



ADAPTATION FUND

AFB/B.34-35/3  
Draft - 8 November 2019

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**REPORT OF THE ADAPTATION FUND BOARD, NOTE BY THE  
CHAIR OF THE ADAPTATION FUND BOARD – ADDENDUM**

## **I. Background**

1. This addendum to the report of the Adaptation Fund Board (the Board) at the fifteenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 15) provides an update to the CMP on progress made by the Board during the period from 1 July 2019 to the thirty-fourth meeting of the Board which ended on 11 October 2019. Milestones achieved are summarized in the next sections. This addendum also includes, in its annexes, the Board's consideration of and recommendations on the rules of procedure of the Board, the arrangements of the Adaptation Fund with respect to the Paris Agreement and any other matter so as to ensure the Adaptation Fund serves the Paris Agreement smoothly; the implications of the Adaptation Fund receiving the share of proceeds from activities under Articles 6, 12 and 17 of the Kyoto Protocol when the Adaptation Fund serves the Paris Agreement. These recommendations are made to the CMP 15 with a view to the recommendations being forwarded to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement for consideration at its second session (December 2019) as requested by the CMP in decision 1/CMP.14.

## **II. Election of the Chair and Vice-Chair of the Board.**

2. In accordance with decision 1/CMP.3, paragraph 13, the Board, at its thirty-fourth meeting, elected by consensus Mr. Ibila Djibril (Benin, African States) as its Chair, and Mr. Mattias Broman (Sweden, Parties included in Annex I to the Convention (Annex I Parties)) as its Vice-Chair. In accordance with the Rules of Procedure of the Board, their term of office will start at the first meeting of the Board in 2020, which has been scheduled for 26 and 27 March 2019.<sup>1</sup>

## **III. Changes in the composition of the Board**

3. During the reporting period, the Board appointed two new alternate members as follows: Following nomination by the Least Developed Countries constituency, the Board decided to appoint Mr. Tshering Tashi (Bhutan, Least Developed Countries) as a new alternate member, replacing Mr. Naresh Sharma (Nepal, Least Developed Countries).<sup>2</sup> Following nomination by the Latin American and the Caribbean States constituency, the Board decided to appoint Mr. Arana Pyfrom (Bahamas, Latin American and the Caribbean States) as a new alternate member, replacing Mr. Philip Weech (Bahamas, Latin American and the Caribbean States).<sup>3</sup>

4. Mr. Chebet Maikut (Uganda), member of the Board representing Least Developed Countries, passed away during the reporting period, on 2 October 2019. Nomination for the vacant position is pending.

## **IV. Resources in the Adaptation Fund Trust Fund**

5. As at 30 September 2019, the trustee had sold 27.3 million Fund Certified Emission Reduction (CER) units at an average price of USD 7.38, generating revenues of USD 201.7 million. Receipts from the monetization of CERs amounted to USD 0.24 million during the 3-month period from 1 July 2019 to 30 September 2019. As at 30 September 2019, 12.5 million CERs were still available to be sold, in accordance with the CER monetization guidelines adopted by the Board. The Board has instructed the trustee to transfer USD 354.5 million to implementing entities to date.

6. Funds available for new funding approvals amounted to USD 175.6 million as at 30 September 2019.<sup>4</sup>

## **V. Accreditation of implementing entities**

7. Following recommendations made by the Accreditation Panel of the Board (the Panel), the Board decided, through an intersessional process, to accredit two new national implementing entities (NIE): the Environmental Management Agency (EMA) of Zimbabwe<sup>5</sup> and the Ministry of Finance and Economic Development (MFED) of Tuvalu<sup>6</sup>. The application of the latter NIE was assessed using the streamlined accreditation approach.

8. The thirty-second meeting of the Panel was held on 11 and 12 September 2019 and was chaired by the Vice-Chair of the Panel Ms. Eleonora Cogo (Italy, Western European and Other States). In addition to the reviews of 15 accreditation applications and 7 re-accreditation applications, the Accreditation Panel considered and discussed the following matters:

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<sup>1</sup> Adaptation Fund Board decision B.34/53.

<sup>2</sup> Adaptation Fund Board decision B.33-34/30.

<sup>3</sup> Adaptation Fund Board decision B.33-34/36.

<sup>4</sup> This figure, provided by the trustee as at 30 September 2019, does not take into account the funding approvals by the Board at its thirty-fourth meeting on 10-11 October 2019, totalling US\$ 62.2 million.

<sup>5</sup> Adaptation Fund Board decision B.33-34/10.

<sup>6</sup> Adaptation Fund Board decision B.33-34/28.

(i) ‘Gap analysis’ on accreditation standards of the Adaptation Fund and the Green Climate Fund; (ii) Re-accreditation application form; (iii) Revision of the re-accreditation process and (iv) Designation of multilateral implementing entities (MIE) and regional implementing entities (RIE) following official letters of interest in applying for accreditation with the Fund as RIE.

9. Following a recommendation made by the Panel, the Board decided, at its thirty-fourth meeting, to re-accredit the *Instituto Mexicano de Tecnología del Agua (IMTA)* of Mexico as an NIE.<sup>7</sup>

10. The Ethics and Finance Committee (EFC), at its twenty-fifth meeting, on 8 and 9 October 2019, considered the issue of classifying prospective applicant implementing entities as either regional (RIE) or multilateral implementing entities (MIE). Having considered the recommendation of the EFC, the Board, at its thirty-fourth meeting, on 10 and 11 October, decided to request its secretariat (the secretariat<sup>8</sup>) to prepare a document which contains an analysis on how to classify IE applicants as MIE or as RIE taking into account relevant Board discussions on designation of MIE and RIE at its twenty-third and twenty-fourth meetings as recorded in documents AFB/B.23/7 and AFB/B.24/7 and present it to twenty-sixth meeting of the Ethics and Finance Committee (EFC) for consideration.<sup>9</sup>

11. The EFC also considered, at its twenty-fifth meeting, an assessment of the accreditation standards of the Green Climate Fund (GCF), including a gap analysis, prepared by the secretariat for purposes of an update on, inter alia, the applicability of those standards as a basis for fast-track accreditation and fast-track re-accreditation by the Fund.<sup>10</sup> Having considered the comments and recommendation of the EFC, the Board took note of the gap analysis, and in particular that the GCF accreditation procedures as at 1 September 2019 continued to be consistent with those of the Fund; the previous gap analysis as contained in AFB/EFC.19/7/Rev.1 was valid; and the summary of the previous gap analysis conclusions continued to be the guideline used by the Panel during the fast-track accreditation and re-accreditation processes. The Board also took note of the Panel’s request to engage in discussions with the GCF Accreditation Panel facilitated by the secretariats of the two funds, to improve the efficiency of the fast-track accreditation and fast-track re-accreditation processes, and requested the secretariat to initiate discussion with the GCF secretariat with a view to facilitating such exchanges. Further, the Board requested the secretariat to assess, in collaboration with the Panel, the GCF accreditation standards, including a gap analysis when the need arises, given the continuing evolution of the GCF accreditation process and related policies.<sup>11</sup>

12. The Board had, at its thirty-third meeting, requested the secretariat to prepare, in collaboration with the Accreditation Panel, a possible revision of the re-accreditation process, that would take into account its implication on the implementing entities’ ongoing project implementation. The Board had also requested the secretariat to review the implications of an implementing entity’s accreditation expiration on its project implementation and the standard legal agreement signed between the Board and the implementing entity.<sup>12</sup> The Board, at its thirty-fourth meeting, considered a document prepared by the secretariat on the above issues, and decided to approve a revised standard legal agreement and a revised re-accreditation process.<sup>13</sup>

13. The Board had, at its thirty-second meeting, (Decision B.32/36 paragraph (c) (i)), requested the secretariat to update the re-accreditation application form. The Panel exchanged, at its thirty-second meeting, views and suggestions on the criteria related to project management and the list of supporting documentation which needed to be streamlined to avoid possible duplication of documentation that had already been provided at the time of original accreditation. The Panel’s suggestions have been reflected in the updated re-accreditation application form, which is contained in the Annex II to document AFB.B.34/4.

14. Mr. Chebet Maikut (Uganda, Least Developed Countries) served as the Chair of the Panel until his passing away on 2 October 2019. The Board, at its thirty-fourth meeting, elected Ms. Eleonora Cogo (Italy, Western European and Other States), who had served as the Vice-Chair of the Panel, as its Chair, and Mr. Evans Njewa (Malawi, Least Developed Countries) as its Vice-Chair. In accordance with the Rules of Procedure of the Board, their term of office will start at the first meeting of the Panel 2020, which has been scheduled for 6 and 7 February 2020.<sup>14</sup>

## **VI. Adaptation Fund Board committees**

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<sup>7</sup> Adaptation Fund Board decision B.34/1.

<sup>8</sup> In this document, “secretariat” refers to the Adaptation Fund Board Secretariat, unless otherwise noted.

<sup>9</sup> Adaptation Fund Board decision B.34/xx.

<sup>10</sup> Adaptation Fund Board document AFB/EFC.25/6.

<sup>11</sup> Adaptation Fund Board decision B.34/46.

<sup>12</sup> Adaptation Fund Board decision B.33/9.

<sup>13</sup> Adaptation Fund Board decision B.34/3.

<sup>14</sup> Adaptation Fund Board decision B.34/53.

15. At its twenty-fifth meeting the EFC considered and made recommendations to the Board on the following items: the annual performance report for fiscal year 2019; the revision of the results tracker and an updated guidance on the revised results tracker; further analysis of project inception delays; and assessment of the accreditation standards of the Green Climate Fund, including a gap analysis.

16. In March 2019, at its twenty-fourth meeting, the Project and Programme Review Committee (PPRC) recommended the approval of four fully-developed regional project/programme proposals. The Board, at its thirty-third meeting, approved only one of them, given the availability of funds within the financing window for regional projects and programmes approved by the Board for fiscal year 2019. In addition, the Board decided to establish a waitlist for the fully-developed proposals recommended by the PPRC for which there was no funding available in the financing window, to consider the projects/programmes on the waitlist for approval, subject to the availability of funds<sup>15</sup>, and to place the remaining three recommended regional project proposals in the waitlist. The Board also decided to include in its work plan for fiscal year 2020 the provision for an amount of US\$ 60 million to be provisionally set aside for regional projects and programmes.<sup>16</sup> After the beginning of the fiscal year 2020, as the provisionally set aside amount became available, the Board intersessionally approved those three fully-developed regional projects/programmes.

17. During the reporting period, in the review cycles in the intersessional period between the thirty-third and thirty-fourth meetings of the Board and at the thirty-fourth meeting of the Board, the Project and Programme Review Committee (PPRC) had reviewed 11 single-country project concepts, and nine fully developed proposals for single-country projects, during each of the review cycles. It had also reviewed five pre-concepts, one concept during each review cycle and two and four fully developed project documents for regional (multi-country) projects and programmes during the intersessional period and at the thirty-fourth meeting, respectively.

18. The PPRC also discussed and conveyed to the Board its recommendations on the length of proposal submissions, validity period of letters of endorsement and options for criteria for the provision of financial resources between single-country and regional concrete adaptation projects and programmes.

## **VII. Funding decisions on adaptation projects and programmes**

19. During the two review cycles, the Board approved six and five single-country proposals for funding for a total amount of USD 46.1 million and USD 39.1 million, respectively. The Board also approved five regional proposals for funding for a total amount of USD 60.0 million, of which three proposals for a total amount of USD 39.5 million had been waitlisted at the thirty-third meeting of the Board, and were approved during the intersessional period between the thirty-third and thirty-fourth meetings, as illustrated in the appendix, figure 2. The other two approved regional proposals were approved during the two review cycles, one in each cycle.

20. The Parties whose single-country proposals were approved or recommended for approval for funding are Congo, El Salvador, Georgia, Indonesia, Lao People's Democratic Republic, Lesotho, Malawi, Republic of Moldova, Saint Lucia, Sierra Leone, and Tajikistan. The Parties included in regional proposals that were approved for funding under the funding window for regional projects and programmes are Argentina, Benin, Burkina Faso, Chile, Colombia, Comoros, Djibouti, Kenya, Madagascar, Malawi, Mozambique, Niger, Peru, Sudan, Uganda and Uruguay.

