



ADAPTATION FUND

AFB/B.42/17
8 July 2024

Adaptation Fund Board
Forty-second meeting
Bonn, Germany, 16–19 April 2024

REPORT OF THE FORTY-SECOND MEETING OF THE ADAPTATION FUND BOARD

Introduction

1. The forty-second meeting of the Adaptation Fund Board (the Board) was held in person in Bonn, Germany, from 16 to 19 April 2024, back-to-back with the thirty-third meetings of the Project and Programme Review Committee (PPRC) and the Ethics and Finance Committee (EFC).
2. The list of the members and alternate members who participated in the meeting is attached as annex I. A list of accredited observers present at the meeting can be found in document AFB/B.42/Inf.3.

Agenda item 1: Opening of the meeting

3. The meeting was opened at 9.20 a.m. on 16 April 2024 by the outgoing Vice-Chair of the Board, Lucas di Pietro (Argentina, Non-Annex I Parties).
4. The Vice-Chair informed the Board that Ursula Fuentes Hutfilter (Germany, Western Europe and Others) had resigned from her position as a Board member and that her constituency had nominated Nina Alsen (Germany, Western Europe and Others) as a new member replacing her.

Agenda item 2: Election of outstanding officers

5. Introducing the item, the outgoing Vice-Chair recalled that the Board, by decision B.41/39, had elected Lucas di Pietro (Argentina, Non-Annex I Parties) as Chair of the Board, Ali Daud Mohamed (Kenya, Africa) as Vice-Chair of the EFC, Ahmadou S. Touré (Guinea, Non-Annex I) as Chair of the PPRC and Naresh Sharma (Nepal, Least Developed Countries) as Vice-Chair of the Accreditation Panel. In the same decision, it had decided to elect the Vice-Chair of the Board, the Chair of the EFC, the Vice-Chair of the PPRC and the Chair of the Accreditation Panel during the intersessional period between its forty-first and forty-second meetings or at its the forty-second meeting; as the Board had not taken any decision on elections during the intersessional period, those positions remained to be filled.
6. The Adaptation Fund Board (the Board) decided:

- (a) To appoint Nina Alsen (Germany, Western Europe and Others) as a member replacing Ursula Fuentes Hutfilter (Germany, Western Europe and Others); To elect Nina Alsen (Germany, Western Europe and Others) as Vice-Chair of the Board;
- (b) To elect Frida Jangsten (Sweden, Western Europe and Others) as Chair of the Ethics and Finance Committee;
- (c) To elect Sylviane Bilgischer (Belgium, Western Europe and Others) as Vice-Chair of the Project and Programme Review Committee;
- (d) To elect Kevin Adams (United States of America, Western Europe and Others) as Chair of the Accreditation Panel.

(Decision B.42/1)

Agenda item 3: Transition of the Chair and Vice-Chair

7. The incoming Chair and the newly elected Vice-Chair took over the Board chairmanship.

Agenda item 4: Organizational matters

A. Adoption of the agenda

8. The Board adopted the provisional agenda set out in document AFB/B.42/1 as the agenda for its forty-second meeting (see annex II).

B. Organization of work

9. The Board considered the provisional timetable contained in the annotated provisional agenda (AFB/B.42/2) and adopted the organization of work proposed by the Chair.

10. The Chair welcomed the following newly elected members and noted that they would be required to sign the written oath of service, as mandated by the rules of procedure of the Board:

- Tae Hoon Kim (Republic of Korea, Asia-Pacific States)
- Daniela Buchuk Gomez (Chile, Latin America and the Caribbean)
- Diann Black Layne (Antigua and Barbuda, Small Island Developing States)

11. The following members and alternate members declared conflicts of interest:

- Ahmadou Sebory Touré (Guinea, Africa)
- Mariana Kasprzyk (Uruguay, Latin America and the Caribbean)
- Kenrick Williams (Belize, Latin America and the Caribbean)
- Diann Black Layne (Antigua and Barbuda, Small Island Developing States)
- Lucas di Pietro (Argentina, Non-Annex I Parties)

12. Subsequently, the Chair drew attention to a request from a member who had planned to attend the meeting in person but was unable to do so and therefore wished to attend virtually. The Chair sought the views of the Board members attending the meeting in person regarding acceptance of the request on the understanding that it would be considered an exceptional case.

13. While there was general agreement that it was desirable for all Board members to attend the meetings insofar as possible, members presented a number of considerations, including in relation to the determination of quorum; the participation of members versus alternates in decision-making; the potential for the determination of what constituted “exceptional” to become arbitrary; and the need to offer the same opportunity for remote participation to other members unable to attend in person.

14. In response to a request for clarification, a representative of the secretariat informed the Board that the rules of procedure specified that quorum consisted of a simple majority of members of the Board and that decisions taken by a vote required two-thirds of the members present to vote in favour, but did not specify whether “present” necessarily meant “present in person”.

15. Based on the discussion, it was concluded that attendance at the forty-second meeting should be limited to the members present in person.

Agenda item 5: Report on activities of the Chair

16. As the outgoing Chair, Antonio Navarra (Italy, Western Europe and Others) completed his term of services and was not present at the current meeting, his report on the activities undertaken on the Board’s behalf during the intersessional period between the Board’s forty-first and forty-second meetings (AFB/B.42/Inf.4) was circulated to the Board members.

17. The Board took note of the outgoing Chair’s report.

Agenda item 6: Report on activities of the secretariat

18. The Manager of the secretariat reported on the activities of the secretariat (AFB/B.42/3).

19. One member expressed interest in receiving more information on the Fund’s knowledge product on climate change adaptation in fragile settings and conflict-affected countries.

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

(a) To take note of the report on the activities of the secretariat as set out in document AFB/B.42/3;

(b) To request the secretariat to present the findings of the study described in the publication entitled “Addressing climate change adaptation in fragile settings and conflict-affected countries: Lessons learned from the Adaptation Fund’s portfolio”, along with any updates to that study, to the Board at its forty-third meeting.

(Decision B.42/2)

Agenda item 7: Accreditation-related matters

A. Report of the Accreditation Panel

21. The chair of the accreditation panel presented the report of the panel’s forty-first meeting (AFB/B.42/4). She reported that the Fund had 56 accredited implementing entities, of which 32 were national, 9 were regional and 15 were multilateral. In terms of the geographic coverage of the national and regional implementing entities, 15 were in Latin America and the Caribbean, 14 in Africa, 11 in Asia-Pacific and 1 in Eastern Europe. Ten national implementing entities were in least developed

countries and 7 were in small island developing States. Thirty-nine of the Fund's implementing entities had been reaccredited by the Fund, consisting of 21 national, 6 regional and 12 multilateral entities.

22. Having considered the recommendation of the Accreditation Panel, the Adaptation Fund Board decided to re-accredit the Ministry of Finance of Ethiopia as a national implementing entity of the Adaptation Fund for five years, as per paragraph 39 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund, with an accreditation expiration date of 18 April 2029.

(Decision B.42/3)

23. Having considered the recommendation of the Accreditation Panel, the Adaptation Fund Board decided to request the secretariat:

- (a) To initiate work to further streamline the Accreditation Panel's assessment report on (re-)accreditation applications and the associated note to the Board with a view to improving their efficiency;
- (b) To present the outcome of that work to the Accreditation Panel at its forty-second meeting.

(Decision B.42/4)

B. Gap analysis of the accreditation and re-accreditation process

24. A representative of the secretariat presented the results of the gap analysis of the accreditation and re-accreditation process (AFB/B.42/5).

25. Members were generally supportive of allowing a longer accreditation timeline for larger implementing entities, although one member questioned how the Fund could then ensure that such entities remained up-to-date with the Fund's evolving policies. Another member suggested that a longer timeline would also benefit national implementing entities by giving them more time to formulate proposals. A third member wondered whether the implementing entities themselves had indicated any particular issues with the current re-accreditation process.

26. Responding to the questions and comments, a representative of the secretariat noted that periodic gap analyses were conducted to ensure alignment between the Adaptation Fund and the Green Climate Fund (GCF) policies, and that the current gap analysis was the third such effort. In terms of ensuring ongoing compliance of implementing entities with the evolving policies of the Adaptation Fund, she explained that the Accreditation Panel maintained close links with the secretariat's work on results-based management and took project performance into account during re-accreditation. Regarding a longer reaccreditation timeline for national implementing entities, she recalled that entities could request an extension of the current three-year accreditation period; any decision to change the timeline would fall to the Board and would require a change in the Fund's operating policies and guidelines. She also informed the Board that implementing entities were generally very pleased with the development of an operational linkage between the Adaptation Fund and the GCF. There are no fees associated with the Adaptation Fund accreditation process, and the secretariat was well aware of the demands of the process, especially for direct access entities, and was in regular contact with them in that regard. Overall, the intent of the gap analysis was to ensure

that the strengths and capacity of the two secretariats were leveraged in terms of the support provided to implementing entities.

27. A representative of the GCF secretariat added that GCF was in the process of reviewing its accreditation framework, with a revised framework to be considered by their board in October 2024. The intention of the reform was to move away from a compliance-based approach toward a risk-based approach. GCF was very open to more operational cooperation and coordination between the accreditation panels of the two funds and welcomed the outcome of the gap analysis.

