



ADAPTATION FUND

AFB/B.23/7
10 April 2014

ADAPTATION FUND BOARD

Twenty-third meeting
Bonn, Germany, 20-21 March, 2014

DECISIONS OF THE TWENTY-THIRD MEETING OF THE ADAPTATION FUND BOARD

Agenda Item 6: Report of the fifteenth meeting of the Accreditation Panel

Accreditation of Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE)

1. After considering the conclusions and recommendation of the Accreditation Panel, the Adaptation Fund Board decided to accredit the Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE) as a National Implementing Entity.

(Decision B.23/1)

Accreditation of Corporación Andina de Fomento (CAF)

2. After considering the conclusions and recommendation of the Accreditation Panel, the Adaptation Fund Board decided to accredit the Corporación Andina de Fomento (CAF) as a Regional Implementing Entity.

(Decision B.23/2)

Accreditation of European Bank for Reconstruction and Development (EBRD)

3. After considering the conclusions and recommendation of the Accreditation Panel, the Adaptation Fund Board decided to accredit the European Bank for Reconstruction and Development (EBRD) as a Multilateral Implementing Entity.

(Decision B.23/3)

Non-Accreditation of National Implementing Entity (NIE0043)

4. After considering the conclusions and recommendation of the Accreditation Panel, the Adaptation Fund Board decided to request the secretariat to communicate the observations of

the Accreditation Panel as contained in Annex IV to the report of the fifteenth meeting of the Accreditation Panel (AFB/B.23/4)

(Decision B.23/4)

Designation of Multilateral and Regional Implementing Entities

5. The Adaptation Fund Board decided to request the secretariat to prepare a document on the designation of Multilateral and Regional Implementing entities that should draw on classifications of other organizations and should include the resource implications for any changes made to those classifications.

(Decision B.23/5)

Agenda Item 7: Report of fourteenth meeting of the Project and Programme Review Committee

Concept Proposals from National Implementing Entities

India: Climate proofing of watershed development projects in the states of Tamil Nadu and Rajasthan (Project Concept; National Bank for Agriculture and Rural Development (NABARD); IND/NIE/Water/2013/1; US\$ 1,227,000)

6. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Endorse the project concept, as supplemented by the clarification response provided by the National Bank for Agriculture and Rural Development (NABARD) to the request made by the technical review;
- (b) Request the secretariat to transmit to NABARD the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed proposal should detail the technical specifications of the proposed insurance scheme and clarify how it is justified in terms of concretely increasing the adaptive capacity of target beneficiaries. Further, it should clarify how clear information on any such insurance scheme would be made available to target beneficiaries in order to ensure informed decisions and financial literacy, and how the outcomes of any such scheme would be made sustainable in the long-term;
 - (ii) The fully-developed proposal should provide a detailed justification of the cost-effectiveness of the project considering that the requested funds would be spread among investments distributed throughout 20 watersheds;
 - (iii) The fully-developed proposal should provide a detailed description of the arrangements that will be put in place to deliver the project activities in parallel with initiatives that will be financed through co-financing. In providing such a description and preparing the detailed project budget, due

attention should be paid to ensuring that all activities financed by the Adaptation Fund should be able to deliver their outcomes and outputs regardless of the success of activities delivered in parallel with co-financing from other sources;

- (c) Approve the Project Formulation Grant of US\$ 29,900;
- (d) Request NABARD to transmit the observations under item (b) to the Government of India; and
- (e) Encourage the Government of India to submit through NABARD a fully-developed project proposal that would address the observations under item (b) above.

