



ADAPTATION FUND

AFB/B.34/2
6 October 2019

Adaptation Fund Board
Thirty-fourth meeting
Bonn, Germany, 10-11 October 2019

ANNOTATED PROVISIONAL AGENDA

1. Opening of the meeting.

The meeting will be opened by the Chair of the Adaptation Fund Board, Ms. Sylviane Bilgischer (Belgium, Annex I Parties).

2. Organizational matters:

a) Adoption of the agenda;

Documents: AFB/B.34/1, Provisional agenda and AFB/B.34/2, 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 22.

b) Organization of work.

Document: AFB/B.34/2, 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.34/2.

3. Report on activities of the Chair.

Document: AFB/B.34/Inf.6, Report of the activities of the Chair

Background: The Chair of the Board, Ms. Sylviane Bilgischer (Belgium, Annex I Parties), will report on the activities carried out during the intersessional period.

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

4. Report on activities of the secretariat.

Document: AFB/B.34/3, Report on the activities of the secretariat.

Background: The Manager of the secretariat will present the report contained in document AFB/B.34/3.

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

5. Report of the Accreditation Panel.

Document: AFB/B.34/4, Report of the Thirty-second Meeting of the Accreditation Panel.

Background: The Vice-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.

6. Implications of an implementing entity's accreditation expiration and a possible revision of re-accreditation policy.

Document: AFB/B.34/5, Implementing entity's accreditation expiration and a possible revision of re-accreditation policy.

Background: One of the accredited entities which is implementing a project funded by the Fund had not submitted a re-accreditation application as of the thirty-third meeting of the Board while its accreditation expired in September 2010. As requested by the Board in Decision B.33/9, the secretariat will present: (i) the proposed revised standard legal agreement between the Board and the implementing entity which was prepared in consideration of the implications of the implementing entity's accreditation expiration on its project implementation and the standard legal agreement; and (ii) a proposed revision of the re-accreditation process, in collaboration with the Accreditation Panel, considering the Board's discussions at its thirty-third meeting and its implication on the implementing entities' ongoing project implementation.

Action expected: The Board will be invited to consider the document, the revised standard legal agreement as contained in Annex I, and the revised re-accreditation process as contained in Annex II and decide on a course of action regarding the matter.

7. Report of the twenty-fifth meeting of the Project and Programme Review Committee (PPRC)

Document: The PPRC will issue its report after its twenty-fifth meeting, which will take place on 7-9 October 2019.

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

- a) Full cost of adaptation reasoning criterion;
- b) Funding for enhanced direct access;
- c) Programme on innovation;
- d) Report of the secretariat on initial screening/technical review of project and programme proposals;
- e) Report of the secretariat on initial screening/technical review of small innovation grant project proposals;
- f) Report of the secretariat on initial screening/technical review of learning grant proposals;
- g) Report of the secretariat on initial screening/technical review of scale-up grant proposals;
- h) Report of the secretariat on the intersessional review cycle for readiness grants.

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

8. Report of the twenty-fifth meeting of the Ethics and Finance Committee (EFC)

Document: The EFC will issue its report after its twenty-fifth meeting, which will take place on 8-9 October 2019.

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

- a) Annual performance report for fiscal year 2019;
- b) Update of the Project Performance Report and Results Tracker Guidance Document;
- c) Further analysis of project inception delays;
- d) Financial issues;
- e) Report of the Chair of the Technical Evaluation Reference Group.
- f) Assessment of the accreditation standards of the Green Climate Fund, including a gap analysis.

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

9. Procedural steps for receiving contributions from alternative sources.

Document: AFB/B.34/6, *Procedural steps for receiving contributions from sources alternative to government funding.*

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 issue was not taken up by the Board at its thirty-third meeting, owing to a lack of time. The secretariat will present the above-mentioned information contained in document AFB/B.34/6.

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

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

Document: AFB/B.34/7, *Options for criteria for the provision of financial resources between single-country and regional concrete adaptation project and programmes.*

Background: The Board, at its thirty-second meeting, decided to request the secretariat to present to the Board for its consideration at its thirty-third meeting 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 issue was not taken up by the Board at its thirty-third meeting, owing to a lack of time. The secretariat will present the above-mentioned information contained in document AFB/B.34/7.

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

11. Issues remaining from the thirty-third 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.34/8, *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 issue was not taken up by the Board at its thirty-third meeting, owing to a lack of time. The Chair and the secretariat will present the progress made in these activities contained in document AFB/B.34/8.

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. A 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 principle, 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 both at its thirty-second and thirty-third meeting, due to the respective meeting's heavy agenda, and the issue was deferred to the thirty-fourth meeting. The secretariat will present information on the issue.

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

c) Report on portfolio monitoring missions.

