



ADAPTATION FUND

AFB/B.29/2/Rev.1
12 March 2017

Adaptation Fund Board
Twenty-ninth Meeting
Bonn, Germany, 16-17 March 2017

ANNOTATED PROVISIONAL AGENDA

1. Opening of the meeting

The meeting will be opened by the outgoing Chair of the Adaptation Fund Board, Mr. Naresh Sharma (Nepal, Least Developed Countries).

2. Election of outstanding officers

Document: none.

Background: The Board, at its twenty-eighth meeting, elected Mr. Michael Jan Hendrik Kracht (Germany, Annex I Parties) as the Chair of the Board for the period of office starting at the twenty-ninth meeting. The Board also elected Ms. Fatuma Mohamed Hussein (Kenya, Non-Annex I Parties) as Chair of the Accreditation Panel and Ms. Yuka Greiler (Western European and Others Group) as Vice-Chair of the Accreditation Panel. Further, the Board decided to elect the remaining officers intersessionally (decision B.28/48). The Board has intersessionally elected Ms. Monika Antosik (Poland, Eastern Europe) and Mr. Mirza Shawkat Ali (Bangladesh, Asia) as the Chair and the Vice-Chair of the Project and Programme Review Committee, respectively, and Ms. Patience Dampety (Ghana, Non-Annex I Parties) and Ms. Tove Zetterström-Goldmann (Sweden, Annex I Parties) as the Chair and the Vice-Chair of the Ethics and Finance Committee, respectively (decision B.28-29/16). The Board has yet to elect the Vice-Chair of the Board for the period of office starting at the twenty-ninth meeting. Further, Ms. Fatuma Mohamed Hussein has resigned from the Board, thereby leaving the position of the Chair of the Accreditation Panel vacant. Further, the Board decided, at its twenty-eighth meeting, to establish a task force to guide the work of the secretariat on the medium-term strategy for the Fund, composed of three members from Annex I countries and three members from non-Annex I countries to be elected intersessionally (decision B.28/46 (a)). However, as nominations were not received to fill all six positions, the members of the task force have not been elected yet.

Action expected: The Board will be invited to elect its Vice-Chair for its period of office starting at the twenty-ninth meeting, and to elect the Chair of the Accreditation Panel and the members of the medium-term strategy task force.

3. Transition of the Chair and the Vice-Chair.

Document: none.

Background: The Board at its twenty-eighth meeting elected Mr. Michael Jan Hendrik Kracht (Germany, Annex I Parties) as the Chair of the Board for the period of office starting at the twenty-ninth meeting. The Board has been invited to elect its Vice-Chair for the same period of office under the previous agenda item.

Action expected: The outgoing Chair will hand over the Board Chairmanship to the incoming Chair and Vice-Chair.

4. Organizational matters:

- a) Adoption of the agenda;

Documents: AFB/B.29/1/Rev.1, Provisional agenda and AFB/B.29/2/Rev.1, 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 18.

- b) Organization of work.

Document: AFB/B.29/2/Rev.1, 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.29/2.

5. Report on activities of the outgoing Chair

Document: None.

Background: The outgoing Chair of the Board, Mr. Naresh Sharma (Nepal, Least Developed Countries), will report on the activities carried out during the intersessional period.

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

6. Report on activities of the secretariat

Document: AFB/B.29/3/Rev.1, Report on the activities of the secretariat.

Background: The Interim 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.

7. Report of the Accreditation Panel

Document: AFB/B.29/4, Report of the Accreditation Panel.

Background: Due to the recent resignation of the Chair of the Accreditation Panel and the absence of the Vice Chair of the Accreditation Panel, the Chair of the Board will present the Panel's report to the Board with the support of the secretariat. The report contains information on the status of accreditation applications and other issues related to the accreditation process.

Action expected: The Board will be invited to take note of the Report of the Accreditation Panel.

8. Report of the twentieth meeting of the Project and Programme Review Committee (PPRC)

Document: the PPRC will issue its report after its twentieth meeting, which will take place on 14-15 March 2017.

Background: The Chair of the PPRC, Mrs. Monika Antosik (Poland, Eastern Europe), will present the PPRC report to the Board. The report contains recommendations on:

- a) Funding for proposals under the pilot programme for regional activities;
- b) Overview of project/programme proposals received;
- c) Issues identified during project/programme review;
- d) Project/programme proposals;
- e) Review of readiness grants;
- f) Post-implementation learning and impact evaluation;
- g) Full cost of adaptation reasoning.

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

9. Report of the twentieth meeting of the Ethics and Finance Committee (EFC)

Document: the EFC will issue its report after its twentieth meeting, which will take place on 14-15 March 2017.

