

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

2ND Evaluation Policy Implementation Progress Report

Strategic Issues

- In accordance with the provisions of the Evaluation Policy, implementation progress is subject to annual monitoring and reporting. This report constitutes the second progress update submitted since the Policy came into effect in October 2023.
- One of the key findings is that evaluation requirements are now more systematically integrated into project design and approval processes, reflecting significant progress in institutionalizing the Evaluation Policy across the Fund.
- At the same time, implementation remains uneven, with mandatory project/programme mid-term reviews and final evaluations not consistently completed or submitted on time, and management responses to evaluation recommendations at the project level are not yet systematically tracked. As a result, opportunities for learning and adaptive management are not being fully realized.
- Moving forward, attention can shift from establishing evaluation requirements and procedures to strengthening their consistent implementation throughout project implementation and closure.

Purpose

This report is the second formal update on the implementation of the Adaptation Fund Evaluation Policy (EP) since its adoption in April 2022 and entry into force in October 2023. Prepared in accordance with the EP requirement for annual reporting on policy implementation (para 46), it includes actions taken in response to recommendations from the first progress report and related Board decisions, assesses key implementation challenges and compliance issues, and highlights significant developments in evaluation generation, use, and capacity development. The report covers implementation of the EP from its entry into force in October 2023, with a focus on developments during the current reporting period from September 2025 to July 2026.

Background

The Evaluation Policy (EP) takes forward the evaluation approach of the Adaptation Fund, which was established through the Evaluation Framework (2011/2012), and further elaborated by the Adaptation Fund Board at its 31st meeting with the approval of the Terms of Reference of the AF-TERG through decision B.31/24. The Evaluation Policy describes the evaluation function for the Adaptation Fund and its entities as a whole-of-Fund function. It lays out the evaluation function's goals, criteria, and principles to support a reliable, useful, and ethical evaluation function that contributes to learning, decision-making, and accountability for the Adaptation Fund. It was adopted in April 2022 (Decision B.38/48) and entered into force in October 2023.

The Evaluation Policy (para 46) requires the AF-TERG, in collaboration with the AFB Secretariat, to monitor and report annually to the Board on the Policy's implementation. In accordance with this requirement, the first implementation progress report was presented to the EFC at its 36th meeting (document AFB/EFC.36/.8).

The second progress report, presented in Annex 1, assesses implementation since the Policy entered into force, with a focus on developments during the current reporting period (September 2025 to July 2026). Building on the baseline established by the first report, it highlights progress achieved, identifies remaining gaps and challenges, and outlines actions to further strengthen implementation.

Recommended Decision

The Ethics and Finance Committee (EFC) of the Adaptation Fund Board, having considered document AFB/EFC.38/8, recommends to the Board the following decision:

- a) To take note of the second evaluation policy implementation progress report.
- b) Request the AFB Secretariat to continue strengthening the monitoring and follow-up of the submission timing of mid-term reviews and final evaluations, including by identifying the underlying causes for any delays, and to continue working with Implementing Entities to address them.
- c) Request the AFB Secretariat to further strengthen the systematic tracking of the submission of management responses from project and programme mid-term reviews and final evaluations, as mandated by the Evaluation Policy, as well as follow-up actions to evaluation recommendations arising from mid-term reviews, in view to facilitating organizational learning, and supporting adaptive management and improved performance.
- d) Request the AFB Secretariat to undertake further analysis on the application of the 1–5 per cent evaluation budget requirement introduced through Decision B.41/30, as part of the Evaluation Policy review.

Annex 1.

2nd EVALUATION POLICY IMPLEMENTATION PROGRESS REPORT

Reporting period: October 2025 - July 2026

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1. INTRODUCTION

1. This report presents the second annual update on the implementation of the Adaptation Fund Evaluation Policy (EP), in accordance with the Policy's requirement for annual reporting on implementation progress (EP, para 46)¹. As with the previous report, it has been prepared by the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), in collaboration with the Adaptation Fund Board Secretariat (AFB Secretariat) and reflects their continued collaboration in monitoring and supporting the operationalization of the EP across the Fund.
2. The report builds on the findings and recommendations presented in the first progress report on the Evaluation Policy implementation. It also provides an update on the implementation of Board Decision B.45/52², including progress made in addressing the recommendations arising from the previous report.
3. While the first progress report established a comprehensive baseline of compliance across the various stakeholder groups covered by the EP, this second update places greater emphasis on tracking progress achieved, identifying persistent gaps, and highlighting actions required to strengthen implementation. As such, it does not seek to replicate a comprehensive stakeholder-by-stakeholder inventory of compliance, but rather focuses on areas where notable progress, challenges, or emerging implementation issues warrant the Board's attention.
4. The reporting period covers implementation progress from the entry into force of the EP in October 2023³ through 31 July 2026, with particular emphasis on developments during the current reporting period (September 2025 to July 2026). The analysis draws on portfolio data, evaluation-related documentation, and information generated through the implementation of evaluation requirements across the Fund.
5. This report is also intended to inform the upcoming review of the Evaluation Policy, due by April 2027, for which the AF-TERG will seek guidance from the Board on the proposed approach. By documenting implementation progress and remaining challenges, it provides evidence to support the review process and the Fund's ongoing efforts to strengthen evaluation, learning, and adaptive management.

¹ [The evaluation policy](#), para. 46, indicates that "the AF-TERG will collaborate with the secretariat to monitor and report on the implementation of the EP, reporting annually to the Board on progress (...)."

² Available at: [Report of the Forty-Fifth Meeting of the Adaptation Fund Board](#).

³ [The evaluation policy](#), para. 44, states that "(...) As of 1.5 years after the Board's approval of this policy, all Fund evaluations must adhere to this policy's requirements and good practices".

2. PURPOSE OF THE SECOND PROGRESS UPDATE

6. This second progress update aims to:
- a) **Assess progress in implementing the actions and recommendations** arising from the first progress report and Board Decision B.45/52;
 - b) **Examine priority implementation issues requiring further attention**, including compliance with Mid-term Review (MTR) and Final Evaluation (FE) requirements for projects⁴, management response provisions, and evaluation budgeting requirements;
 - c) **Identify significant developments**, persistent gaps and emerging policy issues across evaluation generation, use and capacity development

3. APPROACH FOR ASSESSING PROGRESS

7. The assessment is structured around three broad areas:
- a) Follow-up to Board decisions and recommendations, examining action taken in response to the first progress report and Board Decision B.45/52;
 - b) Implementation of stakeholder roles and responsibilities under the EP, examining the roles and responsibilities assigned to the Board, Implementing Entities (IEs), the AFB Secretariat, and the AF-TERG. The analysis assesses progress, identifies gaps, and highlights emerging challenges across the three pillars of the evaluation function: evaluation generation, evaluation use, and evaluation capacity development. Findings are based on the assessment of results captured in the tracking matrix (see Appendix 2) and the detailed evidence presented in Appendix 1.
 - c) Other policy-related issues emerging during implementation, including matters requiring clarification, corrective action, or consideration in the upcoming Review of the Evaluation Policy.

⁴ For the purposes of this document, “projects” includes regular projects and programmes (more than USD 1 million). It excludes readiness and small grants (Learning and Innovation small grants).

4. PROGRESS UPDATE

Key Areas for Attention Identified in this Report

- **Strong compliance at the planning stage.** All projects approved since the Evaluation Policy entered into force have incorporated provisions for mandatory evaluations, including baseline data collection, final evaluations, and, where required, mid-term reviews.
- **Improvement in evaluation budgeting.** Compliance with the requirement to allocate 1-5 per cent of project budgets to evaluation has increased from 60 per cent to 79 per cent.
- **Implementation gaps persist.** Compliance with the timely conduct and submission of mandatory evaluations needs monitoring, with 53 per cent of required mid-term reviews and 71 per cent of required final evaluations submitted during the reporting period.
- **Need for strengthened follow-through.** While policy requirements are increasingly reflected in project design and approval processes, further efforts are needed to improve implementation and ensure that evaluation requirements are consistently met throughout the project cycle, including compliance with the 1-5 per cent requirement established under Decision B.41/30.

4.1. Implementation of Board Decision B.45/52

8. Board Decision B.45/52 requested a number of actions from the AFB Secretariat and AF-TERG to support the implementation of the Evaluation Policy and address issues identified in the first progress report. **Table 1** provides an update on actions undertaken, progress achieved, and any remaining measures required.

Table 1. Status of implementation of Board Decision B.45/52 on the implementation of the Evaluation Policy, including the initial management action tracker

Decision element	Actions taken	Status	Next steps
Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board (the Board) decided: (a) To take note of the evaluation policy implementation progress report and management tracker;	- No action required	-	-
(b) To request the AFB Secretariat to review and, where appropriate, update the proposal submission templates and guidance documents to include references to the Board's agreed evaluation policy, mandatory project/programme evaluations and evaluation budget allocation;	- The AFB Secretariat has taken steps to ensure documents, including proposal submission templates and guidance documents, have been updated to align with the Evaluation Policy and related policies, such as when a Mid-term Review and Final Evaluation are required. In total, 14 different documents were updated.	Completed	- There are a few policies that are in the process of being revised ahead of Board discussion, such as the ESP. In these cases, it was decided that the AFB Secretariat will wait until the new document is approved by the Board to make any needed updates.
(c) To request the AFB Secretariat, in consultation with the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG), to revise relevant documents to further clarify: (i) The provisions for conducting final evaluations of projects and programmes of varying sizes and funding windows, in line with the interpretation that final evaluations are not necessary	- Small grant documents have been updated to clarify the decision that Mid-term Reviews and Final Evaluations are not required for readiness and small grants.	Completed	

for readiness and small grants (learning and innovation);			
(ii) Mid-term review requirements for projects that were initially less than four years in duration but have since been extended beyond the four-year mark;	- It has been clarified that Mid-term Reviews will not be required for projects that were initially less than four years in duration, even if they are extended beyond the four-year mark. However, these projects will be required to provide additional information regarding the delays. The AFB Secretariat has drafted the below language, which will be used in outreach with Implementing Entities. It will also be included in the Evaluation Policy, when it is revised in 2027. <u>MTR Guidance:</u> MTRs are required for all projects with a planned implementation period of four or more years. However, in some cases, projects that were originally planned for less than four years of implementation have subsequently been extended. While these projects will not be subject to an MTR, if the project has been extended three or more times, or for a total duration cumulatively of 36 or more months, they will be required to submit additional justification for the extension. This additional justification will be a form of self-assessment that comprehensively reviews the project to determine: • Underlying reasons for the delays and key factors contributing to the extensions • Steps taken by the project team to address implementation challenges, and an outlook on the project's effectiveness moving forward • Whether scope of project or implementation arrangements will need to be adjusted.	Completed	- The AFB Secretariat will integrate this information into its outreach to Implementing Entities. The AF-TERG will incorporate the specified guidance into the Evaluation Policy as part of its planned 2027 revision.

(d) To request the AF-TERG, in consultation with the AFB Secretariat, to develop an evaluation policy guidance document for baseline data reports;	- Evaluation Policy Guidance Notes. The AF-TERG, in consultation with the AFB Secretariat, prepared an advanced draft guidance note on Baseline Data Reports to clarify implementation of this mandatory Evaluation Policy requirement and support a policy-equivalent approach to compliance. Following several rounds of consultations, the baseline data report guidance document has been finalized and posted in English on the AF website ⁵ .	Completed	- The BDR guidance is currently undergoing translation to French and Spanish. Dissemination to implementing entities and other stakeholders is still on course for the second half of 2026.
(e) To request the AFB Secretariat to clarify whether the allocation of 1–5 per cent of the total project budget for evaluations applied exclusively to mid-term reviews and final evaluations or included baseline data reports as well.	- This has been clarified and it is confirmed that the 1-5% of the total project budget for evaluations includes all evaluation outputs, including Mid-term Reviews, Final Evaluations and Baseline Data Reports. This will continue to be messaged to IE partners when engaged on project work, and will be included, where relevant, in project guides and guidance documents.	Completed	
(f) To request the AFB Secretariat and the AF-TERG to update the Ethics and Finance Committee, at its thirty-seventh meeting, on the progress made on the requests in subparagraphs (b) through (e) above.	- Progress in implementing Decision B.45/52 was presented to the EFC at its thirty-seventh meeting as part of the AF-TERG work programme update report. Further actions are presented in this table.	Completed	- Remaining actions will be presented to the EFC as part of the 3rd EP Implementation Progress Report

⁵ Available at: <https://www.adaptation-fund.org/document/baseline-data-report/>

4.2. Progress in Implementation of Stakeholder Roles

9. This section presents the key developments during the reporting period related to the implementation of stakeholder roles and responsibilities under the Evaluation Policy. A comprehensive overview is provided in Appendix 1.

4.2.1. The Board

10. The Board oversees the implementation of the Evaluation Policy by providing strategic direction, considering evaluation findings and recommendations, and taking decisions to strengthen the Fund's accountability, learning, and effectiveness. Key activities during the reporting period include:

- **Evaluation Policy implementation.** Based on the recommendations of the Ethics and Finance Committee and the findings of the first progress report on Evaluation Policy implementation, the Board, through Decision B.45/52, requested the AFB Secretariat and the AF-TERG to undertake a series of actions to address implementation issues identified during the initial phase of the Policy's implementation; progress is reported in Section 4.1.
- **Thematic Evaluations.** During the current reporting period, the Board took note of the *Thematic Evaluation of the Adaptation Fund Readiness Programme* and its management response. The Board requested the AFB Secretariat to propose an action plan based on the management response to the recommendations arising from the thematic evaluation, for consideration by the EFC at its thirty-eighth meeting (Decision B.46/5). It also requested the AF-TERG to initiate the *Thematic Evaluation on Climate Change and Health in the Adaptation Fund*, under its FY27 work programme (Decision B.46/56).
- **Project approvals and M&E budget compliance.** Since the Evaluation Policy entered into force, the Board, through the PPRC, has approved 65 projects, including 24 during the current reporting period. All approved projects included an M&E budget as required by the Evaluation Policy.

Decision B.41/30 set evaluation budget for proposed projects at 1 to 5 per cent of the total project budget. Since its entry into force in April 2024, the Board, through the PPRC, has approved 58 projects, including 24 during the current reporting period. While all approved projects included an M&E budget, 5 allocated less than the minimum 1% required for evaluation; compliance improved from 60% to 79% compared with the previous reporting period. However, three of the five projects that allocated less than the minimum 1% were near the threshold (0.92%, 0.90%, and 0.88%).

- **Monitoring and Evaluation Budgets.** The Board approved the administrative budget of the AFB Secretariat, and the AF-TERG and its secretariat for fiscal year 2027 (Decision B.46/55).
- **Use of evaluation findings.** The Accreditation Panel considered findings from the Thematic Evaluation of the Adaptation Fund Readiness Programme and reflected

relevant insights and recommendations in its report to the Board (document AFB/B.45/9).

4.2.2. The AFB Secretariat

11. The AFB Secretariat has played a central role in strengthening the evaluation function across the Adaptation Fund and supporting implementation of the Evaluation Policy. During the reporting period, the AFB Secretariat contributed to the generation, utilization and capacity development dimensions of the evaluation function through a range of activities.

12. Generation of evaluations

- *Evaluation Policy implementation and operationalization.* The AFB Secretariat led the operationalization of the Evaluation Policy across the Fund's project cycle. This included a comprehensive review and update of proposal templates, operational policies, guidance documents, review tools and project cycle materials to ensure alignment with Evaluation Policy requirements. A total of 14 documents were revised to incorporate requirements related to baseline data reporting, mid-term reviews, final evaluations, evaluation budgeting and management responses. The AFB Secretariat also worked closely with the AF TERG on the development and refinement of guidance for baseline data reporting and clarification of policy provisions arising from Board Decision B.45/52.
- *Quality assurance and oversight of project level evaluations.* Through its portfolio management and monitoring functions, the AFB Secretariat continued to provide quality assurance and technical guidance to Implementing Entities on planning, budgeting, commissioning and reporting of mandatory evaluations. This support included review of project proposals for compliance with evaluation requirements, guidance on evaluation budgeting, advice on mid-term review and final evaluation requirements, and oversight of compliance with evaluation related reporting obligations. The AFB Secretariat also established more systematic monitoring arrangements for baseline data reports, mid-term reviews, final evaluations and associated management responses.
- *Support to Fund and strategic level evaluations.* The AFB Secretariat made substantial contributions to all major evaluations undertaken during the reporting period, including the Thematic Evaluation of the Readiness Programme, the Mid-Term Review of the Second Medium Term Strategy (MTS2), the Evaluation of the Processes and Systems Supporting the Fund's Governance, and the ongoing Comprehensive Evaluation of the Adaptation Fund. Contributions included inputs to terms of reference and inception reports, provision and validation of portfolio data and documentation, participation in interviews, workshops and learning events, facilitation of access to stakeholders and Implementing Entities, review of draft findings, and extensive technical feedback to strengthen the quality, accuracy and utility of evaluation outputs. The AFB Secretariat's engagement encouraged evaluations that were informed by operational realities and current institutional developments.

