



ADAPTATION FUND

AFB/EFC.9/7
20 June 2012

Ethics and Finance Committee
Ninth Meeting
Bonn, Germany, 26-27 June 2012

Agenda item 8.d)

WORK PLAN FOR FISCAL YEAR 2013

Background

1. At its 14th meeting the Adaptation Fund Board (Board) approved the work plan for the fiscal year 2012 (FY12: July 1, 2011 – June 30, 2012). The present document summarizes the actions and decisions taken by the Board in compliance with the approved work plan for FY12. It also contains a proposal of work plan for FY13, prepared by the secretariat and based on the mandate that the Board received from the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP) and decisions adopted by the Board, for consideration by the Ethics and Finance Committee (EFC).

Compliance with work plan for FY12

2. During FY12 and as of the date of issuance of this document the Board has fulfilled the following functions mandated by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) in decisions 1/CMP.3 and 1/CMP.4:

- The Board has accredited additional 8 implementing entities, among them 6 National Implementing Entities (NIEs), thus allowing seeking resources through the direct access modality to a broader set of eligible countries.
- The Board has approved 8 projects/programmes for funding for a total amount of US\$ 55.16 million. The total amount of funds disbursed during the period mentioned above is US\$ 3.25 million. Further 7 concepts have been endorsed.
- In its report to CMP 7 the Board made available performance reviews of the interim secretariat and the interim trustee. Following consideration of which, CMP 7 requested the Board *to submit to the secretariat, as soon as possible after its first meeting in March 2012, its views on the report on the review of the interim arrangements of the Adaptation Fund for inclusion in an information document.* The matter was taken up by the Subsidiary Body for Implementation (SBI) at its 36th session (May 2012), which *took note of the views of the Adaptation Fund Board on the report on the review of the interim arrangements of the Adaptation Fund.*¹ *The SBI invited the Adaptation Fund Board to make available in its report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its eighth session its views on the report on the review of the interim arrangements of the Adaptation Fund by 13 August 2012, in addition to those submitted in document FCCC/SBI/2012/INF.2.* The SBI further *invited the Adaptation Fund Board to provide additional information on the administrative costs of the Adaptation Fund Board*².
- In relation to Decision 5/CMP.6, the secretariat has coordinated and collaborated with the UNFCCC secretariat in the organization, conduct and implementation of the regional accreditation workshops. Four workshops have been held, with the first one for the African region in Dakar, Senegal, the second for the Latin America and Caribbean region in Panama City, Panama, the third for the Asia, Middle East and Western Europe region in Manila, the Philippines, and finally, the fourth regional accreditation workshop was organized for the Pacific region in Apia, Samoa.

¹ FCCC/SBI/2012/INF.2.

² Conclusions approved by SBI 36 on agenda item 6a of its agenda.

- The CER monetization programme continued being implemented by the trustee. The cumulative proceeds of the programme amount to US\$ 173.92 million as of 30 April 2012³.

3. The following actions derived from Board decisions and included in the work plan for FY12 were also implemented during the reporting period:

