



ADAPTATION FUND

AFB/B.17/5
8 March 2012

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

NUMBER OF BOARD MEETINGS

Background

1. At its 16th meeting the Board considered changing to a schedule of three meetings a year, possibly of slightly longer duration, rather than four, in order to allow some savings given the current resources availability. Following discussion of the pros and cons of implementing such a schedule, the Board decided to

(a) Request the secretariat to present at the 17th meeting of the Board:

(i) Information on the cost savings of reducing the number of meetings a year to three;

(ii) Procedures for taking intersessional decisions in lieu of at Board meetings; and

(iii) Implications for both the project and programme cycle and the accreditation process of reducing the number of Board meetings held each year.

(b) Consider the frequency of its meetings at the 17th meeting of the Board, taking into account the information presented by the secretariat.

(Decision B.16/37)

2. Document AFB/B.17/5 has been prepared by the secretariat to address the request above and is presented to the Board for consideration.

Information on the cost savings of reducing the number of meetings a year to three

3. Annex I of document AFB/B.17/5 presents the rough meetings organizational costs which are about USD 1,396,000 for the four Board/Committees and USD 104,000 for the four Accreditation Panel meetings, totaling USD 1,500,000. It also presents the estimated savings that reducing the number of meetings a year to three would represent for the Board and secretariat's and for the trustee's administrative budgets.

4. The annex presents two alternatives:

a) Three day Board/Committees meetings and two day Accreditation Panel meetings three times a year, which would save approximately USD 375,000.

b) Four day Board/Committees meetings and two day Accreditation Panel meetings three times a year, which would save approximately USD 246,000.

5. When considering the savings above, the Board should bear in mind not only the monetary costs that the organization of four meetings a year represents for the administrative budgets but also the opportunity cost in terms of the dedicated secretariat's time. Although the monetary cost may not seem too significant, the investment of secretariat's time in meeting preparation prevents the dedicated staff from engaging in activities such as fundraising, networking with potential donors and the private sector; attending events to showcase the

experience of the Adaptation Fund; and, in the near future, monitoring of project/programmes under implementation. With the current schedule, a significant part of the secretariat's time is consumed by activities directly linked with the organization of meetings. Besides the logistics related activities, the secretariat prepares a number of documents that are presented to the Board at every meeting (agendas and annotated agendas, secretariat's activities, Accreditation Panel report, report on initial project/programme review, notes for Chairs, informative documents). Annex II presents the approximate dedicated staff time spending for logistics and meeting document preparation for a Board meeting. It also interacts with the Board and Committees Chairs and Vice-Chairs, and Accreditation Panel members in preparation for their meetings via teleconferences, skype calls, etc. Furthermore, the time available for the secretariat to prepare documents, review projects/programmes and screen accreditation applications is three months, which, mainly in the case of the project cycle, becomes very tight. Additionally, the deadline for proposal submission is currently approximately four weeks after each Board meeting. Should the Board have three meetings per year, proponents would have more time to thoroughly revise and resubmit concepts or fully-developed proposals that were not approved so that they can be submitted to the subsequent Board meeting for consideration.

6. The current schedule allows very little time for training activities that the secretariat's dedicated staff could undertake and are now performed by cross-support staff, such as transaction activities that require a six-month training course to pass an accreditation exam at the World Bank. Further, the frequent Board meeting schedule allows very narrow time frames during which the secretariat staff can take annual leave days without compromising the secretariat's work. As a consequence, almost all the eligible members of the dedicated secretariat's staff had not taken the minimum annual leave days corresponding to the previous fiscal year as required by the World Bank. Reducing the number of meetings a year to three would lead to a more efficient administration of the secretariat's time.

Procedures for taking intersessional decisions in lieu of Board meetings

7. The Adaptation Fund has rules and procedures already in place that allow the Board to consider issues and make decisions thereon during the intersessional period.

