



ADAPTATION FUND

AFB/B.34/20
25 November 2019

ADAPTATION FUND BOARD

Thirty-fourth Meeting
Bonn, Germany, 10-11 October 2019

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

Introduction

1. The thirty-fourth meeting of the Adaptation Fund Board (the Board) was held at the Langer Eugen United Nations Campus in Bonn, Germany, from 7 to 11 October 2019, in conjunction with the twenty-fifth meetings of the Project and Programme Review Committee (PPRC) and the Ethics and Finance Committee (EFC) of the Board.
2. The meeting was broadcast live through the websites of the Adaptation Fund (the Fund) and the United Nations Convention to Combat Desertification (UNCCD). The UNCCD secretariat also provided logistical and administrative support for the meetings of the Board and its committees.
3. The list of the members and alternate members who participated in the meeting is attached to the present report as annex I. A list of accredited observers present at the meeting can be found in document AFB/B.34/Inf.3.

Agenda Item 1: Opening of the meeting

4. The meeting was opened at 9:20 a.m. on 10 October 2019 by the Chair, Ms. Sylviane Bilgischer (Belgium, Annex I Parties), who welcomed the members of the Board. She informed the Board of the recent death of Mr. Chebet Maikut and said that the secretariat had sent a letter of condolence to his family. The Board stood for a minute in silence in his memory.

Agenda Item 2: Organizational matters

a) Adoption of the agenda

5. The Board adopted the provisional agenda as contained in document AFB/B.34/1. The agenda is attached as Annex II to the present report. No other matters were raised under agenda item 22, 'Other matters'.

b) Organization of work

6. The Board considered the provisional timetable, contained in the annotated provisional agenda (AFB/B.34/2), and adopted the organization of work proposed by the Chair.

7. The Chair welcomed the following new alternate members to the Board:

Mr. Arana Pyfrom (Bahamas, Latin America and the Caribbean); and

Mr. Tshering Tashi (Bhutan, Least Developed Countries).

8. The Chair asked for declarations of any conflict of interest. The following members and alternates declared conflicts of interest:

Mr. Ibila Djibril (Benin, Africa);

Mr. Mohamed Zmerli (Tunisia, Africa);

Ms. Sheida Asgharzadeh Ghahroudi (Islamic Republic of Iran, Asia-Pacific);

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

Mr. Charles Mutai (Kenya, Non-Annex I Parties); and

Mr. Evans Njewa (Malawi, Non-Annex I Parties).

9. The meeting was reminded that at the thirty-third meeting the present rules on declaring conflicts of interest, and the effect of that on the participation of the members and alternates in the meetings of the Board, had been questioned; and that because of the heavy agenda at that meeting the issue had not been discussed. The Board was asked to make time on the agenda of its next meeting to discuss those issues.

Agenda Item 3: Report on the activities of the Chair

10. The Chair provided a brief report on the activities she had undertaken on the Board's behalf during the intersessional period, with the support of the secretariat, as set out in document AFB/B.34/Inf.6, and said that during the intersessional period she had carried out a number of activities for the Fund. Those included: the finalization of the reports of the thirty-third meeting and the additional meeting of the Board (33b), approving cash transfer requests for projects through the online cash transfer clearance system which has become operational during the reporting period within the Financial Intermediary Funds (FIF) collaboration platform, and signing five project agreements, four project formulation grants, and 17 cash transfer requests. She had also worked with the secretariat to issue a number of press releases which had raised the visibility of the activities of the Fund and had fostered its outreach work. In closing she informed the Board of the pledges that had been made by the Governments of Sweden, Spain and Quebec, totalling more than US\$ 58 million and she thanked those Governments for their contributions. She said that the pledge from Sweden amounted to approximately US\$ 53 million and would be received over four years.

11. The Board took note of the report on the activities of the Chair.

Agenda Item 4: Report on the activities of the secretariat

12. The manager of the secretariat reported on the secretariat's activities during the intersessional period as set out in document AFB/B.34/3. The secretariat had participated in, and presented at several events and meetings, including a portfolio monitoring mission to Chile, the fiftieth session of the Subsidiary Body for Implementation (SB 50) of the United Nations Framework Convention on Climate Change (UNFCCC), the London Climate Week, the 23rd Meeting of the Board of the Green Climate Fund (GCF), monitoring missions to Cook Islands and Samoa, the Green Climate Fund Global Programming Conference, and the UN Secretary General's Climate Action Summit.

13. The manager noted that the secretariat had implemented a range of activities under the Readiness Programme, including a regional workshop for Central Africa as part of the UN Africa Climate Week, the eighth readiness webinar, the Fund's first country exchange in Chile, and the first independent meeting of the Community of Practice for Direct Access Entities (CPDAE), which had been co-facilitated with the African Development Bank and the GCF. In addition, the secretariat, with the Climate Technology Centre and Network (CTCN) and the Paris Committee on Capacity-Building (PCCB), had convened a side event at SB 50 on enhancing the delivery of readiness and capacity-building support and made a submission to the Adaptation Committee of the UNFCCC on capacity gaps in accessing adaptation funding. The secretariat had hosted the Fund's sixth Annual Climate Finance Readiness Seminar for its accredited National Implementing Entities (NIEs), the first meeting of the Committee for the CPDAE, and an Accreditation Training Workshop. The secretariat had also commenced the second review cycle for project scale-up grants, and launched the review process for readiness grants.

14. The manager also reported that the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) had completed the selection process for four Members and had held their first in-person meeting with the Members to discuss the setup, mandate, communication channels and expectations. Preliminary work had taken place on the AF-TERG work program, with a focus on evaluative components and products. AF-TERG members had also engaged with representatives of the NIEs to answer their evaluation questions. In addition, the AF-TERG had developed requests for expressions of interest for consultants to execute three studies feeding into the evaluative programme of work: 1) a study on ex-post evaluation approaches and the development of guidance for ex-post evaluations in the Fund, 2) an evaluability assessment of the Fund project portfolio, and 3) a study in innovative monitoring evaluation and learning approaches in the climate adaptation space. The manager also recalled that the AF-TERG Secretariat staff had collaborated with the communications staff of the Adaptation Fund to develop the AF-TERG web-presence on the Fund's website.

15. The manager introduced the Fund's Gender Policy Update process which was launched in May 2019 and the outcome document of the first phase of the process as contained in document AFB/B.34/Inf.9, "Assessment report on progress in the implementation of the Adaptation Fund's Gender Policy and Gender Action Plan." The document included: the results of a survey that was conducted targeting four groups among the Fund's partners and stakeholders, a discussion of the suitability of the Gender Policy, and an assessment the implementation of the Gender Action Plan for the fiscal year 2017-2019.

16. The Adaptation Fund Board took note of the report on the activities of the secretariat.

Agenda Item 5: Report of the Accreditation Panel

17. The Vice-Chair of the Accreditation Panel, Ms. Eleonora Cogo (Italy, Western European and Others group) presented the report of the panel's thirty-first and thirty-second meetings on 21-22 May and 11–12 September 2019, respectively (Document AFB/B.34/4/Rev.1). She provided information on the status of accreditation and reaccreditation applications that are under Panel's review, as well as other issues related to the accreditation and reaccreditation process. She noted that the total number of accredited implementing entities amounted to 49: 31 NIEs, six Regional Implementing Entities (RIEs), and 12 Multilateral Implementing Entities (MIEs). Among the 31 NIEs, nine had been accredited NIEs from Least Developed Countries (LDCs) and seven accredited NIEs from Small Islands Developing States (SIDS). Out of the 49 accredited implementing entities of the Fund, 22 entities (44.8 per cent) had been re-accredited: nine NIEs, three RIE and 10 MIEs.

18. Following the Accreditation Panel Vice-Chair's report, a representative of the secretariat made a presentation on matters relating to the designation of MIEs and RIEs. The presentation reviewed the current procedures for applying for accreditation and relevant policies and guidelines, and informed that two organizations had recently expressed an interest in applying as RIEs but the secretariat could not determine whether they fit for the RIE category under the Fund's existing policies and guidelines. In response, the secretariat had undertaken a preliminary analysis that reviewed the Fund's current classification system for RIEs and MIEs and had concluded it did not provide clear guidelines for those two cases. The secretariat, in response to a request from the Accreditation Panel, had then provided a recommendation on the next steps to be taken.

19. Following the presentation, upon the Chair's declaration for a closed session and its reason, the meeting went into a closed session for a discussion of the individual applications for accreditation and re-accreditation due to the potentially confidential information related to the applications in line with the Fund's Open Information Policy.

20. Following the closed session, the Adaptation Fund Board took note of the report and approved the following decisions.

Re-accreditation of the Instituto Mexicano de Tecnologia del'Agua (IMTA) of Mexico as National Implementing Entity

21. Having considered the recommendation of the Accreditation Panel, the Adaptation Fund Board decided to re-accredit the *Instituto Mexicano de Tecnologia de l'Agua* (IMTA) of Mexico as a National Implementing Entity (NIE) of the Adaptation Fund for five years, as per paragraph 38 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund. The accreditation expiration date is 11 October 2024.

(Decision B.34/1)

The designation of Regional Implementing Entities and Multilateral Implementing Entities

22. Having considered the report of the secretariat that it had received letters from two organizations which expressed their interest in applying for accreditation as Regional Implementing Entity (RIE), the Adaptation Fund Board decided to request the secretariat 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 Multilateral Implementing Entity (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 to present it to the twenty-sixth meeting of the Ethics and Finance Committee (EFC) for consideration.

(Decision B.34/2)

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

23. The representative of the secretariat recalled that at its thirty-third meeting the Board had requested the secretariat to review the implications of an implementing entity's accreditation expiration on project implementation and the Fund's standard legal agreement, to prepare a possible revision of re-accreditation policy, and to present a document addressing those issues to the Board at its thirty-fourth meeting. She then introduced document AFB/B.34/4 which addressed those issues and contained: a proposed revision of the standard legal agreement between the Board and the implementing entities (Annex I), and a proposed revised re-accreditation process (Annex II).

24. The representative of the secretariat indicated that the secretariat was recommending the addition of a paragraph under section 14 of the standard legal agreement which addresses the termination of the standard legal agreement (section 14.04). The revised section provides that in the event of the expiration of the agreement, or the Board's decision not to re-accredit the implementing entity, the responsibilities and obligations under the agreement survive and remain unaffected, and the implementing entity shall continue to disburse the funding as approved by the Board, in accordance with its standard practices and procedures and the Operational Policies and Guidelines of the Adaptation Fund, in order to fulfil the implementing entity's obligations under the agreement.

25. It was recalled that the cap on funding for each country was US\$ 10 million and that it had been in place since 2011. It also often took two to three years from the initial concept submission until the fully-developed project document was approved and funding was disbursed. Consequently, it was suggested that the implementing entities be accredited for 10 years and that the re-accreditation process should start two years before the accreditation expires. It was highlighted that it was important to harmonize and/or align the Fund's policies with other climate funds including the Green Climate Fund (GCF). The secretariat pointed out, however, that the GCF has yet to have reaccreditation process. The rationale behind the suggestion was that if the Fund allows a reaccreditation of ten years, the NIEs could concentrate on project implementation and the workload of the secretariat could be reduced so that it could concentrate on monitoring activities. It was suggested that a separate agenda item be added to the agenda of the Board to consider the issues of conditional accreditation and the extension of the length of re-accreditation. The representative of the secretariat indicated that the Fund's Operational Policies and Guidelines (OPG) set the valid accreditation period as five years, and that period was set in accordance with the international best practices and in consideration of the fact that re-accreditation process is to ensure that the system, policies and capacities of the implementing entity continue to exist as they were demonstrated at its accreditation. She drew the Board's attention that should the Board decide to change the span of the accreditation period, the Fund's OPG would need to be revised.

