AFB/B.39/14
14 October 2022

Adaptation Fund Board
Thirty-ninth meeting
Bonn, Germany, 13–14 October 2022

**DECISION DOCUMENT FOR THE THIRTY-NINTH MEETING OF THE ADAPTATION FUND BOARD**

**Agenda item 5: Accreditation-related matters**

*a) Report of the accreditation panel*

1. Having considered the recommendation of the secretariat, the Adaptation Fund Board decided:

(a) To take note of the report of the thirty-eighth meeting of the Accreditation Panel contained in document AFB/B.39/4, which included the report on the secretariat's receipt of requests from applicant implementing entities concerning the delays in the reaccreditation process due to the coronavirus disease pandemic;

(b) To temporarily approve a blanket extension of the deadline for achieving re-accreditation of up to six months, for all implementing entities with "in reaccreditation process" status between 1 March 2020 and 1 July 2022 whose reaccreditation process had been delayed by the pandemic;

(c) To request the secretariat to convey the present decision to all applicant implementing entities in the reaccreditation process.

**(Decision B.39/1)**

*b) Report of the task force on the matters related to top-level management statement*

2. Having considered documents AFB/B.39/13 and AFB/B.39/13/Add.1, the Adaptation Fund Board decided:

(a) To take note of the information contained in documents AFB/B.39/13 and AFB/B.39/13/Add.1;

(b) To welcome the application of the template for the top-level management statement (TLMS) to be submitted by implementing entities for accreditation and reaccreditation with

the Adaptation Fund as endorsed by the task force established by decision B.38/3 and contained in annex I of document AFB/B.39/13;

(c) To request the secretariat to communicate the present decision and the TLMS template to the applicant implementing entities and to report on the status of the TLMS implementation to the Board at its fortieth meeting.

**(Decision B.39/2)**

## Agenda item 6: Report of thirtieth meeting of the Project and Programme Review Committee

### (a) Report of the secretariat on the initial screening/technical review of project and programme proposals

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

(a) To allow to admit the resubmission of letters of endorsement for a project or programme that is signed by the Designated Authority on file with the Adaptation Fund, excluding cases where there was a change in participant countries, target areas or institutional arrangements, thereby superseding Decision B.32/7;

(b) To request the Implementing Entities to consistently copy the Designated Authority when submitting proposals to the Adaptation Fund Board Secretariat;

(c) To request the secretariat:

(i) To produce separate guidance templates for the concept note and fully developed project/programmes proposal stages and make them available on the Adaptation Fund website;

(ii) To communicate the decision in paragraph (b) above to the implementing entities;

(iii) To consider the existing policies on implementation fees and execution costs for all financing widows, including on their use, and propose adjustments with a view to simplifying and harmonizing them, and present a recommendation on the matter to the Project and Programme Review Committee at its thirty-second meeting.

**(Decision B.39/3)**

### (b) Review of single-country project and programme proposals

### (i) Fully developed proposals

*a. Proposals from National Implementing Entities (NIEs): Regular proposals*

Bhutan: Adaptation to Climate-Induced Water Stresses through Integrated Landscape Management in Bhutan (Fully developed project; Bhutan Trust Fund for Environmental Conservation (BTFEC); AF00000229; US$ 9,998,955)

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

(a) To approve the fully developed project proposal, as supplemented by the clarification responses provided by the Bhutan Trust Fund for Environmental Conservation (BTFEC) to the request made by the technical review;

(b) To approve the funding of US$ 9,998,955 for the implementation of the project, as requested by BTFEC;

(c) To request the secretariat to draft an agreement with BTFEC as the national implementing entity for the project.

**(Decision B.39/4)**

Uganda (1): Enhancing Resilience of Communities and Fragile Ecosystems to Climate Change in Katonga Catchment, Uganda (Fully developed project; Ministry of Water and Environment (MoWE); AF00000236; US$ 2,249,000)

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

(a) To not approve the fully developed project proposal, as supplemented by the clarification responses provided by the Ministry of Water and Environment (MoWE) to the request made by the technical review;

(b) To suggest that MoWE 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 fully identify the project activities and demonstrate compliance with the Fund's Environmental and Social Policy and Gender Policy;

(ii) The proponent should demonstrate the climate change adaptation relevance and concreteness of the proposed activities;

(c) To request MoWE to transmit the observations under subparagraph (b) to the Government of Uganda.

**(Decision B.39/5)**

Uganda (2): Enhancing Community Adaptation to Climate Change through Climate Resilient Flood Early Warning, Catchment Management and Wash Technologies in Mpologoma Catchment, Uganda (Fully developed project; Ministry of Water and Environment (MoWE); AF00000260; US$ 9,504,600)

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

(a) To approve the fully developed project proposal, as supplemented by the clarification responses provided by the Ministry of Water and Environment (MoWE) to the request made by the technical review;

(b) To approve the funding of US$ 9,504,600 for the implementation of the project, as requested by MoWE;

(c) To request the secretariat to draft an agreement with MoWE as the national implementing entity for the project.

**(Decision B.39/6)**

Zimbabwe: Enhancing Resilience of Communities and Ecosystems in the Face of a Changing Climate in Arid and Semi-Arid Areas of Zimbabwe (Fully developed project; Environmental Management Agency (EMA); AF00000233; US$ 4,989,000)

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

(a) To not approve the fully developed project proposal, as supplemented by the clarification responses provided by the Environmental Management Agency (EMA) to the request made by the technical review;

(b) To suggest that EMA 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 formulate all project activities to the point where adequate risks identification is possible;

(ii) The proponent should strengthen and clarify the project implementation arrangements;

(c) To request EMA to transmit the observations under subparagraph (b) to the Government of Zimbabwe.

**(Decision B.39/7)**

*b. Proposals from Multilateral Implementing Entities (MIEs): Regular proposals*

Montenegro: Adaptation to Climate Change and Resilience in the Montenegrin Mountain Areas - Gora (Fully developed project; International Fund for Agricultural Development (IFAD); AF00000300; US$ 10,000,000)

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

(a) To 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) To suggest that IFAD 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 include an explanation for the value and potential of agro-ecotourism in Montenegro and its contribution to adaptation and resilience as well as lessons learned from similar practices in the region;

(ii) The proponent should clearly articulate the adaptation rationale and project benefits, including adaptation outcomes or results once the project objectives are achieved;

(iii) The proponent should include the justification of the basis of full cost of adaptation reasoning;

(iv) The proponent should provide an adequate environmental and social risk screening, particularly for those related to the most vulnerable groups such as women, and further elaborate on risk mitigation measures, in line with the Adaptation Fund's gender policy;

(c) To request IFAD to transmit the observations under subparagraph (b) to the Government of Montenegro.

**(Decision B.39/8)**

Sri Lanka: Build Resilience to Climate Change and Climate Variability of Vulnerable Communities in Mullaitivu District of Sri Lanka (Fully developed project; United Nations Human Settlements Programme (UN-Habitat); AF00000279; US$ 2,000,000)

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

(a) To note the recommendation that the Adaptation Fund Board:

(i) Approve the fully developed project proposal, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;

(ii) Approve the funding of US$ 2,000,000 for the implementation of the project, as requested by UN-Habitat;

(iii) Request the secretariat to draft an agreement with UN-Habitat as the multilateral implementing entity for the project;

(b) To place the project on the waitlist pursuant to Decisions B.17/19, B.19/5, B.28/1 and B.35.a-35.b/46.

