



ADAPTATION FUND

AFB/PPRC.29/48  
21 March 2022

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Project and Programme Review Committee  
Twenty-ninth Meeting  
Bonn, Germany (hybrid meeting), 5-6 April 2022

Agenda item 20

## **OPTIONS FOR FURTHER SUPPORTING THE WORK OF THE PROJECT AND PROGRAMME REVIEW COMMITTEE**

## Introduction

1. At the thirty-fourth meeting of the Adaptation Fund Board (the Board), having considered document AFB/B.34/10, the 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)*

2. This document presents the options for further supporting the work of the PPRC pursuant to Decision B.34/50, subparagraph (c) above.

## Background

3. The Project and Programme review committee was created at the sixth meeting of the Board following Decision B.5/5 as which states the following:

*The Board decided to:*

*(a) Create an Ethics and Finance Committee and a Project and Programme Review Committee at its sixth Meeting;*

*(b) Request the Secretariat to revise the terms of reference of the Ethics and Finance and Project and Programme Review Committees, as well as the general terms of reference for Board committees; and*

*(c) Request the Secretariat to present the revised terms of reference of the above committees to the Board at its sixth Meeting.*

*(Decision B.5/5)*

4. The above-mentioned terms of reference were initially considered by the Board at its third meeting as document AFB/B.3/12, and had been reconsidered by the Board at its fourth and fifth meetings as documents AFB/B.4/5 and AFB/B.5/5, respectively. In light of the Decision B.5/5 above, the Secretariat revised the terms of reference of the committees, as well as the general terms of reference for Board committees, and presented the revised terms of reference to the Board at its sixth meeting, as document AFB/B.6/6/Rev.1, where they were discussed and, following amendments, adopted via Decision B.6/3.

5. The Board revisited the terms of reference of the PPRC and the Ethics and Finance Committee (EFC) at its twenty-sixth meeting under agenda item “Other matters”, and decided to amend them, through decision B.26/42, so that the issue of monitoring and evaluation would be divided between the two committees. The PPRC would monitor and evaluate the progress of the projects and programmes and the EFC would continue to monitor and evaluate issues at the Fund level, such as the annual performance reports.

6. The terms of reference for the PPRC states that “[t]he Project and Programme Review Committee (PPRC) shall be responsible for assisting the Board in tasks related to project/programme review in accordance with the Provisional Operational Policies and Guidelines for Parties to access resources of the Adaptation Fund (the Operational Policies and Guidelines), and for providing recommendations and advice to the Board thereon. In this regard, the PPRC shall:

*“a) Consider and review projects and programmes submitted to the Board by eligible Parties in accordance with the Operational Policies and Guidelines;*

*b) Address issues arising from projects and programmes submitted to the Board, including outstanding policy issues;*

*c) Review the project and programme reports submitted by National Implementing Entities (NIEs) and Multilateral Implementing Entities (MIEs) in accordance with paragraph 46 of the Operational Policies and Guidelines, with the support of the Secretariat; Report and make recommendations to the Board on project and programme approval, cancellation, termination, suspension and on any other matter under its consideration; and*

*d) Consider any other matter the Board deems appropriate.”*

7. The PPRC reviewed its first projects at its first meeting in conjunction with 10th meeting of the Board. The meeting took place in one day, ahead of the two days of meetings of the Board, and the PPRC work was organized on the basis of an agenda which contained 7 items, as well as 11 document total. Over time, as the number of project submissions grew, the work of the PPRC has grown also. Information on the number of documents per each PPRC meeting is presented in Table 1 below, and chart in Annex I. (For comparison, number of documents for each of EFC and Board are included as well.)

Table 1. Number of meeting documents produced per meeting

<i>AFB Meeting No.</i>	<i>PPRC</i>	<i>EFC</i>	<i>Board</i>
AFB/B.15	15	7	12
AFB/B.16	16	7	12
AFB/B.17	14	14	11
AFB/B.18	22	13	13
AFB/B.19	19	9	13
AFB/B.20	10	9	12
AFB/B.21	14	13	14
AFB/B.22	16	7	14
AFB/B.23	19	11	13
AFB/B.24	24	9	13
AFB/B.25	15	8	14
AFB/B.26	35	10	12

