



ADAPTATION FUND

AFB/EFC.26.b/6  
5 October 2020

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Adaptation Fund Board  
Ethics and Finance Committee  
Twenty-sixth Meeting  
Bonn, Germany (Virtually held), 15-16 October 2020

Agenda item 5 b)

**RECONCILIATION OF THE ADMINISTRATIVE BUDGETS  
OF THE BOARD AND THE SECRETARIAT, THE  
EVALUATION FUNCTION, AND THE TRUSTEE FOR  
FISCAL YEAR 2020**

**Table1: Approved FY20 budget, actual FY20 and approved FY21 budget of the Board and the Secretariat, the Evaluation Function and the Trustee**

All amounts in US\$	<u>FY20</u>	<u>FY20</u>	<u>FY21</u>		
	<u>Approved</u>	<u>Actual</u>	<u>Approved</u>		
<b>BOARD AND SECRETARIAT</b>					
1 Personnel	2,996,361	2,869,172	3,247,224		
2 Travel	415,500	309,692	492,000		
3 General operations	413,500	328,040	479,700		
4 Meetings	229,362	197,358	247,362		
<b>Sub-total secretariat administrative services [a]</b>	<b>4,054,723</b>	<b>3,704,262</b>	<b>4,466,286</b>		
5 Accreditation [b]	537,900	356,793	548,250		
6 Readiness Programme [c]	654,814	347,348	652,960		
<b>Total secretariat [a] + [b] + [c]</b>	<b>5,247,437</b>	<b>4,408,403</b>	<b>5,667,496</b>		
All amounts in US\$	<u>FY20</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY21-22</u>
	<u>Approved</u>	<u>Actual</u>	<u>Approved</u>	<u>Approved</u>	<u>Approved</u>
<b>AF-TERG AND ITS SECRETARIAT</b>					
1 Personnel	376,843	391,793	350,929	358,772	709,701
2 Travel	81,000	54,678	130,779	134,702	265,481
3 General operations	31,000	43,317	113,320	122,080	235,400
4 Meetings	5,000	1,728	10,000	10,000	20,000
<b>Sub-total evaluation function</b>	<b>493,843</b>	<b>491,516</b>	<b>605,028</b>	<b>625,554</b>	<b>1,230,582</b>
5 Evaluation	300,000	187,595	458,191	561,517	1,019,708
<b>Total evaluation function</b>	<b>793,843</b>	<b>679,111</b>	<b>1,063,219</b>	<b>1,187,071</b>	<b>2,250,290</b>
All amounts in US\$	<u>FY20</u>	<u>FY20</u>	<u>FY21</u>		
	<u>Approved</u>	<u>Actual</u>	<u>Approved</u>		
<b>TRUSTEE</b>					
1 CER Monetization	180,000	180,000	180,000		
2 Financial and Program Management	225,000	229,000	227,000		
3 Investment Management	192,150	226,000	216,000		
4 Accounting and Reporting	40,000	40,000	40,000		
5 Legal Services	45,000	42,000	45,000		
<b>Sub-total trustee</b>	<b>682,150</b>	<b>717,000</b>	<b>708,000</b>		
<b>GRAND TOTAL ALL COMPONENTS</b>	<b>6,723,430</b>	<b>5,804,514</b>	<b>7,438,715</b>		