**(Decision B.39/9)**

**(ii) Concepts**

*a. Proposals from National Implementing Entities (NIEs): Small-size proposals*

Indonesia (1): Ecosystem-based Adaptation to Support Climate Resilience in Coastal and Small Islands of Rote Ndao and Sabu Raijua Districts in the Savu Sea (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000301; US$ 999,714.29)

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

(a) To 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) To request the secretariat to notify Kemitraan of the observations in the 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 focus on the Ecological Fiscal Transfer scheme as an innovative tool that can be a strategic deliverable of the project;

(ii) The fully developed proposal should include more details on how the project will ensure alignment with national strategies, and extract lessons learned from other projects;

(iii) The fully developed project proposal should provide additional information regarding the socioeconomic context of communities in the project area;

(iv) The fully developed proposal should clarify the beneficiary selection criteria disaggregated by gender and youth;

(c) To approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia;

(e) To 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.39/10)**

Indonesia (2): Sustainable Landscape Governance; Towards Climate Resilience of Community in Tempe Lake Ecosystem (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000302; US$ 993,081)

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

(a) To 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) To suggest that Kemitraan 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 strengthen the adaptation reasoning by identifying the adaptation challenges and barriers in the Tempe Lake ecosystem and link these to a limited number of components and concrete associated activities;

(ii) The proposal should elaborate on the cost-effectiveness of the proposed project;

(iii) The proposal should provide additional information regarding the socioeconomic context of the youth and vulnerable groups in the project area;

(iv) The proposal should clarify how the project is integrating the ecological sustainability dimensions of further development and dependence on fishery commodities;

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/11)**

Indonesia (3): Adaptation to Climate Change through Integrated Forest Management and Sericulture Business to Achieve Ecosystem Resilience to Food Security for the Lake Tempe Catchment Area Community (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000303; US$ 996,633)

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

(a) To 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) To suggest that Kemitraan 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 strengthen the adaptation rationale of the proposed project components, outputs, and activities;

(ii) The proponent should inform how all project components will benefit women, and indigenous peoples in the project area;

(iii) The proponent should elaborate on the cost-effectiveness of each project component;

(iv) The proposal should provide further information on its consultation process;

(v) The proposal should ensure compliance with the Fund's Environmental and Social Policy (ESP), and Gender Policy (GP);

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/12)**

Indonesia (4): Strengthening the Adaptive Capacity of Coastal Village Communities in Supporting Food Security as a Response to Climate Change through Stakeholder Elaboration Actions in West Sulawesi Province (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000304; US$ 970,503)

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

(a) To 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) To suggest that Kemitraan 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 further details on the consultation process in line with the Fund's Environmental and Social Policy and Gender Policy and should include an initial gender analysis;

(ii) The proposal should clarify how the project would ensure an equitable distribution of benefits among project beneficiaries;

(iii) The proponent should demonstrate the cost-effectiveness of the project;

(iv) The proposal should include a list and analysis of projects that could potentially complement or overlap with the proposed project;

(v) The proposal should provide a thorough analysis of potential risks in alignment with the Fund's Environmental and Social Policy;

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/13)**

Indonesia (5): Collaboration for the Conservation of Cimandiri Watershed Landscapes through the Potential of Silvopasture and Community Agroforestry (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan)**;** AF00000305; US$ 960,225)

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

(a) To not endorse the concept note as supplemented by the clarification responses provided by Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;

(b) To suggest that Kemitraan 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 details on the financial sustainability of the proposed activities;

(ii) The proponent should carry out a comprehensive consultations process with vulnerable and marginalized groups, including women's and youth groups;

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/14)**

Indonesia (6): Building Climate Resilient District in Indonesia: Case of Sigi District (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000306; US$ 998,868)

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

(a) To 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) To request the secretariat to notify Kemitraan of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue;

(i) The fully developed project proposal should include a comprehensive consultation process, with particular attention to vulnerable, marginalized, and indigenous groups;

(c) To approve the project formulation of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia;

(e) To 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.39/15)**

Indonesia (7): Village Based Coastal Adaptation and Resilience in Lombok Province of West Nusa Tenggara (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000307; US$ 998,738)

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

(a) To 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) To suggest that Kemitraan 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 clearly articulate its objective and clarify how the selected measures will help achieving the stated climate adaptation objective and why they are the most cost-effective, vis- à-vis other possible interventions;

(ii) The proposal should clarify the means of dissemination of the envisaged knowledge management products;

(iii) The proposal should include an environmental and social risk screening including adequate mitigations provisions for the risks identified, in alignment with the Fund's Environmental and Social Policy;

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/16)**

Indonesia (8): Change Climate and Adaptation in the Buffer Area of the New National Capital (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000308; US$ 1,000,000)

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

(a) To 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) To suggest that Kemitraan 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 issue:

(i) The proposal should demonstrate how the proposed activities will address the adverse impacts and risks posed by climate change;

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/17)**

Indonesia (9): Increasing the Resilience of Smallholders from Climate Impacts through Smart Agriculture Based on Livelihood Diversification in Indonesia (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000309; US$ 977,939)

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

(a) To not endorse the concept note as supplemented by the clarification responses provided by Partnership for Governance Reform in Indonesia (Kemitraan) to the request made by the technical review;

(b) To suggest that Kemitraan 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 demonstrate the climate change adaptation relevance of the proposed activities;

(ii) The proponent should provide more details and demonstrate compliance with the Fund's Environmental and Social Policy and Gender Policy;

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/18)**

Indonesia (10): Strengthening Community Adaptation toward Climate Change through ProKlim in Ecoregion Neck of Sulawesi Island (Concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000310; US$ 999,226)

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

(a) To 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) To suggest that Kemitraan reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board's decision;

(c) To not approve the project formulation grant of US $50,000;

(d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/19)**

*b. Proposals from National Implementing Entities (NIEs): Regular proposals*

Mexico (1): Adaptation to Climate Change through Integrated Water Management and Sustainable Practices in Vulnerable Indigenous Communities in Oaxaca and San Luis Potosí, in Mexico (Concept note; Mexican Institute of Water Technology (IMTA); AF00000326; US$ 1,059,941.30)

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

(a) To not endorse the concept note, as supplemented by the clarification responses provided by the Mexican Institute of Water Technology (IMTA) to the request made by the technical review;

(b) To suggest that IMTA 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 include evidence that a dedicated initial consultative process took place with key stakeholders, and that its findings informed the project design;

(ii) The concept note should submit a comprehensive mapping of ongoing and planned activities identifying synergies, and ensuring non-duplication;

(iii) The proposal should provide improved analyses of the project cost-effectiveness and justification of the funding requested based on the full cost of adaptation reasoning;

(iv) The proposal should include an initial gender analysis in compliance with the Fund's Gender Policy;

(c) To request IMTA to transmit the observations under subparagraph (b) to the Government of Mexico.