26. It was also asked what implications the proposed additional provision had for those implementing entities that had already signed an existing legal agreement. The representative of

the secretariat responded that this revision is not to introduce a new burden or obligation to the implementing entity which signs the legal agreement, but is mainly to prevent any misunderstanding or confusion which may arise from the IE's accreditation expiration and/or the Board's decision not to re-accredit the entity with on-going project financed by the Fund. .

27. Clarification was sought on to the effects of the 'grace period' for those implementing entities whose accreditation had expired but were seeking re-accreditation. It was asked if they could make new funding requests during 'grace period', and it was pointed out that the PPRC had discussed a similar situation where an implementing entity had submitted a concept note and then had ceased to be accredited at the time when the concept note was being considered by the PPRC. In cases where an implementing entity submitted a concept note and then ceased to be accredited it seemed that the PPRC would not be able to consider a project formulation grant due to its funding implication if it decided to recommend that the concept be endorsed. It was also asked how the 'grace period' would be applied when an implementing entity whose accreditation expired also requested an extension for project implementation.

28. The representative of the secretariat said that the history of accreditation at the Adaption Fund had been much longer than it had been at the GCF. The five-year accreditation period had not been selected at random but was based on the practice of other institutions and reflected the need to ensure the continued suitability of the implementing entities and the need for the Fund to monitor that. She also said that re-accreditation was renewal of an accreditation and consequently the implementing entity that was re-accredited for another five years continued to be an accredited implementing entity. With respect to the 'grace period' she said that those entities with ongoing projects could be granted more time to seek re-accreditation to mitigate any effects that accreditation expiration would have on the ongoing projects. With respect to implications of the revised legal agreement on the implementing entities, she said that the purpose of the change was to ensure that the project would be completed in accordance with the legal agreement regardless of the accreditation status of the implementing entity. However, implementing entities that were no longer accredited would not be able to submit any new funding proposal and would be unable to sign any agreement for new funding. With respect to the retroactive application of the new provision in the agreement she said that it would be possible for the Board to come to an agreement with each of the implementing entities that had already signed the standard legal agreement to include the new provision in those agreements as well.

29. She said that it was important to distinguish between accreditation and re-accreditation matters and the approval of projects. The 'grace period' was for re-accreditation purposes and would serve to extend the deadline for re-accreditation and thus reduce the gap between the expiration of accreditation and re-accreditation. Implementing entities could be given more time to apply for re-accreditation when those entities had ongoing projects. That should be kept separate from the expected project completion date. Any request for extending the time for project completion has been considered by the Board in accordance with the existing policy. With respect to the issue discussed at the PPRC, she said that issue had better be discussed under another agenda item. She also clarified that the disbursement schedule for any funding approved by the Board is attached to the legal agreement between the Board and the implementing entity constituting a part of the legal agreement.. At the time of signing the legal agreement with the Board, the accreditation of the implementing entity has to be valid. She also said that the secretariat has tried to streamline the re-accreditation process and further clarify the implications of the implementing entity's accreditation status.

30. Having considered documentation AFB/B.34/5 and Annex I and Annex II of the document, the Adaptation Fund Board decided:

- a) To approve the revised Standard Legal Agreement as contained in Annex I to document AFB/B.34/5;
- b) To approve the revised re-accreditation process as contained in Annex II to document AFB/B.34/5; and
- c) To request the secretariat to communicate this decision and the revised re-accreditation process and the revised standard legal agreement to the implementing entities.

(Decision B.34/3)

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

31. Mr. Patrick Sieber (Switzerland, Annex I Parties) as the Chair of the PPRC presented the PPRC's recommendations (document AFB/PPRC.25/49). The PPRC had met for three days and had an additional session on the first day of the Board meeting to adopt the summary of recommendations. He said that despite having been granted an additional day and despite the hard work of its members and the secretariat, the committee had not been able to cover all the items on its agenda and that consequently the full report of the committee would be circulated intersessionally for approval.

32. During its deliberations, the PPRC had considered: 20 proposals for single-country projects, which included 11 concepts and nine fully-developed proposals; and nine proposals for regional projects, which included four pre-concepts, one concept and four fully-developed proposals. The PPRC had also considered: three innovation small-grant proposals, two small-grant scale-up proposals and one small-grant learning proposal, and had looked at two MIE aggregator programme proposals. Of the nine fully-developed single country proposals, five had been recommended for approval for a total amount of US\$ 39,126,636, and US\$ 129,830 had been recommended for approval in project formulation grants. Of the eight concepts submitted by NIEs seven had been recommended for endorsement and two of the three concepts submitted by MIEs had also received that recommendation as well.

33. The Chair of the PPRC reiterated that although the PPRC had been able to address all the agenda items with funding implications it had not been able to discuss all the issues on its agenda due to the insufficient time available. As a result, discussions on some of the topics raised, such as sustainability and innovation, had to be curtailed as well. In closing he commended the work of the members of the PPRC and the secretariat in dealing with what had been an incredibly heavy work-load.

34. A Board member sought clarification on the project proposal for Republic of Moldova 'Talent Retention for Rural Transformation – Adapt (TRTP-Adapt), MDA/MIE/Food/2019/1' and the concept note for Indonesia 'Embracing the Sun - Redefining Public Space as a Solution for the Effects of Global Climate Change in Indonesia's Urban Areas, IDN/NIE/Urban/2019/1, to which the secretariat provided responses.

Fully-developed proposals

Proposals from Multilateral Implementing Entities (MIEs)

Regular proposals:

Congo: Building Adaptive Capacity to Climate Change in Vulnerable Communities Living in the Congo River Basin (Fully-developed project; World Food Programme (WFP); COG/MIE/Food/2019/1; US\$ 9,999,909)

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

- a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- b) Approve the funding of US\$ 9,999,909 for the implementation of the project, as requested by WFP; and
- c) Request the secretariat to draft an agreement with WFP as the multilateral implementing entity for the project.

(Decision B.34/4)

Georgia: Dairy Modernization and Market Access: Adaptation Component (DiMMAdapt) (Fully-developed project; International Fund for Agricultural Development (IFAD); GEO/MIE/Agric/2019/1; US\$ 4,644,794)

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

- a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- b) Approve the funding of US\$ 4,644,794 for the implementation of the project, as requested by IFAD; and
- c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project. The agreement should include a commitment from IFAD that, prior to signing the agreement, IFAD will submit the Environmental and Social Management Framework (ESMF) for each unidentified sub-project (USP) and relevant knowledge management outputs under component one to the secretariat.

(Decision B.34/5)

El Salvador: Enhancing Climate Resilience of Rural Communities and Ecosystems in Ahuachapán Sur, El Salvador (Fully-developed Project; United Nations Development Programme (UNDP); SLV/MIE/EBA/2018/1; US\$ 8,484,503)

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

- a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Approve the funding of US\$ 8,484,503 for the implementation of the project, as requested by UNDP; and
- c) Request the secretariat to draft an agreement with UNDP as the multilateral implementing entity for the project. Prior to signing the project agreement, UNDP should resubmit a revised proposal with an amendment of the disbursement schedule to display whole numbers. The agreement should include a commitment from UNDP that by the submission of the inception report, UNDP will submit an assessment of potential complementarities with the project “Upscaling climate resilience in the dry corridor agroecosystems of El Salvador” (RECLIMA) with any necessary updates, to the secretariat for review.

(Decision B.34/6)

Islamic Republic of Iran: Reducing Vulnerability to Climate Change in the Lake Bakhtegan Basin (Fully-developed project; United Nations Development Programme (UNDP); IRN/MIE/Water/2018/1; US\$ 9,865,653)

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

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Suggest that UNDP reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board’s decision, as well as the following issues:
 - (i) The proposal should demonstrate compliance with the Environmental and Social Policy (ESP) of the Fund, including ESP risk identification and an environmental and social management plan (ESMP);
 - (ii) The proposed implementation arrangements with respect to execution services by the implementing entity should be in compliance with decision B.18/30 of the Adaptation Fund Board; and
- c) Request UNDP to transmit the observations under subparagraph b) to the Government of the Islamic Republic of Iran.

(Decision B.34/7)

Malawi: Adapting to Climate Change Through Integrated Risk Management Strategies and Enhanced Market Opportunities for Resilient Food Security and Livelihoods (Fully-developed project; World Food Programme (WFP); MWI/MIE/Food/2018/1; US\$ 9,989,335)

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

- a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- b) Approve the funding of US\$ 9,989,335 for the implementation of the project, as requested by WFP; and
- c) Request the secretariat to draft an agreement with WFP as the multilateral implementing entity for the project.

(Decision B.34/8)

Pakistan: Enhance community, local and national-level urban climate change resilience to water scarcity, caused by floods and droughts in Rawalpindi and Nowshera, Pakistan (Fully-developed project; United Nations Human Settlements Programme (UN-Habitat); PAK/MIE/Urban/2018/1; US\$ 6,094,000)

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

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) Suggest that UN-Habitat reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issue:
 - (i) The proponent should annex the missing Environmental Impact Assessment following the guidelines of the Adaptation Fund; and
- c) Request UN-Habitat to transmit the observation under subparagraph b) to the Government of Pakistan.

(Decision B.34/9)

Republic of Moldova: Talent Retention for Rural Transformation – Adapt (TRTP-Adapt) (Fully-developed project); International Fund for Agricultural Development (IFAD); MDA/MIE/Food/2019/1; US\$6,008,095)

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

- a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;

- b) Approve the funding of US\$ 6,008,095 for the implementation of the project, as requested by IFAD; and
- c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Decision B.34/10)

Tunisia: "Economic, Social and Solidarity Insertion for Resilience in the Governorate of Kairouan - IESS-Adapt" (Fully-developed Project; International Fund for Agricultural Development (IFAD); TUN/MIE/Rural/2019/1; US\$ 9,997,190)

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

- a) Not approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- b) Suggest that IFAD reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issue:
 - (i) The proposal needs to include a consolidated Gender Assessment in the format of the Fund; and
- c) Request IFAD to transmit the observation under subparagraph b) to the Government of Tunisia.

(Decision B.34/11)

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

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

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;
- b) Suggest that UNDP reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The proposed implementation arrangements with respect to execution services by the implementing entity should be in compliance with decision B.18/30 of the Adaptation Fund Board;

- (ii) The proponent should demonstrate compliance with the Environmental and Social Policy (ESP) of the Adaption Fund including ESP risk identification and an Environmental and Social Management Plan (ESMP); and
- c) Request UNDP to transmit the observations under subparagraph b) to the Government of Turkmenistan.

