



Adaptation Fund Board
Ethics and Finance Committee
Thirty-seventh meeting
Bonn, Germany

WORK PROGRAMME UPDATE REPORT OF THE TECHNICAL EVALUATION REFERENCE GROUP OF THE ADAPTATION FUND (AF-TERG)

Strategic Issues

- a) The Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) has been operational since 1 July 2019 and is comprised of an independent group of five members, including the Chair who provides strategic leadership. The group is supported by a full-time secretariat (AF-TERG secretariat). The AF-TERG continues to collaborate and coordinate with the secretariat to ensure synergies and synchronize outreach to the Fund's stakeholders.
- b) In April 2024, through decision B.42/46, the Board approved the second multi-year work programme of the AF-TERG for FY25-27 (AFB/EFC.33/.6/Rev.1) and through decision B.42/45 – the annual budget of AF-TERG and its secretariat for FY25.
- c) As per the ToR of the AF-TERG, the Chair of the AF-TERG is required to regularly present to the EFC the results of the work conducted by the AF-TERG and this report represents a regular update to the EFC at its thirty-seventh meeting.

Purpose

1. This report from the Chair of the AF-TERG presents to the Ethics and Finance Committee (EFC) a biannual progress update (September 2025 – February 2026) on the AF-TERG's second multi-year work programme spanning the fiscal years 2025 – 2027.

Proposed recommendation to the Board

2. The Ethics and Finance Committee (EFC), having considered the Work Programme Update Report of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) in document AFB/EFC.37/3, recommends for the Board's decision:
 - a) Take note of the work programme update report of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG);
 - b) Request the AF-TERG to initiate the work on the thematic evaluation on Climate Change and Health in the Adaptation Fund, as part of its work in FY27; and
 - c) Establish a Working Group on the Independent Evaluation of the AF-TERG, in line with the Approach Paper contained in Annex 5 of document AFB/EFC.37/3.
 - d) Request the Working Group to determine its working modalities and organization, including how it will structure and conduct its work;

- e) Request the Working Group to determine the appropriate modality for selecting the review modality; and
- f) Request the Working Group to provide strategic guidance during the evaluation process and to review the evaluation findings prior to their submission to the Board for consideration.

Summary annual update of the work programme of the AF-TERG (FY25)

3. The focus of the AF-TERG’s work this fiscal year continues to be the on-going comprehensive evaluation (CE) which adopts a “building block” approach and remains on track to be submitted to the Board in August 2026. The shifting external context will also be a key consideration in the evaluation analysis, findings, and recommendations.

4. Other on-going and recently completed evaluation work include the mid-term review of the Fund’s Medium-Term Strategy (MTS2), the systems and processes supporting governance (planned for EFC, October 2026, with a draft to be submitted to EFC intersessionally in June 2026), a thematic evaluation of the Readiness Programme (AFB/EFC.36-37/1), the first implementation progress report of the Fund’s Evaluation Policy (AFB/EFC.36/8), first management action tracker (AFB/EFC.36-37/Inf.3) and the six completed ex post evaluations. Fund stakeholders continue to provide valuable insights as part of on-going consultations, alongside evidence from country case studies, literature reviews, and context/landscape analysis.

5. While providing an independent evaluation function, the AF-TERG continues to work collaboratively with the Adaptation Fund Board secretariat, with evaluation units of other climate funds, and with the United Nations Evaluation Group (UNEG). It also represents the Fund in relevant external events to present findings of evaluations to support the Fund in elevating the importance of its work on adaptation and to contribute to learning.

6. Since July 1, 2025, the AF-TERG has been operating with four members, including the Chair. Mr. Claudio Volonte completed his six-year term as a member and left the AF-TERG on 30 June 2025. The selection process for recruiting a new member to fill this position is in the process of finalization as of 20 March 2026. The selection process for recruiting an Evaluation Analyst (ETC) in the AF-TERG secretariat was successfully concluded in March 2026.

7. A snapshot of the work of the AF-TERG in the current reporting period is presented in Table 1 below, for each of the three workstream areas, with further details presented in this document. The work remains in line with the AF-TERG second multi-year work programme (AFB/EFC.33/.6/Rev/1) that was approved by the Adaptation Fund Board at its forty-second meeting in March 2024 through decision B.42/46.

Table 1: Implementation status of the AF-TERG multi-annual work plan for FY26

Work element	Activity	Annual progress update
Workstream 1: Generation of evaluations		
Evaluation management function	(a) Comprehensive evaluation (CE) of the Adaptation Fund	<ul style="list-style-type: none"> • <i>Le Group Conseil Baastel Ltee</i> was selected through an open international procurement process to conduct the evaluation in April 2025. Inception phase: May-August 2025. The evaluation team provided update reports in October 2025. Work to be completed by July 2026, submitted to the Board in August 2026,

		and presented to the Board in October 2026. The progress update report is submitted to EFC as an annex 3 of this report.
(b) Midterm review (MTR) of the Second Medium-Term Strategy (MTS-2) of the Adaptation Fund	<ul style="list-style-type: none"> • <i>Agulhas Applied Knowledge Ltd</i> was selected to conduct the evaluation through an open international procurement process. The draft report and recommendations were shared with the AFB Secretariat in February 2026, and remain under discussion. 	
(c) Evaluation of the systems and processes supporting governance for enhanced performance of the Adaptation Fund	<ul style="list-style-type: none"> • Open international procurement was completed in August 2025. A joint venture of <i>Agulhas Applied Knowledge Ltd</i> and <i>IOD PARC</i> was selected to conduct the evaluation. Work to be completed by May 2026 to become an input to the CE. An update progress report is submitted to the EFC through Annex 4 of this report. Final report will be submitted intersessionally and presented to the EFC at its thirty-eighth meeting in October 2026. 	
(d) Thematic evaluation #4 - Readiness programme	<ul style="list-style-type: none"> • The draft evaluation was presented to the EFC in October 2025. It is intended as a key input to the Fund's new Readiness Strategy and is one of the building blocks to the CE. The final report, with the management response, was submitted to EFC intersessionally through document AFB/EFC.36-37/1. 	
(e) Ex post evaluations	<ul style="list-style-type: none"> • Ex post evaluation in Mauritania (#5) was completed in December 2025 (Evaluator: <i>Le Group Conseil Baastel Ltee</i>). The findings were discussed with the IE and DA, and the final report was submitted to the EFC intersessionally in English and French through document AFB/EFC.36-37/Inf.1 • Ex post evaluation in Eritrea (#6) was completed in January 2026 (Evaluator: <i>Universalia management Group Ltd</i>). The findings were discussed with the IE and DA and the final report was submitted to the EFC intersessionally through document AFB/EFC.36-37/Inf.2. • Ex post evaluations in Cuba (#7) and Ghana (#8) were launched in late 2025 and are undergoing implementation. Both are expected to be completed in mid-2026. 	

Advisory function	(f) EP guidance based on emerging demand	<ul style="list-style-type: none"> In response to decision B.45/52, paragraph (e), the guidance note (no.14) on <i>Baseline Data Reports</i> is an advanced stage of development in consultation with the AFB secretariat.
Oversight function	(g) Tracking of evaluation policy implementation and evaluation recommendations in collaboration with the secretariat	<ul style="list-style-type: none"> The first implementation progress report of the Evaluation Policy was developed with inputs from the AFB secretariat was submitted through document AFB/EFC.36/8. The first version of the management action tracker (MAT) has been developed and was submitted to EFC intersessionally through document AFB/EFC.36-37/Inf.3.
Workstream 2: Evaluation utilization		
	(h) Collaborative studies with others for contribution to the knowledge management system of the Fund	<ul style="list-style-type: none"> Two studies undertaken jointly with the evaluation units of the four climate funds are completed: (1) Second phase of the use of AI in evaluations: “Piloting AI applications in Climate Change Evaluation – Forestry Related Projects” was completed in February 2026; A Joint study with UNEP Copenhagen Climate Center (UNEP CCC) is underway, on lessons learned from the Adaptation Fund portfolio for monitoring and evaluation systems with potential applications to loss and damage. Study expected to be completed by April 2026.
	(i) Communication and knowledge management, in collaboration with the secretariat.	<ul style="list-style-type: none"> AF-TERG section of the AF website is regularly updated to reflect the latest work of the AF-TERG. A draft communication strategy is under development; social media channels continue to be used. AF-TERG continues to provide inputs on knowledge management to the AFB secretariat based on demand.
	(j) External engagement and outreach	<ul style="list-style-type: none"> The AF-TERG participated in several in-person and virtual events (details in Annex 1).
Workstream 3: Evaluation capacity development		
	(k) Collaboration with the secretariat on Evaluation capacity development	<ul style="list-style-type: none"> Online training course for implementing entities on the Evaluation Policy under development (launch expected mid 2026); AF-TERG regularly joins webinars and capacity development events of the Fund.
	(l) Independent review of the AF-TERG	<ul style="list-style-type: none"> The AF-TERG has initiated an internal reflective exercise in March 2026 to strengthen its performance and value to the Fund. The AF-TERG considers this as essential preparatory work in advance of the independent review of

		the AF-TERG to be initiated in 2026. An approach paper is provided as Annex 5 to this document.
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Background of the AF-TERG

8. The Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) is an evaluation advisory group, accountable to the Adaptation Fund Board (hereafter, "the Board"), and functionally independent of the Adaptation Fund Board secretariat (hereafter, "the secretariat"). It was established to ensure the independent implementation of the Adaptation Fund's (hereafter "the Fund") Evaluation Framework, which was replaced by an Evaluation Policy in October 2023 that applies a whole-of-Fund approach.

9. The AF-TERG has been operational since 1 July 2019 and is comprised of an independent group of five members, including the Chair who provides strategic leadership. The AF-TERG is supported in the implementation of its work programme by a full-time AF-TERG secretariat, led by a Secretariat Coordinator/Senior Evaluation Officer and consisting of an evaluation officer (Extended Term Consultant (ETC)), evaluation analyst (ETC) and programme assistant. Technical expert consultants and corporate vendors are hired on a short-term basis to implement specific work elements.

10. The AF-TERG takes direction from the Ethics and Finance Committee (EFC) and the Board. The Board endorses AF-TERG activities through the multi-year work programme and approves the annual workplan and budget as part of the Fund's overall workplan and budget. The work programme is informed by the evaluative needs of the Fund's key stakeholders and relevant guidance from various bodies of the UNFCCC, while also guided by the Fund's Evaluation Policy.

11. In April 2024, through decision B.42/46, the Board approved the second multi-year work programme of the AF-TERG for FY25-27 (AFB/EFC.33/.6/Rev.1) and through decision B.42/45 – the annual budget of AF-TERG and its secretariat for FY25. The work programme is framed under the three workstreams as defined by the Evaluation Policy and the revised AF-TERG Terms of Reference (ToR) (Decision B.42/47). These include:

- Generation of evaluations, comprising evaluation management, advisory and oversight functions (Workstream 1);
- Evaluation utilization (Workstream 2);
- Evaluation capacity development (Workstream 3).

12. In relation to workstreams 2 and 3, and in line with decision B.42/47 para (b), the AF-TERG continues to collaborate and coordinate with the secretariat to ensure synergies and synchronize outreach to the Fund's stakeholders.

Introduction

13. This report from the Chair of the AF-TERG, presents a progress update of the AF-TERG's second multi-year work programme, covering the period September 2025 -February 2026. There are five accompanying annexes to this report: Annex 1- Summary of the AF-TERG external outreach activities in the reporting period; Annex 2: List of reports delivered by the AF-TERG to the Board since FY25; Annex 3: Update on the progress of the Comprehensive Evaluation (CE); Annex 4: Progress update report on the Evaluation of systems and processes supporting governance of the

Adaptation Fund Annex 5: Options for the independent review of the AF-TERG; and Annex 6: Options for the next thematic evaluations to be conducted by the AF-TERG.

