



## ADAPTATION FUND

AFB/EFC.30/2  
7 October 2022

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Adaptation Fund Board  
Ethics and Finance Committee  
Thirtieth Meeting  
Bonn, Germany, 11-12 October 2022

### **ANNOTATED PROVISIONAL AGENDA**

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

The Chair of the Ethics and Finance Committee (EFC), Mr. Mattias Broman (Sweden, Western Europe) will open the meeting.

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

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

Documents: AFB/EFC.30/1/Rev.1, Provisional agenda and AFB/EFC.30/2, Annotated provisional agenda.

Action expected: The EFC will be invited to adopt the agenda for the meeting and to raise any other matters it may wish to discuss. These other matters will be included on the agenda under item 8.

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

Documents: AFB/EFC.30/1/Rev.1, Provisional agenda and AFB/EFC.30/2, Annotated provisional agenda.

Background: The Chair will propose to the EFC the organization of work as suggested in the attached provisional timetable.

#### **3. Annual performance report for fiscal year 2022**

Document: AFB/EFC.30/3/Rev.1, Annual performance report for fiscal year 2022.

Background: The secretariat will present the annual performance report (APR) for the fiscal year 2022 for consideration by the EFC. The report highlights the unique value of the Fund's pioneering sustainable and scalable projects, and provides a wide range of

information since the inception of the Fund in 2010 and on the progress of the Medium-Term Strategy (MTS) implementation, following the strategic foci of: Action, Innovation, Learning and Sharing and its cross-cutting areas. The report provides also information on the active pipeline of proposals under development and presents the growth of the Fund's portfolio.

Action expected: The EFC will be invited to consider the annual performance report for the fiscal year 2022 contained in document AFB/EFC.30/3/Rev.1, and to make a recommendation to the Board for approval.

#### **4. Financial issues:**

##### **a) Financial status of the Trust Fund and CER monetization**

Document: AFB/EFC.30/4, *Adaptation Fund Trust Fund: Financial report prepared by the trustee (as at 30 June 2022).*

Background: The trustee will report on the financial status of the trust fund to the EFC.

Action expected: The EFC will be invited to consider and take note of the report presented by the trustee.

##### **b) Reconciliation of the administrative budgets of the Board and the Secretariat, the Evaluation Function and the Trustee for fiscal year 2022**

Document: AFB/EFC.30/5, *Reconciliation of the administrative budgets of the Board and the secretariat, the evaluation function, and the trustee for the fiscal year 2022*

Background: The secretariat and the trustee will present the reconciled budgets for fiscal year 2022 (1 July 2021 – 30 June 2022).

Action expected: The EFC will be invited to consider and take note of the reconciled budgets of the Board and the secretariat, the evaluation function and the trustee for the fiscal year 2022.

#### **5. Report of the Chair of the Technical Evaluation Reference Group, including:**

##### **a) Draft Framework for the Development of Evaluation Policy Guidance Documents**

Document: AFB/EFC.30/8/Rev.1, *Draft Framework for the Development of Evaluation Policy Guidance Documents, Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG)*

Background: Pursuant to the Board Decision B.38/48, regarding the draft Evaluation Policy document (AFB/EFC.29/6/Rev.1), the AF-TERG is preparing the socialization and institutionalization of the Fund's new Evaluation Policy. To do so, guidance documents are under development to support the operationalization and uptake of the EP from October 2023 onwards. This document updates the Board on findings from the inception

phase, progress on developing the EP guidance, and it also highlights the main considerations, steps and recommendations for the development of guidance resources, based on the inception report.

Action expected: The EFC will be invited to consider and take note of the report on Evaluation Policy Guidance development, and the proposed format, content and access environment for resources, as contained in document AFB/EFC.30/8/Rev.1, and to make a recommendation to the Board for its endorsement.

#### **b) Thematic Evaluation of the Adaptation Fund's Experience with Innovation**

Document: AFB/EFC.30/10, *Thematic Evaluation of the Adaptation Fund's Experience with Innovation, Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG)*

Background: The thematic evaluation of the Fund's experience with innovation document is presented to the EFC for consideration and recommendation for Board approval (AFB/EFC.30/10). The document follows the work already presented to the Board on Phase 1 of the thematic evaluation of the Fund's work on Innovation (AFB/EFC.29/Inf.3). The work progressed to Phase 2 and 3; and focused on a review of the Fund's progress in fostering innovation for CCA, on a portfolio analysis, and on lessons from this experience to date. Based on the findings, the evaluation highlights seven areas of improvement and potential actions in which the Fund should invest to enhance the impact of its support to adaptation-related innovations.

Action expected: The EFC will be invited to consider and take note of the thematic evaluation report on the Fund's experience with innovation, contained in document AFB/EFC.30/10, and to make a recommendation to the Board for its endorsement.

#### **c) Options for the Overall Evaluation of the Fund**

Document: AFB/EFC.30/11, *Options for the Overall Evaluation of the Fund, Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG)*

Background: Pursuant the approval (Decision B.36/31) of the update to the work plan of the AF-TERG (AFB/EFC.29/7), the AF-TERG conducted an initial conceptual study in FY22 to identify potential areas of enquiry for the Overall Evaluation, based upon existing evaluative information and evolving needs of the Fund. This paper presents three options and elements for the scope and approach for the second Overall Evaluation

Action expected: The EFC will be invited to consider and take note of the report on options and elements for the Overall Evaluation, contained in document AFB/EFC.30/11, and to make a recommendation to the Board for its endorsement.