28. The Manager of the secretariat expressed appreciation for the comments from members. Underscoring the importance of being aware of the realities on the ground, he clarified that the intention was to continue the work of accreditation, taking the Board's comments into consideration and remaining attentive to potential improvements.

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

(a) To take note of the gap analysis of the accreditation and re-accreditation process, as contained in document AFB/B.42/5, and the following points in particular:

(i) As of 1 January 2024, the Green Climate Fund (GCF) accreditation procedures continued to be consistent with those of the Adaptation Fund;

(ii) The summary of the previous gap analysis conclusions continued to be the guideline for the Accreditation Panel of the Adaptation Fund (the Panel) during the fast-track accreditation and re-accreditation processes;

(b) To request the secretariat, in collaboration with the Panel:

(i) To initiate discussion with the GCF secretariat with a view to facilitating the exchanges between the accreditation panels of the two funds;

(ii) To assess the feasibility of pursuing the suggestions and opportunities raised through the interviews and consultations conducted during the gap analysis, as described in annex II to document AFB/B.42/5, and to report back to the Board at its forty-third meeting;

(c) To encourage the secretariat, in collaboration with the Panel, to assess the GCF accreditation standards, including a gap analysis when the need arises, given the continuing evolution of the GCF accreditation process and related policies.

(Decision B.42/5)

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

30. The Chair of the PPRC presented the report of the work of the PPRC at its thirty-third meeting (AFB/PPRC.33/48) and introduced the recommendations to the Board.

31. During the consideration of the recommendations, one member asked that the following statements be reflected in the present report:

The United States of America, in light of its policies related to development projects in Zimbabwe opposes and therefore does not join an Adaptation Fund Board decision that would support Adaptation Fund project AF00000233 in Zimbabwe.

The United States of America, in light of its policies for certain development projects in countries whose governments are not addressing trafficking in persons, and the Nicaragua Human Rights and Anticorruption Act of 2018, opposes and therefore does not join an Adaptation Fund Board decision that would support Adaptation Fund project AF00000262 in Nicaragua.

32. The Board took note of the report of the PPRC and adopted the decisions below on matters considered by the PPRC at its thirty-third meeting. A summary of the project and programme funding decisions taken by the Board at its forty-second meeting can be found in annex III to the present report.

A. Report of the secretariat on the initial screening/technical review of project and programme proposals

Belize: Enhancing the Resilience of Belize's Coastal Communities to Climate Change Impacts (fully developed project proposal; Protected Areas Conservation Trust (PACT); AF00000182; US\$ 4,000,000)

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Protected Areas Conservation Trust (PACT) to the request made by the technical review;
- (b) To approve the funding of US\$ 4,000,000 for the implementation of the project, as requested by PACT;
- (c) To request the secretariat to draft an agreement with PACT as the national implementing entity for the project.

(Decision B.42/6)

Benin: Building Resilience to Climate Change of the Neighbouring Populations of the Classified Forests of Bassila and Penessoulou in the Central Region of Benin (fully-developed project; National Fund for Environment and Climate (FNEC); AF00000292; US\$ 2,934,545)

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the National Fund for Environment and Climate (FNEC) to the request made by the technical review;
- (b) To approve the funding of US\$ 2,934,545 for the implementation of the project, as requested by FNEC;
- (c) To request the secretariat to draft an agreement with FNEC as the national implementing entity for the project.

(Decision B.42/7)

Zimbabwe: Enhancing Resilience of Communities and Ecosystems in the face of a Changing Climate in Arid and Semi-Arid areas of Zimbabwe (fully-developed project; Environmental Management Agency (EMA); AF00000233; US\$ 4,989,000)

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Environmental Management Agency (EMA) to the request made by the technical review;
- (b) To approve the funding of US\$ 4,989,000 for the implementation of the project, as requested by EMA;
- (c) To request the secretariat to draft an agreement with EMA as the national implementing entity for the project.

(Decision B.42/8)

Single country project and programme proposals: fully developed project proposals – proposals from regional implementing entities: regular proposals

Fiji: Strengthening the Adaptive Capacity of Coastal Communities in Fiji to Climate Change through Nature-Based Seawalls (fully-developed project; The Pacific Community (SPC); AF00000312; US\$ 5,707,100)

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Pacific Community (SPC) to the request made by the technical review;
- (b) To approve the funding of US\$ 5,707,100 for the implementation of the project, as requested by SPC;
- (c) To request the secretariat to draft an agreement with SPC as the regional implementing entity for the project.

(Decision B.42/9)

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

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the Development Bank of Latin America (CAF) to the request made by the technical review;
- (b) To approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by CAF;

- (c) To request the secretariat to draft an agreement with Development Bank of Latin America (CAF) as the regional implementing entity for the project.

(Decision B.42/10)

Single country project and programme proposals: fully developed project proposals – proposals from multilateral implementing entities: regular proposals

Cambodia: Increasing Climate Resilience through Small-Scale Infrastructure Investments and Enhancing Adaptive Capacity of Vulnerable Communities in Kampot and Koh Kong Provinces in Cambodia (fully-developed project; United Nations Human Settlements Programme (UN-Habitat); AF00000335; US\$ 10,000,000)

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the United Nations Human Settlements Programme (UN-Habitat) to the request made by the technical review;
- (b) To approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by UN-Habitat;
- (c) To request the secretariat to draft an agreement with UN-Habitat as the multilateral implementing entity for the project.

(Decision B.42/11)

Georgia: Dairy Modernization and Market Access: Adaptive and Climate-Resilient Pasture Management (DiMMAadapt+) (fully-developed project; International Fund for Agricultural Development (IFAD); AF00000313; US\$ 9,846,766)

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) To approve the funding of US\$ 9,846,766 for the implementation of the project, as requested by IFAD;
- (c) To request the secretariat to draft an agreement with IFAD as the multilateral implementing entity for the project.

(Decision B.42/12)

Nicaragua: Climate Resilient Livelihoods in the Nicaraguan Dry Corridor (fully-developed project; United Nations World Food Programme (WFP); AF00000262; US\$ 10,000,000)

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

- (a) To approve the fully-developed project proposal, as supplemented by the clarification responses provided by the United Nations World Food Programme (WFP) to the request made by the technical review;
- (b) To approve the funding of US\$ 10,000,000 for the implementation of the project, as requested by WFP;
- (c) To request the secretariat to draft an agreement with WFP as the multilateral implementing entity for the project.

(Decision B.42/13)

Single country project and programme proposals: concept notes – proposals from national implementing entities

Armenia: Enhancing Resilience of Communities to Climate Change in Shirak Marz leveraging Best Practices of the Pilot Project Implemented in Artik Community (concept note; Environmental Project Implementation Unit (EPIU); AF00000368; US\$ 4,472,630)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Environmental Project Implementation Unit (EPIU) to the request made by the technical review;
- (b) To request the secretariat to notify EPIU of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed proposal should clarify how the project will create synergies and avoid duplications whenever possible;
 - (ii) The fully-developed proposal should further refine the projects results framework strengthening and consistently aligning with the Fund level outcomes and outputs;
 - (iii) The fully-developed proposal should clarify the institutional and financial arrangements put in place to ensure the sustainability of the proposed measures;
 - (iv) The fully-developed proposal should include a comprehensive environmental and social risk screening, including all direct and indirect risks which will need to be further substantiated;
 - (v) The fully-developed proposal should provide justification on the envisaged implementation arrangements through the endorsement letter of the Designated Authority;
- (c) To approve the project formulation grant of US\$ 45,000;
- (d) To request EPIU to transmit the observations under subparagraph (b) to the Government of Armenia;
- (e) To encourage the Government of Armenia to submit, through EPIU, a fully-developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/14)

Indonesia: Collaboration for the Conservation of Cimandiri Watershed Landscapes through the Potential of Silvopasture and Community Agroforestry (concept note; Partnership for Governance Reform (Kemitraan); AF00000305; US\$ 960,225)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Partnership for Governance Reform (Kemitraan) to the request made by the technical review;
- (b) To request the secretariat to notify Kemitraan of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
 - (i) The fully-developed proposal should include a results framework, with quantified expected results with gender-responsive indicators and targets and specify the alignment with the Adaptation Fund revised strategic results framework;
- (c) To approve the project formulation grant of US\$ 50,000;
- (d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia;
- (e) To encourage the Government of Indonesia to submit, through Kemitraan, a fully-developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/15)

Indonesia: Strengthening the Adaptive Capacity of Coastal Village Communities in Supporting Food Security as a Response to Climate Change Through Stakeholder Elaboration Actions in West Sulawesi Province (concept note; Partnership for Governance Reform in Indonesia (Kemitraan); AF00000304 US\$ 970,503)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Partnership for Governance Reform in Indonesia (Kemitraan); to the request made by the technical review;
- (b) To request the secretariat to notify Kemitraan of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should provide a detailed explanation of the complementarity and/or the lack of overlap with the proposed project in West Sulawesi;
 - (ii) The fully-developed project proposal should be informed by consultations on gender issues relevant to the project;
 - (iii) The fully-developed project proposal should include an assessment of the Environmental and Social Policy principles of climate change and pollution prevention and resource efficiency;
- (c) To approve the project formulation grant of US\$ 50,000;

- (d) To request Kemitraan to transmit the observations under subparagraph (b) to the Government of Indonesia;
- (e) To encourage the Government of Indonesia to submit, through Kemitraan, a fully-developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/16)

Mexico: Ha Ta Tukari, (Water for Life): Towards Universal Drinking Water Coverage for 21 Communities of the Wixarika Nation (concept note; Mexican Institute of Water Technology (IMTA); AF00000328; US\$ 8,000,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Mexican Institute of Water Technology (IMTA) to the request made by the technical review;
- (b) To request the secretariat to notify IMTA of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) To approve the project formulation grant of US\$ 50,000;
- (d) To encourage the Government of Mexico to submit, through IMTA a fully-developed project proposal that would also address any observations under subparagraph (b) above.