**(Decision B.39/20)**

Mexico (2): Restoration of Lake Texcoco through Resilient Actions (Concept note; Mexican Institute of Water Technology (IMTA); AF00000327; US$ 6,434,050)

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

(a) To not endorse the concept note, as supplemented by the clarification responses provided by the Mexican Institute of Water Technology (IMTA) to the request made by the technical review;

(b) To suggest that IMTA 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 include evidence that an initial consultative process took place with key stakeholders, and that its findings informed the project design;

(ii) The proposal should include an initial gender analysis in compliance with the Fund's Gender Policy;

(c) To not approve the project formulation grant of US $40,000;

(d) To request IMTA to transmit the observations under subparagraph (b) to the Government of Mexico.

**(Decision B.39/21)**

Mexico (3): Ha Ta Tukari, "Water our Life": Towards Universal Drinking Water Coverage for 23 Communities of the Wixarika Nation (Concept note; Mexican Institute of Water Technology (IMTA); AF00000328; US$ 3,255,000)

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

(a) To not endorse the concept note, as supplemented by the clarification responses provided by the Mexican Institute of Water Technology (IMTA) to the request made by the technical review;

(b) To suggest that IMTA 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 include evidence that a dedicated initial consultative process took place with key stakeholders, and that its findings informed the project design;

(ii) The proponent should submit a comprehensive mapping of ongoing and planned activities identifying synergies and ensuring non-duplication;

(iii) The proposal should identify all relevant national technical standard and state compliance in a logical manner;

(iv) The proposal should provide a cost-effectiveness analysis, including quantitative estimates, of the chosen activities vis-à-vis alternative measures;

(c) To not approve the project formulation grant of US$ 30,000;

(d) To request IMTA to transmit the observations under subparagraph (b) to the Government of Mexico.

**(Decision B.39/22)**

Niger: Climate-Resilient Agriculture Chain in Niger (CRAC-Niger) (Concept note; Banque Agricole du Niger (BAGRI); AF00000299; US$ 10,000,000)

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

(a) To endorse the concept note as supplemented by the clarification responses provided by the Banque Agricole du Niger (BAGRI) to the request made by the technical review;

(b) To request the secretariat to notify BAGRI of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed project proposal should contain more details as appropriate, including on project's modalities to leverage the experiences and lessons learned of the other initiatives;

(ii) The fully developed project proposal should further detail the modalities of the concessional loans proposed and demonstrate adherence to the full cost of adaptation principle;

(iii) The fully developed project proposal should elaborate on the arrangements through which the project sustainability would be achieved, in particular sustainability and maintenance of the infrastructure or installations to be developed;

(c) To approve the project formulation grant of US$ 49,000;

(d) To request BAGRI to transmit the observations under subparagraph (b) to the Government of Niger;

(e) To encourage the Government of Niger to submit, through BAGRI, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/23)**

Peru: Building a Program for Adaptation and Resilience to Climate Change of Andean Local Communities and Ecosystems in Peru (Concept note; Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE); AF00000296; US$5,465,145)

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

(a) To not endorse the concept note as supplemented by the clarification responses provided by the Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE) to the request made by the technical review;

(b) To suggest that PROFONANPE 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 alternative options to the proposed measures, or other possible interventions that could have taken place, and quantitative examples from the cited evaluation to allow for a good assessment of the project's cost effectiveness;

(ii) The proponent should ensure that marginalized and vulnerable groups are consulted, and that a summary of the consultation outcomes is included and reflected in project design;

(iii) The proposal should elaborate on the possible project risks, impacts and risk avoidance or mitigation mechanisms for each of the 15 principles of the Adaptation Fund's Environmental and Social Policy;

(c) To request PROFONANPE to transmit the observations under subparagraph (b) to the Government of Peru.

**(Decision B.39/24)**

Tuvalu: Strengthening Adaptation Against Climate Variability through Increasing Clean Water Supply and Sanitation at Motufoua Secondary School (Concept note; Ministry of Finance (MoF); AF00000311; US$ 2,000,000)

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

(a) To endorse the concept note as supplemented by the clarification responses provided by the Ministry of Finance (MoF) to the request made by the technical review;

(b) To request the secretariat to notify the MoF of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed project proposal should demonstrate how the project will ensure that the quality of the drinking water meets acceptable standards, which in the absence of national standards could be those of the World Health Organization. For the size of the requested grant, safe drinking water for all students and staff should be the goal;

(ii) The fully developed project proposal should demonstrate full compliance with the Fund's Environmental and Social Policy and Gender Policy;

(c) To approve the project formulation grant of US$ 50,000;

(d) To request MoF to transmit the observations under subparagraph (b) to the Government of Tuvalu;

(e) To encourage the Government of Tuvalu to submit, through MoF, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/25)**

*c. Proposals from Regional Implementing Entities (RIEs): Regular proposals*

Fiji: Strengthening the Adaptive Capacity of Coastal Communities of Fiji to Climate Change through Nature-Based Seawalls (Concept note; The Pacific Community (SPC); AF00000312; US$ 5,764,000)

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

(a) To endorse the concept note as supplemented by the clarification responses provided by The Pacific Community (SPC) to the request made by the technical review;

(b) To request the secretariat to notify SPC of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed project proposal should inform how the consultation process included gender considerations, and how it informs the project proposal;

(ii) The fully developed project proposal should explain its alignment to national technical standards;

(iii) The fully developed project proposal should further assess identified risks related to access and equity, gender equality and women's empowerment, and indigenous peoples;

(c) To request SPC to transmit the observations under subparagraph (b) to the Government of Fiji;

(d) To encourage the Government of Fiji to submit, through SPC, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/26)**

*d. Proposals from Multilateral Implementing Entities (MIEs): Regular proposals*

Georgia: Dairy Modernization and Market Access: Adaptive and Climate-Resilient Pasture Management (DiMMAdapt+) (Concept note; International Fund for Agricultural Development (IFAD)**;** AF00000313; US$9,846,766)

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

(a) To 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) To request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed proposal should improve the formulation of the project goal and objectives;

(ii) The fully developed proposal should provide further details on the conflict resolving mechanism proposed under Output 2.1;

(iii) The fully developed project proposal should provide disaggregated data on the target beneficiaries, and estimations on the benefits provided to marginalized and vulnerable groups;

(iv) The fully developed project proposal should include additional consultations with women's representatives and explain how these were integrated into the project design;

(c) To request IFAD to transmit the observations under subparagraph (b) to the Government of Georgia;

(d) To encourage the Government of Georgia to submit, through IFAD, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/27)**

Guinea: Climate Change Adaptation of Vulnerable Communities in the Sahel Border Zone of the Republic of Guinea (Concept note; United Nations World Food Programme (WFP); AF00000314; US$ 10,000,000)

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

(a) To endorse the concept note as supplemented by the clarification responses provided by the United Nations World Food Programme (WFP) to the request made by the technical review;

(b) To request the secretariat to notify WFP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed project proposal should present the findings of comprehensive consultations at the local level, considering the interests and concerns of marginalized and vulnerable groups and key stakeholders;