(Decision B.34/12)

Concept proposals

Proposals from National Implementing Entities (NIEs)

Small-size proposals:

Indonesia: Enhancing the Adaptation Capability of Coastal Community in Facing the Impacts of Climate Change in Negeri (Village) Asilulu, Ureng and Lima of Leihitu District Maluku Tengah Regency Maluku Province (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/CZM/2019/1; US\$ 801,259)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- b) Request the secretariat to notify Kemitraan of the observations in the technical review sheet annexed to the notification of the Board's decision; as well as the following recommendations:
 - (i) The fully-developed project proposal should further clarify the role of the village government and its involvement in proposed activities;
 - (ii) The fully-developed project proposal should provide additional information on how the project will “mobilize supports from the government and investors” and provide details of promising investors that may have already been preidentified;
 - (iii) At the fully developed project proposal stage, types of machinery that will be acquired and how they will be maintained over the longer period once project support ends should be specified, also clarifying how women’s groups will be trained in operation and maintenance;
 - (iv) At the fully developed project proposal stage, the agency should describe the cost effectiveness by comparing alternative scenarios to justify the chosen approach as the most cost-effective;
 - (v) At the fully developed project proposal stage, detailed consultation reports need to be appended and summary reports must clearly demonstrate how the outcomes of consultations have been taken into consideration in the design of interventions;

- c) Request Kemitraan to transmit the observations to the Government of Indonesia; and
- d) Encourage the Government of Indonesia to submit, through Kemitraan, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/13)

Indonesia: Embracing the Sun - Redefining Public Space as a Solution for the Effects of Global Climate Change in Indonesia's Urban Areas (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Urban/2019/1; US\$ 759,966)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- b) Request the secretariat to notify Kemitraan of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should strengthen the climate change rationale and provide more specific detail on the public space interventions to be implemented and their adaptation benefits, particularly how these spaces will ultimately reduce community vulnerability to climate change impacts in Samarinda city;
 - (ii) The fully-developed project proposal should provide more explicit details on how proposed measures will be implemented in reality, including potential funding allocations for such measures;
 - (iii) More specific information and lessons learned regarding synergies with other projects/initiatives, for example the World Bank's National Urban Development Project (NUDP), and potentially others as well, including main urban networks and platforms of partner cities, needs to be more detailed in the fully developed project proposal;
 - (iv) Some elements related to cost effectiveness and sustainability of the project need to be strengthened during the fully-developed project preparation phase;
- c) Request Kemitraan to transmit the observations under subparagraph b) to the Government of Indonesia; and
- d) Encourage the Government of Indonesia to submit, through Kemitraan, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/14)

Regular proposals:

Belize: Enhancing the Resilience of Belize's Coastal Communities to Climate Change Impacts (Concept note; Protected Areas Conservation Trust (PACT); BLZ/NIE/CZM/2019/1; US\$ 4,000,000)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the Protected Areas Conservation Trust (PACT) to the request made by the technical review;
- b) Request the secretariat to notify PACT of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should provide even further clarity on which elements will have localized benefits and which will support national/sub-national systems (while anchoring the proposed actions soundly in needed measures to respond to climate change impacts), in order to identify the number of direct and indirect beneficiaries;
 - (ii) The fully-developed project proposal should provide more information on the underlying drivers of vulnerability and how these will be addressed in the target areas;
 - (iii) The fully-developed project proposal should include better informed risk screening and risk mitigation measures for the principles of "gender equity and women's empowerment, indigenous people, and marginalized and vulnerable groups" through the gender and social assessment that will be undertaken;
 - (iv) The fully-developed project proposal should strengthen its full-cost-of-adaptation reasoning, with a comprehensive value-added analysis against the current, baseline, situation, as well as strengthening the sustainability aspect;
- c) Approve the project formulation grant of US\$ 29,830;
- d) Approve the project formulation assistance grant of US\$ 20,000;
- e) Request PACT to transmit the observations under subparagraph b) to the Government of Belize; and
- f) Encourage the Government of Belize to submit, through PACT, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/15)

Indonesia: Sustainable Livelihood and Ecoenterprise in Karst Ecosystem for Adapting to Climate Change (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/MULTI/2019/1; US\$ 1,048,636)

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

- a) Not endorse the concept note, as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- b) Suggest that Kemitraan reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The proponent should clarify and elaborate on the nature of the project activities in the relevant section of the proposal;
 - (ii) The proponent should clarify how the training and meeting activities are sufficiently embedded in other activities that will ensure their uptake and contribution to lasting and relevant capacity building;
 - (iii) The proponent should clarify the economic, social, and environmental benefits of the project to the local beneficiaries;
 - (iv) The proposal should include the findings of the gender analysis that was carried out;
 - (v) The proponent should clarify the cost effectiveness of the project;
 - (vi) The proponent should carry out consultations as required and include the consultation outcomes in the project design;
 - (vii) The proposal should clarify how the requested financing is justified based on the full cost of adaptation reasoning;
 - (viii) The proposal should include a substantiation of the environmental and social policy (ESP) risk findings for the project in line with the ESP;
 - (ix) The proposal should include a complete budget; and
- c) Request Kemitraan to transmit the observations under subparagraph b) to the Government of Indonesia.

(Decision B.34/16)

Indonesia: Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province (Concept note; Partnerships for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Water/2019/1; US\$ 1,125,052)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the Partnerships for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- b) Request the secretariat to notify Kemitraan of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The project proposal should comprehensively screen the project activities for environmental and social impacts and risks and develop an environmental and social management plan that is commensurate with the impacts and risks identified in screening;
 - (ii) The project proposal should ensure that project execution costs are within the 9.5 per cent limit established by the Board;
 - (iii) The proponent should consider including payment for environmental services in the project proposal, if appropriate;
- c) Request Kemitraan to transmit the observations under subparagraph b) to the Government of Indonesia; and
- d) Encourage the Government of Indonesia to submit, through Kemitraan, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/17)

Indonesia: Reducing vulnerability and increasing the adaptation capacity of community through the improvement of irrigation management system and sustainable agricultural practices in responding to climate change impacts in lowland and estuary area in sub-district of Muara Sugihan and Air Sugihan, South Sumatera (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); IDN/NIE/Agric/2019/1; US\$ 1,000,000)

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

- a) Not endorse the concept note, as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;
- b) Suggest that Kemitraan reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The project proposal should prove its additionality as to repair the irrigation infrastructure through community cash-to-work methods, and including an assessment of other irrigation-related projects in Indonesia;
 - (ii) The proponent should specifically address cost-effectiveness and potential direct beneficiaries in the concept note; and

- c) Request Kemitraan to transmit the observations under subparagraph b) to the Government of Indonesia.

(Decision B.34/18)

Namibia: Nutritional Security in Namibia's Rural Food Production Systems in the Face of a Changing Climate (Concept note; Desert Research Foundation of Namibia (DRFN); NAM/NIE/Food/2019/1; US\$ 4,998,000)

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

- a) Endorse the concept note, as supplemented by the clarification responses provided by the Desert Research Foundation of Namibia (DRFN) to the request made by the technical review;
- b) Request the secretariat to notify DRFN of the observations in the technical review sheet annexed to the notification of the Board's decision; as well as the following recommendations:
 - (i) The fully-developed project proposal should demonstrate that the proposed interventions are commensurate with the scale of the challenge that the project aims to overcome;
 - (ii) The fully-developed project proposal should provide information on the beneficiaries in the target area;
 - (iii) The fully-developed project proposal should demonstrate the cost effectiveness of the project activities;
 - (iv) The fully-developed project proposal should demonstrate complementarity with other relevant initiatives;
- c) Approve, subject to the re-accreditation of DRFN by the Board, the project formulation grant of US \$ 30,000;
- d) Approve, subject to the re-accreditation of DRFN by the Board, the project formulation assistance grant of US\$ 20,000;
- e) Request DRFN to transmit the observations under subparagraph b) to the Government of Namibia; and
- f) Encourage the Government of Namibia to submit, through DRFN, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/19)

United Republic of Tanzania: Enhancing Climate Change Resilience of Coastal Communities of Zanzibar (Concept note; National Environment Management Council of Tanzania (NEMC); TZA/NIE/Water/2019/2; US\$ 1,000,000)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the National Environment Management Council of Tanzania (NEMC) to the request made by the technical review;
- b) Request the secretariat to notify NEMC of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should provide more information on the proposed mangrove restoration sites and on the suitability of environmental conditions for restoration, as well as on potential conflicts with increased tourism activities;
 - (ii) The fully-developed project proposal should provide more detailed analyses and justification on the effectiveness and suitability of investments in light of increased sea water intrusion;
 - (iii) The fully-developed project proposal should provide a detailed analysis of the costs and benefits, including the investment and maintenance cost, of the proposed measures, compared to other measures;
- c) Approve the project formulation grant of US \$30,000;
- d) Request NEMC to transmit the observations under subparagraph b) to the Government of the United Republic of Tanzania; and
- e) Encourage the Government of the United Republic of Tanzania to submit, through NEMC, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/20)

Proposals from Multilateral Implementing Entities (MIEs)

Regular proposals:

The Gambia: Rural Integrated Climate Adaptation and Resilience Building Project (RICAR)
(Concept note; World Food Programme (WFP); GMB/MIE/Rural/2019/1; US\$ 9,999,984)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the World Food Programme (WFP) to the request made by the technical review;
- b) Request the secretariat to notify WFP of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issue:

- (i) The fully-developed project proposal should further justify the resilient rural entrepreneurs' competition approach;
 - (ii) The fully-developed project proposal should clarify the selection of target areas and locations and the number of beneficiaries based on targeted consultations of vulnerable focus groups;
 - (iii) The fully-developed proposal should include relevant knowledge management outputs under component one;
- c) Request WFP to transmit the observations under subparagraph b) to the Government of the Gambia; and
 - d) Encourage the Government of the Gambia to submit, through WFP, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/21)

Kyrgyzstan: Resilient Pastoral Livelihoods Project-ADAPT (Concept note; International Fund for Agricultural Development (IFAD); KGZ/MIE/Agric/2019/1; US\$ 9,985,526)

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

- a) Not endorse the concept note, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- b) Suggest that IFAD reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The proposal should comply with the Gender Policy of the Adaptation Fund;
 - (ii) The proposal should strengthen the adaptation rationale and be based on the full cost of adaptation reasoning;
 - (iii) The proposal should comply with the Environmental and Social Policy of the Adaptation Fund; and
- c) Request IFAD to transmit the observations under subparagraph b) to the Government of Kyrgyzstan.

(Decision B.34/22)

Viet Nam: "Enhancing the resilience inclusive and sustainable eco-human settlement development through small scale infrastructure interventions in the coastal regions of the Mekong Delta" (Concept note; United Nations Human Settlements Programme (UN-Habitat); VNM/MIE/Urban/2019/1; US\$ 6,347,190)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) Request the secretariat to notify UN-Habitat of the observations in the technical review sheet annexed to the notification of the Board's decision;
- c) Request UN-Habitat to transmit the observations under subparagraph b) to the Government of Viet Nam; and
- d) Encourage the Government of Viet Nam to submit, through UN-Habitat, a fully-developed project proposal.

(Decision B.34/23)

Fully-developed proposals

Proposals from Regional Implementing Entities (RIEs)

Djibouti, Kenya, Sudan, Uganda: Strengthening Drought Resilience for Small Holder Farmers and Pastoralists in the IGAD Region (Fully-developed project; Sahara and Sahel Observatory (OSS); AFR/RIE/DRR/2017/1; US\$ 13,079,540)

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

- a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Sahara and Sahel Observatory (OSS) to the request made by the technical review;
- b) Approve the funding of US\$ 13,079,540 for the implementation of the project, as requested by OSS; and
- c) Request the secretariat to draft an agreement with OSS as the regional implementing entity for the project.