- Work programme to promote the accreditation of NIEs (decision B.9/9): During FY12 presentations on the accreditation process by either Board members or secretariat staff were made at the following meetings: GEF Extended Constituency Workshops in Dakar, Senegal (6-8 July, 2011) and Honiara, Solomon Islands (27-29 September, 2011); side-event in the margins of COP 17 / CMP 7 (Durban, South Africa, 2 December 2011).
- Evaluation framework: the Board at its 14th meeting approved the evaluation framework prepared by the GEF Evaluation Office (GEFEO) and decided to entrust the Fund's evaluation function to the GEFEO, for an interim three-year period⁴. In addition, the Board at its 16th meeting considered and approved amendments to the evaluation framework proposed by the evaluation function.
- Communications strategy: the Board at its 11th meeting considered a proposal of communications strategy⁵ and approved a plan for its implementation⁶. A report on the implementation of the communications strategy is presented by the secretariat at each meeting, including the communications material developed. A dialogue between the Board and civil society organizations takes place on the occasion of every Board meeting.
- Review of the operational policies and guidelines: the Board at its 15th meeting approved revised operational policies and guidelines (OPG) and related templates⁷. Further, at its 17th meeting the Board approved revised instructions for preparing a request for project/programme funding from the Adaptation Fund⁸.
- Assessment of the accreditation process: recommendations by the Accreditation Panel (AP) have been incorporated by the Board to include the requirement for applicants to submit the relevant supporting documentation in English and in electronic format. Further assessment of the accreditation process from an operational and strategic perspective is underway in the context of lessons learned by the AP and initially incorporated into its report to the Board since AFB 18.
- Review of the Fund's first annual report: the Board at its 16th meeting considered the first annual performance report of the Fund, and approved the reporting process and the project performance report template (PPR)⁹.
- Review of performance reports on implementation of projects/programmes: The Board considered performance reports by the NIE *Centre de Suivi Ecologique* (CSE, Senegal)

³ Updated information provided by the trustee to the secretariat.

⁴ Decision B.15/23.

⁵ Document AFB/B.11/8.

⁶ Decision B.11/21.

⁷ Decision 15/29.

⁸ Decision B.17/7.

⁹ Document AFB/EFC.7/4/Rev.2.

on the implementation of the programme *Adaptation to coastal erosion in vulnerable areas of Senegal* at its 15th, 16th and 17th meetings, and approved the release of two additional tranches of funding for the programme. This process will be carried out on a non-objection basis in the future;

- Knowledge Management (KM) strategy: the Board at its 15th meeting approved a KM strategy and work plan for its implementation¹⁰. An update of the status of implementation will be provided to the Board at this meeting. The secretariat is finalizing draft guidelines for integrating KM activities into project implementation.
- Renewal of the mandates of the expert members of the Accreditation Panel: the Board at its 15th meeting requested the Chair to write to the head of the secretariat to request her to use her best efforts to ensure that contracts of the expert members of the Accreditation Panel would be renewed for an additional two years and to ensure that there would be no gaps in the expert membership of the Panel. The contracts have been effectively renewed and no gaps have been experienced in the provision of services by the expert panel members.
- Other routine activities by the Board include the presentation of the Board report to CMP 7 and the consideration of the budget and work plan for the FY13, the latter on the agenda of this meeting.

Proposal of work plan for FY13

4. Among the actions mandated by decision 1/CMP.3, the Board has yet to perform the following:

- *To monitor and review implementation of the operations of the Adaptation Fund, including its administrative arrangements and the expenditures incurred under the Adaptation Fund, and recommend decisions as may be appropriate, for adoption by the Conference of the Parties serving as the meeting of the Parties of the Kyoto Protocol (paragraph 5 (f));*
- *To [...] ensure independent evaluation and auditing of activities supported by the Adaptation Fund (paragraph 5 (i)).*

5. Following decisions made by CMP 7 the Board has also the following responsibilities:

- To make available in its report to the CMP 8 its views on the report on the review of the interim arrangements of the Fund, in accordance with paragraph 33 of decision 1/CMP.3¹¹, including an invitation to submit additional information on the administrative costs of the Board.

6. At each session of the CMP the Board is requested to report on its activities (decision 1/CMP.3, paragraph 5 (l)).

7. In addition to the actions mandated by the CMP, the Board has decided to carry out the following:

¹⁰ Decision B.15/22.

¹¹ Decision 6/CMP.6, paragraph 3.