(ii) The fully developed proposal should include an elaborated section on the barriers to demonstrate socio-ecological adaptation challenges in the project area;

(c) To request WFP to transmit the observations under subparagraph (b) to the Government of Guinea;

(d) To encourage the Government of Guinea to submit, through WFP, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/28)**

Lao People's Democratic Republic: Enhancing Adaptive Capacity in Lao PDR Provinces, and Building Resilient Housing in Vulnerable Communities (Concept note; United Nations Human Settlements Programme (UN-Habitat); AF00000295; US$ 7,323,750)

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

(a) To 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) To request the secretariat to notify UN-Habitat of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed project proposal should ensure that the proposed activities are fully informed by the existing weather and climate services assessments undertaken by the Ministry of Natural Resources and Environment;

(ii) The fully developed project proposal should tackle gaps in modelling for prediction as well as model interpretation and forecast production, to ensure a seamless production and dissemination of the proposed climate and weather services;

(iii) The fully developed project proposal should describe how the proposed investments will build on the existing early warning system and address its shortfalls;

(c) To request UN-Habitat to transmit the observations under subparagraph (b) to the Government of Lao People's Democratic Republic;

(d) To encourage the Government of Lao People's Democratic Republic to submit, through UN-Habitat, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/29)**

Libya: Increasing Resilience to Climate-Aggravated Water Scarcity in the Agriculture Sector in Libya (Concept note; International Fund for Agriculture Development (IFAD); AF00000315; US$ 9,997,156)

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

(a) To not endorse the concept note, as supplemented by the clarification responses provided by the International Fund for Agriculture Development (IFAD) to the request made by the technical review;

(b) To suggest that IFAD 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 define the project activities under each project output;

(ii) The proponent should further explain the long-term sustainability of the project;

(iii) The proposal should provide a justification for the funding requested, particularly concerning Component 1;

(c) To request IFAD to transmit the observations under subparagraph (b) to the Government of Libya.

**(Decision B.39/30)**

Maldives: Opportunities for Conservation and Ecosystem-based Adaptation through Nature-based Solutions (Concept note; United Nations Educational, Scientific, and Cultural Organization (UNESCO); AF00000316; US$10,000,000)

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

(a) To not 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) To suggest that UNESCO 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 be further developed to fully identify the project activities;

(ii) The proponent should demonstrate climate change adaptation relevance of the chosen approach and the proposed activities;

(c) To request UNESCO to transmit the observations under subparagraph (b) to the Government of Maldives.

**(Decision B.39/31)**

Mongolia: Ger Community Resilience Project (GCRP) (Concept Note; United Nations Human Settlements Programme (UN-Habitat); AF00000317; US$ 7,965,889)

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

(a) To endorse the project concept, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the requests made by the technical review;

(b) To request the secretariat to notify UN-Habitat of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:

(i) The fully developed project proposal should demonstrate the project alignment with Fund's Strategic Results Framework and Core Impact Indicators;

(c) To request UN-Habitat to transmit the observations under subparagraph (b) to the Government of Mongolia;

(d) To encourage the Government of Mongolia to submit, through UN-Habitat, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/32)**

Zambia: Climate Change Adaptation of Livelihoods through Rural Finance (CALRF) (Concept note; International Fund for Agricultural Development (IFAD); AF00000280; US$ 10,000,000)

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

(a) To 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) To request the secretariat to notify IFAD of the observations in the 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 type of intensification of food crop and pasture production that will be used in each target districts;

(ii) The fully developed project proposal should provide more details on the design of the proposed adaptation options and pathways;

(iii) The fully developed project proposal should further expand on the mechanisms by which the proposed project will ensure synergies with complementary initiatives;

(c) To request IFAD to transmit the observations under subparagraph (b) to the Government of Zambia;

(d) To encourage the Government of Zambia to submit, through IFAD, a fully developed project proposal that would also address the observations under subparagraph (b), above.

**(Decision B.39/33)**

**(c) Review of regional project and programme proposals**

**(iii) Fully developed proposals**

*a. Proposals from Multilateral Implementing Entities (MIEs)*

Antigua and Barbuda, Saint Lucia: Increasing the Resilience of the Education System to Climate Change Impacts in the Eastern Caribbean (Fully developed project; United Nations Human Settlements Programme (UN-Habitat); AF00000192; US$ 13,996,500)

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

(a) To not approve the fully developed project proposal, 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) To suggest that UN-Habitat 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 proponent should further elaborate on the complementarities, coherence and synergies with other relevant projects and initiatives in the region;

(ii) The proposal should strengthen the cost-effectiveness analysis by providing different scenarios and a rationale for the proposed solutions;

(iii) The proposal should further detail the project activities and specify if some project components include unidentified sub-projects;

(c) To request UN-Habitat to transmit the observations under subparagraph (b) to the Governments of Antigua and Barbuda and Saint Lucia.

**(Decision B.39/34)**

El Salvador, Honduras: Strengthening the Adaptive Capacities of Climate-Vulnerable Communities in the Goascorán Watershed of El Salvador and Honduras through Integrated Community-Based Adaptation Practices and Services (Fully developed project; United Nations World Food Programme (WFP); AF00000165; US$12,048,300)

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

(a) To approve the fully developed project proposal, as supplemented by the clarification responses provided by the United Nations World Food Programme (WFP) to the request made by the technical review;

(b) To approve the funding of US$ $12,048,300 for the implementation of the project, as requested by WFP;

(c) To request the secretariat to draft an agreement with WFP as the multilateral implementing entity for the project.

**(Decision B.39/35)**

India, Sri Lanka: Strengthening Resilience of Vulnerable Communities in Sri Lanka and India to Increased Impacts of Climate Change (Fully developed project; United Nations World Food Programme (WFP); AF00000225; US$ 13,995,524)

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

(a) To note the recommendation that the Adaptation Fund Board:

(i) Approve the fully developed project proposal, as supplemented by the clarification responses provided by the United Nations World Food Programme (WFP) to the request made by the technical review;

(ii) Approve the funding of US$ 13,995,524 for the implementation of the project, as requested by WFP;

(iii) Request the secretariat to draft an agreement with WFP as a multilateral implementing entity for the project;

(b) To place the project on the waitlist pursuant to Decisions B.17/19, B.19/5, B.28/1 and B.35.a-35.b/46.

**(Decision B.39/36)**

**(ii) Concepts**

*a. Proposals from Regional Implementing Entities (RIEs)*

Guinea, Mali, Mauritania, Senegal: Strengthening the Resilience of Climate-Vulnerable Communities in the Senegal River Basin Using a Multi-Hazard Early Warning System and Building Adaptive Capacity (Concept note; Sahara and Sahel Observatory (OSS); AF00000253; US$ 14,000,000)

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

(a) To not endorse the 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) To suggest that OSS 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 submit a comprehensive mapping of ongoing and planned activities identifying synergies, seeking collaboration with regional and national institutions in the region and ensuring non-duplication;

(ii) The proponents should carry out and present the findings of initial consultations at the local level, considering the interests and concerns of marginalized and vulnerable groups;

(c) To not approve the project formulation grant of US$ 80,000;

(d) To request OSS to transmit the observations under subparagraph (b) to the Governments of Guinea, Mali, Mauritania, and Senegal.

