2026

AF-TERG AFB Decisions & Key Messages

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Agenda Item 7: Report of twenty-second meeting of the Project and Programme Review Committee

35. The Board approved the following decisions on the matters considered by the PPRC at its twenty-second meeting:

f) Cost-effectiveness of options for arranging post-implementation learning and impact evaluation of Adaptation Fund projects and programmes

58. During the presentation of the recommendation on the cost-effectiveness of options for arranging post-implementation learning and impact evaluation of Adaptation Fund projects and programmes, the Vice-Chair of the PPRC noted that after consultations with the Chair and Vice Chair of the EFC and the Chair and Vice-Chair of the Board it had been agreed that subparagraph (c) of recommendation PPRC.22/23[1] was no longer required.

59. Having considered the comments and recommendation of the Project and Programme Review Committee (PPRC) regarding the two options described in document AFB/PPRC.22/26[2] for conducting ex-post evaluations of completed Adaptation Fund projects and programmes, the Adaptation Fund Board (the Board) decided:

a) To convey the assessment of the two options to the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), once it is operational, which will subsequently report to the Board on its preferred option; and

[1] https://www.adaptation-fund.org/wp-content/uploads/2018/03/AFB.PPRC_.22.23-Proposal-for-C%C3%B4te-d%E2%80%99Ivoire-and-Ghana-UN-Habitat.pdf

[2] https://www.adaptation-fund.org/wp-content/uploads/2018/03/AFB.PPRC_.22.26.Rev_.1.Cost-effectiveness-of-options-for-ex-post-evaluations_final.pdf (page 4)

b) To request the AF-TERG to take into account the above discussion in the PPRC.

(Decision B.31/24)

Option I: The Evaluation Function of the Adaptation Fund commissions the ex-post assessments using individual consultants **Option II:** An external third party selected by the AF-TERG could perform the ex-post evaluations

Agenda Item 8: Report of twenty-second meeting of the Ethics and Finance Committee

61. Based on the recommendations of the EFC and the discussion during the presentation of its report, the Board approved the following decisions on the matters considered by the EFC at its twenty-second meeting.

a) Implications of the establishment of the Fund's evaluation function

62. Concerns were raised with respect to the roles of the Board, the EFC and the PPRC in the oversight of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG). A representative of the secretariat responded to the concerns raised, stressing that independence was paramount, both with respect to the independence of the group and the independence of its evaluations. The role of the Board was clear: it could commission studies by the AF-TERG and the AF-TERG was accountable to the Board, but the group had to have the independence to do its work with no influence from the Board, to ensure that its results were independent enough to be taken seriously. The role of the EFC was to oversee the performance of the AF-TERG and to consider the group's recommendations and budget, and to in turn make recommendations to the Board. One member nevertheless had reservations about a reference to AF-TERG recommendations being forwarded to the Board "for information".

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

(a) To approve the terms of reference of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) as contained in Annex III to the report of the Board (AFB/B.31/8)[3];

(b) To approve the amendment to the terms of reference of the Ethics and Finance Committee (EFC) as contained in Annex IV to the report of the Board (AFB/B.31/8);

(c) To establish the AF-TERG Recruitment Working Group composed of the following Board members and alternates: Mr. Ibila Djibril (Benin, Africa), Mr. Marc-Antoine Martin (France, Annex I Parties), Ms. Barbara Schäfer (Germany, Annex I Parties) and Ms. Margarita Caso (Mexico, Non-Annex I Parties); and

(d) To request the AF-TERG Recruitment Working Group, with the support of the secretariat, to undertake the necessary arrangements for the recruitment of the AF-TERG chair and

[3] https://www.adaptation-fund.org/wp-content/uploads/2018/07/AFB.B.31-final-report.pdf

four members intersessionally between the thirty-first and thirty-second meetings of the Board and to report back to the EFC at its twenty-third meeting.

(Decision B.31/25)

Agenda Item 10: Issues remaining from the thirtieth meeting

a) Implementation plan for the medium-term strategy for the Fund

80. Having considered the draft implementation plan for the medium-term strategy (MTS) for the Adaptation Fund (the Fund) contained in the Annex I to document AFB/B.31/5/Rev.1[4], the Adaptation Fund Board (the Board) decided:

(a) To approve the implementation plan for the medium-term strategy for the Fund for 2018–2022 contained in the Annex I to document AFB/B.31/5/Rev.1[4] (the plan);

(b) To request the secretariat:

(i) To facilitate the implementation of the plan during the period 2018–2022; AFB/B.31/8[3]

(ii) To include the administrative budget for implementing the plan in the secretariat's annual administrative budget during the strategy period, for consideration by the Fund's Ethics and Finance Committee;

(iii) To prepare, for each proposed new type of grant and funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board's committees;

(iv) Following consideration of the new types of support mentioned in subparagraph (b)(iii), to propose, as necessary, amendments to the Fund's operational policies and guidelines Fund to better facilitate the implementation of such new types of support; and

(v) To monitor the progress of implementation of the MTS and report on it annually as part of the annual performance reports of the Fund, and if necessary, propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan; and

(c) To request the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) to undertake a mid-term review of the medium-term strategy and the plan and report to the Board at its thirty-sixth meeting.

[4] https://www.adaptation-fund.org/wp-content/uploads/2018/03/AFB.B.31.5.Rev_.1_Implementation_plan_for_medium-term_strategy.pdf

(Decision B.31/32)

TERMS OF REFERENCE OF THE TECHNICAL EVALUATION REFERENCE GROUP OF THE ADAPTATION FUND (TERG)

Mandate

1. The Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) is an independent evaluation advisory group, accountable to the Board, established to ensure the independent implementation of the Fund's evaluation framework. Specifically, the TERG will provide:

(a) Evaluation Function: Independently commission the evaluation of the relevance, effectiveness, efficiency and sustainability of the Fund through its overall operation, including its supported projects and programmes as well as implementing entities and report to the Board on lessons, findings, conclusions, and recommendations from relevant evaluation reports;

(b) Advisory Function: Set minimum evaluation standards within the Fund in order to ensure improved and consistent measurement of results;

(c) Oversight Function: Provide quality control of the minimum evaluation requirements and their practice in the Fund and track implementation of Board decisions related to evaluation recommendations. This includes providing advice to the Board in its efforts to incorporate findings and recommendations of evaluations into policies, strategies and procedures.

Composition

2. The AF-TERG shall be comprised of an independent group of experts in evaluation who are all functionally independent of the secretariat, Board, and Board committees. The members will serve in their personal capacities only and will not represent their employers, governments or Fund's entities.

3. There shall be at least five members including the Chair and at least one member with experience with civil society organizations.

4. Membership of the group will be drawn from a range of stakeholders, including practitioners, research institutions, academics, donor and recipient countries, and non-governmental organizations.

Working Modalities

5. The AF-TERG will meet at least once a year, depending on its workload. It is foreseen that during the initial period, at least, there may be a need for additional meetings. The duration of each meeting will be two to three days depending on the agenda to be discussed. Meetings will be scheduled at a time convenient to a majority of the members. Additional meetings may be scheduled if the need arises, as requested by the AF-TERG Chair. To facilitate the exchange of views among AF-TERG members between in-person meetings, other means of communication will be maintained, including electronic discussion groups, conference calls or video conferencing.

6. The Chair of the AF-TERG shall also attend the bi-annual meetings of the Ethics and Finance Committee (EFC) of the Board as ex-officio member.

7. The Chair of the AF-TERG shall report to the Board and/or the EFC as frequently as deemed appropriate and will present results of evaluations and other work conducted by the AF-TERG. Recommendations from the AF-TERG – including an annual budget - are expected to be considered by the EFC, as per the EFC's terms of reference, which would in turn forward them to the Board, together with any recommended decisions. The Board, drawing from inputs from its committees or the Accreditation Panel, may, as appropriate, request the AF-TERG to include in its work programme specific evaluation tasks relevant to its work.

8. A small AF-TERG secretariat composed of a full-time dedicated staff position supported by a part-time consultant and AFB secretariat administrative staff as needed would provide support to the AF-TERG, in particular with regard to the arrangements for the implementation of the evaluation work programme. The full-time staff will operationally report to the Chair of the AF-TERG and administratively report to the Manager of the AFB secretariat. The workload of the AF-TERG secretariat will vary depending on the work programme.

9. The Board, through the EFC, will oversee the performance of the AF-TERG, in a manner that does not infringe on the independence of the AF-TERG in terms of content and conclusions of evaluations. The Board may also commission independent evaluations on the AF-TERG, in order to capture lessons learned and amend the arrangement as needed.

10. The expected workload of AF-TERG members and its Chair would be approximately 16 and 24 days a year, respectively (6 to 14 days in person meeting including the Chair's participation in Board meetings, and 10 days to be involved remotely in focal point activities on specific reviews or evaluations under the work programme).

11. Additional experts may be brought in as necessary to implement the work programme. Recruitment and Appointment of AF-TERG Members

12. The recruitment of AF-TERG members shall be managed by the EFC with support from the secretariat through an open, transparent and criteria-based process. Criteria for selection will include:

- credibility and independence
- expertise and experience in evaluation
- country experience
- knowledge of topics in adaptation to climate change impacts
- commitment and availability to participate in a part time basis
- absence of conflict of interest
- geographic representation and
- gender balance.

13. The first Chair of the AF-TERG will be appointed by the Board following recommendation from the AF-TERG Recruitment Working Group to be established by the EFC, through a competitive recruitment process administratively supported by the AFB secretariat. The AF-TERG Chair will be a member of the Working Group for the appointment of the other members. Subsequent Chairs and other AF-TERG members will

be appointed by the Working Group. Members of the AF-TERG shall normally serve for a period of three years, and shall be eligible to serve not more than two consecutive terms or six years. The membership of the AF-TERG shall be managed so that approximately one-third of its membership shall retire by rotation every two years. The very first members of the TERG shall therefore be granted exception in number of years of service to allow for effective initiation of the rotation system. The member from civil society will be appointed following the same competitive selection process as the other members.

