



ADAPTATION FUND

AFB/B.41/2
10 October 2023

Adaptation Fund Board
Forty-first meeting
Bonn, Germany, 12-13 October 2023

ANNOTATED PROVISIONAL AGENDA

1. Opening of the meeting

The Vice-Chair of the Adaptation Fund Board (Board), Mr. Lucas di Pietro (Argentina, Non-Annex I Parties) will open the meeting in the absence of the Chair of the Adaptation Fund Board (Board), Mr. Antonio Navarra (Italy, Western European and Others) on 10 October 2023. The Board is expected to address item 16, Election of outstanding officers and then adjourn. The Chair of the Board will resume the meeting on 12 October 2023.

2. Organizational matters

a) Adoption of the agenda

Documents: AFB/B.41/1/Rev.1, Provisional agenda and AFB/B.41/2, 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.41/2, 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.41/2.

3. Report on activities of the Chair

Document: AFB/B.41/Inf.5, Report of the activities of the Chair.

Background: The Chair of the Board, Mr. Antonio Navarra (Italy, Western European and Others), 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.41/3, [Report on the activities of the secretariat.](#)

Background: The Manager of the secretariat will present the report contained in document AFB/B.41/3.

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

5. Dialogue with the Executive Secretary of UNFCCC, Mr. Simon Stiell

Document: None.

Background: Mr. Simon Stiell, Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC) has been invited to share his perspective on the Fund's contribution to the Paris Agreement in the run up to COP 28. He may also discuss his vision and priorities for the UNFCCC process and particularly for COP 28.

Action expected: The Board will be invited to discuss with Mr. Stiell the Fund's opportunities, challenges, and next steps in fulfilling its mission of serving the Paris Agreement.

6. Report of the Accreditation Panel

Documents:

- AFB/B.41/4, [Report of the Fortieth Meeting of the Accreditation Panel](#)
- [AFB/B.41/4/Add.1, Addendum to the report of the Fortieth meeting of the accreditation panel \[Confidential\]](#)

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

Action expected: The Board will be invited to take note of the Report of the fortieth meeting of the Accreditation Panel and to consider and decide on the recommendations of the Panel.

7. Report of the thirty-second meeting of the Project and Programme Review Committee (PPRC) on:

Document: The PPRC will issue its report after its thirty-second meeting, which will take place on 10-11 October 2023.

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 innovation small grant project proposals;
- d) Report of the secretariat on the Intersessional Review Cycle for Readiness Grants;
- e) Review of the Proposals to join the Adaptation Fund Climate Innovation Accelerator (AFCIA) partnership;
- f) Review of the Proposals to coordinate the Adaptation Fund Climate Innovation Accelerator (AFCIA) partnership;
- g) Full cost of adaptation reasoning;
- h) Proposed adjustments on implementation fees and execution costs;
- i) Rolling-basis submissions: Progress report on the implementation of the pilot and proposals for updating Fund policies;
- j) Terms of reference for the establishment of the Adaptation Fund Technical Advisory Body for innovation;
- k) Post-approval project revisions.

8. Report of the thirty-second meeting of the Ethics and Finance Committee (EFC) on:

Document: The EFC will issue its report after its thirty-second meeting, which will take place on 10-11 October 2023.

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 2023;
- b) Financial issues;
- c) Report of the Chair of the Technical Evaluation Reference Group;
- d) Review of implications and options for evaluation costs and evaluation budget guidance;
- e) Management response to the rapid evaluation;

- f) Update on implications of the fiduciary issues related to the United Nations Development Programme;
- g) Request for a revision of legal agreement;
- h) Implementation matter 001.