**Table 2: Approved FY20 budget, actual FY20 and approved FY21 budget of the Board and the Secretariat (Detailed)**

All amounts in US\$		<b>FY20</b>	<b>FY20</b>	<b>FY21</b>
		<b>Approved</b>	<b>Actual</b>	<b>Approved</b>
<b>PERSONNEL COMPONENT</b>				
<b>Full-time staff (including benefits):</b>				
01	Manager			
02	Senior Climate Change Specialist			
03	Senior Climate Change Specialist			
04	Operations Officer (Accreditation)			
05	Program Officer (Readiness)			
06	Communications Officer			
07	Knowledge Management Officer			
08	Governance Specialist			
09	Program Analyst (Project Review/Monitoring)			
10	Financial Analyst			
11	Senior Programme Assistant			
12	Junior Professional Officer (externally funded)			
<b>sub-total AFB staff</b>		<b>2,261,381</b>	<b>2,175,226</b>	<b>2,277,716</b>
<b>GEF staff cross-support (including benefits):</b>				
01	Head of the AFB Secretariat (10% fixed)			
02	Advisor			
03	Project co-reviewers (multiple staff)			
04	Program Analyst (HR)			
05	Resource Management Officer (Accounting)			
<b>sub-total GEF staff</b>		<b>160,000</b>	<b>130,604</b>	<b>160,000</b>
<b>Consultants &amp; Others</b>				
01	AFB Secretariat Support (Legal support etc.)	27,300	36,791	47,300
02	Design and Operation of dedicated websites	90,000	91,270	33,000
03	Communications Strategy	49,000	47,650	58,750
04	Environment and social safeguards & Gender	70,440	59,251	96,520
05	Knowledge Management (+ RBM in FY20)	213,660	209,448	204,460
06	Result Based Management (New)	-	-	175,000
07	Project review	124,580	118,932	194,478
<b>sub-total Consultants</b>		<b>574,980</b>	<b>563,342</b>	<b>809,508</b>
<b>SUB-TOTAL PERSONNEL COMPONENT</b>		<b>2,996,361</b>	<b>2,869,172</b>	<b>3,247,224</b>
<b>TRAVEL COMPONENT</b>				
01	AF Secretariat staff	237,000	198,479	316,500
02	Awareness Raising	58,500	47,960	45,500
03	Board - Non-Annexed eligible members	120,000	63,253	130,000
<b>SUB-TOTAL TRAVEL COMPONENT</b>		<b>415,500</b>	<b>309,692</b>	<b>492,000</b>
<b>GENERAL OPERATIONS COMPONENT</b>				
01	Office Space, Equipment and Supplies	200,000	186,379	200,000
02	Support to Chair (communications)	20,000	-	20,000
03	Publications and Outreach	103,500	62,338	159,700
04	IT services from the World Bank	90,000	79,323	100,000
<b>SUB-TOTAL GENERAL OPERATIONS COMPONENT</b>		<b>413,500</b>	<b>328,040</b>	<b>479,700</b>
<b>MEETINGS COMPONENT</b>				
01	Logistics, interpretation, report writing etc.	159,362	118,869	167,362
02	Translation	70,000	78,489	80,000
<b>SUB-TOTAL MEETINGS COMPONENT</b>		<b>229,362</b>	<b>197,358</b>	<b>247,362</b>
<b>TOTAL ALL COMPONENTS</b>		<b>4,054,723</b>	<b>3,704,262</b>	<b>4,466,286</b>

**Notes:**

1. 'GEF staff cross-support' costs are variable depending on the number of proposals submitted for review and the actual use of the GEF reviewers therefore it is one of the budget items which is difficult to project. The costs were lower in FY20, which will be taken into account in the future budget formulation.
2. The cancellation of the second board meeting in March 2020 in a physical format and the postponement of the UN Climate Conference (Subsidiary Bodies) in Bonn, Germany due to the COVID-19 pandemic has resulted in lower travel costs of both the 'AF secretariat' and 'board non-Annex I eligible members' in the travel component as well as the logistics, interpretation, report writing etc. in the meetings component.
3. \$10,500 was spent from the environmental and social safeguard and gender budget to conduct an assessment of the progress of the implementation of the Gender Policy and Action Plan (2017-2019) and \$13,286 from the knowledge management budget to undertake a gender study as a cross-cutting activity of knowledge management and gender, both of which are under the 'consultants & others' component.
4. 'Publications and outreach' costs in the general operations component resulted lower due to the cancellation of the readiness events in the COVID-19 pandemic, where publications and outreach activities such as video shooting and production were planned to take place on site. Alternative less costly non-travel approaches were undertaken, such as producing short videos repurposing previous archival drone and project site footage, and remote stories and flyers/brochures.

