



## ADAPTATION FUND

AFB/B.39/2  
11 October 2022

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

### **ANNOTATED PROVISIONAL AGENDA**

#### **1. Opening of the meeting**

The meeting will be opened by the Chair of the Adaptation Fund Board, Mr. Albara E. Tawfiq (Saudi-Arabia, Asia and Pacific).

#### **2. Organizational matters:**

##### **a) Adoption of the agenda**

Documents: AFB/B.39/1/Rev.1, Provisional agenda and AFB/B.39/2, Annotated provisional agenda.

Action expected: The Board will be invited to adopt the agenda of the meeting and to raise any other matters it may wish to discuss, to be included on the agenda under item 17.

##### **b) Organization of work**

Document: AFB/B.39/2, Annotated provisional agenda.

Background: The Chair will propose to the Board the organization of work, in accordance with the Provisional timetable attached to document AFB/B.39/2.

#### **3. Report on activities of the Chair**

Document: AFB/B.39/Inf.5, Report of the activities of the Chair.

Background: The Chair of the Board, Mr. Albara E. Tawfiq (Saudi-Arabia, Asia and Pacific), will report on the activities carried out during the intersessional period.

Action expected: The Board will be invited to take note of the report.

#### **4. Report on activities of the secretariat**

Document: AFB/B.39/3, Report on the activities of the secretariat.

Background: The Manager of the secretariat will present the report contained in document AFB/B.39/3.

Action expected: The Board will be invited to take note of the report.

**5. Accreditation related matters:**

**a) Report of the Accreditation Panel**

Documents:

- AFB/B.39/4, Report of the thirty-eighth Meeting of the Accreditation Panel
- AFB/B.39/4/Add.1, Addendum to the report of the thirty-eighth meeting of the accreditation panel [Confidential]

Background: The Chair of the Board will invite the Chair of the Accreditation Panel to present the Panel's report to the Board. The report contains information on the status of accreditation and re-accreditation applications which are under the Panel's review and other issues related to the accreditation and re-accreditation process.

Action expected: Invite the Board to take note of the thirty-eighth meeting report of the Accreditation Panel and to consider and decide on the extension of deadline for achieving re-accreditation due the COVID-19 pandemic as presented in paragraph 12 of Document AFB/B.39/4.

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

Documents:

- AFB/B.39/13, Report of the task force on the matters related to top-level management statement (TLMS) to be submitted by Implementing Entities for Accreditation and Re-Accreditation
- AFB/B.39/13/Add.1, [Implementing Entities'] Feedback on the Draft of the TLMS Template [Confidential]

Background: The Chair of the Board will invite the TLMS task force to report on the activities of the task force as presented in Document AFB/B.39/13.

Action expected: The Board will be invited to take note of the information contained in documents AFB/B.39/13 and AFB/B.39/13/Add.1 and decide accordingly.

**6. Report of the thirtieth meeting of the Project and Programme Review Committee (PPRC) on:**

Document: The PPRC will issue its report after its thirtieth meeting, which will take place on 11-12 October 2022.

Background: The Chair of the PPRC will present the PPRC report to the Board. The report contains recommendations on:

- a) Report of the secretariat on initial screening/technical review of project and programme proposals;
- b) Report of the secretariat on initial screening/technical review of enhanced direct access project proposals;
- c) Report of the secretariat on initial screening/technical review of large innovation project proposals;
- d) Report of the secretariat on initial screening/technical review of innovation small grant project proposals;
- e) Updated Guidance for Implementing Entities on the use of unidentified sub-projects;
- f) Options for further supporting the work of the PPRC.

**7. Report of the thirtieth meeting of the Ethics and Finance Committee (EFC) on:**

Document: The EFC will issue its report after its thirtieth meeting, which will take place on 11-12 October 2022.

Background: The Chair of the EFC will present the EFC report to the Board. The report contains recommendations on:

- a) Annual performance report for fiscal year 2022
- b) Financial issues;
- c) Report of the Chair of the Technical Evaluation Reference Group;
- d) Progress report on the management response to the mid-term review of the Medium-term Strategy;
- e) Update on implications of the fiduciary issues related to the United Nations Development Programme.

