNDP), Georgia (UNDP), and Samoa (UNDP), Tanzania (UNEP), and Madagascar (UNEP). The agreement with ANII was signed by the implementing entity and the Board Chair. The agreements with UNDP and UNEP are pending implementing entity signature.

#### *Notification of status of legal issues raised in letters received from UNDP, UNEP and the World Food Programme (WFP)*

15. Following decision B.16/27, the secretariat, on behalf of the Chair, responded to the letters reinforcing the Board's position on the matter. Letters were also sent to the Designated Authorities of countries with newly approved projects informing them of delays resulting from the legal issues.

16. The secretariat also issued letters to all Designated Authorities and UNFCCC focal points regarding the Board's position and the status of the issue.

*Regional workshops on NIE accreditation mandated by CMP 6*

17. The secretariat's Operations Officer and Adaptation Officers are collaborating with the UNFCCC secretariat and experts of the Accreditation Panel for the preparations of the remaining two accreditation workshops for the Asia and Pacific regions. Further information is presented in the report of the Accreditation Panel.

*Website*

18. The secretariat has continued to make efforts to update and improve the content and structure of the Adaptation Fund's website.

19. The secretariat is working on finalizing the accreditation workflow to manage applications, including functionality to submit applications online. The first version of the workflow, which is intended to allow full online submission of the accreditation application is expected to be operational in March.

*Performance reviews of the secretariat and trustee*

20. The secretariat provided responses to a questionnaire prepared by the working group established under decision B.16/30 on matters related to the performance review of the secretariat and trustee.

*Private donations*

21. The secretariat and the trustee met with the UN Foundation to discuss the arrangements to partner on the collection of private donations to be channeled to the Adaptation Fund. The UN Foundation accepted the Board request to enter into such a partnership. The funds would be transferred to the AF Trust Fund biannually for a fee of 13% of the proceeds. The UNF is hosting a side-event in Rio + 20 and the possibility of launching the partnership with the Adaptation Fund Board was considered.

22. Aside from the donation agreement being prepared by the trustee, the Board may wish to consider whether to negotiate a memorandum of understanding/legal agreement with UNF to formalize the partnership. The MOU could outline the reporting obligations of both parties to the MOU, any other issues related to the collection of fees, among other relevant topics.

*Communications*

23. The revised handbook containing the amended operational policies and guidelines has been redesigned and will be printed upon inclusion of the pending guidelines for project proponents, which is being considered by the Board at the present meeting.

24. The secretariat has also produced a brochure for the purposes of fundraising, containing relevant information about its priorities, achievements, and funding needs.

25. Lastly, the secretariat has been in contact with Germanwatch and the AF NGO network on the guidelines for the Adaptation Fund's Photo Contest for 2012.

*Visit of the West African Development Bank (BOAD)*

26. On February 16, 2012, two representatives from the West African Development Bank (BOAD) visited the secretariat. The secretariat team gave detailed presentations on the project/programme review criteria and cycle.

### Support to the Accreditation Panel

27. The secretariat continued screening applications for accreditation from Parties and regional and multilateral organizations and development banks. As of the date of issuance of this document and after the last Board meeting, the secretariat received new requests for accreditation from 2 national entities and 1 regional organization. Two new accreditation applications from national entities were forwarded to the Panel for review. The secretariat requested applicants whose applications were not complete and were thus not forwarded to the Panel, to complete the information and supporting documentation. Since the inception of the accreditation process, the secretariat has received and screened 50 applications: 34 from non-Annex I Parties, 4 from regional organizations and 12 from multilateral organizations and development banks. The Panel has so far reviewed 37 applications: 23 from non-Annex I Parties, 2 from regional organizations and development banks, and 12 from multilateral organizations and development banks. This information will be updated during the presentation of this report.

Table 1: Status of accreditation applications submitted to the secretariat since inception of the accreditation process (January, 2010).

|   | <b>NIE</b> | <b>RIE</b> | <b>MIE</b> |
|---|------------|------------|------------|
| Accredited  | 8          | 1          | 10         |
| Not-accredited  | 3          | 0          | 0          |
| Under review by Accreditation Panel                                     | 11         | 1          | 2          |
| Screened by secretariat pending completion of accreditation application | 12         | 2          | 0          |
| Pending screening by secretariat  | 0          | 0          | 0          |
| <b>Total Submitted: 50</b>  | <b>34</b>  | <b>4</b>   | <b>12</b>  |

Table 2: NIE accreditation applications submitted per region

|                             |    |
|-----------------------------|----|
| Africa                      | 16 |
| Latin America and Caribbean | 8  |
| Asia and Pacific            | 10 |

28. The secretariat worked closely with the Panel Chair and Vice-Chair and assisted the Panel in its discussions. The 9<sup>th</sup> Panel meeting was organized during the reporting period. The secretariat also assisted the Panel in finalizing its report.

#### **Screening/technical review of project/programme proposals**

29. The secretariat screened and prepared technical reviews of the 12 project proposals received during the reporting period. In performing this task, the dedicated team of officials of the secretariat was supported by GEF secretariat technical staff.

#### **Staffing**

30. The newly recruited Intern, Ms. Jeannette Lee, joined the secretariat team on 3 January 2012. She is currently assisting with communications and knowledge management.

#### **Recommendation**

31. The Board may wish to consider requesting the secretariat to draft and negotiate an MOU/legal agreement with UNF in order to formalize the partnership to collect private donations online, in consultation with the Board Chair and Vice-Chair, and make the necessary arrangements for its signature.