**(Decision B.39/37)**

**(iii) Pre-concepts**

*a. Proposals from Multilateral Implementing Entities (MIEs)*

Fiji, Samoa, Solomon Islands, Vanuatu: Integrating Flood and Drought Management and Early Warning for Climate Change Resilience in the Pacific Islands (Pre-concept note; World Meteorological Organization (WMO); AF00000318; US$ 13,959,881)

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

(a) To not endorse the pre-concept note, as supplemented by the clarification responses provided by the World Meteorological Organization (WMO) to the request made by the technical review;

(b) To suggest that WMO 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 strengthen the value added of the regional approach;

(ii) The proposal should review the scope of the proposed vulnerability and risk assessments so that they serve the specific outputs of the project;

(iii) The proposal should clarify the role of each executing entity and should further demonstrate WMO comparative advantages to provide executing services to the project;

(c) To not approve the project formulation grant of US$ 20,000;

(d) To request WMO to transmit the observations under subparagraph (b) to the Governments of Fiji, Samoa, Solomon Islands, and Vanuatu.

**(Decision B.39/38)**

**(d) Recommendation for projects or programmes placed on the waitlist**

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

(a) To note the recommendation of the Project and Programme Review Committee to approve the following projects or programmes:

(i) Sri Lanka (AFB/PPRC.30/9);

(ii) India, Sri Lanka (AFB/PPRC.30/36);

(b) To add them to the waitlist pursuant to Decision B.12/9 and according to the prioritization criteria established in Decision B.17/19 and clarified in Decision B.19/5 and Decision B35.a-B35.b/46;

(c) To consider the projects on the waitlist for approval, subject to the availability of funds, at a future Board meeting, or intersessionally, in the order in which they are listed in subparagraph (a) above.

**(Decision B.39/39)**

**(e) Review of enhanced direct access project and programme proposals**

**(iv) Fully developed proposals**

*a. Proposals from National Implementing Entities (NIEs)*

Rwanda: Rwanda Sub-National Adaptation Fund EDA (Fully developed proposal; Ministry of Environment (MoE); AF00000270; US$ 4,998,812)

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

(a) To approve the fully developed project proposal, as supplemented by the clarification responses provided by the Ministry of Environment (MoE) to the request made by the technical review;

(b) To approve the funding of US$ 4,998,812 for the implementation of the project, as requested by MoE;

(c) To request the secretariat to draft an agreement with MoE as the national implementing entity for the project.

**(Decision B.39/40)**

**(ii) Concepts**

*a. Proposals from National Implementing Entities (NIEs)*

Peru: Fund for Innovative Adaptation in Vulnerable Ecosystems in Northern of Peru (Ancash, Cajamarca, La Libertad and San Martin) (Concept note; Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE); AF00000283; US$ 5,000,000)

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

(a) To endorse the enhanced direct access project concept note, as supplemented by the clarification responses provided by the Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE) to the requests made by the technical review;

(b) To request the secretariat to notify PROFONANPE of the observations in the 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 a cost-effectiveness analysis, including quantitative estimates of the cost differentiation between the chosen activities and those of alternatives that were considered to help adapt and build resilience in the same sector, geographic region, and/or community;

(ii) The fully developed project proposal should include a consultation report describing comprehensive consultations and stakeholder mapping conducted, with particular attention to vulnerable, marginalized, and minority groups;

(iii) The proponent should ensure that gender considerations are met in accordance with the Adaptation Fund's Gender Policy;

(c) To request PROFONANPE to transmit the observations under subparagraph (b) to the Government of Peru;

(d) To encourage the Government of Peru to submit through PROFONANPE, a fully developed project proposal, that would also address the observations under subparagraph (b), above.

**(Decision B.39/41)**

**(f) Review of large innovation project and programme proposals**

**(iii) Fully developed proposals**

*a. Proposals from Multilateral Implementing Entities (MIEs)*

Viet Nam: Innovative Financial Incentives for Adaptation in Wetland Livelihoods (IFIA) (Fully developed proposal; International Fund for Agricultural Development (IFAD); AF00000325; US$5,000,000)

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

(a) To not approve the fully developed large innovation project proposal as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the requests made by the technical review;

(b) To 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 clarify the innovation rationale, also by providing a stronger justification as to why microfinance products are considered innovative in the context of the region or sector;

(ii) The proposal should clearly outline the social, environmental and economic benefits of the project, including the role of microfinance as an important tool for inclusive entrepreneurship;

(iii) The proposal should clarify how restoration efforts will be managed and monitored in the long term;

(c) To request IFAD to transmit the observations under subparagraph (b) to the Government of Viet Nam.

**(Decision B.39/42)**

**(ii) Concepts**

*a. Proposals from National Implementing Entities (NIEs)*

Chile: Rainfed Farming Communities in Central Chile Develop Resilient Processes to Climate Change with the Implementation of Innovative Technological Strategies Adapted to Improve Food Safety (Concept note; Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID); AF00000319; US$ 5,000,000)

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

(a) To not endorse the large innovation project concept note, as supplemented by the clarification responses provided by Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID) to the requests made by the technical review;

(b) To request the secretariat to notify AGCID of 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 clarify the innovation rationale or strengthen the innovation components of the proposed activities and justify why the proposal should be considered under the large innovation project funding window;

(ii) The proposal should include a clear description of the target populations, clarifying how the most vulnerable communities and social group would be engaged and empowered, and how they will benefit from the project;

(iii) The proposal should clarify how it will advance gender equality in compliance with the Gender Policy of the Fund;

(iv) The proposal should clarify how knowledge and learning are embedded throughout with clear activities linked to the concrete adaptation actions;

(v) The proposal should include the outcomes of the consultations by describing the topics discussed, and how the results of the consultative process are reflected in the project design;

(c) To not approve the project formulation grant of US$ 50,000;

(d) To request AGCID to transmit the observations under subparagraph (b) to the Government of Chile.

**(Decision B.39/43)**

*b. Proposals from Multilateral Implementing Entities (MIEs)*

Bhutan: Innovative Adaptation Financing to Build the Resilience and Adaptive Capacity of Smallholder Farmers in Bhutan (InAF-Bhutan) (Concept note; United Nations World Food Programme (WFP); AF00000324; US$ 4,978,034)

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

(a) To endorse the large innovation project concept note, as supplemented by the clarification responses provided by the United Nations World Food Programme (WFP) to the request made by the technical review;

(b) To request the secretariat to notify WFP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed proposal should include details of the project direct beneficiaries (disaggregated by gender);

(ii) The fully developed proposal should specify the project localities that will benefit from insurance policy;

(iii) The fully developed proposal should specify the envisaged engagement between research institutions and local communities;

(iv) The fully developed proposal should clarify the knowledge management and learning specific outputs and appropriate targets should be set in the project results framework;

(c) To request WFP to transmit the observations under subparagraph (b) to the Government of Bhutan;

(d) To encourage the Government of Bhutan to submit through WFP, a fully developed project proposal that would also address the observations under subparagraph (b) above.