(Decision B.34/24)

Proposals from Multilateral Implementing Entities (MIEs)

Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan: Reducing Vulnerabilities of Populations in the Central Asia Region from Glacier Lake Outburst Floods in Changing Climate (Fully-developed project; United Nations Educational, Scientific and Cultural Organization (UNESCO); ASI/MIE/DRR/2015/1; US\$ 6,500,000)

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

- a) Not approve the fully-developed project proposal, as supplemented by the clarification responses provided by the United Nations Educational, Scientific and Cultural Organization (UNESCO) to the request made by the technical review;
- b) Suggest that UNESCO reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should update the project components and financing table as well the results framework to clearly specify proposed concrete adaptation measures;
 - (ii) The proponent should further elaborate on measures for the maintenance and longer-term sustainability of concrete interventions;
 - (iii) The proposal needs to align applicable technical standards with specific project activities they may apply to;
 - (iv) The proposal needs to revise the Environmental and Social Policy risk screening tool such that it complies with the Adaptation Fund reporting format;
 - (v) The proponent needs to submit a revised Environmental and Social Management Plan for the project such that it specifies the principles against which risks have been identified, the risk mitigation measures that are commensurate to the risks, the specific activities for which they are necessary, the responsible party and timeframe for implementation of mitigation measures;
 - (vi) The proposal needs to show how the project will ensure compliance with the Environmental and Social Policy of the Adaptation Fund for unidentified sub-projects; and
- c) Request UNESCO to transmit the observations under subparagraph b) to the Governments of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

(Decision B.34/25)

Armenia, Georgia: Increased Climate Resilience of South Caucasus Mountain Communities and Ecosystems through Wildfire Risk Reduction (Fully-developed project; United Nations Development Programme (UNDP); ASI/MIE/DRR/2018/PPC/1; US\$ 7,475,650)

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

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;

- b) Suggest that UNDP reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
- (i) The proposal should specify the nature of recommendations that the project will develop to support the updating of the bilateral "Agreement between the Republic of Georgia and the Republic of Armenia on cooperation in the field of prevention of natural and man-made disasters and elimination of their effects";
 - (ii) The proponent should revise the Environmental and Social Management Plan so that management measures listed are not restricted to a statement of intent; the proposal needs to ensure specificity in terms of the project activities that they relate to and clearly mention the assessments and management measures that have been conducted or are required to address potential risks;
 - (iii) The proposal should clearly list all activities and the relevant regulations and technical standards that apply to downstream pilot activities;
 - (iv) The proposal needs to clarify how the priority list of community level interventions will be sustained after project support has ended; and
- c) Request UNDP to transmit the observations under subparagraph b) to the Governments of Armenia and Georgia.

(Decision B.34/26)

Thailand, Viet Nam: Mekong EbA South: Enhancing Climate Resilience in the Greater Mekong Subregion through Ecosystem based Adaptation in the Context of South-South Cooperation (Fully-developed project; United Nations Environment Programme (UN Environment); ASI/MIE/Water/2016/1; US\$ 7,000,000)

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

- a) Not approve the fully-developed project, as supplemented by the clarification responses provided by the United Nations Environment Programme (UN Environment) to the request made by the technical review;
- b) Suggest that UN Environment reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision; and
- c) Request UN Environment to transmit the observations under subparagraph b) to the Governments of Thailand and Viet Nam.

(Decision B.34/27)

Concept proposals

Proposals from Multilateral Implementing Entities (MIEs)

Cambodia, Lao People's Democratic Republic, Myanmar, Thailand, Viet Nam: Groundwater Resources in the Greater Mekong Subregion: Collaborative Management to Increase Climate Change Resilience (Concept note; United Nations Educational, Scientific and Cultural Organization (UNESCO); ASI/MIE/Water/2015/1; US\$ 4,898,775)

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

- a) Endorse the concept note as supplemented by the clarification responses provided by the United Nations Educational, Scientific and Cultural Organization (UNESCO) to the request made by the technical review;
- b) Request the secretariat to notify the UNESCO of the observations in the technical review sheet annexed to the notification of the Board's decision;
- c) Approve the project formulation grant of US\$ 80,000;
- d) Encourage the Governments of Cambodia, Lao People's Democratic Republic, Myanmar, Thailand and Viet Nam to submit, through UNESCO, a fully-developed project proposal that would also address the observations under subparagraph b), above.

(Decision B.34/28)

Pre-concept proposals

Proposals from Regional Implementing Entities (RIEs)

Angola, Namibia: Resilience Building as Climate Change Adaptation in Drought Struck SouthWestern African Communities (Pre-concept note; Sahara and Sahel Observatory (OSS); AFR/RIE/Rural/2019/PPC/1; US\$ 11,878,580)

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

- a) Endorse the pre-concept note as supplemented by the clarification responses provided by the Sahara and Sahel Observatory (OSS) to the request made by the technical review;
- b) Request the secretariat to notify the OSS of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The concept note should outline the strategy to ensure that adaptation benefits achieved with the help of the project would be sustained after its end, enabling replication and scaling up with other funds;
 - (ii) The concept note should justify how the activities selected for the promotion of knowledge management and learning contribute to enriching the local and regional knowledge base on climate adaptation;
 - (iii) The concept note should explain in detail how the proposed Climate Change Action Centres would be tailored to the different contexts of Namibia and Angola,

whether and how they are to be sustained after the project, and how those or other organizations will support the long-term sustainability of project outcomes;

- c) Approve the project formulation grant of US\$ 20,000;
- d) Request the OSS to transmit the observations under subparagraph b) to the Governments of Angola and Namibia; and
- e) Encourage the Governments of Angola and Namibia to submit, through OSS, a concept note that would also address the observations under subparagraph b), above.

(Decision B.34/29)

Benin, Burkina Faso, Côte d'Ivoire, the Gambia, Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo: Scaling-up Climate-Resilient Rice Production in West Africa (Pre-concept note; Sahara and Sahel Observatory (OSS); AFR/RIE/Food/2019/PPC/1; US\$ 13,955,270)

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

- a) Endorse the pre-concept note as supplemented by the clarification responses provided by the Sahara and Sahel Observatory (OSS) to the request made by the technical review;
- b) Request the secretariat to notify OSS of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The project should assess the multiple drivers (economical, organizational, etc.) of low rice productivity in the region beyond the effects of climate change;
- c) Approve the project formulation grant of US \$20,000;
- d) Request OSS to transmit the observations under subparagraph b) to the Governments of Benin, Burkina Faso, Côte d'Ivoire, the Gambia, Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo; and
- e) Encourage the Governments of Benin, Burkina Faso, Côte d'Ivoire, the Gambia, Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo to submit, through OSS, a concept note that would also address the observations under subparagraph b), above.

(Decision B.34/30)

Proposals from Multilateral Implementing Entities (MIEs)

Antigua and Barbuda, Dominica, Saint Lucia: Increasing resilience of the education system to climate change impacts in the Eastern Caribbean region (Pre-concept note; United Nations Human Settlements Programme (UN-Habitat); LAC/MIE/Urban/2019/PPC/1; US\$ 14,000,000)

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

- a) Endorse the pre-concept note as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) Request the secretariat to notify UN-Habitat of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The concept note should specify the adaptation measures to be adopted within each of the target countries;
 - (ii) The concept note should provide further information with regard to the innovative elements of the planned adaptation measures;
 - (iii) The concept note should provide a better-informed account of the overall sustainability of the project with respect to the long-term impact of the planned implementation activities;
- c) Approve the project formulation grant of US\$ 20,000;
- d) Request UN-Habitat to transmit the observations under subparagraph b) to the Governments of Antigua and Barbuda, Dominica, and Saint Lucia; and
- e) Encourage the Governments of Antigua and Barbuda, Dominica, and Saint Lucia to submit, through UN-Habitat, a concept note that would also address the observations under subparagraph b), above.

(Decision B.34/31)

Azerbaijan, Islamic Republic of Iran: Urbanization and Climate Change Adaptation in the Caspian Sea Region (Pre-concept note; United Nations Human Settlements Programme (UN-Habitat); ASI/MIE/Urban/2019/PPC/1; US\$ 14,000,000)

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

- a) Endorse the pre-concept note as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- b) Request the secretariat to notify UN-Habitat of the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The concept note should explain how the project plans to scale-up to other countries in the region and what that scaling-up mechanism would look like;
 - (ii) The concept note should provide further details on the concrete adaptation measures to be implemented in the target communities;

- (iii) The concept note should explain how capacity building will be organized at the local, national and regional level;
- c) Approve the project formulation grant of US\$ 20,000;
- d) Request UN-Habitat to transmit the observations under subparagraph b) to the Governments of Azerbaijan and Islamic Republic of Iran; and
- e) Encourage the Governments of Azerbaijan and Islamic Republic of Iran to submit, through UN-Habitat, a concept note that would also address the observations under subparagraph b), above.

(Decision B.34/32)

MIE aggregator programme proposals

(a) Proposal for Special Financing Window in Support of Innovation for Adaptation

Multiregional: Special Financing Window in Support of Innovation for Adaptation (Fully-developed project; United Nations Environment Programme (UN Environment); GLO/MIE/Multi/2019/1/Innovation; US\$ 5,000,000)

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

- a) Approve the fully-developed programme proposal, as supplemented by the clarification responses provided by the United Nations Environment Programme (UN Environment) to the request made by the technical review;
- b) Approve the funding of US\$ 5,000,000 for the implementation of the programme, as requested by UN Environment; and
- c) Request the secretariat to draft an agreement with UN Environment as the multilateral implementing entity for the programme.

(Decision B.34/33)

(b) Proposal for Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP)

Multiregional: Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP) (Fully-developed project; United Nations Development Programme (UNDP); GLO/MIE/Multi/2019/2/Innovation; US\$ 5,000,000)

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

- a) Approve the fully-developed programme proposal, as supplemented by the clarification responses provided by the United Nations Development Programme (UNDP) to the request made by the technical review;

- b) Approve the funding of US\$ 5,000,000 for the implementation of the programme, as requested by UNDP; and
- c) Request the secretariat to draft an agreement with UNDP as the multilateral implementing entity for the programme. Prior to the signature of the agreement, UNDP should submit to the Board a revised programme proposal, including the following:
 - (i) A section on the visibility of the Fund; and
 - (ii) A note on UNDP's proactive role on identifying small innovation projects for consideration under the Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP), using its existing networks and initiative, with the participation of the beneficiaries' countries.

(Decision B.34/34)

Innovation small grant project proposals

Armenia: Engaging Future Leaders: Digital Education Module on Adaptation Challenges and Best Practices for Youth (Innovation small grant; Environmental Project Implementation Unit (EPIU); ARM/NIE/DRR/2019/1/Innovation; US\$ 231,250)

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

- a) Approve the innovation small grant, as supplemented by the clarification responses provided by the Environmental Project Implementation Unit (EPIU) to the request made by the technical review;
- b) Approve the funding of US\$ 231,250 for the implementation of the project, as requested by EPIU; and
- c) Request the secretariat to draft an agreement with EPIU as the national implementing entity for the project.

(Decision B.34/35)

Chile: Water Security: Improving Water Access during Emergency Situations in San Antonio Province, Region Valparaíso (Innovation small grant; Chilean International Cooperation Agency for Development (AGCID); CHL/NIE/Water/2019/1/Innovation; US\$ 230,000)

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

- a) Approve the innovation small grant, as supplemented by the clarification responses provided by Chilean International Cooperation Agency for Development (AGCID) to the request made by the technical review;
- b) Approve the funding of US\$ 230,000 for the implementation of the project, as requested by AGCID; and

- c) Request the secretariat to draft an agreement with AGCID as the national implementing entity for the project.

(Decision B.34/36)

United Republic of Tanzania: Piloting Climate Resilience Livelihood Systems in Runyinya Village, Kyerwa District (Innovation small grant; National Environment Management Council (NEMC); TZA/NIE/Rural/2019/1/Innovation; US\$ 250,000)

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

- a) Not approve the innovation small grant, as supplemented by the clarification responses provided by the National Environment Management Council (NEMC) to the request made by the technical review;
- b) Suggest that the NEMC reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision; and
- c) Request the NEMC to transmit the observations under item b) to the Government of the United Republic of Tanzania.