AFB/B.27	33	12	14
AFB/B.28	44	14	14
AFB/B.29	38	9	17
AFB/B.30	50	10	17
AFB/B.31	32	10	15
AFB/B.32	47	8	20
AFB/B.33	52	9	21
AFB/B.34	59	10	37
AFB/B35.a/35.b	66	3	24
AFB/B.35.b	25	10	15
AFB/B.36	38	15	15
AFB/B.37	59	12	18
AFB/B.38	51	11	10

8. In addition to the growth in the number of proposals, the PPRC work has expanded also due to development of supporting policies and their continuous updates and improvements. Over the period of the first Medium-term Strategy (MTS) 2018-2022, the PPRC has also supported the work related to the establishment of new funding windows, which increased substantially the workload further, and which was followed by additional proposals and policy development in support of the new funding windows. This has led to substantially expanded agendas for the PPRC meetings, accompanied by a substantial increase in volume of supporting documents.

9. Following particularly heavy agendas of 23<sup>rd</sup> and especially 24<sup>th</sup> meetings of the PPRC, which the committee could not go through in entirety, an agenda item was added to agenda item 8 of the 33<sup>rd</sup> meeting of the Board, under "Other matters", c) *The time allowed for the meeting of the PPRC and the management of its agenda.*

10. Moreover, having considered the recommendation of the Project and Programme Review Committee, the Adaptation Fund Board (the Board) decided to:

a) *Request the secretariat to undertake a review of the project and programme review process, with the consideration of the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, and present it at the thirty-fourth meeting of the Board.*

*(Decision B.33/10)*

11. Lastly, the Board decided, via Decision B.33/53, to hold the next Board meeting over five days, instead of four, allowing the PPRC an extra day for its work.

12. At the 34<sup>th</sup> meeting, the Board considered document AFB/B.34/10, "*Review of the Project and Programme Review Process*", which presented a number of key considerations and questions when assessing possible options for improvements of the review process, as well as four options. The four options, in summary were:

- a) Option 1: Increase the PPRC Review Window by One Week (Two Weeks Total)
- b) Option 2: Increase the Implementing Entity (IE) Revision Window by One Week (Two Weeks Total)
- c) Option 3. Allow Rolling-basis Submissions
- d) Option 4. Increase the Efficiency of PPRC Meetings

13. Option 4 was proposed with the backdrop of the growing number of proposals submitted to the PPRC in the recent years, through an expanding range of modalities,

accompanied with a concomitant increase in policy papers, the workload of the PPRC has grown rapidly and this has already shown efficacy and resource implications, leading to the inability to go through the entire agenda due to insufficient time at the 24<sup>th</sup> meeting.

14. 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)*

15. It is worth noting that subparagraphs (a) and (b) have been implemented since the Decision B.34/50 was taken. In addition, it has been the practice that all new proposals are added to the agenda to discussion (as per assumed *pro forma* request by the PPRC Chair), as to allow them to be considered later in an intersessional review cycle (as per Decision B.25/2, which requires all first-time submissions to be considered in regular meetings of the PPRC<sup>1</sup>). Following the onset of the Covid-19 global pandemic, which led to the temporary reorganization of Board and committee meetings as the work shifted to a virtual mode, further work on the document referenced in subparagraph (c) was put on hold.

16. The PPRC is anticipated to resume its work in a combined in-person and virtual (i.e. hybrid) mode at its 29<sup>th</sup> meeting. Assuming a gradual return to normalcy, there are a number of options for organizing the work of the PPRC.

## **Challenges and Options**

17. As presented in the Table 1 above, and Annex I, the number of documents prepared and discussed at the Board and committee meetings has grown, reflecting an increase in work that the Board, as well as the Board secretariat, have had to undertake. The increase in PPRC work has been especially disproportionate. Referring to Annex I, the number of documents held somewhat steady during the first five years of the PPRC's existence. During the next five years, a steady increase could be observed, following which the upper limits were more or less maintained, with an upward trend being interrupted temporarily at the time of the pandemic. It is worth noting that no downward trends can be observed; the upward trends are punctuated with occasional "dips", before appearing to recover.

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<sup>1</sup> However, following the onset of the Covid-19 pandemic, in spring 2020, the exception was made on an *Ad Interim* basis to allow first-time submissions to be processed using an intersessional process.

