



ADAPTATION FUND

AFB/EFC.2/2
September 10, 2010

Ethics and Finance Committee
Second Meeting
Bonn, September 15, 2010

PROVISIONAL ANNOTATED AGENDA

1. Opening of the meeting.

The meeting will be opened by the Chair of the Ethics and Finance Committee, Ms. Ana Fornells de Frutos (Spain, Annex I).

2. Organizational matters:

a) Adoption of the agenda;

Documents: AFB/EFC.2/1 Provisional agenda and AFB/EFC.2/2 Provisional annotated agenda.

Action expected: The EFC will be invited to adopt the agenda for the meeting and to raise any other matters it may wish to discuss, to be included on the agenda under item 7.

b) Organization of work.

Documents: AFB/EFC.2/1 Provisional agenda and AFB/EFC.2/2 Provisional annotated agenda.

Background: The Chair will propose to the EFC the organization of work.

Action expected: The EFC will be invited to approve the organization of work as proposed by the Chair.

3. RBM: Practical guide/manual on how project baselines and results based frameworks may be prepared

Document: AFB/EFC.2/3 *Project level results framework and baseline guidance document*

Background: At its 10th meeting the Board approved the approach to implementing RBM as contained in document AFB/EFC.1/3/Rev.2 and the strategic results framework for the Adaptation Fund and the Adaptation Fund level effectiveness and efficiency results framework of the RBM document. The Board further decided to request the secretariat to develop, among other instruments, a practical guide or manual on how project baselines and project results frameworks may be prepared (decision B.10/13). Document AFB/EFC.2/3 contains a proposal of guidance document developed by a consultant.

Action expected: The EFC will be invited to consider the proposal contained in document AFB/EFC.2/3 and to provide feedback to the consultant in order to finalize the guide requested by the Board.

4. Amendment to the terms and conditions of the trustee's services

Document: AFB/EFC.2/4 *Draft amendments to the terms and conditions to the trustee's services*

Background: The terms and conditions of services of the World Bank as trustee of the Adaptation Fund, paragraph 34, state that *[t]he Trustee's role as trustee servicing the Adaptation Fund under the Terms and Conditions shall be automatically terminated three months after the sixth session of the CMP, unless the CMP and the Trustee affirmatively agree in writing to extend beyond this date the term of the Trustee's services under the Terms and Conditions.* The Board at its 10th meeting decided *[t]o request the trustee to prepare a draft extension of the terms and conditions for the interim services provided by the trustee, for consideration and approval by the Adaptation Fund Board at its eleventh meeting. Given that the current terms and conditions for trustee services will automatically expire on March 2011, such a recommendation for extension of the interim arrangements should be included in the report of the Board to the Meeting of the Parties to the Kyoto Protocol for its consideration and subsequent approval at its sixth meeting in November 2010 (decision B.10/18, paragraph (iii)).* Document AFB/EFC.2/4 contains the draft prepared by the trustee.

Action expected: The EFC will be invited to consider the draft amendments proposed by the trustee and make a recommendation to the Board.

5. MOU between the Board and the implementing entities: proposal from UNDP.

Background: UNDP has submitted a mark-up of the MOU between the Board and the implementing entities approved by the Board at its 9th meeting with proposed amendments. The document has been circulated by the secretariat among the EFC members.

Action expected: The EFC will be invited to consider the proposal by UNDP and make a recommendation to the Board on a way forward.

6. Financial issues:

a) *Status of resources of the Adaptation Fund Trust Fund and Administrative Trust Fund;*

Document: AFB/EFC.2/5 *Financial Status of the Adaptation Fund Trust Fund and the Administrative Trust Fund*

Background: The trustee will report on the financial status of the trust funds to the Board.

Action expected: The EFC will be invited to consider and take note of the report presented by the trustee.

b) *Budget reconciliation for the fiscal year 2010-2011*

Document: the reconciliation of the Board and secretariat budget corresponding to the fiscal year July 1, 2009 – June 30, 2010 will be circulated by the secretariat.

Background: the EFC Chair requested the EFC to be informed on the reconciliation of the Board and secretariat budget.

Action expected: The EFC will be invited to consider and take note of the reconciliation.

7. Other matters.

8. Adoption of the recommendations and report.

9. Closure of the meeting.