



ADAPTATION FUND

AFB/B.32/12
15 January 2019

ADAPTATION FUND BOARD

Thirty-second Meeting
Bonn, Germany, 11–12 October 2018

REPORT OF THE THIRTY-SECOND MEETING OF THE ADAPTATION FUND BOARD

Introduction

1. The thirty-second meeting of the Adaptation Fund Board (the Board) was held at the Langer Eugen United Nations Campus in Bonn, Germany, from 11 to 12 October 2018, in conjunction with the twenty-third meetings of the Project and Programme Review Committee (PPRC) and the Ethics and Finance Committee (EFC) of the Board.
2. The meeting was broadcast live through the website of the Adaptation Fund (the Fund). The United Nations Convention to Combat Desertification (UNCCD) secretariat provided logistical and administrative support for the meetings of the Board and its committees.
3. The list of the members and alternate members who participated in the meeting is attached to the present report as annex I. A list of accredited observers present at the meeting can be found in document AFB/B.32/Inf.3.

Agenda Item 1: Opening of the meeting

4. The meeting was opened at 9:20 a.m. on 11 October 2018 by the Chair, Mr. Victor Viñas (Dominican Republic, Latin America and the Caribbean).

Agenda Item 2: Organizational matters

a) *Adoption of the agenda*

5. The Board adopted the provisional agenda set out in document AFB/B.32/1/Rev.1 as the agenda for its thirty-second meeting. The agenda is attached in Annex II to the present report.
6. In adopting the agenda, the Board agreed to discuss the following matters under agenda item 8, Other matters:

(a) Preparation of an addendum to the Board's report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol covering activities undertaken since the end of the reporting period of the main report; and

(b) Late-stage withdrawals of proposals by multilateral implementing entities.

b) Organization of work

7. The Board considered the provisional timetable contained in the annotated provisional agenda (AFB/B.32/2) and adopted it as proposed by the Chair.

8. The Chair welcomed Ms. Sheida Asgharzadeh Ghahroudi (Iran, Asia-Pacific) as a new alternate member of the Board.

9. The following members and alternate members declared conflicts of interest:

Mr. Ibila Djibril (Benin, Africa)

Mr. Aram Ter-Zakaryan (Armenia, Eastern Europe)

Mr. Chebet Maikut (Uganda, Least Developed Countries)

Ms. Patience Dampsey (Ghana, Non-Annex I Parties)

Mr. Victor Viñas (Dominican Republic, Latin America and the Caribbean)

Ms. Margarita Caso Chavez (Mexico, Non-Annex I Parties)

10. In response to a query, the manager of the Adaptation Fund Board Secretariat (the secretariat) explained that Board members with a conflict of interest were required to leave the room when the associated project or accreditation application was discussed but were not expected to leave the room when the decision on the matter was reviewed during the adoption of the decisions of the meeting.

Agenda Item 3: Report on the activities of the Chair

11. The Chair provided a brief report on activities he had undertaken on the Board's behalf during the intersessional period between the thirty-first and thirty-second meetings of the Board with the support of the secretariat.

12. In early May 2018, the Chair had attended the Bonn climate change conference on the Board's behalf, where in addition to participating in the negotiations relating to the Fund he had given the opening remarks at the Adaptation Fund side event. He had also represented the Board at the Bangkok Climate Change Conference 2018 in early September. In Bangkok, he had once again participated in the negotiations related to the Fund, as well as providing an update to the Ad Hoc Working Group on the Paris Agreement (APA) on topics that had been identified by the Parties and included in the co-facilitators' informal note from the previous session of the APA (APA 1-5), namely operating modalities, safeguards and recent enhancements. During both the Bonn and the Bangkok conferences, pursuant to decision B.31/33, the Chair and the Vice-Chair had held discussions with the Co-Chairs of the Green Climate Fund (GCF) Board to explore concrete steps toward enhancing complementarity and coherence, a subject that would be discussed in greater detail at the present meeting under agenda item 11.

13. In addition to the work relating to the climate conferences, the Chair had interacted with the secretariat on strategy documents during the period, including the draft management response to the second phase of the overall evaluation of the Fund, the draft report of the Fund to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) and the campaign for contributions from private sources. He had also performed day-to-day duties such as signing agreements for projects, project formulation grants and readiness grants approved during previous project review cycles, as well as cash transfer requests, and letters to contributors.
14. Following his presentation, one member asked that the Chair's report be submitted to the Board in writing in the future. Another member, noting that the work of the Chair and Vice-Chair demanded a considerable amount of time, thanked them both for their efforts on the Board's behalf.
15. The Board took note of the report on the activities of the Chair.

Agenda Item 4: Report on the activities of the secretariat

16. The manager of the secretariat reported on the secretariat's activities during the intersessional period as set out in document AFB/B.32/3. He drew attention to the fact that in addition to their regular work of reviewing project proposals, overseeing the portfolio of active projects and supporting the accreditation panel on accreditation issues, secretariat staff had prepared for the roll-out of new activities under the medium-term strategy, supported the finalization of the overall evaluation of the Fund and taken numerous steps toward cooperation with other climate funds, particularly the GCF, during the period.
17. The Adaptation Fund Board took note of the report on the activities of the secretariat.

Agenda Item 5: Report of the Accreditation Panel

18. The Vice-Chair of the Accreditation Panel, Mr. Chebet Maikut (Uganda, Least Developed Countries) recalled that the report of the twenty-eighth meeting of the Accreditation Panel, which had been held in May 2018, had been submitted to and adopted by the Board during the intersessional period and presented the report of the panel's twenty-ninth meeting, held in August 2018 (AFB/B.32/4).
19. Following his report, the meeting went into a closed session for a discussion of the individual applications for accreditation and re-accreditation due to the potentially confidential information related to the applications.
20. Following the closed session, the Adaptation Fund Board took note of the report.

Agenda Item 6: Fast-track accreditation process

21. Introducing the item, the Vice-Chair recalled that in decision B.31/26, the Board had requested the secretariat to prepare a document on a "fast-track" accreditation process for entities accredited with the GCF and to present it to the Board at its thirty-second meeting.
22. The representative of the secretariat then presented the document prepared by the secretariat pursuant to that decision, containing an analysis prepared by the Accreditation Panel of a fast-track accreditation process for entities accredited by the GCF (document AFB/B.32/5). She subsequently responded to a question regarding the proposed timing of a review of the GCF accreditation standards, saying that it was important to keep a gap analysis of the policies of the two

funds up to date and that two years had been considered appropriate for the resource-consuming task.. A representative of the GCF secretariat attending the meeting as an observer informed the Board that the GCF Board would be reviewing the accreditation panel modalities in the first quarter of 2019 and that a gap analysis could be performed following that review.

23. Having considered the overall analysis of the Accreditation Panel contained in document AFB/B.32/5, the Adaptation Fund Board (the Board) decided:

(a) To take note of the analysis and conclusion of the Accreditation Panel (the Panel) that the accreditation process of the Green Climate Fund (GCF) is consistent with that of the Adaptation Fund (the Fund), and that it can be relied on subject to the review of each accreditation application by the Panel in line with document AFB/EFC.19/7/Rev.1;

(b) To approve a fast-track accreditation process for the Fund for potential national, regional and multilateral implementing entities that had been accredited by the GCF within a period of four years prior to the submission of the accreditation application to the Fund and that meet the eligibility criteria contained in paragraphs 24–32 of the Operational Policies and Guidelines of the Fund;

(c) To request the secretariat to carry out an assessment of the GCF accreditation standards in 2019, including a gap analysis, and to present it to the Board at its thirty-fourth meeting; and

(d) To request the secretariat to communicate this decision to the GCF secretariat.

(Decision B.32/1)

Agenda Item 7: Report of twenty-third meeting of the Project and Programme Review Committee

24. Ms. Aida Velasco Munguira (Spain, Annex I Parties), Vice-Chair of the PPRC, presented the report of the PPRC (AFB/PPRC.23/35).

25. A number of clarifications were requested during the presentation. Further information was sought about how the small-grants facility for innovation operated, whether multilateral implementing entities (MIEs) could access it and why the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UN Environment) had been recommended to be selected as the MIE aggregators. Concern was also expressed at the number of proposals that had been neither endorsed nor approved; that was not helpful for the proponents of the proposals, as their expectations were raised when the proposals were taken up and discussed by the PPRC.

26. It was suggested that the number of approvals and endorsements could be improved if the secretariat waited until all the issues had been resolved before presenting the proposals to the PPRC, particularly as the recommendations of the PPRC rarely deviated from those already made by the secretariat. It was also suggested that the secretariat should also be allowed to approve the project formulation grants, without needing to seek the approval of the PPRC, as the amounts were not large. The PPRC would still need to meet and exchange views to provide guidance to the secretariat, but the existing processes, while satisfactory so far, could be improved. The best practices at other funds, such as the Global Environment Facility (GEF) and the GCF, should be looked at, and before taking any decision on the matter it would be useful to have an analysis of the issues prepared by the secretariat. It was also important to remember that although the rejection rate

appeared to be high, the Adaptation Fund still had one of the shortest timelines for approving or endorsing a proposal once it was submitted.

