



ADAPTATION FUND

AFB/B.33/2
8 March 2019

Adaptation Fund Board
Thirty-third meeting
Bonn, Germany, 14-15 March 2019

ANNOTATED PROVISIONAL AGENDA

1. Opening of the meeting

The meeting will be opened by the outgoing Chair, Mr. Victor Viñas (Dominican Republic, Latin America and the Caribbean).

2. Election of outstanding officers

Background: The Board, at its thirty-second meeting, elected Ms. Sylviane Bilgischer (Belgium, Annex I Parties) as Chair of the Board, Mr. Ibila Djibril (Benin, Africa) as Vice-Chair of the Board and Mr. Chebet Maikut (Uganda, Least Developed Countries) as Chair of the Accreditation Panel for the period of office starting at the thirty-third meeting. The Board has been invited 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 for the same period of office intersessionally.

Action expected: The Board will be invited 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 for the period of office starting at the thirty-third meeting.

3. Transition of the Chair and Vice-Chair

Background: The Board, at its thirty-second meeting, elected Ms. Sylviane Bilgischer (Belgium, Annex I Parties) as Chair of the Board, for the period of office starting at the thirty-third meeting.

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

4. Organizational matters:

a) Adoption of the agenda

Documents: AFB/B.33/1, Provisional agenda and AFB/B.33/2, Annotated provisional agenda.

Action expected: The Board will be invited to adopt the agenda of the meeting and to raise any other matters it may wish to discuss, to be included on the agenda under item 21.

b) Organization of work

Document: AFB/B.33/2, Annotated provisional agenda.

Background: The Chair will propose to the Board the organization of work, in accordance with the *Provisional timetable* attached to document AFB/B.33/2.

5. Report on activities of the outgoing Chair

Document: AFB/B.33/Inf.6, Report of the activities of the Chair

Background: The outgoing Chair of the Board, Mr. Victor Viñas (Dominican Republic, Latin America and the Caribbean), will report on the activities carried out during the intersessional period.

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

6. Report on activities of the secretariat

Document: AFB/B.33/3, Report on the activities of the secretariat.

Background: The Manager of the secretariat will present the report contained in document AFB/B.33/3.

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

7. Report of the Accreditation Panel

Document: AFB/B.33/4, Report of the Thirtieth Meeting of the Accreditation Panel.

Background: The Chair of the Accreditation Panel will present the Panel's report to the Board with the support of the secretariat. The report contains information on the status of accreditation and reaccreditation applications which are under Panel's review and other issues related to the accreditation and reaccreditation process.

Action expected: The Board will be invited to consider of the Report of the Accreditation Panel and to consider and decision on the recommendations of the Accreditation Panel.

8. Report of the twenty-fourth meeting of the Project and Programme Review Committee (PPRC) on:

Document: The PPRC will issue its report after its twenty-fourth meeting, which will take place on 12-13 March 2019

Background: The Chair of the PPRC will present the PPRC report to the Board. The report contains recommendations on:

- a) Report on the full cost of adaptation reasoning;
- b) Options for a winder on Enhanced Direct Access;
- c) Amendments to the project review process;
- d) Guidance to the multilateral implementing entity (MIE) aggregators;
- e) Report on analysis of the review cycle for readiness grants;
- f) Report of the secretariat on initial screening/technical review of project and programme proposals;
- g) Report of the secretariat on initial screening/technical review of small innovation grant project proposals;
- h) Report of the secretariat on initial screening/technical review of scale-up grant proposals.
- i) Report of the secretariat on initial screening/technical review of learning grant proposals;

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

9. Report of the twenty-fourth meeting of the Ethics and Finance Committee (EFC) on:

Document: The EFC will issue its report after its twenty-fourth meeting, which will take place on 12-13 March 2019.

Background: The Chair of the EFC will present the EFC report to the Board. The report contains recommendations on:

- a) Implications of the reorganization of an implementing entity;
- b) Review of the Strategic Results Framework and Fund Level Effectiveness and Efficiency Results Framework;
- c) Delays in project inception;
- d) Financial issues.

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

10. Implementation of the Medium-term Strategy:

- a) Arrangements for learning grants;
- b) Arrangements for project scale-up grants.

Document: AFB/B.33/5, Arrangements for monitoring and reporting criteria for learning grants and AFB/B.33/6, Arrangements for monitoring and reporting criteria for project scale-up grants.

Background: The Board, at its thirty-second meeting, approved the features and implementation arrangements including the application form, review criteria and review templated for the learning grants and project scale-up grants. The secretariat will present notification templates for project start and project completion, monitoring and evaluation reporting templates and a result framework for the respective grants, contained in document AFB/B.33/5 and AFB/B.33/6.

