



ADAPTATION FUND

AFB/B.41/10
13 October 2023

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

DECISION DOCUMENT FOR THE FORTY-FIRST MEETING OF THE ADAPTATION FUND BOARD

Agenda Item 6: Report of the Accreditation-Panel

Fast-track re-accreditation of the Ministry of Finance and Economic Management (MFEM) of Cook Islands as National Implementing Entity of the Adaptation Fund

1. Having considered the recommendation of the Accreditation Panel and following the fast-track reaccreditation process approved by Decisions B.28/38 and B.34/3, the Adaptation Fund Board (the Board) decided to reaccredit the Ministry of Finance and Economic Management (MFEM) of Cook Islands as a national implementing entity of the Adaptation Fund for five years, as per paragraph 39 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund. The accreditation expiration date is 13 October 2028.

(Decision B.41/1)

Gap Analysis of the accreditation and re-accreditation process

2. Having considered Decision B.34/46, paragraph (d) and the recommendation of the Accreditation Panel, and given the continuing evolution of the GCF and Adaptation Fund accreditation and reaccreditation processes and related policies, the Adaptation Fund Board (the Board) decided to request the secretariat to assess, in collaboration with the Accreditation Panel, the accreditation framework of the Green Climate Fund (GCF), including a gap analysis, and present the results of its assessment to the Board at its forty-second meeting.

(Decision B.41/2)

Agenda item 7: Report of the thirty-second meeting of the Project and Programme Review Committee

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

Single-country projects and programmes proposals

Fully-developed proposals:

Proposals from Regional Implementing Entities (RIEs)

Peru: Implementing Protection Technologies to Foster the Resilience of Aquaculture in the Regions of Huanuco, Junin, and Puno to Strengthen Food Security in the Context of Extreme Events Associated with Climate Change; (Fully-developed project proposal; Development Bank of Latin America (CAF); AF00000340; US\$ 5,361,666)

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

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Development Bank of Latin America (CAF) to the request made by the technical review;
- (b) Approve the funding of US\$ 5,361,666 for the implementation of the project, as requested by CAF; and
- (c) Request the secretariat to draft an agreement with CAF as the regional implementing entity for the project.

(Decision B.41/3)

Proposals from Multilateral Implementing Entities (MIEs)

Central African Republic: Increasing the Adaptation Capacity and Resilience of Rural Communities to Climate Change in the Central African Republic; (Fully-developed project proposal; International Fund for Agricultural Development (IFAD); AF00000278; US\$ 10,000,000)

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

- (a) 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) Approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by IFAD; and

- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Decision B.41/4)

Lao People's Democratic Republic: Enhancing Adaptive Capacity in Lao PDR Provinces, and Building Resilient Housing in Vulnerable Communities; (Fully-developed project proposal; United Nations Human Settlements Programme (UN-Habitat); AF00000295; US\$ 7,561,131)

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

- (a) 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) Approve the funding of US\$ 7,561,131 for the implementation of the project, as requested by UN-Habitat; and
- (c) Request the secretariat to draft an agreement with UN-Habitat as the multilateral implementing entity for the project.

(Decision B.41/5)

Libya: Resilience to Negative Impacts of Climate-Aggravated Water Scarcity in the Agriculture Sector in Libya (RENEWAL) (Fully-developed project proposal; International Fund for Agricultural Development (IFAD); AF00000315; US\$ 9,995,758)

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

- (a) 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) Approve the funding of US\$ 9,995,758 for the implementation of the project, as requested by IFAD; and
- (c) Request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Decision B.41/6)

Single Country Concepts

Proposals from National Implementing Entities (NIEs)

Honduras: Constructing Resilience Together to Face Climate Change and Variability in Western Honduras (Concept note; Comisión de Acción Social Menonita (CASM); AF00000350; US\$ 4,000,000)