9. [Cancelled agenda item]

10. Issues remaining from the earlier meetings:

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

Documents:

- AFB/B.41/5, *Draft Adaptation Fund vision and guidelines on enhanced civil society engagement.*
- AFB/B.41/5/Add.1, *Draft guidelines for participation of active civil society observers*

Background: At its fortieth meeting, the secretariat presented the draft vision and guidelines on enhanced civil society engagement as well as remaining elements that were not yet included in the draft guidelines. During the discussion, the Board generally agreed not to include the three remaining items recommended by the Adaptation Fund Civil Society Network, namely a) establishing the Fund's own observer accreditation process, b) solicitation of stakeholder input on (re)accreditation, and c) solicitation of stakeholder input for intersessional decision-making, taking into consideration the implications that the secretariat presented in document AFB/B.40/7. The Board also agreed to continue its discussion on the option of establishing the "elected active civil society observers" as part of the draft vision and guidelines in its subsequent meetings. Pursuant to Decision B.40/75, the secretariat will present the updated draft *Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement* (Annex to this document) and the draft *guidelines for participation of active civil society observers* (Annex I of document B.41/5/Add.1) for the Board consideration at its forty-first 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.

b) Carbon footprint of the Fund

Document: AFB/B.41/6, *Options for reducing the carbon footprint of the Adaptation Fund.*

Background: At the thirty-ninth meeting of the Adaptation Fund Board (the Board), the topic of the carbon footprint of the Fund's operations was introduced by a Board member, and the Board agreed to pursue its discussion on the matter at its fortieth meeting, at which time the secretariat would provide relevant and available information such as, related to the emissions associated with the office space and travel of the secretariat and

the travel of the Board, as well as elaborating on the challenges of calculating emissions of the projects. At the fortieth meeting of the Board, the secretariat presented document AFB/B40/Inf.6 to provide an overview of the carbon footprint of the administrative functions of the Adaptation Fund. Pursuant to decision B.40/79, the secretariat will present possible options for reducing the carbon footprint of the Fund for the Board consideration at its forty-first meeting.

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

c) Issues arising from seventeenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 17), the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 4) and the twenty-seventh session of the Conference of the Parties (COP 27)

(i) Outputs of independent review of the Environment and Social Policy (ESP) and its proposed update

Document: AFB/B.41/7, *Independent review of the Environmental and Social Policy of the Adaptation Fund with a proposal for its update*

Background: At the Sharm el-Sheikh Climate Change Conference in November 2022, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventeenth session (CMP 17) “requested the Adaptation Fund Board (the Board) to review and update the environmental and social safeguard policy of the Adaptation Fund, as needed” (Decision 5/CMP.17, para.15). In response to this mandate, the Adaptation Fund Board (the Board) considered this mandate as part of its meeting agenda on issues arising from the CMP 17, CMA 4, and the twenty-seventh session of the Conference of Parties (COP27) and decided the following:

[. . .]

(a) *To request the secretariat to:*

- (i) *Commission an independent review of the Environmental and Social Policy of the Adaptation Fund (ESP) with a view to updating the ESP;*
- (ii) *Prepare a proposal for an update of the ESP as necessary in consultation with relevant stakeholders of the Adaptation Fund;*
- (iii) *Present the output referred to in paragraphs (a)(i) and (a)(ii) at its forty-first meeting for the Board’s consideration;*

[. . .]

(Decision B.40/80)

In response to decision B.40/80, the secretariat has commissioned an independent review of the ESP with a view to updating the ESP by hiring an environmental and social safeguard expert, and launched surveys targeting the Board, the Implementing Entities (IEs), the Designated Authorities (DAs) and the Adaptation Fund Civil Society Network in July 2023 for a month period. This document consists of: (i) the main document which

includes a summary of the ESP review and recommendations for the Board; (ii) Annex 1 to this document which contains the outcome of the independent review of the ESP; and (iii) Annex 2 to this document which presents results of the ESP surveys including the substantive responses verbatim from the respondents.

Action expected: The Board will be invited to consider the independent review of the ESP and the results of the survey contained in document AFB/B.41/7 and its annexes and consider deciding on a course of action.

(ii) Options for a policy on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH)

Document: AFB/B.41/8/Rev.1, *Options for a policy on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH)*.