(Decision B.34/37)

Report of the secretariat on initial screening/technical review of project scale-up grant proposals

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

- a) That proposals for project scale-up grants should be submitted for consideration by the Board during the regular meetings of the Board;
- b) To align the review cycle for project scale-up grants with the regular review cycle for concrete projects and programmes;
- c) To request the secretariat to continue to review project scale-up grants in line with the review cycles for concrete projects and programmes at regular meetings of the Board;
- d) To request the PPRC to consider, at its twenty-eighth meeting, the possibility of including an intersessional review cycle for project scale-up grants;
- e) To request the secretariat to inform national implementing entities (NIEs) and other stakeholders by sending a notification about the arrangements outlined in subparagraphs (a) – (c) and to make the calendar of upcoming regular review cycles for project scale-up grants available on the Fund's website;
- f) To approve the updated documents related to the submission and review of project scale-up grant proposals as follows:

- (i) The application form and accompanying instructions for preparing a request for project scale-up grant funding from the Fund;
 - (ii) The project review template;
 - (iii) The project screening review sheet; and
- g) To request the secretariat to post on the Fund's website for use by NIEs that wish to submit proposals for project scale-up grants, the updated application form and accompanying instructions for preparing a request for project scale-up grant funding from the Fund.

(Decision B.34/38)

Scale-up grant project proposals

Rwanda: Reducing Vulnerability to Climate Change in North West Rwanda through Community Based Adaptation (Project scale-up grant; Ministry of Environment of Rwanda (MoE); RWA/NIE/Rural/2019/1/Scale-up; US\$ 99,000)

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

- a) Approve the application by the Ministry of Environment of Rwanda (MoE) for a grant to develop a scale-up proposal for the project titled: "Reducing Vulnerability to Climate Change in North West Rwanda through Community Based Adaptation" as requested by MoE;
- b) Approve the funding of US\$ 99,000 for the development of a scale-up proposal for the above-mentioned project; and
- c) Request the secretariat to draft an agreement with MoE as the National Implementing Entity for the requested project scale-up grant. The agreement should include a commitment by MoE to acknowledge the support received from the Adaptation Fund in the project proposal for scale-up and include the Fund's logo and other recognition in all documents related to implementation of the scaled-up project.

(Decision B.34/39)

Senegal: Adaptation to coastal erosion in vulnerable areas (Project scale-up grant; *Centre de Suivi Ecologique* (CSE); SEN/NIE/Coastal/2019/1/Scale-up; US\$ 99,937)

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

- a) Not approve the project, as supplemented by the clarification responses provided by the *Centre de Suivi Ecologique* (CSE) to the request made by the technical review;
- b) Suggest that CSE reformulate the proposal taking into account the observations in the technical review sheet annexed to the notification of the Board's decision, as well as the following issues:

- (i) The proposal should clarify what elements from the terminal evaluation have been taken into consideration in the project scale-up grant proposal;
 - (ii) The proponents should comply with the Fund's policy on implementing entity management fees in relation to audit costs and should also provide a justification for the proposed translation costs;
 - (iii) The proponent should identify potential source(s) of finance for scaling-up the identified completed project components and/or aspects in line with the Fund's eligibility criteria for project scale-up grants;
 - (iv) The proponent should provide a description of the process flow leading to scale-up;
- c) Request CSE to transmit the observations under item b) to the Government of Senegal; and
 - d) Request the secretariat to notify CSE of the observations in the review sheet annexed to the notification of the Board's decision, as well as the observations under subparagraph b), above.

(Decision B.34/40)

Report of the secretariat on initial screening/technical review of learning grant proposals

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

- a) That proposals for learning grants should be submitted for consideration by the Board during the regular meetings of the Board;
- b) To align the review cycle for learning grants with the regular review cycle for concrete projects and programmes;
- c) To request the secretariat to continue to review learning grants in line with the review cycles for concrete projects and programmes at regular meetings of the Board;
- d) To request the PPRC to consider, at its twenty-eighth meeting, the possibility of including an intersessional review cycle for learning grants;
- e) To request the secretariat to inform national implementing entities (NIEs) and other stakeholders by sending a notification about the arrangements outlined in subparagraphs (a) – (c) and to make the calendar of upcoming regular review cycles for learning grants available on the Fund's website;
- f) To approve the updated documents related to the submission and review of learning grant proposals as follows:
 - (i) The application form and accompanying instructions for preparing a request for learning grant funding from the Fund;
 - (ii) The project review template; and

- g) To request the secretariat to post on the Fund's website for use by NIEs that wish to submit proposals for learning grants, the updated application form and accompanying instructions for preparing a request for learning grant funding from the Fund.

(Decision B.34/41)

Learning grant project proposals

Senegal: Grant to facilitate learning and knowledge sharing (Learning grant; *Centre de Suivi Ecologique* (CSE); SEN/NIE/Multi/2019/1/Learning; US\$ 149,993)

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

- a) Not approve the project, as supplemented by the clarification responses provided by the *Centre de Suivi Ecologique* (CSE) to the request made by the technical review;
- b) Suggest that CSE reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The proposal should provide more information on the sustainability of proposed learning activities post-grant;
 - (ii) The proponent should provide clarification on how proposed learning activities tie in with knowledge and learning products produced under the Fund-financed projects implemented by CSE;
 - (iii) The proposal should consider expanding the reach of the learning products from the help desk beyond just the local and national stakeholders;
 - (iv) The proponent should explain how to operationalize proposed new assessments and knowledge products and to detail more on how these will be disseminated;
- c) Request CSE to transmit the observations under item b) to the Government of Senegal; and
- d) Request the secretariat to notify CSE of the observations in the review sheet annexed to the notification of the Board's decision, as well as the observations under subparagraph b), above.

(Decision B.34/42)

Agenda Item 8: Report of the twenty-fifth meeting of the Ethics and Finance Committee (EFC)

74. Ms. Sheida Asgharzadeh Ghahroudi (Islamic Republic of Iran, Asia-Pacific), Chair of the EFC, and Mr. Mattias Broman (Sweden, Annex I Parties), Vice-Chair of the EFC presented the report of the EFC (AFB/EFC.25/L.1).

75. Following the report, the Board discussed a range of issues. The representative of the trustee provided further information on carbon tax schemes, emissions trading and carbon offsets. Recalling that the AF-TERG work programme was still taking shape, a member emphasized the importance of sustainability for projects, the need to develop the concept of adaptation based on the concrete experiences of the Fund, and the value of metrics and indicators that can quantify adaptation and make it comparable to other indicators for development. The Chair of the AF-TERG said she would consider how to use the suggestion and invited Board members to work with the AF-TERG. She also noted the AF-TERG may reach out to members for brief interviews.

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

Annual performance report

77. Having considered the comments and recommendation of the Ethics and Finance Committee (EFC), the Adaptation Fund Board decided to:

- a) Approve the Adaptation Fund's Annual Performance Report (APR) for the fiscal year 2019, as amended based on comments by the EFC and contained in document AFB/EFC.25/3/Rev.1;
- b) Request the secretariat to prepare a summarized version for the general public in a reader friendly format, following the approval of the APR by the Board; and
- c) Request the secretariat to include in the reporting requirements of the APR for the fiscal year 2020 the following additional information:
 - (i) countries that have reached or almost reached the country cap;
 - (ii) a table of project extension requests received, including the stated reasons for the requests;
 - (iii) the number of waitlisted projects; and
 - (iv) reporting on the Fund level strategic outcomes that would link, if possible, financial investments towards those outcomes with project results achieved through those investments.

(Decision B34/43)

Revision of the results tracker and an updated guidance on the revised results tracker

78. Having considered the comments and recommendation of the Ethics and Finance Committee (EFC), the Board decided to:

- a) Approve the amendments made to the project/programme performance report (PPR) template, as contained in Annex 1 to document AFB/EFC.25/4/Rev.1;
- b) Approve the guidance document for implementing entities (IEs) on the results tracker, as contained in Annex 2 to document AFB/EFC.25/4/Rev.1;

- c) Request the secretariat to inform IEs of the amendments to the PPR template and to make available the amended template and the guidance document, referred to above, on the Adaptation Fund website; and
- d) Request the secretariat to revise the Draft Guidance to Complete PPRs as contained in document AFB/EFC.9/4/Add.1, to align it with the new PPR template and to circulate it for intersessional approval by the Board between the Board's thirty-fourth and thirty-fifth meetings.

(Decision B.34/44)*Further analysis of project inception delays*

79. Having considered the comments and recommendation of the Ethics and Finance Committee (EFC), the Board decided to:

- a) Approve the form for notification of delay of project/programme inception as contained in Annex II to document AFB/EFC.25/5;
- b) Request the implementing entity that experiences delay in its project inception to submit, to comply with its notification requirement as described in the Policy for Project/Programme Delays, the form referred to in subparagraph a) to the Board through the secretariat;
- c) Request the secretariat to revise the Policy for Project/Programme Delays by reflecting the changes as referred to in subparagraphs a) and b), and present the revised Policy for Project/Programme Delays for intersessional approval by the Board between its thirty-fourth and thirty-fifth meetings; and
- d) Request the secretariat to prepare a document which contains options for dealing with project inception delays, including measures to ensure compliance with the Policy for Project/Programme Delays and to address significant delays, and to present it at the twenty-seventh meeting of the Ethics and Finance Committee for consideration.

(Decision B.34/45)*Assessment of the accreditation standards of the Green Climate Fund, including a gap analysis*

80. Having considered the comments and recommendation of the Ethics and Finance Committee (EFC), the Board decided to:

- a) Take note of the gap analysis contained in document AFB/EFC.25/6 and in particular that:
 - (i) the Green Climate Fund (GCF) accreditation procedures as at 1 September 2019 continue to be consistent with those of the Fund;
 - (ii) the previous gap analysis as contained in AFB/EFC.19/7/Rev.1 is valid; and
 - (iii) the summary of the previous gap analysis conclusions continues to be the guideline used by the Accreditation Panel of the Fund during the fast-track accreditation and re-accreditation processes;

- b) Take note of the Accreditation Panel's request to engage in discussions with the GCF Accreditation Panel facilitated by the secretariats of the Adaptation Fund (the secretariat) and of the GCF, to improve the efficiency of the fast-track accreditation and fast-track re-accreditation processes;
- c) To request the secretariat to initiate discussion with the GCF secretariat with a view to facilitating the exchanges between the accreditation panels of the two funds; and
- d) To request the secretariat to assess, in collaboration with the Accreditation 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.

(Decision B.34/46)

Agenda Item 9: Procedural steps for receiving contributions from alternative sources

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

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

82. The manager of the secretariat reported on the trends in project and programme funding throughout the Board meetings, the trends in resource mobilization and projected targets and funding, and the options for modifying the country cap which are more fully described in document AFB/B.34/7. The proposed options were either not to increase in the country cap, or to increase it by US\$ 5 million, 10 million or 20 million. The manager also noted the tendency for proponents to apply for project funding that was close to the maximum allowed under a country's cap either by proposing a single project or several smaller projects. If the Board were to increase the country cap, a similar trend could be expected, and proponents might submit projects with requested funding that was close to the new cap. It was therefore proposed that if the country cap was raised for example, by US\$ 10 million to US\$ 20 million, then a cap of US\$ 10 million could also be placed on each project or proposal being submitted. The manager added that, in order to ensure an equitable distribution of funding with respect to regional projects programmes, the Board might wish to consider instituting a system of complementing regional funding with funding from within the individual countries' caps when they participated in a regional project or programme.

83. It was observed that these were important issues as there were countries that had reached or were close to reaching their country cap and would find it difficult to undertake new activities. It was suggested that of the options presented, it was preferable to increase the cap to US\$ 20 million and to limit the size of projects or cap the funding for individual projects or programmes at US\$ 10 million. However, more information was sought on how the link between funding from the country cap and funding for regional projects would operate.

84. Following a query about the effect of deferring consideration of the agenda item, the manager of the secretariat explained that according to the Rules of Procedure, any agenda item that could not be closed was automatically placed on the agenda of the subsequent meeting of the Board.