13. Utilization of evaluations

- *Management responses and institutional uptake of findings.* The AFB Secretariat played a leading role in translating evaluation findings into institutional action. During the reporting period, it prepared management responses to the Thematic Evaluation

of the Readiness Programme, the Mid-Term Review of MTS2, and the Evaluation of the Processes and Systems Supporting the Fund's Governance. Beyond drafting responses, the AFB Secretariat worked with AF TERG to strengthen mechanisms for tracking implementation of recommendations, including through the Management Action Tracker and associated follow up processes. These efforts have strengthened accountability and enabled more systematic incorporation of evaluative evidence into Fund policies, strategies and operations.

- *Integration of evaluative evidence into strategic processes.* Evaluation findings and recommendations informed a number of ongoing institutional initiatives, including implementation of MTS2, preparations for the development of MTS3, and refinement of Fund policies and operational procedures. The AFB Secretariat also supported Board deliberations by synthesizing evaluation evidence and identifying operational implications arising from major evaluations.

14. Evaluation capacity development

- *Capacity building and guidance for partners.* The AFB Secretariat continued to strengthen evaluation capacity among Implementing Entities through readiness events, proposal development support, technical exchanges and direct guidance. Evaluation related topics were incorporated into capacity development activities delivered through the Readiness Programme and Implementing Entity engagement processes. The AFB Secretariat also collaborated closely with the AF TERG on the development of a new online training course on the Evaluation Policy, providing substantive inputs and reviews to ensure practical relevance for Fund partners.
- *Strengthening evaluation systems and accessibility.* To improve the availability and accessibility of evaluative evidence, the AFB Secretariat advanced efforts to streamline the submission, storage and management of evaluation related products, including baseline data reports, mid-term reviews, final evaluations and management responses. These efforts support improved compliance monitoring, institutional learning and transparency.

4.2.3. Implementing Entities

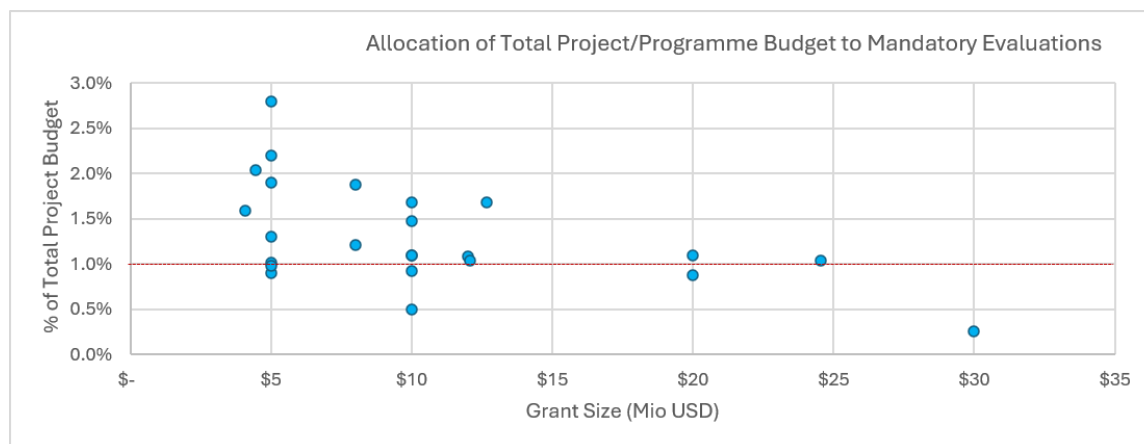
15. This section presents findings on implementing entities' compliance with: (a) mandatory project evaluation requirements since the Evaluation Policy entered into effect in October 2023; (b) the requirement, introduced through Decision B.41/30, for proposed projects to allocate between 1 and 5 per cent of total project budgets to evaluation; and (c) changes in compliance levels since the previous reporting period (September 2025).

16. Compliance with Planning and Budgeting for Mandatory Project Evaluations

- *Approved projects.* Since the policy came into effect, 65 projects have been approved, including 24 during the current reporting period. Compliance with key evaluation requirements at the project design stage has been strong, with all newly approved projects incorporating provisions and budget allocations for baseline data collection, mid-term reviews (for projects lasting four years or more), and final evaluations in their project documents. This represents a significant improvement compared with the previous reporting period, during which planning and budgeting for baseline data collection were not consistently reflected in approved project documents.

- *Project approvals and evaluation budget compliance.* Decision B.41/30 set evaluation budget for proposed projects at 1 to 5 per cent of the total project budget. Since its entry into force in April 2024, the Board, through the PPRC, has approved 58 projects, including 24 for the current reporting period. As shown in **Figure 1**, of the 24 projects approved during the current reporting period, five projects allocated less than the minimum 1% required for evaluation (of which three allocated close to 0.9%); compliance improved from 60% to 79% compared with the previous reporting period.

Figure 1. Allocation of total project/programme budget to mandatory evaluations during the current reporting period (September 2025 to July 2026)



17. Compliance with Implementation of Mandatory Project Evaluations:

- *Baseline Data Reports.* As shared above, under the Evaluation Policy, baseline data reports must be submitted to the AFB Secretariat no later than the first Project Performance Report (PPR). The Baseline Data Report Guidance, developed by the AF-TERG, in consultations with the AFB Secretariat, further clarifies a 'policy-equivalence approach', whereby the requirement may be met through a standalone baseline data report or through the provision of baseline data in other approved reporting instruments, such as funding proposals or PPRs. This requirement will be monitored by the AFB Secretariat through its regular project monitoring cycle.
- *Mid-Term Reviews (MTR).* Under the Evaluation Policy, projects with a duration of four years or more are required to conduct an MTR and submit the report to the AFB Secretariat no later than six months after the project midpoint. The IE is also required to submit a management response to the AFB Secretariat within six months of receiving the MTR report. Since the Evaluation Policy entered into force, 29 projects have become due to submit an MTR. As of the end of the reporting period, 18 had complied with this requirement, resulting in a compliance rate of 62%, compared with 57% in the previous reporting period.
- *Final Evaluations (FE).* Under the Evaluation Policy, projects are required to undertake a final evaluation upon completion and submit the FE report to the AFB Secretariat and the Designated Authority no later than nine months after project completion. The IE is also required to submit a management response to the AFB Secretariat and the Designated Authority within six months of receiving the evaluation report. Since the Evaluation Policy became effective, 21 projects have become due to submit a FE. As

of the end of the reporting period, 15 projects had complied with this requirement, while six remained outstanding, resulting in a compliance rate of 71% compared with 100% in the previous reporting period.

18. A detailed list of project compliance with the mandatory project evaluation requirement is provided in Appendix 3.

4.2.4. The AF-TERG

19. The AF-TERG has been instrumental in advancing implementation of the Evaluation Policy and strengthening the Adaptation Fund's evaluation function. This section summarizes activities carried out during the reporting period across the generation, utilization, and capacity development dimensions of the evaluation function.

20. Generation of evaluations.

The AF-TERG has continued to independently oversee, commission, and conduct evaluations in line with its Board-approved work programme. Specifically, for the current reporting period:

- *Fund and Strategic-level Evaluations.* The AF-TERG advanced four major evaluations: the *Thematic Evaluation of the Readiness Programme* ([AFB/EFC.36-37/1](#)), the *Mid-term Review of the Second Medium-Term Strategy 2023-2027* ([AFB/B.46-47/Inf.1](#)), the *Evaluation of the Processes and Systems Supporting the Fund's Governance* (AFB/EFC.38/10), and the ongoing *Comprehensive Evaluation of the Adaptation Fund*. Collectively, these evaluations generate evidence and strategic insights to inform the Fund's governance, readiness support, institutional effectiveness, and overall strategic direction.
- *Project-level Evaluations.* At the project level, the AF-TERG continued to undertake ex post evaluations to assess the sustainability of project results and generate lessons for future adaptation interventions. **Lessons synthesized from ex post evaluations** conducted between 2021 and 2026 were presented to the Board at its forty-sixth meeting ([AFB/EFC.37/4](#)). During the current reporting period, the AF-TERG completed two ex post evaluations of Adaptation Fund projects in [Mauritania](#) (AFB/EFC.36-37/Inf.1) and [Eritrea](#) (AFB/EFC.36-37/Inf.2). The findings were discussed with the respective Implementing Entities and Executing Entities and subsequently submitted to the Ethics and Finance Committee intersessionally. In addition, ex post evaluations of projects in [Cuba](#) and [Ghana](#) were launched in late 2025 and are currently being implemented, with completion expected in the second half of 2026. In addition to the evaluation report, a summary report and a visual are prepared for each completed ex post evaluation.

21. Utilization of evaluations

- *Ex post evaluation lessons learned.* The AF-TERG presented consolidated lessons learned from ex post evaluations of Adaptation Fund projects to the Ethics and Finance Committee (EFC) in April 2026 through document [AFB/EFC.37/4](#).

Additionally, to promote the use and uptake of evaluation evidence, the AF-TERG prepares and disseminates summary reports and visual products for each completed ex post evaluation through its website and communication channels.

- *Synthesis of Final Evaluations.* The third synthesis of Adaptation Fund final evaluations, covering reports submitted between 1 September 2023 and 31 December 2025, is being finalized and is expected to be presented to the Board at its forty-eighth meeting.
- *Management Action Tracker (MAT).* The MAT is a tool that systematically tracks management responses and follow-up actions to recommendations arising from AF-TERG independent evaluations at the Fund and strategic levels. It is presented annually to the Ethics and Finance Committee (EFC) at its October meeting, and is managed by the AF-TERG in collaboration with the AFB Secretariat and the Board. Since its initial submission, the MAT has been expanded to include recommendations and corresponding management actions related to the Accreditation, Scalability, and Readiness Programme evaluations. The updated MAT is presented in Appendix 4.

The latest MAT update cycle demonstrated a more streamlined and efficient process for collecting and consolidating information. The AFB Secretariat-designated MAT focal point coordinated updates on management actions from the responsible Secretariat teams and communicated them directly to the AF-TERG. This improved information flow reduced coordination bottlenecks and supported the timely updating of the MAT.

22. Evaluation capacity development

- *Online training course on the Evaluation Policy.* The AF-TERG and the AFB Secretariat are jointly developing an online training course to support Implementing Entities in applying the Adaptation Fund's Evaluation Policy and conducting project-level evaluations. The course, currently under consultation and finalization, is expected to be completed by the end of FY26 and made available through the World Bank's Open Learning Campus.
- *Baseline Data Reporting Guidance.* In response to Board decision B.45/52 and the requirements of the Evaluation Policy, the AF-TERG, in consultation with the AFB Secretariat, prepared guidance to support the planning, collection and reporting of baseline data for Adaptation Fund projects and programmes. Finalization and dissemination are expected in the second half of 2026, followed by translations.

4.3. Other Policy-related Issues

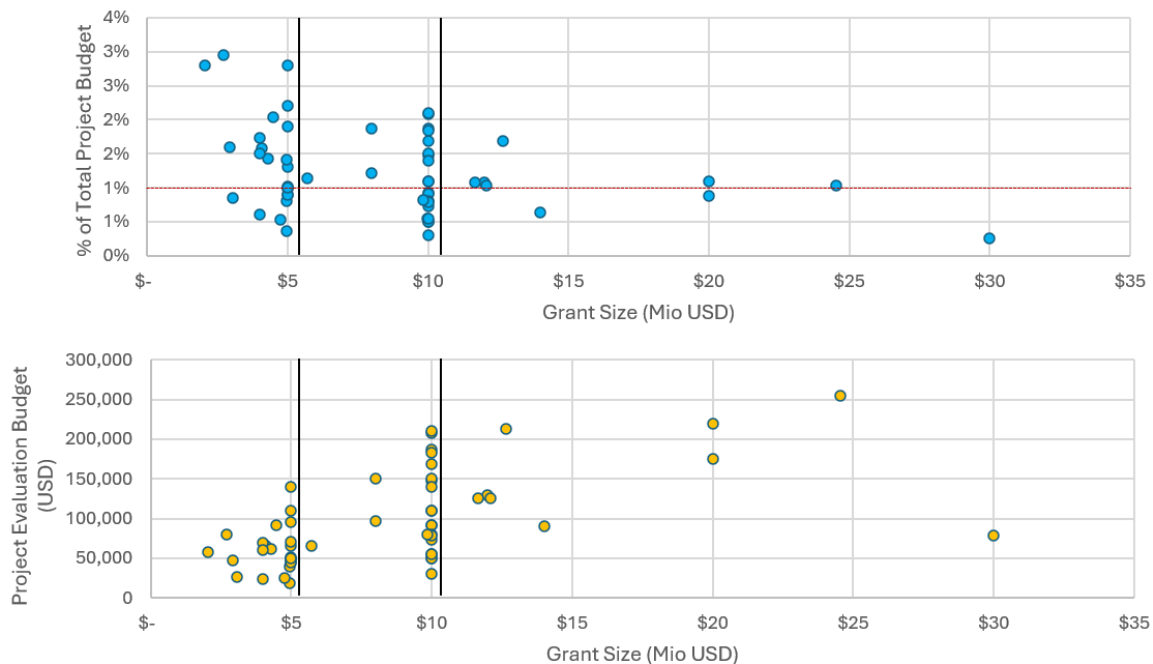
4.3.1. Evaluation Policy Review

23. The Evaluation Policy (para. 47) requires review and update no later than five years from its approval date. As the policy was approved in April 2022, the review is due by April 2027. The AF-TERG will seek guidance from the Board on the proposed approach for this review.

4.3.2. Evaluation Budget by Project Size

24. As shown in **Figure 2**, evaluation budget allocations for 56 projects⁶ approved since Decision B.41/30 came into effect are presented both as a percentage of total project budget and in absolute terms.

Figure 2. Project evaluation budgets (percentage of total project budget and absolute value) for projects approved after Decision B.41/30 became effective (April 2024 to July 2026).



25. The analysis of 56 projects included indicates the following:

- **Evaluation budget allocations are generally close to 1 per cent of total project costs.** The median allocation is 1.09 per cent and the mean is 1.24 per cent. Three-quarters of projects allocate between approximately 0.8 and 1.6 per cent of their total project budget to evaluation. Overall, actual allocations are considerably closer to 1 per cent than to the upper threshold of 5 per cent.
- **Smaller projects allocate a higher proportion of their budgets to evaluation.** Among projects between US\$1 million and US\$5 million, the median evaluation allocation is approximately 1.2 per cent. Some of the smallest projects allocate substantially higher shares: for example, a US\$2.0 million project allocates US\$57,000 (2.8 per cent), while a US\$2.7 million project allocates US\$80,000 (3.0 per cent). This may reflect the relatively fixed costs associated with conducting an independent evaluation, which do not decrease proportionately with project size.
- **The proportion allocated to evaluation generally decreases as project size increases.** For projects above US\$5 million, the median allocation is approximately 1.1 per cent, declining to around 1 per cent among projects above US\$10 million. This

⁶ Two projects that did not specify an evaluation budget were excluded from this analysis

suggests that evaluation budgets increase less than proportionately as project size increases.

- **Absolute evaluation budgets generally increase with project size.** While the share of the project budget allocated to evaluation tends to decline, larger projects generally allocate greater amounts in absolute terms. This indicates that evaluation resource requirements increase with project size, but not in direct proportion to the overall project budget.

26. These findings show that the average share of project resources allocated to evaluation decreases as project size increases. This results in a greater proportion of larger projects allocating less than the 1 per cent minimum; Larger projects may allocate a smaller percentage of their budgets while still providing substantially greater evaluation resources in absolute terms, consistent with evaluation costs not increasing proportionately with project size. The observed project-size effect may therefore suggest a need to examine how the 1–5 per cent requirement operates across different project sizes, and whether existing guidance sufficiently explains how the percentage range should be applied alongside considerations of evaluation scope, complexity and expected costs.

5. CONCLUSIONS

27. **Conclusion 1. Evaluation requirements are increasingly built into project design, with further progress needed on timely implementation.** Systems and procedures to support implementation of the Evaluation Policy are increasingly established, and evaluation requirements are now more systematically integrated into project approval processes. Further progress is needed to ensure the timely submission of mandatory mid-term reviews and final evaluations.

28. **Conclusion 2. Percentage compliance provides a useful, though partial indication of adequacy of evaluation budgets.** Project evaluation budget allocations, as required under Decision B.45/52, provide a benchmark for assessing whether resources have been set aside for evaluation. However, percentage compliance alone does not necessarily indicate whether those resources are sufficient. A project may fall below the prescribed percentage threshold while still allocating substantial resources in absolute terms, particularly in the case of larger projects. Conversely, compliance with the percentage requirement does not necessarily ensure that sufficient resources are available for more complex evaluations. The adequacy of evaluation budgets therefore depends not only on percentage compliance, but also on the absolute resources available and the scope and complexity of the evaluation.

29. **Conclusion 3. Evaluation use is evident at Fund and strategic levels, with scope to strengthen systematic follow-up at project level.** The second update shows that evaluation findings are informing Fund- and strategic-level processes, supported by AFB Secretariat processes and systems, management responses and the Management Action Tracker. At the project level, more systematic tracking of management responses and follow-up to mid-term review and final evaluation recommendations would provide stronger evidence of how these are contributing to learning, adaptation and improved performance.