(Decision B.23/6)

India: Building Adaptive Capacities of Small Inland Fishermen Community for Climate Resilience and Livelihood Security, Madhya Pradesh, India (Project Concept; National Bank for Agriculture and Rural Development (NABARD); IND/NIE/Food/2013/1; US\$ 1,737,864)

7. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Endorse the project concept, as supplemented by the clarification response provided by the National Bank for Agriculture and Rural Development (NABARD) to the request made by the technical review;
- (b) Request the secretariat to transmit to NABARD the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues;
 - (i) The fully-developed proposal should elaborate how it will support the enhancement of market and institutional linkages under activity 3.2;
 - (ii) At the fully-developed proposal stage, and in accordance with the Environmental and Social Policy of the Adaptation Fund, and in the particular context of inland fishing, the role of women groups in managing inland fisheries should be taken into account and the type of support they will receive should be described. Specific activities targeted towards inclusion in the actual management of fish tanks or their ownership should be clearly outlined;
 - (iii) The fully-developed proposal should clarify how vulnerable communities including fisher folks from the "scheduled caste and other backward classes" would benefit from the project, providing detailed activities and the size of the target population. It should also demonstrate that these groups would not be negatively affected by the project's activities. In addition, when developing the insurance product under activity 1.2, the proposal should ensure that the decision of subscription to the policy by the targeted communities will be made on an informed basis;

- (iv) The fully-developed proposal should consider exploring the possibility of study tours for stakeholders, especially fish farmers, across the pilot sites to allow them to share experiences;
 - (v) The proponent should take into account the number of other national projects that are currently addressing inland fisheries, to ensure that there is no duplication and that there will be synergies and collaboration systems in place;
 - (vi) The fully-developed proposal should describe a clear strategy on how the farmers will maintain the investments especially as the cost of the fish tanks is rather high (as identified by the Implementing Entity) for enabling any significant increase in local living standards;
 - (vii) The fully-developed proposal should describe how NABARD will ensure that executing entities are fully aware of their responsibilities with regards to the provisions of the Environmental and Social Policy of the Adaptation Fund, including the promotion of human rights, where applicable, and how the executing entities and direct beneficiaries will be made aware of the grievance mechanism available in the country and of the complaint handling mechanism of the Fund, in case of non-compliance;
- (c) Approve the Project Formulation Grant of US\$ 30,000;
 - (d) Request NABARD to transmit the observations under item (b) to the Government of India; and
 - (e) Encourage the Government of India to submit through NABARD a fully-developed project proposal that would address the observations under item (b) above.

(Decision B.23/7)

India: Enhancing Adaptive Capacity and Increasing Resilience of Small and Marginal Farmers in Purulia and Bankura Districts of West Bengal (Project Concept; National Bank for Agriculture and Rural Development (NABARD); IND/NIE/Agri/2014/1; US\$ 2,533,533)

8. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Endorse the project concept, as supplemented by the clarification response provided by the National Bank for Agriculture and Rural Development (NABARD) to the request made by the technical review;
- (b) Request the secretariat to transmit to NABARD the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project document should clearly explain the specific scope of the proposed activities;

- (ii) The project document should provide a clear rationale and explanation of the SMS-based weather / crop advice;
 - (iii) The project document should elaborate on the approach to replication and scaling up;
 - (iv) When developing the fully-developed project document, additional screening of potential impacts on marginalized and vulnerable groups should take place and that screening should include consultation with the potentially impacted groups;
- (c) Approve the Project Formulation Grant of US\$ 29,700;
 - (d) Request NABARD to transmit the observations under item (b) to the Government of India; and
 - (e) Encourage the Government of India to submit through NABARD a fully-developed project proposal that would address the observations under item (b).

(Decision B. 23/8)

Morocco: Climate change adaptation project in oasis zones (Project Concept; Agence pour le Développement Agricole (ADA); MAR/NIE/Agri/2013/1; US\$ 9,970,000)

9. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to.

- (a) Endorse the project concept, as supplemented by the clarification response provided by Agence pour le Développement Agricole (ADA) to the request made by the technical review;
- (b) Request the secretariat to transmit to ADA the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) When preparing the fully-developed proposal, the proponent should ensure that final language editing is duly performed and that the outcomes, outputs and activities under the project results framework are clearly and specifically outlined, with relevant targeted indicators;
 - (ii) The fully-developed proposal should include a participatory assessment of potential social and environmental risks and impacts of the project's activities, providing for each principle of the Environmental and Social Policy a justification either of no further assessment requirement for compliance with Policy, or a justification of further assessment that may be needed, including Environmental Impact Assessments;
 - (iii) The fully-developed proposal should elaborate further on how the sustainability of the project outcomes will be ensured, at the economic,

social, environmental and institutional levels, including through local government systems;