14. The AF-TERG is also separately submitting to the EFC's thirty-seventh meeting the following documents with details of its on-going work, as follows:

- a Lessons learned from the ex post evaluations of the Adaptation Fund (AFB/EFC.37/4).
- b Update on the synthesis report of the evidence of forestry projects in the four climate funds using AI (AFB/EFC.37/5).

Information update to EFC on the second work programme

Workstream 1: Generation of evaluations

Evaluation management function:

(a) The Comprehensive Evaluation of the Fund

15. **Background:** The AF-TERG's first multi-year strategy and work programme included an overall evaluation of the Fund. The Board reviewed the options presented by the AF-TERG (AFB/EFC.31/Inf.2, paras. 16 - 20) and decided to adopt a phased approach (AFB/B.39/14, decision B39/57).¹ The first phase involved a Rapid Evaluation study that was delivered to the Board in August 2023 (AFB/EFC.32/.6/Rev.2). The second phase includes the delivery of a Comprehensive Evaluation (CE) of the Fund. This evaluation uses a building block approach, i.e., using existing evidence plus new evidence generated by the AF-TERG and secretariat, and aims to contribute to the development of the Fund's Third Medium-Term Strategy (2028-2032). The CE will be delivered, as per Board decision B.39/57 and B.40/72, 60 days before B.47 (i.e. by August 2026).

16. **Progress:** The CE began in May 2025, and the inception report for the evaluation was finalized in August 2025. The evaluation team then completed a desk review and launched four county case studies, submitting a formal progress report in December 2025. Qualitative data collection continued through January 2026 and included 46 key informant interviews and four focus groups.

17. In January, the AF-TERG held a two-day "sensemaking workshop" in Washington, D.C., with participation of three teams conducting the comprehensive evaluation, the midterm review of the Second Medium Term Strategy of the Adaptation Fund, and the evaluation of systems and processes supporting governance of the Adaptation Fund. The workshop discussed emerging insights, identified common themes across all three evaluations, and determined areas for additional analysis. The AFB secretariat joined key sessions which aided in reflection process and in addressing data gaps.

18. **Forward priorities:** The comprehensive evaluation is currently finalizing the data analysis, including three thematic case studies. The draft CE report is on schedule to be completed in May 2026, submitted to the Board intersessionally in August 2026, and presented to the Board at its forty-seventh meeting in October 2026. An information update on the CE has been submitted to the EFC separately as Annex 3 to this document.

¹Available at: https://www.adaptation-fund.org/wp-content/uploads/2023/08/AFB.EFC_.32.6.Rev_.2_Rapidevaluation-Rev.2.pdf

(b) Midterm review (MTR) of the Second Medium-Term Strategy (MTS-2) of the Adaptation Fund

19. Background: Through decision B.40/72, the Board requested the mid-term review (MTR) of the Fund's Medium-Term Strategy 2023-2027 (MTS2). The main objective of this evaluation is to assess the progress of the Adaptation Fund towards the MTS2 and its Implementation Plan in a dynamic climate change context. The MTR also has a secondary objective of identifying lessons from the implementation of the MTS2 that can inform the remainder of its implementation. The evaluation will be one of the main building blocks of the CE.

20. Progress: The MTR was initiated in March 2025 and an inception report, delivered in June 2025, included the detailed methodology for the review and initial findings from an initial desk review. An initial draft report was prepared and submitted in December 2025. The draft report and recommendations were shared with the AFB Secretariat in February 2026, and remain under discussion.

21. Forward priorities: The AF-TERG and AFB secretariat propose to further discuss the recommendations as part of report finalization. The final report will then be submitted to the EFC intersessionally by August 2026 and presented to the Board at its forty-seventh meeting in October 2026.

(c) Evaluation of the systems and processes supporting governance for enhanced performance of the Adaptation Fund (G/PS)

22. Background: The Board has mandated that one key building block for the Comprehensive Evaluation would be an assessment of the processes and systems that support effectiveness and efficiency in the governance of the Fund (G/PS) (decision B.39/57). The G/PS evaluation focuses on a sub-set of processes and systems related to the Fund's governance and especially those issues that have thus far not been evaluated, including relevant evidence gaps identified in the Rapid Evaluation Study.

23. Progress: The AF-TERG presented an approach paper on the key elements of an evaluation of the G/PS to the Board through a webinar on 6 March 2025, and to the Ethics and Finance Committee of the Board at its thirty-fifth meeting in April 2025 (AFB/EFC.35/.8) which helped to shape the terms of reference for this work. The AF-TERG put in place an evaluation advisory group with representatives from the AFB secretariat and the AF-TERG, to provide advice and inputs at critical stages of the evaluation.

24. Following an open international procurement process, the G/PS evaluation team initiated its work in August 2025 and delivered an inception report in September 2025. This report refined the evaluation questions and methodology, stakeholder mapping, data collection approach, and timelines for delivery. Following a process of data collection and analysis including 35 interviews with Fund Implementing Entities, Board members and AFB secretariat staff, desk review and a landscape analysis, the G/PS team actively participated in the "sensemaking workshop" in January 2026 and shared emerging insights with AF-TERG alongside the CE and the MTR of MTS2 evaluation teams.

25. Forward priorities: The evaluation team is finalizing the analysis which will be completed by the end of March 2026 and will serve as a key input to the CE. The final evaluation report will be submitted intersessionally in June 2026 and presented to the EFC in October 2026 at its thirty eighth meeting.

26. The AF-TERG secretariat under guidance from the AF-TERG, is coordinating the work of the three evaluation teams, namely those working on the Comprehensive Evaluation, MTR of MTS2 and G/PS evaluation, to ensure that potential synergies are leveraged and duplications avoided.

(d) Thematic evaluations: No. 4 Readiness Programme

27. **Background:** The Evaluation Policy makes provision for thematic evaluations to be conducted with the objective of drawing lessons about the Fund's efforts and progress on key topics. Three thematic evaluations on innovation (No. 1), accreditation (No. 2) and scalability (No. 3) respectively, were previously delivered under the AF-TERG's first work programme and presented to the EFC. Under its second work programme, the AF-TERG has continued to identify relevant topics for thematic evaluations in consultation with Board members, Implementing Entities, and secretariat staff as relevant to the evolving context of the Fund.

28. **Progress:** A draft report on the thematic evaluation of the Readiness Programme (No.4), a priority topic for evaluation in the MTS-2 Implementation Plan, was submitted to EFC through document AFB/EFC.36/7. Through decision B.45/51, the Board guided the AF-TERG to finalize the evaluation and submit it intersessionally to the EFC. The final evaluation report was submitted intersessionally to the EFC in through document AFB/EFC.36-37/1. This is accompanied by a management response prepared by the AFB secretariat.

29. **Forward priorities:** All four thematic evaluations will be taken as inputs into the CE. The AF-TERG has also initiated a process, in consultation with the AFB secretariat, to identify the topic of the fifth thematic evaluation to be undertaken in FY27 in line with its second multi-year work programme (See document AFB/EFC.33/.6/Rev.1 and Decision B.42/46). As further elaborated in Annex 6, the AF-TERG proposes to undertake a thematic evaluation on Climate Change and Health in the Adaptation Fund.

(e) Ex post evaluations

30. **Background:** Under its first work programme, the AF-TERG developed a methodology for ex post evaluation of adaptation projects. This work on ex post evaluations is widely recognized as innovative and remains a key element of the work of the AF-TERG and an input to the CE of the Fund. The second multi-year work programme of the AF-TERG includes two ex post evaluations annually in FY25 (#5 and #6) and FY26 (#7 and #8), and four ex post evaluations in FY27 (#9 to #12). In response to guidance from the EFC, all ex post evaluations from #5 onward cover all project outcomes.

31. **Progress:** In the current reporting period, the **fifth ex post evaluation** has been completed for the project "Enhancing Resilience of Communities to the Adverse Effects of Climate Change on Food Security in Mauritania" (MTN/MIE/Food/2011/1) implemented by the World Food Programme. The final evaluation report was submitted to the EFC intersessionally through document AFB/EFC.36-37/Inf.1.

32. Additionally, the **sixth ex post evaluation** has been completed for the "Climate Change Adaptation Programme in Water and Agriculture in Anseba Region, Eritrea" (ERI/MIE/Rural/2010/2). The final evaluation report was submitted to the EFC intersessionally through document AFB/EFC.36-37/Inf.2.

33. The seventh and eighth ex post evaluations were launched at COP30 in Belem, Brazil in November 2025, with representatives from the DAs and the Implementing Entities. The **seventh ex post evaluation** for the "Reduction of Coastal Vulnerability to Coastal Flooding through Ecosystem-based Adaptation in the South of Artemisa and Mayabeque Provinces" project in Cuba has launched its activities, and field work is planned for April 2026.

34. The **eighth ex post evaluation** for the "Increased Resilience to Climate Change in Northern Ghana through the Management of Water Resources and Diversification of Livelihoods" (GHA/MIE/Water/2012/1) has produced an inception report, and field work is planned for late

March and early April 2026. Evaluation reports for both evaluations are scheduled to be presented to the EFC by its thirty-eighth meeting October 2026.

35. The Adaptation Fund's pioneering work on ex posts is widely well received. The AF-TERG has presented its ex post approach to adaptation projects at the annual meeting of national implementing entities (NIEs), at COP30, and during several evaluation week events of the United Nations Evaluation Group (UNEG). Findings from these completed evaluations will also become building blocks of and inform the Comprehensive Evaluation. A summary of the lessons learnt to date from ex post evaluations conducted to date is submitted to EFC as document AFB/EFC.37/4.

36. Forward priorities: The AF-TERG has identified a shortlist of projects for the next four ex post evaluations (#9 - #12), as planned for FY26 (#9 - #12) in its second multi-year work programme (See document AFB/EFC.33/.6/Rev.1 and decision B.42/46). The projects were shortlisted based on the AF-TERG's established selection criteria for ex post evaluations. Each Implementing Entity of shortlisted projects has been approached to seek their concurrence prior to the finalization of the selection process.

37. The focus for the near term is to continue to disseminate learning from the approaches and findings of the ex post evaluations to date; to oversee the next sets of ex post evaluations; to ensure that findings are shared with all project partners; and to support the AFB secretariat, as needed, on the uptake of lessons learned into the Fund's projects and operations.

Advisory function

(f) Evaluation Policy guidance based on emerging demand

Evaluation Policy guidance notes

38. Background: In April 2022, the Board requested 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 (decision B.38/48). The AF-TERG has since produced a total of 13 guidance notes, which are available on the AF website in English, French and Spanish.²

39. Progress: Following the deliberations at the thirty-sixth meeting of the EFC on the Evaluation Policy Implementation Progress Report (document AFB/EFC.36/8), the Board requested the AF-TERG through decision B.45/52, paragraph (e), to develop in consultation with the secretariat a guidance note on Baseline Data Reports. Baseline data reports are a mandatory evaluation of the Adaptation Fund under the Evaluation Policy together with mid-term reviews and final evaluations.

40. Following consultations with the AFB secretariat, it was agreed to take a practical view and adopt a policy-equivalent approach to the submission of baseline data. This will provide for exemptions to the submission of separate baseline data reports in cases when all the required information was submitted in other documents such as project proposals or first PPRs. As no guidance on this mandatory requirement was provided in a structured manner to date, the guidance note is expected to provide clarity to IEs on how to meet the policy requirement and prepare and submit baseline data reports if needed.

² Available at: <https://www.adaptation-fund.org/about/evaluation/publications/foundational-documents/> ²
Available at: <https://www.adaptation-fund.org/document/decision-document-for-the-thirty-ninth-meeting-of-the-adaptation-fund-board/>

41. The AF-TERG, following consultations with the AFB secretariat, has prepared an advanced draft of the guidance note on baseline data reports to support the further operationalization of the Evaluation Policy of the Adaptation Fund.

42. Forward priorities: The guidance note is planned to be finalized by the middle of 2026 and disseminated to IEs and other relevant stakeholders. The translation of the guidance note in French and Spanish is also planned.