Appendix 1. Detailed Progress Tracking of Evaluation Policy Implementation

Entity	Function	Description (Quote from EP)	Tracked	Progress within reporting period
The Board	<i>Generation of evaluations (PE §28a).</i>	- Through the EFC, oversees the evaluation function of the Fund and will continue to encourage a culture of accountability and applied learning across the Fund based on evaluative evidence.	✓	See further progress below
		- Approves and oversees implementation of all Fund policies, including the EP, with updates from the AF-TERG on policy implementation.	✓	- Evaluation Policy. Based on the recommendations of the Ethics and Finance Committee and the findings of the first progress report on Evaluation Policy implementation, the Board, through Decision B.45/52, requested the AFB Secretariat and the AF-TERG to undertake a series of actions to address implementation issues identified during the initial phase of the Policy's implementation. Progress in addressing these actions is presented in Section 4.1 of this report.
		- May commission Fund-level and strategic-level evaluations as it sees fit.	✓	- Thematic Evaluations. Within the current reporting period, the Board took note of the <i>Thematic Evaluation of the Adaptation Fund Readiness Programme</i> and its management response and requested the AFB Secretariat to develop an action plan for implementing the evaluation recommendations (Decision B.46/5). The Board also requested the AF-TERG to initiate work on the Thematic Evaluation on Climate Change and Health in the Adaptation Fund, as part of its work in fiscal year 2027 (Decision B.46/56).
		- Approves monitoring and evaluation budgets across all three levels and types of evaluation.	✓	- Monitoring and Evaluation Budgets. The Board approved the administrative budget of the Adaptation Fund Secretariat, and the Technical Evaluation Reference Group and its secretariat for fiscal year 2027 (Decision B.46/55).
	<i>Utilization of evaluations (PE §28b).</i>	- Decides how best to consider and incorporate lessons and recommendations from all Fund-level and strategic-level evaluations, as well as evaluation syntheses by the AF-TERG, including the corresponding AFB Secretariat	✓	- Thematic Evaluations. Within the current reporting period, the Board took note of the <i>Thematic Evaluation of the Adaptation Fund Readiness Programme</i> and its management response and requested the AFB Secretariat to develop an action plan for implementing the evaluation recommendations (Decision B.46/5).

		management response, for improvement of Fund operations.		The Board also requested the AF-TERG to initiate work on the <i>Thematic Evaluation on Climate Change and Health in the Adaptation Fund</i>, as part of its work in fiscal year 2027 (Decision B.46/56).
		Encourages the use of evaluation-generated evidence in global discussions related to CCA, and to promote the Fund's CCA expertise, lessons, and achievements.	Optional . Not systematically tracked	---
	(PE §28c)	Through the PPRC, reviews and approves proposals from IEs, which should include a dedicated monitoring and evaluation budget aligned with the OPG.	✓	Approved projects. Since the Evaluation Policy came into effect, the Board, through the PPRC, has reviewed and approved 65 projects, including 24 during the current reporting period. 1-5% Budget Allocation. All projects approved during the current reporting period included an M&E budget; however, 5 of the 24 projects allocated less than the minimum required 1% of the total project budget to evaluation. Compliance improved from 60% to 79% compared with the previous reporting period, though additional progress is needed to achieve full compliance. The five projects that did not meet the minimum 1% requirement allocated 0.92%, 0.90%, 0.88%, 0.50%, and 0.26% of their budgets to evaluation, respectively.
	(PE §28d)	The Board's Accreditation Panel will consider evaluation findings in its accreditation or reaccreditation of IEs based on the performance of the entity's previous projects. This includes IE's management response and corrective actions to evaluation recommendations in cases where substantive concerns have been raised.	✓	Consideration of evaluation findings. The Accreditation Panel considered the findings of the <i>Thematic Evaluation of the Adaptation Fund Readiness Programme</i> and reflected relevant insights and recommendations in its report to the Board for consideration at the forty-fifth meeting (document AFB/B.45/9).
The AFB Secretariat	Generation of evaluations (PE §29a).	- Provides necessary guidance to IEs to plan and conduct operational-level evaluations. - The AFB Secretariat is responsible for quality assurance of operational-level evaluations (PE §26).	✓	- The AFB Secretariat has completed the updating of all documents (templates and guidelines) with references to the EP, and further guidance around requirements for Mid-term Reviews and Final Evaluations. - The AFB Secretariat has also worked with AF-TERG to finalize guidance on Baseline Data Reporting.

		- It may advise the Board in relation to the needs and opportunities for strategic-level evaluations, and it may also undertake self-conducted evaluations at the strategic level.	Optional . Not systema tically tracked	No need raised during the reporting period and hence no action needed/taken
		- Contributes insights to Fund-level and strategic-level evaluations when called upon	✓	- The AFB Secretariat provided strategic and operational input, both written and through meetings and multiple workshops, to the following evaluations undertaken by the AF-TERG: 1. Thematic Evaluation of the Readiness Programme of the Adaptation Fund 2. Mid-term Review of the Second Medium-term Strategy of the Adaptation Fund 3. Ex-post evaluations of Adaptation Fund projects 4. Comprehensive Evaluation 5. Evaluation of the Processes and Systems Supporting the Fund's Governance (G/PS). The AFB Secretariat joined the Evaluation Advisory Group for this evaluation.
	<i>Utilization of evaluations (PE §29b).</i>	- The AFB Secretariat's knowledge management function ensures that knowledge, evidence, and lessons from operational-level evaluations are stored, accessible, and useful to IEs, DAs, Civil Society Network partners, and other partner institutions.	✓	- The AFB Secretariat is working with IT to automate submission of baseline data reports, mid-term reports and terminal reports to enable IEs to submit such reports online. This is intended to ensure that these reports are available on the website and accessible to AF-TERG members in a timely manner, pending review and clearance by the AFB Secretariat team.
		- The AFB Secretariat will draft a management response for the Board within a reasonable time.	✓	- The AFB Secretariat drafted management responses to the Thematic Evaluation of the Readiness Programme of the Adaptation Fund which was submitted together with the evaluation for consideration at B.46. Additionally, the AFB Secretariat has drafted management responses to the Processes and Systems Supporting Governance evaluation and the Mid-term Review of the Second Medium-Term Strategy and will be submitted alongside the evaluation for the Boards consideration
		- It will then institutionalize and report on incorporation of lessons and recommendations from Fund-level and strategic-level evaluations as they relate to the AFB Secretariat's functions.	✓	- The management responses to the Thematic Evaluation of the Readiness Programme has been submitted. This management response can be found as an annex in the evaluation report, submitted at B.46 and available on the AF website in the Meeting Documents section.

		- In its work with other organizations, the AFB Secretariat will also highlight relevant evaluative evidence and lessons from Fund operations	Optional . Not systematically tracked	No action needed in the reporting period.
	Evaluation capacity development (PE §29c).	- Will periodically engage with the AF-TERG to continuously improve the monitoring and evaluation capacity of its relevant personnel.	✓	- The AFB Secretariat has held several activities that have helped improve monitoring and evaluation capacity. This includes an NIE seminar held in Rabat, Morocco, as well as a writeshop in May 2026 that included M&E specific capacity building elements.
		- The AFB Secretariat and the AF-TERG will consult with each other in the development of their evaluation work programme and on possible capacity-building activities related to the evaluation function.	✓	- The AFB Secretariat, specifically the Results, Impact and Knowledge team, has continued to engage with the AF-TERG to consult on development of evaluation work programme. This includes bi-weekly meetings, organized by AF-TERG that RIK attends to discuss current and upcoming priorities. Additionally, RIK has served as the AFB Secretariat focal point for the development of an Evaluation training course, being created by AF-TERG. This role has included providing rounds of comments and suggested edits and substantive reviews of the course as it is developed.
		- Will ensure that its readiness programme, particularly with IEs, includes aspects related to evaluation capacity and evaluative evidence coming from the evaluations conducted at the Fund.	✓	- The AFB Secretariat held the following events that incorporated aspects of evaluation capacity: A seminar for accredited NIEs in September 2025, two webinars on the SRF in October 2025 and July 2026, a country exchange in February 2026, and a writeshop in May 2026.
Implementing entities (IEs)	Generation of evaluations (PE §30a).	- Will commission or conduct evaluations for each project/programme according to this EP. - Associated requirements:		See reporting on associated requirements below;
		- Evaluation budget at project design: IEs, with the input of DAs, are required to budget for Baseline Data Report, MTR (for projects lasting four years or more) and final evaluation (PE §23).	✓	- Approved projects. Since the policy came into effect, 65 projects have been approved, including 24 current the current reporting period. Compliance with key evaluation requirements at the project design stage has been strong, with all newly approved projects incorporating provisions and budget allocations for baseline data collection, mid-term reviews (if applicable), and final evaluations in their project documents.

		Evaluation budget should be equivalent to 1-5% of project budget included in IE fee (<i>Decision B.41/30</i>).		1-5% Budget Allocation. All projects approved during the current reporting period included an M&E budget; however, 5 of the 24 projects allocated less than the minimum required 1% of the total project budget to evaluation. Compliance improved from 60% to 79% compared with the previous reporting period, though additional progress is needed to achieve full compliance. The five projects that did not meet the minimum 1% requirement allocated 0.92%, 0.90%, 0.88%, 0.50%, and 0.26% of their budgets to evaluation, respectively.
		- Implementation of mandatory project evaluations (<i>PE §23</i>). - Baseline data is to be submitted to the AFB Secretariat by no later than the submission of the first PPR.* * The Baseline Data Report Guidance further clarifies baseline data requirements to be met through a standalone report or other approved reporting instruments such as funding proposals or PPRs. - Mid-term Review (MTR). Projects lasting four years or more conduct an MTR. The MTR report is submitted to the AFB Secretariat no later than six months after the project midpoint. - The IE submits a management response to the AFB Secretariat within six months of receiving the MTR report. - Final Evaluation (FE): Projects undertake a FE at completion. The FE report is submitted to the AFB Secretariat and DA no later than nine months after project completion.	✓ Partially tracked.	Baseline Data Reports: currently not tracked. This requirement will be monitored by the AFB Secretariat through its regular project monitoring cycle. Mid-Term Reviews (MTR). Since the Evaluation Policy entered into force, 29 projects have been required to conduct and submit an MTR. As of the end of the reporting period, 18 of these projects complied with this requirement, representing a compliance rate of 62%. Final Evaluations (FE). Since the Evaluation Policy became effective, 21 projects have become due to submit a FE. As of the end of the reporting period, 15 projects had complied with this requirement, while six remained outstanding, resulting in a compliance rate of 71%. - Submission of management responses: currently not tracked

		The IE submits a management response to the AFB Secretariat and the DA within six months of receiving the FE report.		
		- IEs may seek guidance from the AFB Secretariat on operational-level evaluation responsibilities that are required in proposals and during project implementation	Not tracked.	
	<i>Utilization of evaluations (EP §30b).</i>	- Will utilize operational-level evaluation evidence to improve ongoing projects and future project proposals.	Not tracked. Outside Fund's purview.	---
		- They will incorporate evaluation insights, as appropriate, into their communication activities, reflections, and evolutions of their CCA-related strategies and plans.	Not tracked. Outside Fund's purview.	---
		- Are strongly encouraged to share learning and knowledge, such as promising practices, with relevant partners through peer, national, and international platforms and other knowledge-sharing mediums and outlets.	Not tracked. Optional .	---
		- They will also provide updates to the DAs on implementation progress based on findings from MTR, RTE, and final evaluations	Not tracked. Optional .	---
	<i>Evaluation capacity development (EP §30c).</i>	- Will periodically review their own evaluative capacity relative to the requirements of this EP.	Not tracked. Outside Fund's purview.	---

		- IEs will collaborate with the AFB Secretariat and the AF-TERG to identify relevant opportunities for their profession evaluation and learning capacity development.	Not systema tically tracked.	---
		- They will also contribute to the Fund's development of new evaluation techniques and guidance that support the application of this policy in pursuit of the Fund's mission and vision.	Not tracked.	---
Designated authorities (DAs)	<i>Generation of evaluations (PE §31a).</i>	- Are encouraged to cooperate with IEs that are conducting operational-level evaluations, including facilitating timely access to information and personnel directly or indirectly related to the project.	Not tracked.	---
		- They are expected to participate in evaluation design and data interpretation discussions, and site visits, as relevant, appropriate and possible.	Not tracked.	---
		- Are encouraged to input into evaluations to inform the extent to which a project is relevant to the country's Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), National Adaptation Programme of Action (NAPAs), Adaptation Communications (ADCOMs) or other relevant climate change-related strategies and plans.	Not tracked.	---
		- Should cooperate with Fund entities and consultants if a Fund-level or strategic-level evaluation relates to their country or country context (e.g., geographic, economic, or cultural)	✓	- For the current reporting period, DAs cooperated with the following Fund and strategic-level evaluations: • Thematic Evaluation of the Readiness Programme, through key informant interviews. • Comprehensive Evaluation of the Adaptation Fund, through four country case studies in Armenia, Cambodia, Dominican

				Republic, and Rwanda, as well as focus group discussions 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, Serbia, Senegal, and Venezuela.
	<i>Utilization of evaluations (EP §31b).</i>	- Are encouraged to incorporate evaluative evidence and lessons from evaluation reports related to their country, geographic, or socioeconomic context into the country's own CCA intelligence, strategies, and plans, including Biennial Transparency Reports (BTRs)	Not tracked.	---
	<i>Evaluation capacity development (EP §31c).</i>	- Are encouraged to use evaluation guidance documents and participate in evaluation events to support national evaluation capacity development, in alignment with the United Nations General Assembly Resolution for Building Capacity for the Evaluation of Development Activities at the Country Level (UNGA, 2015)	Not tracked.	---
The AF Civil Society Organization (CSO) Network partners	<i>Generation of evaluations (PE §32a).</i>	- Will collaborate with Fund entities and consultants hired by the entity if an operational-, Fund-, or strategic-level evaluation is related to their sectoral interests or operational contexts (e.g., geographic, economic, or cultural)	Not tracked.	---
	<i>Utilization of evaluations (EP §32b).</i>	- Are encouraged to consider the application of the Fund's evolving evaluation guidance as they engage in monitoring and evaluation of Fund-supported projects.	Not tracked.	---
		- Network Partners may also consider the application of lessons and recommendations from Fund	Not tracked.	---

		evaluations relevant to their own programming sectors.		
	<i>Evaluation capacity development (EP §32c).</i>	- May access and utilize AF-TERG evaluation guidance documents for their own capacity development. Network partners are encouraged to contribute to the Fund's development of new evaluation techniques and guidance that support application of the policy's evaluation criteria and principles	Not tracked.	---
The AF-TERG	<i>Generation of evaluations (EP §33a).</i>	- (i) Management responsibility: Independently manage, commission, and/or conduct evaluations in the Board- approved work programme at the Fund and strategic levels.	✓	The AF-TERG has continued to independently manage, commission, and conduct evaluations in line with its Board-approved work programme. Specifically, for the current reporting period: Fund and strategic-level evaluations: <i>Thematic Evaluation of the Readiness Programme.</i> This evaluation assessed the Readiness Programme since it became operational in May 2014 through to July 2025, looking at how it has contributed to the Fund's mission and direct access, and how it can be enhanced considering future demand and evolving institutional needs. Oxford Policy Management was selected through an open international procurement process to conduct the evaluation in December 2024. The draft Readiness Evaluation and management response were submitted to the EFC in October 2025 (AFB/EFC.36/.7). Following guidance from the Board, the final report and management response were subsequently circulated intersessionally and submitted to the Board at its 46th meeting (AFB/B.46/15). The Board took note of the evaluation recommendations and management response and requested the AFB Secretariat to prepare an action plan, for consideration by the EFC at its thirty-eighth meeting. <i>Mid-term Review of the Second Medium-Term Strategy 2023-2027.</i> This evaluation assessed the progress of the Adaptation Fund towards the Second Medium-Term Strategy (MTS2) and its Implementation Plan. Agulhas Applied Knowledge Ltd was selected to conduct the evaluation through an open international procurement process. The final report and management response was circulated to the Board for intersessional
	AF-TERG will facilitate the generation of quality, useful evaluations via three responsibilities:	- (i) Management responsibility: It will also report to the Board on lessons, findings, conclusions, and recommendations from relevant evaluation reports	✓	