- (iv) A comprehensive consultation process should be demonstrated at the fully-developed proposal stage, to include the inputs from all stakeholders, particularly the most vulnerable communities and marginalized groups;
 - (v) The fully-developed proposal should demonstrate that the project will be implemented in synergy and collaboration with all relevant initiatives and programmes in similar sectors and/or its areas of intervention. The types of collaboration and synergies sought should be clearly outlined and reflected in the execution arrangements of the project;
- (c) Approve the Project Formulation Grant of US\$ 30,000;
 - (d) Request ADA to transmit the observations under item (b) to the Government of Morocco; and
 - (e) Encourage the Government of Morocco to submit through ADA a fully-developed project proposal that would address the observations under item (b) above.

(Decision B. 23/9)

Concept Proposal from a Regional Implementing Entity

Federated States of Micronesia: Enhancing the resilience of vulnerable island atoll communities in the Federates States of Micronesia to climate change risks through a “Living with the Sea” national risk management framework (Project Concept; Secretariat of the Pacific Regional Environment Programme (SPREP); FSM/RIE/Coastal/2014/1; US\$ 9,380,000)

10. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Not endorse the project concept, as supplemented by the clarification response provided by the Secretariat of the Pacific Regional Environment Programme (SPREP) to the request made by the technical review;
- (b) Suggest that SPREP reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board’s decision, as well as the following issues:
 - (i) The proposal should provide a clear and reasoned explanation of how the range of adaptation planning measures including plans, policies, regulations, guidelines, standards and protocols will be enforced in the Federated States of Micronesia given the apparent barriers to enforcement of the current policy and regulatory framework;
 - (ii) The proposal should provide a logical justification of how the proposed project activities have been selected based on adaptation reasoning. It

should demonstrate how the proposed engineering works to protect the coast provide resilience to communities with regards to their vulnerability to future climate change, and how these investments themselves are made resilient to the impacts of future climate change;

- (iii) The proposal should account for the need to undertake an Environmental Impact Assessment to provide assurances that potential negative impacts of infrastructure works have been adequately considered, that potential maladaptation has been avoided to the extent possible and that provisions are in place for an environmental and social management plan for the relevant activities that would require risk mitigation and monitoring during project execution;
 - (iv) The proposal should avoid confusion with regards to the implementation of the project, such as references to the United Nations Development Programme (UNDP) Country Office being engaged in monitoring and evaluation of the project, the use of auditing in line with UNDP finance regulations, and oversight and technical support being delivered by UNDP for the implementation of the project. As the accredited implementing entity acting on behalf of the Federated States of Micronesia, SPREP's roles and responsibilities for the implementation of the project must be reflected in the proposal; and
- (c) Request SPREP to transmit the observations referred to in paragraph (b) above to the Government of the Federated States of Micronesia.

(Decision B. 23/10)

Fully-developed Proposals from National Implementing Entities

India: Conservation and Management of Coastal Resources as a Potential Adaptation Strategy for Sea Level Rise (Fully-developed project document; National Bank for Agriculture and Rural Development (NABARD); IND/NIE/Coastal/2014/1; US\$ 590,602)

11. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Not approve the project document, as supplemented by the clarification response provided by the National Bank for Agriculture and Rural Development (NABARD) to the request made by the technical review;
- (b) Suggest that NABARD reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The proposal should explicitly relate the proposed activities to future climate impacts in the target region;

- (ii) The proposal should explain how it would prevent mangrove degradation from continuing in the future, and it should include in the comparison of alternative options also comparison of their associated costs;
 - (iii) The proposal should explain more clearly how the project would ensure equitable distribution of benefits and commitment of beneficiaries to voluntarily contribute to the project;
 - (iv) The proposal should further elaborate on how it would avoid duplication and build upon an earlier project funded by the German Society for International Cooperation (GIZ) which has worked in the same state and on very similar themes and how it would coordinate with other relevant projects during project implementation;
 - (v) The proposal should include a complete results framework and a table demonstrating alignment with the Adaptation Fund results framework;
 - (vi) The proposal should also include information on land tenure, willingness of villagers to make their land available for the project, and the issue of collapse in shrimp production; and
- (c) Request NABARD to transmit the observations referred to in paragraph (b) above to the Government of India.