**(Decision B.39/44)**

Kenya, Uganda: Unlocking Investments in Gender and Youth-Inclusive Early-Growth Stage Adaptation Small and Medium-sized Enterprises in Kenya and Uganda (Concept note; United Nations Industrial Development Organization (UNIDO); AF00000276; US$ 5,000,000)

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

(a) To endorse the large innovation project concept note, as supplemented by the clarification responses provided by the United Nations Industrial Development Organization (UNIDO) to the request made by the technical review;

(b) To request the secretariat to notify UNIDO of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:

(i) The fully developed proposal should quantify estimated benefits whenever possible;

(ii) The fully developed proposal should include a detailed consultation report for communities, financial institutions, small and medium enterprises that were engaged, including detailed information on stakeholders met, dates, topics discussed and how the outcomes were integrated in the project design;

(iii) The fully developed proposal should include a detailed Environmental and Social Management System (ESMS), including a management plan for unidentified subprojects (USPs);

(iv) At the fully developed proposal stage, sustainability considerations should be described in detail from environmental, social, institutional, economic and financial perspectives;

(c) To approve the project formulation grant of US$ 30,000;

(d) To request UNIDO to transmit the observations under subparagraph (b) to the Governments of Kenya and Uganda;

(e) To encourage the Governments of Kenya and Uganda to submit through UNIDO, a fully developed project proposal that would also address the observations under subparagraph (b) above.

**(Decision B.39/45)**

**(g) Review of innovation small grant project proposals**

Chile (1): Implementation of Action of the Capacity Building and Climate Empowerment Strategy (Innovation Small Grant; Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID); AFRDG00061 US$ 247,200)

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

(a) To not approve the innovation small grant proposal, as supplemented by the clarification responses provided by the Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID) to the requests made by the technical review;

(b) To suggest that AGCID 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 include an explanation on Action for Climate Empowerment (ACE) and its contribution to enhancing adaptation and resilience;

(ii) The proponent should clearly articulate the climate change adaptation and innovation rationale, including the project benefits, adaptation outcomes or expected results once the project objectives are achieved;

(iii) The proponent should conduct adequate environmental and social risk screening, gender inclusive consultations, and further elaborate on risk mitigation measures, in line with the Adaptation Fund's gender policy;

(c) To request AGCID to transmit the observations under subparagraph (b) to the Government of Chile.

**(Decision B.39/46)**

Chile (2): Comprehensive Multi-Energy Isolated System for Community-based Food Security in the Chilean Patagonia (Innovation Small Grant; Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID); AFRDG00062; US$ 249,900)

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

(a) To not approve the innovation small grant proposal, as supplemented by the clarification responses provided by the Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID) to the requests made by the technical review;

(b) To suggest that AGCID 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 be further developed in line with the definition of a concrete adaptation project for the Adaptation Fund;

(ii) The proposal should include an explanation of the innovative adaptation practices, tools, and technologies and how they will address the climate vulnerability of target beneficiaries;

(iii) The proposal should clearly outline relevant climate change scenarios according to the best available scientific information in the background and context section;

(c) To request AGCID to transmit the observations under subparagraph (b) to the Government of Chile.

**(Decision B.39/47)**

Chile (3): Sustainable Corridors. Adapting Electricity Transmission Infrastructure to the Climate Crisis through Nature-based Solutions in the Antofagasta Region (Innovation Small Grant; Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID); AFRDG00063; US$ 250,000)

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

(a) To not approve the innovation small grant proposal, as supplemented by the clarification responses provided by the Agencia Chilena de Cooperación Internacional para el Desarrollo (AGCID) to the requests made by the technical review;

(b) To suggest that AGCID 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 clarify the concept of the sustainable corridor and how it will enhance climate change resilience;

(ii) The proposal should specify the target locations and the climate change vulnerabilities of the host communities;

(iii) The proposal should include details on the type of nature-based solutions that will be adopted in the project, with consideration of the environmental conditions of the target area;

(c) To request AGCID to transmit the observations under subparagraph (b) to the Government of Chile.

**(Decision B.39/48)**

Indonesia: Developing "Climate Smart Community" System to Increase Climate Resilience for Saddang Watershed Communities (Innovation Small Grant; Partnership for Governance Reform in Indonesia (Kemitraan); AFRDG00064; US$ 250,000)

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

(a) To not approve the innovation small grant proposal, as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan) to the requests made by the technical review;

(b) To suggest that Kemitraan 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 clarify the sustainability of the project outcomes, how the youth climate observer group will remain active, as well as who will operate and manage the improved technology platforms;

(ii) The proposal should further develop and clarify gender considerations in the project;

(c) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia.

**(Decision B.39/49)**

Senegal: Djigui Niokolo: Developing Agro-Sylvo-Pastoral Models for Sustainable Agriculture and Environmental Preservation (Innovation Small Grant; Centre de Suivi Ecologique (CSE); AFRDG00065; US$ 248,319)

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

(a) To not approve the innovation small grant proposal, as supplemented by the clarification responses provided by the Centre de Suivi Ecologique (CSE) to the requests made by the technical review;

(b) To 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 clarify the innovative nature of the farming techniques from the Fields of the Future project that will be replicated in Senegal;

(ii) The proposal should clarify the role of research institutions in the project;

(c) To request CSE to transmit the observations under subparagraph (b) to the Government of Senegal.

**(Decision B.39/50)**

**(h) Request for project major change**

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

(a) To approve the request for change in deletion of output, material change and change in project outputs' indicators targets for the project "Increasing the Resilience of both Displaced Persons and Host Communities to Climate Change-Related Water Challenges in Jordan and Lebanon", as requested by the United Nations Human Settlements Programme (UN-Habitat) and as contained in the revised project proposal presented as Annex 5 of document AFB/PPRC.30/53;

(b) To request the secretariat to draft an amendment to the agreement between the Board and UN-Habitat to reflect the changes made under subparagraph (a).

**(Decision B.39/51)**

**(i) Updated guidance for Implementing Entities on the use of unidentified sub-projects**

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

(a) To adopt the updated guidance for implementing entities on the use of Unidentified Sub-Projects (USPs) contained in document AFB/PPRC.30/54, thus superseding that of Annex 2 of document AFB/B.32-33/7;

(b) To request the secretariat to inform the implementing entities of the Fund of the new guidance;

(c) To request the secretariat to provide an update to the PPRC on the use of USPs in the proposal design no later than its thirty-fourth meeting.

**(Decision B.39/52)**

### (j) Options for further supporting the work of the PPRC

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

(a) To invite the implementing entities of the Adaptation Fund to submit, on a rolling basis as described under option 3 in document AFB/PPRC.30/55, proposals for projects or programmes under the innovation, enhanced direct access, learning and scale-up grants funding windows, on a pilot basis;

(b) To request the secretariat to prepare a report on the pilot phase to-date, with a view to considering potential changes to the Operational Policies and Guidelines (OPG), as appropriate, and taking into consideration the developments related to the new Medium-Term Strategy (2023-2027), as well as any other relevant developments;

(c) To request the secretariat to present the report at the thirty-first meeting of the PPRC with a recommendation concerning the next decision regarding the pilot phase.