Oversight function

(g) Implementation progress of the Evaluation Policy

43. Background: In line with the Evaluation Policy (EP) requirement for annual reporting on implementation progress (para. 46), the first progress report was jointly prepared by the AF-TERG and the AFB Secretariat and presented to the EFC at its thirty-sixth meeting, as contained in document AFB/EFC.36/8. The Board reviewed the report and requested the AFB secretariat, in consultation with the AF-TERG, to revise relevant documents to clarify provisions governing final evaluations across project sizes and funding windows, and to clarify mid-term review requirements for projects initially under four years that are later extended beyond four years. It also requested the AF-TERG, in consultation with the secretariat, to develop guidance under the EP for baseline data reports. The secretariat and the AF-TERG were further requested to update the EFC at its thirty-seventh meeting on progress on these tasks (decision B.45/52).

44. Progress: The AFB Secretariat and the AF-TERG will provide an update on progress regarding Decision B.45/52 under agenda item 5.

45. Forward priorities: The **next (second) EP annual progress report** will be presented to the EFC at its 38th meeting in October 2026. It will follow the same format and collaborative process established for the first annual progress report and will include a regular update on EP implementation.

46. Additionally, para 47 of the EP requires that the policy is reviewed and updated no later than five years from its approval, i.e., by April 2027. A concept note outlining an approach to the **review and update of the Evaluation Policy** will be submitted to the EFC at its thirty-eighth meeting. As stated by the EP (para 46), the AF-TERG will collaborate with the secretariat to monitor and report on the implementation of the Evaluation Policy, in line with it being a whole-of-fund policy.

47. The review process will include consultations with representatives of Board committees, Implementing Entities, Civil Society Network partners, and Designated Authorities.

(h) Management Action Tracker

48. Background: The Evaluation Policy (para 29) outlines the requirement of management responses for AF-TERG evaluations presented to the Board. The second multi-year work programme of AF-TERG also provides for the development of a **management action tracker** (MAT) for all strategic, thematic and portfolio evaluations conducted by AF-TERG.

49. Progress: The MAT template and associated process guidance document were presented to the EFC in at its thirty-sixth meeting as an annex to document AFB/EFC.36/8.

50. The management action tracker was populated for the first two completed and most recent thematic evaluations finalized in FY25 or later, namely the accreditation and scalability

evaluations, and was submitted intersessionally to EFC through document AFB/EFC.36-37/Inf.3. The management action tracker will be updated annually with new evaluations and progress on the recommendations of completed evaluations and presented to the EFC annually at its October sessions.

51. Forward Priorities: The next update on actions taken against all recommendations of completed evaluations will be presented to the EFC at its thirty-eighth meeting in October 2026.

Workstream 2: Utilization of evaluations

(i) Collaborative studies with others for contribution to the knowledge management system of the Fund

52. Background: The second multi-year work programme of the AF-TERG includes approaches of “building partnership and creation of value and learnings for all Adaptation Fund stakeholders”. As part of this, AF-TERG pursues collaboration opportunities where these can add value to the Fund. Regular meetings (virtual) take place with the evaluation groups of the four climate funds (further referred to as the ‘Four Funds’), namely the Adaptation Fund, Climate Investment Funds (CIFs), the Global Environment Facility (GEF), and the Green Climate Fund (GCF), to ensure coherence and to reflect relevant thinking on adaptation monitoring, evaluation and learning in its approach and advice to the Board. To date, the AF-TERG has so far chaired three of these joint meetings on a rotational basis.

Progress: As part of the joint collaboration on knowledge and learning initiatives, AF-TERG is undertaking the following studies:

- a) **Piloting AI applications in Climate Change Evaluation – Forestry Related Projects**: This synthesis will focus on forestry-related projects across four climate funds while also assessing AI's role in enhancing evaluation practices. The pilot AI synthesis was commissioned by the Four Funds as a second phase of the overall joint initiative to assess the feasibility and benefits of using AI in evaluative work. This study builds upon the initial Scoping Study on the Use of AI in Evaluations by assessing AI's practical application in conducting a comprehensive synthesis of forestry-specific evidence across the Four Funds. KPMG Norway was contracted to conduct the AI synthesis. The report is shared with the EFC through document AFB/EFC.37/5.
- b) **Loss and Damage Monitoring, Evaluation and Learning Systems: Lessons learned from the Adaptation Fund's portfolio**: This joint study of AF-TERG and UNEP CCC explores how insights from adaptation initiatives can inform robust Monitoring, Evaluation, and Learning (MEL) systems that serve issues related to both adaptation and loss and damage—two interconnected points along the same spectrum of climate response. The study draws on the Adaptation Fund's extensive experience with adaptation projects and UNEP CCC's work on enhancing transparency and supporting capacity building. It proposes to generate practical guidance for designing MEL frameworks that strengthen climate resilience while also addressing irreversible impacts. The study is scheduled to be completed by April 2026 and will bring important lessons to advance effective approaches to both adaptation and loss and damage.

53. Forward priorities: Such joint studies are examples of how, in collaboration with other partners in the climate finance space, the Adaptation Fund can contribute to ongoing discussions related to evaluations and climate change adaptation, ensure visibility for the Fund through joint studies, and be more efficient by reducing any duplicative work. The AF-TERG will continue

building on this ongoing work and explore further opportunities for the development of joint knowledge products with the other climate funds and stakeholders.

(j) Communications and knowledge management, in collaboration with the secretariat

54. Background: AF-TERG contributes to the overall knowledge management and communication work of the Fund, while maintaining its independent function in line with the AF-TERG mandate and its ToR.

55. Progress: The AF-TERG website³ was revamped in May 2025 and continues to be regularly updated with latest information on completed evaluations and other work undertaken by the group. The AF-TERG continues to maintain regular presence on social media channels, including LinkedIn. It now systematically reports on key activities and evaluation milestones to foster increased awareness and disseminate lessons learned and evidence generated by its work. Through this, it aims to reach various stakeholders in the evaluation and wider climate finance communities. Work on the AF-TERG communication strategy is underway, the strategy aims to be in alignment with the Fund's new communication strategy as well as with the goals of the MTS2 learning and sharing strategic pillar.

(k) External engagement and outreach

56. Progress: As part of its external engagements and outreach, the AF-TERG has selectively participated in events which are designed to demonstrate the Fund's niche value, showcase results, and facilitate learning (see Annex 1 for the full list).

57. Forward priorities: The AF-TERG will continue to use in-person and online avenues and collaborative partnerships, to promote the dissemination of evidence and findings from its evaluation work in support of the overall strategic objectives of the Fund.

Workstream 3: Evaluative capacity building

(l) Evaluation capacity development

Background: The Evaluation Policy (para 33) states that the AF-TERG will consult with the secretariat and IEs to develop Fund evaluation guidance that is relevant and user-friendly, and pursue local institution-building, decision-making, learning, and accountability.

58. Progress: The AF-TERG and the AFB Secretariat are jointly developing an **online training course** (eLearning) to help guide Fund stakeholders in the application of the evaluation policy. The video training is targeted at IEs and will provide practical guidance on the application of the Evaluation Policy at different stages of the project development and implementation. The course consists of two modules. The first module focuses on understanding the new Evaluation Policy of the Adaptation Fund, and the accompanying guidance notes, while the second module focuses on the technicalities of conducting project-level evaluations. The course aims to provide systematic capacity building for Implementing Entities (IE) and their evaluators in conducting project evaluations. The training course is currently under consultation and finalization.

59. Forward priorities: The training course is planned to be finalized by the end of FY26. Once the training course has been finalized the course will be uploaded to the World Bank's Open Learning Campus (OLC) as a formal training course available to both internal and external stakeholders.

60. The AF-TERG continues to engage with the AFB Secretariat at critical points at all stages of the evaluation process. Additionally, the AF-TERG also seeks the AFB Secretariat's advice on

³ <https://www.adaptation-fund.org/about/evaluation/>

relevant contextual knowledge and shifts in the climate finance landscape, and in addressing challenges and limitations in undertaking evaluation work, such as access to data, processes to reach AF stakeholders during evaluations, and ways of working together to contribute to increasing the impact of the Adaptation Fund.

Other forward priorities

(m) Peer evaluation of the AF-TERG

61. Background: Periodic independent reviews of evaluation functions are consistent with good governance practice and can reinforce accountability, build credibility, support institutional learning, and strengthen the utility of evaluations to the institution. The AF-TERG's work programme provisions for an independent review of the AF-TERG to be commissioned by the Board, in line with paragraph 9 of the AF-TERG Terms of Reference.

62. Progress: The AF-TERG in collaboration with the AFB Secretariat has developed an approach paper that outlines options for the independent review modality. This is submitted to the EFC as Annex 5 of this report and envisages a two-stage process to be concluded by March 2027. The review is intended to assess the relevance, impact and other dimensions of the independent evaluation function, as undertaken by the AF-TERG, against international standards, and to support learning and accountability within the Adaptation Fund. The review will also consider how the AF-TERG's structure and its operating modalities can best serve the Fund as it looks into the future trajectory of the Fund. The findings and recommendations of the review will be presented to the Ethics and Finance Committee for their consideration. The AF-TERG has also initiated an in-house reflective exercise to support the preparation for the independent review.

63. Forward priorities: As part of the proposed recommendation to the Board, the AF-TERG is proposing the formation of a Board Working Group to steer this effort to ensure independence of the review. The AF-TERG is ready to support the operationalization of the Board decision, as needed and requested by the Board.

Budget update

64. As reported in document AFB/EFC.37/2, the overall expenditure and commitment level of the AF-TERG and its Secretariat for in the period July 2025 – March 2026 was 65 per cent excluding the World Bank hosting fee, with the fixed component of the budget standing at 42 per cent, and the evaluation component at 65 per cent. This presents a significant improvement compared to the same period in FY25 and is a reflection of the improved budget planning and management processes introduced in the AF-TERG secretariat.

65. The overall budget utilization is expected to increase for the remainder in FY26. Procurement of all planned evaluations has been concluded, and the work is on track to be completed within FY26. Some underruns are possible on the personnel component due to hiring delays linked to the World Bank hiring freeze that delayed the start of the recruitment of the new Extended Term Consultant (ETC) position.

Annex 1: Summary of external outreach activities in FY25 (online and in-person)

FY26 (July 2025 – February 2026)

1. 13-16 October 2025: Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator, participated in one of the leading conferences for adaptation professionals globally, Adaptation Futures, which was held in Christchurch, New Zealand. He conducted a masterclass on the use of AI in evaluations, joined Innovation Spotlights organized by the Adaptation Fund, and discussed various challenges to measuring adaptation results at two other events at the conference.
2. 11-22 November 2025: Ms. Debbie Menezes (Chair of the AF-TERG) and Mr. Vladislav Arnaoudov joined COP30 in Belem, Brazil. As in previous years, the AF-TERG supported the work of the Climate Funds Pavilion and for the first time joined hands with evaluation units of other organizations in setting up the Evidence for Climate Action (E4CA) Pavilion at COP30. The AF-TERG organized or participated as speaker in eleven events at COP30 highlighting the evidence generated through its evaluation and how it can support more effective and efficient climate action. During COP30, Ms. Debbie Menezes also participated in an event with IE and DA representatives to launch the two new ex post evaluations of the AF-TERG in Cuba and Ghana.
3. 11 February 2026: AF-TERG organized an online joint event on innovative evaluation methods together with FAO and UNICEF evaluation offices as part of the Evaluation Week organized by the UN Evaluation Group (UNEG). Mr. Vladislav Arnaoudov and Ms. Susan Legro (AF-TERG member) presented the ex post evaluation methodology developed by the AF-TERG and discussed with the participants opportunities and challenges in applying this and other new evaluation methods in practice.
4. 12 February 2026: Mr. Shehryar Janjua (AF-TERG member) joined a Four Funds event hosted by the GCF Independent Evaluation Office (GCF IEU) on country ownership and presented evidence on country ownership from various evaluations conducted by the AF-TERG.
5. 18-19 February 2026: Ms. Debbie Menezes (in person) and Mr. Vladislav Arnaoudov (remotely) joined the United Nations Evaluation Group (UNEG) Annual General Meeting in Rome, Italy. The AF-TERG has been an observer to the UNEG since 2023 and has been joining the AGN to link with other evaluation professionals from the UN systems, show case the work of the Fund and receive updates on the latest developments in the evaluation field.