(Decision B. 23/11)

India: Climate smart actions and strategies in north western Himalayan region for sustainable livelihoods of agriculture-dependent hill communities (Fully-developed project document); National Bank for Agriculture and Rural Development (NABARD); IND/NIE/Agri/2014/2; US\$ 620,487)

12. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Not approve the project document, as supplemented by the clarification response provided by National Bank for Agriculture and Rural Development (NABARD) to the request made by the technical review;
- (b) Suggest that NABARD reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The proposal should report the proposed components and activities consistently throughout the document and ensure that the budget provided aligns with the proposed activities;
 - (ii) The proposal should describe how synergies are sought with national initiatives such as the Mahatma Gandhi National Rural Employment Guarantee scheme as well as initiatives funded by multilateral and bilateral donors, such as the Himalayan Climate Change Adaptation Programme

(HICAP) financed by the Ministry of Foreign Affairs of Norway and the Indian Himalayas Climate Adaptation Programme (IHCAP) financed by the Swiss Agency for Development and Cooperation;

- (iii) The proposal should consider undertaking further consultation to ensure that all relevant stakeholder groups, particularly vulnerable communities, are consulted and that the targeted households are given the opportunity to make clear their priority needs with respect to climate change as well as participate in the choice of activities proposed through the project;
 - (iv) The proposal should provide further detail how the financial sustainability of project outcomes will be ensured beyond the project duration, including how government departments will be engaged in replicating successful initiatives, the potential sources of funding for doing so, and whether a role for sub-national institutions is envisaged in project execution;
 - (v) The proposal should present clear information on the implementation arrangements including NABARD's oversight of the project and the mechanisms through which executing entities are expected to report to NABARD. Budgets on the implementing entity management fee, execution costs and monitoring and evaluation should be provided in the proposal document with justification for the requested amounts; and
- (c) Request NABARD to transmit the observations referred to in paragraph (b) above to the Government of India.

(Decision B. 23/12)

Kenya: Integrated programme to build resilience to climate change and adaptive capacity of vulnerable communities in Kenya (Fully-developed programme document; National Environmental Management Authority (NEMA); KEN/NIE/Multi/2013/1; US\$ 9,998,302)

13. The Chair of the Adaptation Fund Board noted that in view of a lack of consensus the consideration of this proposal was deferred to the twenty-fourth meeting of the Board.

Fully-developed Proposal from a Multilateral Implementing Entity

Indonesia: Adapting to Climate Change for Improved Food Security in West Nusa Tenggara Province (Fully-developed project document; World Food Programme; IDN/MIE/Food/2013/1; US\$ 5,995,666)

14. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Note the recommendation that the Adaptation Fund Board:
 - (i) Approve, subject to the availability of funds, the project document, as supplemented by the clarification response provided by the World Food Programme (WFP) to the request made by the technical review;

- (ii) Approve the funding of US\$ 5,995,666 for the implementation of the project, as requested by WFP;
 - (iii) Note the commitment of WFP to conduct Environmental Impact Assessments (EIAs), in accordance with the Environmental and Social Policy of the Adaptation Fund, before any substantial construction subject to such EIAs begins;
 - (iv) Request WFP to provide a timeline for the implementation of EIAs to be included in the project agreement;
 - (v) Request the secretariat to draft an agreement with WFP as the Multilateral Implementing Entity for the project; and
- (b) Note that the project had been placed in the project/programme pipeline pursuant to Decision B.23/15.

(Decision B. 23/13)

Prioritization of projects in the pipeline

15. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Note the recommendation of the Project and Programme Review Committee to approve the project for Indonesia (IDN/MIE/Food/2013/1) with a recommendation date of 19/3/2014, a submission date of 13/01/2014 and a net cost of US\$ 5,525,959;
- (b) Place the project mentioned in item (a) above in the pipeline according to the prioritization criteria established in Decision B.17/19 and clarified in Decision B.19/5; and
- (c) Consider the projects/programmes in the pipeline for approval, subject to the availability of funds, at a future Board meeting, or intersessionally, in the order in which they are prioritized in the pipeline.