AF-TERG Work Plan and Budget

14. The AF-TERG will commission and oversee independent evaluations and relevant tasks on behalf of the Board and its Committees according to the evaluation framework. The AF-TERG will prepare multi-year work programmes and budget in accordance with the evaluation framework requirements. Where relevant, the content of these multi-year work programmes should be linked to strategies of the Fund, such as medium-term strategies. Proposed multi-year work programmes will be presented to the EFC for consideration and for recommendation for approval by the Board. The AF-TERG will then design, commission and oversee these independent evaluations, with administrative support from its secretariat. As part of its advisory role however, the AF-TERG may develop guidance notes, recommendation papers or any relevant document for consideration by the Board.

15. The AF-TERG, through its Chair, will report annually to the EFC and/or Board on the implementation of its work plan.

16. The annual budget of the AF-TERG, its secretariat and work programme will be prepared together with the AFB secretariat and will be submitted for approval by the Board as part of the administrative budget of the Fund.

17. Activities within the work programme are diverse and include the following:

(a) Review of AF Monitoring & Evaluation (M&E) related Frameworks, Policies and Guidelines;

(b) Quality review of project-level mid-term and final evaluation reports;

(c) Performance evaluations, including ex-post evaluations;

(d) Country studies;

(e) Thematic evaluations; and

(f) Overall corporate- or portfolio-level evaluations.

Compensation

18. Members of the AF-TERG who are external experts shall be paid fees for their services and travel expenses.

Relations with the AFB Secretariat

19. The AF-TERG will operate in an arrangement that guarantees the independence of the evaluations overseen by the AF-TERG. The primary focal point for the AF-TERG in the AFB Secretariat is the Manager.

20. All communications of a strategic nature from the AF-TERG Chair and its members shall be addressed and channelled to the EFC and/or the Board through the Manager of the secretariat. The AF-TERG will inform the Manager of AF-TERG conclusions and/or activities that require his/her attention or strategic engagement.

21. The Manager will:

(a) Oversee the practical aspects of hiring of AF-TERG members and the management of their contracts within the World Bank administrative system;

(b) Appoint the dedicated secretariat team staff (the AF-TERG secretariat) who will support the AF-TERG, communicate their names and roles to the AF-TERG and supervise the administrative aspects of their work;

(c) Participate in AF-TERG meetings as member ex-officio and ensure timely responses from the secretariat to enquiries of the AF-TERG and efficient cooperation by the secretariat with the AF-TERG;

(d) Ensure relevant communications from the AF-TERG are received by the secretariat and conveyed to the Board, and addressed by the Board or the secretariat as appropriate;

(e) Oversee the preparation of the official reports of AF-TERG meetings, the preparation of Board documents presenting the AF-TERG work programme and budget, as well as the publication or submission to the Board of deliverables of the AF-TERG work programme;

(f) Oversee the compliance of procurement for evaluations with applicable administrative rules and guidelines, including contracting external organizations.

22. The Manager will NOT:

(a) Oversee the technical aspects of hiring of AF-TERG members and their technical work;

(b) Engage in direct supervisory roles of AF-TERG members;

(c) Oversee the technical aspects of the preparation of the official reports of AF-TERG meetings, or the preparation of Board documents presenting the AF-TERG work programme and budget;

(d) Engage in the substance matter aspects of procurement for evaluations.

AF-TERG Member Profile

23. The AF-TERG will be comprised of an independent group of experts in evaluation who will serve in their personal capacities only and will not represent their employers, governments or Fund's entities.

24. Membership of the group will be drawn from a range of stakeholders, including practitioners, research institutions, academics, donor and recipient countries, and non-governmental organizations, taking into account geographical and gender balance and diversity of technical sector experience. Expertise and

experience - The AF-TERG member profile as a group will include diversity in areas of relevant expertise, evaluative skills and thematic knowledge including the following:

(a) At least 15 years of professional experience in evaluation work at progressively increasing levels, related to monitoring / evaluation / research and management;

(b) At least 8 years of professional experience in development at field level and international level;

(c) Evaluation experience: extensive knowledge of, and experience in applying, qualitative and quantitative evaluation methods; a strong record in designing and leading overall evaluations; technical competence in the area of evaluation (theory and practice), and a strong methodological background;

(d) Climate finance experience, especially extensive knowledge of, and experience in applying climate change adaptation concepts;

(e) Strong knowledge in project management with strong emphasis on monitoring and evaluation;

(f) Extended experience in designing, implementing and evaluating adaptation projects and programs in developing countries, covering key adaptation thematic areas;

(g) Experience in least developed countries, working with those most vulnerable to climate change impacts;

(h) Extended knowledge of the Adaptation Fund and of UNFCCC, Paris Agreement, Kyoto Protocol and climate change and other environmental international regimes and policies;

(i) Extended knowledge on operational aspects of institutions (policies, governance, and accounting);

(j) Strong communication and outreach skills;

(k) Strong skills and experience in gender-related matters.

Languages –

25. Language capacity in English and extent of international work (all AF regions). Fluency in at least one of the other six official languages of the United Nations (Arabic, Chinese, English, French, Russian and Spanish) would be an asset.

26. In addition to the expertise and skills mentioned above, the following will be expected when selecting the AF-TERG Chair:

(a) Demonstration of high levels of autonomy and integrity;

(b) He/she is widely recognized across the evaluation community as a source of knowledge;

(c) Ability to communicate on complex and highly specialised issues at senior management and executive meetings;

(d) A track record in strategic and global thinking;

(e) Excellent relationship and communication management skills;

(f) Experience in setting up and executing a budget;

(g) Sensitivity to gender, political, and respect for cultural, aspects;

Independent evaluation capacity –

(a) Application of ethical guidance.

(b) Absence of conflict of interest: the team/evaluator must not have been involved in the design and/or implementation, supervision and coordination of and /or have benefited from the Fund/ project/ programme under evaluation. Evaluators are independent from the development intervention, including its policy, operations and management functions, as well as intended beneficiaries.

Key personal competencies – The AF-TERG member profile for individual members includes the following competencies and responsibilities:

(a) A knowledge and personal commitment to the Adaptation Fund principles, core values and its activities;

(b) A facilitative and consultative approach including ability to work independently as well as in a multi-cultural environment;

(c) Good communication skills;

(d) High ethical standards; and

(e) Flexibility and time availability.

Revision of the TOR

27. The Board will revise these terms of reference as necessary.

ETHICS AND FINANCE COMMITTEE TERMS OF REFERENCE

h) Oversee the performance of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), including establishing an AF-TERG Recruitment Working Group, reviewing its annual work plan and budget; the Chair of the AF-TERG shall also attend the bi-annual meetings of the EFC as ex-officio member;

33rd AFB Meeting	Germany	From 2019-03-12	To 2019-03-15

Agenda item 2: Election of outstanding officers.

7. The Board elected the following officers.

b) Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG)

9. The Adaptation Fund Board decided to elect the following Board members and alternates as members of the Recruitment Working Group of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) established through decision B.31/25:

a) Mr. Ibila Djibril (Benin, Africa);

b) Mr. Chebet Maikut (Uganda, Least Developed Countries);

c) Mr. Mirza Shawkat Ali (Bangladesh, Asia-Pacific);

d) Mr. Victor Viñas (Dominican Republic, Latin America and the Caribbean); and

e) Mr. Marc-Antoine Martin (France, Annex I Parties).

(Decision B.33/2)

27. Under guidance by the Recruitment Working Group for the Fund's Technical Evaluation Reference Group (AF-TERG), the secretariat had completed the selection process of the Chair of the AF-TERG, and the Board had approved an intersessional decision appointing Ms. Eva Lithman to that position.

28. Ms. Eva Lithman introduced herself to the Board and explained different approaches to evaluations. She also explained how the AF-TERG would operate, its three functions (evaluation, advisory and oversight), as described in its terms of reference, and that its work would be supported by a dedicated secretariat team.

Agenda Item 9: Report of the twenty-fourth meeting of the Ethics and Finance Committee (EFC)

82. Following the report, the Board discussed a range of issues. In response to a question on the budget for the evaluation function of the secretariat, it was clarified that one full-time staff member was envisioned, supplemented by an administrative assistant or possible short-term consultant. In addition, in line with terms of reference of the AF-TERG contained in Annex III to the report of the thirty-first meeting of the Board (AFB/B.31/8)[3], the AF-TERG would consist of a Chair and four members. On the issue of delays in project inception, it was proposed that the work be expanded to a more global scale and examine the reasons that had led to delays in project implementation. On the reorganization of an implementing entity, it was noted that: the proposed approach seemed passive and that IEs should be obligated to notify the Board when changes were made; it is necessary to be more proactive in reminding them of their existing obligations and ensuring any necessary new obligations were in place. The secretariat recalled the original

scope of the document and noted the goal was to provide predictability on what would need to be done when changes happened.

34th AFB meeting	Germany	From 2019-10-07	To 2019-10-11

Agenda Item 4: Report on the activities of the secretariat

14. The manager also reported that the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) had completed the selection process for four Members and had held their first in-person meeting with the Members to discuss the setup, mandate, communication channels and expectations. Preliminary work had taken place on the AF-TERG work program, with a focus on evaluative components and products. AF-TERG members had also engaged with representatives of the NIEs to answer their evaluation questions. In addition, the AF-TERG had developed requests for expressions of interest for consultants to execute three studies feeding into the evaluative programme of work: 1) a study on ex-post evaluation approaches and the development of guidance for ex-post evaluations in the Fund, 2) an evaluability assessment of the Fund project portfolio, and 3) a study in innovative monitoring evaluation and learning approaches in the climate adaptation space. The manager also recalled that the AF-TERG Secretariat staff had collaborated with the communications staff of the Adaption Fund to develop the AF-TERG web-presence on the Fund's website.

75. Following the report, the Board discussed a range of issues. The representative of the trustee provided further information on carbon tax schemes, emissions trading, and carbon offsets. Recalling that the AF-TERG work programme was still taking shape, a member emphasized the importance of sustainability for projects, the need to develop the concept of adaptation based on the concrete experiences of the Fund, and the value of metrics and indicators that can quantify adaptation and make it comparable to other indicators for development. The Chair of the AFTERG said she would consider how to use the suggestion and invited Board members to work with the AF-TERG. She also noted the AF-TERG may reach out to members for brief interviews.