				consideration (AFB/B.46-47/Inf.1) and will be presented for further consideration at its 47th meeting in October 2026. • <i>Evaluation of the Processes and Systems Supporting the Fund's Governance</i> (G/PS evaluation). This evaluation focuses on a subset 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. Findings will serve as input to the ongoing second overall evaluation of the Fund (Comprehensive Evaluation). An open international procurement was completed in August 2025 and a joint venture of Agulhas Applied Knowledge Ltd and IOD PARC was selected to conduct the evaluation. Work has been completed and the evaluation will be presented to the EFC at its thirty-eighth meeting in October 2026. • <i>Comprehensive Evaluation of the Adaptation Fund</i>. This evaluation focuses on the overall achievements of the Fund since the completion of the first Comprehensive Evaluation in 2017 to date, focusing on what has worked and what has not, and how these achievements and lessons support the Fund in fulfilling its mandate. Le Group Conseil Baastel Ltee was selected through an open international procurement process to conduct the evaluation in April 2025. The evaluation team provided update reports to the Board in October 2025 and April 2026. The final report is expected to be submitted to the Board intersessionally and presented and discussed at its forty-eighth meeting in March/April 2027. • <i>Thematic Evaluation of Climate Change and Health in the Adaptation Fund Portfolio</i>. The EFC approved climate change and health as the topic of the fifth thematic evaluation (Decision B.46/56). The evaluation will examine the Adaptation Fund's experience and lessons at the intersection of climate change and health. A refined scope of work was developed in consultation with the AFB Secretariat, and procurement was launched in July 2026. The evaluation is expected to commence in September 2026, with findings to be submitted to the EFC in 2027. Ex post evaluations (Project-level evaluations). The AF-TERG continued to undertake ex post evaluations to assess the sustainability of project results and generate lessons for future adaptation interventions. Specifically during the current reporting period:
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				• <i>Finalized Ex post Evaluations.</i> During the reporting period, the AF-TERG completed two ex post evaluations of Adaptation Fund projects in Mauritania (AFB/EFC.36-37/Inf.1) and Eritrea (AFB/EFC.36-37/Inf.2). The findings were discussed with the respective Implementing Entities and Executing Entities and subsequently submitted to the Ethics and Finance Committee intersessionally. • Ongoing Ex post Evaluations. Ex post evaluations of projects in Cuba and Ghana were launched in late 2025 and are currently being implemented, with completion expected in the second half of 2026. • Four additional projects, one in South Africa, two in Peru (implemented by PROFONANPE and CAF), and one in Belize, were preselected for ex post evaluation, with the respective implementing entities endorsing their participation. An open international procurement process to identify qualified evaluation firms is currently underway.
		- (ii) Advisory responsibility: Develop draft guidance, templates, and other evaluation resources for Board approval to support and operationalize this EP and upholds a reliable, timely, and useful evaluation function that contributes to the Fund's mission and vision.	✓	- Evaluation Policy Guidance Notes. Following the Board's request to develop an evaluation policy guidance document for baseline data reports (Decision B.45/52), the AF-TERG, in consultation with the AFB Secretariat, prepared an advanced draft guidance note on Baseline Data Reports to clarify implementation of this mandatory Evaluation Policy requirement and support a policy-equivalent approach to compliance. The guidance note has been finalized and is available on the Fund's website under Baseline Data Report – Adaptation Fund . Disseminated to implementing entities and other stakeholders is ongoing. - Management Action Tracker – template development. 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. 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.
		- (ii) Advisory responsibility: It will also conduct evaluation capacity	✓	- Online training course on the Evaluation Policy. The AF-TERG and the AFB Secretariat are jointly developing an online training course to support Implementing Entities in applying the Adaptation Fund's Evaluation Policy and conducting project-level evaluations. The

		development to support evaluation and learning across the Fund		course, currently under consultation and finalization, is expected to be completed by the end of FY26 and made available through the World Bank's Open Learning Campus.
		- (iii) Oversight responsibility: Provide quality assurance over the evaluation function at the Fund, and track implementation of Board decisions related to evaluation recommendations. This includes advising the Board in its efforts to incorporate evaluation findings and recommendations into policies, strategies, and procedures	✓	- Second Implementation Progress Report of the Evaluation Policy. The first annual progress report on Evaluation Policy implementation was prepared by the AF-TERG in collaboration with the AFB Secretariat and presented to the EFC at its thirty-sixth meeting. Based on its findings, the Board requested follow-up actions to clarify evaluation requirements and develop guidance on baseline data reporting (see Decision B.45/52). The present document is the second annual progress report to be presented to the EFC at its thirty-eighth meeting in October 2026. - The Evaluation Policy (§47) requires the policy to be reviewed and updated no later than five years from its approval, i.e., by April 2027. The AF-TERG will seek guidance from the Board on the proposed approach for this review.
	<i>Utilization of evaluations (EP §33b).</i>	- Will support relevant knowledge management functions of the Fund to ensure that evaluative evidence is available and encouraged across the Fund (Adaptation Fund, 2018, para 18a).	✓	- Lessons learned from Ex post Evaluations. In April 2026, the AF-TERG presented to the EFC lessons learned from ex post evaluations of Adaptation Fund Projects through document AFB/EFC.37/4 . - Insights from ex post evaluations. To promote the dissemination and uptake of evaluation findings, a summary report and a visual product are prepared for each completed ex post evaluation and shared through the AF-TERG website and social media channels.
		- In addition to sharing insights from individual evaluations, the AF-TERG will synthesize and present to the Board any key lessons from strategic evaluations and targeted evaluation syntheses for the improvement of the Fund's performance (Adaptation Fund, 2018, §24) and the CCA capacities of its partners.	✓	- The third synthesis of Adaptation Fund final evaluations, covering evaluation reports submitted between 1 September 2023 and 31 December 2025, is being finalized and is expected to be presented to the Board at its forty-eighth meeting.
		- It will also report to the Board on incorporation of lessons and recommendations from strategic-level evaluations as they relate to the AF-TERG's functions.	✓	- Management Action Tracker (MAT). The MAT is updated annually with new evaluations and progress on the recommendations of completed evaluations. It is presented to the EFC annually at its October sessions and included as Annex 4 to this report.

	<i>Evaluation capacity development (EP §33c).</i>	- Responsible for continuously updating the Fund's evaluation knowledge, capacity development, and utilization to position the Fund at the forefront of evaluation innovation and adaptation practice. Such positioning is to optimize the Fund's effectiveness via continuous improvement in learning and reinforce the Fund's reputation and relevance as a thought leader in global climate adaptation efforts.	✓	- Online training course on the Evaluation Policy. See section 'The AF-TERG/Generation of evaluations/Evaluation (ii) Advisory responsibility' in this matrix. - A joint study on the use of artificial intelligence (AI) in evaluation was conducted by the evaluation units of the four multilateral climate funds (the AF, CIF, GEF, and GCF): "<i>Piloting AI applications in Climate Change Evaluation – Forestry Related Projects</i>". It was shared with the EFC at its thirty-seventh meeting through document AFB/EFC.37/5. - A Joint study on lessons learned from the Adaptation Fund portfolio for monitoring and evaluation systems with potential applications to loss and damage is being conducted with the UNEP Copenhagen Climate Center (UNEP CCC). It is expected to be completed by end of 2026.
		- Will consult with the AFB Secretariat and IEs to develop Fund evaluation guidance that is relevant and user-friendly, and pursue local institution-building, decision-making, learning, and accountability.	✓	- Baseline data Reporting Guidance. In response to Board decision B.45/52 and the requirements of the Evaluation Policy, the AF-TERG consulted with the AFB Secretariat for the preparation of a guidance note for the reporting of projects baseline data. The guidance note provides Implementing Entities with practical instructions on planning, collecting, and reporting baseline data for Adaptation Fund projects and programmes. It is finalized and will be disseminated to implementing entities and other stakeholders during the second half of 2026, with translations to follow.
		- Is responsible for ensuring evaluation guidance options for IEs' continuous adaptive management learning via near RTE, through to long-term project and operational learning demands.		No updates
		- It is responsible for nurturing networks and opportunities for South-South evaluation sharing of evaluation outcomes and evaluation techniques, and evaluation capacity exchange with other organizations with CCA interests.	✓	- United Nations Evaluation Group (UNEG) membership. Following the coming into force of the Evaluation Policy of the Adaptation Fund (October 2023), the AF-TERG joined the United Nations Evaluation Group (UNEG) with observer status in October 2023. - Participation in events to share the AF-TERG work and capacity exchange: • 13-16 October 2025: Participated in Adaptation Futures 2025 (Christchurch, New Zealand), where the AF-TERG contributed to discussions on adaptation measurement and evaluation, including

			a masterclass on AI in evaluation and participation in Adaptation Fund Innovation Spotlight events. • 11-22 November 2025: Participated in COP30 (Belém, Brazil), supporting the Climate Funds Pavilion and the launch of the new Evidence for Climate Action (E4CA) Pavilion. The AF-TERG organized or contributed to 11 events showcasing evaluation evidence for climate action and launched new ex post evaluations in Cuba and Ghana. • 11 February 2026: Co-organized a UNEG Evaluation Week event with FAO and UNICEF on innovative evaluation methods, presenting the AF-TERG's ex post evaluation methodology and lessons from its application. • 12 February 2026: Contributed to a Four Funds event hosted by the GCF Independent Evaluation Unit, presenting evidence on country ownership from AF-TERG evaluations. • 18-19 February 2026: Participated in the UNEG Annual General Meeting (Rome, Italy), engaging with evaluation professionals across the UN system and sharing the Adaptation Fund's evaluation experience and lessons. • 11-14 May 2026: Awarded First Prize at the 20th International Conference on Community-Based Adaptation to Climate Change (CBA20) in Manila, Philippines, for a poster on the ex post evaluation of an Adaptation Fund project in Mauritania. The poster highlighted the importance of community institutions, women's groups, and local partnerships in sustaining adaptation outcomes. • 2 June 2026: Co-organized a 2026 gLOCAL evaluation week online event on 'Evaluation, Evidence, and Trust in the Age of AI' together with the evaluation units of the GCF, GEF and CIF. • 15-17 June 2026: Participated online in the AfDB Evaluation Week, sharing insights on scaling climate adaptation and the role of evidence in driving impact.
		- To realize its responsibilities under this policy and its terms of reference, the AF-TERG will develop and submit to the Board its revised workplans and budgets, including options to appropriately resource the AF-TERG secretariat.	- In April 2024, the AF-TERG submitted its second multi-year work programme for FY2025-2027 to the Board. The Board approved it through decision B.42/46, based on document AFB/EFC.33/6/Rev.1. - In April 2025, the AF-TERG submitted the annual budget of the AF-TERG and its secretariat for fiscal year 2026, which was subsequently approved by the Board through decision B.44/43.

				- In April 2026, the AF-TERG submitted the annual budget of the AF-TERG and its secretariat for fiscal year 2027, which was subsequently approved by the Board through decision B.46/55.
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Appendix 2. Matrix for Tracking Entities' Contribution to the Evaluation Function of the Adaptation Fund as Stated in the Evaluation Policy

Entity	Function	Description (Quote from EP)	Level of influence	Indicators and verification means (VM)
The Board	<i>Generation of evaluations</i> (PE §28a).	- Through the EFC, oversees the evaluation function of the Fund and will continue to encourage a culture of accountability and applied learning across the Fund based on evaluative evidence.	Fund-level	- Provision of high level guidance to AF entities on the implementation of the EP, e.g., evaluation budget decision.
		- Approves and oversees implementation of all Fund policies, including the EP, with updates from the AF-TERG on policy implementation.	Fund-level	- [Revision/review/approval] of the AF-TERG annual progress report(s) for the reporting period.
				- [Revision/review/approval] of the annual work plan and administrative budget for fiscal year for the reporting period.
				- [Revision/review/approval] the Evaluation Policy implementation progress report in [current/previous] reporting period.
				- Board decisions related to generation of evaluations VM: AFB meeting reports.
		- May commission Fund-level and strategic-level evaluations as it sees fit.	Fund- and strategic-level evaluations	- Number and type of Fund-level and strategic-level evaluations commissioned within reporting period. VM: AF-TERG work programme and other documents and decisions.
		- Approves monitoring and evaluation budgets across all three levels and types of evaluation.	Fund- strategic- and operational-level evaluations	- Multi-year work programme of the AF-TERG approved
				- MTR and FE budget decision
				- MEL budget of the AFB Secretariat
	<i>Utilization of evaluations</i> (PE §28b).	- Decides how best to consider and incorporate lessons and recommendations from all Fund-level and strategic-level evaluations, as well as evaluation syntheses by the AF-TERG, including the corresponding AFB Secretariat management response, for improvement of Fund operations.	Fund- and strategic-level evaluations	- Board decisions on lessons and recommendations from Fund-level and strategic-level evaluations, as well as evaluation syntheses by the AF-TERG, including the corresponding AFB Secretariat management response. VM: Management Action Tracker

		- Encourages the use of evaluation-generated evidence in global discussions related to CCA, and to promote the Fund's CCA expertise, lessons, and achievements.	Fund-level	- Not systematically tracked, as it is not mandatory. The EP Implementation Progress Report may include references to instances where the Board encouraged the use of evaluation-generated evidence in global discussions related to CCA, as well as the promotion of the Fund's CCA expertise, lessons, and achievements
	(PE §28c)	- Through the PPRC, reviews and approves proposals from IEs, which should include a dedicated monitoring and evaluation budget aligned with the OPG.	Operational-level evaluations	- Percentage/number of proposals reviewed and approved by the PPRC during the current reporting period that include a dedicated M&E budget aligned with the OPG and relevant Board decisions. VM: project documents [reported under Generation of Evaluations / Implementing Entities]
	(PE §28d)	- The Board's Accreditation Panel will consider evaluation findings in its accreditation or reaccreditation of IE7 based on the performance of the entity's previous projects. This includes IE's management response and corrective actions to evaluation recommendations in cases where substantive concerns have been raised.	Accreditation/reaccreditation	- Participation of AF-TERG in AP meetings to provide updates on related evaluations. VM: AF-TERG Annual Progress Report(s) for current reporting period. Alt. The EP implementation progress report itself.
The AFB Secretariat	<i>Generation of evaluations</i> (PE §29a).	- Provides necessary guidance to IEs to plan and conduct operational-level evaluations. - The AFB Secretariat is responsible for quality assurance of operational-level evaluations (PE §26).	Operational-level evaluations	- Webinar sessions or in-person proposal development workshops: VM: When webinars are conducted - Project proposal materials are aligned with the EP. VM: review of project proposal materials available to IEs on the AF website - Project review materials are aligned with the EP.
		- It may advise the Board in relation to the needs and opportunities for strategic-level evaluations, and it may also undertake self-conducted evaluations at the strategic level.	Strategic-level evaluations	- Not systematically tracked, as it is not mandatory. The EP Implementation Progress Report may include references to instances where the AFB Secretariat advised the Board on the needs and opportunities for strategic-level evaluations, and/or undertook self-conducted evaluations at the strategic level.
		- Contributes insights to Fund-level and strategic-level evaluations when called upon	Fund- and strategic-level evaluations	- Number of Fund-level and strategic-level evaluations in which the AFB Secretariat provides input (in writing or through meetings) within reporting period. VM: Final evaluation reports.

	Utilization of evaluations (PE §29b).	- The secretariat's knowledge management function ensures that knowledge, evidence, and lessons from operational-level evaluations are stored, accessible, and useful to IEs, DAs, Civil Society Network partners, and other partner institutions.	Operational-level evaluations	- Project level evaluations are timely uploaded to and accessible via the project pages (AF website). VM: project pages in AF website
		- The AFB Secretariat will draft a management response for the Board within a reasonable time.	Fund- and strategic-level evaluations	- Draft management responses from the AFB Secretariat submitted to the Board together with or no later than one EFC meeting after the evaluation was completed. VM: Management responses submitted as meeting documents.
		- It will then institutionalize and report on incorporation of lessons and recommendations from Fund-level and strategic-level evaluations as they relate to the AFB Secretariat's functions.	Fund- and strategic-level evaluations	- Draft management response(s) from the AFB Secretariat submitted to the Board together with or no later than one EFC meeting after the evaluation was completed. VM: Management response(s) submitted as meeting documents; Relevant information contained in the report on activities of the AFB Secretariat submitted as meeting document.
		- In its work with other organizations, the AFB Secretariat will also highlight relevant evaluative evidence and lessons from Fund operations	Fund-level	- Not systematically tracked, as it is not mandatory. The EP Implementation Progress Report may include references to instances where the AFB Secretariat highlighted relevant evaluative evidence and lessons from Fund operations, such as reference to AF-TERG evidence in presentations, knowledge products or strategic documents.
	Evaluation capacity development (PE §29c).	- Will periodically engage with the AF-TERG to continuously improve the monitoring and evaluation capacity of its relevant personnel.	Fund-level (AFB Secretariat)	- Number and type of capacity building activities related to M&E held between the AFB Secretariat and the TERG. VM: Relevant information contained in the report on activities of the AFB Secretariat and the work programme update report of the TERG submitted as meeting documents to the Board/EFC in the current reporting period.
		- The AFB Secretariat and the AF-TERG will consult with each other in the development of their evaluation work programme and on possible capacity-building activities related to the evaluation function.	Fund-level (AFB Secretariat & TERG)	- Number and type of consultations formats between the AFB Secretariat and TERG on the development of their evaluation work programmes. - Number and type of capacity-building activities related to the evaluation function held. VM: Relevant information contained in the report on activities of the AFB Secretariat and the work programme update report

				of the TERG submitted as meeting documents to the Board/EFC in the current reporting period.
		- Will ensure that its readiness programme, particularly with IEs, includes aspects related to evaluation capacity and evaluative evidence coming from the evaluations conducted at the Fund.	Fund-level (Readiness)	- Number and type of events, meetings, trainings, and similar activities related to the readiness program during the reporting period that incorporate aspects of evaluation capacity and evaluative evidence derived from evaluations conducted at the Fund. - Number of readiness capacity building documents and materials available to IEs that incorporate aspects of evaluation capacity and evaluative evidence derived from evaluations conducted at the Fund. VM: Relevant information contained in the report on activities of the AFB Secretariat and the work programme update report of the TERG submitted as meeting documents to the Board/EFC in the current reporting period.
Implementing entities	Generation of evaluations (PE §30a).	- Will commission or conduct evaluations for each project/programme according to this EP. Associated requirements: • Evaluation budget at project design: ○ IEs, with the input of DAs, are required to budget for Baseline Data Report, MTR (for projects lasting four years or more) and final evaluation (PE §23). ○ Evaluation budget should be equivalent to 1-5% of project budget included in IE fee (Decision B.41/30). • Implementation of mandatory project evaluations (PE §23). ○ Baseline data is to be submitted to the AFB Secretariat by no later than the submission of the first PPR.* * The Baseline Data Report Guidance further clarifies baseline data requirements to be met through a standalone report or other approved reporting instruments such as funding proposals or PPRs.	Operational-level evaluations	- Compliance with the EP at project approval, incl. Planning and budgeting for mandatory evaluations. VM: project documents - Implementation of mandatory project evaluations. VM: evaluation report accessible on project site (AF website). - Submission of management responses is currently not tracked. - Submission of baseline data will be monitored by the AFB Secretariat through its regular project monitoring cycle.