85. In view of the lack of time the Board agreed to defer consideration of the issue until its thirty-fifth meeting.

Agenda Item 11: Issues remaining from the thirty-third meeting

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

86. The Chair invited the secretariat to introduce document AFB/B.34/8. In its presentation, the secretariat recounted the ongoing discussions with the GCF to advance the collaborative activities and explore the options for fund-to-fund arrangements in line with decision B.32/41. The discussions have taken place on two levels: through dialogue between the AFB Chair and Vice-Chair with the Co-chairs of the GCF Board, both exclusively and in the context of the annual dialogue among the various climate funds, and through ongoing discussions between the secretariats of the Fund and the GCF. The presentation by the secretariat highlighted the key policy and legal considerations, and noted that the GCF Secretariat had sought legal advice in relation to potential 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. It was also noted that the GCF Secretariat had shared the first draft of the opinion with the Adaptation Fund secretariat. The secretariat also highlighted the four options for fund-to-fund arrangements, as described in document GCF/B.22/09 and its Annex 1.

87. During the discussion, Board members raised a number of issues and concerns, including: the need for further analysis of the legal and practical implications for the four options; the need for further clarification on liability issues, since the two funds have different legal structures; and how the proposed plans would impact the Fund's Rules of Procedure and its overall environment. Members underscored that some of the proposed options would require a memorandum of understanding and noted that some of the proposed work was already underway, such as on accreditation and readiness.

88. Having considered the ongoing efforts to enhance complementarity between the Green Climate Fund and the Adaptation Fund, the Board decided to:

- a) Continue consideration of the four options for fund-to-fund arrangements, as described in document GCF/B.22/09 and its Annex 1, from the perspective of whether they are comprehensive of all potentially feasible options of operational linkages between the Green Climate Fund (GCF) and the Adaptation Fund (the Fund);
- b) Take note of the information that an independent legal analysis is being undertaken by the GCF with a view to producing, as its expected outcome, the independent legal opinion for the GCF to determine whether any potential legal arrangements between the GCF and the Fund are implementable;
- c) Request the secretariat to report to the Board at its thirty-fifth meeting, on any available information related to the legal analysis referred to in subparagraph b) to be received from the GCF secretariat;
- d) Defer its consideration on the four options referred to in subparagraph a), pending the GCF's issuance of the legal opinion referred to in subparagraph b).
- e) Request the Chair and Vice-Chair to continue to actively engage, assisted by the secretariat, in a structured conversation with the GCF Board, with a view to exploring and

taking concrete steps to advance the options for fund-to-fund arrangements described in document GCF/B.22/09 and its Annex I;

- f) Request the secretariat to continue discussions with the GCF secretariat to advance the collaborative activities identified at the Annual Dialogue in November 2017, the Technical Workshop in February 2018 and the informal meetings between the Chair and Vice-Chair of the AFB and the Co-Chairs of the GCF in May and September 2018 and at the margins of the of the twenty-fourth session of the Conference of Parties to the United Nations Framework Convention on Climate Change (COP 24) held in Katowice, Poland; and
- g) Request the Chair and the secretariat to report to the Board at its thirty-fifth meeting on the progress made in the activities described in subparagraphs e) and f).

(Decision B.34/47)

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

89. The manager of the secretariat introduced a letter that had been received a year previously from the African Development Bank, also on behalf of the Asian Development Bank, the Inter-American Development Bank and the World Bank, that outlined the difficulties that those Multilateral Development Banks (MDBs) experienced in accessing Fund resources, allegedly due to the operational policies and guidelines of the Adaption Fund. While the letter had been on the agenda of the thirty-third meeting there had not be sufficient time available to discuss the issue due to the heavy agenda of the meeting at that time.

90. It was observed that if the Board made an exception to its operational policies and guidelines it needs to apply evenly to all other implementing entities. The Board did not wish to weaken the standard legal agreement that it signed with the implementing entities or its operational policies and guidelines. Dismay was expressed at the suggestion that the MDBs would not be required to return unspent funds to the Adaptation Fund and were proposing only to return uncommitted funding, regardless of the reason for requesting the return of the funding. It was asked what MDBs meant by 'uncommitted', and it was pointed out that the MDBs asked countries for an exact accounting of the funding they had granted and insisted on the return of any funds for which there were accounting discrepancies. The issue was one of risk management and it was unreasonable for the Fund to bear that risk instead of the MDBs. It was important not to give a 'blank cheque' to the MDBs and more information was requested on the internal processes and controls that they used themselves.

91. The representative of the trustee explained how the term 'uncommitted funding' was used by the trustee. He said for the trustee 'uncommitted' funds were those funds that were held by the trustee and had not yet been committed to any particular project or programme, or other activity, on the instructions from the Board. However, he said that the MDBs appeared to be referring to funds that had been committed by them to a particular client. With respect to refunds to the trust fund he said that once the Board had determined that an implementing entity was to refund money to the Fund the trustee would send the banking details to the implementing entity so that it could transfer the money to the trustee which would then be credited to the Trust Fund once they were received.

92. In response to the request by the secretariat for advice on how to respond to the letter it was suggested that there was no need for the Board to reply to it; responding to such a letter would be perceived as willingness to engage in the topic of modifying the Fund's operational policies and guidelines, which the Board was not prepared to do. The MDBs could write again when they had more constructive suggestions to offer on the understanding that the secretariat would only convey any additional information to the Board if it was important. The secretariat could respond to the letter with a summary of the Board's discussion, but the Board should not instruct the secretariat to continue communicating with the MDBs, but rather the secretariat should simply report to the Board on any matters arising from the letter.

93. The Adaptation Fund Board decided:

- a) To take note of the letter dated 10 October 2018, from the Multilateral Development Banks (MDBs), namely the African Development Bank (AfDB), the Asian Development Bank (ADB), the Inter-American Development Bank (IADB) and the World Bank, addressed to the Adaptation Fund Board, attached as Annex to the report of the thirty-fourth meeting of the Board; and
- b) To request the secretariat to prepare a response to the letter referred to in subparagraph a) to be signed off by the Chair of the Board which contains the summary of the Board's discussion on this matter during its thirty-fourth meeting and to send it to the MDBs on behalf of the Board.

(Decision B.34/48)

Agenda Item 12: Issues arising from the fourteenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 14), and the third part of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1-3)

94. The secretariat provided an overview of the documents prepared for the item: AFB/B.34/9, AFB/B.34/9/Add.1/Rev.1 (draft amendment of terms and conditions between the CMP and the World Bank as the interim trustee); AFB/B.34/9/Add.2 (the trustee's cover note on terms and conditions); AFB/B.34/9/Add.3 (the draft amendment of the MoU between the CMP and the GEF Council regarding secretariat services to the Adaptation Fund Board); and, AFB/B.34/9/Add.4 (the Board's consideration on the matter of the Rules of Procedure of the Board). These documents were prepared to help the Board 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. Other relevant information documents were also introduced: 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 OPG)).

95. The secretariat's presentation reviewed the arrangements of the Fund with respect to the Paris Agreement and provided a recap of board discussions at its last meeting (B.33.b), noting the general consensus on the importance of ensuring the predictability and sustainability of arrangements for the trustee and secretariat services. The secretariat's presentation reviewed procedural steps for timely renewal and amendment for the memorandum of understanding (MoU)

with the Global Environment Facility (GEF) and those for the terms and conditions between the CMP and the World Bank as the interim trustee, as well as the implications of the Fund receiving the share of proceeds from activities under the Kyoto Protocol when the Fund serves the Paris Agreement. The presentation also included (i) a review of the Fund's governing instruments, policies and guidelines regarding the CMP task of 'any other matter so as to ensure the Fund serves the Paris Agreement smoothly; and (ii) the consideration of the Rules of the Procedure of the Board.

96. Regarding the task of the 'arrangements of the Fund with respect to the Paris Agreement,' the secretariat presented a draft amendment of the terms and conditions for trustee services to the Board (Document AFB/B.34/9/Add.1/Rev.1) for its approval and recommended that the Board submit its recommendation to the CMP to adopt the amendment of the terms and conditions at its fifteenth session in December 2019. The amendment was prepared by the World Bank as the interim trustee, in consultation with the Adaptation Fund Board secretariat and the UNFCCC Secretariat under the guidance from the Task Force established in decision B.33/52. The secretariat explained that the amendments of the terms and conditions are 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).

97. In addition, the secretariat submitted a draft amendment of the institutional arrangement (MoU) with the Global Environment Facility (GEF) for Secretariat services to the Board (Document AFB/B.34/9/Add.3) for its approval and recommended that the Board submit its recommendation to the CMP to adopt the amendment of the MOU at its fifteenth session in December 2019. The amendment 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 established in decision B.33/52. The amendments are mainly related to: (i) adding the recital of subparagraph 1 of decision 13/CMA.1 and subparagraph 2 of decision 1/CMP.14 in the Preamble of the MoU; (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 (I) and 7; (v) correcting the typo of 'withdraw' into 'withdraw from' in Article 6; and (vi) deleting the outdated and completed task of CMP's review of MOU at its sixth session in 2010 in Article 7.

98. Regarding the Rules of Procedure of the Board which was established based upon Decision 1/CMP.3, the secretariat presented its analysis to the Board for its consideration and recommendation. It recalled that: (i) the revision of the Rules of Procedure needs to be adopted by the CMP to be effective; (ii) during the additional meeting (B.33.b) in June 2019, there was a general consensus that considering that the Fund is in the '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, but some provisions were linked to CMP decisions expected at its fifteenth session in December 2019, such as the eligibility for membership on the Board. The Board then concluded that rather than presenting partial revisions of the Rules of Procedure to the CMP, desirable to present to the CMP its consideration on this matter to fulfil the mandate.

99. In accordance with the Board conclusions at its additional meeting in June 2019, the secretariat presented the consideration of the rules of procedure in two categories: (i) the provisions that are closely linked to anticipated CMP decisions related to, inter alia, the eligibility for Board membership; and (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.

For the first, the secretariat suggested that the provisions may be affected by future CMP decision on 'the eligibility for membership on the Board,' and that it could be prudent to determine the revision of the sections after relevant SBI considerations and CMP decision(s) are made. For the latter, the secretariat provided examples of the provisions which could be updated without considering the future CMP decisions. In addition, the secretariat also indicated unclear issues related to the Rules of Procedure, such as Section XVIII (Amendments to Rules of Procedure) and Section XIX (Overriding Authority of the Kyoto Protocol). The secretariat referred to document AFB/B.34/9/Add.4 for further details.

100. With respect to the CMP task 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,' the secretariat recalled the focus of the Board discussion and the trustee's presentation at the additional meeting in June 2019. The trustee's report was reemphasized 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 T&Cs maintains the authorization to the trustee to continue to sell these CMP assets.¹ The secretariat referred to document AFB/B.34/9/Add.5 for further details.

101. Regarding the CMP task of the Board's consideration of 'any other matter so as to ensure the Fund serves the Paris Agreement smoothly,' the secretariat presented that the review of the Fund's governing instruments, policies and guidelines led to the conclusion that: (i) most of Fund's policies, guidelines and core instruments do not appear to require immediate major revisions as they well serve their purpose and are undergoing or will go through update process as schedule and/or when the need arises; and (ii) it may not be advisable 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 fifteenth session in December 2019. The secretariat referred to document AFB/B.34/9/Add.5 for further details.

102. The secretariat also drew the Board's attention on 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 also informed the Board that it has recently received an official letter from the national government of a country on its interest in accessing the AF funding and nomination of the 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 it is undergoing the ratification process domestically according to the government. The secretariat explained that the country cannot be considered as 'eligible Party for funding from the Adaptation Fund' as of the date of the receipt of the letter because it is not a Party to the Kyoto Protocol. However, the secretariat emphasized that the question would arise: when the country completed the ratification process for the Paris Agreement and becomes the Party to the Paris Agreement, whether this country could be considered 'eligible Party for funding from the Adaptation Fund' or not. The secretariat indicated that 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

¹ See Annex I to document AFB/B.33.b/3, Discussion Note prepared by the Trustee

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. The secretariat mentioned that additional guidance or clarification from CMP and/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.