35th AFB Meeting (35.b)- Second session	Germany	From 2020-10-13	To 2020-10-28

Agenda Item 4: Report on activities of the secretariat

13. The Manager of the secretariat said that due to the COVID-19 pandemic the secretariat had been working from home for the past seven months and he expressed his thanks to the members of the secretariat who had worked very hard during that period under very challenging circumstances. He said that as an institution the Board and the secretariat had successfully made the transition to working virtually, starting with the procedural virtual meeting that had been held at the beginning of April 2020. That had been the first virtual meeting of any climate fund and had been followed by the intersessional review of projects, the virtual review of budgets and work plans, the strategy and work programme of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), and the virtual meetings of the Project and Programme Review Committee and the Accreditation Panel. The first virtual portfolio monitoring mission, to Costa Rica, had been held in early August 2020 and there had been a number of other virtual events and activities as well such as webinars, studies and e-learning courses that had also been translated into French and Spanish.

Agenda Item 6: Report of twenty-sixth meeting of the Ethics and Finance Committee

35. The EFC had also considered the financial status of the Trust Fund, CER monetization and the reconciliation of the Board, secretariat and trustee budgets for the fiscal year 2020. The acting Chair of the AF-TERG had also presented a work update which was more fully described in the report of the meeting. He had proposed the establishment of project working groups (PWGs) and had suggested that they might include members of the EFC as participants. She said that while the EFC had found the idea interesting, questions remained about the work-load and the possibility of a conflict of interest with the supervisory role of the EFC and consequently the EFC was recommending that the Board take note of the information in the work update and that it request the AF-TERG to submit the further information on the proposed PWGs.

36. In response to queries about the purpose and composition of the PWGs it was explained that the PWGs were being created to support the AF-TERG and were to be composed of various stakeholders among whom the AF-TERG was proposing members of the Board or the EFC. However, not enough information had been provided on the roles of the participants in the PWGs and whether there would be any conflicts of interest between the supervisory role of the EFC and participation of its members in the PWGs.

37. In response to a query about whether the PWGs had already been created and their composition decided upon, it was explained that the AF-TERG was an independent body and that the Board could not intervene in its choice of membership for the PWGs. Rather, during the discussion on the issue it had been questioned whether the Board could allow its members to participate in the PWGs if the AF-TERG decided to include them among the stakeholders. More information was therefore being requested on how the members of the Board would participate and whether that would be a conflict of interest with the supervisory role that the Board exercised over the AF-TERG.

Agenda Item 6: Report of twenty-sixth meeting of the Ethics and Finance Committee

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

(a) Take note of the information contained in paragraph 15 of document AFB/EFC.26.b/Inf.1[5] on the establishment and use of project working groups (PWGs) during the implementation of evaluative work elements; and

(b) Request the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) to submit to the Ethics and Finance Committee, at its twenty-seventh meeting, the necessary information on: the objectives, composition and membership of the PWGs, the roles and responsibilities of their members, the timeframe and time commitment, and present options for the possible participation of members of the Board in the work of the PWGs.

The purpose of the PWG's would be to:

1. Bring the needs, expectations, and perspectives of the groups they represent to the respective evaluative work element and implementation process;
2. Make suggestions on the most effective ways of engaging the different stakeholder groups to ensure their meaningful participation in the evaluative work element;
3. Provide specialized advice on the design and implementation of the evaluative work element;
4. Provide written and oral feedback, to be discussed with the team responsible for the evaluation work element, on the quality and relevance of the process of

(Decision B.35.b/17)

36th AFB meeting	From 2021-03-22	To 2021-04-08

Agenda Item 9: Report of the twenty-seventh meeting of the Ethics and Finance Committee (EFC)

Ref. to AFB/EFC.27/Inf.1

3. On 23 November 2020, Ms. Debbie Menezes commenced as the new AF-TERG Chair, taking over from AF-TERG member Mr. Mutizwa Mukute who was the acting Chair since the stepping down of Ms. Eva Lithman as AF-TERG Chair on 15 July 2020.

purpose of advisory groups in response to a question. She explained that the advisory groups would be

[5] https://www.adaptation-fund.org/wp-content/uploads/2020/10/AFB.EFC_.26.b.Inf_.1_AF-TERG-Work-Update-Report.pdf (page 5)
[6] https://www.adaptation-fund.org/wp-content/uploads/2021/03/AFB.EFC_.27.Inf_.1_AF-TERG-Progress-Update-to-the-EFC-clean2.pdf (see para. 3 for the appointment of the new AF-TERG Chair)

informal topic-based groups formed to provide advice to the AF-TERG, with balanced representation from across the Fund's stakeholder groups, ideally including one or two Board members. The manager of the secretariat also provided a clarification on self-assessments in the context of the classification of implementing entity applicants as regional implementing entities, saying that any information submitted through a self-assessment would be verified during the ensuing accreditation process.

62. Subsequently, the Board took the following decisions on the matters considered by the EFC at its twenty-seventh meeting.

a) Financial issues

Administrative budget of the Board and secretariat and the trustee for fiscal year 2022, and of the AF-TERG and its secretariat for fiscal years 2022–2023

64. A summary of the approved administrative budgets is presented in annex IV to the present report.

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

(a) To approve, from the resources available in the Adaptation Fund Trust Fund:

(i) The proposed budget of US$ 6,678,575 to cover the costs of the operations of the Board and the Adaptation Fund Board Secretariat over the period from 1 July 2021 to 30 June 2022, comprising US$ 5,313,075 for secretariat administrative services (the main secretariat budget), US$ 608,550 for accreditation services and US$ 756,950 for the Readiness Programme;

(ii) The proposed revised budget of US$ 1,300,829 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 2022, from 1 July 2021 to 30 June 2022, comprising US$ 689,112 for the management component and US$ 611,717 for the evaluation component. (The resulting increase of US$ 113,758 over the originally approved AF-TERG budget for fiscal year 2022 consists of a carry-over of US$ 52,739 from fiscal year 2021, and a net increase of US$ 61,019 for fiscal year 2022 that requires an additional transfer from the Trust Fund.);

(iii) The proposed budget of US$ 1,293,049 to cover the costs of the operations of the AF-TERG and its secretariat for fiscal year 2023, from 1 July 2022 to 30 June 2023, comprising US$ 689,705 for the management component and US$ 603,344 for the evaluation component;

(iv) The proposed increase of US$ 142,000 in the trustee budget for fiscal year 2021;

(v) The proposed budget of US$ 861,000 for the trustee services to be provided to the Adaptation Fund during fiscal year 2022;

(b) To authorize the trustee to transfer the amounts in subparagraphs (a) (i), (ii) and (iii) above to the respective secretariats and the amounts in subparagraphs (a) (iv) and (v) above to the trustee.

(Decision B.36/31)

SEE BUDGET TABLE BELOW FOR REFERENCE

AFB/B.36/10

ANNEX IV

Approved FY21 and FY22 budget of the Board and Secretariat, and the Trustee, and Approved FY21, FY22 and FY23 budgets of the AF-TERG and its secretariat

All amounts in US$	FY21 Approved	FY21 Estimate	FY22 Approved	
BOARD AND SECRETARIAT				
1 Personnel	3,247,224	3,131,130	4,111,220	
2 Travel	492,000	5,000	456,000	
3 General operations	479,700	390,000	508,875	
4 Meetings	247,362	70,000	236,980	
Sub-total secretariat administrative services [a]	**4,466,286**	**3,596,130**	**5,313,075**	
5 Accreditation [b]	548,250	441,300	608,550	
6 Readiness Programme [c]	652,960	100,100	756,950	
Total Board and Secretariat [a] + [b] + [c]	**5,667,496**	**4,137,530**	**6,678,575**	

All amounts in US$	FY21 Approved	FY21 Estimate	FY22 Revised Approved	FY23 Approved
AF-TERG AND ITS SECRETARIAT				
1 Personnel	350,929	440,016	408,083	414,197
2 Travel	130,779	-	134,702	138,744
3 General operations	113,320	100,581	136,327	126,564
4 Meetings	10,000	-	10,000	10,200
Sub-total management	**605,028**	**540,597**	**689,112**	**689,705**
5 Evaluation	458,191	366,735	611,717	603,344
Total AF-TERG and its secretariat	**1,063,219**	**907,332**	**1,300,829**	**1,293,049**

All amounts in US$	FY21 Approved	FY21 Estimate	FY22 Approved	
TRUSTEE				
1 CER Monetization	180,000	170,000	180,000	
2 Financial and Program Management	227,000	320,000	320,000	
3 Investment Management	216,000	245,000	245,000	
4 Accounting and Reporting	40,000	60,000	60,000	
5 Legal Services	45,000	55,000	56,000	
Total trustee	**708,000**	**850,000**	**861,000**	
GRAND TOTAL ALL COMPONENTS	**7,438,715**	**5,894,862**	**8,840,404**	

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

AF-TERG progress update on the review and revision of the evaluation framework

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

(a) To request the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), in consultation with the Adaptation Fund Board Secretariat, to prepare a draft evaluation policy for the Adaptation Fund that would replace the current evaluation framework;

(b) To request the AF-TERG to submit and present to the EFC, at its twenty-eighth meeting, the draft evaluation policy for the Board's consideration.

Recommendation 1: Link results back to a robust results framework
Recommendation 2: Make quality of data a centrepiece to understand the validity of results
Recommendation 3: Enhance guidelines to help improve evaluation reports
Recommendation 4: Improve consideration of gender in guidelines
Recommendation 5: Review guidelines regularly

(Decision B.36/32)

AF-TERG synthesis of Adaptation Fund final evaluations

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

(a) To take note of the executive summary of the synthesis of Adaptation Fund final evaluations and five recommendations for the cohort of 17 evaluation reports analysed, as presented in document AFB/EFC.27/8[7];

(b) To request the Adaptation Fund Board Secretariat and the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) to consider the five recommendations when updating relevant frameworks/policies, templates and guidance and when planning and implementing evaluations;

(c) To request the secretariat, in communication with the AF-TERG as necessary, to prepare a management response to the synthesis of Adaptation Fund final evaluations, for the consideration of the Board during the intersessional period between its thirty-sixth and thirty-seventh meetings.