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

- (a) Endorse the concept note as supplemented by the clarification responses provided by the Comisión de Acción Social Menonita (CASM) to the request made by the technical review;
- (b) Request the secretariat to notify CASM 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 integrate and further elaborate on the gender related activities as part of the project component;
 - (i) The fully-developed project proposal should include a clear description of alternative options to the proposed measures, as well as a detailed comparative analysis of the cost-effectiveness to such possible interventions, with quantitative estimates;
 - (ii) The fully-developed proposal should contain a detailed description of the technical standards that the early warning system (EWS) instruments and other project activities would need to comply with, as well as specify the steps that the project will undertake to ensure compliance with these standards and regulations;
- (c) Approve the project formulation grant of US \$50,000;
- (d) Request CASM to transmit the observations under subparagraph (b) to the Government of Honduras; and
- (e) Encourage the Government of Honduras to submit, through CASM, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.41/7)

Proposals from regional implementing entities (RIEs)

Bangladesh: Green, Resilient and Adaptive Chattogram Economy (GRACE) - LoCALplus (Concept note; International Centre for Integrated Mountain Development (ICIMOD); AF00000347; US\$ 9,999,929)

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

- (a) Endorse the concept note as supplemented by the clarification responses provided by the International Centre for Integrated Mountain Development (ICIMOD) to the request made by the technical review;

- (b) Request the secretariat to notify ICIMOD 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 a further refined and developed investment menu and provide additional information on its cost-effectiveness;
 - (ii) The fully-developed project proposal should contain more detailed information regarding local tribe groups and groups with disabilities in the project area;
 - (iii) The fully-developed project proposal should provide details on the comprehensive and gender-responsive consultations that would be undertaken during the project development phase, including the concerns raised by women, indigenous groups and other vulnerable groups;
- (c) Request ICIMOD to transmit the observations under subparagraph (b) to the Government of Bangladesh; and
- (d) Encourage the Government/s of Bangladesh to submit, through ICIMOD, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.41/8)

Pakistan: Sustainable Actions for Ecosystems Restoration (Concept note; International Centre for Integrated Mountain Development (ICIMOD); AF00000348; US\$ 9,995,275)

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

- (a) Endorse the concept note as supplemented by the clarification responses provided by the International Centre for Integrated Mountain Development (ICIMOD) to the request made by the technical review;
- (b) Request the secretariat to notify ICIMOD of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) Request ICIMOD to transmit the observations under subparagraph (b) to the Government of Pakistan; and
- (d) Encourage the Government of Pakistan to submit, through ICIMOD, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.41/9)

Uruguay: Increasing Socio-ecological Resilience in the Uruguayan Coastal Zone and Strengthening the Adaptive Capacity of its Infrastructure: (REACC COSTAS) (Concept note; Development Bank of Latin America (CAF); AF00000352; US\$ 10,000,000)

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

- (a) Endorse the concept note as supplemented by the clarification responses provided by the Development Bank of Latin America (CAF) to the request made by the technical review;
- (b) Request the secretariat to notify CAF 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 detailed information on the activities containing unidentified sub-projects in compliance with the Fund's guidance;
 - (ii) The fully-developed proposal should provide more detailed analyses and quantitative estimates of cost-effectiveness of the proposed adaptation measures compared to alternative options;
 - (iii) The fully-developed proposal should provide additional information to substantiate its sustainability aspects;
- (c) Request CAF to transmit the observations under subparagraph (b) to the Government of Uruguay; and
- (d) Encourage the Government of Uruguay to submit, through CAF, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.41/10)

Regional project and programme proposals

Fully-developed proposals

Proposals from multilateral implementing entities (MIEs)

Azerbaijan, Islamic Republic of Iran: Urbanisation and Climate Change Adaptation in the Caspian Sea Region (Fully-developed project proposal; United Nations Human Settlements Programme (UN-Habitat); AF00000191; US\$ 14,000,000)

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

- (a) Reject the fully-developed project proposal, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) on the request made by the technical review; and
- (b) Request UN-Habitat to transmit the Board Decision to the Governments of Azerbaijan and Islamic Republic of Iran.