Document: AFB/B.34/14, *Report of the portfolio monitoring mission in Cambodia*, AFB/B.34/15, *Report of the portfolio monitoring mission to South Africa*, AFB/B.34/16, *Report of the portfolio monitoring mission in Rwanda*, AFB/B.34/17, *Report of the portfolio monitoring mission in Chile*, AFB/B.34/18, *Report of the portfolio monitoring mission in Cook Islands*, AFB/B.34/19, *Report of the portfolio monitoring mission in Samoa*.

Background: The secretariat conducted portfolio monitoring missions to the projects in Cambodia and South Africa in FY18, Rwanda and Chile in FY19, and Cook Islands and Samoa at the beginning of FY20. The secretariat will present an overview of the missions.

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

12. 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).

Documents:

- AFB/B.34/9, Decisions of CMP14 and CMA1 related to the Adaptation Fund and the Relevant Matters to be considered by the Adaptation Fund Board;
- AFB/B.34/9/Add.1, The draft amendment of the terms and conditions of the trustee services to be provided by the World Bank as interim trustee;
- AFB/B.34/9/Add.2, Trustee's cover note on the terms and conditions of the trustee services to be provided by the World Bank as interim trustee;
- AFB/B.34/9/Add.3, Amendment of institutional arrangement (MoU) with the GEF for secretariat services to the Board; and
- AFB/B.34/9/Add.4, Adaptation Fund Board's consideration of its rules of procedure.
- AFB/B.34/Inf.7, Decisions of CMP 14 and CMA 1 related to the Adaptation Fund and the relevant matters to be considered by the Adaptation Fund Board (submitted to the 33th meeting of the Board as Document AFB/B.33/11);
- AFB/B.34/Inf.8, Matters related to the mandated contained in paragraph 6 of decision 1/CMP. 14 (submitted to the additional Board meeting (B.33.b) as Document AFB/B.33.b/3);
- AFB/B.34/Inf.10, The Rules of Procedure of the Adaptation Fund Board;
- AFB/B.34/Inf.11, Strategic Priorities, Policies, and Guidelines of the Adaptation Fund Adopted by the CMP (Annex I to the OPG)

Background: At its thirty-third meeting, the Board considered the decisions of CMP14 and CMA1 related to the Adaptation Fund (document AFB.B.33/11), which finalized the process for the Fund to serve the Paris Agreement and to operate under the guidance of the CMA. The Board requested the secretariat to prepare for inclusion of, in the draft addendum to the report of the Board to the Conference of Parties serving as meeting of the Parties to the Kyoto Protocol at its fifteenth session (CMP15), possible Board's consideration and recommendations on the tasks mandated by decision 1/CMP.14 "Matters Relating to the Adaptation Fund," and submit them to the Board for consideration at its meeting in October 2019, in consultation with the UNFCCC Secretariat, the interim trustee (the World Bank) and the GEF Secretariat. The Board established a task force to provide guidance to the secretariat and held an additional meeting of the Board on 28-29 June 2019, to discuss the matter and check the progress of the work being done by the task force and the secretariat. At its additional meeting in June 2019, the Board made three decisions (Decisions B.33.b/1, B.33.b/2, and B.33.b/3) related to the (i) Terms and Conditions of the Trustee services to be provided by the World Bank as the interim trustee; (ii) Institutional arrangement (MoU) with the GEF for Secretariat services to the Board; (iii) the Rules of Procedure of the Board, 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, and any other matter so as to ensure the Fund serves the Paris Agreement, respectively. In line with these decisions, the secretariat prepared the documents AFB/B.34/9, AFB/B.34/9/Add.1 (The draft amendment of T&Cs between the CMP and the World Bank as the trustee), AFB/B.34/9/Add.2 (the trustee's cover note on T&Cs), AFB/B.34/9/Add.3 (the draft amendment of the MoU between the CMP and the GEF Council regarding secretariat services to the Adaptation Fund Board), and AFB/B.34/9/Add.4 (the Board's consideration on the matter of the Rules of Procedure of the Board). These are prepared to help the Board report to the CMP at its fifteenth session on the tasks mandated by decision 1/CMP14, and are not intended to influence or prejudice any future decisions by Parties on the relevant matters.

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

13. Review of the project and programme review process.

Document: AFB/B.34/10, *Review of the project and programme review process.*

Background: A significant number of proposal submissions has been increasingly challenging for both the Board and secretariat to undertake the project and programme review process within the existed project review cycle. Also, a number of implementing entities have raised the issue of the time allowed (currently one week) for the revision of the proposals after they received the initial comments of the secretariat. As per Board decision B.33/10, the secretariat undertook a review of the project and programme review process, with the consideration of the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund and will present it to the Board.