		○ Mid-term Review (MTR). Projects lasting four years or more conduct an MTR. The MTR report is submitted to the AFB Secretariat no later than six months after the project midpoint. ○ The IE submits a management response to the AFB Secretariat within six months of receiving the MTR report. ○ Final Evaluation (FE): Projects undertake a FE at completion. The FE report is submitted to the AFB Secretariat and DA no later than nine months after project completion. ○ The IE submits a management response to the AFB Secretariat and the DA within six months of receiving the FE report.		
		- IEs may seek guidance from the AFB Secretariat on operational-level evaluation responsibilities that are required in proposals and during project implementation	Operational-level evaluations	- Provision of guidance and support through exchange of emails, webinar sessions and in-person technical capacity development as well as workshops on proposal development.
	<i>Utilization of evaluations (EP §30b).</i>	- Will utilize operational-level evaluation evidence to improve ongoing projects and future project proposals.	Operational-level evaluations	- Management response of IEs following a MTR, RTE, FE. VM: management responses received and reviewed. - Ex post evaluations conducted by the TERG with support of IEs. VM: evaluation reports and materials
		- They will incorporate evaluation insights, as appropriate, into their communication activities, reflections, and evolutions of their CCA-related strategies and plans.	Operational-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG. The EP Implementation Progress Report may include references to instances where IEs incorporate evaluation insights into their communication activities, reflections, and evolutions of their CCA-related strategies and plans.
		- Are strongly encouraged to share learning and knowledge, such as promising practices, with relevant partners through peer, national, and international platforms	Operational-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG. The EP Implementation Progress Report may include references to instances where IEs shared learning and

		and other knowledge- sharing mediums and outlets.		knowledge, such as promising practices, with relevant partners through peer, national, and international platforms and other knowledge- sharing mediums and outlets.
		- They will also provide updates to the DAs on implementation progress based on findings from MTR, RTE, and final evaluations	Operational-level evaluations	- [TBD]
	<i>Evaluation capacity development (EP §30c).</i>	- Will periodically review their own evaluative capacity relative to the requirements of this EP.	Operational-level evaluations	Have adequate in-house capacity to support IEs to comply with EP requirements
		- IEs will collaborate with the AFB Secretariat and the AF-TERG to identify relevant opportunities for their profession evaluation and learning capacity development.	Operational-level evaluations	- Not systematically track as it is not compulsory. EP Implementation Progress Report might include mentions to instances where IEs collaborated with the AFB Secretariat and the AF-TERG to identify relevant opportunities for their profession evaluation and learning capacity development.
		- They will also contribute to the Fund's development of new evaluation techniques and guidance that support the application of this policy in pursuit of the Fund's mission and vision.	Operational-level evaluations	- Not systematically track as it is not compulsory. EP Implementation Progress Report might include mentions to instances where IEs contributed to the Fund's development of new evaluation techniques and guidance that support the application of this policy in pursuit of the Fund's mission and vision.
	Designated authorities (DAs)	- Are encouraged to cooperate with IEs that are conducting operational-level evaluations, including facilitating timely access to information and personnel directly or indirectly related to the project.	Operational-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG.
		- They are expected to participate in evaluation design and data interpretation discussions, and site visits, as relevant, appropriate and possible.	Operational-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG.
		- Are encouraged to input into evaluations to inform the extent to which a project is relevant to the country's Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), National Adaptation Programme of Action (NAPAs), Adaptation Communications (ADCOMs) or	Operational-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG.

		other relevant climate change-related strategies and plans.		
		- Should cooperate with Fund entities and consultants if a Fund-level or strategic-level evaluation relates to their country or country context (e.g., geographic, economic, or cultural)	Fund- and strategic-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG. EP Implementation Progress Report might include mentions to instances where IEs cooperated with Fund entities and consultants as part of Fund-level or strategic-level evaluations
	<i>Utilization of evaluations (EP §31b).</i>	- Are encouraged to incorporate evaluative evidence and lessons from evaluation reports related to their country, geographic, or socioeconomic context into the country's own CCA intelligence, strategies, and plans, including Biennial Transparency Reports (BTRs)	Strategic- and operational-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG.
	<i>Evaluation capacity development (EP §31c).</i>	- Are encouraged to use evaluation guidance documents and participate in evaluation events to support national evaluation capacity development, in alignment with the United Nations General Assembly Resolution for Building Capacity for the Evaluation of Development Activities at the Country Level (UNGA, 2015)	Operational-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG.
The AF Civil Society Organization (CSO) Network partners	<i>Generation of evaluations (PE §32a).</i>	- Will collaborate with Fund entities and consultants hired by the entity if an operational-, Fund-, or strategic-level evaluation is related to their sectoral interests or operational contexts (e.g., geographic, economic, or cultural)	Fund- and strategic-level evaluations	- Not systematically tracked, as it falls outside the control and information managed by the AFB Secretariat and TERG. EP Implementation Progress Report might include mentions to instances where CSOs and Network Partners collaborated with Fund entities and consultants hired by the entity for operational-, Fund-, or strategic-level evaluations.
	<i>Utilization of evaluations (EP §32b).</i>	- Are encouraged to consider the application of the Fund's evolving evaluation guidance as they engage in monitoring and evaluation of Fund-supported projects.	Operational-level evaluations	- Not systematically tracked, as not compulsory. It also falls outside the control and information managed by the AFB Secretariat and TERG.

		- Network Partners may also consider the application of lessons and recommendations from Fund evaluations relevant to their own programming sectors.	Strategic- and operational-level evaluations	- Not systematically tracked, as not compulsory. It also falls outside the control and information managed by the AFB Secretariat and TERG.
	<i>Evaluation capacity development (EP §32c).</i>	- May access and utilize AF-TERG evaluation guidance documents for their own capacity development. Network partners are encouraged to contribute to the Fund's development of new evaluation techniques and guidance that support application of the policy's evaluation criteria and principles	Fund-level	- Not systematically tracked, as not compulsory. It also falls outside the control and information managed by the AFB Secretariat and TERG.
The AF-TERG	<i>Generation of evaluations (PE §33a).</i>	(i) Management responsibility: Independently manage, commission, and/or conduct evaluations in the Board- approved work programme at the Fund and strategic levels.	Fund- and strategic-level evaluations	- Application of the evaluation principles. VM: ToRs and evaluation report. - Use of the evaluation criteria to guide the focus of evaluations. VM: ToRs, evaluation report.
	AF-TERG will facilitate the generation of quality, useful evaluations via three responsibilities:	(i) Management responsibility: It will also report to the Board on lessons, findings, conclusions, and recommendations from relevant evaluation reports	Fund- strategic- and operational-level evaluations	VM: - TERG Progress Reports presented to the [EFC/Board] in the reporting period - Fund-level and strategic-level evaluation reports/briefs/summary reports presented to the [EFC/Board] in reporting period - EP Implementation Progress Report for the reporting period. - Management action tracker
		(ii) Advisory responsibility: Develop draft guidance, templates, and other evaluation resources for Board approval to support and operationalize this EP and upholds a reliable, timely, and useful evaluation function that contributes to the Fund's mission and vision.	Fund-level (EP implementation)	- Number of guidance, templates, and other evaluation resources to support and operationalize the EP <i>[to be reported under 'Evaluation capacity development']</i>
		(ii) Advisory responsibility: It will also conduct evaluation capacity development to support evaluation and learning across the Fund	Fund-level	- Number of evaluation activities and endeavors to support evaluation and learning across the Fund in the reporting period. VM: AF-TERG Annual Progress Report(s) for current reporting period. <i>[to be reported under 'Evaluation capacity development']</i>

		(iii) Oversight responsibility: Provide quality assurance over the evaluation function at the Fund, and track implementation of Board decisions related to evaluation recommendations. This includes advising the Board in its efforts to incorporate evaluation findings and recommendations into policies, strategies, and procedures	Fund-strategic- and operational-level evaluations	- EP Implementation Progress Report submitted to the [EFC/Board] in reporting period - Management action tracker <i>[to be reported under 'Utilization of Evaluations']</i>
	Utilization of evaluations (EP §33b).	- Will support relevant knowledge management functions of the Fund to ensure that evaluative evidence is available and encouraged across the Fund (Adaptation Fund, 2018, para 18a).	Fund-level	- Number of guidance notes, training materials and other knowledge resources developed based on conducted evaluations. <i>[reported under evaluation capacity development]</i>
		- In addition to sharing insights from individual evaluations, the AF-TERG will synthesize and present to the Board any key lessons from strategic evaluations and targeted evaluation syntheses for the improvement of the Fund's performance (Adaptation Fund, 2018, para 24) and the CCA capacities of its partners.	Strategic- and operational-level evaluations	- Evaluation synthesis reports presented to the Board - Number of reports and documents including key lessons from strategic evaluations presented to the Board. VM: reports presented to the Board
		- It will also report to the Board on incorporation of lessons and recommendations from strategic-level evaluations as they relate to the AF-TERG's functions.	Strategic-level evaluations (TERG)	- Number of recommendations focused on AF-TERG that have been implemented. VM: Management action tracker
	Evaluation capacity development (EP §33c).	- Responsible for continuously updating the Fund's evaluation knowledge, capacity development, and utilization to position the Fund at the forefront of evaluation innovation and adaptation practice. Such positioning is to optimize the Fund's effectiveness via continuous improvement in learning and reinforce the Fund's reputation and relevance as a thought leader in global climate adaptation efforts.	Fund-level	- Number of updates to the Fund's evaluation knowledge, capacity development, and utilization documents, guidance notes, toolkits or similar.
		- Will consult with the AFB Secretariat and IEs to develop Fund evaluation guidance that is relevant and user-friendly, and	Fund-strategic- and operational-	- Number and type of guidance notes available to AF entities developed in consultation with the AFB Secretariat and IEs. VM: AF website

		pursue local institution-building, decision-making, learning, and accountability.	level evaluations	- Number and type of evaluation related learning resources available to different AF entities developed in consultation with the AFB Secretariat and IEs. VM: AF website
		- Is responsible for ensuring evaluation guidance options for IEs' continuous adaptive management learning via near RTE, through to long-term project and operational learning demands.	Operational-level evaluations	- Number and type of guidance notes developed by the TERG that are available to IEs.VM: AF website - Number and type of evaluation related learning resources developed by the TERG that are available to IEs. VM: AF website.
		- It is responsible for nurturing networks and opportunities for South-South evaluation sharing of evaluation outcomes and evaluation techniques, and evaluation capacity exchange with other organizations with CCA interests.	Networks	- Number and type of events and networks in which the TERG has participated within the reporting period for nurturing networks and opportunities for South-South evaluation, sharing of evaluation outcomes and evaluation techniques, or/and evaluation capacity exchange with other organizations with CCA interests. VM: AF-TERG Annual Progress Report(s) for current reporting period.
		- To realize its responsibilities under this policy and its terms of reference, the AF-TERG will develop and submit to the Board its revised workplans and budgets, including options to appropriately resource the AF-TERG secretariat.	TERG and Board	- Submission of the draft work programme of the TERG for approval. - Submission of the AF-TERG Annual Progress Report in current reporting period. - Submission of the Evaluation Policy Implementation Progress Report in the current reporting period.

Appendix 3. Implementation of Mandatory Project Evaluations

MTR due to submission within reporting period

[MANDATED FOR PROJECTS ≥ 4 YEARS]

Mid-term Review (MTR). IEs are required to conduct MTRs of any project with four or more years of implementation, and to submit the MTR report to the secretariat no later than six months after the project midpoint. MTRs are formative evaluations to assess project performance and context to inform project management decision-making and course correction during the remaining implementation period. The IE is to submit a management response to the MTR report to the secretariat within six months of receiving the MTR report, describing what, why, and how MTR learning will be utilized. The MTR may be conducted independently or semi-independently. MTRs are optional for projects less than three years in duration; these may be self-conducted (EP, pp.8-9).

	Project Title	IE	IE type	Country	Approval date	Start date	Duration	Grant amount	MTR required [YES/NO]	MTR expected submission date [MM/DD/YYYY]	MTR actual submission date [MM/DD/YYYY]	Comments
1	Ger Community Resilience Project (GCRP)	UN-Habitat	MIE	Mongolia	3/24/2023	8/17/2023	4 years	7,965,882	YES	2/17/2026	2/14/2026	
2	Rwanda Subnational Adaptation Fund EDA	Ministry of Environment, Rwanda	NIE	Rwanda	10/14/2022	7/18/2023	5 years	4,998,812	YES	7/18/2026	unavailable	
3	Adaptation to Climate-Induced Water Stresses through Integrated Landscape Management in Bhutan	Bhutan Trust Fund for Environmental Conservation	NIE	Bhutan	10/14/2022	5/30/2023	5 years	9,998,955	YES	5/30/2026	unavailable	Ongoing.
4	Multisectoral Adaptation Measures to Climate Change in the South Oropouche River Basin for Flood Relief	Development Bank of Latin America	RIE	Trinidad and Tobago	4/8/2022	9/13/2023	4 years	10,000,000	YES	3/13/2026	unavailable	
5	Nature-based Climate Adaptation Programme for the Urban Areas of Penang Island	UN-Habitat	MIE	Malaysia	2/23/2022	9/6/2022	5 years	10,000,000	YES	9/6/2025	2/14/2026	
6	Integrated Water and Soil Resources Management Project (Projet de gestion intégrée des ressources en eau et des sols PROGRES)	International Fund Agricultural Dev	MIE	Djibouti	7/26/2021	3/29/2022	5.5 years	5,339,285	YES	6/29/2025	11/8/2024	
7	Resilience building as climate change adaptation in drought-struck South-western African communities (Angola, Namibia)	Sahara and Sahel Observatory	RIE	Regional	7/26/2021	3/15/2022	5.5 years	11,941,038	YES	6/15/2025	unavailable	Finalized and under review by OSS, to be submitted to AF by End of October
8	Rural Integrated Climate Adaptation and Resilience Building Project (RICAR)	UN World Food Programme	MIE	Gambia	3/11/2021	3/21/2022	5 years	10,000,000	YES	3/21/2025	8/26/2025	
9	Scaling-up climate-resilient rice production in West Africa (Benin, Burkina Faso, Côte d'Ivoire, Gambia (Republic of the), Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo)	Sahara and Sahel Observatory	RIE	Regional	10/21/2021	2/24/2023	4.5 years	14,000,000	YES	11/24/2025	unavailable	
10	Strengthening Local Communities' Adaptive Capacity and Resilience to Climate Change through Sustainable Groundwater Utilisation in Zimbabwe	United Nations Educational, Scientific and Cultural Organization	MIE	Zimbabwe	4/8/2021	1/31/2024	4 years	5,000,000	YES	7/31/2026	unavailable	
11	Mekong EBA South: Enhancing Climate Resilience in the Greater Mekong Sub-region through Ecosystem-based Adaptation in the Context of South-South Cooperation (Thailand, Viet Nam)	UN Environment Programme	MIE	Regional	3/11/2021	7/19/2023	4 years	7,000,000	YES	1/19/2026	unavailable	
12	Climate Change Adaptation through Protective Small-scale Infrastructure Interventions in Coastal Settlements of Cambodia	UN-Habitat	MIE	Cambodia	1/26/2021	8/26/2021	4 years	5,000,000	YES	2/26/2024	9/1/2024	
13	Reducing vulnerabilities of populations in the Central Asia region from glacier lake outburst floods in a changing climate (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan)	United Nations Educational, Scientific and Cultural Organization	MIE	Regional	10/15/2020	4/29/2021	5 years	6,500,000	YES	4/29/2024	5/1/2024	
14	Building Climate Resilience in Liberia's Cocoa and Rice Sectors	International Fund Agricultural Dev	MIE	Liberia	9/23/2020	4/14/2022	5 years	9,592,082	YES	4/14/2025	3/31/2024	
15	Increasing Local Communities' Resilience to Climate Change through Youth Entrepreneurship and Integrated Natural Resources Management	International Fund Agricultural Dev	MIE	Cameroon	9/23/2020	10/27/2022	6 years	9,982,000	YES	4/27/2026	3/28/2025	
16	Strategic Water Harvesting Technologies for Enhancing Resilience to Climate Change in Rural Communities in Semi-Arid Areas of Tanzania (SWAHAT)	National Environment Management Council	NIE	Tanzania	9/23/2020	10/13/2021	4 years	1,280,000	YES	4/13/2024	2024	
17	Enhancing Climate Change Adaptation for Agro-Pastoral Communities in Kongwa District	National Environment Management Council	NIE	Tanzania	6/1/2020	10/12/2021	4 years	1,200,000	YES	4/12/2024	unavailable	
18	Economic, Social and Solidarity Insertion for Resilience in the Governorate of Kairouan (IESS Adapt)	International Fund Agricultural Dev	MIE	Tunisia	6/1/2020	9/2/2021	5 years	9,997,190	YES	9/2/2024	3/26/2026	
19	Adaptation Fund- UN Environment Special Financing Window in Support of Innovation for Adaptation	UN Environment Programme	MIE	Regional	10/11/2019	10/28/2020	5 years	5,000,000	YES	10/28/2023	unavailable	
20	Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP)	UN Development Programme	MIE	Regional	10/11/2019	10/28/2020	5 years	5,000,000	YES	10/28/2023	6/1/2023	
21	Building adaptive capacity to climate change in vulnerable communities living in the Congo River Basin	UN World Food Programme	MIE	Congo	10/11/2019	2/22/2022	5 years	9,999,909	YES	2/22/2025	unavailable	
22	Enhancing climate resilience of rural communities and ecosystems in Ahuachapán, San Salvador	UN Development Programme	MIE	El Salvador	10/11/2019	6/16/2021	5 years	8,484,503	YES	6/16/2024	12/1/2023	
23	Dairy Modernization and Market Access: Adaptation Component (DIMMA Adapt)	International Fund Agricultural Dev	MIE	Georgia	10/11/2019	4/16/2021	4 years	4,644,794	YES	10/16/2023	9/1/2024	
24	Climate Change adaptation in vulnerable coastal cities and ecosystems of the Uruguay River (Argentina, Uruguay)	Development Bank of Latin America	RIE	Regional	7/15/2019	8/4/2021	4 years	13,999,996	YES	2/4/2024	9/16/2024	
25	An integrated landscape approach to enhancing the climate resilience of small-scale farmers and pastoralists in Tajikistan	UN Development Programme	MIE	Tajikistan	7/8/2019	8/28/2021	4 years	9,996,441	YES	2/28/2024	12/1/2023	
26	Promoting Climate Resilience in the Cocoa and Rice Sectors as an Adaptation Strategy in Sierra Leone	International Fund Agricultural Dev	MIE	Sierra Leone	7/8/2019	5/6/2020	6 years	9,916,925	YES	11/6/2023	7/31/2026	
27	Building resilience for adaptation to climate change and climate vulnerabilities in agriculture in Saint Lucia	Caribbean Development Bank	RIE	Saint Lucia	7/8/2019	9/3/2021	4 years	9,858,570	YES	3/3/2024	unavailable	Postponed to September 2027 due to delays in procurement and recruitment activities.
28	Adaptation Initiative for Climate Vulnerable Offshore Small Islands and Riverine Charland in Bangladesh	UN Development Programme	MIE	Bangladesh	3/15/2019	6/29/2021	5 years	9,995,369	YES	6/29/2024	4/1/2026	
29	Restoring marine ecosystem services by rehabilitating coral reefs to meet a changing climate future (Mauritius, Seychelles)	UN Development Programme	MIE	Regional	10/12/2018	11/26/2020	6 years	10,000,000	YES	5/26/2024	2/24/2024	

