



ADAPTATION FUND

AFB/EFC.5/10
June 9, 2011

Ethics and Finance Committee
Fifth Meeting
Bonn, June 20, 2011

Agenda item 9.c)

WORK PLAN FOR FISCAL YEAR 2012

Background

1. At its 8th meeting the Board approved its work plan for January 1 – June 30, 2010. Since then, the Board work plan was aligned with the Board and secretariat budget, which, since July 1, 2009, is approved for fiscal, as opposed to calendar year. Further, at its 10th meeting the Board approved the work plan for the fiscal year 2011 (FY11: July 1, 2010 – June 30, 2011). The present document summarizes the actions and decisions taken by the Board in compliance with the approved work plan for FY11. It also contains a proposal of work plan for FY12, prepared by the secretariat and based on the mandate that the Board received from the CMP and the decisions adopted by the Board, for consideration by the EFC.

Compliance with work plan for FY11

2. During FY11 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 eleven implementing entities, among them three National Implementing Entity (NIE), thus allowing to seek resources through the direct access modality.
- At its 10th meeting, the Board started considering project proposals for funding. The first funding decisions on projects/programmes were made at the 11th meeting, including the approval of the first direct access project. On November 2010 the first tranche of funds was disbursed upon signature of the memorandum of understanding with the recipient NIE. As of the date of issuance of the present document, the Board has approved 7 projects/programmes for funding for a total amount of US\$ 43.14 million. The total amount of funds disbursed is US\$ 10.60 million. Further 8 concepts have been endorsed.
- Following consultations with the Board¹, the Government of Germany concluded the necessary legal arrangements to confer legal capacity on the Board by enacting an Act of Parliament on February 9, 2011.
- The CER monetization programme continued being implemented by the trustee. The proceeds of the programme amount to US\$ 153.9 million as of April 30, 2011².

3. The following actions derived from Board decisions and included in the work plan for FY11 were also implemented during the reporting period:

- Work programme to promote the accreditation of NIEs (decision B.9/9): During FY11 presentations on the accreditation process by either Board members or secretariat staff were made at the following meetings: 13th meeting of the African Ministerial Conference

¹ Mandate as per decision 4/CMP.5 paragraph 3.

² Document AFB/EFC.5/8.

on the Environment (Bamako, Mali, June 24, 2010); side-event in the margins of the UNFCCC AWG sessions (Tianjin, China, October 5, 2010); side-event in the margins of COP 16 / CMP 6 (Cancun, Mexico, December 3, 2010) and GEF Extended Constituency Workshop for South America (Cartagena, Colombia, April 27-29, 2011).

- Monitoring and evaluation framework: the Board at its 10th meeting approved an overarching strategic results framework, including a *Strategic Results Framework for the Adaptation Fund*, and the *Adaptation Fund Level Effectiveness and Efficiency Results Framework*³. Further, at the 13th meeting the Board endorsed a draft Evaluation Framework and draft guidelines for project/programmes final evaluations prepared by the GEF Evaluation Office. The Board requested to prepare a new version incorporating comments and present these two documents at its 14th meeting..
- Communications strategy: the Board at its 11th meeting considered a proposal of communications strategy⁴ and approved a plan for its implementation⁵. A report on the implementation of the communications strategy was presented by the secretariat at the 13th meeting⁶, including the communications material developed. A dialogue between the Board and civil society organizations was also launched during that meeting.
- Review of the operational policies and guidelines: a first draft of the revised operational policies and guidelines (OPG) and related templates was considered by the Board at its 13th meeting. The text with additional amendments proposed by an ad-hoc committee is still under consideration by the EFC⁷.
- Assessment of the accreditation process: following recommendations by the Accreditation Panel, the Board considered and approved amendments to the OPG, guidelines for Designated Authorities to select an NIE⁸, and a revised accreditation application⁹. This process is still underway.
- Other routine activities by the Board include the presentation of the Board report to CMP 6 and the consideration of the budget and work plan for the FY12, both on the agenda of the present meeting.

Proposal of work plan for FY12

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*

³ Report of the 10th meeting of the Adaptation Fund Board, Annex IV.

⁴ Document AFB/B.11/8.

⁵ Decision B.11/21.

⁶ Document AFB/B.13/5.

⁷ Document AFB/EFC.57.

⁸ Report of the 12th meeting of the Adaptation Fund Board, Annex III.

⁹ Report of the 13th meeting of the Adaptation Fund Board, Annex VI.

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 regularly review performance reports on implementation and ensure independent evaluation and auditing of activities supported by the Adaptation Fund (paragraph 5 (i)).*
5. Following decisions made by CMP 6 the Board has also the following responsibilities:
- Regional workshops on NIE accreditation to be organized by UNFCCC in consultation with the Board; conduct and dissemination of information thereon through its secretariat¹⁰;
 - To make available in its report to the CMP 7 the performance reviews of the interim secretariat and the interim trustee servicing the Board in accordance with paragraph 33 of decision 1/CMP.3¹¹.
6. At each session of the CMP the Board is requested to report on its activities (decision 1/CMP.3, paragraph 5 (l)).
7. Beside these actions mandated by the CMP, the Board has decided to carry out the following:
- Present the status of portfolio monitoring annually through an Adaptation Fund Annual Performance Report (AFAPR), prepared by the secretariat under the direction of the EFC. This will constitute the principal instrument for reporting on active Fund projects¹²;
 - Develop an overall knowledge management strategy for the Fund¹³;
 - Finalize the Evaluation Framework, including making a decision among the options for implementing the Framework¹⁴;
 - Conduct an overall evaluation of the Fund. The date of such evaluation shall be discussed during the 7th meeting of the EFC¹⁵.
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:
- The Committees shall report annually to the Board on their performance, including meeting attendance and effectiveness (General guidelines for Committees, paragraph

¹⁰ Decision 5/CMP.6 paragraphs 8 and 9.

¹¹ Decision 6/CMP.6, paragraph 3.

¹² Report of the 10th meeting of the Adaptation Fund Board, Annex IV, paragraph 24.

¹³ Decision B.12/26 paragraph (e).

¹⁴ Decision B.13/20.

¹⁵ Decision B.13/20, paragraph (d).

17). The Board may want to consider the report of the first year of sessions of the committees at its 15th meeting;

- 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 Accreditation Panel as necessary (paragraph 21).

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 FY12 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 the present document. The activities that take place at each meeting 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 at the present Board meeting.

Recommendation

12. The EFC may wish to consider and recommend to the Board for approval the draft work plan FY12 and the tentative work schedule, as contained in the annex to the present document.

DRAFT WORK PLAN FY11: TENTATIVE WORK SCHEDULE

15th meeting: September 2011

- Consideration of a report by the secretariat/Accreditation Panel on the outcome of the first regional workshop on NIE accreditation;
- Consideration and approval of the revised OPG and related templates;
- Consideration and approval of the final drafts of Evaluation Framework and Guidelines for project/programme final evaluations;
- Consideration of the performance review on the secretariat and trustee;
- Consideration of the draft report of the Board to the CMP 7;
- Consideration of performance reports by the PPRC and EFC.

16th meeting: December 2011

- Consideration of a report by secretariat/Accreditation Panel on the outcome of the second regional workshop on NIE accreditation;
- Consideration of the first Annual Performance Report of the Fund, including the initial project/programme performance reports available.

17th meeting: March 2012

- Assessment of the accreditation process, including the review of the TORs of the Accreditation Panel;

18th meeting: June 2012

- Consideration of a report by the secretariat/Accreditation Panel on the outcome of the third regional workshop on NIE accreditation;
- Proposal of budget FY13
- Proposal of work plan FY13