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

14. Options to further enhance civil society participation and engagement in the work of the Board.

Document: AFB/B.34/12, *Options to further enhance civil society participation and engagement in the work of the Board.*

Background: At the thirty-third meeting of the Board, it was generally agreed that it would be important to enhance the participation of civil society in the work of the Board, but it was also asked how large that participation should be and how the representatives of civil society would be chosen. As per Board decision B.33/54, the secretariat explored, in consultation with civil society participation and engagement in the work of the Board and will present a document to the Board for consideration.

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

15. Options to address the issue of an absence of a quorum.

Document: AFB/B.34/13, *Options to address the issue of an absence of a quorum.*

Background: As per Board decision B.33/55, the secretariat explored options to address the issue of an absence of a quorum, including other climate funds' relevant practices, and will present a document which contains an analysis of the explored options to the Board.

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

16. Knowledge management, communications and outreach.

Document: AFB/B.34/3, *Report on the activities of the secretariat.*

Background: The secretariat will report on its knowledge management activities and communication efforts since the thirty-third meeting of the Board, including on events scheduled during the upcoming Santiago Climate Change Conference (COP 25) (2-13 December 2019, Santiago, Chile).

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.25/6, *Adaptation Fund Trust Fund: Financial Report Prepared by the Trustee (as at 30 June 2019)*; AFB/B.34/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.34/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. Election of officers for the next period of office.

Documents: *Rules of procedure of the Adaptation Fund Board*, section IV; *General*

[guidelines for Board Committees](#), paragraphs 4-6; and [Terms of reference of the Accreditation Panel](#).

Background: The Board will elect officers for the period of office starting at the thirty-fifth meeting, namely:

- Board Chair from non-Annex I Party
- Board Vice-Chair from Annex I Party
- EFC Chair from Annex I Party
- EFC Vice-Chair from non-Annex I Party
- PPRC Chair from non-Annex I Party
- PPRC Vice-Chair from Annex I Party
- Accreditation Panel member from Annex I Party to serve as Chair
- Accreditation Panel Vice-Chair from non-Annex I Party

Action expected: The Board will be invited to elect its officers for the period of office starting at the thirty-fifth meeting.

20. Date and venue of meetings in 2020 and onwards.

Background: The Board decided to hold the thirty-fifth meeting of the Board on 17-20 March 2020 and the thirty-sixth meeting on 13-16 October 2020. The secretariat will inform about potential dates for upcoming Board meetings in 2021.

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

21. 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.

22. Other matters.

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

23. Adoption of the report.

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

24. Closure of the meeting.

PROVISIONAL TIMETABLE

Day 1: 10 October 2019

Morning Session

9:00 – 9:20	1	Opening of the meeting
	2 a)	Adoption of the agenda
	2 b)	Organization of work
9:20 – 9:30	3	Report on activities of the Chair
9:30 – 9:45	4	Report on activities of the secretariat
9:45 – 10:30	5	Report of the Accreditation Panel

10:30 – 10:45 Coffee break

10:45 – 11:15	6	Implications of an implementing entity's accreditation expiration and a possible revision of re-accreditation policy
11:15 – 11:45	9	Procedural steps for receiving contributions from alternative sources
11:45 – 12:30	10	Provision of financial resources between single-country and regional concrete adaptation project and programmes (country cap).

Afternoon Session

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

15:15 – 16:15	12	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 – 16:45	17 a)	Financial status of the Trust Fund and CER monetization
16:45 – 17:00	19	Election of officers for the next period of office

Day 2: 11 October 2019*Morning Session*

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| 9:00 – 9:30 | 11 a) | Strategic discussion on objectives and further steps of the Fund. Potential linkages between the Fund and the Green Climate Fund |
| 9:30 – 10:00 | 11 b) | Late-stage withdrawals of proposals by multilateral implementing entities |
| 10:00 – 10:30 | 11 c) | Report on portfolio monitoring missions |
| <i>10:30 – 10:45 Coffee break</i> | | |
| 10:45 – 11:30 | 7 | Report of the twenty-fifth meeting of the EFC |
| 11:30 – 12:15 | 8 | Report of the twenty-fifth meeting of the PPRC |
| 12:15 – 12:45 | 13 | Review of the project and programme review process |

Afternoon Session

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| 14:00 – 14:30 | 14 | Options to further enhance civil society participation and engagement in the work of the Board |
| 14:30 – 15:00 | 15 | Options to address the issue of an absence of a quorum |
| <i>15:00 – 15:15 Coffee break</i> | | |
| 15:15 – 15:45 | 16 | Knowledge management, communications and outreach |
| 15:45 – 16:00 | 20 | Date and venue of meetings in 2020 and onwards |
| 16:00 – 16:10 | 21 | Implementation of the code of conduct |
| 16:10 – 16:30 | 22 | Other matters |
| 16:30 – 17:30 | 23 | Adoption of the report |
| 17:30 – 17:45 | 24 | Closure of the meeting |