(Decision B.36/33)

AF-TERG advisory groups

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

[7] https://www.adaptation-fund.org/wp-content/uploads/2021/03/AFB.EFC_.27.8_Synthesis-of-Adaptation-Fund-Final-Evaluations-2021-1.pdf (page 8)

(a) To acknowledge and take note of the additional information provided by the Technical Evaluation Reference Group of the Adaptation Fund, on objectives, composition and membership of the advisory groups, roles and responsibilities, timeframe and time commitments, as presented in document AF/EFC.27/9/Rev.2[8], on Board participation in advisory groups;

(b) To encourage any member wishing to participate in advisory groups, in an individual/non-representative capacity and on a voluntary basis, to consider the following in making their decision on participation: the required time commitment, their interest in the topic and any perceived or real conflict of interest.

(Decision B.36/34)

ANNEX VI REPORT OF THE DIALOGUE WITH CIVIL SOCIETY, 7 APRIL 2021, ONLINE

7. The aim was active observers from civil society at the Board meetings. The Fund should draw lessons from other climate funds and the AF-TERG should evaluate how well the Fund engaged with civil society organizations (CSOs). While the Board could assess the participation of private sector observers as well that should not affect the role of CSOs whose participation in Board meetings should be covered by the administrative budget.

[8] https://www.adaptation-fund.org/wp-content/uploads/2021/03/AFB.EFC_.27.9.Rev2_AF-TERG-Board-Participation-in-Advisory-Groups_Rev2.pdf

37th AFB meeting	Germany	From 2021-10-19	To 2021-10-21

Agenda item 3: Report on the activities of the Chair

10. The Chair reported on the activities he had undertaken on the Board's behalf during the intersessional period with the support of the Adaptation Fund Board Secretariat (the secretariat; AFB/B.37/Inf.5[9]). He had, inter alia, provided guidance to the secretariat on resource mobilization initiatives, fiduciary issues related to the United Nations Development Programme, a joint statement by the climate funds on a climate-resilient recovery from the coronavirus disease pandemic, the survey on enhancing engagement with civil society and the preparations for the Adaptation Fund's attendance at the 2021 United Nations Climate Change Conference in Glasgow, the United Kingdom. He had also provided the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) with input on the mid-term review of the Fund's Medium-term Strategy, had signed a number of project and programme agreements, cash transfer requests, project formulation grants and other grants agreements and had generally promoted the Fund's work through outreach activities.

Agenda item 4: Report on activities of the secretariat

14. In addition to following up on the Board decisions made in April and intersessionally, secretariat staff had pursued recurring areas of work such as project proposals, accreditation and reaccreditation applications, readiness activities, knowledge management, communications and outreach, gender and resource mobilization, as well as cooperating with the AF-TERG and other climate funds. Highlights included the annual readiness seminar for national implementing entities, which had been held virtually for the first time and as a result had been opened to executing entities, and a virtual country exchange organized with the national implementing entity in India under the theme of food security.

17. For the overall strategic direction of Fund, the secretariat had supported the work of the AF-TERG on the mid-term review of the Medium-term Strategy 2018–2022. The report had been presented to the EFC the previous week. As the strategy implementation plan outlined the elements of a new strategy to be developed over the next year and the mid-term review report set out recommendations for the development process, the secretariat, after consulting with the Chair and Vice-Chair, had prepared a document on a proposed process for developing the next strategy, for the Board's consideration at the current meeting.

19. In terms of the secretariat's working arrangements, plans to reopen the office had been stalled by the resurgence of the pandemic, and although technically 25 per cent of the staff could work at the office on any given day, most were in fact working from home. The manager acknowledged the individual challenges face by staff and commended them for their hard work and sustained productivity, noting that in the face of difficult circumstances and a persistently high workload the secretariat had been required to balance timeliness and quality, sometimes resulting in the late posting of documents. He also thanked

[9] https://www.adaptation-fund.org/wp-content/uploads/2021/10/AFB.B.37.Inf_.5_Report-on-activities-of-the-Chair_final-1.pdf

the Board members for their flexibility, support and cooperation during the intersessional period despite the ongoing pandemic, the Chair and Vice-Chair for their continued support and the Trustee and AF-TERG for their good cooperation.

Agenda item 7: Report of twenty-eighth meeting of the Ethics and Finance Committee

64. Having considered the comments and recommendation of the EFC, the Board subsequently took the decisions below on matters considered by the EFC at its twenty-eighth meeting.

c) Management response to the mid-term review of the Medium-term Strategy

66. Having considered the recommendation of the Ethics and Finance Committee (EFC) regarding the report on the mid-term review of the Medium-term Strategy of the Adaptation Fund by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), as contained in document AFB/EFC.28/7[10], as well as the initial management response prepared by the secretariat, as contained in document AFB/EFC.28/6[11], the Adaptation Fund Board (the Board) decided:

(a) To take note of the key findings and recommendations of the mid-term review (MTR) of the Medium-term Strategy of the Adaptation Fund, including its annexes, and of the initial management response prepared by the Adaptation Fund Board secretariat;

(b) To request the Adaptation Fund Board secretariat to prepare an updated management response reflecting the views expressed by the Ethics and Finance Committee at it twentyeighth meeting on the findings and recommendations set out in the MTR report, for approval by the Board during the intersessional period between the thirty-seventh and thirty-eighth meetings of the Board;

(c) To request the Adaptation Fund Board secretariat, in consultation with the AF-TERG, to prepare an action plan to respond to the recommendations arising from the MTR, reflecting the final management response, for approval by the Board during the intersessional period between the thirty-seventh and thirty-eighth meetings of the Board;

(d) To request the Adaptation Fund Board secretariat to report to the EFC, at its thirtieth meeting (October 2022), on the progress made in implementing the action plan.

(Decision B.37/36)

Agenda item 8: Medium-term strategy of the Fund beyond 2022

[10] https://www.adaptation-fund.org/wp-content/uploads/2021/09/AFB.EFC_.28.7_MTR-of-the-MTS-of-the-Adaptation-Fund_-final.pdf

[11] https://www.adaptation-fund.org/wp-content/uploads/2021/09/AFB.EFC_.28.6_Mgt_response_MTR_MTS_final_9302021.pdf

68. The manager of the secretariat presented the information set out in document AFB/B.37/11[12], including a process for developing a medium-term strategy of the Fund beyond 2022. Among other things, he noted that while the Board had not yet taken an explicit decision on a second medium term strategy, the current strategy included a general plan to develop a subsequent strategy and outlined how its development would be informed by evaluations of the current strategy. In addition, the implementation plan for the current strategy indicated that the development of a medium-term strategy for the period 2023–2027 would be launched in 2021 and finalized in 2022. Hence, the report of the AF-TERG on the mid-term review of the Medium-term Strategy (2018–2022) had included recommendations on the matter.

69. The chair of the AF-TERG then presented the related recommendations in the mid-term review report (AFB/EFC.28/7[10]), namely recommendations 5 and 6, and outlined the related explanations provided in the report.

70. Following their presentations, the manager of the secretariat and the chair of the AF-TERG responded to members' questions and comments.

72. The chair of the AF-TERG spoke about the importance, given the evolving external context, of considering the Fund's niche, its positioning relative to other climate funds and the comparative advantage it offered in terms of a forward-looking strategy. She also addressed a question on how to deal with resourcing uncertainties, explaining that different funding scenarios would need to be considered, with the resource envelope linked to the Fund's ambition and the results that it planned to deliver. At the same time, the Fund should build on the work it had already done, with the aim of optimizing and consolidating its gains.

Agenda item 10: Objectives and indicators for innovation aspects of projects

77. The representative of the secretariat introduced the document on strategic objectives and indicators for the innovation aspects of projects (AFB/B.37/6[13]), including specific proposed indicators. She pointed out that one of the challenges with innovation projects was that they required iterative loops, meaning that measuring the process was as important as measuring the project results. An additional challenge was that innovation entailed risk and that for innovative projects the definition of risk may be different from that for regular projects. In preparing the document the secretariat had examined the indicators used by other funds and solicited the input of the AF-TERG. The indicators would continue to be reassessed as the project portfolio evolved.

80. Members commended the secretariat for seeking the input of the AF-TERG but said that specific indicators should be developed to track the progress made in achieving the Global Goal on Adaptation under the Paris Agreement. A member of the Board asked whether the Adaption Fund, as an innovative fund, should address loss and damage.

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[12] https://www.adaptation-fund.org/document/progress-for-developing-the-medium-term-strategy-of-the-fund-beyond-2022/

[1313] https://www.adaptation-fund.org/wp-content/uploads/2021/10/AFB.B.37.6_Specific-Objectives-and-Indicators-for-Innovation-Aspects-of-Projects-and-Programmes_final-1.pdf

82. Having considered the information contained in document AFB/B.37/6 on the specific objectives and indicators for the innovation aspects of projects and programmes, the Adaptation Fund Board (the Board) decided:

(a) To take note of the information presented in document AFB/B.37/6;

(b) To request the secretariat to pilot the use of the indicators set out in document AFB/B.37/6;

(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;

(d) To encourage the secretariat, while piloting the use of indicators, to continue consulting with the Technical Evaluation Reference Group of the Adaptation Fund as needed;

(e) To request the secretariat to provide an update on the matter to the Board at its thirty ninth meeting, in the light of any relevant developments for the Fund, including those following from subparagraphs (b) and (c) above.