(Decision B.42/17)

Single country project and programme proposals: concept notes – proposals from regional implementing entities

Argentina: Strengthening Community Resilience of Rural Populations in the Drylands of Northwestern Argentina facing Climate Change, improving access to Water and the Implementation of Sustainable Land Management Practices (concept note; Development Bank of Latin America (CAF); AF00000291; US\$ 10,000,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Development Bank of Latin America (CAF) to the request made by the technical review;
- (b) To request the secretariat to notify CAF of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) To encourage the Government of Argentina to submit, through CAF, a fully-developed project proposal that would also address any observations under subparagraph (b) above.

(Decision B.42/18)

Single country project and programme proposals: concept notes – proposals from multilateral implementing entities

Bosnia and Herzegovina: Increasing Climate Change Resilience in the Agricultural sector of Bosnia and Herzegovina – Staza (concept note; International Fund Agricultural Development (IFAD); AF Project ID: AF00000364; US\$ 10,000,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the International Fund Agricultural Development (IFAD) to the request made by the technical review;
- (b) To request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision;
- (c) To encourage the Government of Bosnia and Herzegovina to submit, through IFAD, a fully-developed project proposal that would also address any observations under subparagraph (b) above.

(Decision B.42/19)

Uzbekistan: Resilient Food Systems Through Climate Services for Agriculture in Uzbekistan (concept note; International Fund for Agricultural Development (IFAD); AF00000369; US\$ 10,000,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the International Fund for Agricultural Development (IFAD) to the request made by the technical review;
- (b) To request the secretariat to notify IFAD of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
 - (i) The fully-developed project proposal should include a substantiation for the overall risk rating;
- (c) To encourage the Government of Uzbekistan to submit, through IFAD, a fully-developed project proposal that would also address any observations under subparagraph (b) above.

(Decision B.42/20)

Regional project and programme proposals: concept notes – proposals from regional implementing entities

Antigua and Barbuda, St. Kitts and Nevis, Saint Vincent and the Grenadines: Climate Resilient Agriculture Programme: Strengthening Adaptation and Productivity for Sustainable Growth (concept note; Caribbean Development Bank (CDB); AF Project ID: AF00000370; US\$ 13,999,520)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Caribbean Development Bank (CDB) to the request made by the technical review;
- (b) To request the secretariat to notify CDB of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should provide quantitative estimates and analyses for the main economic, social and environmental benefits to be provided by the project;
 - (ii) The fully-developed proposal should include a comprehensive gender analysis and action plan that should inform the design of gender specific activities and measures as relevant;
 - (iii) The fully-developed proposal should provide a more detailed comparative quantitative analysis of the cost-effectiveness of the proposed approach with alternative adaptation measures that could be deployed in the same context;
 - (iv) The fully-developed proposal should document the comprehensive, gender-responsive consultative process is undertaken during the project design phase, involving all direct and indirect stakeholders of the project, with attention to minority groups, marginalized and vulnerable groups, and indigenous people in the project target areas, and taking into account gender considerations;
 - (v) The fully-developed proposal should provide details on the specific arrangements for operation and maintenance of infrastructure and installations to be deployed by the project;
 - (vi) The fully developed proposal should include adequate provisions to ensure that the unidentified sub-projects (USPs) will also be compliant with the Environmental and Social Policy (ESP) of the Adaptation Fund;
- (c) To approve the project formulation grant of US\$ 100,000;
- (d) To request CDB to transmit the observations under subparagraph (b) to the Governments of Antigua and Barbuda, St. Kitts and Nevis, and Saint Vincent and the Grenadines;
- (e) To encourage the Governments of Antigua and Barbuda, St. Kitts and Nevis, and Saint Vincent and the Grenadines to submit, through CDB, a fully-developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/21)

Regional project and programme proposals: concept notes – proposals from multilateral implementing entities

Bangladesh, Nepal: Hydrological Status and Outlook System for Integrated Water Resources Management and Climate Resilience in Bangladesh and Nepal (HydroSOS-BaNe) (concept note; World Meteorological Organization (WMO); AF Project ID: AF00000337; US\$ 12,090,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the World Meteorological Organization (WMO) to the request made by the technical review;
- (b) To request the secretariat to notify WMO of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should provide additional information to strengthen the theory of change;
 - (ii) The fully-developed proposal should demonstrate how the project activities benefited from further consultation with stakeholders;
 - (iii) The fully-developed proposal should provide a more detailed cost effectiveness analysis;
- (c) To approve the project formulation grant of US\$ 80,000;
- (d) To request WMO to transmit the observations under subparagraph (b) to the Governments of Bangladesh and Nepal;
- (e) To encourage the Governments of Bangladesh and Nepal to submit, through WMO, a fully-developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/22)

Costa Rica, Panama: Enhancing the Climate Resilience of Coastal Communities in Limon, Costa Rica and Bocas del Toro, Panama through Nature-based Solutions for Local Livelihoods (concept note; United Nations Environmental Program (UNEP); AF00000251; US\$ 12,100,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the United Nations Environmental Program (UNEP) to the request made by the technical review;
- (b) To request the secretariat to notify UNEP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed should provide more details on the project's framework for coordination with other projects/programmes to avoid overlap and maximize knowledge sharing;

- (ii) The fully-developed proposal should provide details about how the needs and concerns of people with disabilities will be ascertained and integrated into project design with detailed documentation on the consultation process including the list of stakeholders consulted, principles of choice, role ascription, date of consultation;
- (iii) The fully-developed proposal should state the risk category in which the screening process has classified the project/programme (i.e. Category A, B or C), as per the Environmental and Social Policy of the Adaptation Fund;
- (c) To approve the project formulation grant of US\$ 80,000;
- (d) To request UNEP to transmit the observations under subparagraph (b) to the Governments of Costa Rica and Panama;
- (e) To encourage the Governments of Costa Rica and Panama to submit, through UNEP, a fully-developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/23)

Regional project and programme proposals: pre-concept notes – proposals from multilateral implementing entities

Guinea, Kenya, Sao Tome and Principe: Building Climate-Resilient Health Systems in Africa; (pre-concept note; World Health Organization (WHO); AF Project ID AF00000384; US\$ 13,920,000)

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

- (a) To endorse the pre-concept note as supplemented by the clarification responses provided by the World Health Organization (WHO) to the request made by the technical review;
- (b) To request the secretariat to notify WHO of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issue:
 - (i) The concept note should explore options to enhance regional engagement and/or coordination in the Ganga Brahmaputra Meghna river basin in order to improve the effectiveness of the proposed approach;
 - (ii) The concept note should identify how the learning and knowledge management component is incorporated into the program financing;
 - (iii) The concept note should clarify if the micro-fund component of the sustainability plan, is this within the Adaptation Fund project budget or a mechanism that would be co-financed;
 - (iv) The concept note should elaborate on the resilience of the solar electrification systems and WASH facilities; and
 - (v) The concept note should further specify the regional and local actors involved within each country, as well as their roles in the implementation arrangements;
- (c) To approve the project formulation grant of US\$ 20,000;

- (d) To request WHO to transmit the observations under subparagraph (b) to the Governments of Guinea, Kenya, and Sao Tome and Principe;
- (e) To encourage the Governments of Guinea, Kenya, and Sao Tome and Principe to submit, through WHO, a concept note that would also address the observations under subparagraph (b) above.

(Decision B.42/24)

B. Report of the secretariat on initial screening/technical review of enhanced direct access project proposals

Enhanced direct access project proposals: fully developed project proposal

Honduras: Direct Access Program for financing climate change adaptation projects to increase the adaptive capacity and climate resilience of indigenous and Afro-descendant communities in the marine coastal region of the municipalities of Juan Francisco Bulnes and Brus Laguna in Honduras (fully developed proposal; Comisión Acción Social Menonita of Honduras (CASM); AF00000357; US\$ 4,000,000)

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

- (a) To approve the fully developed project proposal, as supplemented by the clarification responses provided by the Comisión Acción Social Menonita of Honduras (CASM) to the request made by the technical review;
- (b) To approve the funding of US\$ 4,000,000 for the implementation of the project, as requested by CASM;
- (c) To request the secretariat to draft an agreement with CASM as the national implementing entity for the project.