27. Responding to some of the concerns raised, the manager of the secretariat explained that in addition to the other funding windows, the PPRC had developed a grants facility for innovation that had two methods for accessing it. Countries with NIEs could access it directly, while others could access it through the MIE aggregators. The PPRC had recommended the selection of two MIE aggregators to give countries greater flexibility when applying for such a grant. He said that decision 1/CMP.3, paragraph 5(d), called for decisions on projects, including the allocation of funds, to be taken by the Board, so that it was unlikely that the decision-making power could be delegated to the secretariat. The agreement with the trustee also required the signature of the Chair of the Board for fund transfers. However, it might be possible to modify the Operational Policies and Guidelines to grant the secretariat the authority to decide when to forward proposals to the PPRC.

28. The Vice-Chair of the Board proposed taking up a recommendation of the PPRC on the “late-stage withdrawals of proposals by multilateral implementing entities” under agenda item 21, “Other matters”, but owing to a lack of time the Board was unable to consider the recommendation.

29. The Board approved the following decisions on the matters considered by the PPRC at its twenty-third meeting:

a) *Report on the progress and experiences on regional projects and programmes*

30. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided to request the secretariat, through channels including the readiness programme of the Adaptation Fund:

(a) To increase communication with eligible implementing entities, especially regional implementing entities (RIEs), to make them aware of the opportunities for funding the formulation of regional project/programme proposals, starting at the pre-concept stage, to increase the quality of proposals developed for the consideration of the Board; and

(b) To increase the engagement with RIE applicants for accreditation, with an aim of increasing the number of proposals for regional projects and programmes to be submitted through the RIE access modality.

(Decision B.32/2)

31. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided to request the secretariat to prepare, for consideration at the thirty-third meeting of the Board, a document presenting options for criteria for the provision of financial resources between single-country and regional concrete adaptation projects and programmes, including options to establish a country cap on regional projects and programmes and review the country cap on single-country projects and programmes.

(Decision B.32/3)

b) *Programme for innovation*

Small grants through the Direct Access modality

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

(a) To approve the process for providing funding for innovation through small grants to National Implementing Entities (NIEs), as described in document AFB/PPRC.23/4/Rev.2, including the proposed objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features as described in the document; and

(b) To request the secretariat to prepare the first request for proposals to NIEs for US\$ 2 million, to be launched at the twenty-fourth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in December 2018.

(Decision B.32/4)

Small grant projects through a multilateral implementing entity aggregator

33. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

(a) To select and invite both the United Nations Development Programme and United Nations Environment Programme to serve as the multilateral implementing entity (MIE) aggregator(s) for small grants for innovation;

(b) To request the secretariat to prepare a joint announcement of the initiative in conjunction with the twenty-fourth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change;

(c) To request the secretariat to develop guidance to the MIE aggregators for preparing proposals for small grant programmes for innovation;

(d) To establish a task force that would advise the secretariat on the development of the guidance; and

(e) To invite the two MIE aggregators to prepare respective proposals for the consideration of the Board.

(Decision B.32/5)

c) *Report of the secretariat on the initial screening/technical review of project and programme proposals*

Issues identified during the review process

Length of submissions

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

- (a) To set a page limit for new or resubmitted project/programme proposals as follows:
 - (i) Fifty pages for the project/programme concept, including its annexes; and
 - (ii) One hundred pages for the fully-developed project document, and one hundred pages for its annexes; and
- (b) To request the secretariat to communicate submission length guidance to the implementing entities of the Adaptation Fund.

(Decision B.32/6)

Letters of endorsement

35. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to accept the letters of endorsement submitted in support of a project as valid for the resubmission(s) of the same project for a period of three consecutive project/programme review cycles, excluding cases where there is a change to the proposal at any stage of submission, including a change in participant countries, target areas or institutional arrangements, for which new letters of endorsement would be required.

(Decision B.32/7)

d) Review of single-country project and programme proposals

Fully-developed proposals

Proposals from national implementing entities

Small-size proposals:

Indonesia: Community Adaptation for Forest-Food Based Management in Saddang Watershed Ecosystem (Fully-developed Project Document; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Food/2017/1; US\$ 835,465)

36. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not approve the fully-developed project as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- (b) To suggest that Kemitraan 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 sufficient technical information and specifications about the interventions that will be implemented to a point where the risks related to the Environmental and Social Policy (ESP) of the Adaptation Fund (the Fund) can be effectively and comprehensively identified;

- (ii) The proponent should provide further information on the measures envisaged to ensure the sustainability of the project's outputs that could enable replication and scaling up of the proposed interventions;
 - (iii) As an important factor in the identification of some of the ESP risks, such as for natural habitats and biodiversity, the proposal should clarify the concept and the conditions of the "critical land" on which some of the project activities will take place;
 - (iv) The proposal should include strengthened project management arrangements by specifying the institutions that will be part of the project steering committee and ensuring that stakeholders' views will be heard during project implementation;
 - (v) The proposal should include an adequate Environmental and Social Management Plan based on a comprehensive, evidence-based risk identification and subsequent impact assessment; this should allocate roles and responsibilities for implementing management or mitigation measures and should include provisions for monitoring; and
 - (vi) The proposal should be fully aligned with the Fund's results framework, including at least one core outcome indicator from the Fund's results framework; and
- (c) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

(Decision B.32/8)

Regular proposals:

Armenia: Strengthening land-based adaptation capacity in communities adjacent to protected areas in Armenia (Fully-developed Project Document; Environmental Project Implementation Unit (EPIU) of the Ministry of Nature Protection of Armenia; ARM/NIE/Forest/2017/1; US\$ 2,506,000)

37. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not approve the fully-developed project as supplemented by the clarification responses provided by the Environmental Project Implementation Unit (EPIU) of the Ministry of Nature Protection of Armenia to the request made by the technical review;
- (b) To suggest that EPIU 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 proponent should provide execution costs that do not exceed 1.5 per cent of the total budget requested, before the implementing entity fees;
 - (ii) The proposal should clarify whether solar water heaters are going to be installed in public buildings;
 - (iii) The proposal should clarify what value addition will be done and to what products;
 - (iv) The proposal should clarify why some social benefits cannot be described and estimated at the full proposal stage and an explanation of why the cost-benefit analysis mentioned in the proposal was excluded;

- (v) The proposal should provide a clear analysis of project cost effectiveness; and
- (vi) The proponent should undertake adequate identification of environmental and social impacts or risks, including measures for their management in line with the Adaptation Fund's Environmental and Social Policy (ESP) and Gender Policy, and should also clarify how gender is mainstreamed under the project implementation arrangements, in particular providing adequate clarity on the following:
 - a. A clear timeline for the environmental impact assessment;
 - b. The risks and impact of irrigation water extraction;
 - c. Information on how marginalized and vulnerable groups may be disproportionately at risk of negative environmental impacts;
 - d. The risks triggered by the ESP principle on core labour rights, with particular attention paid to the risk of child labour and identification of relevant risks related to the conservation of biological diversity as triggered by the ESP principle on biodiversity; and
 - e. Information to substantiate provided information on cultural heritage; and
- (c) To request EPIU to transmit the observations under subparagraph (b) to the Government of Armenia.

(Decision B.32/9)

Armenia: Artik city closed stone pit wastes and flood management pilot project (Fully-developed Project Document; Environmental Project Implementation Unit (EPIU) of the Ministry of Nature Protection of Armenia; ARM/NIE/Urban/2017/1; US\$ 1,435,100)

38. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To approve the fully-developed project document as supplemented by the clarification response provided by the Environmental Project Implementation Unit (EPIU) to the request made by the technical review;
- (b) To approve the funding of US\$ 1,435,100 for the implementation of the project, as requested by EPIU;
- (c) To request the secretariat to draft an agreement with EPIU as the national implementing entity for the project; and
- (d) To request EPIU to ensure that the following issues have been addressed no later than the date of submission of the first project performance report:
 - (i) EPIU should submit a waste management plan clearly showing that the proposed waste management measures are sustainable and adequate to safely handle the quantities and the nature of the waste that will be generated, handled or collected by or with the support of the project.

(Decision B.32/10)

Dominican Republic: Enhancing Climate Resilience in San Cristóbal Province, Dominican Republic - Integrated Water Resources Management and Rural Development Programme (Fully-developed Project Document; Dominican Institute of Integral Development (IDDI); DOM/NIE/Water/2016/1; US\$ 9,953,692.35)

39. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

(a) To not approve the fully-developed project as supplemented by the clarification responses provided by the Dominican Institute of Integral Development (IDDI) to the request made by the technical review;

(b) To suggest that IDDI 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 sufficient and clear technical information and specifications about the proposed interventions to permit the risks to be effectively and comprehensively identified in compliance with the Adaptation Fund's Environmental and Social Policy (ESP);

(ii) The proponent should conduct a comprehensive, evidence-based, risk-impact-assessed risk identification in line with the ESP and thus develop an adequate Environmental and Social Management Plan;

(iii) The proponent should conduct further assessments of the ESP risks of concern, specifically with respect to marginal and vulnerable groups in terms of human rights, access and equity, and more generally of the risk of involuntary resettlement related to the reforestation activities; and

(iv) The proposal should provide a gender assessment along with gender-disaggregated information; and

(c) To request IDDI to transmit the observations under subparagraph (b) to the Government of the Dominican Republic.