(Decision B.37/39)

38th AFB meeting	Germany	From 2022-03-14	To 2022-03-18

Agenda item 9: Report of twenty-ninth meeting of the Ethics and Finance Committee

86. The Board took note of the report of the EFC and the additional information provided by the Manager of the secretariat and adopted the decisions below on matters considered by the EFC at its twenty-ninth meeting.

a) Financial issues

Administrative budget of the Board and secretariat and the trustee for fiscal year 2023, and of the AF-TERG and its secretariat for fiscal years 2023–2024

88. A summary of the approved administrative budgets is presented in annex IV to the present report.

89. Having considered the recommendation of the Ethics and Finance Committee and taking into consideration its subsequent discussions and the information set out in document AFB/EFC.29/5/Rev.1[14], the Adaptation Fund Board (the Board) decided:

(a) To approve, from the resources available in the Adaptation Fund Trust Fund: (Board and secretariat)

(i) The proposed budget of US$ 8,212,848 to cover the costs of the operations of the Board and secretariat for the period from 1 July 2022 to 30 June 2023, comprising US$ 6,897,098 for Board and secretariat administrative services (the main secretariat budget), US$ 567,050 for accreditation services and US$ 748,700 for the readiness programme;

(Technical Evaluation Reference Group of the Adaptation Fund and secretariat)

(ii) The proposed revised budget of US$ 1,329,965 to cover the costs of the operations of the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) and its secretariat for fiscal year 2023, covering the period from 1 July 2022 to 30 June 2023, comprising US$ 691,496 for the management component and US$ 638,469 for the evaluation component (the resulting increase of US$ 36,916 over the originally approved AF-TERG budget for fiscal year 2023 consisted of a carry-over of US$ 60,000 from fiscal year 2022 and a net decrease of US$ 23,084 for fiscal year 2023 that required an additional transfer from the trust fund);

(iii) The proposed budget of US$ 1,336,413 to cover the costs of the operations of the AF-TERG and its secretariat for fiscal year 2024, covering the period from 1 July 2023 to 30 June 2024, comprising US$ 705,684 for the management component and US$ 630,729 for the evaluation component;

(Trustee)

(iv) The proposed increase of US$ 6,000 in the trustee budget for fiscal year 2022;

(v) The proposed budget of US$ 878,500 for the trustee services to be provided to the Adaptation Fund during fiscal year 2023;

(b) To authorize the trustee to transfer the amounts in subparagraphs (a) (i), (ii) and (iii) to the respective secretariats, and the amounts in subparagraphs (a) (iv) and (v) to the trustee.

(Decision B.38/46)

SEE BUDGET TABLE BELOW FOR REFERENCE

[14] https://www.adaptation-fund.org/wp-content/uploads/2022/03/AFB.EFC_.29.5.Rev_.1_Admin.-budget-FY23_8Apr_final.pdf

ANNEX IV

APPROVED FY22 AND FY23 BUDGET OF THE BOARD AND SECRETARIAT, AND THE TRUSTEE, AND APPROVED FY22, FY23 AND FY24 BUDGETS OF THE AF-TERG AND ITS SECRETARIAT

All amounts in US$	FY22 Approved	FY22 Estimate	FY23 Proposed
BOARD AND SECRETARIAT			
1 Personnel	4,111,220	3,439,865	5,475,648
2 Travel	456,000	187,000	456,000
3 General operations	508,875	489,000	728,050
4 Meetings	236,980	176,000	237,400
Sub-total secretariat administrative services [a]	**5,313,075**	**4,291,865**	**6,897,098**
5 Accreditation [b]	608,550	491,000	567,050
6 Readiness Programme [c]	756,950	272,329	748,700
Total Board and Secretariat [a] + [b] + [c]	**6,678,575**	**5,055,194**	**8,212,848**

All amounts in US$	FY22 Revised Approved	FY22 Estimate	FY23 Proposed revised	FY24 Proposed
AF-TERG AND ITS SECRETARIAT				
1 Personnel	408,083	447,142	457,552	466,396
2 Travel	134,702	10,924	108,744	112,006
3 General operations	136,327	120,441	115,000	116,879
4 Meetings	10,000	-	10,200	10,404
Sub-total management	**689,112**	**578,507**	**691,496**	**705,684**
5 Evaluation	611,717	446,739	638,469	630,729
Total AF-TERG and its secretariat	**1,300,829**	**1,025,246**	**1,329,965**	**1,336,413**

All amounts in US$	FY22 Approved	FY22 Estimate	FY23 Proposed
TRUSTEE			
1 Monetization	180,000	165,000	180,000
2 Financial and Program Management	320,000	320,000	320,000
3 Investment Management	245,000	268,000	256,500
4 Accounting and Reporting	60,000	58,000	58,000
5 Legal Services	56,000	56,000	64,000
Total trustee	**861,000**	**867,000**	**878,500**
GRAND TOTAL ALL COMPONENTS	**8,840,404**	**6,947,440**	**10,421,313**

Fiscal Years 2023 – 2024 Update to the Work Programme of the Adaptation Fund Technical Evaluation Reference Group (AF-TERG)

90. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board decided to approve the updated work programme of the Adaptation Fund Technical Evaluation Reference Group for fiscal years 2023–2024 as set out in document AFB/EFC.29/7[15].

(Decision B.38/47)

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

Draft evaluation policy of the Adaptation Fund

[15] https://www.adaptation-fund.org/document/fiscal-years-2023-2024-update-to-the-work-programme-of-the-adaptation-fund-technical-evaluation-reference-group-af-terg/

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

(a) To approve the draft evaluation policy of the Adaptation Fund (the Fund) set out in annex 1 to document AFB/EFC.29/6/Rev.1[16], as amended by the Board, as the Fund's evaluation policy, which shall not prejudge the Board's future consideration of the budget implications of the implementation of the evaluation policy;

(b) To request the Adaptation Fund Technical Evaluation Reference Group (AF-TERG) to work in consultation with the secretariat to introduce the Fund's evaluation policy to the Fund's stakeholders;

(c) To request the AF-TERG to develop, in consultation with the secretariat, evaluation guidance documents for the implementation of the Fund's evaluation policy, including budget implications, and to submit them to the EFC for consideration at its thirty-first meeting.

(Decision B.38/48)

[16] https://www.adaptation-fund.org/wp-content/uploads/2022/03/AFB.EFC_.29.6.Rev_.1_Draft-Evaluation-Policy-of-the-Adaptation-Fund_endorsed-clean-clean.pdf

39th AFB Meeting	Germany	From 2022-10-11	To 2022-10-14

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

74. The Board took note of the report of the EFC and adopted the decisions on matters considered by the EFC at its thirtieth meeting as indicated in the following subsections.

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

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

(a) To take note of the information provided by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) on the overall approach to evaluation policy guidance development, and the proposed format, content and access environment for resources, as presented in document AFB/EFC.30/8/Rev.1[17], on the draft framework for the development of evaluation policy guidance documents;

(b) To request the AF-TERG:

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

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

(Decision B.39/55)

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

(a) To take note of the key findings of the thematic evaluation of the Adaptation Fund's experience with innovation conducted by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) and contained in document AFB/EFC.30/10[18], particularly areas of improvement, in informing the overall strategic direction and level of ambition of future work on innovation supported by the Adaptation Fund;

(b) To request the secretariat:

[17] https://www.adaptation-fund.org/wp-content/uploads/2022/10/AFB.EFC_.30.8.Rev_.1_Draft-framework-evaluation-policy-guidance.pdf

[18] https://www.adaptation-fund.org/wp-content/uploads/2022/10/AFB.EFC_.30.10_AF-TERG-TE-Innovation-Final-Report.pdf

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

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

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

(Decision B.39/56)

Option Package 1: 'Mainstreaming Innovation and Balancing Ambition and Resources.
Option Package 2: 'Expanding Smart and Strategic Partnerships
Option Package 3: 'Becoming a Leader in Supporting Adaptation Innovations

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

(a) To take note of the report and the options presented in document AFB/EFC.30/11[19];

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

With respect to the rapid evaluation

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

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

[19] https://www.adaptation-fund.org/wp-content/uploads/2022/10/AFB.EFC_.30.11_Options-for-the-Overall-Evaluation-of-the-Fund-final.pdf

the detailed financial implications of the rapid evaluation for the consideration of the EFC at its thirty first meeting;

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

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

With respect to the comprehensive evaluation

(e) To request the AF-TERG:

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

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

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

(Decision B.39/57)

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

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

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

(Decision B.39/58)

81. The revised approved AF-TERG budget for fiscal year 2023 is set out in annex IV to the present report.

SEE BUDGET TABLE BELOW FOR REFERENCE

ANNEX IV

REVISED APPROVED AF-TERG BUDGET FOR FISCAL YEAR 2023

All amounts in US$	FY23 Approved revised	(Proposed revision to FY23)	FY23 Approved revised	FY24 Approved
MANAGEMENT COMPONENT				
PERSONNEL COMPONENT				
01 Personnel - Staff (AF-TERG Secretariat Coordinator / Evaluation Officer)				
02 Personnel - Office support (STC)				
03 Personnel - Consultant (TERG members)				
SUB-TOTAL PERSONNEL COMPONENT	**457,552**	**155,000**	**612,552**	**466,396**
TRAVEL COMPONENT				
01 Staff members	33,220		33,220	34,217
02 TERG members	75,523		75,523	77,789
SUB-TOTAL TRAVEL COMPONENT	**108,744**		**108,744**	**112,006**
GENERAL OPERATIONS COMPONENT				
01 Office space, equipment and supplies	51,982		51,982	52,600
02 Publications, outreach	63,018		63,018	64,279
SUB-TOTAL GENERAL OPERATIONS COMPONENT	**115,000**		**115,000**	**116,879**
MEETINGS COMPONENT				
01 Logistics	10,200		10,200	10,404
SUB-TOTAL MEETINGS COMPONENT	**10,200**		**10,200**	**10,404**
SUB-TOTAL MANAGEMENT COMPONENT	**691,496**	**155,000**	**846,496**	**705,684**
EVALUATION COMPONENT				
SUB-TOTAL EVALUATION COMPONENT	**638,469**		**638,469**	**630,729**
TOTAL AF-TERG AND ITS SECRETARIAT	**1,329,965**	**155,000**	**1,484,965**	**1,336,413**

Agenda item 9: Report of thirty-first meeting of the Ethics and Finance Committee

88. The Board took note of the report of the EFC and adopted decisions on matters considered by the EFC at its thirty-first meeting as indicated in the subsections below.