18. The preparation of the PPRC meeting is undertaken by a small team at the secretariat, which has not, in terms of staff positions, been changed in proportion to the change in the workload. Instead, while there have been gradual increases in the number of fulltime employees, the more important factor has been that the secretariat has undertaken several process-improvement exercises which embedded quality assurance and improvement protocols, in a systematized way. The systematization of the project and programme review work has led to efficiencies and possibility to absorb the additional workload. In the short term, and under the very challenging situation caused by the Covid-19 pandemic and its implications on the Fund's work, beginning with the spring of year 2020, this approach was sufficiently robust to accommodate the necessary policy and operational adjustments without any significant delays to the processing of the received and incoming proposals.

19. However, increasing reliance on this approach is seems to be giving diminishing returns, suggesting that the efforts to increase efficiency are coming up against their limits, and alone are not sufficient to sustain quality delivery for the trends being observed.

20. It is also worth noting that the consideration of options for further improving the work of the PPRC is linked to the overall effort to increase effectiveness and efficiency and make the needed adjustments and innovations to the process, as the Fund transitions into the next Medium-Term Strategic phase (2023-2027). Critical decisions concerning the review process may have downstream implications on other matters, including launch of new activities, such as future funding opportunities and design and development of a new IT submissions platform.

21. Having had the benefit of experience following the adoption and subsequent implementation of subparagraphs (a) and (b) of Decision B.34/50, there are a number of options that could be currently considered to further improve the work of the PPRC. Their advantages and disadvantages are also examined below.

Option 1: Allocating more time to PPRC meetings

22. This option would continue with the practice started at AFB.34, where 3 days were allocated for the PPRC. This would allow for more time to cover the agenda without having to make more drastic adjustments. It should be emphasized that, without making drastic adjustments to the agenda, namely reducing the categories of proposals and/or reports that would be discussed by the PPRC, it is unlikely that the PPRC would be able to reliably go through the agenda of items that are due to be discussed within two days alone.

23. *Pros:* Allowing adequate time to discuss agenda items is very important to ensuring full PPRC and, by extension, Board involvement in the direction of Fund matters. However, in absence of sufficient time, the PPRC is sometimes unable to discuss important agenda items, postponing them to subsequent meetings, sometimes repeatedly. This creates an additional strain on the secretariat, which must periodically update or entirely rework documents that did not get to be discussed at the originally appointed meeting. Ensuring there is adequate time to go through the entire agenda would prevent this type of outcome.

24. *Cons:* Additional time requires additional resources, in terms of PPRC member time, including more time spent on mission trip, when traveling, more days working, and the associated opportunity costs. Having a highly unequal distribution of work between EFC and PPRC members is an undesirable situation. By not adhering to the principle that the work of a committee should fit into the time that is allocated to it, the preparation workload of the PPRC

members and secretariat can be expected to continue to increase even further, and this too has resource implications. The Board, as the decision-making body with the responsibility to allocate resources to PPRC work, as well as PPRC members individually, who participate in the PPRC meetings, would have to ensure the additional resources would be available to support this option. Lastly, additional time for PPRC meetings, absent efficiency considerations, is not necessarily a guarantee of a better-quality outcome.

*Option 2: Considering rolling submissions*

25. This option builds upon the relatively-recently adopted process of presenting proposals that are technically recommended, following the technical review of the secretariat. The PPRC currently does not discuss proposals that are not technically recommended (unless they are new submissions or specifically requested to be discussed by members, or, submissions for innovation, enhanced direct access or small grant funding windows.) Under this option, proposals would be accepted by the secretariat year-round and reviewed on a rolling basis, until a “cut-off” deadline, whereby all the proposals that have reached the technically recommended stage would be prepared for the PPRC’s consideration and subsequently discussed.

26. Pros: Currently, review cycle is a strictly time-bound endeavor, during which, proposals are submitted and processed all at once, and must undergo a rigorous review before being posted by the determined deadline for the PPRC. This is an effort-intensive and time-sensitive process that is prone to bottlenecks and “pile-ups” in case of any complications. Presumably, the preparation of proposals on the IE end, especially when the IE is working with multiple proposals, is similarly handicapped by the strict limits of the current review cycle. One such strict limit, in particular, is the one-week turnaround time that the IEs get under the current review cycle. With rolling submissions, the IEs could have more leeway on when and how often they would submit revised proposals, addressing an option that had been previously discussed in AFB/B.34/10 (Option 2: Increase the Implementing Entity (IE) Revision Window by One Week (Two Weeks Total)). Another option raised in that paper, concerning *Option 1: Increase the PPRC Review Window by One Week (Two Weeks Total)* could also be potentially accommodated if a rolling submissions approach were to be adopted.