(Decision B. 23/14)

Options for intersessional review and approval of project and programme proposals

16. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Arrange one intersessional project/programme review cycle annually, during an intersessional period of 24 weeks or more between two consecutive Board meetings, as outlined in document AFB/PPRC.14/13;
- (b) While recognizing that any proposal can be submitted to regular meetings of the Board, require that all first submissions of concepts and fully-developed

project/programme documents continue to be considered in regular meetings of the PPRC;

- (c) Request the secretariat to review, during such intersessional review cycles, resubmissions of project/programme concepts and fully-developed project/programme documents submitted on time by proponents for consideration during such intersessional review cycles;
- (d) Request the PPRC to consider intersessionally the technical review of such proposals as prepared by the secretariat and to make intersessional recommendations to the Board;
- (e) Consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure;
- (f) Inform implementing entities and other stakeholders about the new arrangement by sending a letter to this effect, and make the calendar of upcoming regular and intersessional review cycles available on the Adaptation Fund website and arrange the first such cycle between the twenty-third and twenty-fourth meetings of the Board;
- (g) Request the PPRC to defer to the next Board meeting any matters related to the competencies of the Ethics and Finance Committee that may come up during the intersessional review of projects/programmes and to refrain from making a recommendation on such proposals until the relevant matters are addressed; and
- (h) Request the secretariat to present, in the fifteenth meeting of the PPRC, and annually following each intersessional review cycle, an analysis of the intersessional review cycle.

(Decision B. 23/15)

Analysis of possible effects on administrative costs of the use of multiple Executing Entities and implementing partners for the implementation of local adaptation actions

17. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to:

- (a) Maintain the current policies of the Adaptation Fund on project and programme operational costs, namely the 8.5 per cent cap on implementing entity fees and the 9.5 per cent cap on execution costs; and
- (b) Request that the secretariat takes into account the capacity building needs of the selected executing partners, when reviewing the budget requested for new project/programme submissions for which the proposed implementation arrangements is based on multiple levels of execution.

(Decision B. 23/16)

Agenda Item 8: Report of 14th meeting of the Ethics and Finance Committee*Modified accreditation process for small entities*

18. Having considered the comments and recommendations of the Ethics and Finance Committee (EFC), the Adaptation Fund Board decided:

- (a) To continue its consideration of approval for accreditation of small entities on the basis of Option 2 (Streamlined Process) as outlined in document AFB/EFC.14/3;
- (b) With assistance from the secretariat, work to elaborate steps that might be taken by small entities (as defined in paragraph 10 of document AFB/EFC.14/3) to demonstrate compliance with the Fund's fiduciary standards, and that would be commensurate with the type, risk profile and size of the institutions; and
- (c) To report back in the next Panel report, for consideration at the fifteenth meeting of the EFC.

(Decision B. 23/17)

Options for an evaluation of the Fund

19. The Board took note of the communication by the Director of the Global Environment Facility Independent Evaluation Office (GEFIEO) withdrawing the GEFIEO as evaluation function of the Adaptation Fund.

20. Having considered the comments and recommendations of the Ethics and Finance Committee (EFC), the Adaptation Fund Board decided to:

- (a) Approve Option 3 (Two-phased evaluation) as outlined in document AFB/EFC.14/5, with the aim of completing Phase I in time for discussion at the twenty-fourth Board meeting (October 2014);
- (b) Request the Chairs and Vice-chairs of the Board and EFC to propose for consideration by the Board during the intersessional period an independent review panel consisting of three members (i) an evaluation specialist (ii) an adaptation specialist and (iii) a representative from civil society for a decision by the end of April 2014. The selection will be based on criteria contained in Annex II to this report. The independent review panel will undertake the responsibilities outlined in the terms of reference contained in Annex III including the review of the final TOR for the evaluation, which should include elements of the scope of Decision 2/CMP.9 for the second review of the Adaptation Fund (in Phase I), select the evaluation team, provide quality assurance during the evaluation process, and report on progress of the evaluation to the Ethics and Finance Committee at its fifteenth meeting; and
- (c) Request the secretariat to issue a request for proposals following the World Bank procurement rules and procedures.