21. In addition to the funding decisions referred to in paragraph 20 above, the Board endorsed nine single-country project concepts at its thirty-fourth meeting, for Belize, the Gambia, Indonesia (five proposals), Kyrgyzstan, Namibia, the United Republic of Tanzania and Viet Nam, for a total amount of USD 29.9 million.

22. Under the funding window for regional projects and programmes, the Board endorsed one project concept for a total amount of USD 4.8 million, during the thirty-fourth meeting, for a regional project in Cambodia, Lao People's Democratic Republic, Myanmar, Thailand and Viet Nam. Additionally, the Board endorsed, at its thirty-fourth meeting, four regional project pre-concepts for a total amount of USD 53.7 million, for regional projects in Angola, Antigua and Barbuda, Azerbaijan, Benin, Burkina Faso, Côte D'Ivoire, Dominica, the Gambia, Ghana, Guinea, Islamic Republic of Iran, Liberia, Mali, Namibia, Niger, Nigeria, Saint Lucia, Senegal, Sierra Leone and Togo. The Board also approved USD 120,000 in project formulation grants for endorsed regional pre-concepts and concepts, as illustrated in the appendix, figures 1 and 3.

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<sup>15</sup> Adaptation Fund Board decision B.33/45.

<sup>16</sup> Adaptation Fund Board decision B.33/12.

23. The sectors represented in the approved fully developed proposals and endorsed pre-concepts and concepts include agriculture, coastal management, disaster risk reduction, food security, rural development, urban development, water resources management and multisector projects.

### **VIII. Implementation of the Medium-Term strategy**

24. The Board had, at its thirty-second meeting in October 2018, discussed the creation of and operational arrangements for funding windows that were approved as part of the implementation plan of the Medium-Term Strategy (MTS), and decided to open two distinct channels for the provision of innovation grants: one for NIEs<sup>17</sup> and the other through two MIE aggregators<sup>18</sup>. The Board had also approved the features and implementation arrangements for learning grants<sup>19</sup> and project scale-up grants.<sup>20</sup> On the margins of COP 24, the Board had launched the calls for proposals for the innovation grants for NIEs, and the learning and scale-up grants. At its thirty-fourth meeting, the Board approved the first grants under two of these three new modalities based on proposals that had been received: two innovation small grants for Armenia and Chile for USD 231,250 and USD 230,000, respectively, and a project scale-up grant for Rwanda for USD 99,000.<sup>21</sup> The Board also approved two innovation MIE aggregator programmes that will be implemented by UN Environment and UNDP for USD 5.0 million each, and that will enable also Parties without NIEs to access innovation grants.<sup>22</sup>

25. During the reporting period, preparations were under way for the twenty-fifth Conference of the Parties (COP 25) to be held in Santiago, Chile, where the Fund plans to launch an e-course consisting of two modules, one on accreditation and the other on addressing Environmental, Social and Gender considerations in project design and implementation aimed at Adaptation Fund designated authorities (DA), NIEs, international organizations, non-governmental organizations, the private sector and other relevant stakeholders.

26. The secretariat continued the collaboration with the GCF secretariat in supporting the Committee of the Community of Practice for Direct Access Entities (CPDAE) and the CPDAE action plan for the production of a quarterly news bulletin consisting of project information from direct access entities to be launched at COP 25.

### **IX. Operational linkages and relations with institutions under the Convention**

27. The Fund continued pursuing active engagement with the GCF. During the reporting period, this took place mostly at the level of the secretariats of the two Funds. A member of the secretariat attended the twenty-third meeting of the GCF Board as observer on 6-8 July 2019. In early August 2019, a representative of the GCF Secretariat joined the sixth NIE seminar of the Adaptation Fund in Saint John's, Antigua and Barbuda, and the second meeting of the CPDAE that was held in conjunction with it. The Manager and representatives of the secretariat joined the GCF Global Programming Conference held in Songdo, South Korea, on 19-23 August 2019, and held bilateral meetings with the GCF secretariat. The manager represented the Fund on a panel on "Investing in Institutional Transformation: Direct Access Capabilities for Scaling-Up", and on a panel in the session that introduced the CPDAE to direct access entities accredited by the GCF.

28. At the thirty-fourth meeting of the Board, the secretariat reported on the aforementioned activities. The secretariat also reported that in May 2019 it had been informed by the GCF Secretariat that the GCF had decided to seek the provision of legal services in relation to potential legal agreements between the GCF and the Adaptation Fund for the transfer of financial resources from GCF to the Adaptation Fund and would start to launch the request for quotations (RfQ). In accordance to the terms of reference of the RfQ, the objective to seek the independent legal opinion was allegedly for the GCF to determine whether any such arrangements between the GCF and the Adaptation Fund are implementable, considering that: (i) various potential options for linkages have been identified by the Co-Chairs of the GCF and the Chair and Vice-chair of the Adaptation Fund Board; (ii) regardless of the form of linkage between the two funds, one of the key policy matters that needs to be resolved is the degree to which the Adaptation Fund is prepared to accept liability for programming GCF funding; (iii) while this question has political and policy dimensions, there were a number of related legal questions that would first need to be answered in order for the policy matter to be resolved; and (iv) the independent legal opinion would help seek clarify on these matter. During the GCF Global Programming Conference in August 2019, the secretariat had received a verbal update on the legal analysis, including on selection of an external legal firm to provide a legal opinion on the matter, and in September 2019, the GCF secretariat shared the first draft of the opinion with the secretariat. Having considered these matters, the Board took note of the recent developments and the secretariat's report,

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<sup>17</sup> Adaptation Fund Board decision B.32/4.

<sup>18</sup> Adaptation Fund Board decision B.32/5.

<sup>19</sup> Adaptation Fund Board decision B.32/38.<sup>20</sup> Adaptation Fund Board decision B.32/39.

<sup>20</sup> Adaptation Fund Board decision B.32/39.

<sup>21</sup> Adaptation Fund Board decisions B.34/35, B.34/36 and B.34/39.

<sup>22</sup> Adaptation Fund Board decisions B.34/33 and B.34/34.

and decided to request the secretariat to provide an update to the Board at its thirty-fifth meeting (March 2020). The Board also requested the Chair and Vice-Chair, assisted by the secretariat, to continue to actively engage in a structured conversation with the GCF Board, with a view to exploring concrete steps to advance the options for fund-to-fund arrangements described in GCF document GCF/B.22/09 and its Annex I. The Board also requested the secretariat to continue discussions with the GCF secretariat to advance the identified collaborative activities. The Board also requested the Chair and secretariat to report to the Board at its thirty-fifth meeting on the progress made in the aforementioned activities.<sup>23</sup>

## **X. Readiness Programme for Climate Finance**

29. The following activities were carried out under the readiness programme:

- (i) Launch of the 2019 readiness grants on 6 July 2019 to support the provision of technical assistance to NIEs and to support developing country access to adaptation financing from the Fund through South-South cooperation.
- (ii) The sixth Annual Climate Finance Readiness Seminar for accredited NIEs of the Fund (5 – 9 August 2019, Saint John's, Antigua and Barbuda). The seminar was co-hosted by the Antigua and Barbuda's accredited NIE to the Fund, the Department of Environment (DoE), and included Gender Training drawing from the Fund's Gender Policy, participation by the Technical Evaluation Reference Group (AF-TERG), an Innovation Day to discuss funding windows for innovation under the MTS, and a field visit to the project implemented by the DoE's and funded by the Fund.
- (iii) The second meeting of the Committee for the Community of Practice for Direct Access Entities (CPDAE) from 2-3 August 2019 in Antigua and Barbuda on the margins of the sixth NIE seminar. Activities of the CPDAE are supported by the Fund in partnership with the GCF. The Committee advanced on the CPDAE Action Plan, the Governance Charter, and developed procedures for inviting members to join the CPDAE, change of Committee membership and communication and operational procedures of the Committee
- (iv) Accreditation Training workshop (2-3 September 2019, Bangkok, Thailand) to promote access to the Fund's resources through Direct Access and to increase visibility of the Fund in the region. The workshop was held as part of the UN Asia-Pacific Climate Week (APCW) which took place from 2-6 September and in partnership with the NDC Partnership which linked it as a continuum to their event held on 6 September at the APCW titled: Expanding access to global climate funds in the Asia Pacific.
- (v) Preparations for the ninth readiness webinar for accredited NIEs of the Fund to be held on 24 October 2019. The webinar discussed the topic: Evidence-based interventions – Assessing vulnerability and feasibility for sustained local-level resilience: experiences and lessons learned from Adaptation Fund.
- (vi) Preparations for the twenty-fifth conference of the Parties (COP 25), where the Fund, in partnership with the Paris Committee on Capacity-Building (PCCB) and Climate Technology Centre and Network (CTCN) intends to launch a bulletin that brings together organizations providing readiness and capacity-building to make available information to developing countries on the support available and how to access it.
- (vii) On-going collaboration with the GCF secretariat to support the CPDAE Committee and CPDAE action plan. The community of practice is led and driven by Adaptation Fund NIEs and GCF direct access entities.

## **XI. Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG)**

30. During the previous reporting period the Board approved the hiring of the AF-TERG Chair and four members, and an evaluation officer was recruited to coordinate the AF-TERG Secretariat. During this reporting period the AF-TERG Secretariat expanded with two part time staff members, one data and financial analyst and one data analyst, to support the development of the evaluative work programme.

31. A first AF-TERG meeting took place on the margins of the sixth NIE seminar (5 to 9 August 2019, Saint John's, Antigua and Barbuda). Topics discussed were the role, functions and theory of change of the AF-TERG, the routines, procedures and work culture, as well as a timeline for the development of the evaluative work programme. AF-TERG

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<sup>23</sup> Adaptation Fund Board decision B.34/47.

members also engaged with NIE seminar participants to answer their monitoring and evaluation questions, and to explore participants' expectations towards the AF-TERG.

32. Three studies were commissioned to inform the development of the AF-TERG work programme. The first study is an evaluability assessment of AF financed projects, the second study focuses on ex-post evaluation approaches to inform a Fund-specific approach to ex-post evaluations five years after project closure, and a third study focuses on innovative monitoring evaluation and learning (MEL) approaches in the climate change adaptation space. Three consultants were hired to execute these studies, coordinated by the AF-TERG Secretariat. In parallel, the AF-TERG has been exploring scoping missions and further engagement with the Board, the secretariat and implementing entities, particularly NIEs.

33. As part of networking with the wider MEL community, the AF-TERG Secretariat took part in MERL Tech DC, a conference which explores the role of technology and emerging tools and approaches in monitoring, evaluation, reporting and learning, which took place in Washington, D.C., USA on 5-6 September 2019. The AF-TERG Chair and Coordinator of the AF-TERG Secretariat engaged in the 2019 International Development Evaluation Association (IDEAS) Global Assembly and Third International Conference on Evaluating Environment and Development, which took place in Prague, Czech Republic from 3-5 October 2019. The AF-TERG Secretariat has also been working on a proposal for the Adaptation Futures conference, scheduled to take place in New Delhi, India, from 27 to 30 April 2020.

34. AF-TERG Secretariat staff joined the thirty-second meeting of the Accreditation Panel, on 11 and 12 September 2019 in Washington, D.C., as observers to gain further understanding of AF internal processes.

35. In her presentation during the twenty-fifth meeting of the EFC, the AF-TERG Chair pointed out that 1) The AF-TERG will be developed as a strategic partner to the Board, the Secretariat and implementing entities, 2) the aim is to support more effective monitoring, evaluation and learning practices in actions related to adapting to the effects of climate change, 3) the AF-TERG aims to support the core features of the Fund, and 4) the AF-TERG is planned to be developed as an innovative new model.