Background: At the Sharm el-Sheikh Climate Change Conference in November 2022, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventeenth session (CMP 17) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (CMA 4) requested the Board to adopt a policy on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH). In response to this mandate, the Adaptation Fund Board (the Board) considered this as part of its meeting agenda on issues arising from the CMP 17, CMA 4, and the twenty-seventh session of the Conference of Parties (COP27) and decided to request its secretariat to prepare a document with options for a policy on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH) and present it to the Board for consideration at its forty-first meeting.

In response to decision B.40/80 (b), the secretariat has prepared this document to facilitate the Board's discussion on this matter. It contains an overview of contemporary institutional commitments and policies to safeguard against sexual exploitation, abuse and harassment and to protect victims of the same as well as how such policies are implemented. It also contains a summary of recommendations for the Adaptation Fund Board's consideration. The Annex to this document contains a study conducted with a view to exploring the options for a policy on SEAH for the Adaptation Fund, and a summary of the organizations' policies or frameworks on safeguarding against SEAH is contained in table format as an Appendix therein.

Action expected: The Board will be invited to consider information contained in document AFB/B.41/8/Rev.1 and the Annex and consider deciding on a course of action regarding the matter.

(iii) Status of timely transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement

Document: AFB/B.41/9, *Arrangements for the transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement.*

Background: In Katowice, Poland in December 2018, it was decided that the Adaptation Fund (the Fund) shall serve the Paris Agreement under the guidance of, and be accountable to, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) with respect to all matters relating to the Paris Agreement, effective 1 January 2019, and that the Fund shall exclusively serve the Paris Agreement once the share of proceeds under Article 6, paragraph 4, of the Paris Agreement becomes available to the Adaptation Fund (the Fund). At the fortieth meeting in March 2023, the Board considered Adaptation Fund related decisions taken by the CMP 17 and CMA 4 and document AFB/B.40/8 and its annex, the Board decided:

[. . .]

(c) To request the secretariat to continue consultations with the secretariat of the United Nations Framework Convention on Climate Change, the trustee and any other relevant stakeholders with a view to the timely preparation of the arrangements for the transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement, as per decision 1/CMP.14, paragraph 2, and report on the status of the work to the Board at its forty-first meeting;

(d) To request the secretariat and the trustee to continue consultations with the secretariat of the United Nations Framework Convention on Climate Change and any other relevant stakeholders with a view to the timely development of a strategy on monetization of Article 6, paragraph 4, emission reductions (A6.4ERs) and to report on the status of the work to the Board at its forty-first meeting.

(Decision B.40/80)

In response to this decision, the secretariat prepared document AFB/B/41/9 to report on the status of the work on the arrangements for the Fund's transition to the Paris Agreement, including: 1) Terms and Conditions of the trustee services to be provided by the World Bank as the interim trustee (T&Cs) (last amended in 2019); 2) Institutional arrangement (MoU) with GEF for secretariat services to the Board (last amended in 2019); 3) Rules of the Procedure of the Adaptation Fund Board; 4) Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund (last amended in October 2022); 5) Strategic Priorities, Policies, and Guidelines of the Adaptation Fund (SPPG) (last amended in October 2022).

Action expected: The Board will be invited to consider the information contained in document AFB/B.41/9 and its annexes 1, 2, and 3 and consider deciding on a course of action.

(iv) Status of development of a strategy on monetization of Article 6, paragraph 4, emission reductions (A6.4ERs)

Documents: AFB/B.41/9/Add.1, Comments from the World Bank as an interim trustee on the implications of the transition of the Adaptation Fund to the Paris Agreement and *development of a strategy on monetization of Article 6, paragraph 4, emission reductions (A6.4ERs).*

Background: The trustee prepared a note to inform the Board on the implications of the transition of the Adaptation Fund to the Paris Agreement and development of a strategy on monetization of Ar6.4ERs with a view to facilitating discussion of the Board on the arrangements for the Fund's transition to the Paris Agreement.