(Decision B.42/25)

Peru: Fund for Innovative Adaptation in vulnerable ecosystems in North of Perú (Ancash, Cajamarca, Lambayeque and San Martín y Loreto) (fully developed proposal; Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE); AF00000283; US\$ 5,000,000)

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

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

(Decision B.42/26)

Enhanced direct access project proposals: concept note

Armenia: Armenia National Adaptation Funding Facility (concept note proposal; Environmental Project Implementation Unit (EPIU); AF00000360; US\$ 4,760,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Environmental Project Implementation Unit (EPIU) to the request made by the technical review;
- (b) To request the secretariat to notify EPIU of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully-developed project proposal should explain the role local stakeholders in the decision-making process (i.e. community involvement in generating solutions and in the relevant decision-making bodies that will decide to which projects funds will flow);
 - (ii) The fully-developed project proposal should include a comprehensive gender analysis and action plan that should inform the design of gender specific activities and measures as relevant;
 - (iii) The full-developed project proposal should integrate knowledge targets and milestones in the project's results framework;
 - (iv) The fully developed project proposal should include a report documenting the consultative process and containing the list of stakeholders consulted (principles of choice, role ascription, date of consultation), description of the consultation techniques (tailored specifically per target group) and the key consultation findings (in particular suggestions and concerns raised);
 - (v) The fully developed project proposal should include adequate provisions to ensure that the unidentified sub-projects will also be compliant with the Environmental and Social Policy of the Adaptation Fund;
- (c) To approve the project formulation grant of US\$ 50,000;
- (d) To request EPIU to transmit the observations under subparagraph (b) to the Government Armenia;
- (e) To encourage the Government of Armenia to submit, through EPIU, a fully developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/27)

Côte d'Ivoire: Project to strengthen the resilience of local communities in the Bafing region made vulnerable due to farmer breeder conflicts exacerbated by the effects of climate change (concept note proposal; The Interprofessional Fund for Agricultural Research (FIRCA); AF00000365; US\$ 4,950,000)

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

- (a) To endorse the concept note as supplemented by the clarification responses provided by the Interprofessional Fund for Agricultural Research (FIRCA) to the request made by the technical review;
- (b) To request the secretariat to notify FIRCA of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
 - (i) The fully developed project proposal should provide more detail on the decision-making process, and how capacity building will be devolved, to the extent that the pastoralists are able to frame, design and monitor their projects;
 - (ii) At the fully developed project proposal stage, a gender action plan and complete gender assessment should be provided;
- (c) To approve the project formulation grant of US\$ 50,000;
- (d) To request FIRCA to transmit the observations under subparagraph (b) to the Government of Côte d'Ivoire;
- (e) To encourage the Government of Côte d'Ivoire to submit, through FIRCA, a fully developed project proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/28)

C. Report of the secretariat on initial screening/technical review of large innovation project and programme proposals

Large innovation project proposals: fully developed project proposals – proposal from multilateral implementing entities

Bhutan: Innovative adaptation financing to build the resilience and adaptive capacity of smallholder farmers in Bhutan (In AF-Bhutan) (Fully-developed proposal; United Nations World Food Programme (WFP); AF00000324; US\$ 4,983,736)

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

- (a) To approve the fully-developed large innovation project proposal as supplemented by the clarification responses provided by the United Nations World Food Programme (WFP) to the requests made by the technical review;
- (b) To approve the funding of US\$ 4,983,736 for the implementation of the project, as requested by WFP;

- (c) To request the secretariat to draft an agreement with WFP as the multilateral implementing entity for the project.

(Decision B.42/29)

Burundi: Enhancing resilience to flood and drought through a unique combination of innovative climate adaptation tools, technologies, and practices in Burundi (concept note; United Nations Environment Programme (UNEP); AF00000343; US\$ 5,000,000)

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

- (a) Endorse the large innovation project concept note as supplemented by the clarification responses provided by the United Nations Environment Programme (UNEP) to the request made by the technical review;
- (b) Request the secretariat to notify UNEP of the observations in the review sheet annexed to the notification of the Board's decision, as well as the following issues:
- (i) The fully-developed proposal should provide an alignment table that demonstrates alignments with the Fund's strategic results framework;
 - (ii) The fully-developed proposal should ensure that the budget for capacity building measures for irrigation systems and solar powered cold storage is incorporated into the budget breakdown;
 - (iii) The fully-developed proposal should specify the exact project sites where the interventions will be implemented;
 - (iv) The fully-developed proposal should clarify maintenance agreements of concrete interventions with suppliers;
 - (v) The fully-developed proposal should include a Gender Assessment and Gender Action Plan;
- (c) Request UNEP to transmit the observations under subparagraph (b) to the Government of Burundi;
- (d) Encourage the Government of Burundi to submit through UNEP, a fully-developed proposal that would also address the observations under subparagraph (b) above.

(Decision B.42/30)

E. Report of the secretariat on initial screening/technical review of Adaptation Fund Climate Innovation Accelerator project proposals

Adaptation Fund Climate Innovation Accelerator Programme proposals: fully developed project/programme proposal

Global: AFCIA-UNEP II in Support of Innovation for Adaptation (Adaptation Fund Climate Innovation Accelerator small grants programme; United Nations Environment Programme (UNEP); AF00000362; US\$ 10,000,000)

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

- (a) To approve the Adaptation Fund Climate Innovation Accelerator programme proposal, as supplemented by the clarification responses provided by the United Nations Environment Programme (UNEP) to the requests made by the technical review;
- (b) To approve the funding of US\$ 10,000,000 for the implementation of the programme, as requested by UNEP;
- (c) To request the secretariat to draft an agreement with UNEP as the multilateral implementing entity for the programme.

(Decision B.42/31)

F. Report of the secretariat on initial screening/technical review of learning grant project proposals

Learning grant proposals: proposal from a national implementing entity

Armenia: Learning Grant for Armenia (learning grant; Armenian Environmental Project Implementation Unit (EPIU); AFRDG00074; US\$ 125,100)

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

- (a) To approve the learning grant proposal as supplemented by the clarification responses provided by the Armenian Environmental Project Implementation Unit (EPIU) to the request made by the technical review;
- (b) To approve the funding of \$125,100 for the implementation of the project, as requested by EPIU;
- (c) To request the secretariat to draft an agreement with EPIU as the national implementing entity for the project.

(Decision B.42/32)

G. Annually determined funding provisions

60. Having considered the recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to request the secretariat to include in its work programme for fiscal year 2025 provisions for the amounts of:

- (a) US\$ 60 million for funding regional project and programme proposals, including the funding of project formulation grant requests for preparing regional project and programme concept or fully-developed project documents;
- (b) US\$ 26.5 million for funding locally led adaptation (LLA) single country projects and programmes, including the funding of project formulation and project formulation grant requests for preparing enhanced direct access fully-developed project documents;
- (c) US\$35 million for funding a new Global Aggregator programme for channelling grants for LLA to non-accredited entities;
- (d) US\$ 30.3 million for funding large innovation projects and programmes, including the funding of project formulation and project formulation grant requests for preparing large innovation fully-developed project documents;

- (e) US\$ 1.5 million for funding small innovation grants;
- (f) US\$ 1.5 million for funding learning grants;
- (g) US\$ 1 million for funding project scale-up grants.

(Decision B.42/33)

H. Proposal for learning grant amount increase

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

- (a) To approve the increase of learning grants from the current US\$ 150,000 per project to US\$ 500,000 per project to provide support for national implementing entities in capturing and disseminating practical lessons from adaptation interventions;
- (b) To request the secretariat:
 - (i) To prepare operational policies for the learning grant window, reflecting the change in project scale;
 - (ii) To prepare, through a consultative process, a proposal for a framework approach for bundling small grants; and
 - (iii) To present the outputs of the work described under subparagraphs (b) (i) and (b) (ii) above to the Project and Programme Review Committee at its thirty-fourth meeting.

(Decision B.42/34)

I. Full cost of adaptation reasoning

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

- (a) To continue with the current interpretation of the full cost of adaptation;
- (b) To request the secretariat to bring to the attention of the Project and Programme Review Committee, at the earliest opportunity, any submission that includes cofinancing.

(Decision B.42/35)

J. Additional delivery modalities for expanding support for locally led adaptation

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

Single country locally-led adaptation projects and programmes

- (a) To merge the window for enhanced direct access into an expanded and enhanced window for single-country locally led adaptation (LLA) projects/programmes as contained in paragraphs 37–42 of document AFB/PPRC.33/39;
- (b) That the window for single-country LLA projects/programmes will be available for access by eligible countries through national, regional or multilateral implementing entities, in the form of a grant of up to a maximum of US\$ 5 million per project;

- (c) That the window for single-country LLA programmes will continue to be financed outside the country cap established by the Board for regular concrete projects/programmes;
- (d) That single-country LLA proposals can be submitted through the three-step project approval process and are eligible for a project formulation grant (PFG) for a maximum of US\$ 150,000 as per the approved criteria by the Board for those grants;
- (e) That an additional PFG amount (inclusive of the management fee) can be provided on a case-by-case basis for LLA projects up to a maximum of US\$ 100,000, and that such amount should be dedicated to support activities that enable decision making by local actors over how adaptation actions are defined, prioritized, designed and implemented;
- (f) That, for a PFG at the pre-concept stage, up to 20 percent of the maximum amount of the PFG set in subparagraphs (d) and (e) above could be granted;
- (g) To approve the revised proposal template and project review sheet contained in annex 3 and annex 4 to document AFB/PPRC.33/39, respectively;
- (h) To request the secretariat to develop instructions for preparing requests for proposals and additional guideline materials for projects/programmes under this window;

Global locally-led adaptation programmes

- (i) To establish a new global LLA aggregator programme for channelling grants for LLA to non-accredited entities, as described in paragraphs 45–53 of document AFB/PPRC.33/39;
- (j) To request the secretariat to issue a request for expressions of interest from multilateral implementing entities (MIEs) and regional implementing entities (RIEs) to serve as aggregator(s) for small grants for LLA under the Global LLA Aggregator programme, to review the proposals received, and to present the results to the PPRC at its thirty-fourth meeting;
- (k) To request the secretariat to include in its work programme for fiscal year 2025 a provision for the Global Aggregator programme for channelling grants for LLA to non-accredited entities;
- (l) To request the secretariat to develop guidance to the MIE and RIE aggregators for preparing proposals for small grant programmes for LLA under the Global LLA Aggregator programme;

Regional locally-led adaptation projects and programmes

- (m) To request the secretariat to present options for a new window for regional projects for LLA, including options for the size of the project/programme grant, project/programme preparation grants and review criteria, for consideration by the Board at its forty-fourth meeting;

Indicators for locally-led adaptation projects and programmes

- (n) To request the secretariat to develop indicators for LLA projects and programme for consideration by the Board at its forty-third meeting.