## **XII. The Adaptation Fund and the Paris Agreement**

36. The Board, at its thirty-fourth meeting on 10 and 11 October 2019, discussed matters related to the mandate contained in paragraph 6 of Decision 1/CMP.14, considering the documents<sup>24</sup> prepared by the secretariat, in consultation with the relevant stakeholders including the International Bank for Reconstruction and Development (the World Bank) as the interim trustee, and the Global Environment Facility (GEF) as the interim secretariat, and the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) and under the guidance of the task force established at the thirty-third meeting<sup>25</sup>. These documents were prepared to help the Board to complete necessary work and to report to the CMP at its fifteenth session on the tasks mandated by Decision 1/CMP.14 and were not intended to influence or prejudice any future decisions by Parties on the relevant matters. The matters considered by the Board consist of: (i) the arrangements of the Adaptation Fund with respect to the Paris Agreement; (ii) the rules of Procedure of the Adaptation Fund Board; (iii) any other matter so as to ensure the Adaptation Fund serves the Paris Agreement smoothly;

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<sup>24</sup> Adaptation Fund Board documents AFB/B.34/9 (Matters related to the Mandate Contained in Paragraph 6 of Decision 1/CMP.4: The Board's Consideration and Recommendations on the Tasks Mandated by Decision 1/CMP.14 to be included in the Addendum to its Report to CMP15); AFB/B.34/9/Add.1/Rev.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/Add.3 (Amendment of Institutional Arrangement (MOU) with the GEF for Secretariat Services to the Board); AFB/B.34/Add.4 (Adaptation Fund Board's Consideration of its Rules of Procedure); AFB/B.34/9/Add.5 (Board's Consideration of (1) '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 (2) 'any other matter so as to ensure the Fund serves the Paris Agreement'); AFB/B.34/9/Add.6 (Board's Recommendations for actions to be taken by the CMP to be included in the Addendum to the Board's Report to CMP at its fifteenth session); AFB/B.34/Inf.7 (Decisions of CMP.14 and CMA 1 related to the AF and the relevant matters to be considered by the AFB (submitted to the 33rd meeting as Doc. AFB/B.33/11)); AFB/B.34/Inf.8 (Matters related to the Mandate contained in paragraph 6 of Decision 1/CMP.14 (submitted to the additional Board meeting (B.33.b) as Doc. AFB/B.33.b/3)); AFB/B.34/Inf.10 (Rules of the Procedure of the Board); and AFB/B.34/Inf.11 (Strategic Priorities, Policies, and Guidelines of the Adaptation Fund adopted by the CMP (Annex I to the Adaptation Fund's Operational Policies and Guidelines)).

<sup>25</sup> The Task Force was established by Adaptation Fund Board decision B.33/52 to provide guidance to the secretariat on the tasks mandated from decision 1/CMP.14.

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.

37. With respect to the matter of ‘the arrangements of the Adaptation Fund with respect to the Paris Agreement,’ the Board considered the legal arrangements for the trustee services and the secretariat services to the Board: (i) the amendment of the terms and conditions of services to be provided by the International Bank for Reconstruction and Development as trustee for the Adaptation Fund (the terms and conditions); and (ii) the amendment of the Memorandum of Understanding between the Conference of the Parties Serving as the Meeting of the Parties to Kyoto Protocol and the Council of the Global Environment Facility Regarding Secretariat Services to the Adaptation Fund Board (MOU). The Board recalled the legal advice from the UNFCCC Secretariat sought at its additional meeting that the CMA would not need to be a signing party to the MOU and the terms and conditions during the transitional period when the Fund serves both the Kyoto Protocol and the Paris Agreement. The Board also decided to submit its recommendation to the CMP at its fifteenth session to adopt them for a timely extension of the arrangement for the trustee services and the secretariat services to the Board beyond May 2020.<sup>26</sup>

38. The draft amendment of the Terms and Conditions for the trustee services<sup>27</sup> was prepared by the World Bank as interim trustee, in consultations with the Adaptation Fund Board secretariat and the UNFCCC Secretariat under the guidance of the task force of the Board. The amendment is mainly related to the extension of the trustee services and removal of the automatic termination clause (Article 34 of the terms and conditions). Other amendments are related to correcting the number of amendments to the terms and conditions and including the relevant CMP decisions which adopted the amendments in section 1, subparagraph (g). Considering the trustee’s note on the terms and conditions,<sup>28</sup> the Board decided to approve the amendment of the terms and conditions for the trustee services to the Board and to submit its recommendation to the CMP to adopt the amendment at its fifteenth session for a timely extension of the trustee services beyond May 2020.<sup>29</sup> The amendment of the terms and conditions will enter into force upon the mutual adoption by the CMP and the World Bank.

39. The draft amendment of the MOU between the CMP and the GEF for secretariat services to the Board<sup>30</sup> was prepared by the secretariat of the Adaptation Fund Board, in consultation with the GEF Secretariat and the UNFCCC Secretariat, under the guidance from the task force of the Board. The amendment of the MOU is related to: (i) adding the recital of subparagraphs 1 of decision 13/CMA.1 and subparagraph 2 of decision 1/CMP.14 in the Preamble; (ii) adding reference to decisions 1/CMP.14 and 13/CMA.1 in Article 1; (iii) replacing reference to decision 1/CMP.3 with ‘decisions of the CMP and the CMA’ in Articles 2(l) and 7; (iv) correcting the typo in Article 6 by adding “from” after “withdraw”; and (v) deleting the outdated and completed task of CMP’s review of MoU at its sixth session in 2010. The text of the amendment of the MOU is contained in Annex I to this document. The Board decided to approve the amendment of the MOU and to submit its recommendation to the CMP to adopt the amendment at its fifteenth session. The draft amendment of the MOU is to be submitted to the GEF Council for consideration and adoption at the fifty-seventh meeting in December 2019. The amendment of the MOU will enter into force upon the mutual adoption by the CMP and the GEF Council.

40. With respect to the matter of the rules of procedure of the Board, the Board affirmed its conclusion at its additional meeting (B.33.b) held in June 2019 that: considering the Fund is in transitional period where it serves both the Kyoto Protocol and the Paris Agreement until it starts to exclusively serve the Paris Agreement, many provisions of the current Rules of Procedures could be unaffected, while some provisions were linked to CMP decisions expected at its fifteenth session in December 2019, such as the eligibility for membership on the Board which is expected to be considered at the fifty-first session of the Subsidiary Body for Implementation (SBI 51) and decided by the CMP at its fifteenth session. The Board also affirmed its conclusion that it would best respond to the request by the CMP by highlighting, in a summary to be prepared for the CMP, those elements which might need adjustment rather than, for instance, presenting partial revision of its rules of procedure to the CMP at its fifteenth session: the Board deemed it prudent to determine the revision of the rules of procedure after relevant SBI considerations and CMP decision(s) are made on the issues which may affect some of the provisions of the rules of procedure, including the eligibility for Board membership. The summary includes the Board’s consideration of: the (i) provisions of the rules of procedure that are closely linked to anticipated CMP

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<sup>26</sup> Adaptation Fund Board decision B.34/49, subparagraphs a) and b)

<sup>27</sup> Adaptation Fund Board document AFB/B.34/9/Add.1/Rev.1, available at <https://www.adaptation-fund.org/document/the-draft-amendment-of-the-terms-and-conditions-of-the-trustee-services-to-be-provided-by-the-world-bank-as-interim-trustee/>.

<sup>28</sup> Adaptation Fund Board document AFB/B.34/9/Add.2, available at <https://www.adaptation-fund.org/document/trustees-cover-note-on-the-terms-and-conditions-of-the-trustee-services-to-be-provided-by-the-world-bank-as-interim-trustee/>.

<sup>29</sup> Adaptation Fund Board decision B.34/49, subparagraphs a).

<sup>30</sup> Adaptation Fund Board document AFB/B.34/9/Add.3, available at <https://www.adaptation-fund.org/document/amendment-of-institutional-arrangement-mou-with-the-gef-for-secretariat-services-to-the-board/>.



decisions related to, inter alia, the eligibility for Board membership; (ii) the provisions that are not closely linked to anticipated CMP decisions and that may be revised with updates in line with Decisions 1/CMP.14 and 13/CMA.1; and (iii) other issues related to the rules of procedure for which it was not clear whether they would need adjustment or not, such as Section XVII (amendments to rules of procedure) and section XIX (overriding authority of the Kyoto Protocol). The Board decided to include the summary of the Board's consideration of its rules of procedure<sup>31</sup> in the addendum to the Report of the Board to the CMP to fulfil the task mandated from Decision 1/CMP.14.<sup>32</sup>

41. With respect to the matter of 'implications of the Adaptation 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 Board recalled the trustee's report made at the additional meeting (B.33.b) in June 2019 that continued monetization of the remaining Kyoto Protocol carbon assets (certified emission reductions (CERs) as Clean Development Mechanism (CDM) Share of Proceeds) would be possible, provided that the amendment of the T&Cs is adopted by the CMP and the World Bank as the amendment of the terms and conditions maintains the authorization to the trustee to continue to sell these CMP assets.<sup>33</sup> The Board decided to include the summary of its consideration of this matter as contained in Adaptation Fund Board document AFB/B.34/9/Add.5<sup>34</sup> in the current document.<sup>35</sup>

42. With respect to the matter of 'any other matter so as to ensure the Fund serves the Paris Agreement smoothly,' the Board reviewed the Adaptation Fund's existing instruments, policies and guidelines: Strategic Priorities, Policies and Guidelines of the Adaptation Fund (SPPG)<sup>36</sup>; Operational Policies and Guidelines of the Adaptation Fund (OPG)<sup>37</sup>; Code of Conduct of the Adaptation Fund Board<sup>38</sup>; Zero Tolerance Policy for the Board<sup>39</sup>; General Guidelines for Committees<sup>40</sup>; Terms of Reference for Project and Programme Review Committee<sup>41</sup>; Terms of Reference for Ethics and Finance Committee<sup>42</sup>; Terms of Reference for the Establishment of the Adaptation Fund Board Accreditation Panel<sup>43</sup>; Risk Management Framework for the Adaptation Fund<sup>44</sup>; Environmental and Social Policy<sup>45</sup>; Gender Policy and Action Plan<sup>46</sup>; Open Information Policy<sup>47</sup>; Ad Hoc Complaint Handling Mechanism<sup>48</sup>; Resource Mobilization Strategy<sup>49</sup>; Medium-Term Strategy (2018-2022)<sup>50</sup>; and Methodologies for Reporting Adaptation Fund Core Impact Indicators<sup>51</sup>. The Board concluded that: (i) most of Fund's policies, guidelines and core instruments do not appear to require immediate major

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<sup>31</sup> Adaptation Fund Board document AFB/B.34/9/Add.4, available at

<https://www.adaptationfund.org/document/adaptation-fund-boards-consideration-of-its-rules-of-procedure/>.

<sup>32</sup> Adaptation Fund Board decision B.34/49, subparagraph c).

<sup>33</sup> Annex I to Adaptation Fund Board document AFB/B.133.b/3 (Discussion Note prepared by the Trustee), available at <https://www.adaptation-fund.org/document/matters-related-mandate-contained-paragraph-6-decision-1-cmp-14/>.

<sup>34</sup> Available at <https://www.adaptation-fund.org/document/boards-consideration-of-1-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-agreeme/>.

<sup>35</sup> Adaptation Fund Board decision B.34/49, subparagraph d).

<sup>36</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2015/01/OPG%20ANNEX%201.pdf>.

<sup>37</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2017/08/OPG-amended-in-October-2017-1.pdf>.

<sup>38</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2017/08/OPG-amended-in-October-2017-1.pdf>.

<sup>39</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2014/09/Zero-tolerance-policy-for-the-Board-Oct2014.pdf>.

<sup>40</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2014/09/General-Guidelines-for-Committees.pdf>.

<sup>41</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2014/09/General-Guidelines-for-Committees.pdf>.

<sup>42</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2013/03/TOR-of-EFC-amended-in-Mar2018.pdf>.

<sup>43</sup> Available at [https://www.adaptation-fund.org/wp-content/uploads/2014/09/Accreditation-Panel-TORs\\_0.pdf](https://www.adaptation-fund.org/wp-content/uploads/2014/09/Accreditation-Panel-TORs_0.pdf).

<sup>44</sup> Available at [https://www.adaptation-fund.org/wp-content/uploads/2015/06/AF-risk-management-framework\\_Board-revised.pdf](https://www.adaptation-fund.org/wp-content/uploads/2015/06/AF-risk-management-framework_Board-revised.pdf).