Background: The Chair of the EFC, Ms. Patience Dampsey (Ghana, Non-Annex I Parties), will present the EFC report to the Board. The report contains recommendations on the following issues considered by the EFC:

- a) Options for an Evaluation Function and Cost Implications;
- b) Material change in projects funded by the Fund;
- c) Financial issues:
- d) Constitution of the Independent Review Panel for the second phase of the overall evaluation of the Fund

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

10. Issues remaining from the twenty-eighth meeting:

- a) Medium-term strategy for the Fund;

Document: AFB/B.29/5, *Elements including options for a medium-term strategy for the Fund*

Background: At its twenty-eighth meeting, having considered document AFB/B.28/7 and the confidential addendum AFB/B.28/7/Add.1, the Board decided:

- a) *To establish a task force to guide the work of the secretariat on the medium-term strategy for the Fund, composed of three members from Annex I countries and three members from non-Annex I countries to be elected intersessionally;*
- b) *To request the secretariat to:*
 - (i) *Arrange, if possible, a meeting of the task force, in the sidelines of the twenty-second session of the Conference of the Parties of the United Nations Framework Convention on Climate Change;*
 - (ii) *Prepare, under the supervision of the task force mentioned in subparagraph (a), elements including options for a medium-term strategy for*

the Fund, to be considered by the Board at its twenty-ninth meeting, with a view to developing the final strategy by the thirtieth meeting; and

c) *That the medium-term strategy would be developed according to the following options for the framework described in document AFB/B.28/7:*

(i) *Conceptual model: Option 2: Strategy as dynamic;*

(ii) *Structure: Option 1: Strategic choices approach;*

(iii) *Design process: a combination of Options 1 and 2, so that at the initial stage, the first formulation of the strategy would be done engaging a focused group of stakeholders and decision-makers (Option 1) and that at the second stage, a more comprehensive process (Option 2) would be applied.*

(Decision B.28/46)

The secretariat has under the supervision of the task force mentioned in sub-paragraph (a) of decision B.28/46, prepared a document containing elements including options for a medium-term strategy for the Fund. The main document AFB/B.29/5 provides a brief background and presents the main action items. Background information on the elements is contained in the addendum AFB/B.29/5/Add.1 which is circulated to the Board as a confidential document.

Action expected: The Board will be invited to consider the elements including options for a medium-term strategy presented by the secretariat.

b) Strategic discussion on objectives and further steps of the Fund. Potential linkages between the Fund and the Green Climate Fund;

Document: AFB/B.29/6, *Strategic discussion on objectives and further steps of the Fund: Potential linkages between the Fund and the Green Climate Fund.*

Background: At its twenty-fourth 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 twenty-fourth and twenty-fifth 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 twentieth 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 twenty-fifth meeting. Following the presentation by the secretariat at its twenty-fifth 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 twenty-sixth meeting containing further legal, operational, and financial analysis on the implications of various linkages with the GCF. As requested, the secretariat presented document AFB/B.26/5 containing 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, at its twenty-sixth Board meeting. At its twenty-seventh meeting the Board decided to request the secretariat to update document AFB/B.26/5 based on the outcome of the COP21/CMP11 for full consideration by the Board at its twenty-seventh meeting (decision B.26/38). COP 21 decided to encourage the GCF Board to improve complementarity and coherence with other institutions, per paragraphs 33 and 34 of the governing instrument of the Green Climate Fund. Following consideration of this document, the Board requested the Chair and Vice-Chair to continue consultations with the Co-Chairs of the GCF Board on potential linkages between the two funds, and the secretariat to continue its collaboration with the GCF on issues identified in decision B.25-26/6, and update document AFB/B.27/6 with the outcome of those discussions (decision B.27/37). Document AFB/B.28/6 presents the requested update for consideration by the Board. The current document responds to paragraph b) (ii) of Decision B.28/4 above, and presents further legal, operational and financial analysis on the implications of various linkages with the GCF.

Action expected: The Board will be invited to consider the information provided in document AFB/B.29/6 and decide on a course of action regarding the operational linkages with GCF.

c) Resource mobilization action plan

Document: AFB/B.29/7 *Resource Mobilization Action Plan*

Background: At its twenty-eighth meeting, having considered document AFB/B.28/8 “Resource mobilization strategy” and the confidential addendum AFB/B.28/8/Add.1, the Board decided to:

- a) *Approve the updated resource mobilization strategy; and*
- b) *Request the secretariat to develop:*
 - (i) *A resource mobilization action plan based on the updated strategy, taking into account the decisions made by the Board regarding the options for a framework for a medium-term strategy, for consideration by the Board at its twenty-ninth meeting; and*
 - (ii) *Communications materials based on the updated strategy.*

(Decision B.28/44)

The secretariat has prepared a draft resource mobilization action plan based on the updated strategy approved at the twenty-eighth meeting. In doing so, the secretariat has consulted the resource mobilization task force of the Board. The main document AFB/B.29/7 provides a brief background, and the action plan is contained in the addendum AFB/B.29/7/Add.1 which is circulated to the Board as a confidential document.

Action expected: The Board will be invited to consider the information provided in documents AFB/B.29/7 and AFB/B.29/7/Add.1.