(Decision B.41/11)*Concept notes**Proposals from multilateral implementing entities (MIEs)*

Angola and Namibia: “Building Resilience to Climate Change for Semi Nomadic Agro Pastoral Communities in the Transboundary Kunene River Basin” (Concept note; International Fund for Agricultural Development (IFAD); AF00000336; US\$ 14,000,000)

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

- (a) 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) 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 include more detailed information on indigenous and marginalized communities;
 - (ii) The fully-developed project proposal should document the comprehensive and gender responsive consultations process to be undertaken during the proposal development phase;
- (c) Approve the project formulation grant of US\$ 50,000;
- (d) Request IFAD to transmit the observations under subparagraph (b) to the Governments of Angola and Namibia; and
- (e) Encourage the Governments of Angola and Namibia to submit, through IFAD, a fully-developed project proposal that would also address the observations under subparagraph (b), above.

(Decision B.41/12)*Pre-concept notes**Proposals from multilateral implementing entities (MIEs)*

Malaysia and the Philippines; Strengthening Climate Resilience and food security through South-South Cooperation in adaptive rice production in Malaysia and the Philippines; (Pre-concept note; United Nations Industrial Development Organization (UNIDO); AF00000354; US\$ 13,779,500)

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

- (a) Endorse the pre-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) 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 issue:
 - (i) The concept note should integrate the rationale for the selection of countries in the main proposal document;
- (c) Approve the project formulation grant of US\$ 20,000;
- (d) Request UNIDO to transmit the observations under subparagraph (b) to the Governments of Malaysia and the Philippines; and
- (e) Encourage the Governments of Malaysia and the Philippines to submit, through UNIDO, a concept note that would also address the observations under subparagraph (b), above.

(Decision B.41/13)

(b) Review of enhanced direct access project proposal

Fully-developed project documents

Belize: Building Community Resilience via Transformative Adaptation (Fully-developed project proposal; Protected Areas Conservation Trust (PACT); AF00000271; US\$ 5,000,000)

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

- (a) Approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Protected Areas Conservation Trust (PACT) to the request made by the technical review;
- (b) Approve the funding of US\$ 5,000,000 for the implementation of the project, as requested by PACT; and
- (c) Request the secretariat to draft an agreement with PACT as the national implementing entity for the project.

(Decision B.41/14)

(c) Report of the secretariat on the Intersessional Review Cycle for Readiness Grants

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

- (a) Request the secretariat to prepare an analysis on the possibility of broadening the scope, eligibility criteria and type of technical assistance grants available to national and regional implementing entities, and to present the report at the thirty-third meeting of the PPRC;
- (b) Update the review cycle for readiness grants as depicted in Figure 2 of document AFB/PPRC.32/30 and invite the implementing entities of the Adaptation Fund to submit responses to the initial technical review within two weeks of receiving the initial technical review; and
- (c) Request the secretariat to notify all the accredited implementing entities of the Fund of the updated review cycle.

(Decision B.41/15)

(d) Review of AFCIA Small Grants Programme proposals

Proposals for Adaptation Fund Climate Innovation Accelerator (AFCIA) small grants programmes

Global: Climate Adaptation Innovation Accelerator Programme (CAIAP) (Adaptation Fund Climate Innovation Accelerator small grants programme; World Food Programme (WFP); AF00000351; US\$ 10,000,000)

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

- (a) Approve the Adaptation Fund Climate Innovation Accelerator programme proposal, as supplemented by the clarification responses provided by the World Food Programme (WFP) to the requests made by the technical review;
- (b) Request WFP to further develop the metrics in the results framework of the proposal and report to the secretariat in the annual project performance reports;
- (c) Approve the funding of US\$ 10,000,000 for the implementation of the programme, as requested by WFP, and
- (d) Request the secretariat to draft an agreement with WFP as the multilateral implementing entity for the programme.

(Decision B.41/16)

Global: The Adaptation Small and Medium Enterprises Innovation Facility (ASIF) (Adaptation Fund Climate Innovation Accelerator small grants programme; United Nations Industrial Development Organization (UNIDO); AF00000355; US\$ 10,000,000)

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

- (a) Approve the Adaptation Fund Climate Innovation Accelerator programme proposal, as supplemented by the clarification responses provided by the United Nations Industrial Development Organization (UNIDO) to the requests made by the technical review;
- (b) Request UNIDO to further develop the metrics in the results framework of the proposal and report to the secretariat in the annual project performance reports;
- (c) Approve the funding of US\$ 10,000,000 for the implementation of the programme, as requested by UNIDO; and
- (d) Request the secretariat to draft an agreement with UNIDO as the multilateral implementing entity for the programme.

