



ADAPTATION FUND

AFB/B.15/6
September 7, 2011

Adaptation Fund Board
Fifteenth Meeting
Bonn, Germany, September 15-16

Agenda item 8.b)

REVIEW OF THE OPERATIONAL POLICIES AND GUIDELINE

Background

1. The operational policies and guidelines for Parties to access resources of the Adaptation Fund (OPG) state in paragraph 65 that:

The Board shall keep these operational policies and guidelines under review and will amend them as deemed necessary.

2. At its 13th meeting the Board discussed a preliminary draft contained in the Annex to document AFB/EFC.4/9 and established an ad-hoc committee to consider the issues outlined in sections II b) and (c) of document AFB/EFC.4/9 as well as any other issue that may be deemed relevant, including looking audit and notification. The ad-hoc committee supported by the secretariat was mandated to produce proposals for amending the OPG, addressing the issues identified above. The Board further requested the secretariat to present a consolidated draft of the revised OPG to the 5th meeting of the EFC (decision B.13/21).

3. Following the mandate above, the ad-hoc committee discussed the issues identified by the Board and made additional amendment proposals. The secretariat prepared a consolidated draft of the revised OPG, including the text already agreed at the 13th Board meeting. Following discussion of the consolidated draft, at its 14th meeting the Board approved the amendments contained in annex V to its report¹. The Board also deferred consideration of paragraph 10 of the OPG to the PPRC; and of paragraphs 34, 48, 57, 58 and 59 to the ad-hoc committee formed pursuant decision B.13/21. The Board requested the PPRC and the ad-hoc committee to report on their deliberations at its 15th meeting (decision B.14/26).

4. Further, by intersessional decision B.14-15/1, the Board also approved amendments to the templates of the OPG.

5. The PPRC and the ad-hoc committee, supported by the secretariat, continued their deliberations on the assigned paragraphs during the intersessional period. The annex to this document presents the draft amendments to those paragraphs as agreed by the PPRC and the ad-hoc committee. Some brackets still remain for further discussion by the Board.

Recommendation

6. Having considered the amendments proposed in the annex to document AFB/B.15/6, the Board may want to:

- a) Approve the proposed amendments to the OPG;
- b) Request the secretariat to publish the final version of the OPG on the website and to update the Adaptation Fund Handbook accordingly.

¹ Document AFB/B.14/5.

Annex

CONSOLIDATION OF PROPOSED AMENDMENTS TO PARAGRAPHS IDENTIFIED BY DECISION B.14/26

Paragraph 10

A concrete adaptation project/programme is defined as a set of activities aimed at addressing the adverse impacts of and risks posed by climate change. The activities shall aim at producing visible and tangible results on the ground by reducing vulnerability and increasing the adaptive capacity of human and natural systems to respond to the impacts of climate change, including climate variability. Adaptation projects/programmes can be implemented at the community, national, regional and transboundary level. Projects/programmes concern activities with a specific objective(s) and concrete outcome(s) and output(s) that are measurable, monitorable and verifiable.

Paragraph 34

Accreditation for the implementing entities would follow a transparent and systematic process through an Adaptation Fund Accreditation Panel (the Panel) supported by the Secretariat. The Panel will consist of two Board Members and three experts. The different steps for accreditation are as follows:

- (a) The Board will invite Parties¹ to each nominate a National Implementing Entity (NIE); the Board will issue a call to potential Multilateral Implementing Entities (MIE) to express interest in serving as an MIE;
- (b) Potential implementing entities (NIEs, RIE/~~SRIEs~~, or MIEs), will submit their accreditation applications to the Secretariat together with the required supporting documentation to verify how they meet the [fiduciary standards] [accreditation requirements];
- (c) The Secretariat will review-screen the documentation to ensure that all the necessary information is provided, and will follow-up with the potential implementing entities to ensure that the application package is complete. The Secretariat will forward the complete package to the Panel within 15 (fifteen) working days following receipt of a candidate implementing entity's submission;
- (d) The Panel will undertake a desk-review of the application and forward its recommendation to the Board; should the Panel require additional information prior to making its recommendation, a mission and/or a teleconference may be undertaken with regard to the country concerned.²

¹ The Designated Authority referred to in paragraph 21 above shall endorse the application for accreditation on behalf of the Party.

² The Panel will specify areas requiring further work to meet the requirements and may provide technical advice to address such areas. In exceptional circumstances, an external assessor may be used to help resolve especially difficult/contentious issues.

- (e) The Board ~~will~~ may provide further guidance on the required information in the future on the basis of lessons learned; and
- (f) The Board will make a decision and in writing will notify the entity of the outcome, which could fall into one of the following categories:
 - (i) Applicant meets requirements and accreditation is approved; or
 - (ii) Applicant needs to address certain requirements prior to full accreditation.

Paragraph 48

The project/programme proponent shall return any unused funds to the Trust Fund through the trustee, once the developed project/programme is either rejected or approved [if the fully developed project/programme document is rejected].

Paragraph 57

All regular projects and programmes that complete implementation could will be subject to terminal evaluation by an independent evaluator selected by the implementing entity. All small projects and programmes shall be subject to terminal evaluation if deemed appropriate by the Board. Terminal evaluation reports will be submitted to the Board after a reasonable time after project termination, as stipulated in the project agreement.

Paragraph 58

The Board requires that all projects' and programmes' objectives and indicators align with the Fund's Strategic Results Framework. Each project/programme will embed relevant indicators from the strategic framework into its own results framework. Not all indicators will be applicable to all projects/programmes but at least one of the core outcome indicators should be embedded.

Paragraph 59

The Board reserves the right to carry out independent reviews[, evaluations] or investigations of the projects and programmes as and when deemed necessary. The costs for such activities will be covered by the Fund. Lessons from evaluations will be considered by the PPRC when reviewing project proposals.