Action expected: The Board will be invited to consider the information contained in document AFB/B.41/9/Add.1 and decide on a course of action.

11. Knowledge management, communications and outreach

Document: AFB/B.41/3, [Report on the activities of the secretariat](#).

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

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

12. 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 forty-second meeting, namely:

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

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

13. Dialogue with civil society organizations

[Postponed to the forty-second meeting of the Board]

14. Date and venue of meetings in 2024 and onwards

Document: None.

Background: The Board decided, at its fortieth meeting, to hold its forty-second meeting on 12-15 March 2024 in Bonn, Germany. The secretariat proposes to hold the forty-third

meeting tentatively on 8-11 October 2024 in Bonn, Germany and will confirm the dates at the forty-second meeting of the Board.

Action expected: The Board will be invited to confirm the schedule of meetings for 2024.

15. 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.

16. Election of outstanding officers

Document: None.

Background: Following the resignation of Mr. Mattias Broman (Sweden, Western European & Others), Alternate, from the Board, Ms. Frida Jangsten (Sweden, Western European & Others) was nominated by the Western European & Others constituency, replacing Mr. Broman.

Action expected: The Board is invited to appoint Ms. Jangsten as alternate member.

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 forty-first meeting. The report of the forty-first 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. Antonio Navarra (Italy, Western European and Others).

PROVISIONAL TIMETABLE

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

Organizing session: 10 October 2023

9:00 - 9:15	1	Opening of the meeting
	16	Election of outstanding officers

Day 1: 12 October 2023

Morning session

9:00 – 9:20	1	Opening of the meeting
	2 a)	Adoption of the agenda
	2 b)	Organization of work
9:20 – 9:30	3	Report on activities of the Chair
9:30 – 9:45	4	Report on activities of the secretariat
9:45 – 10:30	6	Report of the Accreditation Panel
10:30 – 10:50		<i>Coffee break</i>
10:50 – 11:20	10 a)	Options to further enhance civil society participation and engagement in the work of the Board
11:20 – 11:50	10 b)	Carbon footprint of the Fund
11:50 – 14:00		<i>Lunch</i>

Afternoon session

14:00 – 14:30	5	Dialogue with the UNFCCC Executive Secretary
14:30 – 15:30	10 c)	Issues arising from seventeenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 17), the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 4) and the twenty-seventh session of the Conference of the Parties (COP 27).
		(iii) Status of timely transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement

- (v) Status of development of a strategy on monetization of Article 6, paragraph 4, emission reductions (A6.4ERs)

15:30 – 15:50

Coffee break

15:50 – 16:35

10 c) [Continued]

- (i) Outputs of independent review of the Environment and Social Policy (ESP) and its proposed update [Remote presentation]

16:35 – 17:05

- (ii) Options for a policy on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH) [Remote presentation]

Day 2: 13 October 2023*Morning session*

9:00 – 9:10	1	Opening of the meeting
9:10 – 9:50	7	Report of the thirty-second meeting of the Project and Programme Review Committee (PPRC)
9:50 – 10:30	8	Report of the thirty-second meeting of the Ethics and Finance Committee (EFC)
10:30 – 10:50		<i>Coffee break</i>
10:50 – 11:10	12	Election of officers for the next period of office
11:10 – 11:30	14	Date and venue of meetings in 2024 and onwards
11:30 – 11:40	15	Implementation of the code of conduct
11:40 – 12:30	17	Other matters
12:30 – 14:00		<i>Lunch</i>

Afternoon session

14:00 – 14:30	11	Knowledge management, communications, and outreach [Remote presentation]
14:30 – 15:30		(Remaining items from Day 1 if any)
15:30 – 15:50		<i>Coffee Break</i> (The secretariat to finalize the decision text)
15:50 – 16:20	18	Adoption of the report
16:20 – 16:30	19	Closure of the meeting