(Decision B.41/17)

(e) Review of AFCIA Coordination proposals

Response to the call to submit a proposal on extending coordination services

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

- (a) Request the United Nations Environment Programme (UNEP) to submit a revised proposal for consideration by the Board at its forty-second meeting; and
- (b) Request UNEP to further develop and adjust the proposal for a three-year period.

(Decision B.41/18)

(f) Full Cost of Adaptation Reasoning

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

- (a) Request the Project and Programme Review Committee (PPRC) to continue considering the “*Draft guidance on optional cofinancing in the context of the Adaptation Fund*” as contained in document AFB/PPRC.32/21 and make an informed recommendation during its thirty-third meeting; and
- (b) Request the secretariat to present a report compiling the proposals that have included optional cofinancing for consideration by the PPRC at its thirty-third meeting.

(Decision B.41/19)

(g) Proposed adjustments on implementation fees and execution costs

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

- (a) Approve the proposal for harmonization of implementing entity (IE) fees and execution costs (EE costs) as presented in para 38 of document AFB/PPRC.32/22;
- (b) Request the secretariat to:
 - (i) Prepare a guidance document compiling the relevant information related to costs and fees and add it to the project preparation documentation;
 - (ii) Revise the review templates for all windows and update any reference to the IE fees and EE costs, with a view to consistency and clarity;
 - (iii) Request the secretariat to monitor, over the next three review cycles, proposal submissions for the proposed use of eligible costs that may be charged under project components for specific types of projects that may need additional support during their implementation;
 - (iv) Consider, including through a consultative process, changes to the size of the project formulation grants for projects that require enhanced capacity building during the project preparation stage;
- (c) Report to the Board at its forty-fourth meeting on the observations made on items under sub paragraphs (b)(i)-(iii) above; and
- (d) Report to the PPRC at its thirty-third meeting on the observations made on item under sub paragraph (b)(iv) above.

(Decision B.41/20)

(h) Rolling-basis submissions: Progress report on the implementation of the pilot and proposals for updating Fund policies

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

- (a) Maintain the piloting of the rolling-basis submissions process for all funding windows, as described in document AFB/PPRC.31/60 and approved by decision B.40/59;
- (b) Request the secretariat to:
 - (i) Present to the PPRC at its thirty-third meeting a report on the implementation of the pilot with any recommendations for improvement, as appropriate, and including a table comparing the number of proposals submitted at each cycle;

- (ii) Undertake a comprehensive revision of the Operational Policies and Guidelines to reflect all necessary changes due to the revision of the Fund's policies to-date, and with a view of better accommodating future changes of the policies of the Fund; and
- (iii) Present the proposed draft revisions under the paragraph (b)(ii) above for consideration by the Board in its forty-third meeting.

(Decision B.41/21)

(i) Terms of reference for the establishment of the Adaptation Fund Technical Advisory Body on innovation

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

- (a) Request the secretariat, in consultation with the Innovation Task Force, to undertake an analysis of the current needs for external support for advisory services for innovation, taking into account the developments and progress under the medium-term strategy (MTS II) and its implementation plan;
- (b) Request the secretariat to present options for supporting any such needs, as identified in paragraph (a) above, including potential budget implications and governance arrangements;
- (c) Report the findings from (a) and (b) above to the PPRC at its thirty-third meeting.

(Decision B.41/22)

(j) Post approval project revisions

Project extension request: Jordan (MOPIC)

23. Having considered the recommendation of the Project and Programme Review Committee the Adaptation Fund Board (the Board) decided to approve the request for an additional twelve-month extension of the project completion date from 13 January 2024 to 13 January 2025 for the project "Increasing the resilience of poor and vulnerable communities to climate change".

(Decision B.41/23)

Project extension request: South Africa (SANBI)

24. Having considered the recommendation of the Project and Programme Review Committee the Adaptation Fund Board (the Board) decided to approve the request for a six-month extension of the project completion date from 30 September 2023 to 31 March 2024, for the project "Building Resilience in the greater uMngeni Catchment, South Africa".