103. The secretariat responded to a range of questions and comments. On the role played by the Task Force in developing the documents, the secretariat noted that they had been shared with Task Force members for guidance and input, who had communicated their reflections with few objections. Concern was expressed that the Board members had not been sufficiently active in shaping the draft decisions. Some Task Force members responded by recalling that they have received several drafts of the documents from the secretariat in the process, noting that most had been thoroughly prepared and did not require additional commentary. Task Force also thanked the secretariat's efforts to keep the Task Force updated on the progress of the development of the document throughout the process. Board members also sought additional details on how Article 6 of the Paris Agreement would operate in relation the Fund. Upon the request of the Board on further refinement on the issue 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' and the issue of 'any other matter so as to ensure the Fund serves the Paris Agreement smoothly,' the secretariat prepared and presented the document AFB/B.34/9/Add.5.

104. On whether the amendment to broaden the services of the trustee would be implementable during the transition period, the secretariat said it would be implementable at that time but not during the post-transitional period. In addition, the agreement had not set a termination date, since the date for the 'trigger' to serve the agreement is not yet known. The secretariat re-emphasized that the one of the rationales behind the so-called 'open-ended' agreements for secretariat and trustee services is to minimize gap in secretariat or trustee services.

105. In response to the continuing discussion, the secretariat presented document AFB/B.34/9/Add.6, which contained the Board's recommendations for actions to be taken by the CMP to be included in the Addendum to the Board's Report to the CMP at its fifteenth session.'

106. Having considered decision 1/CMP.14, documents AFB/B.34/9, AFB/B.34/9/Add.1/Rev.1, AFB/B.34/9/Add.2, AFB/B.34/9/Add.3, AFB/B.34/9/Add.4, AFB/B.34/9/Add.5 and AFB/B.34/9/Add.6, as well as the discussions at its 34th meeting in October 2019, the Adaptation Fund Board (the Board) decided to:

- a) Approve the amendment of the Terms and Conditions of the trustee services to be provided by the World Bank as interim Trustee (T&Cs) as contained in document AFB/B.34/9/Add.1/Rev.1 and submit its recommendation to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its fifteenth session in December 2019 that the CMP adopt the amendment of the T&Cs at the fifteenth session for the timely extension of the arrangement for the trustee services beyond May 2020;
- b) Approve the amendment of the institutional arrangement (MoU) with Global Environmental Facility (GEF) for Secretariat services to the Board as contained in document AFB/B.34/9/Add.3 and submit its recommendation to the CMP at its fifteenth session that the CMP adopt the amendment of the MoU with GEF at the fifteenth session for the timely extension of the arrangement for the secretariat services beyond May 2020;

- c) Include the summary of the Board's consideration of the Rules of Procedure of the Adaptation Fund Board as contained in document AFB/B.34/9/Add.4 in the addendum to the Report of the Board to the CMP at the fifteenth session;
- d) Include the summary of the Board's consideration of the following matters as contained in document AFB/B.34/9/Add.5 in the addendum to the Report of the Board to CMP at its fifteenth session:
 - (i) '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
 - (ii) 'any other matter so as to the Fund serves the Paris Agreement smoothly';
- e) Include the 'Board's recommendations for actions to be taken by the CMP' at its fifteenth session as contained in document AFB/B.34/9/Add.6 in the addendum to its report to the CMP at its fifteenth session; and
- f) Include, in the addendum to its Report to the CMP at its fifteenth session, the Board's invitation to the CMP and/or the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) to provide guidance 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) which was adopted by Decision 1/CMP4.

(Decision B.34/49)

Agenda Item 13: Review of the project and programme review process

107. The representative of the secretariat said that at its twenty-fourth meeting the PPRC had identified a number of issues related to the time allowed for the review cycle and had recommended that the Board request the secretariat to undertake a review of the project and programme review process (decision B.33/10). She then introduced document AFB/B.34/10, which had been prepared pursuant to that decision and which reviewed the project and programme review process and contained options for improving the review cycle.

108. It was observed that the trend with the PPRC workload had been showing a consistent increase. It was suggested that some efficiencies could be achieved by reducing the time that was spent discussing proposals that had not actually been recommended for approval or endorsement. It was suggested that it might be better for the secretariat not to present such proposals until they had been revised and all outstanding issues resolved. There was also a need to standardize the language in the confidential document circulated by the secretariat with respect to both the decision language and the description of the review process. The PPRC had been efficient in its work; the problem was that the time required for the examination and review of the projects and programmes was insufficient.

109. If the Board was to continue to receive information on the proposals not recommended for endorsement or approval, then that information should be presented as a package by the secretariat. However, it was pointed out that under some circumstances there might be some value in having the Board consider proposals that had not been recommended for endorsement or approval, especially when the proposals were new and innovative. That would allow the Board to shape the discussion in a niche that the Fund was developing on innovation. Looking at all the

proposals had merit as it allowed the Board to see the main trends in the projects for innovation and sustainability as they related to adaptation and internationally significant projects. It was important not to diminish the image of the Fund when improving the efficiency of the project review process. A Board member expressed full confidence in the work of the secretariat. It was suggested that rather than requiring the secretariat to defend the proposals, the implementing entities could also be asked to defend their own projects, perhaps by participating remotely in the deliberations of the PPRC. The representative of the secretariat explained that one way forward was that in addition to discussing those proposals that had been technically recommended by the secretariat, members of the Board could request the PPRC to discuss any of the proposals that were contained in the summary of the projects and programmes that had been reviewed by the secretariat.

110. The representative of the secretariat explained that all the documents before the PPRC were also circulated to the Board by the secretariat and that it would be possible for a Board member to request that the PPRC consider any project that had not been recommended for approval by the secretariat ahead of the PPRC meeting.

111. Having considered document AFB/B.34/10, the Adaptation Fund Board decided to:

- a) Request the Project and Programme Review Committee (PPRC) to pilot discussing technically-recommended pre-concepts, concepts and fully-developed project proposals for concrete adaptation projects only, with the understanding that the Board members may request discussion at the PPRC meeting on any proposal that has not been technically recommended;
- b) Request the PPRC to continue discussing innovation grants, project scale-up grants and learning grants, and other proposals from any new funding windows; and
- c) Request the secretariat to prepare a document which contains options for further supporting the work of the PPRC and present it to the twenty-seventh meeting of the PPRC for consideration.

(Decision B.34/50)

Agenda Item 14: Options to further enhance civil society participation and engagement in the work of the Board

112. The representative of the secretariat presented the current practices of the Adaptation Fund in the engagement with civil society, the practices of other climate funds, the observations and recommendations that had been received from the Adaptation Fund NGO Network and their operational, financial and legal implications, which are more fully described in document AFB/B.34/11.

113. In view of the lack of time available to discuss the recommendation of the secretariat the Chair suggested that the Board submit its views in writing to the secretariat.

114. It was pointed out that when developing a policy on civil society engagement, the secretariat should not just consider the views expressed by the Adaptation Fund NGO Network but include those of other civil society organizations as well. In response to a query as to whether the comments being submitted by the Board would be compiled in the document, the Chair said that they would be compiled and that if they diverged significantly the secretariat would also

develop different options for the consideration of the Board which would be discussed and the thirty-fifth meeting. With respect a query as to whether the comments would be made public, the Chair said that a generic summary, that did not indicate the author of any particular opinion, would be made public.

115. Discomfort was expressed with the idea of giving the secretariat permission to develop a policy intersessionally that was based on the comments that it received. He said that such a decision on the development of a policy should take place at the Board.

116. The Chair said that the discussion would continue at the next meeting, at which time the Board would take a decision on the options that had been developed by the secretariat based on the comments it received from the Board.

117. It was asked whether that document would be prepared in consultation with the Adaptation Fund NGO Network, and it was asked whether the secretariat should be asked to develop and circulate a questionnaire to the Board in order to standardize the responses. It was pointed out that an options paper already existed and was in fact the document being discussed. It would be important to have an agenda item at the next meeting to discuss those options before the Board requests the secretariat to draft a policy, or undertake any further consultations with the Adaptation Fund NGO Network, which had in any case already raised its concerns with the secretariat. However, it was suggested that other civil society organizations could be allowed to submit their comments to the secretariat as well.

118. The Manager of the secretariat said that the secretariat could simply compile the comments received from the Board members for the next meeting and not prepare any other policy document.

119. Having considered the information presented in document AFB/B.34/11, the Adaptation Fund Board decided:

- a) To provide the secretariat with comments on the options provided in document AFB/B.34/11 during the intersessional period between its thirty-fourth and thirty-fifth meetings; and
- b) To request the secretariat to present a document which compiles comments and input received from the Board to the thirty-fifth meeting of the Board for consideration.

(Decision B.34/51)

Agenda Item 15: Options to address the issue of an absence of quorum

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

Agenda Item 16: Knowledge management, communications and outreach

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

Agenda Item 17: Financial issues:

a) Financial status of the Trust Fund and CER monetization

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

Agenda Item 18: Dialogue with civil society organizations

123. The report of the dialogue with civil society organizations is contained in annex IV of the present report.

Agenda Item 19: Election of officers for the next period of office

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

- a) To elect Mr. Ibila Djibril (Benin, Africa) as Chair of the Board;
- a) To elect Mr. Mattias Broman (Sweden, Annex I Parties) as Vice-Chair of the Board;
- b) To elect Mr. Mohamed Zmerli (Tunisia, Non-Annex I) as Vice-Chair of the Ethics and Finance Committee (EFC);
- c) To elect Mr. Lucas di Pietro (Argentina, Latin America and the Caribbean) as Chair of the Project and Programme Review Committee (PPRC);
- d) To elect Ms. Elenora Cogo (Italy, Western European and Others) as Chair of the Accreditation Panel;
- e) To elect Mr. Evans Njewa (Malawi, Non-Annex I) as Vice-Chair of the Accreditation Panel; and
- f) To elect the Chair of the EFC and the Vice-Chair of the PPRC during the intersessional period.

(Decision B.34/52)

Agenda Item 20: Date and venue of the meetings in 2020 and onwards

125. The Manager of the secretariat said that the dates of the meetings to be held in 2021 would need to be discussed at the thirty-fifth meeting as Board's memorandum of understanding with the UNCCD had not yet been renewed. With respect to the thirty-fifth meeting of the Board, he said that the dates that had been set conflicted with the meetings of the Standing Committee on Finance and consequently the dates for that meeting would need to be moved.

126. The Adaptation Fund Board decided to change the date of its thirty-fifth meeting in Bonn, Germany to 24-27 March 2020 and confirmed that it will hold its thirty-sixth meeting in Bonn, Germany on 13-16 October 2020.

(Decision B.34/53)

Agenda item 21: Implementation of the code of conduct

127. The Chair drew the attention of the code of conduct and asked the Members and Alternates whether they wished to raise any issues related to the implementation of the code of conduct. No issues were raised.

Agenda item 22: Other matters

128. No other matters were raised.

Agenda item 23: Adoption of the report

129. The present report was adopted intersessionally by the Board following its thirty-fourth meeting.

Agenda item 24: Closure of the meeting

130. Following the customary exchange of courtesies, the Chair declared the meeting closed at 7:20 p.m. on 11 October 2019.