(a) Financial issues

Administrative Budgets of the Board and Secretariat, AF-TERG and its Secretariat, and Trustee for fiscal year 2024

90. A Summary of the approved administrative budgets is presented in annex IV to the present report.

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

(a) To take note of the budget proposals contained in document AFB/EFC.31/5[20] and approve, from the resources available in the Adaptation Fund Trust Fund:

(Board and secretariat)

(i) The budget of US$ 10,206,009 to cover the costs of the operations of the Board and secretariat for the period from 1 July 2023 to 30 June 2024, comprising US$ 8,742,809 for Board and secretariat administrative services (the main secretariat budget), US$ 542,300 for accreditation services and US$ 920,900 for the readiness programme;

(Technical Evaluation Reference Group of the Adaptation Fund and secretariat)

(ii) The revised budget of US$ 1,615,642 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 2024, covering the period from 1 July 2023 to 30 June 2024, comprising US$ 914,913 for the management component and US$ 700,729 for the evaluation component (the resulting increase of US$ 279,229 consisted of an adjustment of US$ 209,229 for the management component and US$ 70,000 for the evaluation component);

(Trustee)

(iii) The increase of US$ 28,800 in the trustee budget for fiscal year 2023;

(iv) The budget of US$ 905,200 for the trustee services to be provided to the Adaptation Fund during fiscal year 2024;

[20] https://www.adaptation-fund.org/wp-content/uploads/2023/03/AFB.EFC_.31.5_Admin.-budget-FY24_clean.pdf

(b) To authorize the trustee to transfer the amounts in subparagraphs (a) (i) and (ii) to the respective secretariats and the amounts in subparagraphs (a) (iii) and (iv) to the trustee.

(Decision B.40/65)

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

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

(a) To acknowledge and take note of the following guidance notes, provided by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) in the annexes to document AFB/EFC.31/8[21], in support of the operationalization of the Evaluation Policy of the Adaptation Fund:

(i) Annex 1: Evaluation principles

(ii) Annex 2: Evaluation criteria

(iii) Annex 3: Evaluation budgeting

(iv) Annex 4: Commissioning and managing an evaluation

(v) Annex 5: Evaluation terms of reference

(vi) Annex 6: Evaluation inception report

(vii) Annex 7: Evaluation reporting

(viii) Annex 8: Mid-term review

(ix) Annex 9: Final evaluations

(x) Annex 10: Ex post evaluation

(b) To request the AF-TERG:

(i) To continue the development of Evaluation Policy guidance documents, in consultation with the secretariat and the Evaluation Policy Guidance Advisory Group;

(ii) To present subsequent guidance notes to the Ethics and Finance Committee (EFC) for consideration at its thirty-second meeting in October 2023;

(c) To acknowledge and take note of the information in document AFB/EFC.31/8, specifically the timeline and information on roll-out, and request the AF-TERG to provide an update on progress related to socialization activities to the EFC at its thirty-second meeting;

[21] https://www.adaptation-fund.org/wp-content/uploads/2023/03/2023-03-06-AFBEFC.31.8-EPG-Development-final-1.pdf

(d) To acknowledge and take note of the information in document AFB/EFC.31/8, specifically the proposed discussion on a separate budget line for evaluation costs and on evaluation budget guidance being provided to implementing entities as a specific range of the total project budget;

(e) To request the secretariat to prepare a review of implications and options for the consideration of the EFC at its thirty-second meeting with regard to subparagraph (d) above, including consulting with relevant stakeholders such as the AF-TERG and Adaptation Fund implementing entities.

(Decision B.40/66)

(c) Management response to the key findings of the thematic evaluation of the Adaptation Fund's experience with innovation conducted by the Technical Evaluation Reference Group of the Adaptation Fund

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

(a) To take note of the updated management response and action plan in document AFB/EFC.31/6;

(b) To request the secretariat to report on the implementation of the action plan to the Ethics and Finance Committee at its thirty-fifth meeting.

(Decision B.40/67)

Agenda item 10: Implementation plan for the medium-term strategy of the Fund for the period 2023–2027

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

(a) To approve the implementation plan for the Fund's medium-term strategy for 2023–2027, as contained in the annex to document AFB/B.40/5/Rev.1;

(a) To request the secretariat:

(i) To facilitate the implementation of the plan during the period 2023–2027;

(ii) To include the administrative budget for implementing the plan in the administrative budget of the secretariat annually during the strategy period, for consideration by the Ethics and Finance Committee;

(iii) To prepare, for each proposed type of new or adjusted grant or funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant

features and present them for the Board's consideration in accordance with the tentative timeline in annex I to document AFB/B.40/5/Rev.1;

(iv) To propose, as necessary following the consideration of the new types of support mentioned in subparagraph (b) (iii), amendments to the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund that would better facilitate the implementation of those new types of support;

(v) To monitor the progress of implementation of the medium-term strategy for 2023– 2027, to report on it annually as part of the annual performance reports of the Fund and, if necessary, to propose possible adjustments to the plan during its implementation in conjunction with consideration of the annual work plan;

(b) To request the Technical Evaluation Reference Group of the Adaptation Fund to undertake a mid-term review of the medium-term strategy for 2023–2027 and its implementation plan and to present a report to the Board for consideration at its forty-sixth meeting.

(Decision B.40/72)

SEE BUDGET TABLE BELOW FOR REFERENCE

ANNEX IV

APPROVED FY24 BUDGET OF THE BOARD AND SECRETARIAT, AF-TERG AND ITS SECRETARIAT AND TRUSTEE

All amounts in US$	FY23 Approved	FY23 Estimate	FY24 Approved
BOARD AND SECRETARIAT			
1 Personnel	5,475,648	4,634,578	6,882,409
2 Travel	456,000	535,000	754,000
3 General operations	728,050	720,000	826,400
4 Meetings	237,400	236,000	280,000
Sub-total secretariat administrative services [a]	**6,897,098**	**6,125,578**	**8,742,809**
5 Accreditation [b]	567,050	485,000	542,300
6 Readiness Programme [c]	748,700	587,000	920,900
Total Board and Secretariat [a] + [b] + [c]	**8,212,848**	**7,197,578**	**10,206,009**

All amounts in US$	FY23 Approved revised	FY23 Estimate	FY24 Approved revised
AF-TERG AND ITS SECRETARIAT			
1 Personnel	612,552	577,732	675,625
2 Travel	108,744	61,487	112,006
3 General operations	115,000	102,577	116,879
4 Meetings	10,200	8,500	10,404
Sub-total management	**846,496**	**750,296**	**914,913**
5 Evaluation	638,469	674,474	700,729
Total AF-TERG and its secretariat	**1,484,965**	**1,424,770**	**1,615,642**

All amounts in US$	FY23 Approved	FY23 Estimated actual	FY24 Approved
TRUSTEE			
1 Monetization	180,000	180,000	180,000
2 Financial and Program Management	320,000	300,000	320,000
3 Investment Management	256,500	314,300	283,200
4 Accounting and Reporting	58,000	58,000	58,000
5 Legal Services	64,000	55,000	64,000
Total trustee	**878,500**	**907,300**	**905,200**
GRAND TOTAL ALL COMPONENTS	**10,576,313**	**9,529,648**	**12,726,851**

Agenda item 11: Issues remaining from earlier meetings

(c) Objectives and indicators for innovation aspects of projects

117. The representative of the secretariat presented a report on the progress in and status of the use of indicators for innovation (AFB/B.40/11), which included options for defining the duration for piloting innovation indicators and considerations for any proposed amendments to the Fund's Strategic Results Framework.

118. Having considered the information contained in document AFB/B.40/11 on options for piloting innovation indicators, the Adaptation Fund Board (the Board) decided:

(a) To approve option 2 for piloting indicators for innovation in projects and programmes;

(b) To request the secretariat to adopt a comprehensive approach that considered relevant developments concerning results-based management, readiness and knowledge management and their linkages to innovation prior to proposing amendments to the Strategic Results Framework of the Adaptation Fund;

(c) To encourage the secretariat, in carrying out option 2, to continue consulting with the Technical Evaluation Reference Group of the Adaptation Fund as needed.

(Decision B.40/76)

Agenda item 18: Other matters

(b) Election of members to task forces and working groups of the Board

143. The Adaptation Fund Board decided to elect the following members to serve on the following task forces and working group:

(a) For the Resource Mobilization Task Force:

(i) Washington Zhakata (Zimbabwe, Africa)

(ii) Kevin Adams (United States of America, Annex I Parties)

(iii) Mattias Broman (Sweden, Western Europe and Others)

(b) For the Innovation Task Force:

(iv) Mareile Drechsler (Germany, Western Europe and Others)

(v) Ahmed Waheed (Maldives, Asia-Pacific)

(vi) Mariana Kasprzyk (Uruguay, Latin America and the Caribbean)

(c) For the TERG Recruitment Working Group:

(i) Antonio Navarra (Italy, Western Europe and Others)

(ii) Lucas di Pietro (Argentina, Non-Annex I Parties).

(Decision B.40/83)

Agenda item 8: Report of the thirty-second meeting of the Ethics and Finance Committee

(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[22];

(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;

[22] Document pending upload on the website

(c) Invite the implementing entities to consider "Proposed new structure of project e valuation 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[23] 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[24], 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[25] 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

[23] https://www.adaptation-fund.org/apply-funding/policies-guidelines/
[24] https://www.adaptation-fund.org/wp-content/uploads/2023/08/AFB.EFC_.32.6.Rev_.2_Rapid-evaluation-Rev.2.pdf
[25] https://www.adaptation-fund.org/wp-content/uploads/2023/10/AFB.EFC_.32.8_Mgt_response_Rapid_evaluation_final-1.pdf

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)

42nd AFB meeting	Germany	From 2024-04-16	To 2024-04-19

Agenda item 8: Report of thirty-third meeting of the Project and Programme Review Committee

(o) Report on the analysis of broadening of the scope, eligibility criteria and type of technical assistance grants available to national and regional implementing entities

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

(a) To take note of the complementary processes underway by the secretariat and the Technical Evaluation Reference Group of the Adaptation Fund to undertake a comprehensive review of the readiness programme;

(b) To request the secretariat, following the comprehensive review mentioned in (a), to consolidate the results from both processes and submit a paper to the Project and Programme Review Committee at its thirty-fifth meeting outlining an enhanced readiness programme. The enhanced readiness programme should, among other things, focus on demand-driven support; expand in scope and in recipients; deliver tailored support; and strengthen readiness partnerships and collaboration. The paper should also include an analysis on the possibility of broadening the scope, eligibility criteria and type of technical assistance grants and their availability to national and regional implementing entities.