**8. Medium-Term Strategy of the Fund for the period 2023 - 2027**

Document: AFB/B.39/5/Rev.1, *Draft Medium-term Strategy 2023 – 2027.*

Background: The Adaptation Fund's current, first Medium-term Strategy (MTS) was adopted by the Board at the thirtieth meeting in October 2017 for the period 2018 to 2022. At its thirty-seventh meeting, the Board took note of the key findings and recommendations of the mid-term review of the MTS by the AF-TERG, as contained in document AFB/EFC.28/7 (Decision B.37/36). The Board also adopted a process for developing the next MTS for the period 2023 to 2027. As part of the preparatory work towards developing the next MTS, the Board requested the secretariat to prepare a document which contains elements and options for the MTS 2023 – 2027 for the Board's consideration at its thirty-eight meeting, with a view to developing the final draft strategy for the Board's consideration at its thirty-ninth meeting. The Board also requested the secretariat to solicit inputs through open and inclusive stakeholder consultations when developing the elements and options for the MTS 2023 – 2027. Having considered the information contained in document AFB/B.38/5 on options and elements for the medium-term strategy 2023–2027, the Board decided to elect six members of the task force to request the secretariat, under the guidance of the task force, to prepare a draft MTS 2023-2027 document that builds on the achievements of the first MTS 2018–2022 and further enhances it through strategic adjustments aimed at consolidating the Fund's comparative advantage and optimizing its impact (in line with option 2).

Action expected: The Board will be invited to consider Document AFB/B.39/5 and the draft Medium Term Strategy of the Fund for the period 2023 to 2027, as contained in Annex 2 of Document AFB/B.39/5 .

## **9. Draft resource mobilization strategy and action plan for the period 2022-2025**

Documents:

- AFB/B.39/6, *Draft resource mobilization strategy and action plan 2022- 2025*
- AFB/B.39/6/Add.1, *Draft resource mobilization strategy 2022- 2025 [Confidential]*
- AFB/B.39/6/Add.2, *Draft resource mobilization action plan 2022- 2025 [Confidential]*

Background: The Secretariat will present the draft resource mobilization strategy and action plan for the period 2022-2025 in document AFB/B.38/6 its annex I, AFB/B.38/6/Add.1 and its annex I (confidential), and AFB/B.38/6/Add.2 (confidential) The strategy lays out the current financial situation of the Fund, provides an overarching strengths, weaknesses, opportunities and threats (SWOT) analysis of the Fund's ability to mobilize resources, and builds on the SWOT analysis to define a framework for raising resources. Based on the defined framework an overarching resource mobilization strategy and action plan have been developed. An approach to define the target of resource mobilisation, taking into account the Glasgow Climate Pact goal of doubling adaptation finance by 2025 is recommended to guide the Adaptation Fund in its fund raising efforts and to support a Board decision in setting resource mobilization targets for the 2022-2025 timeframe.

Action expected: The Board will be invited to consider Document AFB/B.39/6, AFB/B.39/6/Add.1 and AFB/B.39/6/Add.2 and decide on the direction of the overall resource mobilization strategy for the Fund.

## **10. Issues remaining from the earlier meetings:**

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

Document: AFB/B.39/7, *Update on strategic discussion on objectives and further steps of the Fund: potential linkages between the Fund and the Green Climate Fund.*

Background: The secretariat continued discussions with the GCF to advance the collaborative activities identified at the Annual Dialogue in November 2020 and progress in implementing the six activities of the 2019 roadmap (annex I to document AFB/B.39/7). With the Board Chair, the secretariat will provide the Board with (i) A report on the progress made in the activities undertaken since the last update presented at the thirty-eighth meeting of the Board; and (ii) An update on the matter referred to in subparagraph (b) in Decision B.37/41 once it has been considered by the GCF Board. (Decision B.37/41). Among other activities conducted under this collaboration framework between the Fund and GCF, the report highlights (1) the fifth annual dialogue of climate delivery channels that took place on 3 November 2021 at the GCF-GEF Pavilion in Glasgow on the margins of the twenty-sixth meeting of the Conference of Parties (COP26), (2) the joint statement signed on the margin of COP26 between all climate funds on enhanced complementarity and collaboration, (3) an update on the implementation of the joint roadmap agreed among the climate funds; (4) a progress report on the implementation of the pilot scaling-up approach between the Fund and the GCF and (5) an update on the ongoing discussion between the Fund and GCF on supporting the community of practice of direct access entities (CPDAE) and the on fast track (Re) accreditation issues. The Chair and the secretariat will present the progress made in these activities contained in document AFB/B.39/7.

Action expected: The Board will be invited to take note of the information presented and decide on a course of action regarding the matter.

