



## ADAPTATION FUND

AFB/EFC.4/2  
Draft March 2, 2011

---

Ethics and Finance Committee  
Fourth Meeting  
Bonn, Germany, March 16, 2011

### PROVISIONAL ANNOTATED AGENDA

**1. Opening of the meeting:**

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

**2. Transition of the Chair and the Vice Chair:**

Ms Fornells de Frutos will hand over the Chairmanship of the EFC to Mr. Mirza Shawkat Ali (Bangladesh, LDCs). Ms Iryna Trofimova (Ukraine, Eastern Europe) will take over the Vice-Chairmanship from Mr. Shawkat Ali.

**3. Organizational matters:**

*a) Adoption of the agenda*

Documents: AFB/EFC.4/1 *Provisional agenda* and AFB/EFC.4/2 *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 12.

*b) Organization of work*

Documents: AFB/EFC.4/1 *Provisional agenda* and AFB/EFC.4/2 *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.

#### 4. Results based management (RBM):

- a) *Practical guide/manual on how project baselines and results based frameworks may be prepared*

Document: AFB/EFC.4/3 *Project level results framework and baseline guidance document*

Background: At its 10<sup>th</sup> meeting the Board approved the approach to implementing RBM as contained in document AFB/EFC.1/3/Rev.2, 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). At its 11<sup>th</sup> meeting the Board considered a proposal of the guidance document developed by a consultant and requested the secretariat to submit a finalized document for review at its 12<sup>th</sup> meeting. At its 12<sup>th</sup> meeting the Board decided to invite further comments to the guidance document presented by the secretariat and to instruct the secretariat to have the document finalized by the present meeting. Document AFB/EFC.4/3 contains the final proposal of the guidance document.

Action expected: The EFC will be invited to consider the proposal contained in document AFB/EFC.4/3 and recommend it to the Board for approval with any changes it deems necessary.

- b) *Templates for project performance reports*

Document: AFB/EFC.4/4 *Project performance report guidance document to project performance report template*

Background: At its 11<sup>th</sup> meeting the Board requested the secretariat to submit a project performance template. Document AFB/EFC.4/3 contains the final version of the requested template that will be integrated into the guidance document as an annex.

Action expected: The EFC will be invited to consider the proposal contained in document AFB/EFC.4/4 and recommend it to the Board for approval with any changes it deems necessary.

#### 5. Evaluation issues:

Background: At its 10<sup>th</sup> meeting, the Board approved the Work Plan for the fiscal year 2011 (AFB/B.10/7/Rev.1 Annex VI), which included *Consideration of a proposal of a monitoring and evaluation framework* and *Consideration of guidelines for terminal evaluations*. Documents AFB/EFC.4/5 and AFB/EFC.4/6

contain the proposals prepared by the GEF Evaluation Office for consideration by the EFC.

a) *Evaluation framework;*

Document: AFB/EFC.4/5 *Evaluation Framework*

Action expected: the EFC may want to consider the course of action proposed on paragraph 5 and 6 of document AFB/EFC.4/5 and make a recommendation to the Board.

b) *Draft guidelines for project/programmes final evaluations.*

Document: AFB/EFC.4/6 *Draft guidelines for project programme final evaluations*

Action expected: the EFC may want to consider the course of action proposed on paragraph 5 of document AFB/EFC.4/6 and make a recommendation to the Board.

**6. Desk study on execution costs:**

Document: AFB/EFC.4/7 *Desk study on execution costs.*

Background: The Board at its 12<sup>th</sup> meeting requested the secretariat to prepare a desk study on how other funding sources had considered the issue of execution costs and present that study to the EFC for its consideration. Document AFB/EFC.4/7 presents the study requested by the Board.

Action expected: The EFC will be invited to consider the desk study prepared by the secretariat as contained in document AFB/EFC.4/7; in particular the recommendation of paragraph 48 and recommend the suggested course of action to the Board for approval.