(Decision B.41/24)

Project extension request: Indonesia (Kemitraan)

25. Having considered the recommendation of the Project and Programme Review Committee the Adaptation Fund Board (the Board) decided to approve the request for a six-month extension of the project AFB/PPRC.32/27 completion date from 30 September 2023 to 31 March 2024, for the project “Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province.

(Decision B.41/25)

Project extension request: Chile, Ecuador (CAF)

26. Having considered the recommendation of the Project and Programme Review Committee the Adaptation Fund Board (the Board) decided to approve the request for a twelve-month extension of the project completion date from 22 January 2025 to 22 January 2026, for the project “Reducing climate vulnerability and flood risk in coastal urban and semi urban areas in cities in Latin America”.

(Decision B.41/26)

Provision of direct project services and minor revisions of project implementation arrangements: Colombia, Ecuador (WFP)

27. Having considered the recommendation of the Project and Programme Review Committee the Adaptation Fund Board (the Board) decided to approve the request for the provision by World Food Programme of no additional-cost Direct Project Services and the revision to the project implementation arrangements at the field-level, for the project “Building adaptive capacity through food and nutrition security and peacebuilding actions in vulnerable Afro and indigenous communities in the Colombia-Ecuador border area”.

(Decision B.41/27)

Agenda item 8: Report of the thirty-second meeting of the Ethics and Finance Committee**(a) Annual performance report for fiscal year 2023**

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

- (a) Approve the Adaptation Fund annual performance report for the fiscal year 2023 as contained in document AFB/EFC.32/3; and
- (b) 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.41/28)

(b) Report of the Chair of the Technical Evaluation Reference Group

Approach to the work programme of the Technical Evaluation Reference Group of the Adaptation Fund for the period 2025–2027

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

- (a) Proceed with further consultations with members of the Ethics and Finance Committee (EFC) and with the secretariat to refine a shortlist of thematic priorities;
- (b) With respect to decision B.38/48, prepare a draft second work programme for the period 2025–2027 for consideration by the EFC at its thirty-third meeting, including an analysis of its budget implications in line with the Evaluation Policy and the second implementation plan for the medium-term strategy;
- (c) Develop a multi-year budget of implementing the work programme, for inclusion in the annual administrative budget of the Technical Evaluation Reference Group (AF-TERG) and its secretariat for consideration by the EFC; and
- (d) Submit to the EFC at its thirty-third meeting, a revised terms of reference for the AF-TERG that fits its renewed roles and responsibilities under the Evaluation Policy and considers the implications of implementing the second work programme.

(Decision B.41/29)

(c) Review of implications and options for evaluation costs and evaluation budget guidance

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

- (a) Take note of the report on the review of budget implications and options for evaluation policy implementation as contained in document AFB/EFC.32/10;
- (b) Request the implementing entities to set the overall evaluation budget for proposed projects and programmes at 1 to 5 per cent of the project or programme budget, to be counted towards the implementing entity fee, starting from the forty-second meeting of the Board;
- (c) Invite the implementing entities to consider “Proposed new structure of project evaluation cost” referred to in paragraph 30 of document AFB/EFC.32/10 as a guidance for allocating funding for evaluation activities;
- (d) Request the secretariat to:
 - (i) Update the “Instructions for Preparing a Request for Project Funding” contained in Annex 5 to the Operational Policies and Guidelines accordingly and submit it to the forty-second meeting of the Board for consideration and approval;

- (ii) Communicate the present decision to the implementing entities and ensure compliance during project reviews and monitoring; and
- (iii) Report on the implementation of the new budget allocation for project evaluation budget to the Ethics and Finance Committee at its thirty-fourth meeting.