(Decision B. 23/18)

Core indicator methodologies

21. Having considered the comments and recommendations of the Ethics and Finance Committee (EFC), the Adaptation Fund Board decided to approve the use of the proposed core indicators and request the secretariat to:

- (a) Make the necessary changes to incorporate the core indicators and revised results tracker into the Fund's results management system;
- (b) Inform implementing entities of the changes to the results tracking system including the requirements to provide indicative core indicator targets for fully developed project proposals and their inclusion in project performance reports (PPRs);
- (c) Request implementing entities already implementing projects and programmes to provide project-level information as it relates to the core indicators; and
- (d) Complete the development of guidance for the modified results tracker and an exit survey for the accreditation process.

(Decision B.23/19)

Financial issues

(a) *Work plan for the fiscal year 2015*

22. Having considered the comments and recommendations of the Ethics and Finance Committee (EFC), the Adaptation Fund Board decided to approve the work programme and the tentative work schedule contained in document AFB/EFC.14/7.

(Decision B. 23/20)

(b) *Board and secretariat, and trustee budgets for the fiscal year 2015*

23. Having considered the comments and recommendations of the Ethics and Finance Committee (EFC) and the budget proposal as contained in Annex xx to this report, the Adaptation Fund Board decided to approve, from the resources available in the Adaptation Fund Trust Fund:

- (a) The proposed budget of US\$ 3,294,808 to cover the costs of the Fund operations over the period 1 July 2014 to 30 June 2015, comprising US\$ 2,499,808 for Board and secretariat services, US\$ 335,000 for the independent evaluation and US\$ 460,000 for accreditation services;
- (b) An additional allocation of US\$ 203,000 to the secretariat from the allocation of US\$ 503,000 approved at AFB22 and already set aside by the Trustee, for the readiness programme over the period 1 July 2014 to 30 June 2015, for activities to be carried out by the secretariat. Amounts already approved by the Board but not disbursed in fiscal year 2014 would be disbursed in fiscal year 2015; and

- (c) The proposed budget of US\$ 863,000 for trustee services to be provided to the Adaptation Fund over the period 1 July, 2014 to 30 June, 2015, comprising US\$ 246,000 for CER Monetization services, US\$ 150,000 for external legal counsel related to AAUs and ERUs, and US\$ 467,000 for all other trustee services.

(Decision B. 23/21)

Other matters

Project in Mauritania (WFP)

24. Having considered the comments and recommendations of the Ethics and Finance Committee (EFC), the Adaptation Fund Board decided to request the secretariat to write a letter to the World Food Programme (WFP) requesting they report back to the EFC about the Mauritania project's inception workshop and to submit a revised implementation schedule of the project by June 2014.

(Decision B.23/22)

Agreement with United Nations Foundation

25. Having considered the comments and recommendations of the Ethics and Finance Committee, the Adaptation Fund Board decided to instruct the secretariat and the trustee to initiate negotiations with United Nations Foundation (UNF) in order to extend the agreements with the UNF for the collection of online donations.

(Decision B.23/23)

Contract of the Manager of the secretariat

26. Having considered the comments and recommendations of the Ethics and Finance Committee, and that the Head of the Adaptation Fund Board secretariat had sought the guidance of the Board on the issue of extending the contract of the Manager of the secretariat, the Adaptation Fund Board decided to communicate the following to the Head of the secretariat:

- (a) The Board is satisfied with the performance of the current Manager of the secretariat; and
- (b) Recommends the extension of her contract for four years in accordance with the procedures of the World Bank.