**7. Initial funding priorities and resource allocation:**

Document: AFB/EFC.4/8 *Initial funding priorities and resource allocations for the Adaptation Fund*

Background: Document AFB/EFC.4/8 is a reissuance of document AFB/B.12/5, drafted by the secretariat and considered by the Board at its twelfth meeting. The Board decided to defer further consideration of this agenda item to the present meeting. At the request of the incoming Board Chair, the item was placed on the agenda of the EFC.

Action expected: The EFC will be invited to consider the issues outlined in the document and, based on the views expressed during the discussion, to make a recommendation to the Board on the following issues: eligible countries, cap per eligible country, allocation per region, criteria for prioritizing among eligible projects.

**8. Review of the operational policies and guidelines and related templates:**

Document: AFB/EFC.4/9 Review of the operational policies and guidelines and related templates

Background: At its 12<sup>th</sup> meeting the Board decided to request the secretariat to present a preliminary draft of the revisions that might be required of the Operational Policies and Guidelines for consideration by the next Board meeting. Document AFB/EFC.4/9 presents the requested preliminary draft.

Action expected: The EFC will be invited to consider the amendment proposals by the secretariat and to recommend them to the Board for approval.

**9. Implementation of the code of conduct:**

Under this agenda item EFC members can raise any issues related to the implementation of the code of conduct for deliberation by the EFC. The EFC will make recommendations to the Board on the issues raised, as appropriate.

**10. Performance study on the secretariat and trustee: consideration of expressions of interest to undertake the performance study:**

Document: Under preparation as of the date of issuance of the present report.

Background: CMP 6 requested to the Board to make available in its report to CMP 7 the performance reviews of the interim secretariat and of the interim trustee servicing the secretariat of the AF, in accordance with paragraph 33 of decision 1/CMP.3. Further, the Board at its 12<sup>th</sup> meeting decided that a group of Board members in consultation with the outgoing Chair would prepare terms of reference for a consultant to review the performance of the secretariat and the trustee. Following the preparation of the terms of reference, the secretariat will prepare a budget estimate for the cost of the work of the consultant. The terms of reference and the budget estimate will be submitted to the Board for approval.

Action expected: The terms of reference and the budget estimate will be submitted to the EFC for consideration. The EFC is invited to present a recommendation to the Board.

**11. Financial issues:**

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

Document: AFB/EFC.4/10 Status of resources of the Adaptation Fund Trust Fund

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

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

b) *Administrative budgets of the Board and secretariat, and trustee;*

Document: AFB/EFC.4/11 *Adaptation Fund Board and secretariat, and trustee's administrative budgets update*

Background: The administrative budget approved for the trustee at the 10<sup>th</sup> Board meeting, covered the period up to March 2011, date of expiration of its services to the Board. Since the terms and conditions of services of the trustee have now been extended for additional three years by CMP 6 decision, the trustee is requesting the approval of its administrative budget for the remainder of the fiscal year 2011.

Action expected: The EFC will be invited to consider and recommend to the Board for approval the trustee's budget for the remainder of the fiscal year 2011. The EFC may also want to recommend to the Board to take note of the updated information on the administrative budget of the secretariat.

c) *Facilitating private donations.*

Document: AFB/EFC.4/12 *Note on private donations*

Background: The Board at its 12<sup>th</sup> meeting decided to request the trustee:

- To continue to explore a three-tier approach for facilitating private donations, consisting of the Trustee's signing of donation agreements with sovereign contributors (as is already the case); developing a protocol by which other, non-sovereign entities that had expressed interest in donating could contact the Trustee and receive banking details by e-mail; or making it feasible for smaller entities or individuals to contribute by clicking a link on the Adaptation Fund website. The Trustee was also asked to determine any costs that the use of the new options might entail.
- To submit the information to the Chair of the Ethics and Finance Committee, with the proviso that the Board would take an intersessional decision on the matter based on the information provided by the Trustee. When undertaking this task, the Board, secretariat, and Trustee should bear in mind the integrity of the Fund.

Document AFB/EFC.4/12 presents to the Board the requested information.

Action expected: The EFC will be invited to consider and recommend to the Board for approval the trustee's recommendations.

**12. Other matters.**

**13. Adoption of the recommendations and report.**

**14. Closure of the meeting.**