(Decision B.41/30)

- (d) Report of the Chair of the Technical Evaluation Reference Group: Rapid evaluation of the Fund; and**
- (e) Management response to the rapid evaluation**

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

- (a) Take note of the key findings and evidence gaps at the respective macro, meso and micro levels in the rapid evaluation synthesis framework and the inputs from the rapid evaluation for the preparation of the future comprehensive evaluation as contained in the report on the rapid evaluation of the Adaptation Fund referred to in chapter 7 of document AFB/EFC.32/.6/Rev.2, as well as the discussion during the thirty-second meeting of Ethics and Finance Committee (EFC) and forty-first meeting of the Board and the management response contained in document AFC/EFC.32/.8 when developing the terms of reference of the comprehensive evaluation of the Fund to be prepared in accordance with decision B.39/57;
- (b) Request the secretariat, in consultation with the Technical Evaluation Reference Group of the Adaptation Fund, to prepare an action plan to respond to the findings arising from the rapid evaluation mentioned above, for consideration by the Board during the intersessional period between the forty-first and forty-second meetings of the Board; and
- (c) Request the secretariat to report to the EFC, at its thirty-third meeting, on the progress made in implementing the action plan.

(Decision B.41/31)

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

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

- (a) Take note of the update report contained in document AFB/EFC.32/10 and its annexes;
- (b) Reiterate the Board's request to the United Nations Development Programme (UNDP) as contained in decision B.40/68, subparagraph (c) (i) and (ii), below;
- (c) Request the secretariat to:

- (i) Continue engaging with UNDP with a view to ensuring that all completed projects funded by the Adaptation Fund and implemented by the UNDP are financially closed, and that final audited financial statements including the implementing entity fee, are 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 signed between the Board and the UNDP; and
- (ii) To provide an update on the matter referred to in paragraph (b) to the Ethics and Finance Committee at its thirty-second meeting.

(Decision B.41/32)

(g) Request for a revision of legal agreement

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

- (a) Take note of the update as contained in document AFB/EFC.32/9 including the response letter from the Food and Agriculture Organization of the United Nations (FAO) as contained in Annex 2 of document AFB/EFC.32/9;
- (b) Recall decision B.40/70, paragraph b) that the Fund's standard legal agreement applies uniformly to all implementing entities (IEs), is not open to different readings or negotiations and cannot be amended to accommodate an individual IE's requests or to make an exception exclusively for an individual IE;
- (c) Request the secretariat to send letters to the relevant designated authorities informing them about the Board decision on relation to the legal issues raised by FAO; and
- (d) Request the secretariat to communicate to FAO the present decision.

(Decision B.41/33)

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

34. Having considered the information contained in document AFB/B.41/5 and AFB/B.41/5/Add.1, the Adaptation Fund Board (the Board) decided to continue the discussion on options to further enhance civil society participation and engagement in the work of the Board at the forty-second meeting of the Board.

(Decision B.41/34)

(b) Carbon footprint of the Fund

35. Having considered the information contained in document AFB/B.41/6, the Adaptation Fund Board (the Board) decided to continue the discussion on the carbon footprint of the Fund at the forty-second meeting of the Board.

(Decision B.41/35)

(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

36. Having considered document AFB/B.41/7 and its annexes 1 and 2, the Adaptation Fund Board (the Board) decided to:

(a) Take note of the independent review of the Adaptation Fund Environmental and Social Policy (ESP) and the results of the stakeholder surveys as contained in annexes 1 and 2 to document AFB/B.41/7, respectively;

(b) Continue its consideration on the possibility of updating the ESP at the forty-second meeting, recalling decision 5/CMP.17, paragraph 15; and

(c) Request the secretariat to prepare a background note taking into account the Board's discussions at the forty-first meeting, the independent review of the ESP and the results of the stakeholder surveys contained in annexes 1 and 2 to document AFB/B.41/7, respectively.

(Decision B.41/36)

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

37. Having considered document AFB/B.41/8/Rev.1 and its annex, the Adaptation Fund Board (the Board) decided to:

(a) Take note of the options and suggested considerations for a policy on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH) outlined in document AFB/B.41/8/Rev.1 and its annex which were prepared in response to decision B.40/81;

(b) Continue its consideration of options for responding to the mandate to adopt a policy on safeguarding against SEAH contained in decisions 4/CMP.17, paragraph 13 and decision 18/CMA.4, paragraph 21; and

(c) Request the secretariat to support the Board's consideration by preparing a background note which includes elaboration of definitions and their application as well as potential approach and process to respond to the mandate referred to in paragraph (b), taking into account the Board's discussions at the forty-first meeting.