11. Implementation of the readiness programme

Document: AFB/B.29/8, *Proposed Framework for the Readiness Programme*

Background: At its twenty-seventh meeting the Board decided through decision B.27/38 to make the Readiness Programme a more permanent feature of the Fund and to integrate it into the Adaptation Fund work plan and budget. The secretariat will present document AFB/B.29/8 for consideration by the Board to give guidance to the secretariat on further steps to action the integration of the programme into the Fund's operations, policies and guidelines, strategies, work plan and budget. The secretariat is proposing for consideration by the Board, a framework which reflects the long-term nature of the Readiness Programme and further actions by the secretariat in order to fulfill the decision B.27/38.

Action expected: The Board will be invited to consider the proposed framework for the Readiness Programme contained in document AFB/B.29/8 and to approve the recommendations contained in paragraph nine of the document.

12. Issues arising from the twenty-second session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 22), the twelfth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 12), and the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1).

Documents: Document AFB/B.29/Inf.8 containing Decisions 1/CP.22, 1/CMA.1, 1/CMP.12 and 2/CMP.2

Background: The twenty-second session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 22), the twelfth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 12), and the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1) convened in Marrakech, Morocco, in November

2016, each made decisions that are of relevance to the Adaptation Fund, including its potential role serving the Paris Agreement.

Action expected: The Board will be invited to consider document AFB/B.29/Inf.8, containing decisions 1/CP.22, 1/CMA1, 1/CMP.12 and 2/CMP.12, including potential information to include in its next report to CMP13 that may be relevant for the implementation of the above mentioned decisions.

13. Communications and outreach

Document: AFB/B.29/3, Report on the activities of the secretariat

Background: The secretariat will report on its communication efforts since the twenty-eighth meeting, including on events scheduled during the upcoming UNFCCC Subsidiary Bodies meetings.

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

14. Financial issues:

- a) Financial status of the Trust Fund and CER monetization

Documents: AFB/EFC.20/6, Adaptation Fund Trust Fund: financial report prepared by the trustee (as at 31 December 2016); AFB/B.29/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.

15. Dialogue with civil society organizations

Document: AFB/B.29/Inf.5, Agenda of the civil society dialogue

The Board will hold another session of its ongoing dialogue with civil society organizations.

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

16. Date and venue of meetings in 2017 and onwards

Background: The secretariat will inform about dates for upcoming Board meetings.

Action expected: The Board will be invited to confirm the meetings' schedule.

17. Implementation of the code of conduct

Document: [Code of Conduct](#) and [Zero Tolerance Policy for the Board](#) (Adopted in October 2014)

Background: At its nineteenth meeting, the EFC underscored that all Board members and alternates should be aware of the code of conduct, the zero tolerance policy for fraud and corruption, and the procedure for reporting such issues to the EFC. Having considered the comments and recommendation of the EFC, the Board decided to address the item relating to the code of conduct as the last substantive item on its agenda at every Board meeting (Decision B.28/41).

Action expected: Board members and alternates can raise any issues related to the implementation of the code of conduct for deliberation by the Board. The Board will be invited to discuss any issues raised, and make decisions as appropriate. The code of conduct and zero tolerance policy are available on the Fund's website.

18. Other matters

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

19. Adoption of the report

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

20. Closure of the meeting

PROVISIONAL TIMETABLE**Day 1: 16 March 2017***Morning Session*

| | | |
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| 9:00 – 9:20 | 1 | Opening of the meeting |
| | 2 | Election of the outstanding officers |
| | 3 | Transition of the Chair and Vice-Chair |
| | 4 a) | Adoption of the agenda |
| | 4 b) | Organization of work |
| 9:20 – 9:30 | 5 | Report on activities of the outgoing Chair |
| 9:30 – 11:00 | 10 a) | Medium-term strategy for the Fund |
| 11:00 – 11:15 | | Coffee break |
| 11:15 – 11:30 | 6 | Report on activities of the secretariat |
| 11:30 – 12:00 | 7 | Report of the Accreditation Panel |
| 12:00 – 12:30 | 11 | Implementation of the readiness programme |

Afternoon Session

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| 14:00 – 14:45 | 9 | Report of the EFC |
| 14:45 – 15:30 | 10 b) | Strategic discussion on objectives and further steps of the Fund; Potential linkages between the Fund and the GCF |
| 15:30 – 15:45 | | Coffee break |
| 15:45 – 16:15 | 14 | Financial status of the Trust Fund and CER monetization |
| 16:15 – 17:15 | 15 | CSO dialogue |

Day 2: 17 March 2017*Morning Session*

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| 9:00 – 9:15 | 13 | Communications and outreach |
| 9:15 – 10:30 | 8 | Report of the PPRC |
| 10:30 – 10:45 | | Coffee break |
| 10:45 – 11:30 | 10 c) | Resource mobilization action plan |

Afternoon Session

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| 14:00 – 15:00 | 12 | Issues arising from COP22, CMP12 and CMA1 |
| 15:00 – 15:15 | 17 | Implementation of the code of conduct |
| 15:15 – 15:30 | | Coffee break |
| 15:30 – 16:15 | 18 | Other matters |
| 16:15– 17:15 | 19 | Adoption of the report |
| | 20. | Closure of the meeting |