



ADAPTATION FUND

AFB/B.26/2
17 September 2015

Adaptation Fund Board
Twenty-sixth Meeting
Bonn, Germany, 8-9 October 2015

ANNOTATED PROVISIONAL AGENDA

1. Opening of the meeting

The meeting will be opened by the Chair of the Adaptation Fund Board, Mr. Hans Olav Ibrekk (Norway, Western European and Other States).

2. Organizational matters

a) Adoption of the agenda:

Documents: AFB/B.26/1, Provisional agenda and AFB/B.26/2, Annotated provisional agenda.

Action expected: The Board will be invited to adopt the agenda of the meeting and to raise any other matters it may wish to discuss, to be included on the agenda under item 14.

b) Organization of work:

Document: AFB/B.26/2, Annotated provisional agenda.

Background: The Chair will propose to the Board the organization of work, in accordance with the Provisional timetable attached to document AFB/B.25/2.

3. Report on activities of the Chair

Document: None.

Background: The Chair of the Board, Mr. Hans Olav Ibrekk, will report on the activities carried out during the intersessional period.

Action expected: The Board will be invited to take note of the report.

4. Report on activities of the secretariat

Document: AFB/B.26/3 Report on the activities of the secretariat.

Background: The Manager of the secretariat will present the report contained in the above mentioned document.

Action expected: The Board will be invited to take note of the report.

5. Report of the Accreditation Panel

Document: AFB/B.26/4, Report of the Accreditation Panel.

Background: The Chair of the Accreditation Panel, Mr. Philip Weech (Bahamas, Group of Latin American and Caribbean Countries), will present the Panel's report to the Board. The report contains recommendations on the accreditation of implementing entities and other issues related to the accreditation process.

Action expected: The Board will be invited to consider and adopt the recommendations of the Panel.

6. Report of the 17th meeting of the Project and Programme Review Committee (PPRC)

Document: the PPRC will issue its report after its 16th meeting, which will take place on 6-7 October 2015.

Background: The Chair of the PPRC, Ms. Yuka Greiler (Switzerland, Western European and Other States), will present the PPRC report to the Board. The report contains recommendations on:

- a) Issues identified during project/programme review;
- b) Project/programme pipeline;
- c) Project/programme proposals;
- d) Capitalization of the Fund's climate change adaptation reasoning.

Action expected: The Board will be invited to consider and adopt the recommendations of the PPRC.

7. Report of the 17th meeting of the Ethics and Finance Committee (EFC)

Document: the EFC will issue its report after its 14th meeting, which will take place on 6-7 October 2015

Background: The Chair of the EFC, Ms. Irina Pineda Aguilar (Honduras, Group of Latin American and Caribbean Countries), will present the EFC report to the Board. The report contains recommendations on the following issues considered by the EFC on:

- a) Evaluation of the Fund;
- b) Effectiveness and efficiency of the accreditation process;
- c) Gender-related policies and procedures of the Fund;
- d) Annual report for the fiscal year 2015;
- e) Complaint handling mechanism;
- f) Implementation of the code of conduct;
- g) Financial issues.

Action expected: The Board will be invited to consider and adopt the recommendations of the EFC.

8. Issues remaining from the 25th meeting:

- a) *Strategic discussion on objectives and further steps of the Fund. Potential linkages between the Fund and the Green Climate Fund.*

Document: AFB/B.26/5, *Strategic discussion on objectives and further steps of the Fund: Potential linkages between the Fund and the Green Climate Fund.*

Background: At its 24th meeting the Board requested the secretariat to prepare a document containing elements on potential linkages of the Fund with the Green Climate Fund (GCF), for consideration during the intersessional period between its 24th and 25th meetings. The secretariat produced document AFB/B.24-25/1, Potential linkages between the Adaptation Fund and the Green Climate Fund, which builds upon the options outlined in document AFB/B.20/5, Strategic prospects for the Adaptation Fund, discussed at the 20th Board meeting in March 2013. Document AFB/B.24-25/1 analyzed in particular two scenarios: (a) establishment of an operational linkage with the GCF, through either accreditation or an ad hoc agreement or memorandum of understanding; and (b) institutional integration between the two funds. By decision B.24-25/9 the Board decided

to request the secretariat to further assess: (i) the potential for the Fund to apply as a financial intermediary of the GCF; and (ii) the feasibility of entering into some form of memorandum of understanding or legal agreement under which the Fund could programme GCF funds; and present its conclusions to its 25th meeting. Following the presentation by the secretariat at its 25th meeting, the Board decided to request the secretariat, in consultation with the trustee, as appropriate, to prepare a document for consideration by the Board at its 26th meeting containing further legal, operational, and financial analysis on the implications of various linkages with the GCF, and to report back at its 26th meeting. Document AFB/B.26/5 contains an analysis of the legal, operational, and financial implications of the options for potential linkages with the GCF outlined in decision B.24-25/9, based on the available GCF documentation, for consideration by the Board.

Action expected: The Board will be invited to consider the issues raised in document AFB/B.26/5.

9. Proposal to modify the country cap

Document: none.