<sup>45</sup> Available at [https://www.adaptation-fund.org/wp-content/uploads/2013/11/Amended-March-2016\\_-OPG-ANNEX-3-Environmental-social-policy-March-2016.pdf](https://www.adaptation-fund.org/wp-content/uploads/2013/11/Amended-March-2016_-OPG-ANNEX-3-Environmental-social-policy-March-2016.pdf).

<sup>46</sup> Available at [https://www.adaptation-fund.org/wp-content/uploads/2016/04/OPG-ANNEX4\\_Gender-Policies-and-Action-Plan\\_approved-in-March-2016-1.pdf](https://www.adaptation-fund.org/wp-content/uploads/2016/04/OPG-ANNEX4_Gender-Policies-and-Action-Plan_approved-in-March-2016-1.pdf).

<sup>47</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2015/01/Open%20Information%20Policy.pdf>.

<sup>48</sup> Available at [https://www.adaptation-fund.org/wp-content/uploads/2016/12/Ad-Hoc-Complaint-Handling-Mechanism\\_final\\_March2017.pdf](https://www.adaptation-fund.org/wp-content/uploads/2016/12/Ad-Hoc-Complaint-Handling-Mechanism_final_March2017.pdf).

<sup>49</sup> Available at [https://www.adaptation-fund.org/wp-content/uploads/2017/05/AFB\\_Resource\\_mobilization\\_strategy\\_for\\_posting.pdf](https://www.adaptation-fund.org/wp-content/uploads/2017/05/AFB_Resource_mobilization_strategy_for_posting.pdf).

<sup>50</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2018/03/Medium-Term-Strategy-2018-2022-final-03.01-1.pdf>.

<sup>51</sup> Available at <https://www.adaptation-fund.org/wp-content/uploads/2015/01/AF%20Core%20Indicator%20Methodologies.pdf>.

revisions as they well serve their purpose and are undergoing or will go through update process as scheduled and/or when the need arises; and (ii) it may be prudent not to amend the OPG and SPPG now because some of their provisions are closely linked to the issue of ‘eligibility for Board membership’ which is expected to be decided by CMP at its 15th session in December 2019. The Board decided to include the summary of the Board’s consideration of ‘any other matter so as to the Adaptation Fund serves the Paris Agreement smoothly’ as contained in Adaptation Fund Board document AFB/B.34/9/Add.5<sup>52</sup> in the current document.<sup>53</sup>

43. The Board took note of the report of its secretariat related to the issue of ‘the Parties eligible for funding from the Adaptation Fund’ which is related to Paragraphs 5 (a) and 10 of the Fund’s Strategic Priorities, Policies and Guidelines of the Adaptation Fund (SPPG) which reflects paragraph 1 of Decision 1/CMP.3. The secretariat reported that it has recently received an official letter from the national government of a country on its interest in accessing the funding from the Fund and nominating a DA: the country is not a Party to the Kyoto Protocol and signed the Paris Agreement, but is not yet the Party to the Paris Agreement as, according to the government, it is undergoing the ratification process domestically. The country could not be considered as ‘eligible Party for funding from the Adaptation Fund’ as of the date of the receipt of the letter because it was not a Party to the Kyoto Protocol. The Board paid attention to the fact that the question could arise: when the country completes the ratification process for the Paris Agreement and becomes a Party to the Paris Agreement, whether this country could be considered ‘eligible Party for funding from the Adaptation Fund’ or not. Although the number of countries which are a Party to either the Paris Agreement or the Kyoto Protocol, but not a Party to both treaties, could decrease over time, in the meantime the Fund may encounter requests for funding from a country which is a Party to the Kyoto Protocol but not to the Paris Agreement, or a country which is a Party to the Paris Agreement but not to the Kyoto Protocol. In this regard, the Board concluded that additional guidance or clarification from CMP and/or the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) on the matter of ‘the Parties eligible for funding from the Adaptation Fund’ could help the Fund address such requests from those countries. Accordingly, the Board decided to include, in the current document, its invitation to the CMP and/or the CMA to provide guidance and/or clarification on the issue of ‘the Parties eligible for funding from Adaptation Fund’ as referred to in paragraph 1 of decision 1/CMP.3, which is reflected in paragraphs 10 and 5 of the Adaptation Fund’s Strategic Priorities, Policies and Guidelines (SPPG) adopted by Decision 1/CMP4.<sup>54</sup>

### **XIII. Recommendations for actions by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its fifteenth session**

44. The CMP may wish to take note of the information contained in this addendum to the report of the Adaptation Fund Board to the CMP at its fifteenth session.

45. The Board invites the CMP to adopt the decision to accept the amendment of the terms and conditions of trustee services to be provided by the World Bank as an interim trustee of the Fund (terms and conditions) in order to extend the terms of the trustee services beyond 30 May 2020, considering the draft amendment of the terms and conditions as contained in Annex I to this document and the trustee’s cover note on the terms and conditions as contained in Annex II to this document.

46. The Board invites the CMP to adopt the decision to accept the amendment of the Memorandum of Understanding (MOU) between the CMP and the Council of the Global Environment Facility (GEF) regarding Secretariat services to the Adaptation Fund Board, considering the draft amendment of the MOU as contained in Annex III to this document.

47. The Board invites the CMP and/or the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) to provide guidance and/or clarification on the issue of ‘the Parties eligible for funding from Adaptation Fund’ as referred to in paragraph 1 of decision 1/CMP.3, which is reflected in paragraphs 10 and 5 of the Adaptation Fund’s Strategic Priorities, Policies and Guidelines adopted by Decision 1/CMP4.

48. The Board invites the CMP and/or the CMA to take note of the summary of the Board’s consideration of its rules of procedure as contained in Annex IV to this document.

49. The Board invites the CMP and/or the CMA to take note of the summary of the Board’s consideration of ‘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 as contained in Annex V to this document.

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<sup>52</sup> Available at <https://www.adaptation-fund.org/document/boards-consideration-of-1-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-agreeme/>.

<sup>53</sup> Adaptation Fund Board decision B.34/49, subparagraph d).

<sup>54</sup> Adaptation Fund Board decision B.34/49, subparagraph f).

50. The Board invites the CMP and/or CMA to take note of the summary of the Board's consideration on 'any other matter so as to the Fund serves the Paris Agreement smoothly' as contained in Annex V to this document.

**Amended and restated terms and conditions of services to be provided by the International Bank for Reconstruction and Development as trustee for the Adaptation Fund**

**I. Recitals**

- (a) A clean development mechanism (CDM) was established under Article 12 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (the Convention) (the Kyoto Protocol).
- (b) The Conference of the Parties decided in its decision 10/CP.7 that an adaptation fund (the Adaptation Fund) shall be established to finance concrete adaptation projects and programmes in developing country Parties that are Parties to the Kyoto Protocol, as well as activities identified in decision 5/CP.7, paragraph 8.
- (c) The decision was further endorsed by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) through its decision 28/CMP.1.
- (d) In decision 1/CMP.3, the CMP decided that the Adaptation Fund shall finance concrete adaptation projects and programmes that are country driven and are based on the needs, views and priorities of eligible Parties, and that the Adaptation Fund Board shall be established as the operating entity of the Adaptation Fund.
- (e) The CMP, in its decision 1/CMP.3, invited the International Bank for Reconstruction and Development (the World Bank) to serve as the trustee for the Adaptation Fund (the World Bank in such capacity, the Trustee) on an interim basis, and requested the Adaptation Fund Board to present the necessary legal arrangements to be concluded between the CMP and the trustee, for adoption by the CMP at its fourth session.
- (f) The CMP and the World Bank concluded the legal arrangements necessary for the World Bank to serve as Trustee on an interim basis by way of adopting and accepting the terms and conditions of services to be provided by the International Bank for Reconstruction and Development as trustee for the Adaptation Fund (the Terms and Conditions) as contained in the appendix to annex III to decision 1/CMP.4.
- (g) The Terms and Conditions were amended four times to extend the term of the Trustee's services thereunder on an interim basis, as set out in decision 5/CMP.6, decision 1/CMP.9, decision 1/CMP.10 and decision 2/CMP.12.
- (h) The CMP, in its decision 1/CMP.9, requested the Adaptation Fund Board to develop and approve the legal arrangements with the trustee regarding the services for the 2 per cent share of proceeds levied in accordance with decision 1/CMP.8, paragraph 21, for approval by the CMP.
- (i) The Adaptation Fund Board has developed and approved the legal arrangements with the Trustee for approval by the CMP, which are proposed to be concluded between the CMP and the Trustee by amending and restating the Terms and Conditions.
- (j) The CMP and the World Bank wish to amend and restate the Terms and Conditions as follows.

## **II. Terms and conditions**

### **A. Role and responsibilities of the Trustee**

1. The World Bank shall act as the Trustee on an interim basis in accordance with the Terms and Conditions set forth herein.
2. The Trustee shall comply with the principles and modalities for operations stipulated in the relevant decisions of the CMP and decisions of the Adaptation Fund Board. The Trustee shall be closely consulted in the development of decisions, taken by the CMP or the Adaptation Fund Board after the effective date of the Terms and Conditions, which relate in any way to the functions of the Trustee performed or to be performed, and the Terms and Conditions stipulated below shall be applicable. The Trustee shall perform its functions under the Terms and Conditions in accordance with the applicable provisions of the World Bank's Articles of Agreement, by-laws, policies and procedures.
3. The CMP hereby: (1) confirms its designation, under its decision 1/CMP.3, of the Adaptation Fund Board as its designee and delegatee in respect of the Adaptation Fund, acting under the authority and guidance of the CMP; and (2) imbues the Adaptation Fund Board with the capacity, power and authority to render decisions and provide instructions, directions and guidance to the Trustee hereunder and to cause to be effectuated the sale or disposal, for the purpose of monetization (Sale), of certified emission reductions (CERs), assigned amount units (AAUs) or emission reduction units (ERUs) collected as the share of proceeds for the Adaptation Fund (any such CERs, AAUs or ERUs, hereinafter referred to individually or collectively as the Share of Proceeds), pursuant to paragraphs 24, 25, 26, 27 and 28 below.
4. The Trustee, in the performance of its functions under the Terms and Conditions, shall be accountable to the Adaptation Fund Board.
5. Without prejudice to any other provisions of the Terms and Conditions, the Trustee shall, in performing its functions under the Terms and Conditions, act upon decisions, instructions, directions or guidance of the CMP or the Adaptation Fund Board (or such other person designated in writing by the Adaptation Fund Board for that purpose (Authorized Designee)) only if such decisions, instructions, directions or guidance are provided to the Trustee in writing. The Trustee shall not be responsible for inquiring or investigating if any decisions, instructions, directions or guidance of the Adaptation Fund Board or, as the case may be, any Authorized Designees, do not contravene an existing decision or act of the CMP, and shall have no liability for relying in good faith on any written decision, instruction, direction or guidance of the CMP, Adaptation Fund Board or any Authorized Designees, without further inquiry or investigation on its part or otherwise for any actions taken, or omitted to be taken, in good faith.
6. The CMP acknowledges that the Trustee may disclose information obtained by it in connection with its functions under the Terms and Conditions, if such disclosure is required or otherwise necessary in carrying out the services and activities set out herein, in accordance with the World Bank's policies and procedures.
7. The Trustee shall establish a trust fund for the Adaptation Fund (the Trust Fund), and shall hold in trust, as a legal owner, and administer the funds, assets and receipts, which constitute the Trust Fund, on behalf of the Adaptation Fund supervised and managed by the Adaptation Fund Board.
8. For the purpose of the monetization of the Share of Proceeds for the Adaptation Fund, the Trustee, in its capacity as agent of the CMP, is hereby authorized by the CMP to administer Sales of the Share of Proceeds under the instructions, direction and guidance of the Adaptation Fund Board consistent with its responsibility for the monetization of the Share of Proceeds, pursuant to paragraphs 24, 25, 26, 27 and 28 below.
9. The Trustee shall be responsible only for performing those duties and responsibilities specifically and expressly set forth in the Terms and Conditions and shall not be subject to any other duties or responsibilities (express or implied), including, without limitation, any

duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of equity, trust or fiduciary obligations and/or any other legal or equitable principles. To the extent that Sales of the Share of Proceeds are conducted by the Trustee pursuant to paragraphs 24, 25, 26, 27 and 28 below, the Trustee shall not be responsible for the legality, validity or enforceability of any such Sales of the Share of Proceeds, the value obtained from such Sales of the Share of Proceeds (including any reduction in the value of the CERs, AAUs or the ERUs from the time they are credited to the CDM Account (as defined in paragraph 24 below) to the time such Sales are consummated) or any expenses or liabilities incurred in connection with such Sales.