FINAL EVALUATIONS

[COMPULSORY PROJECT EVALUATION]

All Fund-supported projects and programmes that complete implementation should conduct a final evaluation to assess project/programme performance and impact to support learning and accountability, and inform future CCA interventions. The audience for final evaluation is broad, including the IE and the Fund, the intended beneficiaries and project participants, Fund partners, and other relevant stakeholders.

Projects: All IEs are required to commission an **independent** final evaluation of their projects, submitted to the secretariat and the DA within nine months of project completion.

Programmes: Programme evaluations approved and implemented under a single IE agreement are to be planned and budgeted as final project evaluations. Programme evaluations for projects involving multiple IEs are to be selected, planned, budgeted, and managed as thematic evaluations. Programme evaluations seek to generate lessons and insights across projects, countries, regions, and/or IEs. For the programme evaluations, IEs will be notified within three months of approval of the Fund's evaluation budget whether their project has been selected for the programme evaluation. IEs are to submit to the secretariat and the DA or DAs a management response to the final evaluation report within six months of receiving the evaluation report. This should describe what, why, and how final evaluation learning will be incorporated into current or future AF Fund work (EP, p.9).

	Project Title	IE	IE type	Country	Approval date	Start date	Duration	Grant amount	MTR required [YES/NO]	MTR expected submission date [MM/DD/YYYY]	MTR actual submission date [MM/DD/YYYY]	Comments
1	Increasing the climate change resilience of communities in Eastern Ghouta in Rural Damascus to water scarcity challenges through integrated natural resource management and immediate	UN-Habitat	MIE	Syrian Arab Republic	4/8/2021	10/24/2021	3.5 years	\$ 9,997,156	YES	6/30/2026	unavailable	Evaluation is ongoing
2	Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province,	Partnership for Governance Reform (Kemitraan) of Indonesia	NIE	Indonesia	9/23/2020	4/1/2021	2 years	\$ 1,125,015	YES	4/14/2026	12/7/2025	
3	Building Resilient Food Security Systems to Benefit the Southern	UN World Food Programme	MIE	Egypt	9/23/2020	9/20/2021	3 years	\$ 3,094,962	YES	6/15/2026	3/15/2026	
4	Enhancing Climate Change Adaptation for Agro-Pastoral Communities in Kongwa District	National Environment Management Council	NIE	Tanzania, United Republic of	6/1/2020	10/12/2021	4 years	\$ 1,200,000	YES	7/12/2026	unavailable	
5	Adaptation Fund- UN Environment Special Financing Window in	UN Environment Programme	MIE	Regional	10/11/2019	10/28/2020	5 years	\$ 5,000,000	YES	7/28/2026	unavailable	
6	Adapting to Climate Change Through Integrated Risk Management Strategies and Enhanced Market Opportunities for Resilient Food	UN World Food Programme	MIE	Malawi	10/11/2019	6/11/2020	5 years	\$ 9,989,335	YES	3/11/2026	11/25/2026	
7	Building urban climate resilience in south-eastern Africa (Madagascar, Malawi, Mozambique, Union of Comoros)	UN-Habitat	MIE	Regional	7/15/2019	6/23/2020	4 years	\$ 13,997,423	YES	1/21/2026	unavailable	
8	Improving adaptive capacity of vulnerable and food-insecure	UN World Food Programme	MIE	Lesotho	7/8/2019	10/8/2020	4 years	\$ 9,999,894	YES	5/8/2026	unavailable	
9	Integrated climate-resilient transboundary flood risk management in the Drin River basin in the Western Balkans (Albania, the Former	UN Development Programme	MIE	Regional	3/15/2019	10/22/2019	5 years	\$ 9,927,750	YES	7/22/2026	unavailable	
10	Enhancing Climate Resilience in San Cristóbal province, Dominican Republic Integrated Water Resources Management and Rural Development Programme	Dominican Institute of Integral Development of Dominican Republic	NIE	Dominican Republic	3/15/2019	7/17/2019	4 years	\$ 9,953,692	YES	12/17/2024	10/23/2025	
11	Strengthening land based adaptation capacity in communities adjacent to protected areas in Armenia	Environmental Project Implementation Unit	NIE	Armenia	3/15/2019	9/26/2019	3 years	\$ 2,506,000	YES	4/1/2025	2023	
12	Integrating Flood and Drought Management and Early Warning for Climate Change Adaptation in the Volta Basin (Benin, Burkina Faso,	World Meteorological Organization	MIE	Regional	10/12/2018	6/25/2019	4 years	\$ 7,920,000	YES	3/25/2025	12/30/2024	
13	Artik city closed stonepit wastes and flood management pilot project	Environmental Project Implementation Unit	NIE	Armenia	10/12/2018	7/26/2019	4 years	\$ 1,435,100	YES	4/26/2024	9/22/2025	
14	Flood Resilience in Ulaanbaatar Ger Areas & #8211; Climate Change Adaptation through community-driven small-scale protective and	UN-Habitat	MIE	Mongolia	7/16/2018	2/28/2019	4 years	\$ 4,495,235	YES	9/30/2024	9/1/2024	
15	Pilot rural desalination plants using renewable power and membrane technology	Desert Research Foundation of Namibia	NIE	Namibia	10/13/2017	7/16/2018	4 years	\$ 4,999,674	YES	10/30/2023	5/29/2023	
16	Building adaptive capacity through food and nutrition security and peacebuilding actions in vulnerable Afro and indigenous communities in the Colombia-Ecuador border area (Colombia,	UN World Food Programme	MIE	Regional	7/5/2017	5/3/2018	5 years	\$ 14,000,000	YES	8/3/2025	12/1/2024	
17	Ecosystem-Based Adaptation at Communities of the Central Forest	UN Development Programme	MIE	Honduras	3/17/2017	3/4/2019	5 years	\$ 4,379,700	YES	12/4/2024	12/15/2023	
18	Enhancing the climate and disaster resilience of the most vulnerable rural and emerging urban human settlements in Lao PDR	UN-Habitat	MIE	Lao People's Democratic Republic	10/7/2016	2/24/2017	4 years	\$ 4,500,000	YES	5/24/2025	8/15/2024	
19	Adaptation to the Impacts of Climate Change on Peru's Coastal Marine Ecosystem and Fisheries	Peruvian Trust Fund for National Parks and Protected Areas	NIE	Peru	3/18/2016	5/17/2018	4 years	\$ 6,950,239	YES	1/30/2024	4/1/2023	
20	Building Resilience in the greater uMngeni Catchment, South Africa	South Africa National Biodiversity Institution	NIE	South Africa	10/10/2014	12/11/2015	5 years	\$ 7,495,055	YES	11/28/2025	9/1/2024	
21	Climate Smart Agriculture: Enhancing Adaptive Capacity of the Rural Communities in Lebanon (AgriCAL)	International Fund Agricultural Dev	MIE	Lebanon	6/28/2012	9/15/2015	4 years	\$ 7,860,825	YES	7/21/2024	2/14/2024	

Appendix 4. Management Action Tracker FY26

- Updated MAT for the Thematic Evaluation of the Adaptation Fund Accreditation Process
- Updated MAT for the Thematic evaluation of the Readiness Programme of the Adaptation Fund
- Updated MAT for the Thematic evaluation of scalability concepts and practice at the Adaptation Fund

ADAPTATION FUND MANAGEMENT RESPONSE TRACKING SHEET

<i>Thematic evaluation of the Readiness Programme of the Adaptation Fund</i>			
Evaluation Type:	Thematic	Evaluation ID (AF):	FY26-015S
Evaluation Start Date:	4/12/2024	Date Received for Response:	3/11/2025 (AF-TERG received response from AFB Sec)
Evaluation Completion Date:	10/4/2026	Date of management response approval by the Board:	10/4/2026
Focal Point:	Sithabiso Gandure	Person(s)/ Unit Responsible to Track/ Manage the Follow-up: AF-TERG/ AFB Secretariat	
Link to Management Response	Link to Evaluation		
Overall response to the evaluation:	The Secretariat acknowledges the completeness of the thematic evaluation and the accompanying report, which captures a significant amount of information provided by the respondents interviewed by AF-TERG, including the Secretariat. It is noteworthy that AF- TERG recognizes the continued relevance of the readiness programme to the Fund’s strategic priorities, particularly in meeting the adaptation finance needs of eligible developing country parties through the direct access modality. While the thematic evaluation covers a commendable 11-year timeframe from 2014 to 2025, the Secretariat believes that this timeframe is excessively long. Significant changes have occurred in the Readiness process in recent years. The triangulation of data and information based on which results were formulated could have benefited from a more nuanced approach. The TERG report on the evaluation of the AF readiness programme presents five high-level recommendations, each with detailed sub- recommendations addressing specific focus areas. While the Secretariat agrees with certain recommendations, it also holds different perspectives on others. In Annex I that follows, the Secretariat provides a detailed response to the recommendations with a rationale as necessary.		

Management Response							Action Status (blue, green, yellow, red)	
No.	Recommendation	Management Agreement Status	Management Response	Actions Planned	Timeframe	Responsible Parties (Org &)		2026
	List the recommendations from the Evaluation Report	* Agreed * Partially Agreed * Disagreed	Response from the entity that the recommendation targets	Indicate the concrete actions planned by partners to implement the recommendations	Please indicate a completion date	Please be specific and indicate who (Staff or Unit/office) is responsible for the actions. If it	Please select between On-track, Not on-track, Delayed, and No Action Required.	Please indicate status of implementation and actions taken. If an action is no longer relevant due to a changed context, please provide a justification and indicate if it should be cancelled or reformulated.
1	The Readiness Programme should further sharpen its value added, particularly regarding the ways in which its various components are designed to support countries as well as in relation to other readiness providers. This value added should be outlined in the new Readiness Programme strategy and communicated clearly and widely, ensuring that relevant stakeholders are aware of, know and understand how to access Adaptation Fund readiness support. Such a value added could be based on the accessibility of the programme for countries that have not accessed AF funds or have been accredited, positioning it as a stepping stone. This would necessitate further tailoring of support to ensure its effectiveness, particularly regarding accreditation support. (strategic) To address this recommendation, the Readiness Programme may consider further articulating and communicating its overall value proposition and areas of comparative advantage, while ensuring that engagement processes and support mechanisms adequately recognize the roles of DAs and other relevant stakeholders. (high priority)	Agreed	The Secretariat agrees with this recommendation for clearer articulation, communication, and tailoring of the programme’s value added in the new Readiness Programme Strategy. Positioning the readiness programme as a stepping stone for countries with limited capacity, is realistic, and it builds on its current function. Ensuring effective tailored accreditation support, will be considered as part of the enhanced readiness strategy. The Secretariat also concurs with the recommendation for improved engagements with Designated Authorities (DAs) and other stakeholders to enhance accessibility of readiness support and related resources, particularly in the early stages of the accreditation process. Supporting these actors would enhance coherence, ensure more effective use of resources, and contribute to the sustainability of adaptation actions. The Secretariat contends that these aspects will be considered as part of the enhanced readiness strategy.	Incorporate recommendations in enhanced readiness strategy	31/12/2028	AFB Secretariat	On-track	New Readiness Strategy will be presented at B.47 (October 2026) ToC has been included and added value has been explained in the proposed Strategy.