(Decision B.23/24)

Agenda Item 9: Issues remaining from the nineteenth Board meeting

a) Strategic discussion on objectives and further steps of the Fund

27. The Adaptation Fund Board noted with appreciation the report of the Fundraising Task Force and decided to:

- (a) Extend the mandate of the Fundraising Task Force to continue implementing the fundraising strategy, with the new fundraising target of US\$ 80 million per calendar year in 2014 and 2015;
- (b) Extend the service of the current Fundraising Task Force members: Ms. Angela Churie-Kallhauge, Ms. Laura Dzelzyte, Mr. Zaheer Fakir, Ms. Ana Fornells de Frutos, Ms. Su-Lin Garbett-Shiels, Mr. Hans Olav Ibrekk, and Mr. Jeffery Spooner, adding Mr. Marc-Antoine Martin as a new member; and extending Mr. Fakir's term of office as coordinator; and
- (c) Request the secretariat to continue assisting the Fundraising Task Force in fulfilling its mandate, and to prepare an implementation plan for the fundraising strategy, including specific activities and events during 2014 and 2015, and integrating its communications strategy.

(Decision B.23/25)

b) Implementation of the readiness programme

28. Following a discussion, the Adaptation Fund Board decided to:

- (a) Approve the execution arrangements, criteria/eligibility criteria to allocate the funds to the accredited implementing entities for specific activities, and timeline of activities under the Readiness Programme, as contained in document AFB/B.23/5;
- (b) Request the secretariat to proceed with the implementation of the programme in accordance with the approved criteria; and
- (c) Request the secretariat to submit to the Board intersessionally between the twenty-third and twenty-fourth meetings a document outlining options for the development of the adaptation finance readiness knowledge exchange.

(Decision B.23/26)

Agenda Item 10: Issues arising from the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its ninth session

29. Having considered decisions 1/CMP.9 and 2/CMP.9 the Adaptation Fund Board decided to:

- (a) Request the members of the Board to send to the secretariat by 30 June 2014 its views on the terms of reference of the second review of the Adaptation Fund, as contained in the annex to decision 2/CMP.9 so that they can be compiled for discussion at the twenty-fourth Board meeting. The outcome of the discussion will be included in the report of the Board to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its tenth session (CMP.10);

- (b) Recommend that the CMP select the World Bank as the entity to monetize the share of proceeds from Assigned Amount Units (AAUs) and Emission Reduction Units (ERUs);
- (c) Request the World Bank to submit draft amendments to the terms and conditions of services of the World Bank as trustee of the Adaptation Fund and any legal arrangements as may be necessary to carry out the monetization of AAUs and ERUs and present them for consideration by the Board during the intersessional period;
- (d) Request the secretariat to:
 - (i) Include in the draft report to CMP 10 information on the financial status of the Fund;
 - (ii) Liaise with the secretariat of the United Nations Framework Convention on Climate Change in drafting the technical paper requested by decision 2/CMP.9, through information and data sharing; and
 - (iii) Prepare a communication document which should include among other elements, a summary of the decisions made by the Board at the twenty-third meeting and which must be ready for the fortieth session of the Subsidiary Body for Implementation.

(Decision B.23/27)

Agenda Item 12: Financial issues

b) Status of the project/programme pipeline

30. The Adaptation Fund Board agreed to defer further consideration of the matter until its twenty-fourth meeting.

Agenda Item 13: Date and venue of the twenty-fourth meeting

31. The Adaptation Fund Board decided:

- (a) To hold its twenty-fourth meeting from 7 to 10 October 2014 in Bonn, Germany.
- (b) That the deadline for submissions for the intersessional project/programme proposal review cycle between the twenty-third and twenty-fourth meetings will be 14 April 2014.

(Decision B.23/28)

Agenda Item 15: Other matters

Ways to engage with the Adaptation Committee

32. The Adaptation Fund Board agreed that it would be useful to continue its dialogue with the Adaptation Committee.

Adoption of a zero tolerance policy for corruption

33. Having considered the proposal by the Chair, the Adaptation Fund Board decided to request the secretariat to present for consideration by the Ethics and Finance Committee at its fifteenth meeting:

- (a) A draft zero tolerance policy for corruption; and
- (b) An overview of existing policies and procedures addressing management of risks in the Fund's operations, including any proposals for amendments, as appropriate.

(Decision B.23/29)

Increasing transparency by opening committee meetings to observers

34. The Board agreed to defer further consideration of the issue to a future meeting.