(Decision B.32/11)

Indonesia: Building Coastal City Resilience to Climate Change Impacts and Natural Disasters in Pekalongan City, Central Java Province (Fully-developed Project Document; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Multi/2017/1; US\$ 4,127,065)

40. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

(a) To not approve the fully-developed project as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;

(b) To suggest that Kemitraan 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 sufficient technical information and specifications about the proposed interventions to a point where the risks related to the Adaptation Fund's Environmental and Social Policy (ESP) can be effectively and comprehensively identified; as such, it should consider undertaking the various planned preliminary assessments before submission of the fully-developed proposal to allow the final identification of the project's interventions;
 - (ii) The proposal should further demonstrate the appropriateness of the proposed interventions in responding to the threats posed by climate change scenarios;
 - (iii) The proposal should explain how the infrastructure to be built under the programme will be made resilient to the impacts of climate change;
 - (iv) The proposal should demonstrate how the project and its associated interventions would meet the relevant national technical standards, in compliance with the ESP;
 - (v) The proposal should provide evidence of a comprehensive, gender-responsive consultative process involving all direct and indirect stakeholders of the proposed project and should demonstrate that the outcomes of the consultative process were taken into account in the design of the proposed interventions; and
 - (vi) The proposal should demonstrate compliance of the project activities with the ESP; and
- (c) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

(Decision B.32/12)

Namibia: Community-based integrated farming systems for climate change adaptation (Fully-developed Project Document; Desert Research Foundation of Namibia (DRFN); NAM/NIE/Agri/2015/2; US\$ 5,000,000)

41. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not approve the fully-developed project as supplemented by the clarification responses provided by the Desert Research Foundation of Namibia (DRFN) to the request made by the technical review;
- (b) To suggest that DRFN 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 specify the targeted "Direct Beneficiaries";
 - (ii) The proposal should provide a justification for the unidentified subprojects (USP) approach that is in line with the Adaptation Fund's Environmental and Social Policy (ESP);

- (iii) The proposal should include information on the maintenance systems that will be in place in order to demonstrate how the assets/equipment will be maintained in the longer term;
 - (iv) The proposal should clarify how the activity of financing doctoral and master's projects is linked to the project objectives and the overall goal of the intervention;
 - (v) The proposal should clarify the process for obtaining environmental clearance, the stage at which the clearance will be applied for and whether the authorization is required for USPs only or for the entire project;
 - (vi) The proposal should specify measures to avoid impacts on the underground water system; and
 - (vii) The proposal should provide adequate risk identification for indigenous people in line with principle 7 of the ESP; and
- (c) To request DRFN to transmit the observations under subparagraph (b) above to the Government of Namibia.

(Decision B.32/13)

Proposals from multilateral implementing entities

Turkmenistan: Scaling Climate Resilience for Farmers in Turkmenistan (Fully-developed Project Document; United Nations Development Programme (UNDP); TKM/MIE/Agric/2018/1; US\$ 7,000,040)

42. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not approve the fully-developed project as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- (b) To suggest that UNDP 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 further details on the intervention;
 - (ii) The proposal should provide further details on how the Adaptation Fund's Environmental and Social Policy and Gender Policy are being met; and
- (c) To request UNDP to transmit the observations under subparagraph (b) to the Government of Turkmenistan.

(Decision B.32/14)

Concept proposals

Proposals from national implementing entities

Small-size proposals:

Indonesia: Developing Community Resilience to Adapt to Climate Change in Maratua (Project Concept; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/DRR/2017/1; US\$ 998,000)

43. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- (b) To suggest that Kemitraan 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 adaptation rationale and further explain and justify the selection of the approach, the adaptation measures and their effectiveness in the face of future climate change and the target project area and beneficiaries; and
 - (ii) The proposal should provide further details and clarity on the project's expected outcomes and its social, economic and environmental benefits; and
- (c) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

(Decision B.32/15)

Indonesia: The adaptation measures to support sustainable livelihoods for local communities in mangrove ecosystem in the Mahakam Delta, East Kalimantan (Project Concept; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Food/2017/2; US\$ 598,724)

44. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- (b) To suggest that Kemitraan 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 further clarify the direct impact of climate change on the project area or its aggravating effects on the mangrove ecosystem and coastal erosion and the vulnerability of the targeted communities;

- (ii) The proposal should provide more details on and justification for the proposed activities and their design and cost-effectiveness; and
- (iii) The proposal should demonstrate the adaptation benefits of the project's expected outcomes, providing further details and clarity on those expected outcomes; and
- (c) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

(Decision B.32/16)

Indonesia: Build and Strengthen Resilience of Coastal Community against Climate Change Impacts by Perempuan Inspirasi Perubahan Pesisir (PINISI) or Women Inspiration for Coastal Change in Bulukumba District (Project Concept; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Coastal/2017/1; US\$ 999,989)

45. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- (b) To suggest that Kemitraan 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 further information on the climate hazards and risks and the gaps in the information needed to assess those risks, and on the particular gaps that the project will fill in terms of risk assessment, and the budget for this component should be adjusted as needed;
 - (ii) The proposal should restructure the project rationale so that it provides more details on the proposed activities and how they will be implemented and a clear logical reasoning of how these will reduce the climate risks outlined;
 - (iii) The proposal should better demonstrate the cost-effectiveness of the proposed activities, as well as the concrete deliverables and tangible results that are expected on the ground and who they will benefit; and
 - (iv) The proposal should also improve the identification of the environmental and social risks associated with the project and specify the means of addressing those risks; and
- (c) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

(Decision B.32/17)

Indonesia: Development of Sustainable Seaweed and Fishery Management for Enhance Community Prosperity & Climate Change Adaptation of Coastal and Small Island at West Nusa Tenggara Province (Project Concept; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Multi/2017/2; US\$ 984,000)

46. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept as supplemented by the clarification response provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- (b) To suggest that Kemitraan 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 have a clearer adaptation rationale that defines the impacts of climate change the project has been designed to address;
 - (ii) The proposal should include a revised project document in line with the observations in the review sheet;
 - (iii) The proponent should fully justify the cost-effectiveness of the proposed project approach and its compliance with the Adaptation Fund's Environmental and Social Policy; and
 - (iv) The proposal should include a clearer and fuller analysis of other projects in the region and measures for project sustainability; and
- (c) Request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

(Decision B.32/18)

Regular proposals:

Bhutan: Harnessing Alternative Renewable Energy Resources for Enhancing Community Resilience and Sustainable Food Security for Adaptation to Climate Change (Project Concept; Bhutan Trust Fund for Environmental Conservation (BT FEC); BTN/NIE/Food/2018/1; US\$ 10,000,000)

47. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept as supplemented by the clarification response provided by the Bhutan Trust Fund for Environmental Conservation (BT FEC) to the request made by the technical review;
- (b) To suggest that BT FEC 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 more details on the cost-effectiveness and the full-cost-of-adaptation rationale of the project;

- (ii) The proposal should provide additional detail on the environmental and social screening, as well as an explanation of the plan for fully complying with the Adaptation Fund's Environmental and Social Policy during fully-developed project proposal preparation; and
- (c) To request BTFEC to transmit the observations under subparagraph (b) to the Government of Bhutan.

(Decision B.32/19)

Proposals from regional implementing entities

Regular proposals:

Kiribati: Enhancing the resilience of the outer islands of Kiribati (Project Concept; Secretariat of the Pacific Regional Environment Programme (SPREP); KIR/RIE/CZM/2018/1; US\$ 8,300,000)

48. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project concept as supplemented by the clarification responses provided by the Secretariat of the Pacific Regional Environment Programme (SPREP) to the request made by the technical review;
- (b) To request the secretariat to notify SPREP of 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 proposal should be more specific as to which adaptation measures will be implemented and the impact such interventions will have;
 - (ii) The proposal should provide a description of the requirements for the project activities and how the project will comply with the national technical standards, in accordance with the Adaptation Fund's Environmental and Social Policy (ESP);
 - (iii) The proposal should clearly outline the linkages and synergies with all relevant, potentially overlapping projects and programmes;
 - (iv) The proposal should provide evidence of a comprehensive, gender-responsive consultative process involving all direct and indirect stakeholders of the proposed project and should demonstrate that the outcomes of the consultative process were taken into account in the design of the proposed interventions; and
 - (v) The proposal should develop an Environmental and Social Management Plan, including a clear process of ESP identification during project implementation; the effort to identify ESP risks, and any subsequent safeguards measures, could be significantly reduced by identifying (during preparation of the fully-developed proposal) an exhaustive list of eligible concrete intervention measures stemming from community consultation and vulnerability assessment;
- (c) To request SPREP to transmit the observations under subparagraph (b) to the Government of Kiribati; and

- (d) To encourage the Government of Kiribati to submit, through SPREP, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.32/20)

Proposals from multilateral implementing entities

Regular proposals:

Lao People's Democratic Republic: Building Climate and Disaster Resilience Capacities of Vulnerable Small Towns in Lao PDR (Project Concept; United Nations Human Settlements Programme (UN-Habitat); LAO/MIE/DRR/2018/1; US\$ 5,500,000)

49. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project concept as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- (b) To request the secretariat to transmit to UN-Habitat a notification of the Board's decision;
- (c) To request UN-Habitat to transmit the decision by the Board to the Government of the Lao People's Democratic Republic as stated in subparagraph (b); and
- (d) To encourage the Government of the Lao People's Democratic Republic to submit, through UN-Habitat, a fully-developed project proposal that would consider the observations in the review sheet annexed to the notification of the Board's decision.