8. On their section XVI, Intersessional decisions, the Rules of procedure of the Adaptation Fund Board state:

56. Decisions without meetings may occur on an extraordinary basis when, in the judgement of the Chair and the Vice-Chair, a decision must be taken by the Board that should not be postponed until the next meeting of the Board. The secretariat, with the approval of the Chair, shall transmit to each member and alternate a proposed decision with an invitation to approve the decision on a no-objection basis.

57. Each member's comments on the proposed decision shall be sent to the secretariat during such period as the secretariat may prescribe, provided that such period is no less than two weeks.

58. At the expiration of the period prescribed for comments, the decision shall be approved unless there is an objection. If a proposed decision has financial implications, approval of the decision will require replies from at least two-thirds of the members. If there is an objection raised by any member to any proposed decision that cannot be resolved, the Chair shall include consideration of the proposed decision as an item on the agenda for the next meeting.

59. Any intersessional decision shall be deemed to have been taken at the headquarters of the UNFCCC secretariat. The secretariat shall inform members and alternates about the decision and post all intersessional decisions on the Adaptation Fund website.

9. Thus, the Board can make decisions on project/programme proposals and accreditation of implementing entities during the intersessional period, without affecting its business. If project/programme proposals were to be approved for funding, the replies of two-thirds of the Board members rule outlined on paragraph 58 above shall apply.

10. The accreditation process has already a well established practice of intersessional approvals. The Accreditation Panel requested Board authorization to present recommendations on accreditation of implementing entities during the intersessional period a number of times and one NIE and one MIE have been accredited intersessionally¹. Typically the secretariat circulates the Accreditation Panel report and recommendation among Board members on a non objection basis for consideration for a fifteen day period. It deserves to be highlighted that, so far, the Board has only considered intersessional accreditation of implementing entities whose cases had already been considered by the Board in session and that, at the time of the discussion, had pending issues to be resolved between the Accreditation Panel and the applicant. No new applications for accreditation have ever been presented to the Board for intersessional approval.

11. Should the Board decide to reduce the number of meetings to three a year, it may want to consider:

- a) In the case of accreditation applications, whether to allow intersessional consideration and approval of new accreditation applications apart from the current practice of considering for approval only applications already discussed in session by the Board;
- b) In the case of project/programme proposals, the Board may want to consider whether to allow intersessional approval of:
 - i. Any submissions received by an established deadline, or
 - ii. Only a certain kind of proposals received by an established deadline, in which case the Board may also want to consider allowing intersessional approval of any or all of the categories below:
 - a. Project/programme concepts; and/or

¹ Decisions 14-15/6 (Accreditation of South African National Biodiversity Institute) and 13-14/1 (Accreditation of Inter-American Development Bank)

- b. Two step fully developed proposals that have already been endorsed by the Board at previous meetings as concepts, presenting neither significant policy issues nor difficulties that would justify a more in depth discussion at the PPRC. In this case the two-third rule shall apply; and/or
- c. One step fully developed proposals presenting neither significant policy issues nor difficulties that would justify a more in depth discussion at the PPRC. In this case the two-third rule shall apply.

Implications for both the project/programme cycle and the accreditation process of reducing the number of meetings

12. The Adaptation Fund Board is the governing body of an environmental fund that meets the most times per year². Following the above, the implications for the project/programme cycle and accreditation process would be very minor. Should the Board prefer to go along any or all the options under (b), there would still be three occasions per year to submit any kind of proposals.

13. Should the Board decide to reduce the number of its meetings and of the Accreditation Panel's and continue the current practice of submitting for intersessional approval proposals already discussed in session by the Board, there will still be three occasions per year for new submissions. This modality would also allow the Accreditation Panel to focus on resolving pending issues in applications that have been on its agenda for some time.