10. The Trustee shall not be liable for any failure to carry out its obligations under the Terms and Conditions where such failure is a result of a Force Majeure Event and, for so long as such circumstances continue, shall be relieved of its obligations under the Terms and Conditions which it has been prevented from fulfilling as a result of that Force Majeure Event without liability; provided that the Trustee shall, notwithstanding that it is relieved from its obligations hereunder, take all reasonable and practical steps to minimize any loss and/or disruption resulting from any such Force Majeure Event. For the purpose of this paragraph, "Force Majeure Event" means any event beyond the reasonable control of the person affected including, without limitation, labor dispute, act of God, war, act or circumstance of terrorism, riot, civil commotion, malicious damage, accident, breakdown of essential computer software, hardware or system failure, fire, flood and/or storm and other unforeseen circumstances materially and adversely affecting the performance of the functions of the Trustee under the Terms and Conditions.

11. The CMP acknowledges that the World Bank shall have the right to engage in any of the types of activities described in the Terms and Conditions for its own account or for the account of clients other than the Adaptation Fund whether acting as trustee, adviser or in any other capacity vis-à-vis such clients. The CMP agrees that the World Bank, in carrying out such activities for its own account or for the account of others, may decide to adopt approaches and courses of actions, which differ from the approaches and courses of action that the Trustee decides to take in performing the services for the Adaptation Fund described in the Terms and Conditions. In engaging in such activities for its own account or for the account of others, the World Bank will put in place measures designed to avoid or mitigate conflicts of interest arising from its functions under the Terms and Conditions relating to the Sale of the Share of Proceeds for the Adaptation Fund.

12. If a decision by the CMP or the Adaptation Fund Board after the effective date of the Terms and Conditions relates to the functions of the Trustee performed or to be performed under the Terms and Conditions, such a decision shall be developed in close consultation with the Trustee. In the absence of such consultation with and the agreement of the Trustee, the Trustee shall not be bound by any decision of the CMP or the Adaptation Fund Board, to the extent that such a decision relates to the functions of the Trustee performed or to be performed under the Terms and Conditions.

13. The CMP agrees that the Trustee shall be fully indemnified, out of the assets held for the Adaptation Fund, including the Trust Fund resources, for any liabilities, claims, losses, costs and expenses, including attorneys' fees and expenses, incurred by the Trustee in connection with or in any way arising out of its activities as Trustee, including but not limited to any activities of the Trustee in connection with the Sale or the facilitation of the Sale of the Share of Proceeds. Such indemnity shall not include any liabilities, claims, losses, costs or expenses incurred by the Trustee as a direct result of its own gross negligence or willful misconduct.

14. The privileges and immunities accorded to the World Bank shall apply to the property, assets, archives, operations and transactions of the Trust Fund. Nothing in the Terms and Conditions shall be considered a waiver of any privileges or immunities of the World Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

15. The CMP agrees that the Trustee shall be reimbursed annually from the assets held for the Adaptation Fund, including the Trust Fund resources, for the fees, costs and expenses incurred by it in connection with performing its functions under the Terms and Conditions, including, without limitation, the costs and expenses incurred in connection with the

establishment and administration of the Trust Fund, the Sale of the Share of Proceeds, and any and all services provided hereunder, including attorneys' fees and expenses and external auditors' costs, costs of insurance policies and relevant service providers' fees. For this purpose, the Trustee shall submit to the Adaptation Fund Board a proposal for mutual agreement for the services and activities to be provided by the Trustee and estimated fees, costs and expenses to carry out such services and activities for the initial and/or upcoming fiscal year, as applicable. Upon approval by the Adaptation Fund Board of such a proposal, the Trustee shall deduct and transfer the amount of the estimated fees, costs and expenses to its own account from the Trust Fund resources or such other assets held for the Adaptation Fund; provided that the amount of the fees, costs and expenses transferred may be subject to an end of year adjustment based on actual costs and expenses incurred, as such an arrangement may be agreed between the Adaptation Fund Board and the Trustee in connection with the aforementioned proposal.

16. In order to enable the Trustee to carry out its functions enumerated in the Terms and Conditions, the Trustee shall be entitled to attend any meetings of the Adaptation Fund Board and, as an observer, any meetings of the CMP which may concern the operations and activities of the Adaptation Fund. Further, the CMP hereby requests the secretariat servicing the Adaptation Fund Board in accordance with decision 1/CMP.3, and the secretariat of the Convention (the UNFCCC secretariat), to cooperate fully with the Trustee.

## **B. Administration of the Trust Fund**

17. The Trustee shall receive and hold in the Trust Fund any proceeds from the Sale of the Share of Proceeds conducted pursuant to paragraphs 24, 25, 26, 27 and 28 below. If requested by the Adaptation Fund Board, the Trustee may accept, on terms mutually agreed between the Trustee and the Adaptation Fund Board, contributions from donors to support the operations of the Adaptation Fund. For the avoidance of doubt, no Share of Proceeds shall be held in the Trust Fund.

18. Subject to paragraphs 2 and 12 above, the Trustee shall administer the funds, assets and receipts of the Trust Fund only for the purpose of, and in accordance with, the Terms and Conditions and the relevant decisions of the CMP and the Adaptation Fund Board.

19. In accordance with decision 1/CMP.3, paragraph 21, and in conformity with the administrative and investment arrangements of the Trustee, the Trustee shall hold the funds, assets and receipts that constitute the Trust Fund separate and apart from the funds of the World Bank. The Trustee shall establish and maintain separate records and accounts to identify the resources of the Trust Fund, the commitments financed out of the Trust Fund, and the receipts and transfers of funds in the Trust Fund.

20. The Trustee shall invest the funds held in the Trust Fund, pending their transfer under paragraphs 15 above and 22 below, in accordance with the Trustee's policies and procedures for the investment of trust funds administered by the World Bank, including commingling of the resources of the Trust Fund for administrative and investment purposes with other trust fund assets maintained by the World Bank. The commingling of Trust Fund resources for administrative and investment purposes should not affect the amount of resources from proceeds of monetization of the Share of Proceeds available in the Trust Fund for transfer of funds for Adaptation Fund operations, activities, projects and programmes. The Trustee shall credit all income from such investment to the Trust Fund to be used for the same purposes as other funds held in the Trust Fund. The CMP acknowledges that no warranty is given by the Trustee as to the performance or profitability of the investment of the funds held in the Trust Fund.

21. The funds held in the Trust Fund may be freely exchanged by the Trustee into other currencies as may facilitate their administration and transfer.

22. The Trustee shall, subject to the availability of resources held in the Trust Fund, record commitments and make transfers of funds from the Trust Fund in the manner agreed between the Trustee and the Adaptation Fund Board, and only at, and in accordance with, the written direction provided to the Trustee by the Adaptation Fund Board or any Authorized Designee.

Upon the transfer of funds, the Trustee shall not have any responsibility for the use of the Trust Fund funds transferred and activities carried out therewith, including but not limited to any responsibility with respect to supervising, monitoring, reporting on or verifying activities carried out with the Trust Fund funds transferred by the Trustee herein.

23. The Trustee shall prepare and furnish the Adaptation Fund Board with financial reports of the Trust Fund annually (or at any other such frequency agreed between the Trustee and the Adaptation Fund Board), and provide records and accounts of the Trust Fund for audit by its external auditors annually (or at any other such frequency agreed between the Trustee and the Adaptation Fund Board), in accordance with the policies and procedures of the Trustee. Furthermore, the Trustee shall prepare and furnish the Adaptation Fund Board with reports on the Sale of the Share of Proceeds for the Adaptation Fund and on the status of commitments and transfers of Trust Fund funds annually (or at any other such frequency agreed between the Trustee and the Adaptation Fund Board).

### **C. Sales of Share of Proceeds**

24. The CMP hereby authorizes the Sale of the Share of Proceeds from the account established and maintained at the CDM registry for the Adaptation Fund to hold and transfer the Share of Proceeds to assist in meeting the costs of adaptation in accordance with Article 12, paragraph 8, of the Kyoto Protocol (the CDM Account) in the manner set forth hereunder.

25. The Sale of the Share of Proceeds from the CDM Account shall be administered under the instructions, direction and guidance of the Adaptation Fund Board consistent with its responsibility to supervise and manage the Adaptation Fund and for the monetization of the Share of Proceeds.

26. Pursuant to the authority provided under paragraph 3 above, the Adaptation Fund Board may cause to be entered into any and all contracts necessary for the Sale of the Share of Proceeds from the CDM Account by granting to the Trustee any necessary power of attorney on behalf of the CMP, so that the Trustee may execute contracts of Sale with the relevant third-party Share of Proceeds purchasers and such other contracts necessary in connection with the Sale or the facilitation of the Sale of the Share of Proceeds, at the direction of the Adaptation Fund Board pursuant to paragraph 28 below.

27. Pursuant to the authority provided under paragraph 8 above, and in furtherance of paragraphs 24, 25 and 26 above, the Trustee may, at the direction of the Adaptation Fund Board pursuant to paragraph 28 below: (1) cause the transfer of the title to the Share of Proceeds to the relevant third-party purchasers, or the cancellation of the Share of Proceeds, upon receipt of payment in respect of the transfer or cancellation; (2) enter into arrangements with the CDM Registry Administrator to effectuate such transfers or cancellations of the Share of Proceeds; (3) engage with relevant service providers for the purposes of execution, clearance, settlement and other logistic matters in connection with the Sale or the facilitation of the Sale of the Share of Proceeds; and (4) take other such actions as necessary to effectuate the Sale of the Share of Proceeds for the benefit of the Adaptation Fund.

28. Sale of the Share of Proceeds and transfer of title or cancellation of the Share of Proceeds in respect of such Sale pursuant to paragraphs 24, 25, 26 and 27 above shall be effected by the Trustee only in accordance with the guidelines agreed in writing between the Trustee and the Adaptation Fund Board.

### **D. Dispute resolution: notices**

29. The CMP and the Trustee shall, to the extent possible, strive to resolve promptly and amicably questions of interpretation and application of the Terms and Conditions and settle any disputes, controversy or claim arising out of or relating to the Terms and Conditions.

30. Any dispute, controversy or claim arising out of or relating to the Terms and Conditions, which has not been settled by agreement between the CMP and the Trustee, shall be submitted to arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) in force on the effective date of the



Terms and Conditions, and the following provisions: (1) the appointing authority shall be the Secretary-General of the Permanent Court of Arbitration; and (2) the language of the arbitral proceedings shall be English.

31. Any arbitral award under paragraph 30 above shall be final and binding upon the CMP and the Trustee. The provisions set forth in paragraphs 29 and 30 above shall be in lieu of any other procedure for the settlement of disputes between the CMP and the Trustee.

32. Any notice or request required or permitted to be given or made under the Terms and Conditions and any other agreement between any of the parties contemplated by the Terms and Conditions shall be in writing. Any such notice or request shall be deemed to have been duly given or made once it has been delivered by hand, mail, facsimile or, if so designated by the parties, by other electronic means, to the World Bank or the UNFCCC secretariat, in the case of the CMP, to which it is required or permitted to be given or made at such party's address designated by notice to the World Bank or in the case of the CMP, the UNFCCC Secretariat, giving such notice or making such a request. Deliveries made by facsimile or other electronic means shall also be confirmed by mail.

## **E. Amendment and termination**

33. Any amendment to the Terms and Conditions shall become effective only upon approval and acceptance by the CMP and the World Bank.