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

Document: AFB/B.39/8, *Options for a policy or guidelines to further enhance civil society participation and engagement in the work of the Board.*

Background: At the thirty-third meeting of the Board, it was generally agreed that it would be important to enhance the participation of civil society in the work of the Board, but it was also asked how large that participation should be and how the representatives of civil society would be chosen. As per Board decision B.33/54, the secretariat explored, in consultation with civil society participation and engagement in the work of the Board and presented document AFB/B.34/11 to the Board for consideration. The Board, its thirty-

fourth meeting, decided to provide the secretariat with comments on the options provided in the document during the intersessional period between its thirty-fourth and thirty-fifth meetings. Due to the time constraints imposed by the virtual meeting format in 2020 in the pandemic, this agenda item was not taken up by the Board at the first and second sessions of the thirty-fifth meeting. At the thirty-sixth meeting of the Board, the secretariat presented document AFB/B.36/8 which compiled the survey results and input received from the Board, and the Board decided to request the secretariat to conduct the study on the need for a policy for civil society engagement with the Fund and the second round of the Board survey with the updated questions due to its low participation rate in the first round of the survey. At the thirty-seventh meeting of the Board, the secretariat presented the result of the study and the Board survey contained in document AFB/B.37/8, and the Board decided to request the secretariat to implement the three items recommended by civil society and prepare a draft outline of a policy or guidelines on civil society engagement as per Decision B.37/42. Owing to a lack of time, the Board did not take up this agenda item at its thirty-eighth meeting. The secretariat will present the draft outline of guidelines on civil society engagement at its thirty-ninth meeting.

Action expected: The Board will be invited to consider the information presented by the secretariat and decide on a course of action regarding the matter.

**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**

Document: AFB/B.39/10, *Further analysis on elements related to innovation*

Background: At its thirty-sixth meeting, the Board decided, via Decision B.36/39 (c), to request the secretariat to develop, in line with decision B.35.b/9, under the continued guidance of the task force for innovation, an updated document that further refines the elements related to innovation and adaptation outlined in document AFB/B.36/8, which contains the elements below, and to present it to the Board for its consideration at its thirty-eighth meeting:

- (i) Analysis of the global landscape of finance for innovation in climate adaptation, along with any gaps;
- (ii) Identification of potential types of risks related to innovation projects funded by the Adaptation Fund, with recommendations on the flexibility on acceptable levels specific to the type of risk;
- (iii) A proposal on the piloting of the establishment of an advisory body to support the Adaptation Fund's work on innovation on an ongoing basis.

The Secretariat will therefore present Document AFB/B. 39/10, *Further analysis on elements related to innovation*.

Action expected: The Board will be invited to take note of the information presented and decide on a course of action regarding the matter.

**d) Objectives and indicators for innovation aspects of projects**

Document: AFB/B.39/11, *Update on the piloting of the use of the innovation indicators*

Background: The Adaptation Fund Board, through its decision B.35.b/8, requested the secretariat to develop specific objectives and indicators for the innovation aspects of the large innovation projects. At its thirty-seventh meeting, the Board decided, via Decision B.37/39 (c), to request the secretariat to report on the progress and status of the use of the indicators, including any recommendations, to the Project and Programme Review Committee at its twenty-ninth meeting. Pursuant to decision B.37/39, the document provides a report on the progress and status of the use of the innovation indicators, including options for defining duration for piloting innovation indicators and considerations for any proposed amendments to the Fund's Strategic Results Framework (SRF).

The Secretariat will therefore present Document AFB/B.39/11, *Update on the piloting of the use of the innovation indicators*.

Action expected: The Board will be invited to take note of the information presented and decide on a course of action regarding the matter.

**11. Issues arising from sixteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 16), the third session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 3) and the twenty-sixth session of the Conference of the Parties (COP 26)**

Documents:

- AFB/B.39/9, *Decision of CMP16, CMA 3 and COP26 relating to the Adaptation Fund and the relevant matters to be considered by the Adaptation Fund Board*
- AFB/B.39/9/Add.1, *Proposed amendment of Strategic Priorities, Policies, and Guidelines of the Adaptation Fund (SPPG) (Annex 1 to the OPG)*
- AFB/B.39/9/Add.2, *Proposed amendment of Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund (OPG)*

Background: At Glasgow Climate Change Conference in November 2022, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) decided to confirm that (i) developing country Parties to the Paris Agreement that are particularly vulnerable to the adverse effects of climate change are eligible for funding from the Adaptation Fund (the Fund); and (ii) Parties to the Paris Agreement are eligible for membership on the Adaptation Fund Board (the Board) (decision 3/CMP.16, paragraphs 6 and 7 and decision 13/CMA.3, paragraphs 7 and 8). Furthermore, the CMP decided to: (i) regarding eligible country Parties to access funding from the Fund, request the Adaptation Fund Board to amend the relevant operational and policy guidelines, as well as its strategic priorities, policies and guidelines accordingly ; and (ii) with regards to the decision that Parties to Paris Agreement are eligible for Board membership, request

the Adaptation Fund Board to amend the relevant procedures and modalities (decision 3/CMP.16, paragraphs 6 and 7).