(Decision B.32/21)

Malawi: Adapting to climate change through integrated risk management strategies and enhanced market opportunities for resilient food security and livelihoods (Project Concept; World Food Programme (WFP); MWI/MIE/Food/2018/1; US\$ 9,989,335)

50. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project concept as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- (b) To request the secretariat to notify WFP of 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 proposal should provide a reference for the studies referred to in the document; and
 - (ii) The fully-developed project proposal should elaborate on complementarity with, and learning from, the project titled "Strengthening climate information and early warning systems in Africa for climate resilient development and adaptation to climate

change - Malawi” financed by the Least-Developed Country Fund and implemented by the United Nations Development Programme, which was particularly relevant as it related to the compilation, assessment and transmission of climate information to farmers, as well as to avoid overlap in the installation and maintenance of hydro-meteorological equipment;

- (c) To request WFP to transmit the observations under subparagraph (b) to the Government of Malawi; and
- (d) To encourage the Government of Malawi to submit, through WFP, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.32/22)

Pakistan: Enhance community and local and national-level government capacities to address climate change interrelated urban flood and drought risks and impacts (Project Concept; United Nations Human Settlements Programme (UN-Habitat); PAK/MIE/Urban/2018/1; US\$ 6,094,000)

51. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- (b) To suggest that UN-Habitat reformulate the proposal taking into account the observations in the review sheet annexed to the notification to the Board’s decision, as well as the following issues:
 - (i) The concept proposal needs to clarify whether the project provides for actual spatial planning to be done in the two cities or the development of a strategy for spatial planning;
 - (ii) The concept proposal needs to further strengthen the linkages of proposed activities with target vulnerabilities and provide a clear link between the proposed components and outputs;
 - (iii) The concept proposal needs to demonstrate evidence of the impact of the proposed dams on controlling flood downstream and highlight its potential impact on such issues as, inter alia, biodiversity and re-settlement;
 - (iv) The concept proposal needs to clarify whether there are any complementary measures proposed to reduce contamination of ground water; and
 - (v) The proposal needs to clearly demonstrate how the awareness raising activity related to waste management will complement ongoing initiatives on waste management to ensure sustainability of interventions; and
- (c) To request UN-Habitat to transmit the observations under subparagraph (b) to the Government of Pakistan.

(Decision B.32/23)

Sudan: Increasing flood and drought resilience in Khartoum metropolitan area through integrated urban-rural watershed management, spatial strategies, EWSs and water harvesting (Project Concept; United Nations Human Settlements Programme (UN-Habitat); SDN/MIE/Water/2018/1; US\$ 9,982,000)

52. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- (b) To suggest that UN-Habitat 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 concept proposal should demonstrate that environmental and social risk assessments are evidence-based and commensurate to the proposed interventions;
 - (ii) The concept proposal should include a classification of the project category based on the initial risk assessment and in line with the Adaptation Fund's environmental and social policy;
 - (iii) The concept proposal should clarify the following aspects related to the activity focused on groundwater recharge under component 1: identify the intended users of groundwater; specify measures to rehabilitate and improve the existing community Hafir (water reservoir); specify measures/regulations to avoid overexploitation and enhance sustainability of groundwater resources; and identify where contamination can occur, along with the specified control measures to prevent, reduce or eliminate contamination of groundwater tables; and
 - (iv) The proponent should provide additional details that justify the cost-based rationale of the activities chosen; and
- (c) To request UN-Habitat to transmit the observations under subparagraph (b) to the Government of Sudan.

(Decision B.32/24)

Uganda: Strengthening Climate Change Adaptation of Small Towns and Peri-Urban Communities (Project Concept; African Development Bank (AfDB); UGA/MIE/Water/2018/1; US\$ 2,249,000)

53. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project concept as supplemented by the clarification responses provided by the African Development Bank (AfDB) to the request made by the technical review;
- (b) To request the secretariat to notify AfDB of 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 proposal should provide a detailed description of alternatives to the proposed measures to assess cost-effectiveness;
- (ii) The fully-developed project proposal should provide a detailed assessment of environmental and social risks and an assessment of gender issues, including a full description of risk mitigation measures; a full description and plan for how environmental and social risks and gender issues will be assessed and managed should be provided for all unidentified subprojects; and
- (iii) The fully developed project proposal should include a detailed description on the sustainability of the project;
- (c) To request AfDB to transmit the observations under subparagraph (b) to the Government of Uganda; and
- (d) To encourage the Government of Uganda to submit, through AfDB, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.32/25)

Zimbabwe: Strengthening local communities' adaptive capacity and resilience to climate change through sustainable groundwater exploitation in Zimbabwe (Project Concept; United Nations Education, Scientific and Cultural Organization (UNESCO); ZWE/MIE/Water/2018/1; US\$ 9,982,000)

54. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To not endorse the project concept, as supplemented by the clarification responses provided by the United Nations Education, Scientific and Cultural Organization (UNESCO) to the request made by the technical review;
- (b) To suggest that UNESCO 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 clarify the sustainability of the proposed groundwater extraction approach; and
 - (ii) The proposal should ensure strengthened environmental impact mitigation measures; and
- (c) To request UNESCO to transmit the observations under subparagraph (b) to the Government of Zimbabwe.

(Decision B.32/26)

e) *Review of regional project and programme proposals*

Fully-developed proposals

Proposals from multilateral implementing entities

Benin, Burkina Faso, Cote d'Ivoire, Ghana, Mali and Togo: Integrating Flood and Drought Management and Early Warning for Climate Change Adaptation in the Volta Basin (Fully-developed Project Document; World Meteorological Organization (WMO); AFR/MIE/DRR/2017/2; US\$ 7,920,000)

55. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To approve the fully-developed project as supplemented by the clarification responses provided by the World Meteorological Organization (WMO) to the request made by the technical review;
- (b) To approve the funding of US\$ 7,920,000 for the implementation of the project, as requested by WMO; and
- (c) To request the secretariat to draft an agreement with WMO as the multilateral implementing entity for the project.

(Decision B.32/27)

Mauritius and Seychelles: Restoring marine ecosystem services by rehabilitating coral reefs to meet a changing climate future (Fully-developed Project Document; United Nations Development Programme (UNDP); AFR/MIE/Food/2015/1; US\$ 10,000,000)

56. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To approve the project document as supplemented by the clarification response provided by United Nations Development Programme (UNDP) to the request made by the technical review;
- (b) To approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by UNDP; and
- (c) To request the secretariat to draft an agreement with UNDP as the multilateral implementing entity for the project.

(Decision B.32/28)

Concept proposals

Proposals from multilateral implementing entities

Chile, Colombia and Peru: Enhancing Adaptive Capacity of Andean Communities through Climate Services (ENANDES) (Project Concept; World Meteorological Organization (WMO); LAC/MIE/DRR/2018/2; US\$ 7,398,000)

57. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project concept as supplemented by the clarification responses provided by the World Meteorological Organization (WMO) to the request made by the technical review;
- (b) To request the secretariat to notify WMO of 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 proposal should provide description of the concrete adaptation measures to be implemented under component 3.2;
 - (ii) The fully-developed project proposal should specify how it will meet the relevant national technical standards, where applicable, in compliance with the Adaptation Fund's Environmental and Social Policy (ESP); and
 - (iii) In the event that the concrete adaptation measures to be implemented under component 3.2 are not fully identified in the fully-developed proposal, the proposal should include a justification for this, as well as an Environmental and Social Management Plan describing the ESP risk and safeguard measures for these unidentified subprojects;
- (c) To approve the project formulation grant of US\$ 79,974;
- (d) To request WMO to transmit the observations under subparagraph (b) to the Governments of Chile, Colombia and Peru; and
- (e) To encourage the Governments of Chile, Colombia and Peru to submit, through WMO, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.32/29)

Pre-concept proposals

Proposal from multilateral implementing entities

Argentina, Brazil and Paraguay: Building multi-level resilience through better water management in a transboundary urban setting (Project Pre-concept; United Nations Human Settlements Programme (UN-Habitat); LAC/MIE/DRR/2018/1; US\$ 14,000,000)

58. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project pre-concept as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- (b) To request the secretariat to notify UN-Habitat of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The project concept should include a more in-depth vulnerability assessment of the neighbourhoods and vulnerable groups in question;
 - (ii) The project concept should include an analysis of its cost-effectiveness throughout its activities;
 - (iii) The project concept should provide information on the gender considerations for the different activities, including on the involvement of women in the planned regional and inter-municipal workshops; and
 - (iv) The project concept should provide more information on how the project benefits women and the most vulnerable populations;
- (c) To approve the project formulation grant of US\$ 20,000;
- (d) To request UN-Habitat to transmit the observations under subparagraph (b) to the Governments of Argentina, Brazil and Paraguay; and
- (e) To encourage the Governments of Argentina, Brazil and Paraguay to submit, through UN-Habitat, a project concept that would also address the observations under subparagraph (b), above.