27. Having a rolling-basis submission process would help distribute the workload more evenly throughout the year, avoiding bottlenecks. This approach would furthermore have the advantage of allowing a larger number of reviews throughout the year. This could presumably lead to the shortening of the time needed for a proposal to reach the technically recommended stage. This also presumably means that the PPRC would see a larger proportion of technically recommended proposals versus first-time submissions that are not technically recommended and may come back for PPRC to be discussed again when they are finally ready to be technically recommended.

28. Cons: This approach would be a significant departure from the current process. It would require a number of adjustments and there is a risk that there are drawbacks to this approach that would become apparent only later. The adjustments would also need to cover aspects such as implications of the rolling-basis submission process on the intersessional review cycle, the public review process as well as upstream inputs from the PPRC or indeed Board members, who would wish to provide them. The newer grants, such as the small grants, innovation projects and EDA, are currently not accepted during the intersessional cycle, and

piloting this option for those grants might be particularly advantageous. Limiting the pilot to specific windows could also help manage any potential implications from risk mentioned above.

Option 3: Accepting first-time submissions for intersessional review

29. Currently, first-time submissions cannot be considered for intersessional review as per earlier-referenced Decision B.25/2. This option would necessitate a change in this policy. This approach would be based on the view expressed by PPRC members in the past that the recommendations of the PPRC rarely deviate from those already made by the secretariat, as captured in paragraph 26 of AFB/B.32/12, “*Report of the thirty-second meeting of the Adaptation Fund Board*”.

30. *Pros:* Currently, first-time submissions frequently take up a significant portion of the PPRC’s meeting agenda. This option would allow a more even distribution of first-time submissions, taking some workload off the PPRC.

31. *Cons:* This option would lead to more proposals being considered during the intersessional review cycle, which largely falls during the summer months in the northern hemisphere. This option, in absence of other mitigating measures, would lead to the risk of some proposals potentially never being discussed in a PPRC meeting. One potential mitigating measure would be to make it mandatory for a proposal to be discussed at a PPRC meeting at least once prior to approval. Another would be to encourage PPRC (and Board) members to review the proposals virtually and provide comments to the secretariat during the technical review period, such that comments from the PPRC, Board or others can be considered during the revision of the proposals.

Option 4: Accepting “new funding window” submissions for intersessional review

32. Similar to Option 3 above, submissions for “new funding windows” i.e. innovation, EDA, learning and scale-up grants, cannot be considered for an intersessional review at this time. Accepting such submissions for the intersessional review cycle may also alleviate some of the overly crowded agendas of the PPRC meetings.

33. *Pros:* Currently, IEs have two chances in a year to submit proposals for the new funding windows listed above. Having an additional opportunity may lead to a more evenly distributed submissions volume, potentially leading to a reduction of the number of items on the PPRC agendas. Likewise, the PPRC may wish to periodically reconsider the value of discussing in meetings such submissions when they are not technically recommended. In combination with the possibility to review such proposals intersessionally, relatively speaking, more time would be spent discussing more promising or technically sound proposals rather than those that are not ready to be recommended.

34. *Cons:* The new funding windows proposal submissions are considered strategically important for the Fund and the PPRC members have, in the past, shown little appetite for this option. As with Option 3, one approach would be to facilitate the PPRC (and Board) members to review the proposals virtually and provide comments to the secretariat during the technical review period, such that comments from the PPRC, Board or others can be considered during the revision of the proposals.



**Recommendation**

35. The PPRC may wish, having considered document AFB/PPRC.29/48, to recommend to the Board to:

- (a) [Consider the need to allocate more time to PPRC meetings];
- (b) [Allow submissions of proposals on a rolling basis {for innovation, enhanced direct access, learning and scale-up grants only} {for small grants for innovation, learning and scale-up only}];
- (c) [Allow first-time submissions to be considered during the intersessional review {with the understanding that a project must be discussed at some point by the PPRC before approval}];
- (d) [Encourage PPRC (and Board) members to review the proposals virtually and provide comments to the secretariat during the technical review period, such that comments from the PPRC, Board or others can be considered during the revision of the proposals];
- (e) Request the secretariat to further develop a process based on [a, b, c, d] above, taking into considerations the developments related to the Medium-Term Strategy, as well as any other relevant developments, and present a document detailing the process to the PPRC at its thirtieth meeting.

Annex I: Number of documents prepared for Board and committee meetings (AFB.10 to-date)