**(Decision B.39/53)**

## Agenda item 7: Report of thirtieth meeting of the Ethics and Finance Committee

### (a) Annual performance report for fiscal year 2022

54. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) decided:

(a) To approve the Adaptation Fund annual performance report for the fiscal year 2022 as contained in document AFB/EFC.30/3/Rev.1;

(b) To request the secretariat to prepare a summarized version for the general public in a reader-friendly format, following the approval of the annual performance report by the Board.

**(Decision B.39/54)**

### (c) Report of the Chair of the Technical Evaluation Reference Group

55. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) decided:

(a) To take note of the information provided by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) on the overall approach to evaluation policy guidance development, and the proposed format, content and access environment for resources, as presented in document AFB/EFC.30/8/Rev.1, on the draft framework for the development of evaluation policy guidance documents;

(b) To request the AF-TERG:

(i) To continue to develop evaluation policy guidance documents, in consultation with the secretariat;

(ii) To present the developed documents identified in document AFB/EFC.30/8/Rev.1 to the Ethics and Finance Committee for its consideration at its thirty-first meeting, in March 2023.

**(Decision B.39/55)**

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

(a) To take note of the key findings of the thematic evaluation of the Adaptation Fund's experience with innovation conducted by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) and contained in document AFB/EFC.30/10, particularly areas of improvement, in informing the overall strategic direction and level of ambition of future work on innovation supported by the Adaptation Fund;

(b) To request the secretariat:

(i) To prepare a draft management response to the thematic evaluation mentioned above and to submit it to the EFC for comments during the intersessional period between the Board's thirty-ninth and fortieth meetings, and to revise the draft management response taking into account the comments received from the members of the EFC for the consideration of the EFC at its thirty-first meeting;

(ii) To consider, in the context of developing plans for the implementation of future work on innovation, various options, including the three options presented in the evaluation document, as well as a combination of relevant elements thereof, and the cost and resource implications required to implement them, as well as their potential benefits and impacts, and accordingly consider them when developing the implementation plan for the medium-term strategy for 2023–2027 for consideration by the Board;

(c) To consider and approve subsequent topics for AF-TERG thematic evaluations in the context of the three-year work plans of the AF-TERG, including the next AF-TERG work programme for 2025–2027.

**(Decision B.39/56)**

57. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) decided:

(a) To take note of the report and the options presented in document AFB/EFC.30/11;

(b) To adopt a phased approach to the overall evaluation, proceeding urgently with a rapid evaluation and undertaking a comprehensive evaluation at a later stage, with a view to contributing to the development of the Adaptation Fund's medium-term strategy for 2028–2032;

*With respect to the rapid evaluation*

(c) To request the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG):

(i) To prepare terms of reference for the rapid evaluation in line with option 1, for the consideration of the Ethics and Finance Committee during the intersessional period between its thirtieth and thirty-first meetings and, if needed, to present the detailed financial implications of the rapid evaluation for the consideration of the EFC at its thirty-first meeting;

(ii) To prepare the rapid evaluation, in line with option 1 and on the basis of the terms of reference referred to in paragraph (c) (i) above, and to submit it for the consideration of the Board, no later than 60 days before the forty-first meeting of the Board;

(d) To request the secretariat to prepare a draft management response to the rapid evaluation for consideration by the Board at its forty-first meeting;

*With respect to the comprehensive evaluation*

(e) To request the AF-TERG:

(i) To prepare terms of reference for the comprehensive evaluation in line with option 3 and detailed financial implications of the comprehensive evaluation for the consideration of the Ethics and Finance Committee at its thirty-fourth meeting

(ii) To prepare the comprehensive evaluation in line with option 3 and on the basis of the terms of reference referred to in paragraph (e) (i) above and to submit it for the consideration of the Board, no later than 60 days before the forty-seventh meeting of the Board;

(f) To request the secretariat to prepare a draft management response to the comprehensive evaluation for consideration by the Board at its forty-seventh meeting.

**(Decision B.39/57)**

58. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) decided:

(a) To approve, from the resources available in the Adaptation Fund Trust Fund, the proposed revised budget of US$ 1,484,965 to cover the costs of the operations of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) and its secretariat for fiscal year 2023, from 1 July 2022 to 30 June 2023, comprising US$ 846,496 for the management component and US$ 638,469 for the evaluation component, representing an increase of US$ 155,000 over the revised approved AF-TERG budget for fiscal year 2023 that required an additional transfer from the Adaptation Fund Trust Fund;

(b) To authorize the trustee to transfer the amount of the increase indicated in paragraph (a) above to the AF-TERG secretariat.

**(Decision B.39/58)**

**(d) Progress report on the management response to the mid-term review of the medium-term strategy**

59. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) decided:

(a) To take note of the report set out in document AFB/EFC.30/6, which provided an update on the progress made in implementing the action plan of the updated management response to the mid-term review of the medium-term strategy;

(b) To request the secretariat to post the approved progress report on the management response and action plan on the Adaptation Fund's website.

**(Decision B.39/59)**

**(e) Update on implications of the fiduciary issues related to the United Nations Development Programme**

60. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) decided:

(a) To take note of the update report contained in document AFB/EFC.30/7 and its annexes;

(b) To request the secretariat to continue discussing and engaging with the United Nations Development Programme (UNDP), with a view to ensuring that all completed projects funded by the Adaptation Fund and implemented by UNDP were financially closed and that final audited financial statements were prepared and submitted in compliance with the Adaptation Fund's Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund and the project legal agreements between the Board and UNDP;

(c) To request UNDP:

(i) To provide a report on its progress in responding to the Adaptation Fund Board's request in decision B.37/37, paragraph (c), to the Board at its fortieth meeting, taking into account the UNDP Office of Audit and Investigations audit management action plan for UNDP management of Global Environment Facility resources and the independent assessment of UNDP management of projects supported by the Green Climate Fund, underscoring the importance of considering matters specifically related to its compliance with the Adaptation Fund's policy on fiduciary standards;

(ii) To submit, for all completed projects funded by the Adaptation Fund, final audited financial statements prepared in compliance with the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund and the project legal agreements between the Board and UNDP;

(iii) To make an oral presentation on the status of the matters referred to in paragraphs (c) (i) and (ii) above to the Ethics and Finance Committee at its thirty-first meeting;

(d) To request the Chair and Vice Chair of the Board to hold a meeting with UNDP, prior to the fortieth meeting of the Board, to discuss the matters referred to in paragraph (c) above.

**(Decision B.39/60)**

**Agenda item 8: Medium-term strategy of the Fund for the period 2023–2027**

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

(a) To adopt the medium-term strategy for 2023–2027 (MTS 2023–2027) contained in annex 2 to document AFB/B.39/5/Rev.2;

(b) To request the secretariat:

(i) To broadly disseminate the MTS 2023–2027 to the Adaptation Fund's stakeholders to raise awareness and support;

(ii) To prepare, under the guidance of the MTS 2023–2027 task force, a draft implementation plan for the MTS 2023–2027, for consideration by the Board at its fortieth meeting;

(iii) To prepare, as part of the implementation plan and as necessary, draft updates to the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, in order to facilitate implementation of the MTS 2023-2027, for consideration by the Board at its fortieth meeting.