2	In developing its new strategy, the Readiness Programme should clearly outline in its theory of change (in development) the specific value added of the programme, intended causal pathways for its use, and associated ways to track implementation, outcomes, and feedback from stakeholders. This would ensure that any gaps are identified early and that adaptations can be made to increase the effectiveness, efficiency, and likely impact of the programme. (strategic) To address this recommendation, the Readiness Programme may, for example, consider strengthening monitoring of the readiness's influence on accreditation, enhancing transparency of accreditation data, and scaling up peer-to-peer learning and knowledge sharing. (medium priority)	Agreed	The Secretariat welcomes the recommendation to outline the theory of change for the new Readiness Programme strategy which is in line with Recommendation 1 to clearly articulate its value-add. It also agrees that this articulation in the theory of change for the new readiness strategy would enable the Secretariat to outline causal pathways for the effective delivery of capacity building to developing countries, particularly LDCs and SIDS, informed by the Fund's strategic priorities and country-needs, gaps within implementing entities and consideration of complementarity and coherence endeavors within the multilateral climate funds architecture and readiness support delivered by other stakeholders. The Secretariat is committed to taking steps to improve programme portfolio monitoring and the subsequent sharing of information with IEs and the Fund's stakeholders under the new readiness strategy. This will include streamlined data collection, analysis and information gathering. However, the Secretariat notes the need for handling confidential and sensitive data and information in the process e.g., related to accreditation, and will apply the World Bank Access to Information Policy and Information Classification and Control Policy. Further details on monitoring of readiness grants: Currently, grant recipients are required to submit regular progress, completion, and monitoring reports, detailing how readiness activities have contributed to strengthening institutional capacity, advancing accreditation pathways, and supporting the design of project proposals. These reports also capture lessons on how readiness interventions have enabled entities to access not only the Adaptation Fund but also other sources of climate finance, thereby demonstrating the catalytic role of readiness support. However, entities face challenges in submitting monitoring or completion reports due to limited data retention systems and inadequate transfer of knowledge and capacity during staff turnover or organizational restructuring. The Secretariat is committed to addressing these systemic constraints through improved knowledge management, simplified reporting processes, and stronger institutional handover practices. At the same time, the Secretariat notes that there is a risk of adding reporting burdens on institutions with limited capacity, which may inadvertently reduce their ability to focus on core readiness and accreditation activities. To mitigate this, monitoring efforts will be streamlined, proportional, and aligned with existing Fund systems. Knowledge and Dashboards: The Secretariat acknowledges that enhancing knowledge management and peer learning platforms could further strengthen the Readiness Programme's role in facilitating institutional capacity. To this end, the Secretariat notes that it has online knowledge and data-sharing platforms, which serve as a central hub for awareness-raising, learning, and stakeholder engagement for the readiness programme. The new readiness strategy could explore enhancing these platforms, which include: •The Knowledge Repository on the Fund website, which provides access to guidance documents, toolkits, webinars, and case studies that showcase lessons learned from readiness grants and capacity-building activities. •Publicly available information on all readiness grants with clear eligibility criteria and application materials. •A dedicated webpage for events and webinars, offering recordings and resources from regional workshops and the Fund's capacity building activities, thus supporting peer-to-peer learning across countries and institutions. •Regular publications and newsletters, which highlight progress, share success stories, and raise awareness of how supporting readiness strengthens national institutions in accessing and managing climate finance.	Incorporate recommendations in enhanced readiness strategy	31/12/2028	AFB Secretariat	On-track	New Readiness Strategy will be presented at B.47 (October 2026) The resources are currently On-track to be revised in line with the overall update of the AF website, which is underway.
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3	The Readiness Programme should strengthen its coordination and collaboration with implementing entities, Designated Authorities and other climate funds. This could be achieved by fostering complementarity and collaboration that leverage the distinctive value adds of different institutions. Improved communication and information dissemination would ensure that key in-country stakeholders are aware of the support that is available and being provided and that synergies are amplified and any overlap between climate readiness providers is addressed. (operational) To address this recommendation, the Readiness Programme may build on its already existing set of partnerships by further enhancing stakeholder engagement and dialogue, deepening the understanding of the in-country institutional arrangements, power dynamics, and operational challenges and strengthening of partnerships and coordination mechanisms with other Multilateral Climate Funds to reduce duplication and enhance complementarity. (medium priority)	Agreed	The Secretariat is committed to strengthening collaboration with the Fund’s stakeholders, particularly with Designated Authorities. It is also committed to enhancing complementarity with other climate funds and has experience leading similar initiatives as described below. The Secretariat notes that this issue will be a key approach embedded in the new readiness strategy, and that to remain fully aligned with the Fund’s mandate, coordination, collaboration and complementarity will be pursued through flexible and pragmatic approaches that enhance awareness of available support, foster synergies, and ensure that readiness continues to serve as an enabling mechanism directly linked to financing concrete adaptation actions for the most vulnerable. Considering this: -The Secretariat agrees with the recommendation to engage additional stakeholders within countries in its existing and new activities. -The Secretariat will further explore the feasibility and practicality of introducing regional focal points. The Secretariat notes that whilst this approach could enhance the Readiness Programme’s ability to provide timely, locally relevant support and improve awareness of available resources, it would entail increased operational costs and potential duplication with existing structures by other climate funds. In such case, a more efficient route could be enhanced coordination with other climate funds’ readiness programs. -The Secretariat takes note of the recommendation to build existing partnerships, establishing more formal partnerships with other climate finance providers for joint planning, coordinated training, fund-to-fund dialogues, and harmonized support packages aligned with country-specific strategies. However, this will need to be balanced with the administrative complexities that may require alignment of differing institutional priorities and may create potential dependencies or delays if decision-making processes are not clearly defined. There is also a risk of diluting the Fund’s unique value proposition if joint activities are not carefully scoped to	Incorporate recommendations in enhanced readiness strategy	31/12/2028	AFB Secretariat	On-track	New Readiness Strategy will be presented at B.47 (October 2026) Broader discussion between MCFs is ongoing.
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3		preserve its direct access model and focus on the most vulnerable countries. Partnerships and coordination experience to note: Between 2018 and 2021 the Fund through its Readiness Programme team championed the establishment of a global network of providers of readiness and capacity building support. The network, which was a voluntary platform consisting of multilateral climate funds, UN agencies and other international organizations, sought to facilitate a coordinated approach to readiness and capacity building, promote collaboration, partnerships and complementarity between multilateral climate funds and other providers of readiness support, and to increase accessibility of information on available support through a bulletin. The network resulted in four issues of the bulletin being launched and successful joint events and activities held at the UNFCCC COP25 and the 2019 subsidiary body meetings. Due to the success of the initiative, in 2020 the PCCB merged the global network of providers of readiness and capacity building support into the PCCB Network and established the Capacity Building Portal. The PCCB Network remains a voluntary association of stakeholders engaged in climate-related readiness and capacity-building which fosters global collaboration, shares good practices, and enhances coherence and coordination in capacity-building efforts. The Capacity Building Portal is an online platform that showcases a range of tools, projects, courses, and other resources to enhance the capacity of developing countries to respond to climate change. In a bid to avoid duplication and enhance global cooperation, the AF has continued to engage and contribute information, products and content to both platforms via the PCCB. Similarly, the Countries and Partnerships Unit (CPU) of the Secretariat, which includes the Readiness Programme team, has been and continues to work with individual countries, addressing specific readiness and capacity needs related to accessing the Fund’s resources via UN4NAPs. UN4NAPs is a UN-wide rapid technical backstopping initiative launched by the UNFCCC secretariat to respond to technical requests identified by any country that is working in NAP development and/or implementation. UN4NAPs coordinates requests for readiness and capacity building from developing countries to AF and facilitates one on one engagement between the country and AF CPU.				
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4	The Readiness Programme should consider ways in which to strengthen data collection and analysis systems to better understand readiness activities and their contribution to results, including outcomes and impact. This would help maximize resource efficiency, enhance the relevance of the provided support, and facilitate the progress towards accreditation and access to funding. (operational) To address this recommendation, the Readiness Programme may consider strengthening systems for data collection and analysis to enable more systematic assessment of outcomes and impact, particularly in areas such as gender and social inclusion where progress has been strong but outcome-level evidence remains limited. (medium priority)	Agreed	This is in line with Recommendation 2 and the Secretariat agrees and fully recognizes the importance of robust data collection and analysis systems as essential for understanding the effectiveness and contribution of capacity building activities to achieving measurable results, outcomes, and impact across all priority areas, including accreditation, project development and implementation, and the integration of cross-cutting themes like gender and social inclusion. The new readiness strategy will adopt an iterative and adaptive implementation approach focused on continuous improvement and adaptability, and underpinned by continuous data collection, analysis, and learning. The strategy will integrate a robust results-based management and monitoring framework, focusing on understanding and tracking the causal relationships between inputs, outputs, outcomes, and impact. The Secretariat is committed to implementing a new readiness strategy that will be continuously informed by evidence from three key sources: •Continuous data collection and analysis from ongoing readiness activities. •The application of evidence-based methods and instruments for capacity assessment and delivery. •Rigorous monitoring of the causal relationship between inputs, outputs, and outcomes.	Incorporate recommendations in enhanced readiness strategy	31/12/2028	AFB Secretariat	On-track	New Readiness Strategy will be presented at B.47 (October 2026) Monitoring Framework has been included in the Strategy.
5	The Secretariat should consider integrating in the Enhanced Readiness Strategy mechanisms to systematically track and improve efficiency of the Readiness Programme. This would allow the Readiness Programme to monitor how different types of support contribute to results, identify what works best, and refine its approach over time.	Agreed	The Secretariat agrees with the recommendation and asserts that the Readiness Programme's internal processes have been and will continue to be designed and executed with a focus on operational efficiency to ensure timely and effective delivery of capacity building support to implementing entities, DAs and other stakeholders. A key aspect of this enhanced efficiency which the Secretariat has already initiated and will continue to improve under the new readiness strategy, will be the utilization of the World Bank's Financial Intermediary Fund (FIF) platform to digitize and streamline core processes, including report submission, timely review, approval, and disbursement of readiness grants, as well as effective delivery of capacity-building support.	Incorporate recommendations in enhanced readiness strategy	31/12/2028	AFB Secretariat	On-track	New Readiness Strategy will be presented at B.47 (October 2026). Implementation of this Action has begun, and a cross-functional AF team is working on the digitization process.

ADAPTATION FUND MANAGEMENT RESPONSE TRACKING SHEET			
Evaluation Title: <i>Thematic Evaluation of the Adaptation Fund Accreditation Process</i>			
Evaluation Type:	Thematic	Evaluation ID (AF):	FY24_009S
Evaluation Start Date:	10/1/2022	Date Received for Response:	16/09/2024
Evaluation Completion Date:	4/14/2024	Date of management response approval by the Board:	10/10/2024
Focal Point:	Christine Woerlen	Person(s)/ Unit Responsible to Track/ Manage the Follow-up: AF-TERG/ AFB Secretariat	
Link to Management Response	Link to Evaluation		

Overall response to the evaluation:	The AF-TERG report on the thematic evaluation of the AF accreditation process presents nine recommendations (R2 subdivided into three sub-recommendations), as outlined in Document AFB/EFC.33/11 and its annex. While the secretariat agrees with certain recommendations, it also holds different perspectives on others. In Annex I, the secretariat details areas of agreement and disagreement for each recommendation and provides rationale as necessary. Having considered the thematic evaluation of the Fund’s accreditation process conducted by the Adaptation Fund Technical Evaluation Reference Group as contained in the document AFB/EFC.33/11 and the management response prepared by the secretariat as contained in document AFB/EFC.34/6, the Ethics and Finance Committee (EFC) may want to consider and recommend to the Adaptation Fund Board (the Board) to: (a) Take note of the management response to the findings and recommendations of the thematic evaluation of the Fund’s accreditation process as contained in document AFB/EFC.34/6; (b) Request the secretariat to prepare an action plan to implement agreed and partially agreed recommendations arising from the thematic evaluation mentioned above, for consideration by the Board during the intersessional period between the forty-third and forty-fourth meetings of the Board; and (c) Request the secretariat to report to the EFC, at its thirty-sixth meeting, on the progress made in implementing the action plan, as part of the report of activities of the secretariat.
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Management Response							Action Status (green, yellow, red)	Response Tracking	
No.	Recommendation	Management Agreement Status	Management Response	Actions Planned	Timeframe	Responsible Parties (Org & Person)		2025	2026
	List the recommendations from the Evaluation Report	* Agreed * Partially Agreed * Disagreed	Response from the entity that the recommendation targets	Indicate the concrete actions planned by partners to implement the recommendations	Please indicate a completion date	Please be specific and indicate who (Staff or Unit/office) is responsible for the actions. If it is a joint response it should list who these are specifically.	Please select between On-track, Not on-track, Delayed, and No Action Required.	Please indicate status of implementation and actions taken. If an action is no longer relevant due to a changed context, please provide a justification and indicate if it should be cancelled or reformulated.	Please indicate status of implementation and actions taken
2	a. Updating OPG (re-)accreditation supporting materials. The OPG and the (re-)accreditation supporting materials should be updated to reflect the latest policy developments of the Fund, in particular, the new Evaluation Policy approved by the AFB in 2022. This process should include revisiting the reaccreditation criterion related to project performance assessments and aligning it with the project evaluation criteria outlined in the Fund's new Evaluation Policy. [relevance]	Partially Agreed	The Accreditation Panel is responsible to consider evaluation findings in its accreditation or reaccreditation of IE, per para 28 (d) of the new Evaluation Policy. The Accreditation Panel considers evaluation findings in its accreditation or re-accreditation of IE as part of the performance of the entity's previous projects under criteria 6 (Project preparation and appraisal), 7 (Project implementation Planning and Quality at-entry review), 8 (Project monitoring and evaluation during implementation), and 9 (project closure and final evaluation). The secretariat is of the view that alignment with the new Evaluation Policy is enforced during project/programme implementation. This approach allows for smoother re-accreditation procedures while ensuring that entities adhere to updated policies during the implementation phase, without the need of overburdening the reaccreditation criteria.	Since no action is planned, this activity is considered closed	31/10/2024	AFB Secretariat	Closed	The Panel is receiving assessment from the programming and RIK team which includes consideration on the alignment with the new evaluation policy. Since no action is required, this recommendation activity is considered closed.	
2	b. The AFB Secretariat in collaboration with the AF-TERG should clarify how the assessment of past project performance is being integrated into the overall re-accreditation criteria, in alignment with the new Evaluation Policy. [relevance, effectiveness]	Partially Agreed	This is related to R2a above, and the secretariat suggests that for entities in reaccreditation status, the secretariat, in collaboration with the AF-TERG, monitor the alignment of project performance assessments and align it with the project evaluation criteria outlined in the Fund's new Evaluation Policy so that the input on IE project performance from the secretariat during reaccreditation includes IE's management response and corrective actions to evaluation recommendations in cases where substantive concerns have been raised in para 28(d) of the evaluation policy. With such approach, no separate action is needed from the secretariat in this context.	The secretariat, in collaboration with the AF-TERG, monitors the alignment of project performance assessments and aligns it with the project evaluation criteria outlined in the Fund's new Evaluation Policy.	31/10/2024	AFB Secretariat AF-TERG	Closed	According to the reaccreditation approved in October 2019, this information is regularly provided to AP and the alignment with the EP is already part of that process. Hence, no further action is required.	

2	c. The AF Board may wish to consider establishing a standard procedure for updating the OPG's annexes every time Fund policies are approved or amended by the Board. This procedure should include an automatism by which the AFB Sec proposes changes, and the Board approves them as soon as possible. [efficiency]	Partially Agreed	The secretariat welcomes this recommendation and is currently revising the OPG integrating recent changes in the Fund's policies as requested by the Board. As part of this exercise, the secretariat will develop a standard procedure for reviewing OPG annexes whenever new policies are approved or amended by the Board.	The AFB Secretariat to suggest to the AF Board, for its consideration, a standard procedure to reviews the OPG's annexes every time Fund policies are approved or amended by the Board.	31/10/2024	AFB Secretariat	Closed	The Secretariat is in the process of developing a standard procedure for review and updating the OPG. As this requires alignment with other processes and will not be implemented immediately, the tracking of this recommendation is closed.	
3	Capacity assessment and tailored readiness support. Early stages of the accreditation processes could include an assessment of the suitability and readiness of applicant entities to pursue accreditation with the Fund including concerning their capabilities and experience in identifying, designing, and implementing projects related to climate change adaptation. The capacity gaps identified in individual entities during the capacity assessment could guide the support provided to the entities, including through the readiness programme, for accreditation. [effectiveness, efficiency]	Agreed	The secretariat welcomes this recommendation and concurs with the need for improved engagements with eligible developing country parties or Designated Authorities (DAs) in the early stages of the accreditation process. The recommendation also aligns strongly with the Fund's new medium term strategy (2023-2027), which has a cross-cutting theme to enhance access to climate finance and long term institutional capacity. The secretariat continues to work closely with countries to help them select suitable candidates for accreditation. The secretariat continuously seeks opportunities to meet with DAs at international forums such as the COP and more recently at joint workshops with UNFCCC and other climate Funds. The readiness programme of the Fund is central to effort and the secretariat looks forward to AF-TERG's evaluation of the readiness programme and how synergies between the Fund's accreditation and readiness programmes could be strengthened. The secretariat would like to add that the 2019 study it commissioned on "Bridging the Gaps in Accreditation" remains relevant in terms of prevalent capacity gaps, the accreditation and re-accreditation experiences of applicants entities and how to overcome those. The secretariat is considering an update of the study including the lesson learned since the first publication. The suggestion to pay heed to varying readiness levels of applicant entities is well noted, and this is addressed, in part, by the streamlined accreditation modality approved by the Board through Decision B.23/17.	The secretariat continues to work closely with countries to help them select suitable candidates for accreditation. The secretariat continuously seeks opportunities to meet with DAs at international forums such as the COP and more recently at joint workshops with UNFCCC and other climate Funds. Performing an update of the study "Bridging the Gaps in Accreditation" including the lesson learned since the first publication.	11/10/2026	AFB Secretariat	On-track	The secretariat is developing new Readiness strategy with the inputs on improving in-country or DA level nomination process. There are case-to-case basis support being provided to DA of the countries with the recent example of a thorough selection process followed by Brazil for nominating to entities to pursue accreditation with the Fund. This practice is also being shared widely to encourage other countries to follow similar vetting process at the country level.	The Secretariat is finalizing the draft Readiness Strategy, incorporating Board input from B.46 and the input received intersessionally between the B.46 and B.47, for presentation at B.47 in October 2026. The Strategy includes capacity assessments and tailored support for entities seeking or maintaining accreditation alongside best practices for improving in-country/DA-level coordination processes.

4	Pipeline Management. Building on its upcoming Gap Analysis of the accreditation and re-accreditation process (Decision B.41/2), the AFB Secretariat should present, for the Board's consideration, a policy for the efficient management of the accreditation pipeline. This policy should specifically look at strengthening the rules for elimination from the applicant pipeline. This consideration is crucial as eligible countries are limited to having a maximum of two NIEs, and dormant organizations have the potential to hinder the nomination of other entities for accreditation. [effectiveness, efficiency]	Partially Agreed	The secretariat welcomes this recommendation and recalls that the Board decided based on the recommendation of the Accreditation Panel, to apply a more effective approach to managing dormant applications as per the Decision B.42/52. Accordingly, the secretariat is of the view that it is too early to present the analysis to the Board or develop new policies at this point. It would be best to enable sufficient time to implement the accreditation panel recommendations before assessing any gaps or issues.	Board decided based on the recommendation of the Accreditation Panel, to apply a more effective approach to managing dormant applications as per the Decision B.42/52. It would be best to enable sufficient time to implement the accreditation panel recommendations before assessing any gaps or issues.	31/3/2024	AFB Secretariat	Closed	The secretariat, following the decision B.42/52 is periodically informing the DA and entity reaching closer to dormancy to ensure they keep the application active or consider replacement with another potential applicant entity. In addition, the AF Accreditation Workflow has been updated to send automatic reminders to the applicant entity including the secretariat if the application is coming close to dormancy. Therefore, no further action is required and the tracking of this recommendations is closed.	
5	The fast-track re-accreditation needs to become faster. In addition to any action in pursuit of R6, and in order to identify strategies leading to the desired improvement, it is suggested to include fast-track re-accreditation as a central topic in the ongoing or a future Gap Analysis of the accreditation and reaccreditation process (Decision B.41/2). [efficiency, coherence]	Partially Agreed	This recommendation, however, appears to be grounded in the evaluation's findings that the fasttrack re-accreditation process, despite its designation, still takes a median duration of 15 months for the applications to complete processing. The secretariat is concerned that this finding lacks sufficient context regarding why a 15-month duration is deemed lengthy by the evaluation team. Additionally, the report fails to compare AF's fast-track process with that of other climate funds, which would provide valuable benchmarking insights. Similarly, the evaluation report's estimates are based on averages and do not consider cases that have significantly shorter completion times. The evaluation seems to overlook unique factors contributing to "outlier" fast-track re-accreditation applications, such as TLMS requirements and project implementation delays. It is important to note that the duration for all applications, regardless of the modality, depends on several factors, including mainly the responsiveness of the applicant entities. The proactiveness of these entities often dictates the pace of the accreditation process, which may be beyond the control of both the secretariat and the Panel, as further review by the Panel can only occur when additional information is provided by the applicant entities.	No particular action is required for this recommendation.	31/10/2024	AFB Secretariat	Closed	The tracking is closed as no particular action is required on the side of the Secretariat.	

