

The Adaptation Fund

AFB/B.2/15
May 19, 2008

Adaptation Fund Board
Second Meeting
Bonn, June 16-19, 2008

Agenda Item 8

**NOTE ON PREPARATION OF THE REPORT OF THE ADAPTATION
FUND BOARD TO THE CONFERENCE OF THE PARTIES SERVING AS
THE MEETING OF THE PARTIES TO THE KYOTO PROTOCOL**

1. In accordance with Decision 1/CMP.3, paragraph 5(l) and 5(m), the Adaptation Fund Board (AFB) is requested to report to the Fourteenth Session of the Conference of the Parties serving as the Fourth meeting of the Parties to the Kyoto Protocol, as follows:

- (a) To develop strategic priorities, policies and guidelines, and recommend their adoption to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
- (b) To develop and decide on specific operational policies and guidelines, including programming guidance and administrative and financial management guidelines, in accordance with decision 5/CMP.2, and report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
- (c) To develop criteria based on principles and modalities listed in decision 5/CMP.2 to ensure that the executing entities have the capacity to implement the administrative and financial management guidelines of the Fund, and report on it to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
- (e) To develop and agree on additional rules of procedure for the Board and recommend these for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
- (j) To develop and approve draft legal and administrative arrangements for secretariat services and the trustee for approval by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
- (k) To be responsible for the monetization of certified emission reductions issued by the Executive Board of the clean development mechanism and forwarded to the Adaptation Fund to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation, and to report annually to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on the monetization of certified emission reductions.

2. The report may have the following structure:

- (a) The body of the document would provide a synthesis of the reports of all meetings of the Board held prior to the fourth session of the COP/MOP, as well as all the decisions taken during those meetings.
- (b) Annex 1 will list all the recommendations of the Board to the COP/MOP to consider adopting the following recommended policies and procedures:
 - (i) Draft Rules of Procedure of the Adaptation Fund Board Meetings (AFB/B.2/4);

- (ii) Draft Legal Arrangements for the Adaptation Fund Secretariat (AFB/B.2/6);
 - (iii) Draft Legal Arrangements for the Adaptation Fund Trustee (AFB/B.2/11);
and
 - (iv) Any additional recommendation, per the above list, requiring decision of the fourth session of the COP/MOP.
- (c) Annex 2 will provide the full texts of the reports of all the meetings of the Board held prior to the COP/MOP meeting.

3. The UNFCCC Secretariat has informed the AF Secretariat that the Board's report will need to be submitted to the UNFCCC Secretariat by 1 September, 2008 for further dissemination to all the Parties and accredited observers.