To support the Board in fulfilling the mandate under decision 3/CMP.16 and decision 13/CMA.3, the secretariat prepared the draft amendments of the Fund's Strategic Priorities, Policies and Guidelines of the Fund adopted by the CMP (SPPG) and Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund (OPG) in consultation with the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) and the trustee, and submitted them to the Board for consideration at its thirty-ninth meeting in April 2022. The Board considered decisions 3/CMP.16 and 3/CMA.3 as well as documents AFB/B.38/10/Add.1 and AFB/B.38/10/Add.2 and decided to request the secretariat:

- (a) To conduct a survey of Board members during the intersessional period, with a view to receiving input on the proposed amendments to the Strategic Priorities, Policies and Guidelines of the Fund adopted by the CMP (SPPG) and the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund (OPG), respectively, as set out in documents AFB/B.38/10/Add.1 and AFB/B.38/10/Add.2;
- (b) To prepare a document setting out the proposed amendments to SPPG and the OPG, respectively, reflecting the Board's discussions at its thirty-eighth meeting and the input received from the Board through the intersessional survey referred to in subparagraph (a), above, for the Board's consideration at its thirty-ninth meeting.

(Decision B.38/51)

In response to Decision B.38/51, the secretariat launched a survey of the Board to receive input on the proposed amendments to the SPPG and the OPG, as set out in documents AFB/B.38/10/Add.1 and AFB/B.38/10/Add.2, from 26 July to 26 August 2022, and prepared documents including the proposed amendments to the SPPG and the OPG which reflected the input received from the Board through the intersessional survey.

The secretariat will present document AFB/B.39/9 and its Annex which contains the survey responses verbatim received from the Board and the respective secretariat's analysis. In addition, the proposed amendments to SPPG and the OPG are contained with track changes (in red) in documents AFB/B.39/9/Add.1 and AFB/B.39/9/Add.2, respectively.

Action expected: The Board will be invited to consider and decide on a course of action regarding the matter.

## **12. Knowledge management, communications and outreach**

Document: AFB/B.39/3, *Report on the activities of the secretariat*.

Background: The secretariat will report on its knowledge management activities and communication efforts since the thirty-eighth meeting of the Board.



Action expected: The Board will be invited to take note of the report.

### **13. Dialogue with civil society organizations**

Document: AFB/B.39/Inf.4, *Agenda of the civil society dialogue.*

Background: The Board will hold another session of its ongoing dialogue with civil society organizations.

Action expected: The Board will be invited to take note of the conclusions of the dialogue.

### **14. Election of officers for the next period of office**

Documents: *Rules of procedure of the Adaptation Fund Board*, section IV; *General guidelines for Board Committees*, paragraphs 4-6; and *Terms of reference of the Accreditation Panel.*

Background: The Board will elect officers for the period of office starting at the fortieth meeting, namely:

- Board Chair from Annex I Party
- Board Vice-Chair from non-Annex I Party
- EFC Chair from non-Annex I Party
- EFC Vice-Chair from Annex I Party
- PPRC Chair from Annex I Party
- PPRC Vice-Chair from non-Annex I Party
- Accreditation Panel Chair from non-Annex I Party
- Accreditation Panel Vice-Chair from Annex I Party

Action expected: The Board will be invited to elect its officers for the period of office starting at the fortieth meeting.

### **15. Date and venue of meetings in 2023 and onwards**

Document: AFB/B.39/12, *Diversification of meeting venues.*

Background: The Board decided: (a) to hold its thirty-ninth meeting from 11-14 October 2022; (b) its fortieth meeting on 21–24 March 2023 and (c) its forty-first meeting on 10–13 October 2023; (d) to request the secretariat to explore the feasibility of holding the board meeting in the host country for the United Nations Climate Change Conference and other countries, to enable the Board to further consider the matter during intersessional period (B.38–B.39) or at its thirty-ninth meeting; and (e) to hold its thirty-ninth meeting in Bonn if it is not feasible to hold the meeting in the country hosting the United Nations Climate Change Conference (Decision B.38/52). As per Decision B.38/52, subparagraph (d), the secretariat has explored the feasibility of organizing Board meeting in the host country for the UNFCCC Conference and other countries, and continues to explore such options, with a view to presenting the relevant information to the Board at its thirty-ninth meeting.