6	Regular Reviews of the process. The AFB Secretariat should continue to implement regular reviews of the practice of the accreditation system. Such reviews should include a regular review of opportunities for enhancing clarity around the Adaptation Fund's expectations and reducing any redundancies or unnecessary bureaucratic formalities that are identified, including upon suggestion from the IEs and DAs. Examples for items to revisit are the fiveyear re-accreditation interval, the fast-track reaccreditation process, and opportunities to standardize steps or templates. [relevance, effectiveness, efficiency]	Agreed	The secretariat welcomes this recommendation and affirms its commitment to conduct periodic analyses of the accreditation system and welcomes the opportunities to standardize steps or templates. This initiative is crucial to ensuring the efficiency and effectiveness of the accreditation process, particularly in light of the GCF Board decision (Decision B.37/18) to extend the accreditation terms of all accredited entities by three years or until the adoption of a revised accreditation framework. Furthermore, the secretariat underscores the importance of the existing practice of periodically reviewing the accreditation system. This practice has been captured in Decision B.34/46, paragraph (d) where the Board decided that the gap analysis would be conducted “when the need arises” which is generally recommended by the Panel and/or based AF secretariat engagement with the GCF. The recent gap analysis was presented to the Board at the forty-second Board meeting (B.42/5). The secretariat firmly believes in the effectiveness of this practice and is committed toward its continued implementation.	Conduct periodic analyses of the accreditation system and welcomes the opportunities to standardize steps or templates. Conduct gap analysis when the need arises (Decision B.34/46, paragraph (d)).	31/10/2024 (and as needed)	AFB Secretariat	Closed	The Gap analysis was conducted in 2024 and will be periodically pursued 'when the need arises'. In addition, the secretariat is also developing a comprehensive analysis of the current re-accreditation process with the proposal to revise it for faster, more efficient, and less burdensome approach to re-accreditation, including fast-track modality.	
7	Differentiation of accreditation requirements. The one-size-fits all approach is providing efficiency except for when it is not suited. For specific types of entities (e.g., government ministries, research institutions) and specific types of projects, the standards could be adjusted to still satisfy the Fund’s needs but better match the IEs’ needs. However, at this point there is no clarity if the benefits of more specific criteria schemes would outweigh the advantages. The AFB Secretariat should analyse and propose for the AF Board to consider new accreditation models with differentiated requirements for different project types and/or sizes and introduce new modalities as needed, including potentially a projectspecific accreditation option. Experiences of the other funds should be taken into account. [relevance, effectiveness, efficiency]	Agreed	In addition to the Fund’s existing Fast-track and Streamlined (re)accreditation modality, the secretariat acknowledges the recommendation to assess the suitability of new accreditation models with differentiated requirements for accreditation for different entities / types of projects and relative opportunities to standardize steps or templates. The secretariat will examine and identify opportunities for new accreditation models by interacting with the DAs and other relevant climate funds.	The secretariat will examine and identify opportunities for new accreditation models by interacting with the DAs and other relevant climate funds.	11/10/2025	AFB Secretariat	Closed	The secretariat is currently developing a comprehensive analysis of the current re-accreditation process with the proposal to revise it for faster, more efficient, and less burdensome approach to re-accreditation, including fast-track modality. AF secretariat continues to engage with other climate funds on the accreditation coordination and coherence. As the accreditation approach of many climate funds are undergoing changes, any consideration for new accreditation model will be impacted and the AF re-accreditation process is currently being revised, therefore, the Fund will pursue new models for accreditation once re-accreditation process amendment is concluded to being adopted by the Board. In the meantime, the secretariat is continuing engagement with other climate funds on the evolution of new accreditation models to enhance direct access.	

ADAPTATION FUND MANAGEMENT RESPONSE TRACKING SHEET			
Evaluation Title: <i>Thematic evaluation of scalability concepts and practice at the Adaptation Fund</i>			
Evaluation Type:	Thematic	Evaluation ID (AF):	FY24-008S
Evaluation Start Date:	5/1/2022	Date Received for Response:	16/09/2024; 23/03/2025
Evaluation Completion Date:	1/1/2023	Date of management response approval by the Board:	11/10/2024; 30/03/2025
Focal Point:	Susan Legro	Person(s)/ Unit Responsible to Track/ Manage the Follow-up: AF-TERG/ AFB Secretariat	
Link to Management Response	Link to Evaluation		

Overall response to the evaluation:	In response to the recommendation contained in the above-mentioned thematic evaluation as contained in document AFB/EFC.34/5 the secretariat prepared this overall management response which provides detailed observations to each finding and recommendation of the ATERG. Specifically, it identifies areas in which the secretariat disagrees with the evaluation, provides information on actions already being done to address some of the recommendations, and includes a detailed annex with specific responses to each finding. Having considered the report on the thematic evaluation of scalability concepts and practice at the Adaptation Fund by the Technical Evaluation Reference Group of the Adaptation Fund (ATERG), as contained in document AFB/EFC.34/5, as well as the initial management response prepared by the secretariat, as contained in document AFB/EFC.34/7, the Ethics and Finance Committee (EFC) may want to consider and recommend to the Adaptation Fund Board (the Board) to: (a) Take note of the key findings and recommendations of the thematic evaluation of scalability concepts and practice at the Adaptation Fund, including its annexes, and of the initial management response prepared by the Adaptation Fund Board secretariat; (b) Request the Adaptation Fund Board secretariat to prepare an updated management response and action plan reflecting the views expressed by the Ethics and Finance Committee at it thirty-fourth meeting on the findings and recommendations set out in the evaluation report mentioned above, for consideration by the Board during the intersessional period between the forty-third and forty-fourth meetings of the Board; (c) Request the Adaptation Fund Board secretariat to report to the EFC, at its thirty-sixth meeting, on the progress made in implementing the action plan as part of the report on the activities of the secretariat.
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Management Response							Action Status	Response Tracking	
No.	Recommendation	Management	Management Response	Actions Planned	Timeframe	Responsible Parties	(green, yellow, red)	2025	2026
	List the recommendations from the Evaluation Report	* Agreed * Partially Agreed * Disagreed	Response from the entity that the recommendation targets	Indicate the concrete actions planned by partners to implement the recommendations	Please indicate a completion date	Please be specific and indicate who (Staff or Unit/office) is responsible for the actions. If it is a joint response it should list who these are specifically	Please select between On-track, Not on-track, Delayed, and No Action Required.	Please indicate status of implementation and actions taken. If an action is no longer relevant due to a changed context, please provide a justification and indicate if it should be cancelled or reformulated.	Please indicate status of implementation and actions taken
1	Adopt a unified definition of scalability and a means of monitoring and evaluating it. The evaluation policy provides a definition and criteria for evaluations of scalability. Fund strategies, other policies, and guidelines should identify a definition for scalability that is evaluable and use it consistently across the strategic results framework and implementation planning documents.	Partially Agreed	The Secretariat recognizes that it does not have an in-house definition of scalability nor is there a universal or unified definition of scalability adopted by the Fund. The Fund will take into consideration the definition of scalability proposed under the Fund’s new Evaluation Policy and develop its own definition based on further analytical and strategic work that it is currently undertaking.	New definition to be determined.	31/12/2025	AFB Secretariat	Closed	The Secretariat collaborated with the Working Group of the Scaling Community of Practice to produce a case study on Mainstreaming Scaling in the Adaptation Fund. The Adaptation Fund supported this study as an externally led learning exercise to inform the development of its strategic directions and to contribute to the Mainstreaming Initiative of the Scaling Community of Practice. Based on the evaluation and case study, the Secretariat considered developing a definition of scaling for application within the Fund’s context. In this regard, the secretariat has agreed to describe scaling as a breadth and depth of scaling and is developing a framework to account for this understanding.	

2	Leverage the proposed activities in the Implementation Plan of the MTS II to support scaling, setting specific targets and indicators for scaling support to be provided under each pillar. This activity can be done in conjunction with the revision of the Efficiency and Effectiveness Framework (EEF) of the Fund.	Agreed	The Fund has adopted tools and approaches to incentivize scalability including the scaling up framework under implementation between the Fund and the Green Climate Fund. Also, there is potential for the Fund to use its internal resources. The Secretariat developed a revised Strategic Results Framework (SRF), which includes indicators that will support tracking of scaled-up innovations for effective long-term adaptation to climate change, as part of a revised strategic outcome 8. The EEF can include indicators and targets that track progress for the expected result “Evidence for effective action generated and results replicated and scaled up”, under the innovation pillar of the MTS implementation plan. The development of a draft EEF will be undertaken in FY26.	Development and Board approval of the new/ updated SRF. The management response indicated that by calendar year 2025, the revised efficiency and effectiveness framework would also be revised with the inclusion of specific indicators to track projects scaled among others.	30/06/2026	AFB Secretariat	Closed	The SRF was approved by the Board at its 45th meeting. Consultations and desk reviews are ongoing to prepare a first draft of the guidance note on the application of the new Strategic Results Framework (SRF) (approved in 45th Board meeting). As part of this work, the Project Performance Report (PPR) template will also be revised in specific sections to accommodate implementing entities’ reporting under the new SRF. In 2026, the Secretariat will initiate internal consultations for the revision of the EEF, with the objective of finalizing it in 2026. The structured scale-up framework with the Green Climate Fund (GCF) is in advanced stage at the technical level.	As part of the work around implementation of the new Strategic Results Framework, approved by the Board at B.45, the Project Performance Report template has been revised to reflect the updates to the SRF. Included in the updated PPR template are two questions that capture whether innovative practices are being implemented by IEs and how they may be scaled up for future use. The Secretariat has organized a technical working group for revising the EEF, and is designing an internal dashboard to facilitate tracking and reporting of progress on implementing the Fund’s Medium-Term strategy. The Secretariat continues to engage at a technical level with the Green Climate Fund on a structured scale-up framework, with this work likely to carry into 2027. Given that the key action item related to this Recommendation (updated SRF) has been completed, the Recommendation is marked as Closed. Meanwhile, work around the EEF revisions and technical engagement with GCF will continue.
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3	Update the guidance to IEs in the funding proposal templates to detail what is expected in an understanding of scalability. While not all projects should be scaled up, it is useful to understand why they might or might not be suitable for scaling and how scaling could happen if the project will pilot concepts and activities suitable for scaling.	Partially Agreed	While the Secretariat recognizes that scale-up and replicability are positive outcomes and important elements for projects funded by the Adaptation Fund as stated in the Operational Policies and Guideline (OPG) and its Annex 5 “Project/Programme Proposal Template”, it is important to note that in accordance with the Fund’s OPG, a scalability criterion is not separately required in project eligibility or review criteria or required otherwise. However, the Fund is already assessing project documents against the sustainability criteria that includes a reference to scalability and replication. Considering the importance of this element and building on the evaluation findings and recommendations, the Secretariat will work with implementing entities and operational focal points to better capture the approach to structure project at design stage for scaling up and maximized impacts. This aspect of replicability and scaling up as specific requirements in the OPG could be considered as a recommendation that the Board may want to consider as part of strategic discussion for the Fund.	The Secretariat will work with implementing entities and operational focal points to better capture the approach to structure project at design stage for scaling up and maximized impacts. This aspect of replicability and scaling up as specific requirements in the OPG could be considered as a recommendation that the Board may want to consider as part of strategic discussion for the Fund.	31/12/2025	AFB Secretariat	Closed	Updating the OPG in an ongoing and broader exercise that includes several aspects. Any change will require board approval and specific changes related to scalability cannot be undertaken in isolation. In light of this, tracking this recommendation further is not possible.	
4	Encourage project proponents and participants to establish and strengthen collaboration and partnership with funds and actors that provide scaling support, particularly through non-financial instruments and in-country presence. It can be helpful to engage private sector actors - as potential innovators, scaling partners or investors. It is imperative to use the combined strengths of the varied set of actors in society to instigate social impact. Readiness activities may be a source of support for this type of awareness-raising and networking.	Agreed	The Secretariat acknowledges that nongrant instruments can be considered among the options for scaling up projects. Additionally, the Secretariat may encourage project proponents to explore non-financial instruments and pathways as part of the proposal development and during project implementation. This could be of particular relevance for the innovation projects. The new readiness strategy is expected to include enabling instruments or support in-country awareness-raising, bringing together private sector actors, CSOs, local and regional actors as potential innovators, scaling partners or investors.	The new readiness strategy is expected to include enabling instruments or support in-country awareness-raising, bringing together private sector actors, CSOs, local and regional actors as potential innovators, scaling partners or investors.	30/06/2026	AFB Secretariat	Closed	The work to revise the Readiness Strategy is on-going. This will expand the scope of stakeholders involved in the Fund's Readiness activities, including the private sector. The revised Strategy will be presented to the Board in April 2026.	As noted in the previous Board update, the Readiness Strategy is being finalized and includes tailored support for scaling, partnership-building, private-sector engagement, awareness-raising and networking. While the updated Readiness Strategy is scheduled to be presented at B.47, the work related to this Action Item (inclusion of support for scaling, partnership-building, private sector engagement, and awareness-raising) is complete, therefore, the Recommendation is marked as Closed.

5	Revisit the scale-up grant funding window and consider focusing Fund support for scaling under the action pillar window on single-country projects, where projects have scaled up using both the Fund and other funders, such as the GCF.	Agreed	It is important to highlight that under the MTSII, the implementation plan envisions an increase in the Scaling-Up Grant amount to \$300,000 per project. Additionally, its scope of activities and eligibility criteria will be expanded to include innovation initiatives and locally-led adaptation projects, further strengthening support for climate adaptation efforts. Finally, it is important to clarify that these grants could be used to scale up any type of project, regardless of the funding window. The eligibility criteria won't restrict scaling-up grants to a specific funding window, ensuring flexibility in supporting the expansion of a diverse range of projects.	No immediate action is required	On-going	AFB Secretariat	Closed	As no immediate action is required this is considered closed	
6	Utilize the Learning and Sharing pillar of the MTS to increase the understanding of IEs regarding potential scaling pathways and types of scaling, particularly approaches that involve funds from public or blended finance. Continue and strengthen the engagement and learning of the AF secretariat, MIEs, IEs, and project partners in learning communities and partnerships on non-financial scaling instruments such as the Transformational Change Learning Partnership, the Scaling Up Community of Practice (CoP) etc.	Agreed	Under the Knowledge Management (KM) pillar of the MTS II and its implementation plan, the Fund has committed to exploring ways to further disseminate successful approaches to scaling up and replicating its projects. One such approach is through bundled learning and innovation grants. These grants will support the scaling of successful adaptation interventions by: - Identifying transferable adaptation solutions and systems change opportunities. - Promoting continuous improvement through knowledge sharing and learning. Additionally, the Secretariat will continue to engage with learning communities, including the Scaling Up Community of Practice (CoP), by providing a platform to share information on innovative and scalable adaptation solutions.	Engage with scaling community of practice	30/06/2026	AFB Secretariat	Closed	The Secretariat collaborated with the Scaling Up Community of Practice through disseminating the Case study on scalability, which was finalized in October 2025 through the engagement with the CoP on Scaling Up: https://www.adaptation-fund.org/wp-content/uploads/2025/10/Mainstreaming-Scaling-at-Adaptation-Fund.pdf The Secretariat provided training on the bundled learning/innovation grants as part of the workshop held in Recife (May 2025) and during the NIEs seminar in Ethiopia (September 2025). The first project of this kind was approved in October 2025. The Secretariat is also working on learning material for a virtual course on bundled grants. The Secretariat had active discussion with IEs on possibilities to scale projects through PMMs twice a year and other capacity building events. For instance, options for scaling up adaptation interventions were discussed with the implementing entities during the two PMM missions in the Western Balkans and Bhutan.	
7	Ensure that the scalability criterion of the Fund's evaluation policy is well understood, review existing evaluation policy guidance for consistency, and include guidance on incorporating scalability into project design in the upcoming evaluation policy guidance note on project design.	Agreed	N/A	Review the guidance notes and incorporate guidance on scalability in the guidance note on project design.	30/06/2027	AF-TERG	On-track	The AF-TERG has completed the EP guidance note on project design and has provided reference on how scalability can be supported at project design stage. The review of the remaining guidance notes will be initiated at the end of FY26 and will continue through FY27.	The review of the remaining guidance notes was initiated at the end of FY26 and will continue through FY27.