(Decision B.42/36)

K. Options for modifications to project formulation grants

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

- (a) That project formulation grants (PFGs) be made available for projects submitted through national, regional and multilateral implementing entities;
- (b) That the maximum size of the PFG for single country projects for all windows, inclusive of the management fee, be set as follows:
 - (i) For projects below US\$ 2,000,000, the limit is set at US\$ 50,000;
 - (ii) For projects at or above US\$ 2,000,000 and below US\$ 5,000,000, the limit is set at US\$ 100,000;
 - (iii) For projects at or above US\$ 5,000,000, the limit is set at US\$ 150,000;
- (c) That an additional PFG amount (inclusive of the management fee) can be provided on a case-by-case basis for locally-led adaptation projects up to a maximum of US\$ 100,000, and that such amount should be dedicated to support activities that enable decision-making by local actors over how adaptation actions are defined, prioritized, designed and implemented;
- (d) That the maximum size of the PFG for all regional projects, inclusive of the management fee, is set as follows:
 - (i) For regional projects of US\$ 5,000,000 and above, and with less than three countries, the limit is set at US\$ 150,000;
 - (ii) That this limit increase by US\$ 15,000 for each additional country involved, up to a maximum of US\$ 250,000;
- (e) That requests for a PFG should be made at the same time as the submission of a project concept or pre-concept to the secretariat using the revised PFG form in annex I to document AFB/PPRC.33/40;
- (f) That, for a PFG at the pre-concept stage, up to 20 percent of the maximum amount of the PFG set in out in subparagraphs (b), (c) and (d) above could be granted;
- (g) That only activities that support project preparation and formulation would be eligible for PFG funding, as per paragraph 32 of document AFB/PPRC.33/40.

(Decision B.42/37)

L. Guidance on analysis of the current needs for external support for advisory services for innovation and options for support

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

- (a) To endorse document AFB/PPRC.33/41 and its findings concerning the proposed way forward to address the needs of the innovation programme;
- (b) To request the secretariat to proceed with addressing the needs as identified in table 3 of the document;

- (c) To request the secretariat to report to the Project and Programme Review Committee at its thirty-fourth meeting on the item in subparagraph (b) above.

(Decision B.42/38)

M. Further options for funding innovation under the Adaptation Fund

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

- (a) To request the secretariat to further explore opportunities to fund innovation;
- (b) To request the secretariat to present its report for consideration by the PPRC at its thirty-fourth meeting.

(Decision B.42/39)

N. Assessment of project implementation requests

United Nations Human Settlements Programme

67. Having considered the recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to approve the request to delete one project output and for a material change for the project “Climate change adaptation through protective small-scale infrastructure interventions in coastal settlements of Cambodia”, as requested by the United Nations Human Settlements Programme.

(Decision B.42/40)

Agencia chilena de Cooperación Internacional para el Desarrollo (AGCID)

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

- (a) To approve the change in executing entity and target area for the project “Water Security: Improving Access to Water during Emergency Situations in the City of Quilpué, Valparaíso Region” as requested by the Agencia de Cooperación Internacional de Chile (AGCID);
- (b) To request the secretariat to draft an amendment to the agreement between the Board and AGCID to reflect the changes described in subparagraph (a);
- (c) To approve the request for a seven-month no-cost extension of the project completion date from 9 March 2024 to 9 October 2024.

(Decision B.42/41)

Development Bank of Latin America (CAF)

69. Having considered the recommendation of the Project and Programme Review Committee, the Adaptation Fund Board decided to approve the change in project outputs and target site for the project “Climate change adaptation in vulnerable coastal cities and ecosystems of the Uruguay River” as requested by the Development Bank of Latin America.

(Decision B.42/42)

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

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

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

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

(Decision B.42/43)

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

71. The Chair of the EFC presented the report of the EFC on its thirty-third meeting (AFB/EFC.33/13).

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

A. Financial issues

Work plan of the secretariat for fiscal year 2025

73. Having considered the recommendation of the Ethics and Finance Committee, the Adaptation Fund Board decided to approve the secretariat's proposed work plan for fiscal year 2025 as set out in annex I to document AFB/EFC.33/4.

(Decision B.42/44)

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

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

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

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

(Board and secretariat)

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

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

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

(Trustee)

(iii) The increase of \$66,000 in the estimated actual trustee budget for fiscal year 2024;

(iv) The proposed budget of \$991,000 for the trustee services to be provided to the Adaptation Fund during fiscal year 2025;

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

(Decision B.42/45)

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

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

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

(Decision B.42/46)

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

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

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

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

(Decision B.42/47)

Update on the thematic evaluation of the Adaptation Fund accreditation process

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

- (a) To take note of the key findings of the thematic evaluation of the Adaptation Fund's accreditation process, particularly areas for improvement, in informing the overall strategic direction and future accreditation process;
- (b) To request the secretariat to prepare a draft management response to the recommendations of the thematic evaluation of the accreditation process, for the consideration of the Ethics and Finance Committee at its thirty-fourth meeting.

(Decision B.42/48)

C. Observations on post-approval requests for changes received by the secretariat

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

- (a) To prepare a gap analysis of the current policies pertaining to project post-approval requests for changes, namely the policy on project/programme implementation (annex 7 to the Operational Policies and Guidelines) and the policy on project/programme delays (AFB/B.34-35/6);
- (b) To develop options for addressing the gaps identified, including, as necessary, suggestions for amendments to the policies;
- (c) To present the results of (a) and (b) above to the Ethics and Finance Committee for its consideration at its thirty-fourth meeting.

(Decision B.42/49)

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

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

- (a) To take note of the proposed approach contained in annex 1 to document AFB/EFC.33/10;
- (b) To request the Technical Evaluation Reference Group of the Adaptation Fund:
 - (i) To continue with the preparation of draft terms of reference for the comprehensive evaluation of the Adaptation Fund and the mid-term review of the Fund's second medium-term strategy, taking into consideration the discussion at the thirty-third meeting of the Ethics and Finance Committee;
 - (ii) To present the draft terms of reference and their financial implications to the Ethics and Finance Committee for its consideration during the intersessional period between the forty-second and forty-third meetings of the Board.

(Decision B.42/50)

E. Update on the implications of the fiduciary issues related to the United Nations Development Programme

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

- (a) To take note of the update report contained in document AFB/EFC.33/9 and its annexes;
- (b) To close the matter as a United Nations Development Programme fiduciary issue;
- (c) To request the secretariat to follow up with the United Nations Development Programme on specific clarifications for individual project cases as needed.

(Decision B.42/51)

Agenda item 10: Analysis of the provisions of the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund related to the Designated Authorities of the Fund

82. The representative of the secretariat introduced the analysis of the Fund's operational policies and guidelines as they related to designated authorities (AFB/B.42/6).

83. In the ensuing discussion, it was suggested that doubts about a designated authority's mandate could occur when ministers changed frequently. One member said that there might be fewer dormant applications for accreditation if the designated authorities retained better institutional memory, which was sometimes simply a question of the capacity of those involved in the process. Another member pointed out that even if an institution were to be appointed as designated authority, an individual would still need to be in charge of it. Members also suggested that it would be useful to align the Fund's practices with those of other funds such as the Global Environment Facility and GCF, to avoid negative effects on projects when transitioning to the appointment of an institution as designated authority. One member stressed that countries needed to retain their ability to appoint either an individual or an institution as their designated authority.

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

- (a) To request the secretariat to propose options for amending the provisions related to the Designated Authorities (DAs) of the Adaptation Fund contained in the Fund's Operational Policies and Guidelines with a view to enhancing the capacity of DAs, taking into account the discussion on option 2 of document AFB/B.42/6 during the forty-second meeting of the Board, to the Board for consideration at its forty-third meeting;
- (b) To request the secretariat to also present, as part of the options in sub-paragraph (a), an analysis of their operational implications, taking into consideration relevant practices of other climate funds and consultations with relevant stakeholders, to the Board for consideration at its forty-third meeting.

(Decision B.42/52)

Agenda item 11: A proposal for a wider discussion on matters related to accreditation and legal agreements, stemming from the discussion at the thirty-first meeting of the Ethics and Finance Committee

85. The Board considered confidential document AFB/B.42/8 in a closed session, following which it adopted the decision below.