ANNEX I

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

MEMBERS		
Name	Country	Constituency
Mr. Ibila Djibril	Benin	Africa
Mr. David Kaluba	Zambia	Africa
Mr. Mirza Shakwat Ali	Bangladesh	Asia-Pacific
Mr. Albara E. Tawfiq	Saudi Arabia	Asia-Pacific
Mr. Aram Ter-Zakaryan	Armenia	Eastern Europe
Mr. Lucas di Pietro	Argentina	Latin America and the Caribbean
Mr. Victor Viñas	Dominican Republic	Latin America and the Caribbean
Mr. Nilesh Prakash	Fiji	Small Island Developing States
Ms. Claudia Keller	Germany	Western European and Others Group
Ms. Eleonora Cogo	Italy	Western European and Others Group
Ms. Sylviane Bilgischer	Belgium	Annex I Parties
Mr. Mattias Broman	Sweden	Annex I Parties
Mr. Charles Mutai	Kenya	Non-Annex I Parties

ALTERNATES		
Name	Country	Constituency
Mr. Mohamed Zmerli	Tunisia	Africa
Ms. Sheida Asgharzadeh Ghahroudi	Iran	Asia-Pacific
Mr. Ahmed Waheed	Maldives	Asia-Pacific
Ms. Yadira González Columbié	Cuba	Latin America and the Caribbean
Mr. Arana Pyfrom	Bahamas	Latin America and the Caribbean
Mr. Paul Elreen Phillip	Grenada	Small Island Developing States
Ms. Susan Castro- Acuña Baixauli	Spain	Western European and Others Group
Mr. Marc-Antoine Martin	France	Annex I Parties
Mr. Patrick Sieber	Switzerland	Annex I Parties
Mr. Evans Njewa	Malawi	Non-Annex I Parties
Mr. Tshering Tashi	Bhutan	Least Developed Countries

ANNEX II**AGENDA OF THE THIRTY-FOURTH MEETING OF THE ADAPTATION FUND BOARD**

1. Opening of the meeting.
2. Organizational matters:
 - a) Adoption of the agenda;
 - b) Organization of work.
3. Report on activities of the Chair.
4. Report on activities of the secretariat.
5. Report of the Accreditation Panel.
6. Implications of an implementing entity's accreditation expiration and a possible revision of re-accreditation policy
7. Report of the twenty-fourth meeting of the Project and Programme Review Committee (PPRC) on:
 - a) Full cost of adaptation reasoning criterion;
 - b) Funding for enhanced direct access;
 - c) Programme of innovation;
 - d) Report of the secretariat on initial screening/technical review of projects and programmes;
 - e) Report of the secretariat on initial screening/technical review of small innovation grant project proposals;
 - f) Report of the secretariat on initial screening/technical review of learning grant proposals;
 - g) Report of the secretariat on initial screening/technical review of scale-up grant proposals;
 - h) Report of the secretariat on the intersessional review cycle for readiness grants.
8. Report of the twenty-fourth meeting of the Ethics and Finance Committee (EFC) on:

- a) Annual performance report for fiscal year 2019;
 - b) Further analysis of project inception delays;
 - c) Financial issues;
 - d) Report of the Chair of the Technical Evaluation Reference Group;
 - e) Assessment of the accreditation standards of the Green Climate Fund, including a gap analysis.
9. Procedural steps for receiving contributions from alternative sources.
 10. Provision of financial resources between single-country and regional concrete adaptation projects and programmes (country cap).
 11. Issues remaining from the thirty-third meeting:
 - a) Strategic discussion on objectives and further steps of the Fund. Potential linkages between the Fund and the Green Climate Fund;
 - b) Late-stage withdrawals of proposals by multilateral implementing entities;
 - c) Report on portfolio monitoring missions.
 12. Issues arising from fourteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 14), and the third part of the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1-3).
 13. Review of the project and programme review process.
 14. Options to further enhance civil society participation and engagement in the work of the Board.
 15. Options to address the issue of the absence of quorum.
 16. Knowledge management, communications and outreach.
 17. Financial issues:
 - (a) Financial status of the Trust Fund and CER monetization.
 18. Dialogue with civil society organizations.
 19. Election of officers for the next period of office.
 20. Date and venue of meetings in 2020 and onwards.

21. Implementation of the code of conduct.
22. Other matters.
23. Adoption of the report.
24. Closure of the meeting.

ANNEX III

PROJECT-RELATED FUNDING DECISIONS

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
MIE									
	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	<i>Not approve</i>	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	<i>Not approve</i>	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	<i>Not approve</i>	0
	Turkmenistan	UNDP	AFB/PPRC.25/12	7,000,040			7,000,040	<i>Not approve</i>	0
Sub-total, USD				72,083,519	-	-	72,083,519		39,126,636
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
NIE									
	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			<i>Not endorse</i>	-
	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	-
MIE									
	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	<i>Not endorse</i>	-
	Viet Nam	UN-Habitat	AFB/PPRC.25/23	6,347,190			6,347,190	Endorse	-
Sub-total, USD				41,065,613	14,682,947	-	26,332,700		

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>				129,830	129,830				129,830

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>				<i>34,055,190</i>		<i>13,079,540</i>	<i>20,975,650</i>		<i>13,079,540</i>
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>				<i>4,898,775</i>			<i>4,898,775</i>		
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>				<i>80,000</i>			<i>80,000</i>		<i>80,000</i>

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
RIE									
	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	-
MIE									
	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	-
Sub-total, USD				53,799,850		53,799,850			

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
RIE									
	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
MIE									
	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
<i>Sub-total, USD</i>				80,000		40,000	40,000		80,000
GRAND TOTAL (1+2+3+4+5+6+7+8)				206,192,777	14,812,777	66,919,390	119,431,869		52,496,006

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
<i>Sub-total, USD</i>				711,250	711,250				461,250
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
NIE									
	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
<i>Sub-total, USD</i>				10,000,000			10,000,000		10,000,000
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
<i>Sub-total, USD</i>				198,937	198,937				99,000
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
<i>Sub-total, USD</i>				149,993	149,993				
GRAND TOTAL (1+2+3+4+5+6+7+8+ 9+10+11+12)				217,252,957	15,872,957	66,919,390	129,431,869		63,056,256

ANNEX IV

REPORT OF THE DIALOGUE WITH CIVIL SOCIETY, 10 OCTOBER 2019, BONN, GERMANY

1. The Vice-Chair of the Adaptation Fund Board (the Board), Mr. Ibila Djibril (Benin, Africa), invited the Board to enter into a dialogue with civil society organizations (CSOs).
2. Ms. Elin Lorimer, Indigo, South Africa, spoke about enhanced direct access (EDA) and the civil society participation in two South African projects supported by the Adaptation Fund: the uMngeni resilience project and a community adaptation small grants facility. In the later project civil society had occupied a number of roles: as an executing entity, as facilitatng agencies, as grant recipients and as representatives of civil society. From the perspective of civil society: the Designated Authority's role was to provide an enabling enviroment for the engagment of civil society, the National Implementing Entity's (NIE) role was enabling stakeholder engagment and ensuring the representation of civil society in governance structures. Two civil society organizations had acted as executing entities.
3. She said that civil society organizations faced the challege of capacity and funding constraints and that it was consequently essential to ensure effective communication to and from their consituencies and to build strong relationships with decision makers. One lesson that had been learned was that it was challenging to build sustainability in short-term projects receiving one-off grants. Institutional capacity support was key for the success of local organizations, as was simplifying the approval process and allowing flexibility to grant recipients for the implementation of projects. Civil society could play a range of roles in EDA, which had the potential to reach the most vulnerable with practical adaptation acitons. By building that capacity there could be longer-term benefits for those communités, but that would take time.
4. Ms. Jacqueline Massao, FORUMCC, United Republic of Tanzania, provided an overview on the project 'Implementation of concrete adaptation measures to reduce vulnerability of livelihoods and economy of coastal communities in Tanzania' and said that lessons learned from the project were that the sustainability of the project required participatory planning and regular engagement with the communities and municipalities involved. The replication of project outcomes in similar geographical regions in different countries required the documentation of successful case studies and all project interventions, and exchange workshops and visits to beneficiaries would be useful for those involved in similar projects. She also said that her country's NIE, the National Environmental Management Council (NEMC), had experienced a challenging accreditation process due to a lack of funds. There had also been a long application process for projects, with little engagement of civil society in project reviews. Opportunities existed for fostering its engagement with the NGO Network and strengthening the NIE through readiness grants. She reviewed some of the projects financed the Adaptation Fund in Tanzania and said, with respect to the engagement of civil society in the processes of the Adaption Fund in Tanzania, its members had visited and assessed the projects funded by the Adaptation Fund, had engaged with the NIE and with national processes such as the Nationally Determined Contributions (NDCs) and the national adaptation processes, and had engaged with decision makers. She recommended that the Adaptation Fund: share the best practices that had been developed in similar geo-climatic zones, increase the country cap to allow for more project funding in each country, involve civil society organizations in capacity development, communication and advocacy in addition to its monitoring and executions roles, simplify the application procedures for the NIEs to enable easier access to funding by small NIEs and raise awareness of project formulation grants.

5. Mr. Julio Carcamo, Fundación Vida, Honduras, provided an update on the work of the Adaptation Fund NGO Network and spoke for the expansion of network activities in the work of the Board to strengthen its governance structure. The network had made 14 suggestions, among which were the election by civil society of two active observers, and two alternate observers, who would, after signing a confidentiality agreement, make statements and provide input on all agenda items, attend all committee meetings and all closed sessions of the Board. A minimum of three of them would be selected from developing countries. To ensure that the Adaptation Fund was aligned with international best practices being in the international climate finance mechanisms, the Fund should also cover the travel costs of those from developing countries.

6. He illustrated his recommendations with experiences taken from Honduras and said that: the country cap should be increased, implementing entities should ensure proper consultation with a project's stakeholders at the planning phase, multilateral implementing entities should strengthen collaboration with civil society, the Fund should promote linkages between its projects and national efforts such as national adaptations plans; and civil society organisations should be able to act as both implementing and executing entities. The Network dinner, held on 9 October 2019, had been a great opportunity to share views with members of the Board and the secretariat on both the opportunities and challenges facing the Fund. He said that the Network looked forward to continuing those discussions and adding value to the work of the Fund, on the understanding that some of its suggestions take more time to be implemented.

7. The Vice-Chair said that the presentations had raised valuable insights about the implications of the work of the Fund. In the discussion that followed civil society was thanked for the insights it had provided and was asked about the role of the Fund in developing the capacity of civil society. The recommendations were important and the Vice-Chair said the concerns of civil society could be taken up by the Board under the relevant agenda items.

8. Mr. Carcamo said that institutional strengthening was important to ensure a sustained impact, and for that organizations had to be well trained. He appreciated the desire of the Board to formalize the relationship with the Network and move beyond specific interventions. Training was a means shaping behaviour and if the Network's 200 organizations could be trained it would act as a multiplier of the work of the Fund. He applauded the interest that had been shown and looked forward to deepening the relationship between the Network and the Fund.

9. Ms. Lorimer said that the Network would like to engage further with the secretariat, especially on the issue of readiness. Sometimes civil society could provide support to NIEs as well as being supported by them. She applauded the inclusion of civil society in some of the site visits undertaken by the secretariat and civil society would like to be included in more of the readiness programmes, where possible. She gave the example of the EDA project in South Africa which had been very good at building local capacity so that those organizations were able to engage locally. It was especially important to feed experience up from the ground to the policy level, and the way to do that was to build capacity. She said that one advantage of having civil society participants on the Board was that they could introduce the agenda items that related to civil society as they came up for debate.

10. Ms. Massao said that was important that the Network demonstrated its added value by presenting on the projects being implemented by the Fund. She said that if there had been observers from civil society on the Board those same insights could have been provided earlier during the meeting of the Board and during the deliberations of its committees.

11. The Vice-Chair thanked the representatives of civil society for their presentations.