(Decision B.42/43)

Agenda Item 9: Report of thirty-third meeting of the Ethics and Finance Committee

Administrative budgets of the Board and secretariat, Adaptation Fund Technical Evaluation Reference Group and its secretariat, and trustee for fiscal year 2025

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

(a) To take note of the budget proposals contained in document AFB/EFC.33/5 and approve, from the resources available in the Adaptation Fund Trust Fund:

(Board and secretariat)

(i) The proposed budget of $12,158,122 to cover the costs of the operations of the Board and secretariat for fiscal year 2025, covering the period from 1 July 2024 to 30 June 2025, comprising $10,301,697 for Board and secretariat administrative services (the main secretariat budget), $566,800 for accreditation services and US$ 1,289,625 for the readiness programme;

(Technical Evaluation Reference Group of the Adaptation Fund and secretariat)

(ii) The proposed revised budget of $1,941,656 to cover the costs of the operations of the Technical Evaluation Reference Group of the Adaptation Fund and its secretariat for fiscal year 2025, covering the period from 1 July 2024 to 30 June 2025, comprising $971,951 for the management component and $969,705 for the evaluation component;

(Trustee)

(iii) The increase of $66,000 in the estimated actual trustee budget for fiscal year 2024;
(iv) The proposed budget of $991,000 for the trustee services to be provided to the Adaptation Fund during fiscal year 2025;

All amounts in US$	FY24 Approved	FY24 Estimate	FY25 Proposed
BOARD AND SECRETARIAT			
1 Personnel	6,882,409	5,594,500	7,915,177
2 Travel	754,000	840,000	969,500
3 General operations	826,400	802,400	1,168,000
4 Meetings	280,000	250,000	249,020
Sub-total secretariat administrative services [a]	**8,742,809**	**7,486,900**	**10,301,697**
5 Accreditation [b]	542,300	466,000	566,800
6 Readiness Programme [c]	920,900	863,000	1,289,625
Total Board and Secretariat [a] + [b] + [c]	**10,206,009**	**8,815,900**	**12,158,122**

All amounts in US$	FY24 Approved revised	FY24 Estimate	FY25 Proposed
AF-TERG AND ITS SECRETARIAT			
1 Personnel	675,625	595,695	629,358
2 Travel	112,006	112,006	156,043
3 General operations	116,879	92,000	175,886
4 Meetings	10,404	11,000	10,664
Sub-total management	**914,913**	**810,701**	**971,951**
5 Evaluation	700,729	672,853	969,705
Total AF-TERG and its secretariat	**1,615,642**	**1,483,554**	**1,941,656**

All amounts in US$	FY24 Approved	FY24 Estimate	FY25 Proposed
TRUSTEE			
1 Monetization	180,000	180,000	180,000
2 Financial and Program Management	320,000	300,000	320,000
3 Investment Management	283,200	369,200	369,000
4 Accounting and Reporting	58,000	58,000	58,000
5 Legal Services	64,000	64,000	64,000
Total trustee	**905,200**	**971,200**	**991,000**
GRAND TOTAL ALL COMPONENTS	**12,726,851**	**11,270,654**	**15,090,778**

(b) To authorize the trustee to transfer the amounts in subparagraphs (a) (i) and (ii) to the respective secretariats and the amounts in subparagraphs (a) (iii) and (iv) to the trustee.

(Decision B.42/45)

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

Work programme and multi-year budget of the Technical Evaluation Reference Group of the Adaptation Fund for the period 2025–2027

46. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board decided to approve the draft second work programme of the Technical Evaluation Reference Group of the Adaptation Fund for the period 2025–2027 as set out in document AFB/EFC.33/6/Rev.1.

(Decision B.42/46)

Revised terms of reference for the Technical Evaluation Reference Group of the Adaptation Fund

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

(a) Approve the revised terms of reference for the Technical Evaluation Reference Group of the Adaptation Fund as set out in document AFB/EFC.33/7;

(b) Request the AF-TERG to undertake the functions related to evaluation utilization (knowledge management) and evaluation capacity development in collaboration with the secretariat with a view to ensure synergies and synchronize outreach to the Fund's stakeholders.

(Decision B.42/47)

(d) Approach to the design of the terms of reference for the comprehensive evaluation of the Adaptation Fund and the mid-term review of the second medium-term strategy of the Adaptation Fund

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

(a) To take note of the proposed approach contained in annex 1 to document AFB/EFC.33/10;

(b) To request the Technical Evaluation Reference Group of the Adaptation Fund:

(i) To continue with the preparation of draft terms of reference for the comprehensive evaluation of the Adaptation Fund and the mid-term review of the Fund's second medium-term strategy, taking into consideration the discussion at the thirty-third meeting of the Ethics and Finance Committee;

(ii) To present the draft terms of reference and their financial implications to the Ethics and Finance Committee for its consideration during the intersessional period between the forty-second and forty-third meetings of the Board.

(Decision B.42/50)

42nd- 43rd AFB intersessional meeting	Germany	From 2024-04-20	To 2024-10-08

10. The Adaptation Fund Board adopted the AF-TERG's recommendation to consider the draft Terms of Reference for midterm review of the second medium-term strategy of the Adaptation Fund and of the comprehensive evaluation of the Adaptation Fund, as presented in Annex I and Annex II of this document, and decide to:

a) Adopted the Terms of Reference contained in Annex I and Annex II; and

b) Request the AF-TERG to initiate the procurement of services of corporate vendors in line with the procurement requirements of the World Bank

(Decision B.42-43/27) (Confidential)

43rd AFB meeting	Germany	From 2024-10-08	To 2024-10-11

Item 7. Report of thirty-fourth meeting of the Ethics and Finance Committee

C. Report of the Chair of the Technical Evaluation Reference Group

52. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board took note of the key findings and recommendations of the AF-TERG thematic evaluation of scalability concepts and practice at the Adaptation Fund (AFB/EFC.34/.5/Rev.1) on encouraging and enabling the scaling of results in the Adaptation Fund's projects, particularly in the context of taking forward the implementation plan for the Fund's medium-term strategy (2023–2027).

D. Management response to the recommendations of the thematic evaluation of the accreditation process

53. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) took note of the recommendations of the thematic evaluation of the Fund's accreditation process conducted by the Adaptation Fund Technical Evaluation Reference Group, as contained in document AFB/EFC.33/11, as well as the discussion during the thirty-fourth meeting of the Ethics and Finance Committee (EFC) and the forty-third meeting of the Board and the management response contained in document AFB/EFC.34/6 and decided to request the secretariat:

a) To prepare an action plan to implement agreed and partially agreed recommendations arising from the thematic evaluation mentioned above, for consideration by the Board during the intersessional period between its forty-third and forty-fourth meetings;
b) To report to the EFC, at its thirty-fifth meeting, on the progress made in implementing the action plan.

(Decision B.43/26)

E. Initial management response to the thematic evaluation on scalability and management response

54. Having considered the recommendation of the Ethics and Finance Committee, the Board took note of the initial management response prepared by the Adaptation Fund Board secretariat, as contained in document AFB/EFC.34/7 and decided to request the Adaptation Fund Board secretariat:

a) To prepare an updated management response and action plan reflecting the views expressed by the Ethics and Finance Committee at its thirty-fourth meeting on the findings and recommendations of the thematic evaluation on scalability concept and practices, for consideration by the Board during the intersessional period between its forty-third and fortyfourth meetings;
b) To report to the Ethics and Finance Committee, at its thirty-sixth meeting, on the progress made in implementing the action plan, as part of the report on the activities of the secretariat.

(Decision B.43/27)

44th AFB meeting	Germany	From 2025-04-08	To 2025-04-11

Agenda item 17: Report of thirty-fifth meeting of the Ethics and Finance Committee

(a) Work plan and administrative budgets for the Board and Secretariat, the Technical Evaluation Reference Group and the Trustee to the Ethics and Finance Committee for fiscal year 2026.

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

(a) To take note of the budget proposals contained in document AFB/EFC.35/2 and approve, from the resources available in the Adaptation Fund Trust Fund:

(Board and Secretariat)

(i) The proposed budget of US$ 14,490,488 to cover the costs of the operations of the Board and secretariat for fiscal year 2026, from 1 July 2025 to 30 June 2026;

(ii) The estimated World Bank hosting fees of US$ 1,560,000 for the secretariat and Board for fiscal year 2026;

(Technical Evaluation Reference Group of the Adaptation Fund and its secretariat)

(iii) The proposed budget of US$ 1,997,759 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 2026, from 1 July 2025 to 30 June 2026;

(iv) The estimated World Bank hosting fees of US$ 212,000 for the AF-TERG and its secretariat for fiscal year 2026;

Table 4: FY26 Fixed and Variable Costs for the AF-TERG and its Secretariat (US$)

All amounts in US$	FY25 Approved	FY25 Estimate	FY26 Proposed
AF-TERG AND ITS SECRETARIAT			
Fixed component			
1 Personnel	629,358	629,358	941,749
2 General operations	100,000	80,000	80,000
Sub-total fixed component	**729,358**	**709,358**	**1,021,749**
3 Travel	156,043	156,043	163,010
4 Consultants	75,886	75,000	68,000
5 Meetings	10,664	5,000	5,000
6 Evaluation vendors	969,705	850,000	740,000
Sub-total variable component	**1,212,298**	**1,086,043**	**976,010**
Total AF-TERG and its secretariat	**1,941,656**	**1,795,401**	**1,997,759**

(Trustee)

(v) The increase of $104,600 in the fiscal year 2025 estimated actuals;

(vi) The proposed budget of $1,068,100 for the trustee services to be provided to the Adaptation Fund in fiscal year 2026;

(b) To authorize the trustee to transfer the amounts in subparagraphs (a) (i), (ii), (iii) and (iv) to the respective secretariats, and the amounts in subparagraphs (a) (iv) and (vi) to the trustee.

(c) To request the secretariat to provide more details on planned activities in future workplan and budget Board papers.

(Decision B.44/43)

45th AFB meeting	Germany	From 2025-10-07	To 2025-10-10

Item 12. Report of thirty-sixth meeting of the Ethics and Finance Committee

Report of the Chair of the Technical Evaluation Reference Group of the Adaptation Fund: readiness evaluation report.