34. The CMP may at any time terminate the appointment of the Trustee as trustee servicing the Adaptation Fund under the Terms and Conditions. The Trustee's role as trustee servicing the Adaptation Fund shall be terminated three months after receipt by the Trustee of the notice in writing of the termination of the appointment.

35. The Trustee may at any time terminate its role as trustee servicing the Adaptation Fund by giving the CMP notice in writing no less than three months prior to any session of the CMP. The Trustee's role as trustee servicing the Adaptation Fund shall be terminated immediately after the session of the CMP which immediately follows the notice by the Trustee. In the event that no session of the CMP is held within 12 months of the Trustee giving notice, however, the Trustee's role shall be terminated 12 months after the Trustee has given notice.

36. Following termination of the Trustee's role as trustee servicing the Adaptation Fund pursuant to paragraphs 34 or, 35 above, the Trustee shall carry on no business for the Adaptation Fund except for the purpose of winding up its affairs. The Trustee shall take all necessary action for winding up its affairs in an expeditious manner, and for meeting the commitments already made by the Trustee and the transfer of any remaining funds, assets and receipts in the Trust Fund, as directed by the Adaptation Fund Board. The CMP hereby mandates that in such circumstances the Adaptation Fund Board shall provide such direction to the Trustee without undue delay. All of the powers and rights of the Trustee under the Terms and Conditions, including the right to be reimbursed for the fees, costs and expenses incurred under paragraph 15 above, shall continue until the affairs of the Trustee shall have been wound up.

## **F. Effectiveness**

37. The Terms and Conditions or any amendments to the same shall become effective and constitute an agreement between the CMP and the World Bank upon decisions by the CMP and the World Bank to approve and accept the Terms and Conditions or any amendments to the same.

## Annex II: Trustee's Cover Note on the Terms and Conditions of the Trustee Services to be Provided by the World Bank as Interim Trustee

### **Adaptation Fund: Trustee Terms and Conditions**

#### **1.0 Background:**

1.1 The trustee services to the AF are governed by an arrangement between the CMP and the IBRD entitled the "Terms and Conditions of Services to be Provided by the International Bank for Reconstruction and Development as Trustee for the Adaptation Fund" (the "Terms and Conditions" or "T&Cs"), originally adopted in 2009. Amendment of the T&Cs follows the following process: the T&Cs are reviewed by the AF Board and, following consultation with the IBRD, then submitted to the CMP for adoption by CMP decision. Upon decision by the CMP, the IBRD then formally confirms its acceptance of the revised T&Cs in writing to the AF Board Chair, with copy to the UNFCCC Executive Secretary.

#### **2.0 Amendments to the T&Cs to reflect the AF serving the Paris Agreement:**

##### **2.1 Termination Date:**

2.1.1 The T&Cs include an automatic termination date and have been amended on four separate occasions to extend this date. The most recent amendment was in 2017, extending the automatic termination date by 3 years, i.e. until May 20, 2020. Absent further action and decision by the AF Board and CMP prior to this date, the T&Cs will expire automatically, and IBRD's trustee services to the AF would terminate. Notwithstanding any decision by the AF Board on whether to request the IBRD to continue to provide trustee services, it would be beneficial for the AF to avoid any gap in trustee services in order to ensure its continued operation.

2.1.2 A fixed termination nevertheless introduces certain limitations that may be detrimental to the AF. For instance, as AF funding relies increasingly on donations from Parties, certainty and stability with respect to trustee arrangements provides additional comfort to donors and supports the principle of the AF as a going concern. In addition, the investment horizon considered by the trustee to invest the undisbursed liquid assets of the AF Trust Fund should not exceed the prevailing termination date of the T&Cs. Such fixed termination date therefore constrains potential investment decisions.

2.1.3. The fixed termination date could be viewed as redundant and deleted, since the T&Cs already contain a separate termination provision that permits either party (i.e. CMP or the Trustee) to terminate the T&Cs with prior notice.

##### **3.1 Monetization of carbon assets:**

3.1.1 The T&Cs, as amended, have provided an appropriate and effective legal framework for the services provided by the Trustee since 2009. Following consultations among the Trustee, AF Secretariat and UNFCCC Secretariat, the practical implications for the Trustee of the AF serving exclusively the Paris Agreement (CMA) remain unknown at this time. There is therefore no requirement to amend the T&Cs until new carbon assets in the AF Share of Proceeds are available for monetization and additional information is available. The trigger has been established as the date upon which new carbon assets become available under Article 6 of the PA, however there is no fixed date anticipated for this event, and it remains unclear what the new assets would comprise, and how "become available" is defined in this context.

3.1.2 Insofar as the AF Board is responsible for the day-to-day operations of the AF and the Trustee acts upon instruction and guidance of the AF Board, it is not envisioned that this arrangement needs to be amended.

#### **4.0 Summary:**

4.1 The attached draft amended T&Cs include deletion of the automatic termination provision. The parties would rely on the provision in the T&Cs for either party to terminate with advance notice if and when there is a need to terminate the trustee's role in the future. Upon availability of new assets, the AF Board and Trustee may determine any additional steps required.

**AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE  
CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO  
THE KYOTO PROTOCOL AND THE COUNCIL OF THE GLOBAL ENVIRONMENT  
FACILITY REGARDING SECRETARIAT SERVICES  
TO THE ADAPTATION FUND BOARD**

**I. Preamble**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (hereinafter the CMP) having decided (decision 5/CMP.2) to establish the Adaptation Fund of the Kyoto Protocol (hereinafter the Fund) and having further decided (decision 1/CMP.3) that the operating entity of the Fund shall be the Adaptation Fund Board (hereinafter the Board) established to supervise and manage the Fund, and that the Board should develop and approve draft legal and administrative arrangements for secretariat services and the trustee for approval by the CMP (decision 1/CMP.3, paragraph 5 (j)), and having invited the Global Environment Facility (hereinafter the GEF) to provide secretariat services to the Board, on an interim basis,

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) having decided that the Adaptation Fund shall serve the Paris Agreement under the guidance of, and be accountable to, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement with respect to all matters relating to the Paris Agreement, effective 1 January 2019, subject to the decision on this matter made by the CMP (decision 13/CMA.1),

The CMP having decided that the Adaptation Fund shall exclusively serve the Paris Agreement and shall no longer serve the Kyoto Protocol once the share of proceeds under Article 6, paragraph 4, of the Paris Agreement becomes available (decision 1/CMP.14),

Recognizing the willingness of the GEF to provide secretariat services to the Board (hereinafter the secretariat) on an interim basis,

Having consulted with each other and taking into account the relevant aspects of their governance structures, as reflected in their constituent instruments,

The CMP and the Council of the GEF (hereinafter the Council) have reached the following understanding in accordance with the recommendation of the Board:

**II. Purpose**

1. The purpose of the present Memorandum of Understanding (hereinafter the MOU) is to make provisions for the relationship between the CMP and the Council and to fulfil Article 12 of the Kyoto Protocol and decisions 1/CMP.3, 1/CMP.14, and 13/CMA.1 in connection with the provision of secretariat services as the secretariat.

**III. Secretariat services**

2. The secretariat shall, under the guidance and instructions of the Board, provide the following services to the Board to support and facilitate the work of the Board:

- (a) As a dedicated team of officials, provide secretariat services to the Board in a functionally independent and effective manner;

- (b) Manage the daily operations of the Fund and report to the Board;
  - (c) Assist the Board in developing strategies, policies and guidelines for the Fund;
  - (d) Ensure timely implementation of the decisions of the Board;
  - (e) With respect to the day to day functioning of the Fund, act as liaison between the Board and Parties and implementing and executing entities;
  - (f) Make arrangements for the meetings of the Board, including issuance of invitations and preparation of documents and reports of meetings, and provide a secretary of the Board meeting;
  - (g) Develop the work programme and annual administrative budget of the Fund and submit them for approval by the Board
  - (h) Ensure the implementation of the operational policies and guidelines of the Fund developed by the Board through, inter alia, the development of a project cycle based on criteria to be adopted by the Board;
  - (i) Operationalize the project cycle by:
    - (i) Undertaking initial review and screening of project proposals to assess conformity with guidelines approved by the Board;
    - (ii) Presenting project proposals for Board approval;
    - (iii) Monitoring implementation of progress;
    - (iv) Periodically reporting to the Board on portfolio performance;
  - (j) Coordinate the formulation and monitor the implementation of projects, ensuring liaison with other bodies as required;
  - (k) Liaise, as appropriate, with the secretariats of other relevant international bodies;
  - (l) Provide the trustee with all relevant information to enable it to carry out its responsibilities, consistent with decisions of the CMP and the CMA and the decisions of the Board;
  - (m) Provide services to ensure and facilitate proper communication with Parties;
  - (n) Perform any other functions assigned to it by the Board.
3. The head of the secretariat responsible for rendering the services shall be accountable to the Board.

#### **IV. Amendments**

4. Any amendments to the present MOU will be mutually agreed upon by the CMP and the Council. The Board may recommend to the CMP any amendments to the MOU.

#### **V. Interpretation**

5. If differences arise in the interpretation of the present MOU, the Council and the CMP or the Board, as appropriate, will consult each other and reach a mutually agreed solution.

#### **VI. Entry into effect**

6. The present MOU will come into effect upon adoption by the CMP and the Council. Either party may withdraw from this MOU at any time by notification addressed to the other party. The withdrawal will take effect six months after the notification.

#### **VII. Review**

7. The present MOU will be reviewed in accordance with decisions of the CMP and the CMA. Following that review, this MOU may be modified to reflect any decisions mutually agreed by the CMP and by the Council.

## Board's consideration of its Rules of Procedure

### I. Disclaimer and objective of the document

1. This document is prepared with a view to facilitate the Board discussion related to its mandate by decision 1/CMP.14 to consider the 'Rules of Procedure of the Board' (RoP) and to make a recommendation to the fifteenth session of the Parties to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 15). The purpose of the document is not to propose a revision of RoP, but to help the Board identify whether and where updates are needed in line with the existing CMP and CMA decisions and whether and where updates are expected in the future to reflect the CMA decisions and CMP decisions to be made at CMP 15 and the second session of the Parties to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 2), e.g., the CMP decision on the eligibility for Board membership, or in order to fulfil its mandate from CMP, whether the Board may identify the need of further guidance from CMP. Therefore, **this is in no way to prejudice any future discussions or decisions on relevant matters.**

### II. Provisions that are closely linked with anticipated CMP decisions

2. CMP decision to be made at CMP15 **on the eligibility for Board membership**, in December 2019 and other future CMP decisions **may** affect the following sections of the RoP (not as an exhaustive list) and it may be prudent to determine the revision of the sections after the relevant SBI consideration and CMP decisions are made:

- Section II [**Definitions**], paragraph 2:

*2. For the purpose of these rules;*

*[...]*

*(c) "Member" means a representative elected by the CMP as a member of the Adaptation Fund Board, accorded the right to vote;*

*(d) "Alternate" means a representative elected by the CMP as an alternate for Each member*

*[...]*

- Section III [**Board**], paragraphs 3-9;
- Section IV [**Officers**], paragraph 10-11 which are related to the 'election of the Chair and Vice-Chair';
- Section XIV [**Termination of Board Membership**], paragraph 52-54: It is unclear whether the CMA need to be added to the CMP in paragraphs 52-53 or not.

#### *Other unclear issues*

3. **Section XVIII [Amendments to Rules of Procedure], paragraph 64:** Currently it is unclear whether this would need to be revised. This depends on whether amendments to RoP need to be approved not only by CMP but also by CMA. If CMA does not need to be added in this paragraph, the revision of paragraph 64 is not necessary. It is also unclear whether the revision needs to be approved by the CMA if the revision of RoP is related to the matters of Paris Agreement. In addition, there may be issues which are not easy to distinguish between only CMP matter and only CMA matter.

4. **Section XIX [Overriding Authority of the Kyoto Protocol, paragraph 65]:** Currently it is unclear whether there would be a need to add "*In the event of any conflict between any provisions of these rules and any provisions of the Paris Agreement, the Paris Agreement shall prevail*" to the current provision.