Following the consultations, the secretariat informed the Board during the intersessional period (B.38-B.39) that the thirty-ninth meeting of the Board would be held in Bonn as per Decision B.38/52, subparagraph (e). The secretariat prepared document AFB/B.39/12 in response to Decision B.38/52, subparagraph (d) and present it to the Board for its consideration and action.

Action expected: The Board will be invited to confirm the meetings' schedule.

## **16. Implementation of the code of conduct**

Document: Code of Conduct and Zero Tolerance Policy for the Board (Adopted in October 2014)

Background: At its nineteenth meeting, the EFC underscored that all Board members and alternates should be aware of the code of conduct, the zero tolerance policy for fraud and corruption, and the procedure for reporting such issues to the EFC. Having considered the comments and recommendation of the EFC, the Board decided to address the item relating to the code of conduct as the last substantive item on its agenda at every Board meeting (Decision B.28/41).

Action expected: Board members and alternates can raise any issues related to the implementation of the code of conduct for deliberation by the Board. The Board will be invited to discuss any issues raised and make decisions as appropriate. The code of conduct and zero tolerance policy are available on the Fund's website.

## **17. Other matters**

Action expected: The Board will be invited to discuss any other matters raised during the adoption of the agenda.

## **18. Adoption of the report**

Action expected: The Board will be invited to adopt the decisions approved at its thirty-ninth meeting. The report of the thirty-ninth meeting will be finalized by the Chair with assistance of the secretariat and adopted during the intersessional period.

## **19. Closure of the meeting**

The meeting will be closed by the Chair of the Adaptation Fund Board, Mr. Albara E. Tawfiq (Saudi-Arabia, Asia and Pacific).

## PROVISIONAL TIMETABLE

All timetables are (UTC+01:00) Central European Time (Bonn, Germany).

### Day 1: 13 October 2022

9:00 – 9:15	1	Opening of the meeting
	2 a)	Adoption of the agenda
	2 b)	Organization of work
9:15 – 9:30	3	Report on activities of the Chair
9:30 – 9:45	4	Report on activities of the secretariat
9:45 – 10:40	5 a)	Report of the Accreditation Panel
	5 b)	Report of the task force on the matters related to top-level management statement [Partly closed for observers]
10:40 – 11:00		<i>Coffee break</i>
11:00 – 11:50	13	Dialogue with civil society organizations
11:50 – 12:40	8	Medium-term Strategy of the Fund for the period 2023 – 2027
12:40 – 14:00		<i>Lunch</i>
14:00 – 14:30	10 a)	Strategic discussion on objectives and further steps of the Fund. Potential linkages between the Fund and the Green Climate Fund
14:30 – 15:00	10 b)	Options to further enhance civil society participation and engagement in the work of the Board
15:00 – 15:30	10 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
15:30 – 15:50		<i>Coffee break</i>
15:30 – 16:00	10 d)	Objectives and indicators for innovation aspects of projects
16:00 – 16:30	11	Issues arising from sixteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 16), the third session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 3) and the twenty-sixth session of the Conference of the Parties (COP 26)
16:30 – 17:00	9	Draft resource mobilization strategy and action plan for the period 2022- 2025 [Partly closed for observers]

**Day 2: 14 October 2022**

9:00 – 9:10	1	Opening of the meeting
9:10 – 9:50	6	Report of the thirtieth meeting of the Project and Programme Review Committee (PPRC)
9:50 – 10:30	7	Report of the thirtieth meeting of the Ethics and Finance Committee (EFC)
10:30 – 10:50		<i>Coffee break</i>
10:50 – 11:10	14	Election of officers for the next period of office
11:10 – 11:40	15	Date and venue of meetings in 2022 and onwards
11:40 – 12:00	16	Implementation of the code of conduct
12:00 – 12:30		(Remaining items from Day 1 if any)
12:30 – 14:00		<i>Lunch</i>
14:00 – 14:30	12	Knowledge management, communications and outreach
14:30 – 15:30	17	Other matters
15:30 – 15:50		<i>Coffee Break</i> (The secretariat to finalize the decision text)
15:50 – 16:30	18	Adoption of the report
	19	Closure of the meeting