#### **d) Information Update on Phase 2 of the Ex-Post Project Sustainability Evaluation**

Document: AFB/EFC.30/Inf.3, *Information Update on Phase 2 of the Ex Post Project Sustainability Evaluations*

Background: This document aims to update the Board on progress for the ex post evaluation work implemented by the AF-TERG. It outlines the findings of the first two ex post evaluation pilots, after completion of fieldwork, and highlights lessons for the Fund and its implementers. The document also describes the next steps for AF-TERG ex post evaluations based on lessons learned from the first two pilots.

Action expected: The EFC will be invited to consider and take note of the report presented by the AF-TERG.

**e) AF-TERG: Revision of the Administrative Budget of the AF-TERG and Its Secretariat for Fiscal Year 2023**

Document: AFB/EFC.30/9, *Revision of the Administrative Budget of the AF-TERG and Its Secretariat for Fiscal Year 2023*

Background: This document aims to update the Board about the emerging needs of the AF-TERG, and proposes to upgrade the existing staff position from the current Evaluation Officer to a Senior Evaluation Officer.

Action expected: The EFC will be invited to consider and recommend to the Board the approval of a revised budget 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.

**6. Progress report on the management response to the mid-term review of the Medium-term Strategy**

Document: AFB/EFC.30/6, *Progress Report on the management response to the mid-term review of the Medium-term Strategy*

Background: Through decision B.37-38/7, the Board considered and approved the updated management response and action plan to the mid-term review of the medium-term strategy as contained in document AFB/B.37-38/5. The Board also requested the secretariat to report to the Ethics and Finance Committee, at its thirtieth meeting (October 2022), on the progress made in implementing the action plan. In accordance with subparagraph (b) of Decision B.37-38/7 above, this document presents the progress made in implementing the action plan contained in document AFB/B.37-38/5 “updated the management response and action plan”.

Action expected: The EFC will be invited to consider and take note of the progress report on the management response to the mid-term review of the Medium-term Strategy, contained in document AFB/EFC.30/6, and to make a recommendation to the Board for its endorsement and next steps.

**7. Update on implications of the fiduciary issues related to the United Nations Development Programme**

Document: AFB/EFC.30/7, *Update on implications of the fiduciary issues related to the United Nations Development Programme*

Background: At its twenty-eight meeting, the Ethics and Finance Committee (EFC) considered and discussed the matter of “Update on implications of the fiduciary issues related to the United Nations Development Programme”. Following recommendations by the EFC, the Board decided among others to request the UNDP to (i) commission a review of its compliance with the Adaptation Fund’s policy on fiduciary standards by an independent third party to be selected in consultation with the Adaptation Fund Board secretariat; (ii) assess any fiduciary issues that occurred on all projects already completed or at the completion stage, as listed in annex 1 to document AFB/EFC.28/8, in application of paragraph 33 of the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund as amended in October 2017 and (iii) report on the status of the matters referred to in subparagraphs (i) and (ii) above to the Board at its thirty-ninth meeting and provide the Adaptation Fund Board with regular updates on such matters and the outcome of the work as soon as they are available. After discussions and engagement with UNDP, the secretariat will present an update on the above-mentioned issue as contained in document AFB/EFC.30/7.

Action expected: The EFC will be invited to consider and take note of the update report, contained in document AFB/EFC.30/7, and to make a recommendation to the Board for its endorsement.

**8. Other matters**

EFC members will be invited to discuss any other matters raised during the adoption of the agenda.

**9. Adoption of the recommendations and report**

EFC members will be invited to adopt EFC’s recommendations to the Board and the report of the EFC meeting.

**10. Closure of the meeting**

The Chair of the Ethics and Finance Committee (EFC), Mr. Mattias Broman (Sweden, Western Europe) will close the meeting.

**PROVISIONAL TIMETABLE**

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

**Day 1: 11 October 2022**

9:00 – 9:15	1	Opening of the meeting
	2 a)	Adoption of the agenda
	2 b)	Organization of work
9:15 – 10:00	3	Annual performance report for fiscal year 2022
10:00 – 10:30	4 b)	Reconciliation of the administrative budgets of the Board and the Secretariat, the Evaluation Function and the Trustee for fiscal year 2022
10:30 – 10:50		<i>Coffee break</i>
10:50 – 11:20	5	Report of the Chair of the Technical Evaluation Reference Group
	5 a)	Draft Framework for the Development of Evaluation Policy Guidance Documents and the Draft Evaluation Budget Guidance Note
11:20 – 11:50	5 d)	Information Update on Phase 2 of the Ex-Post Project Sustainability Evaluation
11:50 – 12:20	6	Progress report on the management response to the mid-term review of the Medium-term Strategy
12:20 – 12:50	7	Update on implications of the fiduciary issues related to the United Nations Development Programme
12:50 – 14:00		<i>Lunch break</i>
14:00 – 14:30	5 b)	Thematic Evaluation of the Adaptation Fund's Experience with Innovation
14:30 – 15:15	5 c)	Options for the Overall Evaluation of the Fund
15:15 – 15:30	5 e)	Revision of the Administrative Budget of the AF-TERG and its Secretariat for Fiscal Year 2023
15:30 – 15:50		<i>Coffee break</i>
15:50 – 16:20	4 a)	Financial status of the Trust Fund and CER monetization
16:20 – 16:50	8	Other matters

**Day 2: 12 October 2022**

- 9:00 – 9:10            1        Opening of the meeting
- 9:10 – 10:30            (Remaining agenda items from Day 1 if any)
- 10:30 – 10:50            *Coffee break*

[The secretariat may request for additional time before agenda 9 to accommodate the discussions held earlier on Day 2 in the EFC report for adoption.]

- 10:50 – 12:30            9        Adoption of the recommendations and report
- 10        Closure of the meeting
- 12:30 – 14:00            *Lunch break*