### III. Provisions that are not closely linked with anticipated CMP decisions and that may be revised for updates in line with Decisions 1/CMP.14 and 13/1

5. **Section II [Definitions], paragraph 2:** Possible revision may include those of ‘Fund,’ ‘Board,’ ‘Member’ and ‘Alternate,’ ‘Parties.’

- Subparagraph (b) **“Board”**: “under the guidance of, and be accountable to the CMA with respect to all matters relating to the Paris Agreement, effective 1 January 2019 pursuant to decisions 13/CMA.1 and 1/CMP.14” could be added.
- An addition of a standalone subparagraph of **‘the definition of Paris Agreement’** after subparagraph (m):
  - For instance, “Agreement” means the Paris Agreement adopted under the United Nations Framework Convention on Climate Change;
  - (m) *“Protocol” means the Kyoto Protocol to the United Nations Framework Convention on Climate Change;*
- Subparagraph (n) **“Parties”**: Addition of ‘the Parties to the Paris Agreement’

6. **Section IV [Officers], paragraphs 15:** Paragraph 15 is related to **‘the Chair’s Report to CMP.’** Here, “and to the CMA on matters relating to the Paris Agreement” could be added.

7. **Section VI, paragraphs 18 which is related to the ‘place of the Board meeting’:** Here, “in conjunction with sessions of the CMP” could be updated to “in conjunction with sessions of the CMP and CMA.”

Annex V: Adaptation Fund Board’s Consideration of ‘implications of 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 the Fund serves the Paris Agreement smoothly’ in line with Decision 1/CMP.14 paragraph 6

## I. Summary of the Board’s consideration on 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

1. The Board has considered this matter in consultation with the trustee, the UNFCCC Secretariat and discussed this matter at its 33rd, additional meeting (B.33.b) and its 34th meeting in 2019. Relevant information is contained in the Annex I to document AFB/B.33.b/4<sup>55</sup> which is a discussion note prepared by the World Bank as the interim trustee.

2. The focus of the discussion on this theme was on the monetization of the remaining Kyoto Protocol carbon assets (certified emission reductions (CERs) as Clean Development Mechanism (CDM) Share of Proceeds), and the need for a decision to include modalities to monetize remaining carbon credits at the CDM. At the additional Board meeting, the trustee reported to the Board that there is very limited market for these assets, and therefore monetization by the trustee in recent years has focused on small customized transactions with specific buyers willing to pay a premium for small volumes of these CERs. Continued monetization of these assets would be possible, provided that the amendment of the T&Cs is adopted by the CMP and the World Bank as the amendment of the T&Cs maintains the authorization to the trustee to continue to sell these CMP assets.<sup>56</sup>

## II. Summary of the Board’s consideration on “any other matter so as to ensure the Fund serves the Paris Agreement smoothly

3. Considering Decision 1/CMP.14, the Board has considered on this matter. The Board reviewed the Fund’s governing instruments and policies and guidelines as listed below, from the perspectives on whether there is a need of update or revision to ensure that the Fund services the Paris Agreement (PA):

- [Strategic Priorities, Policies and Guidelines of the Adaptation Fund](#) (hereinafter “SPPG”);
- [Operational Policies and Guidelines \(OPG\)](#)
- [Code of Conduct of the Adaptation Fund Board](#)
- [Zero Tolerance Policy for the Adaptation Fund Board](#)
- [General guidelines for Committees](#)
- Terms of Reference for the [Project and Programme Review Committee](#) and Terms of Reference for the [Ethics and Finance Committee](#)
- Terms of Reference for the [Accreditation Panel](#)
- [Risk Management Framework](#)
- [Environmental and Social Policy](#) (ESP) (approved in 2013 and amended in 2016): The Board may consider the Parties’ views expressed during the sessions of the Ad Hoc Working Group on the Paris Agreement.
- [Gender Policy and Action Plan](#) (adopted in 2016): Update process has been launched in May 2019

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<sup>55</sup> Available at <https://www.adaptation-fund.org/document/matters-related-mandate-contained-paragraph-6-decision-1-cmp-14/>.

<sup>56</sup> See Annex I to Adaptation Fund Board document AFB/B.33.b/3, Discussion Note prepared by the Trustee, available at <https://www.adaptation-fund.org/document/matters-related-mandate-contained-paragraph-6-decision-1-cmp-14/>.

- [Open Information Policy](#) (adopted in July 2013): The Board may want to consider reviewing and, if necessary, updating the policy in line with the international best practices, as had been suggested by Parties during the sessions of the Ad Hoc Working Group on the Paris Agreement.
- [Ad Hoc Complaint Handling Mechanism](#)
- [Resource Mobilization Strategy](#) (adopted in 2016)
- [Medium-Term Strategy](#) 2018-2022: The strategy is scheduled to be updated at the end of the current strategy period for the following 5-year period based on evaluations on strategy implementation.
- [Methodologies for Reporting AF Core Impact Indicators](#) (adopted in 2014)

4. The review concluded that most of Fund’s other policies and core instruments do not appear to require immediate major revisions as they well serve their purposes and are undergoing or will go through update process as scheduled and/or when the need arises. Also, it found that it may not be advisable to amend the OPG and the SPPG because some of their provisions are closely linked to the issue of the eligibility for Board membership which is expected to be decided by CMP 15 and the issue of ‘the Parties eligible for funding from the Adaptation Fund.’ Regarding the latter, paragraph 1 of decision 1/CMP.3 indicates that “developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change are eligible for funding from the Adaptation Fund to assist them in meeting the cost of adaptation.”

5. The Board took note of the information that the secretariat has recently received an official letter from the national government of a country which expressed the interest of the country in accessing the financial resources of the Fund and had submitted a nomination of the Designated Authority. As of the date of this document, the country whose government submitted the letter is not a Party to the Kyoto Protocol (KP) nor had signed the Paris Agreement (PA) and is, according to the government, in the process of ratification of the Paris Agreement. Therefore, as per paragraph 10 of the SPPG (“Eligible Parties to receive funding from the Adaptation Fund are understood as developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change . . . .”) and paragraph 5 (a) of SPPG (“ . . . Adaptation Fund shall [a]ssist developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change in meeting the cost of adaptation,”) which is a reflection of decision 1/CMP.3, the country cannot be considered as ‘eligible Party’ for funding from the Adaptation Fund as of the date of receipt of the letter because it is not a Party to KP. However, the question would arise when the country completes the ratification process and becomes the Party to PA: by then, whether this country would become eligible for funding from the Adaptation Fund or not. Although the number of countries which are a Party to either PA or KP but not a Party to both treaties could decrease over time, in the meantime the Fund may encounter requests for funding from a country which is a Party to KP but not to PA, or a country which is a Party to PA but not to KP.

6. In this regard, the Board found that additional guidance or clarification from the CMP or CMA on the matter of ‘the Parties eligible for funding from the Adaptation Fund’ could help the Fund address such requests from those countries, and decided to include in the addendum to its Report to the CMP 15, its request to the CMP and/or CMA to provide guidance or clarification on the issue of the Parties eligible for funding from Adaptation Fund as referred to in paragraph 1 of decision 1/CMP.3, which is reflected in paragraphs 10 and 5 of the Adaptation Fund’s Strategic Priorities, Policies and Guidelines.



## Appendix

### Project funding approvals by the Adaptation Fund Board between 1 July and 11 October 2019

Figure 1  
Project-related funding decisions made during the intersessional period between the 33<sup>rd</sup> and 34<sup>th</sup> meetings of the Adaptation Fund Board  
(United States dollars)

1. Full Proposals: Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>NIE</b>								
	Indonesia(1)	Kemitraan	AFB/PPRC.24-25/2	835,465			Approve	835,465
	Indonesia(2)	Kemitraan	AFB/PPRC.24-25/3	4,127,065			Not approve	
<b>RIE</b>								
	Saint Lucia	CDB	AFB/PPRC.24-25/4		9,858,570		Approve	9,858,570
<b>MIE</b>								
	Iran (Islamic Republic of)	UNDP	AFB/PPRC.24-25/5			9,865,651	Not approve	
	Lao People's Democratic	UN-Habitat	AFB/PPRC.24-25/6			5,500,000	Approve	5,500,000
	Lesotho	WFP	AFB/PPRC.24-25/7			9,999,894	Approve	9,999,894
	Sierra Leone	IFAD	AFB/PPRC.24-25/8			9,916,925	Approve	9,916,925
	Tajikistan	UNDP	AFB/PPRC.24-25/9			9,996,441	Approve	9,996,441
	Turkmenistan	UNDP	AFB/PPRC.24-25/10			7,000,040	Not approve	
<b>Sub-total, USD</b>				<b>4,962,530</b>	<b>9,858,570</b>	<b>52,278,951</b>		<b>46,107,295</b>
2. Full Proposals: Regional	Region/Countries	IE	PPRC Document number		RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>RIE</b>								
	Djibouti, Kenya, Sudan, Uganda	OSS	AFB/PPRC.24-25/11		13,079,540		Not approve	
<b>MIE</b>								
	Chile, Colombia, Peru	WMD	AFB/PPRC.24-25/12			7,432,250	Approve	7,432,250
<b>Sub-total, USD</b>					<b>13,079,540</b>	<b>7,432,250</b>		<b>7,432,250</b>
3. Concepts: Regional	Region/Countries	IE	PPRC Document number		RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>MIE</b>								
	El Salvador, Honduras	WFP	AFB/PPRC.24-25/13			13,900,478	Not endorse	
<b>Sub-total, USD</b>						<b>13,900,478</b>		
4. Project Formulation Grants: Regional Concepts	Region/Countries	IE	PPRC Document number		RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>MIE</b>								
	El Salvador, Honduras	WFP	AFB/PPRC.24-25/13/ Add.1				Not approve	
<b>Sub-total, USD</b>								
<b>GRAND TOTAL (1+2+3+4)</b>				<b>4,962,530</b>	<b>22,938,110</b>	<b>73,611,679</b>	-	<b>53,539,545</b>

Figure 2

**Project-related funding decisions related to regional projects/programmes that were waitlisted at the 33<sup>rd</sup> meeting of the Adaptation Fund Board and approved during the intersessional period between the 33<sup>rd</sup> and 34<sup>th</sup> meetings of the Adaptation Fund Board** (United States dollars)

Projects and Programmes: Regional, Full Proposals	Region/Countries	IE	PPRC Document number	Grant Size, USD	NIE	RIE	MIE	Decision	Funding set aside
<b>RIE</b>									
	Argentina, Uruguay	CAF	AFB/PPRC.24/33	13,999,996		13,999,996		Approve	13,999,996
	Benin, Burkina Faso, Niger	OSS	AFB/PPRC.24/34	11,536,200		11,536,200		Approve	11,536,200
<b>MIE</b>									
	Madagascar, Malawi, Mozambique, Comoros	UN-Habitat	AFB/PPRC.24/37	13,997,423			13,997,423	Approve	13,997,423
<b>GRAND TOTAL, USD</b>				<b>39,533,619</b>		<b>25,536,196</b>	<b>13,997,423</b>		<b>39,533,619</b>

Figure 3

**Project-related funding decisions made at the 34<sup>th</sup> meeting of the Adaptation Fund Board** (United States dollars)