- Enter into a partnership with a third party (UN organization, foundation, NGO) that would raise funds through on-line donations¹². Negotiations with the United Nations Foundation (UNF) for the conclusion of the legal agreements required to establish the partnership are currently underway and the secretariat will present a report at the present Board meeting;
- Undertake fundraising activities through the Manager of the secretariat¹³. A report on the activities undertaken, including proposals of further work are to be presented at this EFC meeting;
- Consider options for a fundraising campaign and strategy¹⁴. A list of options for a fundraising campaign and strategy was presented at the 8th meeting of the EFC and is still under consideration;
- Consider a proposal of investigative procedure to address cases of misuse of resources by implementing entities¹⁵. A proposal developed by the secretariat is under consideration by the EFC at this meeting;
- Establish a project pipeline once the 50 per cent cap for projects implemented by multilateral implementing entities (MIE) is reached¹⁶
- Conduct an overall evaluation of the Fund¹⁷. The date of such evaluation has yet to be decided by the Board;
- Conduct a learning mission to the programme implemented by CSE in Senegal.

8. The Board has also decided to perform some ongoing activities of supervision on its advisory bodies, the two Board Committees and the Accreditation Panel, and its portfolio:

- The Committees shall report annually to the Board on their performance, including meeting attendance and effectiveness (General guidelines for Committees, paragraph 17). The Committees' reports are merged into the annual report of the Board to the CMP;
- The Board shall oversee the performance of the Panel and its members, as necessary (Terms of reference for the establishment of the Adaptation Fund Board Accreditation Panel, paragraph 13);
- The Board shall revise the terms of reference of the Panel as necessary (paragraph 21);
- Present the status of portfolio monitoring through an annual performance report, prepared by the secretariat under the direction of the EFC¹⁸.

¹² Decision 14-15/2.

¹³ Decision B.16/24.

¹⁴ Decision B.16/24.

¹⁵ Decision B.16/22.

¹⁶ Decision B.17/19.

¹⁷ Decision B.13/20, paragraph (d).

¹⁸ Report of the 10th meeting of the Adaptation Fund Board, Annex IV, paragraph 24.

9. Lastly, the Board has decided to
 - Keep the operational policies and guidelines under review and amend them as deemed necessary.
10. These activities will start being implemented during FY13 as part of the Board work plan.
11. Based on the above, the secretariat presents to the EFC the work schedule, as contained in the annex to this document. The routine activities of the Board (i.e. CER monetization issues, consideration and approval of project proposals) are not included in the work schedule. Other actions can be added as a result of the decisions adopted by the Board at this meeting.

Recommendation

12. The EFC may wish to consider and recommend to the Board for approval the draft work plan for FY13 and the tentative work schedule, as contained in document AFB/EFC.9/7.

DRAFT WORK PLAN FY11: TENTATIVE WORK SCHEDULE**19th meeting: October 2012**

- Consideration of a report by the secretariat/Accreditation Panel on the lessons learned in the accreditation process;
- Consideration of terms of reference (TORs) for the investigative consultants;
- Consideration of the second annual performance report of the Fund, including any issues arising from the project performance reports that will be considered on a non-objection basis for the UNDP projects in Honduras, Nicaragua and Solomon islands; and the CSE programme in Senegal;
- Consideration of draft guidelines for integrating knowledge management activities into project implementation;
- Consideration of draft terms of reference for the learning mission to Senegal;
- Demonstration of a mapping portal for the AF's approved projects.

20th meeting: February 2013

- Consideration of a short-list of candidates for the positions of Investigative Consultants;
- Consideration of any issues arising from the project performance report that will be considered on a non-objection basis for the CSE programme in Senegal, the UNDP project in Pakistan and the WFP project in Ecuador;
- Consideration of a report by the secretariat on presentations to foundations and philanthropic organizations in order to fundraise with them and assess whether issuing certificates would add value in comparison to plain donation agreements;
- Presentation of findings from secretariat's first learning mission to Senegal.

21st meeting: June 2013

- Assessment of the accreditation process, including the review of the TORs of the Panel;
- Consideration of a report on the recruitment process of the Investigative Consultants and establishment of the investigative function;
- If available, consideration of the Programme completion report of the CSE programme in Senegal;
- Proposal of budget FY14;
- Proposal of work plan FY14.