Background: This item was introduced in the agenda at the request of the Chair. The Board at its 13th meeting (April 2011) decided as temporary measure to approve a cap of US\$ 10 million for each country funded (decision B.13/23). During the discussion that led to the cap establishment, some members expressed concerns in particular about the lack of consideration for the specific situation of certain groups of countries; and potential negative ramifications for the establishment of NIEs, where the funding cap may serve as a disincentive for countries that have already utilized the MIE modality to access funding. Another issue raised was how the cap would apply to regional projects, which at the time of this decision had not been considered for funding by the Board.¹ After six years of operations resulting in US\$ 318 million allocated to project/programme implementation in 50 countries, including 10 SIDS and 11 LDCs; 20 NIEs accredited of which 11 are implementing projects/programmes; and a regional pilot launched, the Board may want to take stock on whether any modifications to the cap per country may be necessary.

Action expected: The Board will be invited to consider a proposal by the Chair to modify the cap per country established by decision B.13/23.

10. Communications and outreach

Document: AFB/B.26/3, *Report on the activities of the secretariat*.

¹ See [report of the 13th meeting of the Adaptation Fund Board](#), paragraph 66.

Background: The secretariat will report on its communication efforts, including on events scheduled during the upcoming COP 21/CMP 11.

Action expected: The Board will be invited to take note of the report and make any decisions as appropriate

11. Financial issues

a) *Financial status of the trust fund and CER monetization:*

Documents: AFB/EFC.1776, *Adaptation Fund Trust Fund: financial report prepared by the trustee (as at 30 June 2015)*; AFB/B.26/Inf.4, *Trustee Presentation: Update on Status of Resources and CER monetization.*

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

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

12. Dialogue with civil society organizations

Document: AFB/B.26/Inf.5, *Agenda of the civil society dialogue.*

The Board will hold another session of its ongoing dialogue with civil society organizations on 8 October 2015.

Action expected: the Board will take note of the conclusions of the dialogue.

13. Election of the Board, PPRC, EFC and Accreditation Panel Chairs and Vice-Chairs

Document: none.

Background: The annual terms of office of the Board, PPRC, and EFC Chairs and Vice-Chairs expire right before the 27th Board meeting. Annex I and non-Annex I Parties alternate annually in the chairmanship and vice-chairmanship of the Board and its committees. The Board members that are members of the Accreditation Panel are elected for a two-year term and are eligible for another term. The non-Annex I member of the Accreditation Panel is finalizing his first term and is eligible for another two year term. The Annex I member of the Accreditation Panel is finalizing the first year of her second term and can continue for another year. A representative of the UNFCCC secretariat will brief the Board members on upcoming elections of Board members and alternates at CMP11.

Action expected: The Board will be invited to elect:

- A non-Annex I member as Board Chair
- An Annex I member as Board Vice-Chair
- A non-Annex I member or alternate as PPRC Chair
- An Annex I member or alternate as PPRC Vice-Chair
- An Annex I member or alternate as EFC Chair
- A non-Annex I member or alternate as EFC Vice-Chair
- An Annex I member or alternate as Accreditation Panel Chair
- A non-Annex I member or alternate as Accreditation Panel Vice-Chair

14. Dates and venues of meetings in 2016 and onwards

Background: The Board had tentatively scheduled dates and venues for the meetings to be held in 2016. The secretariat will propose dates for Board meetings in 2017.

Action expected: The Board will be invited to confirm the meetings' schedule for 2016 and consider the tentative schedule for 2017.

15. Other matters

Action expected: The Board will be invited to discuss any other matters raised during the adoption of the agenda

16. Adoption of the report

Action expected: The Board will be invited to adopt the decisions approved at its 26th meeting. The report of the meeting will be finalized by the Chair with assistance of the secretariat and adopted during the intersessional period.

17. Closure of the meeting.

PROVISIONAL TIMETABLE**Day 1: 8 October 2015***Morning Session*

9:00 – 9:30	1	Opening of the meeting
	2.a)	Adoption of the agenda
	2.b)	Organization of work
9:30 – 9:45	3	Report of the Chair
9:45 – 10:00	4	Report of the secretariat
10:00 – 10:30	5	Report of the Accreditation Panel

10:30 – 10:45 Coffee break

10:45 – 11:30	7	Report of the EFC
11:30 – 12:00	10.a)	Financial status of the trust fund and CER monetization
12:00 – 12:30	9	Proposal to modify the country cap

Afternoon Session

14:00 – 15:30	12	CSO dialogue
<i>15:30 – 15:45 Coffee break</i>		
15:45 – 16:30	8.a)	Potential linkages with GCF
16:30 – 17:00	10	Communications

Day 2: 9 October 2015*Morning Session*

9:00 – 9:30 13 Election of officers for 2016

9:30 – 10:15 6 Report of the PPRC

10:15 – 10:30 Coffee break

10:30 – 11:15 14 Other matters

11:15 – 11:30 13 Dates and venue of meetings in 2016 and onwards

Afternoon Session

15:00 – 16:00 15 Adoption of the decisions

16 Closure of the meeting