1. Full Proposals: Single-country	Country	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>MIE</b>									
	Congo	WFP	AFB/PPRC.25/4	9,999,909			9,999,909	Approve	9,999,909
	Georgia	IFAD	AFB/PPRC.25/5	4,644,794			4,644,794	Approve	4,644,794
	El Salvador	UNDP	AFB/PPRC.25/6	8,484,503			8,484,503	Approve	8,484,503
	Iran	UNDP	AFB/PPRC.25/7	9,865,653			9,865,653	Not approve	0
	Malawi	WFP	AFB/PPRC.25/8	9,989,335			9,989,335	Approve	9,989,335
	Pakistan	UN-Habitat	AFB/PPRC.25/9	6,094,000			6,094,000	Not approve	0
	Moldova	IFAD	AFB/PPRC.25/10	6,008,095			6,008,095	Approve	6,008,095
	Tunisia	IFAD	AFB/PPRC.25/11	9,997,190			9,997,190	Not approve	0
	Turkmenistan	UNDP	AFB/PPRC.25/12	7,000,040			7,000,040	Not approve	0
<b>Sub-total, USD</b>				<b>72,083,519</b>	<b>-</b>	<b>-</b>	<b>72,083,519</b>		<b>39,126,636</b>
2. Concepts: Single-country	Country	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>NIE</b>									
	Indonesia (1)	Kemitraan	AFB/PPRC.25/13	801,259	801,259			Endorse	-
	Indonesia (5)	Kemitraan	AFB/PPRC.25/14	759,966	710,000			Endorse	-
	Belize	PACT	AFB/PPRC.25/15	4,000,000	4,000,000			Endorse	-
	Indonesia (2)	Kemitraan	AFB/PPRC.25/16	1,048,636	1,048,636			Not endorse	-
	Indonesia (3)	Kemitraan	AFB/PPRC.25/17	1,125,052	1,125,052			Endorse	-
	Indonesia (4)	Kemitraan	AFB/PPRC.25/18	1,000,000	1,000,000			Endorse	-
	Namibia	DRFN	AFB/PPRC.25/19	4,998,000	4,998,000			Endorse	-
	Tanzania	NEMC	AFB/PPRC.25/20	1,000,000	1,000,000			Endorse	-
<b>MIE</b>									
	Gambia	WFP	AFB/PPRC.25/21	9,999,984			9,999,984	Endorse	-
	Kyrgyzstan	IFAD	AFB/PPRC.25/22	9,985,526			9,985,526	Not endorse	-
	Viet Nam	UN-Habitat	AFB/PPRC.25/23	6,347,190			6,347,190	Endorse	-
<b>Sub-total, USD</b>				<b>41,065,613</b>	<b>14,682,947</b>	<b>-</b>	<b>26,332,700</b>		

3. Project Formulation Grants (PFG) / Project Formulation Assistance (PFA): Single-country	Country	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE									
PFG	Belize	PACT	AFB/PPRC.25/15 /Add.1	29,830	29,830			Approve	29,830
PFA	Belize	PACT	AFB/PPRC.25/15 /Add.2	20,000	20,000			Approve	20,000
PFG	Namibia	DRFN	AFB/PPRC.25/19 /Add.1	30,000	30,000			Approve*	30,000
PFA	Namibia	DRFN	AFB/PPRC.25/19 /Add.2	20,000	20,000			Approve*	20,000
PFG	Tanzania	NEMC	AFB/PPRC.25/20 /Add.1	30,000	30,000			Approve	30,000
<i>Sub-total, USD</i>				<b>129,830</b>	<b>129,830</b>				<b>129,830</b>

\* Approval is subject to re-accreditation of the Implementing Entity as per Recommendation PPRC.25/16

4. Full Proposals: Regional	Region/Countries	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
RIE									
	Djibouti, Kenya, Sudan, Uganda	OSS	AFB/PPRC.25/24	13,079,540		13,079,540		Approve	13,079,540
MIE									
	Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan	UNESCO	AFB/PPRC.25/25	6,500,000			6,500,000	Not approve	0
	Georgia, Armenia	UNDP	AFB/PPRC.25/26	7,475,650			7,475,650	Not approve	0
	Thailand, Viet Nam	UN Environment	AFB/PPRC.25/27	7,000,000			7,000,000	Not approve	0
<i>Sub-total, USD</i>				<b>34,055,190</b>		<b>13,079,540</b>	<b>20,975,650</b>		<b>13,079,540</b>
5. Concepts: Regional	Region/Countries	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE									
	Cambodia, Lao, Myanmar, Thailand, Viet Nam	UNESCO	AFB/PPRC.25/28	4,898,775			4,898,775	Endorse	-
<i>Sub-total, USD</i>				<b>4,898,775</b>			<b>4,898,775</b>		
6. Project Formulation Grants: Regional Concepts	Region/Countries	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE									
	Cambodia, Lao, Myanmar, Thailand, Viet Nam	UNESCO	AFB/PPRC.25/28 /Add.1	80,000			80,000	Approve	80,000
<i>Sub-total, USD</i>				<b>80,000</b>			<b>80,000</b>		<b>80,000</b>

7. Pre-concepts: Regional	Region/Countries	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>RIE</b>									
	Angola, Namibia	OSS	AFB/PPRC.25/29	11,878,580		11,878,580		Endorse	-
	Benin, Burkina Faso, Côte d'Ivoire, Gambia, Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo	OSS	AFB/PPRC.25/30	13,955,270		13,955,270		Endorse	-
<b>MIE</b>									
	Antigua and Barbuda, Dominica, Saint Lucia	UN-Habitat	AFB/PPRC.25/31	13,966,000		13,966,000		Endorse	-
	Azerbaijan, Iran	UN-Habitat	AFB/PPRC.25/32	14,000,000		14,000,000		Endorse	-
<b>Sub-total, USD</b>				<b>53,799,850</b>		<b>53,799,850</b>			

8. Project Formulation Grants: Regional pre- concepts	Region/Countries	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
<b>RIE</b>									
	Angola, Namibia	OSS	AFB/PPRC.25/29 /Add.1	20,000		20,000		Approve	20,000
	Benin, Burkina Faso, Côte d'Ivoire, Gambia, Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo	OSS	AFB/PPRC.25/30 /Add.1	20,000		20,000		Approve	20,000
<b>MIE</b>									
	Antigua and Barbuda, Dominica, Saint Lucia	UN-Habitat	AFB/PPRC.25/31 /Add.1	20,000			20,000	Approve	20,000
	Azerbaijan, Iran	UN-Habitat	AFB/PPRC.25/32 /Add.1	20,000			20,000	Approve	20,000
<b>Sub-total, USD</b>				<b>80,000</b>		<b>40,000</b>	<b>40,000</b>		<b>80,000</b>
<b>GRAND TOTAL (1+2+3+4+5+6+7+8)</b>				<b>206,192,777</b>	<b>14,812,777</b>	<b>66,919,390</b>	<b>119,431,869</b>		<b>52,496,006</b>

9. Innovation Small Grants	Country	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE									
	Armenia	EPIU	AFB/PPRC.25/38	231,250	231,250			Approve	231,250
	Chile	AGCID	AFB/PPRC.25/39	230,000	230,000			Approve	230,000
	Tanzania	NEMC	AFB/PPRC.25/40	250,000	250,000			Not approve	0
<b>Sub-total, USD</b>				<b>711,250</b>	<b>711,250</b>				<b>461,250</b>
10. Innovation MIE Aggregator Grants	Country	IE	PPRC Document number	Grant Size, USD	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE									
	Multiregional	UN Environment	AFB/PPRC.25/35	5,000,000			5,000,000	Approve	5,000,000
	Multiregional	UNDP	AFB/PPRC.25/36	5,000,000			5,000,000	Approve	5,000,000
<b>Sub-total, USD</b>				<b>10,000,000</b>			<b>10,000,000</b>		<b>10,000,000</b>
11. Project Scale-up Grants	Country	IE	PPRC Document number	Grant Size, USD	NIE				Funding set aside, USD
NIE									
	Rwanda	MoE	AFB/PPRC.25/42	99,000	99,000			Approve	99,000
	Senegal	CSE	AFB/PPRC.25/43	99,937	99,937			Not approve	0
<b>Sub-total, USD</b>				<b>198,937</b>	<b>198,937</b>				<b>99,000</b>
12. Learning Grants	Country	IE	PPRC Document number	Grant Size, USD	NIE				Funding set aside, USD
NIE									
	Senegal	CSE	AFB/PPRC.25/45	149,993	149,993			Not approve	0
<b>Sub-total, USD</b>				<b>149,993</b>	<b>149,993</b>				
<b>GRAND TOTAL (1+2+3+4+5+6+7+8+9+10+11+12)</b>				<b>217,252,957</b>	<b>15,872,957</b>	<b>66,919,390</b>	<b>129,431,869</b>		<b>63,056,256</b>

## Active pipeline as of 12 October 2019

Figure 4

Active pipeline of projects and programmes considered by the Board during the 12 months preceding 12 October 2019 but not yet approved by the Board.

(United States dollars)

Projects and Programmes: Single-country, Full Proposals	Country	Implementing Entity	Financing Requested (USD)
<b>NIE</b>			
	Indonesia	Kemitraan	\$4,169,987
	Namibia	DRFN	\$5,000,000
<b>RIE</b>			
	Togo	BOAD	\$10,000,000
<b>MIE</b>			
	Cambodia	UN-Habitat	\$5,000,000
	Iran (Islamic Republic of)	UNDP	\$9,865,653
	Pakistan	UN-Habitat	\$6,094,000
	Tunisia	IFAD	\$9,997,190
	Turkmenistan	UNDP	\$7,000,040
	Uganda	AfDB	\$2,249,000
<i>Sub-total</i>			<b>\$59,375,870</b>
Concepts: Single Country	Country	Implementing Entity	Financing Requested (USD)
<b>NIE</b>			
	Belize	PACT	\$4,000,000
	Indonesia	Kemitraan	\$984,000
	Indonesia	Kemitraan	\$801,259
	Indonesia	Kemitraan	\$710,000
	Indonesia	Kemitraan	\$4,000,000
	Indonesia	Kemitraan	\$1,048,636
	Indonesia	Kemitraan	\$1,125,052
	Namibia	DRFN	\$4,998,000
	United Republic of Tanzania	NEMC	\$1,187,800
	United Republic of Tanzania	NEMC	\$1,113,445
	United Republic of Tanzania	NEMC	\$1,261,000
<b>RIE</b>			
	Kiribati	SPREP	\$8,218,875
<b>MIE</b>			
	Afghanistan	UNDP	\$9,432,556
	Gambia (Republic of The)	WFP	\$9,999,984
	Kyrgyzstan	IFAD	\$9,985,526
	Viet Nam	UN-Habitat	\$6,347,190
	Zimbabwe	UNESCO	\$9,982,000
<i>Sub-total</i>			<b>\$69,721,223</b>

<b>Projects and Programmes: Regional, Full Proposals</b>	<b>Region/Countries</b>	<b>Implementing Entity</b>	<b>Financing Requested (USD)</b>
<b>MIE</b>			
	Armenia, Georgia	UNDP	\$7,475,650
	Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan	UNESCO	\$6,500,000
	Thailand, Vietnam	UN Environment	\$7,000,000
<b>Sub-total</b>			<b>\$20,975,650</b>
<b>Concepts: Regional</b>	<b>Region/Countries</b>	<b>Implementing Entity</b>	<b>Financing Requested (USD)</b>
<b>MIE</b>			
	Cambodia, Lao, Myanmar, Thailand, Viet Nam	UNESCO	\$4,898,775
	Jordan, Lebanon	UN-Habitat	\$ 12,903,266
<b>Sub-total</b>			<b>\$17,802,041</b>
<b>Pre-concepts: Regional</b>	<b>Region/Countries</b>	<b>Implementing Entity</b>	<b>Financing Requested (USD)</b>
<b>RIE</b>			
	Benin, Burkina Faso, Côte d'Ivoire, Gambia (Republic of The), Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo	OSS	\$13,955,270
	Angola, Namibia	OSS	\$11,878,580
<b>MIE</b>			
	Belize, Guatemala, Honduras	UN Environment	\$12,260,000
	Antigua and Barbuda, Dominica, Saint Lucia	UN-Habitat	\$13,966,000
	Azerbaijan, Iran (Islamic Republic of)	UN-Habitat	\$14,000,000
<b>Sub-total</b>			<b>\$66,059,850</b>
<b>Innovation Small Grant</b>	<b>Country</b>		
<b>NIE</b>			
	United Republic of Tanzania	NEMC	\$250,000
<b>Sub-total</b>			<b>\$250,000</b>
<b>Project Scale-up Grant</b>	<b>Country</b>		
<b>NIE</b>			
	Senegal	CSE	\$99,937
<b>Sub-total</b>			<b>\$99,937</b>
<b>Learning Grant</b>	<b>Country</b>		
<b>NIE</b>			
	Senegal	CSE	\$149,993
<b>Sub-total</b>			<b>\$149,993</b>
<b>GRAND TOTAL</b>			<b>\$248,434,564</b>