(Decision B.32/30)

Armenia and Georgia: Increased climate resilience of South Caucasus mountain communities and ecosystems through wildfire risk reduction (Project Pre-concept; The United Nations Development Programme (UNDP); ASI/MIE/DRR/2018/PPC/1; US\$ 4,990,000)

59. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project pre-concept as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- (b) To request the secretariat to notify UNDP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The project concept should clarify whether the project aims to add additional elements to the existing agreement between the two countries; it should also provide details on the sustainability of the Regional Advisory Council through support from national budget codes from the relevant line ministries;
 - (ii) The project concept should include an expanded baseline description, including screening for planned and ongoing investments by international financial institutions at national and regional levels;

- (iii) The project concept should consider strategies that ensure sustainability of employment for women and youth under the planned project activities;
- (iv) The project concept should include an explanation of how it intends to secure ownership and an increased level of funding at the national level for the proposed project activities in the field of prevention of natural and man-made disasters and elimination of the effects of such disasters; and
- (v) The project concept should explore tax break incentives for the proposed technologies;
- (c) To request UNDP to transmit the observations under subparagraph (b) to the Governments of Armenia and Georgia; and
- (d) To encourage the Governments of Armenia and Georgia to submit, through UNDP, a project concept that would also address the observations under subparagraph (b), above.

(Decision B.32/31)

Cambodia, Nepal, Philippines and Thailand: Building the Resilience of Persons with Disabilities to Cope with Climate Change in the Asia Pacific Region (Project Pre-concept; The United Nations Development Programme (UNDP); ASI/MIE/DRR/2018/PPC/1; US\$ 13,662,863)

60. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project pre-concept as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- (b) To request the secretariat to notify UNDP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The project concept should provide a logical explanation of the selected scope and climate change adaptation rationale; the cost-effectiveness should also be demonstrated from a sustainability point of view;
 - (ii) The project concept should take into consideration inputs stemming from consultations with national institutions and associations working with people with disabilities, and involve them in project activities; and
 - (iii) The project concept should include the engagement of national institutions as executing entities, and reduce the execution role of UNDP, just to the needed services. The proposal for an execution role of UNDP should be justified by a written request from the recipient countries, involving designated authorities in the process, and providing rationale for such a request.
- (c) To approve the project formulation grant of US\$ 20,000;
- (d) To request UNDP to transmit the observations under subparagraph (b) to the Governments of Cambodia, Nepal, the Philippines and Thailand; and

- (e) To encourage the Governments of Cambodia, Nepal, the Philippines and Thailand to submit, through UNDP, a project concept that would also address the observations under subparagraph (b), above.

(Decision B.32/32)

El Salvador and Honduras: Improve Livelihood Resilience through Community-based Climate Change Adaptation in the Transboundary Watershed of Goascorán in El Salvador and Honduras (Project Pre-concept; World Food Programme (WFP); LAC/MIE/Food/2018/PPC/1; US\$ 14,000,000)

61. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project pre-concept as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- (b) To request the secretariat to transmit to WFP a notification of the Board's decision;
- (c) To approve the project formulation grant of US\$ 20,000;
- (d) To request WFP to transmit the decision by the Board to the Governments of El Salvador and Honduras as stated in subparagraph (a) above; and
- (e) To encourage the Governments of El Salvador and Honduras to submit, through WFP, a project concept that would consider the observations in the review sheet annexed to the notification of the Board's decision.

(Decision B.32/33)

Jordan and Lebanon: Increasing the Resilience of Displaced Persons to Climate Change-related Water Challenges in Urban Host Settlements (Project Pre-concept; United Nations Human Settlements Programme (UN-Habitat); ASI/MIE/Urban/2018/PPC/1; US\$14,000,000)

62. Having considered the comments and recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided:

- (a) To endorse the project pre-concept as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- (b) To request the secretariat to notify UN-Habitat of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The project concept should provide sufficient details on each of the components of the project, with specific emphasis on the concrete adaptation actions to be taken in response to the problems identified; and
 - (ii) The project concept should consider a holistic approach that can be implemented such as through the enabling environment;
- (c) To approve the project formulation grant of US\$ 20,000;

- (d) To request UN-Habitat to transmit the observations under subparagraph (b) to the Governments of Jordan and Lebanon; and
- (e) To encourage the Governments of Jordan and Lebanon to submit, through UN-Habitat, a project concept that would also address the observations under subparagraph (b), above.

(Decision B.32/34)

Agenda Item 8: Report of twenty-third meeting of the Ethics and Finance Committee

63. Ms. Tove Zetterström-Goldmann (Sweden, Annex I Parties), Chair of the EFC, presented the report of the EFC (AFB/EFC.23/7).

64. Having considered the comments and recommendation of the EFC, the Board subsequently took the following decisions on the matters considered by the EFC at its twenty-third meeting.

a) *Annual performance report for the fiscal year 2018*

65. The Adaptation Fund Board (the Board) decided:

(a) To approve the annual performance report for the fiscal year 2018, as contained in document AFB/EFC.23/3; and

(b) To request the secretariat to prepare, for the consideration of the Ethics and Finance Committee at its twenty-fourth meeting:

(i) A review of the Strategic Results Framework of the Adaptation Fund and the Adaptation Fund Level Effectiveness and Efficiency Results Framework, which were approved by the Board in decision B.10/13, to reflect the progress made by the Adaptation Fund;

(ii) A report with an analysis of the reasons for delays in project inception, based on information received from the implementing entities, related to the cases listed in document AFB/EFC.23/3, Table 5; and

(iii) An overview of practices followed by other climate funds on how to address project delays.

(Decision B.32/35)

b) *Accreditation standards related to anti-money-laundering/countering the financing of terrorism*

66. The Adaptation Fund Board (the Board) decided:

(a) To approve the following revised “examples of supporting documentation” related to the “internal control framework”, “procurement” and “policies and framework to deal with financial mismanagement” criteria in the accreditation application form, as highlighted in annex 2 to document AFB/EFC.23/4:

- (i) Policies and procedure related to anti-money-laundering/countering the financing of the terrorism;
 - (ii) Screening system which documents all individuals and/or organizations before the entity transfers money to them; and
 - (iii) Decision-making process that the entity follows when it identifies risks related to any individuals and/or organizations;
- (b) To approve the revised accreditation application form, as contained in annex 2 to document AFB/EFC.23/4; and
 - (c) To request the secretariat to update the following documents to reflect subparagraph a) above:
 - (i) Reaccreditation application form;
 - (ii) Fast-track reaccreditation form;
 - (iii) Fast-track accreditation form; and
 - (iv) Fiduciary risk management standards to be met by implementing entities (Annex 2 to the Operational Policies and Guidelines).

(Decision B.32/36)

c) *Other matters: Implications of implementing entity reorganizations*

67. Having considered the comments and recommendation of the Ethics and Finance Committee (EFC) regarding the possible implications of the reorganization of a national implementing entity for project implementation and its accreditation and/or reaccreditation, the Adaptation Fund Board decided to request the secretariat, in collaboration with the Accreditation Panel, to prepare and submit a background document reflecting specific cases to the EFC for consideration at its twenty-fourth meeting, as well as options for dealing with cases where the national implementing entity is reorganized.

(Decision B.32/37)

Agenda Item 9: Implementation of the Medium-term Strategy

- a) *Arrangements for learning grants*
and
- b) *Arrangements for project scale-up grants*

68. Introducing the sub-item on learning grants, the representative of the secretariat recalled that the Board had adopted the medium-term strategy at its thirtieth meeting and, at its thirty-first meeting, had approved an implementation plan for the strategy and requested the secretariat to facilitate the implementation of the plan during the period 2018–2022 and to prepare, for each proposed new type of grant and funding window, a document containing objectives, review criteria, expected grant sizes,

implementation modalities, review process and other relevant features for the Board's consideration (decision B.31/32). She then presented proposed features of the new funding window for NIEs to access learning grants (AFB/B.32/9).

69. Another representative of the secretariat then introduced the sub-item on project scale-up grants, presenting the features of the grant, including the project review criteria and application form for the grants (AFB/B.32/10).

70. A discussion ensued, during which concerns were raised regarding adding to the workload of the PPRC. It was again suggested that the manager of the secretariat be authorized to take decisions on the funding of grants under a given amount. In response, the manager of the secretariat said that the Operating Procedures and Guidelines might need to be amended and the Rules of Procedure and CMP decisions would need to be examined to determine whether they allowed such an authorization. He suggested alternative solutions, including reviewing the grants during the intersessional process, extending the length of PPRC meetings or reorganizing the workloads of the PPRC and EFC. Responding to a question about whether the grants should be within the country cap, he said that as the grants were relatively small and were intended to enhance the project work rather than compete with the projects, the secretariat proposed that they not be included in the calculations for the country cap.

71. A representative of the secretariat addressed a comment regarding the need to avoid overlap with other organizations providing project preparation funds, saying that through the Fund's readiness programme, the secretariat was already in discussions with other such agencies on how to avoid duplication of support. The topic was also part of the ongoing discussions with the GEF and GCF on complementarity. In response to another query, a representative of the secretariat also said that the learning grants were aimed at both generating knowledge and sharing knowledge.

72. Having considered the proposed approach, application process, review criteria and features of the learning grants as set out in document AFB/B.32/9, the Adaptation Fund Board (the Board) decided:

- (a) To make learning grants available for national implementing entities between fiscal year 2019 and 2023 up to a maximum of US\$ 400,000 per year as direct transfers from the resources of the Adaptation Fund Trust Fund;
- (b) That the learning grants would not count against the country cap approved by the Board in decision B.13/23;
- (c) To approve:
 - (i) The features and implementation arrangements of the learning grants as set out in document AFB/B.32/9; and
 - (ii) The application form, review criteria and review template for the learning grants as set out in Annexes II, III and IV to document AFB/B.32/9;
- (d) To request the secretariat to issue a call for proposals in accordance with the tentative timeline set out in Annex I to document AFB/B.31/5/Rev.1 and the budget pursuant to (a) above;
- (e) To request the secretariat to develop and present to the Board at its thirty-third meeting:
 - (i) A standard legal agreement for learning grants;

- (ii) Notification templates for project start and project completion for learning grants;
 - (iii) Monitoring and evaluation reporting templates for learning grants; and
 - (iv) A result framework for learning grants;
- (f) To request the Project and Programme Review Committee (PPRC) of the Board to review learning grant proposals and make recommendations to the Board in line with other grant approval procedures approved by the Board;
- (g) To request the secretariat to report to the Board annually on implementation progress for learning grants through the annual performance report; and
- (h) To request the secretariat to present to the PPRC at its twenty-fifth meeting an analysis of the project review cycle for learning grants, with potential options, for its consideration.