86. Having considered document AFB/B.42/8, the Adaptation Fund Board (the Board) decided:

(a) With respect to the issue of policy compliance under section 3.02 of the Adaptation Fund's standard project legal agreement (the Legal Agreement), to pursue the option of allowing implementing entities to apply their own policies and procedures, which should enable them to comply with the Fund's standards, policies and procedures;

(b) With respect to the issue of the auditing requirement under section 7.01 (f) of the Legal Agreement, to pursue the option of allowing all multilateral implementing entities to submit certified financial statements as part of the annual performance report and after project closure;

(c) To request the secretariat:

(i) With regard to the issue of auditing requirements, to further consider options for additional measures to mitigate fiduciary risks, as appropriate, taking into account the practices of other climate funds;

(ii) To prepare a draft of amendments to the Legal Agreement to reflect paragraphs (a) and (b) above;

(iii) To submit the outcomes of the work referred to in paragraphs (c) (i) and (c) (ii) to the Board's for consideration at its forty-third meeting;

(iv) To communicate the present decision to the implementing entities.

(Decision B.42/53)

Agenda item 12: Issues remaining from earlier meetings

A. Options to further enhance civil society participation and engagement in the work of the Board

87. The representative of the secretariat presented the draft Adaptation Fund vision and guidelines on enhanced civil society engagement (AFB/B.42/9, annex) and draft guidelines for participation of active civil society observers (AFB/B.42/9/Add.1, annex I).

88. During the ensuing discussion, there was general agreement that it would be preferable, at least initially, to only open public sessions of the Board to active civil society observers to make interventions. Members expressed different opinions concerning providing travel funding for active observer participation in Board meetings and allowing participation in committee meetings. Members were generally in favour of having the civil society organizations select their own Adaptation Fund observers, although some questioned the proposal to limit selection to the registry of observer organizations accredited by the secretariat of the United Nations Framework Convention on Climate Change. The representative of the secretariat explained that the Rules of Procedure for the Adaptation Fund Board prescribed the above-mentioned condition for general observers as their

eligibility. Members also acknowledged that geographical and gender balance was desirable but might be difficult to accomplish with only two active observers and two alternates.

89. Some members were in favour of financing those for whom participation in Board meetings would be a challenge, while others expressed concerns regarding their qualifications and usefulness on the Board. It was suggested that observers should be familiar with the projects at the grass-roots level and have project implementation experience. One member objected to providing travel funding to active civil society observers due to restrictions on the use of his government contribution to the Adaptation Fund.

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

(a) To establish the status of “active civil society observer of the Adaptation Fund” referred to in document AFB/B.42/9/Add.1, which will be granted to civil society representatives of the observer organizations accredited to the United Nations Framework Convention on Climate Change, entitling them to participate in the proceedings of the open segments of Board meetings and to make interventions, upon the invitation of the Chair of the Board, in order to present the views of civil society on matters being considered by the Board, in line with the rules of the procedure of the Adaptation Fund Board;

(b) To request the secretariat to update the draft Adaptation Fund vision and guidelines on enhanced civil society engagement contained in the annex to document AFB/B.42/9 and the draft guidelines for participation of active civil society observers contained in annex I to document AFB/B.42/9/Add.1, taking into consideration the present decision and the discussion at the forty-second meeting of the Board, and to present them to the Board for consideration at its forty-third meeting, with a view to the future development of the process and guidelines for participation of the active civil society observers in the Board meeting.

(Decision B.42/54)

B. Carbon footprint of the Fund

91. The representative of the secretariat presented options for reducing the carbon footprint of the Fund (AFB/B.42/10), drawing attention to the annex to the document, which contained a sample report on the Fund’s carbon footprint that had originally been presented to the Board at its fortieth meeting.

92. A lengthy discussion ensued, with some members welcoming work toward publication of the carbon footprint associated with the Fund’s various activities and others expressing reservations.

93. Members expressing reservations raised concerns regarding the capacity of implementing entities to generate greenhouse gas emissions data for projects and programmes, as well as the costs associated with doing so. They also voiced doubts regarding the usefulness of the exercise, particularly in the light of the Fund’s limited resources, and raised a number of questions regarding the overall purpose of measuring the Fund’s carbon emissions and the methodology that would be used to do so. It was further noted that a carbon footprint was essentially an inventory of the greenhouse gases emitted by each and every activity, which would draw resources away from the community adaptation project work that was the *raison-d’être* of the Fund. In addition, implementing entities might view such reporting as a significant burden and be discouraged from applying for Fund resources.

94. Those in favour of the initiative stressed that as a climate fund, the Adaptation Fund should be aware of its climate impact, and noted that GCF in particular already published information on the carbon emissions of its projects. Adaptation projects presented many opportunities to cut emissions and should be encouraged to do so. It was also noted that GCF required implementing entities applying for accreditation to state the emissions reduction potential for all their projects and to indicate in their annual reports how they intended to cut emissions. It would be important for the Fund to take steps at the policy level to ensure that it is not adding to greenhouse gas emissions.

95. There was nevertheless general agreement that questions of methodology and benchmarking with other funds needed to be addressed, although one member pointed out that the Greenhouse Gas Protocol was in itself a methodology and was in line with guidance from the Intergovernmental Panel on Climate Change. Several members asked for more information on the methodologies used by other funds, particularly GCF.

96. Several members indicated that voluntary reporting should be considered an initial step pending an assessment of the costs associated with estimating greenhouse gas emissions. One member observed that assessment of a project's carbon budget should ideally take place during project preparation and could thus be covered by project preparation readiness support.

97. Responding to members' comments, the representative of the secretariat recalled that, at the Board's fortieth meeting, a Board member had requested that the Board meetings be included in the estimate of the Fund's carbon footprint. The sample report in the annex to the document showed how the Fund's carbon footprint could be and reported on Scopes of the Greenhouse Gas Protocol, which was in line with the methodology used by the World Bank Group that the secretariat is housed. With respect to the burden on the implementing entities, the secretariat proposed voluntary reporting as a first step as it did not yet know the capacity of individual entities to estimate emissions; it was anticipated that entities would initially provide qualitative information about existing practices, which did not represent an additional expense. Finally, regarding GCF practices, she noted that it already published the carbon footprint of its administrative operations through the United Nations "Environmental Performance Dashboard".

98. Having considered the information contained in document AFB/B.42/10 and following best practice at an international level, the Adaptation Fund Board (the Board) decided to request the secretariat:

- (a) To present a report on the carbon footprint of the secretariat for Scopes 1, 2 and 3 (as presented in document AFB/B.42/10) based on the methodologies from the Greenhouse Gas Protocol,¹ in conjunction with the annual performance report, to the Board for consideration,

¹ All methodologies are based on guidance from the Greenhouse Gas Protocol with emission factors taken from governmental and international organizations such as the Intergovernmental Panel on Climate Change, the Environmental Protection Agency and the International Energy Agency.

and to aim to make the report more comprehensive as more data becomes available, including the estimated carbon footprint of Board meetings;

(b) To do a comparative analysis on practices, with the Global Environment Facility and the Green Climate Fund, methodologies and cost estimations for estimating the carbon footprints of projects and to the Board for consideration at its forty-third meeting.

(Decision B.42/55)

C. Issues arising from seventeenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol, the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and the twenty-seventh session of the Conference of the Parties

I. Outputs of the independent review of the Environment and Social Policy and its proposed update

99. The representative of the secretariat presented the outputs of the independent review of the Environment and Social Policy and a proposal for the update of the policy (AFB/B.42/11) and its annex, prepared pursuant to the Board's request in paragraph (c) of decision B.41/36.

100. The representative recalled decision 5/CMP.17, paragraph 15 which "requested the Board to review and update the environmental and social safeguard policy of the Adaptation Fund (ESP), as needed" and presented two options to respond to the mandate of 'updating the ESP, as needed,' as well the respective implications, for the Board's consideration. The first option is a 'fit-for purpose update of the ESP with maintaining a principles-based approach, and the second option is 'an extensive update of the ESP by adopting a 'checklist' approach similar to other international organizations' safeguards.' Following discussion, the Board selected option one as a way forward.

101. Having considered document AFB/B.42/11 and its annex, the Adaptation Fund Board decided:

- (a) To update the Environmental and Social Policy of the Adaptation Fund (ESP) taking a fit-for-purpose approach outlined as option 1 in document AFB/B.42/11;
- (b) To request the secretariat:
 - (i) To prepare a draft of the updated ESP, in consultation with relevant stakeholders of the Adaptation Fund;
 - (ii) To launch a public call for comments on the draft of the updated ESP with a view to reflecting input received therefrom into the draft of the updated ESP;
 - (iii) To present the output referred to in subparagraphs (b) (i) and (b) (ii) to the Board for consideration at its forty-fourth meeting.

(Decision B.42/56)

II. Options for a policy on safeguarding against sexual exploitation and abuse and sexual harassment

102. The representative of the secretariat presented definitions of sexual exploitation and abuse and sexual harassment and options for a policy on safeguarding against sexual exploitation and

abuse and sexual harassment (AFB/B.42/12), prepared pursuant to the Board's request in paragraph (c) of decision B.41/37.