FY25 (July 2024 – June 2025)

6. 16-26 June 2025: Ms. Debbie Menezes, AF-TERG Chair, and Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator, attended and participated in SB62 as part of the

Adaptation Fund delegation. Ms. Debbie Menezes contributed to the Adaptation Fund side event on climate finance and adaptation needs and Mr. Vladislav Arnaoudov, as an independent expert, contributed to the ongoing discussions on GGA indicators.

7. 3-5 June 2025: Mr. Vladislav Arnaoudov, AF-TERG secretariat coordinator, virtually participated in the Harmonized Indicators for Private Sector Operations (HIPSO) Annual Meeting. The event provided an opportunity to engage with others on how AI could be used in their organization's own evaluative work.
8. 16 April 2025: Mr. Aneesh Kotru, Evaluation Analyst with AF-TERG secretariat, contributed to an internal GEF-IEO workshop on AI, exploring questions on how AI can strengthen evaluations.
9. 5 March 2025: Ms. Susan Legro, AF-TERG member, contributed to a panel discussion at the IDEAS Conference on Connecting the Dots: Evaluation for Transformational Climate Action Across Four Major Climate Funds. Highlighting transformational change as another area of collaboration of the evaluation units of the four major climate funds.
10. 20 February 2025: Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator and Ms. Susan Legro, AF-TERG member, joined the CIF Transformational Change Learning Partnership webinar presenting the joint study “The approach to transformational change in multilateral climate funds: AF, CIF, GEF and GCF”.
11. 10 - 14 February 2025: Ms. Debbie Menezes, AF-TERG Chair, and Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator/Senior Evaluation Officer, joined the UNEG evaluation week and annual general meeting in Tokyo, Japan.
12. 28 January 2025: Ms. Debbie Menezes, AF-TERG Chair moderated, and Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator/Senior Evaluation Officer presented at a Climate Finance Evidence Series event titled Use of AI in Climate Change Evaluations.
13. 11- 22 November 2024: Ms. Debbie Menezes, AF-TERG Chair, and Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator/Senior Evaluation Officer, joined the AF delegation at COP29 in Baku, Azerbaijan, and organized and/or presented at seven different side events.
14. 29 October 2024: Ms. Debbie Menezes, AF-TERG Chair, joined the online webinar debrief on the decisions of the forty-third AFB meeting and provided updates related to the work of AF-TERG.
15. 15-17 October 2024: Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator/Senior Evaluation Officer joined the event titled “Learning for Transformational Change” in Washington, D.C. organized by the Climate Investment Funds.

16. 25–27 September 2024: Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator/Senior Evaluation Officer, joined the annual European Evaluation Society conference in Rimini, Italy. He presented at a joint AF, CIF, GCF and CIF event on transformational change and at separate event on ex post evaluations.
17. 16–20 September 2024: Ms. Sithabiso Gandure, AF-TERG member, joined the annual Adaptation Fund NIE seminar in Johannesburg, Republic of South Africa.
18. 10–14 September 2024: Ms. Debbie Menezes, AF-TERG Chair, joined a convening event of the Rockefeller Foundation on climate evaluation in Bellagio, Italy.
19. 5 September 2024: Mr. Vladislav Arnaoudov, AF-TERG Secretariat Coordinator/Senior Evaluation Officer, presented at a joint event of the four climate funds Climate Finance Evidence Series: Lessons from Financing Forest Management.
20. Ongoing: The AF-TERG keeps an active web presence on social media platforms, such as Instagram, LinkedIn, and X, covering updates on on-going and completed work.

Annex 2: AF-TERG documents delivered to the Ethics and Finance Committee since FY24⁴

Since the beginning of FY24, the AF-TERG has delivered the following documents to the Board and its EFC:

FY24:

- a) Rapid Evaluation of the Adaptation Fund (AFB/EFC.32/.6/Rev.2) (October 2023)^[35]
- b) Work Programme Update Report of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) - Progress and Forward Priorities for Fiscal Year 2023–2024 (AFB/EFC.32/Inf.2) (October 2023)^[36]
- c) Approach to the Second Strategy and Work Programme of the Technical Evaluation Reference Group of the Adaptation Fund for the period 2025–27 (WP2) (AFB/EFC.32/Inf.3) (October 2023)^[37]
- d) Guidance in Support of the Operationalization of the Evaluation policy: Real-Time Evaluations (AFB/EFC.32/Inf.4) (October 2023)^[38]
- e) Guidance in Support of the Operationalization of the Evaluation Policy: Overarching Guidance Notes (AFB/EFC.32/Inf.5/Rev.1) (October 2023)^[39]
- f) Work Programme and Multi-Year Budgets of the Technical Evaluation Reference Group of the Adaptation Fund for the Period 2025–2027 AFB/EFC.33/.6/Rev.1) (April 2024)^[40]
- g) Revised Terms of Reference for the AF-TERG (AFB/EFC.33/.7) (April 2024)^[41]
- h) Approach to the Design of the Terms of Reference for the Comprehensive Evaluation of the Adaptation Fund and the MidTerm Review of the Second Medium-Term Strategy of the Adaptation Fund (AFB/EFC.33/10) (April 2024)^[42]
- i) Update on the AF-TERG Thematic Evaluation on the Adaptation Fund Accreditation Process (AFB/EFC.33/11) (April 2024)^[43]
- j) AF-TERG Thematic Evaluation of Scalability Concepts and Practice at the Adaptation Fund (AFB/EFC.33/12) (April 2024)^[44]
- k) Work Programme Update Report of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) - Progress for Fiscal Year 2023–2024 (FY24) (AFB/EFC.33/Inf.2) (April 2024)^[45]

⁴ All submitted documents since the establishment of AF-TERG in FY20 are available as part of the Board documents at <https://www.adaptation-fund.org/documents-publications/meeting-documents/>.

- l) Summary of Ex Post Evaluation #3 of AF Project Arg/Mie/Rural/2011/1 Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest Of The Buenos Aires Province, Argentina (AFB/EFC.33/Inf.6) (April 2024)^[46]
- m) Summary of Ex Post Evaluation #4 of AF Project Arg/NIE/Agri/2011/1 Enhancing the Adaptive Capacity and Increasing Resilience of Small-Size Agriculture Producers in Northeast Argentina (AFB/EFC.33/Inf.7) (April 2024)^[47]

FY25:

- n) AF-TERG Thematic Evaluation of Scalability Concepts and Practice of the AF (AFB/EFC.34.5/Rev.1) (October 2024)^[48]
- o) Summary of Ex Post Evaluation #3 of AF Project Arg/Mie/Rural/2011/1 Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest Of The Buenos Aires Province, Argentina (AFB/EFC.34/Inf.4) (October 2024)^[49]
- p) Summary of Ex Post Evaluation #4 of AF Project Arg/NIE/Agri/2011/1 Enhancing the Adaptive Capacity and Increasing Resilience of Small-Size Agriculture Producers in Northeast Argentina (AFB/EFC.34/Inf.5) (October 2024)^[50]
- q) Second Synthesis of Adaptation Fund final evaluations (AFB/EFC.34/Inf.6) (October 2024)^[51]

Work Programme Update of the technical Evaluation Reference group of the Adaptation Fund (AF-TERG) – Annual Progress Report for Fiscal year 2024 – 2025 (FY25) (AFB/EFC.35/.6) (April 2025)⁵

- r) Update on the results of the scoping study on the use of AI in climate change evaluations (AFB/EFC/35/.7) (April 2025)⁶
- s) Approach to the Evaluation of Processes and Systems Supporting Governance (G/PS) for Enhanced Performance of the Adaptation Fund (AFB/EFC.35/.8) (April 2025)⁷

⁵ Available at: https://www.adaptation-fund.org/wp-content/uploads/2025/03/AFB.EFC_.35.6-Update-on-AF-TERG-Work-Programme.pdf

⁶ Available at: https://www.adaptation-fund.org/wp-content/uploads/2025/03/AFB.EFC_.35.7-Annex-Scoping-Study-on-Use-of-AI-in-Evaluations.pdf

⁷ Available at: https://www.adaptation-fund.org/wp-content/uploads/2025/03/AFB.EFC_.35.8-AF-TERG-Approach-Paper-on-GPS-Evaluation.pdf

FY26:

- t) Work Programme Update of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) – Annual Report for Fiscal Year 2024-2025 (FY25) (AFB/EFC.36/.6) (October 2025)⁸
- u) Thematic Evaluation of the Readiness Programme of the Adaptation Fund (AFB/EFC.36/.7) (October 2025)⁹
- v) Evaluation Policy Implementation Progress Report (AFB/EFC.36/.8) (October 2025)¹⁰
- w) Thematic Evaluation of the Readiness Programme of the Adaptation Fund (AFB/EFC.36-37/1) (intersessional)¹¹
- x) Ex Post Evaluation #5 AF Project MTN/MIE/Food/2011/1/Pd Enhancing Resilience of Communities to the Adverse Effects of Climate Change on Food Security in Mauritania (PARSACC) (AFB/EFC.36-37/Inf.1) (intersessional)¹²
- y) Ex Post Evaluation #6 AF Project ERI/MIE/Rural/2010/2 Climate Change Adaptation Programme in Water and Agriculture in Anseba Region, Eritrea (AFB/EFC.36-37/Inf.2) (intersessional)¹³

^[1] Available at: <https://www.adaptation-fund.org/document/draft-strategy-and-work-programme-of-the-adaptation-fundtechnical-evaluation-reference-group-af-terg/>

^[2] Available at: <https://www.adaptation-fund.org/document/technical-evaluation-reference-group-of-the-adaptationfund-af-terg-work-update-report/>

^[3] Available at: <https://www.adaptation-fund.org/document/evaluating-adaptation-common-challenges-identifiedacross-three-studies-commissioned-by-the-adaptation-fund-technical-evaluation-reference-group-af-terg/>

^[4] Available at: <https://www.adaptation-fund.org/document/progress-update-on-the-review-and-revision-of-theevaluation-framework-technical-evaluation-reference-group-of-the-adaptation-fund-af-terg/>

^[5] Available at: <https://www.adaptation-fund.org/document/synthesis-of-adaptation-fund-final-evaluations-technicalevaluation-reference-group-of-the-adaptation-fund-af-terg/>

^[6] Available at: <https://www.adaptation-fund.org/document/boards-participation-in-advisory-groups-technicalevaluation-reference-group-of-the-adaptation-fund-af-terg/>

^[7] Available at: <https://www.adaptation-fund.org/document/work-update-report-of-the-technical-evaluation-referencegroup-of-the-adaptation-fund-af-terg/>

^[8] Available at: <https://www.adaptation-fund.org/document/mid-term-review-of-the-medium-term-strategy-emergingfindings-and-areas-for-discussion-technical-evaluation-reference-group-of-the-adaptation-fund-af-terg/>

^[9] Available at: <https://www.adaptation-fund.org/document/mid-term-review-of-the-medium-term-strategy-of-theadaptation-fund/>

⁸ Available at: https://www.adaptation-fund.org/wp-content/uploads/2025/10/AFB.EFC_.36.6_AF-TERG-work-programme-update-for-upload-final.pdf

⁹ Available at: https://www.adaptation-fund.org/wp-content/uploads/2025/10/AFB.EFC_.36.7-Thematic-Evaluation-of-the-AF-Readiness-Programme-.pdf

¹⁰ Available at: https://www.adaptation-fund.org/wp-content/uploads/2025/10/AFB.EFC_.36.8_EP-progress-report-FINAL.pdf

¹¹ Available at: https://www.adaptation-fund.org/wp-content/uploads/2026/02/AFB.EFC_.36-37.1-Evaluation-of-the-Readiness-Program-and-Management-Response-FINAL.pdf

¹² Available in English at: https://www.adaptation-fund.org/wp-content/uploads/2026/01/ExPostEvaluation_Mauritania_FinalReport.pdf