(Decision B.32/38)

73. Having considered the proposed approach, application process, review criteria and features of the project scale-up grants as set out in document AFB/B.32/10, the Adaptation Fund Board (the Board) decided:

- (a) To make project scale-up grants available for national implementing entities between fiscal year 2019 and 2023 up to a maximum of US\$ 200,000 per year as direct transfers from the resources of the Adaptation Fund Trust Fund;
- (b) That the project scale-up grants would not count against the country cap approved by the Board in decision B.13/23;
- (c) To approve:
 - (i) The features and implementation arrangements of the project scale-up grants as set out in document AFB/B.32/10; and
 - (ii) The application form, review criteria and review template for the project scale-up grants as set out in Annexes I, II and III of document AFB/B.32/10;
- (d) To request the secretariat to issue a call for proposals for project scale-up grants in accordance with the tentative timeline set out in Annex I to document AFB/B.31/5/Rev.1 and the budget pursuant to (a) above;
- (e) To request the secretariat to develop and present to the Board at its thirty-third meeting:
 - (i) A standard legal agreement for project scale-up grants;
 - (ii) Notification templates for project start and project completion for project scale-up grants;
 - (iii) Monitoring and evaluation templates for project scale-up grants; and
 - (iv) A results framework for project scale-up grants;

- (f) To request the Project and Programme Review Committee (PPRC) to review project scale-up grant proposals and make recommendations to the Board in line with readiness grant approval procedures approved by the Board; and
- (g) To request the secretariat to report to the Board annually on the implementation progress for project scale-up grants through the annual performance report; and
- (h) To request the secretariat to present to the PPRC at its twenty-fifth meeting an analysis of the project review cycle for project scale-up grants, with potential options, for its consideration.

(Decision B.32/39)

Agenda Item 10: Report of the Resource Mobilization Task Force

74. The manager of the secretariat provided the Board with an update on new fundraising drives. He began by outlining the information contained in documents AFB/B.32/Inf.7 and AFB/B.32/Inf.9 on receiving contributions from private sources, including the new arrangement with Cool Effect, Inc. approved during the intersessional period by decision B.31-32/27. He then informed the Board that while the intersessional decision had been taken in early September with a view to launching the cooperation initiative in mid-September at the Global Climate Action Summit, an important event for private climate change sector actors, the launch had been postponed for reasons unrelated to the Fund. Nevertheless, it had been suggested that a broader discussion on approaching the private sector for contributions would be beneficial, and the Resource Mobilization Task Force had therefore met to discuss that and other topics in the margins of the current meeting.

75. A member of the Resource Mobilization Task Force then reported to the Board on the task force meeting held the previous day. The discussion had focused mainly on decision B.31-32/27 and more specifically on paragraph (e) of the decision, whereby the Board had requested the secretariat to review any issues arising during monitoring of the implementation of the resource mobilization strategy for 2017–2020 that indicated the need for a more comprehensive policy framework related to non-governmental donors and to report them to the Board. The task force had concluded that the Board should provide guidance to the secretariat and the trustee regarding engagement with non-governmental donors and a procedure for receiving funds from such donors.

76. During the discussion on the matter, the need to preserve the Fund's reputation was highlighted. Although there had been few opportunities to receive funds from donors other than governments to date, it was important to ensure transparency when selecting donors and to have a procedure in place so that opportunities that did arise could be seized.

77. Following the discussion related to decision B.31-32/27 and recognizing the need to document the procedural steps to be taken to receive contributions from sources alternative to government funding such as foundations, charitable organizations, non-profit organizations, private individuals and private sector companies, the Adaptation Fund Board (the Board) decided:

- (a) To request the secretariat, in consultation with the Resource Mobilization Task Force, to prepare a document on the procedural steps to be taken to receive contributions from sources alternative to government funding and present it to the Board for its consideration at its thirty-third meeting; and

(b) To request the secretariat to engage with the Resource Mobilization Task Force in reviewing potential resource mobilization opportunities involving alternative sources of contributions when opportunities are presented to the secretariat.

(Decision B.32/40)

Agenda Item 11: Issues remaining from the twenty-ninth meeting

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

78. Introducing the subitem, the Chair recalled that in decision B.31/33, the Board had requested the Chair and the secretariat to report to the Board at its thirty-second meeting on progress made in enhancing complementarity and coherence between the Adaptation Fund and the GCF and in pursuing accreditation with the GCF. He reported on the consultations that had taken place with the co-chairs of the GCF during the intersessional period.

79. The representative of the secretariat then presented the report prepared pursuant to decision B.31/33 (AFB/B.32/6). She explained the specific options for arrangements and collaboration between the two funds but also said that other options had not been excluded. Regarding the collaboration between the two secretariats, it had been agreed to prioritize further development and assessment of the provision of technical assistance and readiness assistance, the management of a funding envelope and cooperation between the secretariats.

80. Following her presentation, members sought clarification on the presented matters, including the joint management of funding envelopes. It was also asked why there appeared to be no further developments with the accreditation of the Adaptation Fund with the GCF.

81. The Board went into a closed session to allow for more in-depth discussion on the question of accreditation with the GCF.

82. Having considered the ongoing efforts on enhancing complementarity between the Green Climate Fund and the Adaptation Fund, the Adaptation Fund Board (the Board) decided:

(a) To request the Chair and Vice-Chair, assisted by the secretariat, to continue ongoing efforts of enhancing complementarity with the Green Climate Fund (GCF), including attending 'an annual dialogue' to be organized by the GCF in the margins of the twenty-fourth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, and to actively engage in a structured conversation with the GCF Board, with a view to exploring concrete steps to enhance complementarity, including options for fund-to-fund arrangements and accreditation;

(b) To request the secretariat:

(i) To continue discussions with the GCF secretariat to advance the collaborative activities identified at the Annual Dialogue in November 2017, the Technical Workshop in February 2018 and the informal meetings between the Chair and Vice-Chair of the AFB and the Co-Chairs of the GCF in May and September 2018; and

(ii) To continue to explore the options for fund-to-fund arrangements, including the process toward accreditation with the GCF, as described in pillar 1 in the GCF

operational framework for complementarity and coherence, as contained in document GCF/B.17/08; and

- (c) To request the Chair and secretariat to report to the Board at its thirty-third meeting on the progress made in the activities described in subparagraphs (a) and (b).

(Decision B.32/41)

Agenda Item 12: Reports of the portfolio monitoring missions to Cambodia and South Africa

83. Owing to a lack of time, the Board did not take up the agenda item.

Agenda Item 13: Knowledge Management, and Communications and outreach

84. Owing to a lack of time, the Board did not take up the agenda item.

Agenda Item 14: Financial issues

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

85. A representative of the trustee made a presentation to the Board (AFB/B.32/Inf.4) on the Adaptation Fund Trust Fund financial report prepared by the trustee as at 30 June 2018, as contained in document AFB/EFC.23/5, as well as an update to 30 September 2019. He informed the Board that new donations had been received from the Walloon Region (€4 million) and Sweden (SKr 85 million) since the previous meeting. Funding available for new decisions had amounted to US\$ 226 million as 30 June 2018 and US\$ 193 million as at 30 September 2018.

86. A second representative of the trustee joined the meeting via Skype to provide an update on the market for Certified Emission Reductions (CERs) and CER monetization. He reported that CER sales had continued at a modest pace, generating US\$ 1.57 million in fiscal year 2018 from the sale of 432,000 CERs. The average sale price had been approximately US\$ 3.65 per tonne, compared to an Intercontinental Exchange (ICE) market price of approximately €0.1 per tonne. He subsequently responded to a question regarding the CER price, explaining that the ICE market price referred to the price on the Intercontinental Exchange, which was the primary market for CERs. The trustee had been able to obtain a considerable premium by selling on the over-the-counter market, although that required additional work to identify buyers for specific projects and draft contracts for those projects. Some of the Fund's CERs might not attract a sales premium, however, and would eventually be sold at prices similar to the ICE market price.

87. The Adaptation Fund Board took note of the trustee's report.

Agenda Item 15: Amendment of the Rules of Procedure

88. Introducing the item, the Chair informed the Board that he had receive a letter from two former members of the Board (AFB/B.32/Inf.10) who had expressed their concern at the failure of the Group of Latin American and Caribbean countries to confirm new nominees to the Board. They had proposed an amendment to Section III of the Board's rules of procedure to allow members to remain in office until their successors had been elected, thus ensuring adequate regional representation.