(Decision B.41/37)

(iii) Status of timely transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement, and (iv) Status of development of a strategy on monetization of Article 6, paragraph 4, emission reductions (A6.4ERs)

38. Having considered document AFB/B.41/9 and its annexes and addendum, the Adaptation Fund Board (the Board) decided to:

(a) Request the secretariat:

(i) To continue consultations with the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC), the trustee and any other relevant stakeholders with a view to preparing the arrangements for the transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement, as per decision 1/CMP.14 and decision 13/CMA.1, and report on the status of the work to the Board at its forty-second meeting;

(ii) To prepare draft amendments to the Memorandum of Understanding regarding secretariat services, the Rules of Procedure, the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, and the Strategic Priorities, Policies and Guidelines in the context of the transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement and report on the status of the work to the Board at its forty-second meeting; and

(b) Request the secretariat and the trustee to continue consultations with the secretariat of the UNFCCC and any other relevant stakeholders with a view to the timely development of a new terms and conditions for the trustee services and 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-second meeting.

(Decision B.41/38)**Agenda Item 12: Election of officers for the next period of office**

39. 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. Lucas di Pietro (Argentina, Non-Annex I Parties) as the Chair of the Board;

(b) Mr. Ali Daud Mohamed (Kenya, Africa) as the Vice-Chair of the Ethics and Finance Committee (EFC);

(c) Mr. Ahmadou S. Toure (Guinea, Non-Annex I) as the Chair of the Project and Programme Review Committee (PPRC);

(d) Mr. Naresh Sharma (Nepal, Least Developed Countries) as the Vice-Chair of the Accreditation Panel; and

- (e) the Vice-Chair of the Board, the Chair of the EFC, the Vice-Chair of the PPRC, and the Chair of the Accreditation Panel during the intersessional period or at the forty-second meeting of the Board.

(Decision B.41/39)

Agenda Item 14: Date and venue of meetings in 2024 and onwards

40. The Adaptation Fund Board (the Board) decided to hold its forty-third meeting from 8 to 11 October 2024 in Bonn, Germany.

(Decision B.41/40)

Agenda Item 16: Election of outstanding officers

41. The Adaptation Fund Board (the Board) decided to appoint Ms. Frida Jangsten (Sweden, Western European & Others) as an alternate member of the Board replacing Mr. Mattias Broman (Sweden, Western European & Others).

(Decision B.41/41)

ANNEX I**ATTENDANCE AT THE FORTY-FIRST MEETING OF THE ADAPTATION FUND BOARD**

MEMBERS		
Name	Country	Constituency
Patience Dampney	Ghana	Africa
Albara Tawfiq	Saudi Arabia	Asia-Pacific
Kenrick H. Williams	Belize	Latin America and the Caribbean
Ursula Fuentes Hutfilter	Germany	Western Europe and Others
Antonio Navarra	Italy	Western Europe and Others
Michai Robertson	Belize	Small Island Developing States
Naresh Sharma	Nepal	Least Developed Countries
Marc-Antoine Martin	France	Annex I Parties
Lucas di Pietro	Argentina	Non-Annex I Parties

ALTERNATES		
Name	Country	Constituency
Fatou Ndeye Gaye	The Gambia	Africa
Ali Daud Mohamed	Kenya	Africa
Ahmed Waheed	Maldives	Asia-Pacific
Victor Viñas	Dominican Republic	Latin America and the Caribbean
Mariana Kasprzyk	Uruguay	Latin America and the Caribbean
Sylviane Bilgischer	Belgium	Western Europe and Others
Frida Jangsten	Sweden	Western Europe and Others
Mani Mate	Cook Islands	Small Island Developing States
Kevin Adams	United States of America	Annex I Parties
Ahmadou Sebory Touré	Guinea	Non-Annex I Parties

ANNEX II

Adopted agenda of the forty-first meeting of the Adaptation Fund Board

1. Opening of the meeting.
2. Organizational matters:
 - a) Adoption of the agenda;
 - b) Organization of work.
3. Report on activities of the Chair.
4. Report on activities of the secretariat.
5. Dialogue with the Executive Secretary of UNFCCC
6. Accreditation related matters.
7. Report of the thirty- meeting second of the Project and Programme Review Committee 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 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 earlier meetings:
- a) Options to further enhance civil society participation and engage the work of the Board;
 - b) Carbon footprint of the Fund;
 - 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;
 - ii. Options for a policy on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH);
 - iii. Status of timely transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement;
 - iv. Status of development of a strategy on monetization of Article 6, paragraph 4, emission reductions (A6.4ERs).
11. Knowledge management, communications and outreach.
12. Election of officers for the next period of office.
13. Dialogue with civil society organizations.
14. Date and venue of meetings in 2023 and onward.
15. Implementation of the code of conduct.