¹³ Available at: <https://www.adaptation-fund.org/wp-content/uploads/2026/01/Ex-post-evaluation-report-Eritrea.pdf>

- ^[10] Available at: <https://www.adaptation-fund.org/document/44842/>
- ^[11] Available at: <https://www.adaptation-fund.org/document/progress-on-development-of-the-adaptation-fundevaluation-policy-information-update/>
- ^[12] Available at: <https://www.adaptation-fund.org/document/progress-update-on-ex-post-evaluations-af-terg/>
- ^[13] Available at: <https://www.adaptation-fund.org/document/draft-evaluation-policy-of-the-adaptation-fund/> and as graphically edited version: <https://www.adaptation-fund.org/document/evaluation-policy-of-the-adaptation-fundgraphically-edited/>
- ^[14] Available at: <https://www.adaptation-fund.org/document/fiscal-years-2023-2024-update-to-the-work-programme-ofthe-adaptation-fund-technical-evaluation-reference-group-af-terg/>
- ^[15] Available at: <https://www.adaptation-fund.org/document/technical-evaluation-reference-group-of-the-adaptationfund-af-terg-work-update-report-for-fiscal-year-2022-fy22-and-forward-priorities-fy23/>
- ^[16] Available at: <https://www.adaptation-fund.org/document/af-terg-information-update-on-phase-one-of-the-thematicevaluation-of-innovation/>
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- ^[18] Available at: <https://www.adaptation-fund.org/document/draft-framework-for-the-development-of-evaluation-policyguidance-documents-af-terg/>
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- ^[20] Available at: <https://www.adaptation-fund.org/document/thematic-evaluation-of-the-adaptation-funds-experiencewith-innovation-af-terg/>
- ^[21] Available at: <https://www.adaptation-fund.org/document/options-for-the-overall-evaluation-of-the-fund-af-terg/>
- ^[22] Available at: <https://www.adaptation-fund.org/document/information-update-on-phase-2-of-the-ex-post-projectsustainability-evaluations-af-terg/>
- ^[23] Available at: https://www.adaptation-fund.org/wp-content/uploads/2023/10/AFB.EFC_.32.7_Evaluation-PolicyBudget-Implication_clean.pdf
- ^[24] Available at: https://www.adaptation-fund.org/wp-content/uploads/2023/03/2023-03-06-AFBEFC.31.8.Add_.1-EPGDev.-Annex-1.pdf
- ^[25] Available at: <https://www.adaptation-fund.org/document/evaluation-criteria/>
- ^[26] Available at: <https://www.adaptation-fund.org/document/evaluation-budgeting/>
- ^[27] Available at: <https://www.adaptation-fund.org/document/commissioning-and-managing-an-evaluation/>
- ^[28] Available at: <https://www.adaptation-fund.org/document/evaluation-terms-of-reference/>
- ^[29] Available at: <https://www.adaptation-fund.org/document/inception-report/>
- ^[30] Available at: <https://www.adaptation-fund.org/document/evaluation-reporting/>
- ^[31] Available at: <https://www.adaptation-fund.org/document/mid-term-review/>
- ^[32] Available at: <https://www.adaptation-fund.org/document/final-evaluation/>
- ^[33] Available at: <https://www.adaptation-fund.org/document/ex-post-evaluation/>
- ^[34] Available at: https://www.adaptation-fund.org/wp-content/uploads/2023/03/AFB.EFC_.31.Inf_.2_AF-TERG-WorkUpdate-Report.pdf
- ^[35] Available at: https://www.adaptation-fund.org/wp-content/uploads/2023/08/AFB.EFC_.32.6.Rev_.2_Rapidevaluation-Rev.2.pdf
- ^[36] Available at: https://www.adaptation-fund.org/wp-content/uploads/2023/10/AFB.EFC_.32.Inf_.2_Update-on-the-AFTERG-work-programme-final.pdf
- ^[37] Available at: https://www.adaptation-fund.org/wp-content/uploads/2023/10/AFB.EFC_.32.Inf_.3_Multi-yearprogramme-approach-paper-concept-final.pdf
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- ^[39] Available at: <https://www.adaptation-fund.org/wp-content/uploads/2023/11/Overarching-Guidance-Note.pdf>
- ^[40] Available at: <https://www.adaptation-fund.org/wp-content/uploads/2024/04/AFB-EFC.33-6-Rev-1-AF-TERG-Second-multiyear-work-programme-2.pdf>
- ^[41] Available at: https://www.adaptation-fund.org/wp-content/uploads/2024/04/AFB_EFC.33_7.pdf
- ^[42] Available at: https://www.adaptation-fund.org/wp-content/uploads/2024/04/EFC_33_10.pdf
- ^[43] Available at: <https://www.adaptation-fund.org/wp-content/uploads/2024/04/AFB-EFC.33-11-TE-on-AccreditationProcess-R.pdf>
- ^[44] Available at: https://www.adaptation-fund.org/wp-content/uploads/2024/04/EFC_33_12.pdf

^[45] Available at: https://www.adaptation-fund.org/wp-content/uploads/2024/04/AFB.EFC_.33.Inf_.2_Update-on-the-AFTERG-work-programme.pdf

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^[48] Available at: https://www.adaptation-fund.org/wp-content/uploads/2024/09/AFB_EFC.34_5-AF-TERG-TE-Scalability-Evaluation-Report.pdf

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^[50] Available at: https://www.adaptation-fund.org/wp-content/uploads/2024/09/AFB.EFC_.34.Inf_.4-Ex-post-4-Argentina.pdf

^[51] Available at: https://www.adaptation-fund.org/wp-content/uploads/2024/10/AFB.EFC_.34.Inf_.6-Adaptation-Fund-Final-Evaluation-Synthesis-Report.pdf

ANNEX 3.

Comprehensive Evaluation of the Adaptation Fund

Progress Report April 2026

Introduction

This brief provides a summary of the status and emerging findings of the Comprehensive Evaluation of the Adaptation Fund (the Fund). It outlines work on the Comprehensive Evaluation and considers inputs from two ongoing, contributing evaluations from the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG): the “Mid-Term Review of the Medium- Term Strategy of the Adaptation Fund (2023-2027)” and “Evaluation of the Processes and Systems Supporting Governance for Enhanced Performance of the Adaptation Fund,” a governance, process, and systems evaluation.

Evaluation Purpose

The Comprehensive Evaluation will assess the Fund's progress and performance since its last overall evaluation in 2017 in line with Board Decision B.39/57. It is expected to generate forward-looking findings and recommendations on how the Fund can continue to deliver on its global mandate to finance concrete adaptation actions that address the urgent needs of those most vulnerable to climate change, and to strengthen its defined niche in the climate finance architecture—characterized by direct access, country ownership, responsiveness, and innovation. It aims to assess the extent to which the Fund is fulfilling this niche in practice, countries' access to resources, and the relevance and added value of the Fund in the context of evolving country needs and global climate policy priorities. The insights and recommendations of the Comprehensive Evaluation will inform the next Medium-Term Strategy (MTS3) of the Fund for 2028–2032.

Evaluation Approach

The Comprehensive Evaluation builds upon a series of evaluations that were commissioned during the period 2018-2025 (see Figure 1). The [Evaluation Policy of the Fund](#) has nine evaluation criteria: relevance, coherence, effectiveness, efficiency, impact, equity, adaptive management, scalability, and human and ecological sustainability and security. The Comprehensive Evaluation will assess the Fund's achievements against these criteria. Complete terms of reference for the evaluation, including a detailed explanation of the evaluation questions, are provided in Board Decision (Decision B.42-43/27).

The Comprehensive Evaluation team is using a variety of data collection methods in its analysis, including document reviews, portfolio review and analysis, semi-structured key informant interviews, focus group discussions, and country and thematic case studies.

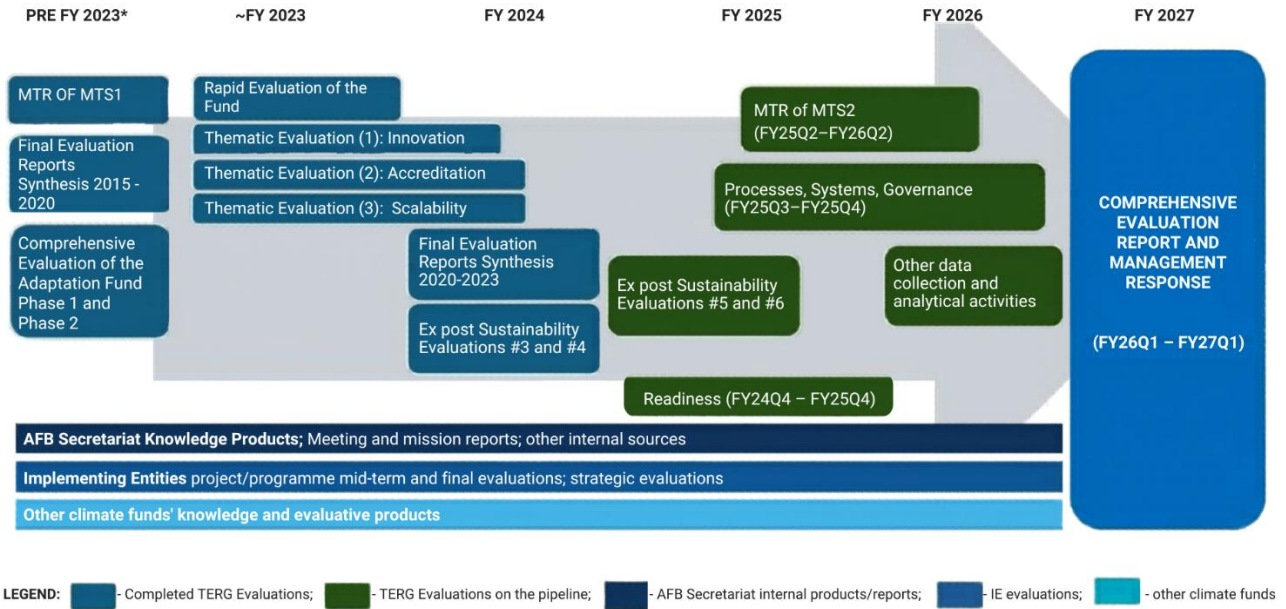


Figure 1. Building Blocks of the Comprehensive Evaluation

Progress To Date

To ensure alignment of the three ongoing evaluations of the Fund, the AF-TERG convened a **sensemaking workshop** in January 2026 to discuss overarching themes and validate emerging findings with the Adaptation Fund Board Secretariat (the Secretariat). This two-day meeting helped to identify emerging themes and organize evidence across different sources for “forward-looking” findings that will support the Fund in meeting its strategic objectives and thereby serving the adaptation needs of the most vulnerable. These findings will be detailed in the full evaluation report.

An in-depth **desk review of key documents** related to the scope of the evaluation has been carried out, and the documents have been coded against the evaluation criteria and questions in the evaluation matrix. The documents reviewed include documents and decisions from the Adaptation Fund Board (the Board), program and project evaluations, knowledge products, work programs and bi-annual updates from the AF-TERG, annual performance reports, and strategic planning documents. To date, 94 documents have been reviewed.

The evaluation team has conducted a **portfolio analysis** to provide a snapshot of Fund-financed projects, including information on the countries in which projects have been carried out (geographic information, vulnerability, typology), the types of projects supported (sectors, themes, funding windows, and funding approaches), implementing entities and partners, grant amounts, and other essential data.

Forty-six semi-structured **key informant interviews** have been conducted with Board members; the Secretariat; the AF-TERG; Fund contributors; the trustee; national, regional, and multilateral Implementing Entities; Designated Authorities from Central African Republic, Liberia, and Moldova; and Civil Society Organization Network members for direct insights to answer the evaluation questions. To further explore country perspectives on Fund’s support, four **focus group**

discussions were conducted in English, French, and Spanish with representatives from a total of 18 Designated Authorities from Bhutan, Brazil, Côte d'Ivoire, Cuba, Guinea, Egypt, Fiji, Georgia, Guatemala, Indonesia, Iran, Malaysia, Mexico, Panama, Rwanda, Senegal, Serbia, and Venezuela.