51. Having considered the recommendation of the Ethics and Finance Committee, the

Adaptation Fund Board decided:

(a) To take note of the key findings and recommendations of the draft thematic evaluation of the readiness programme of the Adaptation Fund contained in document AFB/EFC.36/7;

(b) To request the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) to finalize the thematic evaluation of the readiness programme of the Adaptation Fund;

(c) To take note of the draft management response to the findings and recommendations of the thematic evaluation of the readiness programme of the Adaptation Fund contained in document AFB/EFC.36/7;

(d) To request the secretariat to finalize its management response to that evaluation;

(e) To request the AF-TERG and the secretariat to present intersessionally, prior to the forty-sixth meeting of the Board, the thematic evaluation of the readiness programme and the management response to the evaluation.

(Decision B.45/51)

Report of the Chair of the Technical Evaluation Reference Group of the Adaptation Fund: report on the implementation of the Evaluation Policy, including the initial management action tracker

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

(a) To take note of the evaluation policy implementation progress report and management tracker;

(b) To request the secretariat to review and, where appropriate, update the proposal submission templates and guidance documents to include references to the Board's

agreed evaluation policy, mandatory project/programme evaluations and evaluation budget allocation;

(c) To request the secretariat, in consultation with the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), to revise relevant documents to further clarify:

(i) The provisions for conducting final evaluations of projects and programmes of varying sizes and funding windows, in line with the interpretation that final evaluations are not necessary for readiness and small grants (learning and innovation);

(ii) Mid-term review requirements for projects that were initially less than four years in duration but have since been extended beyond the four-year mark;

(d) To request the AF-TERG, in consultation with the secretariat, to develop an evaluation policy guidance document for baseline data reports;

(e) To request the secretariat to clarify whether the allocation of 1–5 per cent of the total project budget for evaluations applied exclusively to mid-term reviews and final evaluations or included baseline data reports as well;

(f) To request the secretariat and the AF-TERG to update the Ethics and Finance Committee, at its thirty-seventh meeting, on the progress made on the requests in subparagraphs (b) through (e) above.

(Decision B.45/52)

46th AFB Meeting	Germany	From 2026-04-07	To 2026-04-10

Item 12. Thematic evaluation of the readiness programme and management response.

5. The Adaptation Fund Board (the Board), having considered the thematic evaluation of the readiness programme contained in document AFB/B.46/15, decided:

(a) To express its appreciation to the secretariat for providing readiness support for developing countries and to encourage the secretariat to continue in that regard, ensuring that all developing countries can access readiness support through the Adaptation Fund;

(b) To take note of the recommendations of the thematic evaluation of the readiness programme of the Adaptation Fund, as contained in annex 1 to document AFB/B.46/15;

(c) To take note of the management response to the findings and recommendations of the thematic evaluation of the readiness programme of the Adaptation Fund, as contained in annex 2 to document AFB/B.46/15;

(d) To request the secretariat to propose an action plan based on the management response to the recommendations arising from the thematic evaluation, for consideration by the Ethics and Finance Committee at its thirty-eighth meeting.

Decision B.46/5

Item 19. Report of the thirty-seventh meeting of the Ethics and Finance Committee.

Work plans and administrative budgets of the Board and its secretariat, the Adaptation Fund Technical Evaluation Reference Group and its secretariat, and the trustee for fiscal year 2027.

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

(a) To take note of the budget proposals contained in document AFB/EFC.37/2/Rev.1 and to approve, from the resources available in the Adaptation Fund Trust Fund:

(Board and secretariat)

(i) The proposed budget of US$ 15,885,706 to cover the costs of the operations of the Board and secretariat for fiscal year 2027, from 1 July 2026 to 30 June 2027;

(ii) The estimated World Bank hosting fees of US$ 1,747,000 for the secretariat and Board for fiscal year 2027;

(Technical Evaluation Reference Group of the Adaptation Fund and its secretariat)

(iii) The proposed budget of US$ 2,063,115 to cover the costs of the operations of the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) and its secretariat for fiscal year 2027, from 1 July 2026 to 30 June 2027;

(iv) The estimated World Bank hosting fees of US$ 227,000 for the AF-TERG and its secretariat for fiscal year 2027;

(Trustee)

(v) The increase of $302,800 in the estimated actual trustee budget for fiscal year 2026;

(vi) The proposed budget of $1,174,900 for the trustee services to be provided to the Adaptation Fund in fiscal year 2027;

(b) To authorize the trustee to transfer the amounts in subparagraphs (a) (i), (ii), (iii) and (iv) to the respective secretariats and the amounts in subparagraphs (a) (iv) and (vi) to the trustee.

Decision B.46/55

Table 4: FY27 Fixed and Variable Costs for the AF-TERG and its Secretariat (US$)

All amounts in US$	FY26 Approved	FY26 Estimate	FY27 Proposed
AF-TERG AND ITS SECRETARIAT			
Fixed component			
1 Personnel	941,749	941,749	980,705
2 General operations	80,000	75,000	82,000
Sub-total fixed component	**1,021,749**	**1,016,749**	**1,062,705**
3 Travel	163,010	163,010	167,085
4 Consultants	68,000	68,000	69,700
5 Meetings	5,000	5,000	5,125
6 Evaluation vendors	740,000	740,000	758,500
Sub-total variable component	**976,010**	**976,010**	**1,000,410**
Total AF-TERG and its secretariat	**1,997,759**	**1,992,759**	**2,063,115**

Report of the Chair of the Technical Evaluation Reference Group of the Adaptation Fund: progress update on key evaluations.

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

(a) To take note of the work programme update report of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) (AFB/EFC.37/3);

(b) To request the AF-TERG to initiate work on the thematic evaluation on climate change and health in the Adaptation Fund, as part of its work in fiscal year 2027;

(c) To request the secretariat and the AF-TERG to:

(i) To jointly prepare an options paper outlining the scope of work, indicative evaluation questions and possible modalities (and estimated costs) for undertaking the independent review of the AF-TERG and its structure and functions, ensuring that the options were designed to avoid a situation where (only) evaluators evaluate the evaluators;

(ii) To present the options paper to the Ethics and Finance Committee at its thirty-eighth meeting to enable it to recommend a preferred approach for the Board's consideration at its forty-seventh meeting;

(d) To request the Manager of the secretariat and the Chair of the AF-TERG to jointly operationalize the chosen option following its selection by the Board.

Decision B.46/56

47th AFB Meeting	Germany	From 2026-10-19	To 2026-10-24

Item 19. Report of the thirty-eighth meeting of the Ethics and Finance Committee

Update on the implementation of the Evaluation Policy and Management Action Tracker and Action Plan for Management Response to the Thematic Evaluation of the Readiness Programme

65. The Adaptation Fund Board (the Board), having considered document AFB/EFC.38/8, decided to:

(a) Take note of the second evaluation policy implementation progress report;

(b) Request the secretariat to continue strengthening the monitoring and follow-up of the timely submission of mid-term reviews and final evaluations, including by identifying the underlying causes of any delays, and to continue working with implementing entities to address them;

(c) Request the secretariat to further strengthen the systematic tracking of the submission of management responses to project and programme mid-term reviews and final evaluations, as mandated by the Evaluation Policy, as well as follow-up action on evaluation recommendations arising from mid-term reviews, with a view to facilitating organizational learning and supporting adaptive management and improved performance;

(d) Request the secretariat to undertake further analysis of the application of the 1–5 per cent evaluation budget requirement introduced through decision B.41/30, as part of the review of the Evaluation Policy.

Decision B.47/65

Work programme update of the Technical Evaluation Reference Group of the Adaptation Fund

66. The Adaptation Fund Board (the Board), having reviewed document AFB/EFC.38.9, decided to:

(a) Request the Technical Evaluation Reference Group of the Adaptation Fund (AFTERG) and the secretariat to continue working towards the finalization of the Comprehensive Evaluation of the Adaptation Fund and the management response to the Evaluation and submit them together to the Board no later than sixty days prior to the forty-eighth meeting of the Board;

(b) Request the AF-TERG to develop a draft annual workplan and an associated budget for fiscal year 2028, and present them to the Ethics and Finance at its thirty-ninth meeting;

(c) Defer the review of the Evaluation Policy to take place after the forty-ninth meeting of the Board, so that it is sequenced to take place after the independent performance review of the AF-TERG;

(d) Welcome the continued engagement of the AF-TERG in the United Nations Evaluation Group and agree to its application to move from observer status to membership.

Decision B.47/66

Evaluation of processes and systems supporting governance

67. The Adaptation Fund Board (the Board), having considered the evaluation of processes and systems supporting governance contained in document AFB/EFC.38/10, decided to:

(a) Take note of the recommendation of the evaluation and the accompanying management response prepared by the secretariat;

(b) Take note of the management response to the recommendation and prepare an action plan based on the management responses to the recommendations arising from the evaluation for consideration by the Ethics and Finance Committee at its thirty-ninth meeting;

(c) Request the secretariat to make the evaluation publicly available on the Adaptation Fund website.

Decision B.47/67

Independent review of the Technical Evaluation Reference Group of the Adaptation Fund

68. The Adaptation Fund Board (the Board), having considered document AFB/EFC.38/12 taking note of the options paper prepared jointly by the secretariat and the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) for undertaking the independent performance review of AF-TERG, decided to:

(a) Approve option 2 of the options paper as the preferred modality for undertaking the performance review;

(b) Establish a review oversight task force consisting of the following 4 members and alternate members of the Board, to provide oversight and guidance to the review as outlined in document AFB/EFC.38/12:

(i) Nina Alsen;

(ii) Rosa Morales Saravia;

(iii) John Adrian M. Narag;

(iv) Aram Ter-Zakaryan;

(c) Request the Manager of the secretariat with the inputs, as appropriate, from the Chair of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) to operationalize the selected option;

(d) Request the Manager of the secretariat, in consultation with the oversight task force mentioned above, to submit the final review report, with a response from the Chair of the AF-TERG as an annex, to the Ethics and Finance Committee for consideration at its fortieth meeting. The performance review, together with the comprehensive evaluation of the Adaptation Fund, will inform future considerations of the model of the AF-TERG.

Decision B.47/68