**Table 3: Approved FY20 budget, actual FY20 and approved FY21 budget of the accreditation programme (Detailed)**

All amounts in US\$		<b>FY20</b>	<b>FY20</b>	<b>FY21</b>
		<b>Approved</b>	<b>Actual</b>	<b>Approved</b>
01	Accreditation Panel (fees)	362,800	283,891	370,800
02	Accreditation Panel/Staff (travel)	153,100	19,290	121,100
03	Accreditation System	22,000	53,612	56,350
<b>TOTAL ACCREDITATION</b>		<b>537,900</b>	<b>356,793</b>	<b>548,250</b>

**Notes:**

1. Both the 'accreditation panel (fees)' and 'accreditation panel/staff (travel)' costs depend on the number of accreditation applications under review and the level of work required by the panel and secretariat.
2. The 'accreditation panel/staff (travel)' costs were significantly low due to the cancellation of the physical accreditation panel meeting and field visits for accreditation review under the COVID-19 pandemic. In addition, due to the increased efficiency of the accreditation panel work, the number of accreditation panel meetings has been reduced to one for the period in consideration in accordance with the amendment of the terms of reference for the accreditation panel (AFB/B.35.a-35.b/6).
3. 'Accreditation system' costs were higher due to the implementation of an enhancement to the accreditation workflow and hiring of a short-term consultant to support the increasing workload of the accreditation programme, both of which were urgently required.

**Table 4: Approved FY20 budget, actual FY20 and approved FY21 budget of the Readiness Programme (Detailed)**

All amounts in US\$		<b>FY20</b>	<b>FY20</b>	<b>FY21</b>
		<b>Approved</b>	<b>Actual</b>	<b>Approved</b>
<b>PERSONNEL COMPONENT (Consultants &amp; others)</b>				
01	Secretariat Support	83,400	44,742	98,360
02	Web sites (--> Main budget)	7,500	7,763	-
03	Communications strategy (--> Main budget)	19,750	13,975	-
04	Environment and social safeguards & Gender	24,640	12,845	22,500
05	Accreditation	36,324	14,348	12,600
<b>SUB-TOTAL PERSONNEL COMPONENT</b>		<b>171,614</b>	<b>93,673</b>	<b>133,460</b>
<b>TRAVEL COMPONENT</b>				
01	AF Secretariat staff	120,000	44,339	132,000
02	Meeting participants	297,000	155,846	307,500
03	Board members	2,000	-	-
<b>SUB-TOTAL TRAVEL COMPONENT</b>		<b>419,000</b>	<b>200,185</b>	<b>439,500</b>
<b>GENERAL OPERATIONS COMPONENT</b>				
01	Publications, Outreach (--> Main budget)	21,200	31,192	-
<b>SUB-TOTAL GENERAL OPERATIONS COMPONENT</b>		<b>21,200</b>	<b>31,192</b>	<b>-</b>
<b>MEETINGS COMPONENT</b>				
01	Logistics	43,000	22,298	80,000
<b>SUB-TOTAL MEETINGS COMPONENT</b>		<b>43,000</b>	<b>22,298</b>	<b>80,000</b>
<b>TOTAL ALL COMPONENTS</b>		<b>654,814</b>	<b>347,348</b>	<b>652,960</b>

**Notes:**

1. The implementation of the readiness programme was significantly affected by the COVID-19 pandemic in its entirety. The cancellation of readiness events in a physical format planned in the latter half of FY20 resulted in low travel and meeting costs for secretariat staff, environmental and social safeguards experts, accreditation panel experts, targeted participants as well as labor costs for supporting the events. Some of the readiness events were scheduled back-to-back with UN Climate events which were postponed several times with the hope that the situation would improve before summer 2020 but persistence of the pandemic resulted in the events not taking place before the end of the financial year. Given the circumstances and the short time period left before the end of the financial year, it was not possible to change the format of the events to virtual. However, many of these events will be considered for virtual hosting in the coming calendar year as feasible.