Four **country case studies** have been completed in Armenia, Cambodia, the Dominican Republic, and Rwanda. The evaluation team had to change two of the initially selected country case studies during the evaluation period due to civil unrest, replacing Cambodia for Bangladesh and Rwanda for Tanzania. Each case study comprised a desk review of key relevant country documents, interviews, and field observations. Country selection was guided by consideration of regional balance, the number of implementing entities and projects, types of access (direct, regional, multilateral), vulnerability, and typology, i.e. representation of small island developing states (SIDS) and least developed countries (LDCs).

In addition to the four country case studies, three **thematic case studies** are in their final stages covering the following topics: (1) direct access and country ownership, (2) the Fund's niche and comparative advantage in the climate finance landscape, and (3) advancing locally led adaptation (LLA) through Fund programming. The results of the case studies are being integrated into the overall data analysis.

Upcoming Milestones and Deliverables

The draft and final Comprehensive Evaluation reports will be completed in May and July of 2026, respectively. The reports will address all evaluation questions and will include key findings, conclusions, lessons learned, and recommendations. The reports will be submitted through AF-TERG for review and revision prior to submission to the Board.

Concluding efforts will produce communication and information dissemination documents, including an evaluation brief for the EFC setting out the main findings, lessons, and recommendations of the evaluation. Several knowledge products are envisioned to be clarified during the reporting phase, such as executive summaries, infographics that distill key findings and recommendations in a user-friendly format, and case briefs from the thematic case studies.

Strategic themes

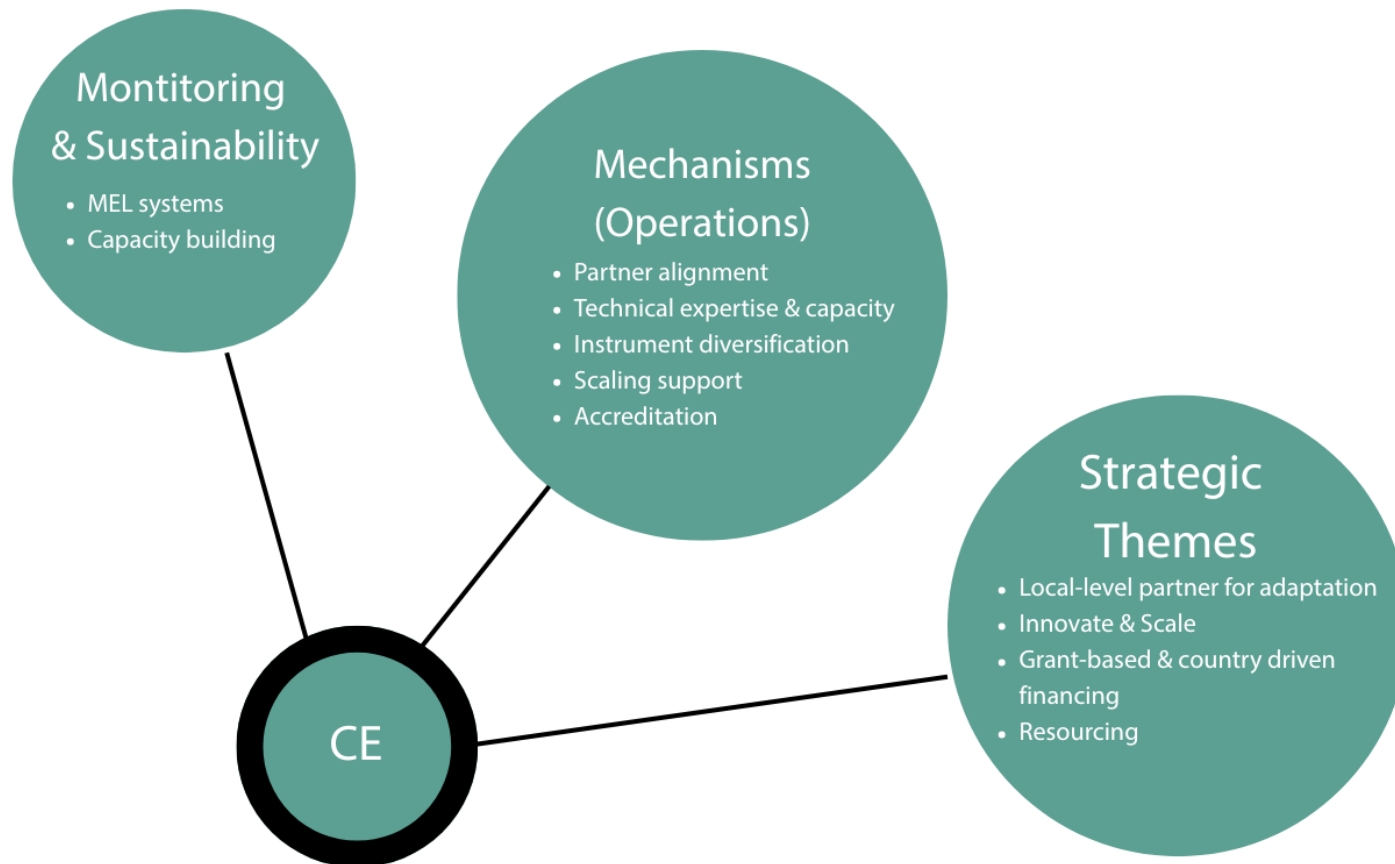


Figure 2. Key focus areas of the Comprehensive Evaluation

Evaluation of the Processes and Systems supporting Governance for enhanced performance of the Adaptation Fund (G/PS Evaluation)

Progress Report

March 2026

Progress Report

Purpose

The purpose of the Evaluation of the Processes and Systems supporting Governance for enhanced performance of the Adaptation Fund (G/PS) is to determine the strengths and areas for improvement of the Fund's processes and systems that underpin its governance. The evaluation is intended to support the objective of learning to enhance the Fund's performance, and it is therefore not meant as an accountability tool.

Background

The G/PS evaluation takes place at a critical juncture for the Adaptation Fund, as it adapts to both internal strategy shifts and the rapidly changing global climate finance context.

In recognition of the vital role that institutional architecture plays in the effectiveness of climate finance delivery, the Adaptation Fund Board commissioned an evaluation focusing on the Fund's governance structures, decision-making processes, and operational systems as a strategic input for forward planning.¹⁴

Overseen and managed by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), this evaluation critically assesses how the Fund's formal and informal governance, risk management, oversight mechanisms, resource allocation systems, and policy adaptation processes enable or constrain its mandate delivery.

The evaluation is a key component of the Fund's broader learning and accountability agenda, complementing the ongoing Comprehensive Evaluation (CE) and the Mid-Term Review (MTR) of Fund's Second Medium-Term Strategy 2023-2027 (MTS2). Close coordination with these parallel processes has ensured methodological coherence and maximised resource efficiencies.

Evaluation Scope

The G/PS evaluation is designed to provide actionable insights into the alignment, effectiveness, and efficiency of the Fund's governance systems, processes and resources across macro (governance and oversight), meso (institutional and operational performance), and micro (project cycle) levels, with particular attention to lessons learned since the last overall evaluation in 2018 and during implementation of the MTS2. It focuses on:

¹⁴ Decision B.40/72, March 2023.

- a. **Governance systems** - the formal and informal structures through which authority, accountability, decision making and oversight are organized. In short, who holds authority and how is it structured?¹⁵
- b. **Governance processes** - the mechanisms, activities and practices through which governance systems function. In short, how are decisions made, implemented and monitored?
- c. **Governance resources** - the inputs and assets needed to design, operate and sustain governance systems and processes. In short, what is required to make governance possible?

The evaluation covers the period April 2017 to December 2025 (the same period as the CE) and is intended to support learning and enhancement of the Fund's performance, focusing on what works well, what needs improvement, and providing lessons and recommendations for future enhancements.

It answers five overarching key evaluation questions (EQs) and twelve sub-questions (see Annex 1). While the evaluation does not consider the Adaptation Fund Board (the Board) structure, the AFB Secretariat (the secretariat) structure and business model, and the AF-TERG role and effectiveness, it does consider how the functional units/governance structures come together to support the effectiveness of the Fund's governance.

Finally, the evaluation is also a building block of the CE and an element of the overall evaluation of the Fund, as decided by the Board.

Methodological Update

The approach has been comprehensive, systematic, and inclusive, ensuring that the evaluation captures the full range of perspectives, evidence, and lessons relevant to the Fund's governance processes and systems.

The methodology was guided by the seven Adaptation Fund Evaluation Policy Principles. It was designed to be participatory and tailored to the Fund's unique governance context and objectives, ensuring that the evaluation is not only rigorous but useful to the Fund and its stakeholders during an intense period of decision-making and evidence-gathering around the Fund's performance and outcomes.

The methodological approach was fully implemented and consisted of a desk review of internal Fund documents, Key Informant Interviews, a landscape analysis supported by a desk review of external documents and literature. A Maturity Matrix Lens was then applied to capture the direction of travel of critical governance processes and systems.

¹⁵ The evaluation did not consider structures or decision-making within the mandate of the CMP/CMA.

The findings and insights generated through each methodological element directly informed the other approaches, which allowed an iterative and adaptive approach to data collection and analysis with triangulation and methodological rigour at its core.

A *desk review* of internal Fund documents, including policies, Board minutes, and previous evaluations and reviews, was conducted to orient the team and support a mapping of the Fund’s current processes and systems. The evaluation team worked closely with the AF-TERG to identify and collect relevant documentation and a structured evidence framework, aligned with the evaluation matrix, was established in MAXQDA to extract and analyse relevant data.

A purposive and snowball sampling approach was applied to *Key Informant Interviews* (KIIs) to ensure representation and to capture diverse perspectives (with evidence extracted and analysed in MAXQDA). In total, the evaluation team interviewed 35 stakeholders, including Board and Committee members, the AF-TERG and the secretariat staff, and implementing entities (IEs). Please see Figure 1 below for the complete breakdown.

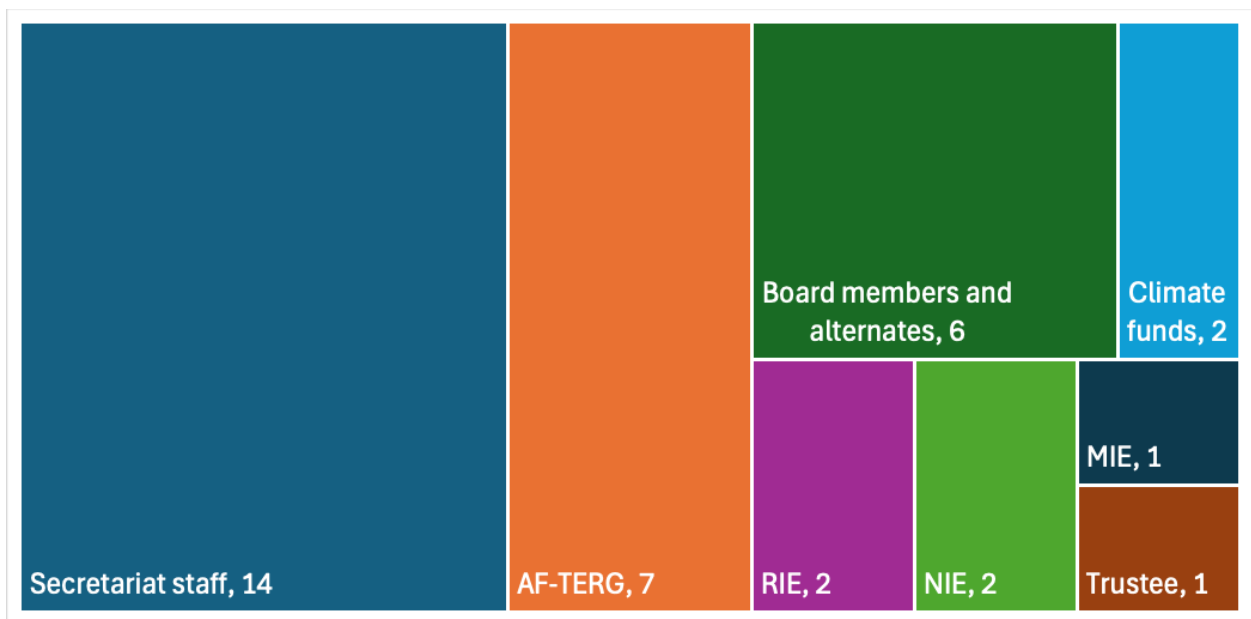


Figure 3: Key Informant Breakdown

A *landscape analysis*, supported by a desk review of external documents and literature and selected KIIs (with evidence extracted and analysed in MAXQDA), provided a broad synthesis of governance documentation and governance-related lessons from three peer institutions: the Green Climate Fund (GCF), the Global Environment Facility (GEF), and the Climate Investment Funds (CIFs). The GCF and GEF operate as formal UNFCCC financial mechanisms under the Paris Agreement, while the CIFs, legally and administratively part of the World Bank, have aligned their strategies to support the Paris Agreement’s goals. This analysis generated contextual and baseline insights focused on learning and good practice related to decision-making, as well as external visibility and influence.