Action expected: The Board will be invited to consider and decide on the arrangements for the learning grants and project scale-up grants.

11. Procedural steps for receiving contributions from alternative sources.

Document: AFB/B.33/7, Procedural steps for receiving contributions from alternative sources.

Background: The Board, at its thirty-second meeting, decided to request the secretariat 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. The secretariat will present the above-mentioned information contained in document AFB/B.33/7.

Action expected: The Board will be invited to consider and decide on a course of action regarding the matter.

12. Provision of financial resources between single-country and regional concrete adaptation project and programmes (country cap)

Document: AFB/B.33/8, Provision of financial resources between single-country and regional concrete adaptation project and programmes (country cap).

Background: The Board, at its thirty-second meeting, decided to request the secretariat to prepare 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. The secretariat will present the above-mentioned information contained in document AFB/B.33/8.

Action expected: The Board will be invited to consider and decide on a course of action regarding the matter.

13. Issues remaining from the thirty-second meeting:

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

Document: AFB/B.33/9, *Strategic discussion on objectives and further steps of the Fund: Potential linkages between the Fund and the Green Climate Fund.*

Background: The Board and secretariat has continued discussions with the Green Climate Fund (GCF) to advance the collaborative activities and explore the options for fund-to-fund arrangements in line with decision B.32/41. The discussions have been taking place at two levels: through dialogue between the AFB Chair and Vice-Chair with the Co-chairs of the GCF Board both exclusively and in the context of the annual dialogue among a larger group of climate funds, and through ongoing discussions between the secretariats of the Fund and the GCF on concrete activities. The Chair and Vice-Chair, assisted by the secretariat, attended the second annual dialogue organized by the GCF as well as a bilateral discussion between the boards of the two funds on the margins of the COP24 in Katowice, Poland. The Chair and the secretariat will present the progress made in these activities contained in document AFB/B.33/9.

Action expected: The Board will be invited to take note of the information presented by the Chair and the secretariat and decide on a course of action regarding the matter.

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

Document: None.

Background: The secretariat received a notification of withdrawal for a fully-developed project proposal from one of the multilateral implementing entities (MIEs) after the review process of the secretariat progressed very far. A reason behind the late-stage withdrawal was that the MIE found it very difficult to agree on the current standard project agreement of the Fund. An MIE had sent a letter, on behalf of itself and three other MIEs, stating that they would want to have modifications included in the standard agreement. In the letter, the MIE had also requested that projects proposed by them and already approved for funding could be given more time to be signed, until the consideration of their request related to the legal agreement has been concluded. In the normal situation, if the implementing entity does not sign the standard legal agreement within 4 (four) months from the date of notification of the approval of the project/programme proposal, the funds committed for that project/programme will be cancelled and retained in the Trust Fund for new commitments. The issue was not taken up by the Board at its thirty-second meeting, owing to a lack of time during. The secretariat will present information on the issue.

Action expected: The Board will be invited to consider and decide on a course of action regarding the matter.

c) Report of the portfolio monitoring mission to Cambodia;

d) Report of the portfolio monitoring mission to South Africa;

Document: AFB/B.33/12, Report of the portfolio monitoring mission in Cambodia and AFB/B.33/13, Report of the portfolio monitoring mission to South Africa.

Background: The secretariat staff members conducted portfolio monitoring missions to project in Cambodia and South Africa in FY18. Representatives of the secretariat will present the reports of the mission.

Action expected: The Board will be invited to consider and take note of the reports.

14. Report of the portfolio monitoring mission to Rwanda.

Document: AFB/B.33/10, Report of the portfolio monitoring mission in Rwanda.

Background: The secretariat staff members conducted portfolio monitoring mission to project in Rwanda in November 2018. Representatives of the secretariat will present the report of the mission.

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

15. Issues arising from fourteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 14), and the third part of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1-3).

Document: AFB/B.33/11, Decisions of CMP14 and CMA1 related to the Adaptation Fund and the Relevant Matters to Be Considered by the Adaptation Fund Board