103. Few members expressed the view that the development of a standalone policy on safeguarding against sexual exploitation, sexual abuse and sexual harassment (SEAH) would be onerous, and indicated a preference for the option of simply incorporating elements and measures to safeguard against sexual exploitation, sexual abuse and sexual harassment (SEAH) into the relevant policies and procedures of the Fund. Other members, however, pointed out that the Fund's implementing entities which are also accredited implementing entities for other climate funds were required to have such a policy at the accreditation process and further, to show how they would operationalize it at the project stage, particularly in the GCF. In this regard, the Fund should operate to the same standard that it applied to its accredited entities. In addition, most of international organizations, as indicated in the document, appeared to have a standalone policy on safeguarding against SEAH, and this would allow the Fund to clearly demonstrate its commitment to prevent and protect from SEAH, compared to the option of incorporating SEAH elements into the existing policies. In this regard, many members were of the view that it would be beneficial for the Fund to develop a standalone policy on safeguarding against SEAH. In addition, members highlighted that it would be important to integrate SEAH elements into the Fund's relevant policies after developing a standalone SEAH policy. It was also pointed out that having a standalone policy was an advantage from a strategic communications perspective.

104. Members emphasized that any such policy should be in line with the policies of the Fund's peers and should not attempt to be more ambitious than what others were doing.

105. There was also considerable discussion on the definitions of sexual exploitation and abuse and sexual harassment, as well as the scope of an SEAH policy, with some members expressing concern regarding its application in different cultural contexts. It was generally agreed that having a draft policy would facilitate the discussion of such elements.

106. Having considered document AFB/B.42/12 and its annex, the Adaptation Fund Board (the Board) decided:

- (a) To develop an Adaptation Fund policy on safeguarding against sexual exploitation, sexual abuse and sexual harassment (SEAH);
- (b) To request the secretariat:
 - (i) To prepare a draft of the Adaptation Fund policy on safeguarding against SEAH, taking into account the discussion at the forty-second meeting of the Board and in consultation with relevant stakeholders of the Adaptation Fund;
 - (ii) To present the outcome of the work referred to in subparagraph (b) (i) to the Board for consideration at its forty-fourth meeting;
- (c) To consider amending the Fund's other policies in alignment with the Adaptation Fund policy on safeguarding against SEAH once that policy is adopted by the Board.

(Decision B.42/57)

III. Status of timely transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement and development of a strategy on monetization of article 6, paragraph 4, emission reductions

107. The Board considered confidential document AFB/B.42/13, including its annex, as well as its addenda (AFB/B.42/13/Add.1, AFB/B.42/13/Add.2, AFB/B.42/13/Add.3, AFB/B.42/13/Add.4) in a closed session, following which it took the decision below.

108. Having considered document AFB/B.42/13 and its annex and documents AFB/B.42/13/Add.1, AFB/B.42/13/Add.2, AFB/B.42/13/Add.3 and AFB/B.42/13/Add.4, the Adaptation Fund Board (the Board) decided:

- (a) To request the secretariat:
 - (i) To continue consultations with the secretariat of the United Nations Framework Convention on Climate Change, the trustee and any other relevant stakeholders with a view to the timely preparation of the arrangements for the transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement, as per decision 1/CMP.14, paragraph 2;
 - (ii) To launch a consultation, including a survey, to collect input from the Board on drafts of the amendments to the memorandum of understanding regarding secretariat services, the rules of procedure, the operational policies and guidelines for parties to access resources from the Adaptation Fund and the strategic priorities, policies and guidelines in the context of the transition of the Adaptation Fund from the Kyoto Protocol to the Paris Agreement, respectively contained in documents AFB/B.42/13/Add.1, AFB/B.42/13/Add.2, AFB/B.42/13/Add.3 and AFB/B.42/13/Add.4, during the intersessional period between the forty-second and forty-third meetings of the Board;
 - (iii) To update the drafts of the amendments to the instruments referred to in subparagraph (a) (ii), taking into consideration and reflecting the discussion of the Board at its forty-second meeting and the input received through the consultation, and present the outcome of the work to the Board for consideration at its forty-third meeting;
- (b) To request the secretariat and the trustee to continue consultations with the secretariat of the United Nations Framework Convention on Climate Change and any other relevant stakeholders with a view to the timely development of new terms and conditions of the trustee services and a strategy on monetization of Article 6, paragraph 4, emission reductions (A6.4ERs) in the share of proceeds for adaptation account held by the Adaptation Fund in the mechanism registry;
- (c) To request the trustee to prepare drafts of new terms and conditions of trustee services and a strategy on monetization of the A6.4ERs and present them to the Board for consideration at its forty-third meeting.

(Decision B.42/58)

D. Resource mobilization update

109. The representative of the secretariat presented an update on the mobilization of resources for the Fund (AFB/B.42/15).

110. During the ensuing discussion, several members expressed a preference for retaining the 2023 target for 2024, while others argued strongly for more ambition. One member, noting that the Fund had failed to meet its 2023 resource mobilization target, suggested a lower target for 2024,

saying that it would look better for the Fund to meet its target than to fall short for a second year in a row. He cautioned that two donors to the Fund were still fulfilling pledges made in 2022 and could not be expected to make additional donations in 2024. Furthermore, the Fund had sufficient funds in the bank to finance projects for two or three more years at its current project approval rate, and donors would not be keen to donate money that would just sit in the bank.

111. Members in favour of using the 2023 target suggested the reducing the target would send a negative message.

112. There was broad agreement that the emphasis should be placed on generating more projects. Suggestions for achieving that included more awareness-raising and a review of funding caps. One member urged all Board members to do outreach on the Fund's behalf.

113. A member representing the African constituency stressed that the appetite for Adaptation Fund projects was very high in Africa.

114. Responding to some of the comments, the Manager of the secretariat pledged secretariat support for Board members doing outreach. He informed the Board that the Fund's ability to disburse would improve with the introduction of a rolling proposal review process in 2023, which had already increased countries' ability to submit proposals as well as proposal quality. He also confirmed the value of revisiting funding caps.

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

(a) To set a new resource mobilization target in line with option 1 as contained in document AFB/B.42/15;

(b) To request the secretariat to prepare an analysis of the usage of the various caps, develop options for adjusting project- and programming-related caps, including the cap for multilateral implementing entities, and present them to the Board for consideration at its forty-third meeting.

(Decision B.42/59)

Agenda item 13: Issues arising from eighteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol, the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and the twenty-eighth session of the Conference of the Parties

116. Owing to a shortage of time, the Board agreed to postpone consideration of the matter to its forty-third meeting.

Agenda item 14: Dialogue with civil society organizations

117. The agenda item was deferred to the forty-third meeting of the Board.

Agenda item 15: Date and venue of meetings in 2024 and onward

118. The Manager of the secretariat presented the dates of the forty-third meeting of the Board, from 8 to 11 October 2024, as previously determined by the Board (Decision B.41/40), and the Board confirmed the dates.

119. The Adaptation Fund Board (the Board) decided to hold its forty-fourth meeting from 18 to 21 March 2025 in Bonn, Germany.

(Decision B.42/60)

Agenda item 16: Implementation of the code of conduct

120. The Chair drew attention to the Code of Conduct and Zero Tolerance Policy on fraud and corruption, which were posted on the Fund website, and asked whether any member had any issue to raise. No issues were raised.

Agenda item 17: Other matters

121. There were no other matters.

Agenda item 18: Adoption of the report

122. The Board adopted the decisions in the present report at its forty-second meeting and agreed to entrust the finalization of the report to the secretariat for later adoption. The present report was subsequently adopted by the Board during the intersessional period following its forty-second meeting.

Agenda item 19: Closure of the meeting

123. Following the customary exchange of courtesies, the Chair declared the meeting closed at 5.30 p.m. on 19 April 2024.

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

MEMBERS		
Name	Country	Constituency
Patience Dampley	Ghana	Africa
Washington Zhakata	Zimbabwe	Africa
Tae Hoon Kim	Republic of Korea	Asia-Pacific
Kenrick Williams	Belize	Latin America and the Caribbean
Daniela Buchuk Gomez	Chile	Latin America and the Caribbean
Nina Alsen	Germany	Western Europe and Others
Kevin Adams	United States of America	Western Europe and Others
Diann Black Layne	Antigua and Barbuda	Small Island Developing States
Naresh Sharma	Nepal	Least Developed Countries
Lucas di Pietro	Argentina	Non-Annex I Parties

ALTERNATES		
Name	Country	Constituency
Fatou Ndeye Gaye	The Gambia	Africa
Masoud Rezvanian Rahaghi	Islamic Republic of Iran	Asia-Pacific
Ahmed Waheed	Maldives	Asia-Pacific
Mariana Kasprzyk	Uruguay	Latin America and the Caribbean
Victor Viñas	Dominican Republic	Latin America and the Caribbean
Sylviane Bilgischer	Belgium	Western Europe and Others
Frida Jangsten	Sweden	Western Europe and Others
Mani Mate	Cook Islands	Small Island Developing States
Patrick Owere	Uganda	Least Developed Countries
Ahmadou Sebory Touré	Guinea	Non-Annex I Parties

ANNEX II**Adopted agenda for the forty-second meeting of the Adaptation Fund Board**