89. At the request of the Chair, a representative of the legal office of the United Nations Framework Convention on Climate Change (UNFCCC) secretariat explained that according to Section XVIII of the Board's rules of procedure, any amendments to the rules of procedure had to be formally approved by the CMP. She said that 12 of the 15 bodies of the UNFCCC had a rule similar to the one being proposed and she said that she did not know why the Board did not have a similar rule. She explained that the effect of such a rule would be to extend the term of a member if a replacement could not be elected; it did not create a new term for the member and it could not be applied retroactively once a member had already left the Board. Consequently, if the CMP did not take a decision on the matter, the next meeting of the Board might take place without any representation from the Group of Latin American and Caribbean countries, which might also affect the meeting's quorum.

90. A discussion ensued, which the Chair summarized by saying that after hearing the opinion of the legal counsel of the UNFCCC, it was clear that most bodies of the UNFCCC had such a rule as the one being proposed and that it was within Board's mandate to submit a proposal to the CMP for the addition of such a rule to the rules of procedure. There was no consensus on the issue, however, in part because the proposal had only been recently received.

91. In the absence of consensus, no decision was taken on the matter.

Agenda Item 16: Funding cap per country

92. Owing to a lack of time, the Board did not take up the agenda item.

Agenda Item 17: Dialogue with civil society organizations

93. The report of the dialogue with civil society is contained in Annex III to the present report.

Agenda Item 18: Election of officers for the next period of office

94. The Adaptation Fund Board decided:

- (a) To elect Ms. Sylviane Bilgischer (Belgium, Annex I Parties) as Chair of the Board;
- (b) To elect Mr. Ibila Djibril (Benin, Africa) as Vice-Chair of the Board;
- (c) To elect Mr. Chebet Maikut (Uganda, Least Developed Countries) as Chair of the Accreditation Panel; and
- (d) To elect the Chair and Vice-Chair of the EFC, the Chair and Vice-Chair of the PPRC and the Vice-Chair of the Accreditation Panel during the intersessional period.

(Decision B.32/42)

Agenda Item 19: Date and venue of meetings in 2019 and onward

95. The manager of the secretariat confirmed that the dates for the meetings in 2019 had already been decided. The thirty-third meeting would be held from 12 to 15 March 2019 and the thirty-fourth meeting from 8 to 11 October 2019. Both meetings would be held in Bonn, Germany.

Agenda Item 20: Implementation of the code of conduct

96. The Chair drew attention to the Code of Conduct and Zero Tolerance Policy on fraud and corruption, which were posted on the Fund website, and asked whether any member had any issue to raise. No issues were raised.

Agenda Item 21: Other matters

a) *Preparation of an addendum to the Board's report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol covering activities undertaken since the end of the reporting period of the main report, as requested by the CMP at its thirteenth session*

97. Pursuant to a request made by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its thirteenth session in its decision 1/CMP.13, the Adaptation Fund Board (the Board) decided:

(a) To issue an addendum to its report to the CMP in its fourteenth session that was approved intersessionally in decision AFB.31-32/29, to report on activities between 1 July 2018 and 12 October 2018; and

(b) To request the secretariat, in consultation with the Chair of the Board, to draft the report referred to in subparagraph (a) above and to circulate it to the Board for its consideration and approval intersessionally.

(Decision B.32/43)

b) *Late-stage withdrawals of proposals by multilateral implementing entities*

98. Owing to a lack of time, the Board did not take up the agenda item.

Agenda Item 22: Adoption of the report

99. The present report was adopted intersessionally by the Board following its thirty-second meeting.

Agenda Item 23: Closure of the meeting

100. Following the customary exchange of courtesies, the Chair declared the meeting closed at 6:30 p.m. on 12 October 2018.

ANNEX I

ATTENDANCE AT THE THIRTY-SECOND MEETING OF THE ADAPTATION FUND BOARD

MEMBERS		
Name	Country	Constituency
Mr. Ibila Djibril	Benin	Africa
Mr. David Kaluba	Zambia	Africa
Mr. Mirza Shawkat Ali	Bangladesh	Asia-Pacific
Mr. Aram Ter-Zakaryan	Armenia	Eastern Europe
Mr. Victor Viñas	Dominican Republic	Latin America and the Caribbean
Mr. Chebet Maikut	Uganda	Least Developed Countries
Ms. Barbara Schäfer	Germany	Western European and Others Group
Mr. Sylviane Bilgischer	Belgium	Annex I Parties
Ms. Tove Zetterström-Goldmann	Sweden	Annex I Parties
Ms. Patience Dampety	Ghana	Non-Annex I Parties

ALTERNATES		
Name	Country	Constituency
Mr. Mohamed Zmerli	Tunisia	Africa
Ms. Sheida Asgharzadeh Ghahroudi	Iran	Asia-Pacific
Mr. Ahmed Waheed	Maldives	Asia-Pacific
Ms. Umayra Taghiyeva	Azerbaijan	Eastern Europe
Ms. Yadira González Columbié	Cuba	Latin America and the Caribbean
Mr. Paul Elreen Phillip	Grenada	Small Island Developing States
Ms. Aida Velasco Munguira	Spain	Western European and Others Group
Mr. Marc-Antoine Martin	France	Annex I Parties
Mr. Patrick Sieber	Switzerland	Annex I Parties
Ms. Margarita Caso Chavez	Mexico	Non-Annex I Parties

ANNEX II

ADOPTED AGENDA OF THE THIRTY-SECOND MEETING OF THE ADAPTATION FUND BOARD

1. Opening of the meeting.
2. Organizational matters:
 - a) Adoption of the agenda;
 - b) Organization of work.
3. Report on activities of the Chair.
4. Report on activities of the secretariat.
5. Report of the Accreditation Panel.
6. Fast-track accreditation process.
7. Report of the twenty-third meeting of the Project and Programme Review Committee (PPRC) on:
 - a) Progress and experiences on regional projects and programmes;
 - b) Programme for innovation: small project grants;
 - c) Report of the secretariat on initial screening/technical review of projects and programmes.
8. Report of the twenty-third meeting of the Ethics and Finance Committee (EFC) on:
 - a) Annual performance report for the fiscal year 2018;
 - b) Update on the establishment of the Fund's Evaluation Function;
 - c) Implementation of the management response to the second phase of the overall evaluation of the Fund;
 - d) Accreditation standards related to anti-money-laundering/countering the financing of terrorism;
 - e) Financial issues.
9. Implementation of the Medium-term Strategy
 - a) Arrangements for learning grants;
 - b) Arrangements for scaling-up grants.

10. Report of the Resource Mobilization Task Force
11. Issues remaining from the thirtieth meeting:
 - a) Strategic discussion on objectives and further steps of the Fund. Potential linkages between the Fund and the Green Climate Fund.
12. Reports of the portfolio monitoring missions to Cambodia and South Africa.
13. Knowledge Management, and Communications and outreach.
14. Financial issues:
 - (a) Financial status of the trust fund and CER monetization.
15. Amendment of the Rules of Procedure.
16. Funding cap per country
17. Dialogue with civil society organizations.
18. Election of officers for the next period of office.
19. Date and venue of meetings in 2019 and onwards.
20. Implementation of the code of conduct.
21. Other matters.
22. Adoption of the report.
23. Closure of the meeting.

ANNEX III

REPORT OF THE DIALOGUE WITH CIVIL SOCIETY, 11 OCTOBER 2018, BONN, GERMANY

1. The Chair of the Adaptation Fund Board (the Board), Mr. Victor Viñas (Dominica Republic, Latin America and the Caribbean), invited the Board to enter into a dialogue with civil society organizations (CSOs).
2. Mr. Marjan Nur (Gana Unnayan Kendra (GUK)) reported on insights into Adaptation Fund-related processes in Bangladesh and introduced Bangladesh's national policies and strategies on climate change. He spoke about recent evidence of climate change and his country's vulnerability to it. Bangladesh still did not have a project with the Adaptation Fund (the Fund). After an unsuccessful application for the accreditation of a national implementing entity (NIE), the focus had been on accreditation with the Green Climate Fund (GCF) and other funds instead. Some of the challenges for Bangladesh, related to NIE accreditation, were due to a lack of institutional capacity and the inability to meet the Fund's fiduciary standards. The unsuccessful application had left government agencies reluctant to apply for accreditation and the private sector and non-governmental organizations (NGOs) had been encouraged to access adaptation finance and manage projects directly.
3. His organization recommended that the Board encourage designated authorities to promote direct access through private entities and NGOs and enhance the management skills, the internal audit capacity and reporting mechanisms of potential NIEs. Communities should be engaged at all stages of the process and the implementing entities accredited with the Fund should help build the capacity of applicant NIEs through joint project implementation; enhanced capacity to meet internationally-accepted accreditation standards would bring wider access to adaptation finance.
4. Following the presentation, members commended Bangladesh for doubling its Climate Change Trust Fund to US\$ 400 million. Mr. Nur also responded to comments and questions, explaining that Bangladesh had two entities accredited with the GCF for mitigation and adaptation. One member also explained that the entity that had initially applied for NIE accreditation had been the Ministry of the Environment and Forestry, which had been told that the application should be made at a lower level of the Government or by a financial institution. Part of the difficulty in the application had resulted from the audit mechanism inherited from the British. Another entity was currently applying for accreditation with the GCF and, once successful, would also apply for accreditation with the Adaptation Fund. He also confirmed that the national designated authority had issued a call to the private sector for entities interested in NIE accreditation.
5. Ms. Vestine Ingabire (Association pour la Conservation de la Nature au Rwanda (ACNR)) described ACNR's mandate, its participation in the regional project "Adapting to climate change in Lake Victoria Basin" and the relevance and potential benefits of the project. She described some of the challenges associated with the project, which included, inter alia, the complexity of the project implementation arrangements, recruitment delays for key project staff, holding a project workshop before staff were hired, delays in the signing of the memorandum of understanding between UNEP and the partner States and an ongoing delay in the official engagement of the executing entities. The small grant mechanism for local communities and NGOs to implement community-based adaptation practices was not yet in place and, as there were no national-level project staff, awareness and ownership of the project and its activities were limited.