Drawing on evidence collected and analysed across all evaluation components, a *Maturity Matrix Lens* was then applied to eight in-depth components (please see Figure 1 below) of the evaluation, providing a unique way of examining (‘a different way of seeing’) the Fund’s governance systems, process and resources (as outlined in paragraph 4). By using the lens of a Maturity Matrix we can make an evidence-based assessment of these eight components and whether each component is emerging, formalised, harmonised or strategic, as well as capturing whether there is any direction of travel for each component to show change and momentum over time. In other words, for this evaluation, we use maturity as a lens, it is not about providing a rating or score, rather it is about giving a sense of direction and noting the factors or drivers impacting (both positively and negatively) the specific component.

Figure 2 below is a reminder of the in-depth elements analysed using the Maturity Matrix Lens.

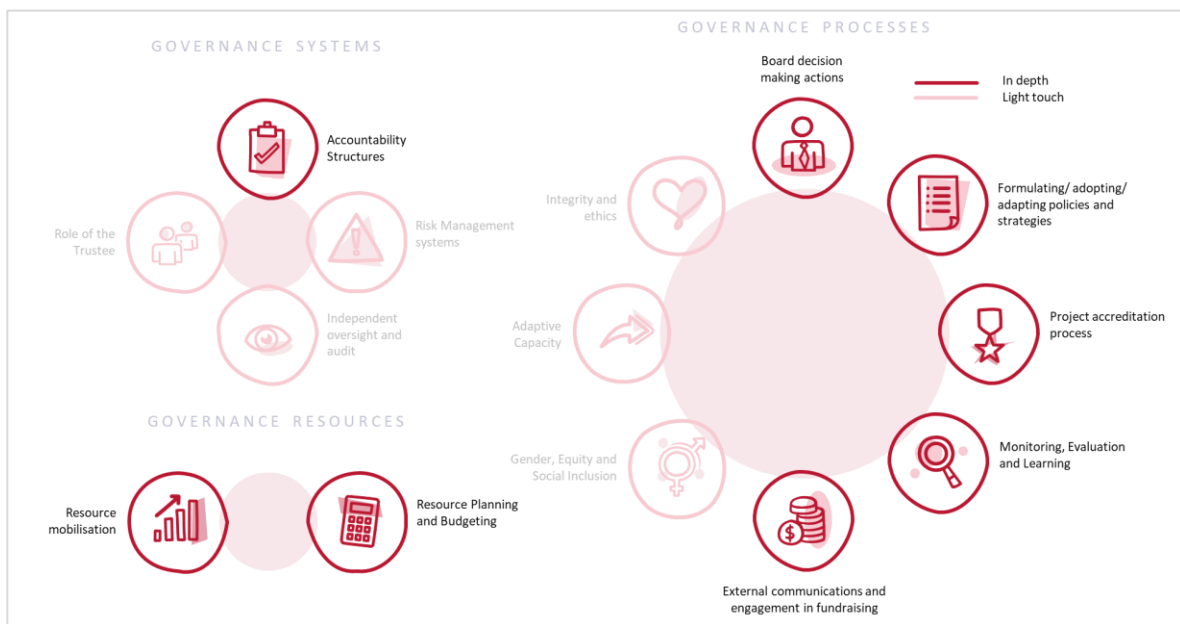


Figure 4: Maturity matrix lens on eight in-depth components

Both qualitative and quantitative data was triangulated and synthesised to generate insights and findings against each EQ. The synthesis provided a holistic view of how the Fund’s decision-making processes and systems support the Fund’s mission and performance (macro level), enable external visibility and influence in relationship to the implementation of the Fund’s strategies, policies, and processes (meso level), and support programming decisions across the project cycle to maximize impact (micro level). It highlighted areas of strength, as well as areas of the Fund’s processes and systems that may require further attention or adjustment. It also drew lessons and highlighted good practices for enhancing the Fund’s systems and processes within the broader climate finance landscape. These will support the recommendation development process.

During an in-person sensemaking session in Washington DC in January 2026, emerging insights were shared and discussed with the AF-TERG, the secretariat, the MTR of MTS2 and CE teams.

These were then developed into early findings and presented to the EAG¹⁶ on March 4th 2026. An iteration of these is presented in the next main section.

Next steps

The evaluation team, guided by the AF-TERG, is working to update the draft Landscape Analysis and Maturity Matrix Lens. The revised documents will be shared with the CE evaluation team in early March to support ongoing data analysis and triangulation for the CE.

The evaluation team is also developing the first draft evaluation report, guided by the AF-TERG and with advisory support and input from the EAG, including on the recommendation areas.

The G/PS evaluation will be finalised according to the workplan on the following page.

¹⁶ This is made up of the AF-TERG and a selection of secretariat members.

* Critical path with Reflection Points		August				Sep				Oct				Nov				Dec				Jan				Feb				March				April				MAY	
No	Phase	Item	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1
1	Inception	Kick-off meeting with AF-TERG																																					
2		Refining review questions																																					
3		Light desk review																																					
4		Inception interviews																																					
5		Evaluation matrix																																					
6		Evaluation toolkit development																																					
7		Draft inception report + QA																																					
8		AF-TERG comment on inception report																																					
9		Reflection Point 1																																					
10		Final inception report																																					
11		Sign off of inception phase																																					
		Total days																																					
11	Review & Preliminary Analysis (Implementation)	*Desk review (internal)																																					
12		Desk review (external)																																					
13		*Key informant interviews (KIIs) (note CoP and Board meeting)																																					
14		*Landscape analysis																																					
15		Reflection Point 2																																					
16		Preliminary analysis of evidence																																					
17		Sign off of Evaluation Implementation phase																																					
18	Full analysis and reporting phase and Final communication and dissemination	Analysis and triangulation																																					
19		Reflection Point 3																																					
20		Drafting workshop/ Sensemaking workshop (as per proposal)																																					
21		Draft 1 (inc. maturity matrix analysis)																																					
22		Draft 1 QA																																					
23		Draft 1 to AF-TERG																																					
24		AF-TERG comment on draft report																																					
25		Co-create recommendations workshop																																					
26		Draft 2																																					
27		Draft 2 QA																																					
28		Draft 2 to AF-TERG																																					
29		AF-TERG comment on draft 2 report																																					
30		Secretariat commenting																																					
31		Finalisation of report																																					
32	Sign off Report drafting phase																																						
33	Full analysis and reporting phase and Final communication and dissemination	Meeting with AF stakeholders to discuss outreach																																					
34		Draft powerpoint presentation for the EFC and Evaluation Brief																																					
35		QA of draft presentation and Evaluation Brief																																					
36		Draft presentation and Evaluation Brief to AF-TERG																																					
37		Feedback from AF-TERG on draft presentation and evaluation Brief																																					
38		Final presentation and Evaluation Brief delivered Report revised for submission to intersessional																																					
39		Sign off Dissemination phase																																					

Agreed deadlines, milestones and activities with AF-TERG

Booked for 24th Feb

Recommendations (for the AF-TERG) / Agreed third

March 4th workshop with AEG and/or with Senior Leadership

Submit updated progress report by 9th March

Book for 25th March

Full first draft report to the AF-TERG 30th March

April, then revise for intersessional (see new row 38 below)

End of April/ Agreed fourth milestone invoicing point

As required

As required

As required

AEG on 4th March

Completed earlier

Substituted by row 32 above

Substituted by row 32 above

Figure 5: Workplan as of 26th February 2026

Strategic Themes

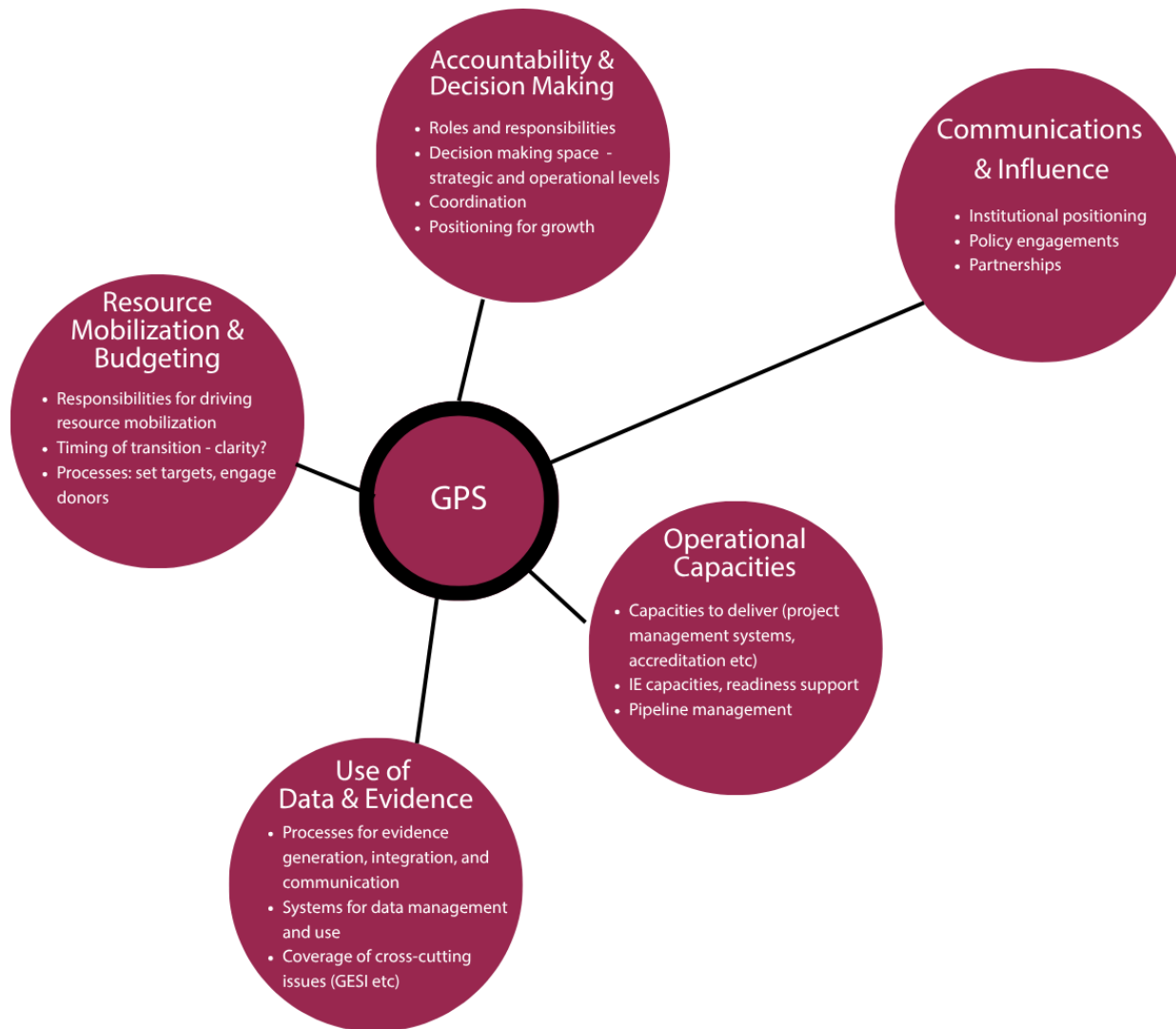


Figure 6: Key focus areas of the G/PS evaluation

Annex 5.