**(Decision B.39/61)**

**Agenda item 9: Draft resource mobilization strategy and action plan for the period 2022–2025**

62. Having considered document AFB/B.39/6 including its annex I, AFB/B.39/6/Add.1/Rev.1 including its annex I, and AFB/B.39/6/Add.2/Rev.2, the Adaptation Fund Board (the Board) decided:

(a) To approve the overall resource mobilization strategy for the Fund for 2022–2025 contained in document AFB/B.39/6/Add.1/Rev.1;

(b) To approve the overall resource mobilization action plan for the Fund for 2022–2025 contained in document AFB/B.39/6/Add.2/Rev.2.

**(Decision B.39/62)**

**Agenda item 10: Issues remaining from earlier meetings**

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

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

(a) To take note of the report contained in document AFB/B.39/7, which provided an update on the recent cooperation between the Adaptation Fund and the Green Climate Fund;

(b) To request the Chair and Vice-Chair of the Board to continue their active engagement with the Green Climate Fund board, assisted by the secretariat, with a view to further exploring complementarity and coherence between the two funds and taking concrete steps to advance the options for fund-to-fund arrangements described in document GCF/B.22/09 and annex I thereto;

(c) To request the secretariat to continue discussions with the Green Climate Fund to advance the collaborative activities identified at the annual dialogue on climate finance delivery channels held in November 2020 and to make progress in implementing the seven activities of the 2019 climate funds collaboration road map (annex I to document AFB/B.36/6);

(d) To request the Chair and the secretariat to provide the Board with:

(i) A report on the progress made in the activities described in subparagraph (c) above, for the consideration of the Board at its fortieth meeting;

(ii) An update on the matter as referred to in subparagraph (b) above, once it had been considered by the Green Climate Fund board.

**(Decision B.39/63)**

*b) Options to further enhance civil society participation and engagement in the work of the Board*

64. The Adaptation Fund Board (the Board) decided to request the secretariat:

(a) To prepare a draft Adaptation Fund vision and guidelines for enhanced civil society engagement, based on the draft outline presented in table 1 of document AFB/B.39/8 and reflecting the discussion at the thirty-ninth meeting of the Board;

(b) To compile any remaining elements recommended by the Adaptation Fund Civil Society Network that were not included in the draft outline referred to in subparagraph (a) above and their potential implications, for further discussion;

(c) To present the documents referred to in paragraphs (a) and (b) above for the Board's consideration at its fortieth meeting.

**(Decision B.39/64)**

*c) Further analysis of element related to innovation under the Adaptation Fund: mapping finance for innovation, risk appetite and recommendations for the innovation advisory body*

65. The Adaptation Fund Board decided:

(a) To request the secretariat to develop a draft risk framework for innovation projects and programmes, along with desired risk-tolerance targets for the Adaptation Fund's innovation projects portfolio, taking into account the differences among the innovation funding windows;

(b) To request the secretariat to, in conjunction with subparagraph (a) above, indicate and clarify the project design elements that are encouraged in innovation, elaborating on the concept of acceptable or desirable risk, with a view to providing guidance to implementing entities;

(c) To request the secretariat, in consultation with the Innovation Task Force, to further develop principles for the advisory body for innovation referred to in document AFB/B.39/10, including a draft terms of reference, taking into account the developments with the Medium-Term Strategy 2023–2027;

(d) To request the secretariat to present its analyses and recommendations related to subparagraphs (a) to (c) above to the Project and Programme Review Committee at its thirty-first meeting.

**(Decision B.39/65)**

## Agenda item 11: Issues arising from sixteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol, the third session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and the twenty-sixth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change

66. Having considered decisions 3/CMP.16 and 13/CMA.3, as well as documents AFB/B.39/9 and its annex, AFB/B.39/9/Add.1 and AFB/B.39/9/Add.2, the Adaptation Fund Board (the Board) decided:

(a) To approve the amendments to the "Strategic Priorities, Policies and Guidelines of the Adaptation Fund adopted by CMP" (SPPG), as contained in document AFB/B.39/9/Add.1;

(b) To approve the amendments to the "Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund" (OPG), as contained in document AFB/B.39/9/Add.2;

(c) To submit its recommendation to the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP) at its seventeenth session that the CMP consider and take any action on, as it deems appropriate, the amendments to the SPPG as approved by the Board at its thirty-ninth meeting;

(d) To include a summary of the Board's consideration of and decisions on the amendments to the SPPG and OPG in response to decisions 3/CMP.16 and 13/CMA.3 and the Board's recommendation to the CMP as referred to in paragraph (c) in the addendum to the Report of the Board to the CMP at its seventeenth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its fourth session.

**(Decision B.39/66)**

## Agenda item 14: Election of officers for the next period of office

67. Having considered the names of the proposed candidates for the officers of the Fund and for membership on the task force on innovation, the Adaptation Fund Board (the Board) decided to elect:

(a) Mr. Antonio Navarra (Italy, Western European and Others) as the Chair of the Board;

(b) The Vice-Chair of the Board during the intersessional period between its thirty-ninth and fortieth meetings;

(c) Mr. Michai Robertson (Antigua and Barbuda, Small Island Developing States) as the Chair of the EFC;

(d) Mr. Matthias Bachmann (Switzerland, Annex I Parties) as the Vice-Chair of the EFC;

(e) The Chair of the PPRC during the intersessional period between its thirty-ninth and fortieth meetings;

(f) Ms. Fatou Ndeye Gaye (The Gambia, Africa) as the Vice-Chair of the PPRC;

(g) Ms. Patience Damptey (Ghana, Africa) as the Chair of the Accreditation Panel;

(h) The Vice-Chair of the Accreditation Panel during the intersessional period between its thirty-ninth and fortieth meetings;

(i) Three members of the innovation task force established pursuant to decision B.35.b/9(c), for the three vacant seats:

(i) Mr. Antonio Navarra (Italy, Western European and Others);

(ii) Ms. Angelique Louise Marie Pouponneau (Seychelles, Small Island Developing States);

(iii) Mr. Idy Niang (Senegal, Least Developed Countries).

**(Decision B.39/67)**

## Agenda item 15: Date and venue of meetings in 2023 and onward

68. Having considered document AFB/B.39/12, the Adaptation Fund Board (the Board) decided:

(a) To hold its fortieth meeting from 21–24 March 2023;

(b) To request secretariat to explore the feasibility of holding the forty-first board meeting, scheduled from 10–13 October 2023, in the host country for the United Nations Climate Change Conference in conjunction with such meeting, to enable the Board to further consider the matter at its fortieth meeting or during intersessional period between the fortieth and forty-first meetings (B.40–B.41);

(c) To continue considering the matter of diversification of meeting venues at its fortieth and forty-first meetings.

**(Decision B.39/68)**