16. Election of outstanding officers.
17. Other matters.
18. Adoption of the report.
19. Closure of the meeting.

ANNEX III

AFB41: SUMMARY OF FUNDING DECISIONS FOR PROJECTS AND PROGRAMMES AT THE FORTY-FIRST MEETING OF THE ADAPTATION FUND BOARD

1. Full Proposals: Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
RIE								
	Peru	CAF	AFB/PPRC.32/4		5,361,666		<i>Approved</i>	5,361,666
MIE								
	Central African Republic	IFAD	AFB/PPRC.32/5			10,000,000	<i>Approved</i>	10,000,000
	Lao PDR	UN Habitat	AFB/PPRC.32/6			7,561,131	<i>Approved</i>	7,561,131
	Libya	IFAD	AFB/PPRC.32/7			9,995,758	<i>Approved</i>	9,995,758
Sub-total, USD				-	5,361,666	27,556,889		32,918,555
2. Concepts: Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Honduras	CASM	AFB/PPRC.32/8	4,000,000			<i>Endorsed</i>	0
RIE								
	Bangladesh	ICIMOD	AFB/PPRC.32/9		9,999,929		<i>Endorsed</i>	0
	Pakistan	ICIMOD	AFB/PPRC.32/11		9,995,275		<i>Endorsed</i>	0
	Uruguay	CAF	AFB/PPRC.32/10		10,000,000		<i>Endorsed</i>	0
Sub-total, USD				4,000,000	29,995,204	-		-
3. Project Formulation Grants (PFG): Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Honduras		AFB/PPRC.32/8/Add.1	50,000			<i>Approved</i>	50,000
Sub-total, USD				50,000	-	-		50,000
4. Full Proposals: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Azerbaijan, Iran	UN Habitat	AFB/PPRC.32/12			14,000,000	<i>Rejected</i>	0
Sub-total, USD				-	-	14,000,000		-
5. Concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Angola, Namibia	IFAD	AFB/PPRC.32/13			14,000,000	<i>Endorsed</i>	0
Sub-total, USD				-	-	14,000,000		-

6. Project Formulation Grants (PFG): Regional Concepts	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Angola, Namibia	IFAD	AFB/PPRC.32/13/Add.1			50,000	Approved	50,000
Sub-total, USD				-	-	50,000		50,000
7. Pre-concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Malaysia, Philippines	UNIDO	AFB/PPRC.32/14			13,779,500	Endorsed	0
Sub-total, USD				-	-	13,779,500		-
8. Project Formulation Grants (PFG) Pre-concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Malaysia, Philippines	UNIDO	AFB/PPRC.32/14/Add.1			20,000	Approved	20,000
Sub-total, USD				-	-	20,000		20,000
GRAND TOTAL (1+2+3+4+5+6+7+8)				4,050,000	35,356,870	69,406,389		33,038,555
9. Full Proposal: Enhanced Direct Access	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Belize	PACT	AFB/PPRC.32/16	5,000,000			Approved	5,000,000
Sub-total, USD				5,000,000	-	-		5,000,000
GRAND TOTAL (9)				5,000,000	-	-		5,000,000
10. AFCIA Grants	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Global	WFP	AFB/PPRC.32/19			10,000,000	Approved	10,000,000
	Global	UNIDO	AFB/PPRC.32/20			10,000,000	Approved	10,000,000
Sub-total, USD				-	-	20,000,000		20,000,000
GRAND TOTAL (10)				-	-	20,000,000		20,000,000
GRAND TOTAL (1+2+3+4+5+6+7+8+9+10)				9,050,000	35,356,870	89,406,389		58,038,555