EXTERNAL REVIEW OF THE TECHNICAL EVALUATION REFERENCE GROUP OF THE ADAPTATION FUND (AF-TERG)

1. Introduction

Periodic independent reviews of the evaluation functions of institutions are consistent with good governance practice and can reinforce accountability, build credibility, support institutional learning, and strengthen the utility of evaluations to the institution.

This paper sets out a proposed approach for undertaking the first independent review (the “Review”) of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) since its establishment in 2019 and is in line with the AF-TERG ToR. Following a short framing of the background, this paper broadly frames the objectives, scope and process for managing the Review, in a manner consistent with well-established standards and norms of the United Nations Evaluation Group (UNEG) that are designed to enhance the quality, effectiveness, and impact of evaluation practices within organizations. This paper recommends that the work is conducted under the direction of a working group of the Adaptation Fund Board.

2. Background

The AF-TERG was established by the Board through decision B.31/25 and its Terms of Reference (ToR) was approved through decisions B.31/25, paragraph (a) and revised through decision B.42/47¹⁷. As per the AF-TERG ToR, the AF-TERG provides an evaluative advisory role through performing generation of evaluations, evaluation utilization and evaluation capacity building functions.

Para 9 of the AF-TERG’s TORs states that:

“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.”

The AF-TERG delivers its work through multi-year work programmes. The first work programme (2019 – 2024) provisioned for a review of the AF-TERG in 2024. This was intended to strengthen the evaluation function and its operational modalities and improve the uptake of its products to support learning. However, due to other emerging priorities, the review was shifted to the AF-TERG’s second work programme (FY25 - FY27) which was approved at the 42nd meeting of the Board (decision B.42/46) in April 2024.

Following the coming into force of the Evaluation Policy of the Adaptation Fund (October 2023),¹⁸ the AF-TERG joined the United Nations Evaluation Group (UNEG) with observer status in October 2023 and initiated discussions in 2025 to become a full member. The UNEG recommends that evaluation offices are periodically independently reviewed to ensure credibility and compliance with norms.

¹⁷ Decision B. 42/47, for the full text please see: https://www.adaptation-fund.org/wp-content/uploads/2024/05/AF-TERG-revised-ToR_for-publication.pdf

¹⁸ AF-TERG.2022. Evaluation Policy of the Adaptation Fund. Available at: <https://www.adaptation-fund.org/document/evaluation-policy-of-the-adaptation-fund-graphically-edited/>

2. Purpose, Objectives and Use

The purpose is to assess the AF-TERG's independent evaluation function and its operating modalities against international standards, and support learning and accountability within the Adaptation Fund. The findings and recommendations of the Review will be presented to the Board for their consideration.

Objectives: The two objectives of the Review could be as follows:

- (i) **Objective 1:** Assess the relevance and effectiveness of the ***AF-TERG's functions in supporting the Fund's mission***, including the quality and utility of its products, how the evaluation function is responsive in supporting the evolving needs of the Fund, and its ability to influence and bring about change. This also includes an exploration of how the AF-TERG's functions contribute to the Fund's credibility and impact.
- (ii) **Objective 2:** Examine the ***structural aspects*** of the AF-TERG and its operations, and the extent to which its current arrangements are effective in relation to other key institutional functions of the Fund. This includes assessing the extent to which current structural aspects enable the AF-TERG's independent function to be effectively maintained in line with the Evaluation Policy and with international good practice. This also includes an assessment of the relative structure, size, and scope of the function in relation to the size of the Fund, current and future, and in relation to similar organizations and proportionality of the capacity of the AFB Secretariat to respond to the evaluative findings in relation to the volume of evaluative work. Further it will include the influence of the current structure, size and scope in undertaking relevant and timely evaluative work for the Fund, leading to usable findings.

Use: The findings will be used to inform the following:

- (i) The review will offer practical insights on how the AF-TERG's evaluation processes, methods and institutional arrangements could be improved to **better support the Adaptation Fund**. This could help to support continual improvement of the evaluation function and inform any adjustments (if required) to the AF-TERG's organizational structure, scope, roles and responsibilities, working modalities, operational issues, and resourcing to ensure that the AF-TERG's structure effectively supports the delivery of its mandate and future work programme.
- (ii) The review would become a critical input into the **first review of the Adaptation Fund's Evaluation Policy** which is scheduled to be completed by October 2027, i.e., no later than five years from the date it was approved. As the Evaluation Policy clearly defines the roles and responsibilities of the AF-TERG in implementing and supporting the Fund's evaluation function, this provides a useful opportunity to make any adjustments in supporting the Fund's direction of travel.
- (iii) The review could also help to inform planning and prioritization of the **AF-TERG's third multi-year work programme (2027 – 2029)**. Findings would provide an evidence-based input that enables the AF-TERG to refine the scope of its work including what it evaluates, the overall utility of its evaluations, improve how evaluations are conducted, strengthen

the use of evaluation findings, and better align its next work programme with the Adaptation Fund Board's needs, strategic priorities, and good evaluation practice.

3. Scope of Work

The Review is intended to focus solely on the AF-TERG's functions (taken to include both its members and the AF-TERG secretariat) both in the context of its current structure and operations, as well as its fit with the future strategic direction of the Adaptation Fund. The Review will therefore cover the entire period of the AF-TERG's operations since it was formed – i.e., from 2019 – 2026. The AF-TERG's TORs, first and second work programmes and the Fund's Evaluation Policy (2023) shall serve as the main foundational guiding documents.

The Review should also consider the evolving external and internal contexts, particularly the climate finance landscape and how the AF-TERG's role can be most effective in delivering for the Fund through its work programme and operating modalities. This includes an assessment of its size, scope and structure as compared to similar organizations. Notably, the Adaptation Fund is in the process of transitioning to exclusively serve the Paris Agreement.

Additionally, the Decision (1.CMA/6) of the New Collective Quantified Goal (NCQG), which establishes a new financial and operational levels of ambition for some multilateral climate funds under the UNFCCC, could also have implications for the future operations of the Fund. Consequently, the Fund's evaluation function (as delivered by the AF-TERG) needs to keep abreast with these new directions.

Another important consideration is the impact of the World Bank operational modalities on the work of the AF-TERG.

The Adaptation Fund Board secretariat and AF-TERG secretariat are administratively hosted by the World Bank. This means that the World Bank HR, procurement and other administrative rules apply to the AF-TERG members and the AF-TERG secretariat.

Therefore, the review should look into those arrangements and how they impact the current and future work of the AF-TERG.¹⁹

4. Governance and Management Arrangements: The EFC may wish to recommend to the Board that a Board Working Group is established to oversee the evaluation. The Working Group, comprising three to four members, would operate under the authority of the Board and provide strategic oversight, guidance, and management during the course of the evaluation to ensure its independence and utility. The Working Group would also review the evaluation findings prior to their submission to the Board for consideration.

The Working Group would determine its own operating modalities and organization, including the manner in which it structures and carries out its work. It would also consider and recommend the appropriate modality for establishing the evaluation team, taking into consideration the intended

¹⁹ From 2027, the World Bank's policies on STCs is changing, and may have implications for contracting of AF-TERG members and other recruitment processes.

purpose and depth of the Review, the stage of maturity of the AF-TERG in performing the independent evaluation function of the Fund, and the utility of the evaluation work to serve the Fund within an evolving operating environment.

Possible options may include, inter alia, a peer-review-based approach drawing on relevant expertise, the engagement of an external consultancy firm, or other suitable arrangements. The selected modality will also need to consider the feasibility and practicality of administrative arrangements to conduct the review.

The Chair of the AF TERG and the Head of the AFB Secretariat would directly assist the Board Working Group throughout the review process. Additional support will be provided as needed by the AF-TERG and AFB Secretariats to support access to requested information, stakeholders, and data.

5. Cost: The costs are estimated to be between US\$ 50,000 to US\$100,000 and will depend largely on the delivery modality that is selected by the Board Working Group. The costs will cover professional fees and for any travel for the evaluation team to present the final results to the Board. These costs are proposed to be included in the annual budget of the AF-TERG and the AFB Secretariat for FY27.

6. Review Process: A two-stage review process is proposed to ensure its independence.

- (i) Stage 1 will include **preparatory work** by the Board Working Group to put in place the arrangements for the approach of selecting and managing the review. Following their selection, the independent Review team/firm would be expected to define the evaluation framework and questions and submit the refined methodological approach to the Working Group for endorsement. This approach will help to ensure that the evaluation approach is transparent and rigorous, while maintaining independence.
- (ii) Stage 2 will involve the **assessment process** by the evaluation team, including data collection and analysis, and interviews with Board members, the AF-TERG, the AFB Secretariat, and other relevant stakeholders. The process is likely to be undertaken remotely. The final draft report with evidence-based findings and recommendations will be presented to the Board Working Group for its consideration before finally being submitted to the Board.

7. Indicative Review Process and Timelines: Following agreement of the Board to proceed with the proposed approach, the following process and timelines are outlined below.

Activity	Timeline
Approach paper submitted to the Board for approval. Board Working Group nomination process and selection completed.	April 2026
Stage 1 (Preparation): Pursue the relevant process for selection of the Review team/firm and for initiating work (according to the option agreed by the Board Working Group).	By July 2026
Detailed evaluation questions, approach and methodology finalized by the selected Review team and submitted to the Board Working Group for approval.	October 2026

Stage 2 (Assessment): Evaluation team undertakes its data collection, including consultations with key stakeholders (likely to be remote / virtual.	October – December 2026
Report presented to the Board Working Group.	December 2027
Report submitted to the Board for discussion and decision	March 2027

Annex 6.

Proposed topics for the thematic evaluation to be conducted by the AF-TERG in FY 27 (July 2026 – June 2027)

1. The Evaluation Policy of the Adaptation Fund (approved through Decision B.38/47) in paragraph 22 (d) states that:

The AF-TERG may conduct or propose for Board approval one or more thematic evaluations annually...

2. Thematic evaluations assess the Fund's contribution in supporting developing countries to adapt to climate change within a specific thematic area. So far, the AF-TERG has conducted four thematic evaluations on innovation, accreditation, scalability and of the Readiness Programme of the Fund, respectively.
3. The Second multi-year work programme of the AF-TERG (Decision B.42/46) provides that the AF-TERG conducts in FY27 one thematic evaluation on a topic to be agreed by the Board.
4. When considering the topic for the next thematic evaluation, the AF-TERG analyzed stakeholder feedback, results of surveys conducted as part of its work, and the need to address some of the evidence gaps identified to date as part of the completed and ongoing evaluation work. The topic also needs to be aligned with the Second Medium-Term Strategy of the Adaptation Fund and provide insights and learnings to support the work of the Fund in the changing global landscape in the coming years, strengthening its operations and improving its efficiency and accountability.
5. Based on this, the AF-TERG shortlisted several potential topics, as listed below, and conducted consultations with the AFB secretariat to better understand the secretariat needs and priorities.
 - Climate change and health
 - Early Warning Systems
 - Gender and social inclusion-responsive adaptation
 - Locally-led adaptation
 - Adaptive capacity outcomes
6. The consultations confirmed that among the above topics, climate change and health is a priority topic as it is one of the Global Goal on Adaptation (GGA) areas and the Adaptation Fund currently has limited analytical content and evidence generated.

7. Therefore, following the above analysis and consultations, the AF-TERG would like to propose to the Board “Climate Change and Health in the Adaptation Fund” as the topic of the FY27 thematic evaluation to be conducted by the AF-TERG.