Recommendation

14. Having considered the information contained in document AFB/B.17/5, presented by the secretariat the Board may want to:

- a) Approve the reduction of Board and Accreditation Panel meetings per year to three;
- b) Consider whether to allow intersessional consideration and approval of new accreditation applications apart from the current practice of considering for approval only applications already discussed in session by the Board;
- c) Consider whether to allow intersessional approval of
 - i. Any submissions received by an established deadline, or

² The Executive Committee of the Multilateral Fund for the implementation of the Montreal Protocol meets three times a year; the GEF Council meets twice a year, and the Climate Investment Funds (CIF) meets twice a year.

ii. Only a certain kind of proposals received by an established deadline, in which case the Board may also want to consider allowing intersessional approval of any or all of the categories below:

- a. Project/programme concepts; and/or
- b. Two step fully developed proposals that have already been endorsed by the Board at previous meetings as concepts, presenting neither significant policy issues nor difficulties that would justify a more in depth discussion at the PPRC. In this case the two-third rule shall apply; and/or
- c. One step fully developed proposals presenting neither significant policy issues nor difficulties that would justify a more in depth discussion at the PPRC. In this case the two-third rule shall apply.

d) Revise the meetings' schedule approved by decision B.15/32; and

e) Request the secretariat to present to the Board a calendar of cut-off dates and approval dates and post them on the website.

Annex I: Rough Meeting Organizational Costs

A Board meeting (Bonn, Germany)

[Secretariat]

	Component	3 day		4 day (Estimate)	
		Amount (US\$)	%	Amount (US\$)	%
	Travel Component	155,000		165,000	
1	AF Secretariat (including report writers)	55,000	21%	58,000	20%
2	24 eligible Board members (Flight tickets \$65,000 & 5 day DSA \$35,000)	100,000	39%	107,000	37%
	Meeting Component	100,000		127,000	
3	UNCCD (venue, technical support, catering)	35,000	14%	45,500	15.5%
4	Interpreters for 5 languages (Travel and fees)	35,000	14%	45,500	15.5%
5	Translation for 6 languages (Meeting reports)	25,000	10%	30,000	10%
6	Report writers (fees)	5,000	2%	6,000	2%
	Sub Total	255,000		292,000	

[Trustee]

7	Trustee staff travel (3 people)	21,000	-	22,000	-
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[Staff cost]³

1	Secretariat	35,000	-	38,000	-
2	Trustee	38,000		40,000	

	Grand Total (a Board meeting)	349,000	-	392,000	-
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An Accreditation Panel Meeting (Washington, DC)

	Component	2 day		3 day (Estimate)	
		Amount (US\$)	%	Amount (US\$)	%
1	Travel Component (Accreditation Panel members)	25,000	96%	26,000	95%
2	Meeting Component (Catering, telephone calls to applicants etc.)	1,000	4%	1,500	5%
	Grand total (an AP meeting)	26,000		27,500	

³ Calculation base of the staff cost is the number of days the staff spends for logistics, meeting documents preparation, travelling and meeting attendance.

Total Meeting Cost

No. of meetings / year	Board meetings	AP meetings	Total cost	Saving
4 meetings (3 days)	\$1,396,000 [\$349,000 x 4]	\$104,000 [\$26,000 x 4]	\$1,500,000	-
3 meetings (3 days)	\$1,047,000 [\$349,000 x 3]	\$78,000 [\$26,000 x 3]	\$1,125,000	\$375,000
3 meetings (4 days)	\$1,176,000 [\$392,000 x 3]	\$78,000 [\$26,000 (2 days) x 3]	\$1,254,000	\$246,000
		\$82,500 [\$27,500 (3 days) x 3]	\$1,258,500	\$241,500

Note:

- Organizational cost for a meeting in conjunction with CMP varies largely according to a meeting location. Travel cost for AFB16 in Durban was more than 2 times and meeting cost was 1.5 times higher than those of a Bonn meeting. Overall cost was roughly 1.5 times higher.
- Rough organizational cost for a 3 day Accreditation Panel meeting is for information only. As of now, the secretariat does not consider any increase in days for the AP meeting. However, the Board may require consideration of it if the number of accreditation applications increases in the future.