**Table 5: Approved FY20 budget, actual FY20 and approved FY21 and FY22 budget of the Evaluation Function (Detailed)**

All amounts in US\$		<u>FY20</u> <u>Approved</u>	<u>FY20</u> <u>Actual</u>	<u>FY21</u> <u>Approved</u>	<u>FY22</u> <u>Approved</u>	<u>FY21-22</u> <u>Approved</u>
<b>PERSONNEL COMPONENT</b>						
1	Personnel - Staff (AF-TERG secretariat Coordinator / Evaluation Officer)					
2	Personnel - Office support (STC)					
3	Personnel - Consultant (TERG Chair and Members)					
<b>SUB-TOTAL PERSONNEL</b>		<b>376,843</b>	<b>391,793</b>	<b>350,929</b>	<b>358,772</b>	<b>709,701</b>
<b>TRAVEL COMPONENT</b>						
1	Staff members	13,000	23,823	40,739	41,961	82,700
2	TERG Members	68,000	30,855	90,040	92,741	182,781
<b>SUB-TOTAL TRAVEL</b>		<b>81,000</b>	<b>54,678</b>	<b>130,779</b>	<b>134,702</b>	<b>265,481</b>
<b>GENERAL OPERATIONS COMPONENT</b>						
1	Office space, equipment and supplies	30,000	30,282	48,000	48,960	96,960
2	Publications, outreach	1,000	13,035	65,320	73,120	138,440
<b>SUB-TOTAL GENERAL OPERATIONS</b>		<b>31,000</b>	<b>43,317</b>	<b>113,320</b>	<b>122,080</b>	<b>235,400</b>
<b>MEETINGS COMPONENT</b>						
1	Logistics	5,000	1,728	10,000	10,000	20,000
<b>SUB-TOTAL MEETINGS</b>		<b>5,000</b>	<b>1,728</b>	<b>10,000</b>	<b>10,000</b>	<b>20,000</b>
<b>TOTAL GENERAL OPERATIONS</b>		<b>493,843</b>	<b>491,516</b>	<b>605,028</b>	<b>625,554</b>	<b>1,230,582</b>
<b>EVALUATION COMPONENT</b>						
All amounts in US\$		<u>FY20</u> <u>Approved</u>	<u>FY20</u> <u>Actual</u>	<u>FY21</u> <u>Proposed</u>	<u>FY22</u> <u>Proposed</u>	<u>FY21-22</u> <u>Proposed</u>
1	Evaluation	300,000	187,595	458,191	561,517	1,019,708
<b>SUB-TOTAL EVALUATION</b>		<b>300,000</b>	<b>187,595</b>	<b>458,191</b>	<b>561,517</b>	<b>1,019,708</b>
<b>TOTAL ALL COMPONENTS</b>		<b>793,843</b>	<b>679,111</b>	<b>1,063,219</b>	<b>1,187,071</b>	<b>2,250,290</b>

**Notes:**

1. The underrun of the 'total all components' is mainly attributed by the evaluation component. The FY20 budget was formulated when the positions of the Technical Evaluation Reference Group as well as its secretariat were not filled. US\$ 300,000 was budgeted for the evaluation component as lump sum to flexibly cover evaluation activities under the work program which would be developed during FY20. Since the budgeted amount for evaluation activities was not based on the work program, the actual costs for evaluation ended up remote from the estimated level.
2. Publications and outreach costs in the general operations component includes an ad-hoc contribution to the Adaptation Futures 2020 as one of the partners of the conference jointly with the secretariat.

**Table 6: Approved FY20 budget, actual FY20 and approved FY21 budget of the Trustee**

All amounts in \$US	FY20 Approved	FY20 Actual	FY21 Approved
Monetization	180,000	180,000	180,000
Financial and Program Management	225,000	229,000	227,000
Investment Management	192,150	226,000	216,000
Accounting and Reporting	40,000	40,000	40,000
Legal Services	45,000	42,000	45,000
<b>TOTAL</b>	<b>682,150</b>	<b>717,000</b>	<b>708,000</b>

**Notes:**

1. Investment Management costs were higher due to larger average cash balances in the AF Trust Fund than originally anticipated at budget proposal submission.
2. The slight difference in the Financial and Program Management and Legal Services costs reflect variations in staff time related to these services.