6. ACNR recommended that UNEP and the Lake Victoria Basin Commission review the project implementation arrangements to ensure smooth project implementation and the engagement of national institutions beyond the national focal points. The Board should, for all regional projects, closely review the proposed project implementation arrangements before approval, to involve national institutions in addition to the national focal points and ensure institutional strengthening, capacity-building and an extensive consultative process at the national level. The effective start date for projects should also be available on the Fund's website, as the dates in the project documents often differed from the date for the official launch of the project.

7. Following her presentation, Ms. Ingabire was asked whether ACNR had been involved in the initial implementation of the Ministry of Natural Resources' national project, suggesting that it would be useful to compare the two implementation processes. She was also asked whether ACNR had approached the multilateral implementing entity and the countries involved with its suggestions for addressing issues she had raised, and it was pointed out that stakeholder consultation was the responsibility of the implementing entity. More information was also requested on the project arrangements that ACNR wished to see changed. Ms Ingabire said that ACNR had followed the Fund's activities since its inception and had linkages with all the countries in the Lake Victoria basin.

8. Ms. Julia Grimm (Germanwatch), reported on the Adaptation Fund's monitoring mission to South Africa and introduced the Germanwatch study titled "The future role of the Fund in the international climate finance architecture", which reviewed, inter alia, the implications of the country cap on funding, the Fund's complementarity and coherence with other climate finance channels, the Fund's Environmental and Social Safeguards and Gender Policy and its engagement with stakeholders and their participation in the Fund.

9. Following her presentation, members observed that several of her recommendations required policy decisions by the Board, several of which might have financial implications. The country cap had been set at US\$ 10 million to ensure an equitable distribution of funding opportunities and raising it to US\$ 20 million could mean that not all countries would have the same opportunity to receive support from the Fund. Some of the countries that were at, or close to, their country cap also had NIEs accredited with the GCF and thus had access to other resources. Many of the proposed recommendations were being examined to ensure complementarity and coherence between the funds, but it would be difficult to implement the suggestion that the national designated authority be the same for the GCF and the Fund, as the designated authorities were named by each country. The study was nevertheless interesting and informative, and would be carefully studied; it merited distribution to a wider audience. By studying adaptation, Germanwatch could make a real contribution to the understanding of adaptation and its linkages to development and human rights.

10. Ms. Grimm said that the resources for NIEs were limited when compared to those of multilateral or regional implementing entities, hence the suggestion to lift the country cap for NIEs. With respect to collaboration between the Fund and the GCF, local representation was needed that went beyond the designated authority. With respect to CSO participation, it would be useful to elect observers who could take part in the Board meetings. As for the study, it was available online and would be distributed at the meetings of the GCF and other climate change meetings.

11. The Chair thanked the CSO representatives for their presentations and their participation.

ANNEX IV: LIST OF PROJECTS

1. Projects and Programmes: Single country, Full Proposals	Country	Agency	Name	NIE	RIE	MIE	Decision	Funding set aside
NIE								
	Indonesia (1)	Kemitraan	AFB/PPRC.23/7	\$835,465			Not approve	
	Armenia (1)	EPIU	AFB/PPRC.23/8	\$2,506,000			Not approve	
	Armenia (2)	EPIU	AFB/PPRC.23/9	\$1,435,100			Approve	\$1,435,100
	Dominican Republic	IDDI	AFB/PPRC.23/10	\$9,953,692			Not approve	
	Indonesia (2)	Kemitraan	AFB/PPRC.23/11	\$4,127,065			Not approve	
	Namibia	DRFN	AFB/PPRC.23/12	\$5,000,000			Not approve	
MIE								
	Turkemenistan	UNDP	AFB/PPRC.23/14			\$7,000,040	Not approve	
Sub-total	\$30,857,362			\$23,857,322		\$16,850,040		\$1,435,100
2. Concepts: Single Country	Region/Countries	IE		NIE	RIE	MIE	Decision	Funding set aside
NIE								
	Indonesia (3)	Kemitraan	AFB/PPRC.23/15	\$998,000			Not endorse	
	Indonesia (4)	Kemitraan	AFB/PPRC.23/16	\$598,724			Not endorse	
	Indonesia (5)	Kemitraan	AFB/PPRC.23/17	\$998,878			Not endorse	
	Indonesia (6)	Kemitraan	AFB/PPRC.23/18	\$984,000			Not endorse	
	Bhutan	BT FEC	AFB/PPRC.23/19	\$10,000,000			Not endorse	
RIE								
	Kiribati	SPREP	AFB/PPRC.23/20		\$8,300,000		Endorse	
MIE								
	Lao PDR	UN-Habitat	AFB/PPRC.23/21			\$5,500,000	Endorse	
	Malawi	WFP	AFB/PPRC.23/22			\$9,989,335	Endorse	
	Pakistan	UN-Habitat	AFB/PPRC.23/23			\$6,094,000	Not endorse	
	Sudan	UN-Habitat	AFB/PPRC.23/24			\$9,982,000	Not endorse	
	Uganda	AfDB	AFB/PPRC.23/25			\$2,249,000	Endorse	
	Zimbabwe	UNESCO	AFB/PPRC.23/26			\$9,982,000	Not endorse	
Sub-total	\$65,595,923			\$13,579,602	\$8,300,000	\$43,796,335		
3. Project Formulation Grants: Single-country	Region/Countries	IE		NIE	RIE	MIE	Decision	Funding set aside
NIE								
	Indonesia (3)	Kemitraan	AFB/PPRC.23/15/Add.1	\$30,000			Not approve	
	Indonesia (4)	Kemitraan	AFB/PPRC.23/16/Add.1	\$30,000			Not approve	
	Indonesia (5)	Kemitraan	AFB/PPRC.23/17/Add.1	\$30,000			Not approve	
	Indonesia (6)	Kemitraan	AFB/PPRC.23/18/Add.1	\$30,000			Not approve	
	Bhutan	Bhutan	AFB/PPRC.23/19/Add.1	\$30,000			Not approve	
Sub-total	\$150,000			\$150,000				\$0

4. Projects and Programmes: Regional, Full Proposals	Region/Countries	IE		NIE	RIE	MIE	Decision	Funding set aside
MIE								
	Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mali and Togo	WMO	AFB/PPRC.23/27			\$7,920,000	Approve	\$7,920,000
	Mauritius, Seychelles	UNDP	AFB/PPRC.23/28			\$10,000,000	Approve	\$10,000,000
Sub-total	\$17,920,000					\$17,920,000		\$17,920,000
5. Concepts: Regional	Region/Countries	IE		NIE	RIE	MIE	Decision	Funding set aside
MIE								
	Chile, Colombia, Peru	WMO	AFB/PPRC.23/29			\$7,398,000	Endorse	
Sub-total	\$7,398,000					\$7,398,000		
6. Project Formulation Grants: Regional	Region/Countries	IE		NIE	RIE	MIE	Decision	Funding set aside
MIE								
	Chile, Colombia, Peru	WMO	AFB/PPRC.23/29/Add.1			\$79,974	Approve	\$79,974
Sub-total	\$79,974					\$79,974		\$79,974
7. Pre-concepts: Regional	Region/Countries	IE		NIE	RIE	MIE	Decision	Funding set aside
MIE								
	Argentina, Brazil, Paraguay	UN-Habitat	AFB/PPRC.23/30			\$14,000,000	Endorse	
	Armenia, Georgia	UNDP	AFB/PPRC.23/31			\$4,990,000	Endorse	
	Cambodia, Nepal, Thailand, Philippines	UNDP	AFB/PPRC.23/32			13,662,863	Endorse	
	El Salvador, Honduras	WFP	AFB/PPRC.23/33			\$13,900,478	Endorse	
	Lebanon, Jordan	UN-Habitat	AFB/PPRC.23/34			\$14,000,000	Endorse	
Sub-total	\$60,553,341					\$60,553,341		
8. Project Formulation Grants: Regional Pre-concepts	Region/Countries	IE		NIE	RIE	MIE	Decision	Funding set aside
MIE								
	Argentina, Brazil, Paraguay	UN-Habitat	AFB/PPRC.23/30/Add.1			\$20,000	Approve	\$20,000
	Armenia, Georgia	UNDP	AFB/PPRC.23/31/Add.1			\$100,000	Not Approve	
	Cambodia, Nepal, Philippines, Thailand	UNDP	AFB/PPRC.23/32/Add.1			\$20,000	Approve	\$20,000
	El Salvador, Honduras	WFP	AFB/PPRC.23/33/Add.1			\$20,000	Approve	\$20,000
	Jordan, Lebanon	UN-Habitat	AFB/PPRC.23/34/Add.1			\$20,000	Approve	\$20,000
Sub-total	\$180,000					\$180,000		\$80,000
GRAND TOTAL (1+2+3+4+5+6+7+8)	\$182,734,600			\$37,586,924	\$8,300,000	\$146,777,690		\$19,515,074