1. Opening of the meeting.
2. Election of outstanding officers.
3. Transition of Chair and Vice-Chair.
4. Organizational matters:
 - a) Adoption of the agenda;
 - b) Organization of work.
5. Report on activities of the Chair.
6. Report on activities of the secretariat.
7. Accreditation related matters:
 - a) Report of the Accreditation Panel;
 - b) Gap analysis of the accreditation and re-accreditation process.
8. Report of the thirty-third meeting of the Project and Programme Review Committee on:
 - a) Report of the secretariat on initial screening/technical review of project and programme proposals;
 - b) Report of the secretariat on initial screening/technical review of enhanced direct access project proposals
 - c) Report of the secretariat on initial screening/technical review of large innovation project and programme proposals;
 - d) Report of the secretariat on initial screening/technical review of small innovation grant project proposals;
 - e) Report of the secretariat on initial screening/technical review of Adaptation Fund Climate Innovation Accelerator proposals;
 - f) Report of the secretariat on initial screening/technical review of learning grant proposals;
 - g) Annually-determined funding provisions;
 - h) Proposal for learning grant amount increase;
 - i) Full cost of adaptation reasoning;

- j) Additional delivery modalities for expanding support for locally led adaptation;
 - k) Options for modifications to project formulation grants;
 - l) Guidance on analysis of the current needs for external support for advisory services for innovation and options for support;
 - m) Further options for funding innovation under the Adaptation Fund;
 - n) Assessment of project implementation requests;
 - o) Report on the analysis of broadening of the scope, eligibility criteria and type of technical assistance grants available to national and regional implementing entities.
9. Report of the thirty-third meeting of the Ethics and Finance Committee on:
- a) Financial issues;
 - b) Report of the Chair of the Technical Evaluation Reference Group;
 - c) Observations on post-approval requests for changes received by the secretariat;
 - d) Approach to the design of the terms of reference for the comprehensive evaluation of the Adaptation Fund and the mid-term review of the second medium-term strategy of the Adaptation Fund;
 - e) Update on implications of the fiduciary issues related to the United Nations Development Programme.
10. Analysis of the provisions of the Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund related to the Designated Authorities of the Fund.
11. A proposal for a wider discussion on matters related to accreditation and legal agreements, stemming from the discussion at the thirty-first meeting of the Ethics and Finance Committee.
12. Issues remaining from earlier meetings:
- a) Options to further enhance civil society participation and engagement in the work of the Board;
 - b) Carbon footprint of the Fund;
 - c) Issues arising from seventeenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 17), the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 4) and the twenty-seventh session of the Conference of the Parties (COP 27):
 - (i) Outputs of independent review of the Environment and Social Policy (ESP) and its proposed update;

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

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

d) Resource mobilization update.

13. Issues arising from eighteenth session of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP 18), the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 5) and the twenty-eighth session of the Conference of the Parties (COP 28).
14. Dialogue with civil society organizations.
15. Date and venue of meetings in 2024 and onward.
16. Implementation of the code of conduct.
17. Other matters.
18. Adoption of the report.
19. Closure of the meeting.

ANNEX III

Summary of project and programme funding decisions taken at the forty-second meeting of the Adaptation Fund Board

1. Full Proposals: Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Belize	PACT	AFB/PPRC.33/4	4,000,000			Approved	4,000,000
	Benin	FNEC	AFB/PPRC.33/5	2,934,545			Approved	2,934,545
	Zimbabwe	EMA	AFB/PPRC.33/6	4,989,000			Approved	4,989,000
RIE								
	Fiji	SPC	AFB/PPRC.33/7		5,707,100		Approved	5,707,100
	Uruguay	CAF	AFB/PPRC.33/8		10,000,000		Approved	10,000,000
MIE								
	Cambodia	UN Habitat	AFB/PPRC.33/9			10,000,000	Approved	10,000,000
	Georgia	IFAD	AFB/PPRC.33/10			9,846,766	Approved	9,846,766
	Nicaragua	WFP	AFB/PPRC.33/11			10,000,000	Approved	10,000,000
Sub-total, USD				11,923,545	15,707,100	29,846,766		57,477,411
2. Concepts: Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Armenia	EPIU	AFB/PPRC.33/12	4,472,630			Endorsed	-
	Indonesia (1)	Kemitraan 1	AFB/PPRC.33/13	960,225			Endorsed	-
	Indonesia (2)	Kemitraan 2	AFB/PPRC.33/14	970,503			Endorsed	-
	Mexico	IMTA	AFB/PPRC.33/15	8,000,000			Endorsed	-
RIE								
	Argentina	CAF	AFB/PPRC.33/16		10,000,000		Endorsed	-
MIE								
	Bosnia and Herzegovina	IFAD	AFB/PPRC.33/17			10,000,000	Endorsed	-
	Uzbekistan	IFAD	AFB/PPRC.33/18			10,000,000	Endorsed	-
Sub-total, USD				14,403,358	10,000,000	20,000,000		-
3. Project Formulation Grants (PFG): Single-country	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Armenia	EPIU	AFB/PPRC.33/12/Add.1	45,000			Approved	45,000
	Indonesia (1)	Kemitraan 1	AFB/PPRC.33/13/Add.1	50,000			Approved	50,000
	Indonesia (2)	Kemitraan 2	AFB/PPRC.33/14/Add.1	50,000			Approved	50,000
	Mexico	IMTA	AFB/PPRC.33/15/Add.1	50,000			Approved	50,000
Sub-total, USD				195,000				195,000

4. Concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
RIE								
	Antigua and Barbuda, St. Kitts and Nevis, and St. Vincent and the Grenadines	CDB	AFB/PPRC.33/19		13,999,520		Endorsed	-
MIE								
	Bangladesh, Nepal	WMO	AFB/PPRC.33/20			12,090,000	Endorsed	-
	Costa Rica, Panama	UNEP	AFB/PPRC.33/21			12,100,000	Endorsed	-
Sub-total, USD					13,999,520	24,190,000		-
5. Project Formulation Grants (PFG): Regional Concepts	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
RIE								
	Antigua and Barbuda, St. Kitts and Nevis, and St. Vincent and the Grenadines	CDB	AFB/PPRC.33/19/Add.1		100,000		Approved	100,000
MIE								
	Bangladesh, Nepal	WMO	AFB/PPRC.33/20/Add.1			80,000	Approved	80,000
	Costa Rica, Panama	UNEP	AFB/PPRC.33/21/Add.1			80,000	Approved	80,000
Sub-total, USD					100,000	160,000		260,000
6. Pre-concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Guinea, Kenya, Sao Tome and Principe	WHO	AFB/PPRC.33/22			13,920,000	Endorsed	-
Sub-total, USD						13,920,000		-
7. Project Formulation Grants (PFG) Pre-concepts: Regional	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Guinea, Kenya, Sao Tome and Principe	WHO	AFB/PPRC.33/22/Add.1			20,000	Approved	20,000
Sub-total, USD						20,000		20,000
TOTAL (1+2+3+4+5+6+7)				26,521,903	39,806,620	88,136,766		57,952,411

8.Full Proposal: Enhanced Direct Access	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Honduras	CASM	AFB/PPRC.33/24	4,000,000			<i>Approved</i>	4,000,000
	Peru	PROFONANPE	AFB/PPRC.33/25	5,000,000			<i>Approved</i>	5,000,000
Sub-total, USD				9,000,000				9,000,000
9. Concept: Enhanced Direct Access	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Armenia	EPIU	AFB/PPRC.33/26	4,760,000			<i>Endorsed</i>	-
	Cote d'Ivoire	FIRCA	AFB/PPRC.33/27	4,950,000			<i>Endorsed</i>	-
Sub-total, USD				9,710,000				-
10. Project Formulation Grants (PFG) Concept: Enhanced Direct Access	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
NIE								
	Armenia	EPIU	AFB/PPRC.33/26/Add.1	50,000			<i>Approved</i>	50,000
	Cote d'Ivoire	FIRCA	AFB/PPRC.33/27/Add.1	50,000			<i>Approved</i>	50,000
Sub-total, USD				100,000				100,000
TOTAL (8+9+10)				18,810,000				9,100,000

11. Full Proposals Single Country: Large Innovation Projects	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Bhutan	WFP	AFB/PPRC/33/29			4,983,736	<i>Approved</i>	4,983,736
Sub-total, USD						4,983,736		4,983,736
12. Concepts Single Country: Large Innovation Projects	Region/Countries	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Burundi	UNEP	AFB/PPRC/33/30			5,000,000	<i>Endorsed</i>	-
Sub-total, USD						5,000,000		-
TOTAL (11+12)						9,983,736		4,983,736
13. Learning Grants	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Armenia	EPIU	AFB/PPRC/33/35			125,100	<i>Approved</i>	125,100
Sub-total, USD						125,100		125,100
14. AFCIA Grants	Country	IE	PPRC Document number	NIE funding, USD	RIE funding, USD	MIE funding, USD	Decision	Funding set aside, USD
MIE								
	Global	UNEP	AFB/PPRC.33/33			10,000,000	<i>Approved</i>	10,000,000
Sub-total, USD						10,000,000		10,000,000
GRAND TOTAL (1+2+3+4+5+6+7+8+9+10+11+12+13+14)				45,331,903	39,806,620	108,245,602		82,161,247

ANNEX IV

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

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

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

All amounts in US\$	FY24 Approved	FY24 Estimate	FY25 Approved
TRUSTEE			
1 Monetization	180,000	180,000	180,000
2 Financial and Program Management	320,000	300,000	320,000
3 Investment Management	283,200	369,200	369,000
4 Accounting and Reporting	58,000	58,000	58,000
5 Legal Services	64,000	64,000	64,000
Total trustee	905,200	971,200	991,000

GRAND TOTAL ALL COMPONENTS	12,726,851	11,270,654	15,090,778
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