Background: During the Katowice Climate Change Conference (COP24/CMP14/CMA1), landmark decisions related to the Adaptation Fund were made finalizing the process of the Fund to serve the Paris Agreement. By decision -/CMA.1 and decision -/CMP.14, the Fund shall serve the Paris Agreement under the guidance of, and be accountable to, the CMA with respect to all matters relating to the Paris Agreement, effective 1 January 2019. In addition, the Fund shall exclusively serve the Paris Agreement once the share of proceeds under Article 6, paragraph 5, of the Paris Agreement becomes available. Regarding source of finance, CMP 14 and CMA 1 decided that the Fund continues to receive the share of proceeds, if available, from activities under Article 6, 12 and 17 of the Kyoto Protocol, and that it shall be financed from the share of proceeds from the mechanism established by Article 6, paragraph 4, of the Paris Agreement and from a variety of voluntary public and private sources. With regard to membership on the Adaptation Fund Board (the Board), by decision -/CMP14, the CMP requested the Subsidiary Body for implementation, at its fiftieth session (June 2019), to consider the eligibility for membership on the Board, and to forward a recommendation to the CMP 15 in November 2019. By the same decision, the CMP requested the Board to consider the following and to make recommendations to the CMP 15 with a view to the recommendations being forwarded to the CMA 2 in November 2019: (i) the rules of procedure of the Board; (ii) the arrangements of the Fund with respect to the Paris Agreement; (iii) any other matter so as to ensure the Fund serves the Paris Agreement smoothly; and (iv) implications of the Fund receiving the share of proceeds from activities under Articles 6, 12 and 17 of the Kyoto Protocol when the Fund serves the Paris Agreement. The secretariat will present the decisions of CMP14

and CMA1 related to the Adaptation Fund and possible matters to be considered by the Board in line with such decisions.

Action expected: The Board will be invited to consider and decide on a course of action regarding the matter.

16. Knowledge management, communications and outreach.

Document: AFB/B.33/3, *Report on the activities of the secretariat.*

Background: The secretariat will report on its knowledge management activities and communication efforts since the thirty-second meeting of the Board, including on events scheduled during the upcoming Bonn Climate Change Conference (SB) (17-27 June 2019, Bonn, Germany).

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

17. Financial issues:

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

Documents: AFB/EFC.24/6, *Adaptation Fund Trust Fund: financial report prepared by the trustee (as at 31 December 2018)*; and AFB/B.33/Inf.4, *Trustee presentation: Update on status of resources and CER monetization.*

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

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

18. Dialogue with civil society organizations

Document: AFB/B.33/Inf.5, *Agenda of the civil society dialogue*

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

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

19. Date and venue of meetings in 2019 and onwards

Background: The thirty-fourth meeting of the Board is scheduled on 8-11 October 2019. The secretariat will inform about dates for upcoming Board meetings in 2020.

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

20. Implementation of the code of conduct

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

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

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

21. Other matters

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

22. Adoption of the report

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

23. Closure of the meeting

PROVISIONAL TIMETABLE

Organizing session: 12 March 2019

9:00 – 9:30 2 Election of the outstanding officers

Day 1: 14 March 2019

Morning Session

9:00 – 9:20 1 Opening of the meeting

 3 Transition of the Chair and Vice-Chair

 4 a) Adoption of the agenda

 4 b) Organization of work

9:20 – 9:30 5 Report on activities of the outgoing Chair

9:30 – 9:45 6 Report on activities of the secretariat

9:45 – 10:30 7 Report of the Accreditation Panel

10:30 – 10:45 Coffee break

10:45 – 11:15 10 a) Arrangements for learning grants

11:15 – 11:45 10 b) Arrangements for project scale-up grants

11:45 – 12:30 16 Knowledge management, communications and outreach

Afternoon Session

14:00 – 15:00 18 Dialogue with civil society organizations

15:00 – 15:15 Coffee break

15:15 – 16:15 15 Issues arising from fourteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 14), and the third part of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1-3)

16:15 – 17:00 21 Other matters

Day 2: 15 March 2019*Morning Session*

9:00 – 9:45 9 Report of the EFC

9:45 – 10:30 8 Report of the PPRC

10:30 – 10:45 Coffee break

10:45 – 11:30 12 Provision of financial resources between single-country and regional concrete adaptation project and programmes (country cap)

11:30 – 11:45 13 a) Strategic discussion on objectives and further steps of the Fund. Potential linkages between the Fund and the Green Climate Fund

11:45 – 12:15 13 b) Late-stage withdrawals of proposals by multilateral implementing entities

12:15 – 12:30 19 Date and venue of meetings in 2019 and onwards

Afternoon Session

14:00 – 14:30 11 Procedural steps for receiving contributions from alternative sources

14:30 – 15:00 17 a) Financial status of the Trust Fund and CER monetization

15:00 – 15:15 Coffee break

15:15 – 16:00 13 c) Report of the portfolio monitoring mission to Cambodia

13 d) Report of the portfolio monitoring mission to South Africa

14 Report of the portfolio monitoring mission to Rwanda

16:00 – 16:10 20 Implementation of the code of conduct

16:10 – 16:50 22 Adoption of the report

16:50 – 17:00 23 Closure of the meeting