



ADAPTATION FUND

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Adaptation Fund Board
Ethics and Finance Committee
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UPDATE ON THE STRATEGIC RESULTS FRAMEWORK REVISION PROCESS

Background

1. At its tenth meeting, the Adaptation Fund Board (the Board) approved a Results-Based Management (RBM) framework and an approach to its implementation (AFB/EFC.1/3/Rev.2) which describes, at the Fund level, goals, expected impact, outcomes, and outputs, as well as indicators and targets. The AF Strategic Results Framework (SRF) was last amended in 2019, following the approval of the Medium-term Strategy (MTS) I and its implementation plan, to include a dedicated outcome on innovation, among other aspects. Since this last revision, the innovation portfolio has been maturing, and there was the need to develop pilot indicators (as set out in document AFB/B/37/6) for the innovation projects.
2. In October 2022, the Board approved the 2nd MTS of the Fund (2023-2027), which reconfirms the strategic areas of Action, Innovation, and Learning & Sharing and further incorporates six cross-cutting features, introducing locally led adaptation (LLA) and scaling up effective initiatives as new elements. Acknowledging the need for enhanced monitoring and reporting of results and impact, the MTS stated that the Secretariat will provide comprehensive linkages between its strategic pillars, utilizing indicators and a template to be approved by the Board as part of a revised SRF. This intends to effectively position the Secretariat's monitoring function to cover the new elements of the second MTS.
3. The Board has subsequently requested the Secretariat to develop specific objectives and indicators for the innovation aspects of the large innovation projects and indicators for LLA projects and programs. Furthermore, the COP adopted the UAE Framework for Global Climate Resilience targets and indicators, including process-oriented and thematic targets, recognizing the need to enhance adaptation action and support. It further requested the Adaptation Fund Board to provide updates on its activities and scope of support in relation to assisting developing country Parties in their efforts toward the implementation of the UAE Framework for Global Climate Resilience, including achieving the targets on the Global Goal on Adaptation (GGA).
4. In response to the above, the Secretariat has taken multiple steps to identify gaps and areas for improvement of the Fund's SRF. These steps included:
 - (a) A preliminary analysis of the strategic results frameworks from other climate funds to identify gaps and best practices for monitoring and reporting of adaptation project results has been conducted.
 - (b) Consultations with Implementing Entities (IEs) both in-person and online to engage the end-users of the results framework were held. In-person consultations took place at the NIE seminar in Santo Domingo in September 2023, and an electronic survey for online feedback received responses from 24 out of 55 contacted IEs (response rate of 44%).
 - (c) A draft analysis of the gaps and challenges and how to solve these was developed.
5. While the work undertaken so far constitutes a strong foundation, further analysis and consultations are needed to better inform the proposed revisions. The secretariat has recently

recruited a Senior Specialist on RBM who will lead this work. This document lays out the process through which revisions to the Fund's SRF will be made in the context of the Fund's MTS, the GGA, and other relevant advancements on adaptation related indicators.

Objective of the Revised SRF

6. The purpose of revising the AF SRF is to enable it to better act as a planning, management, reporting, and communications tool. The revised Fund-level SRF will better serve the reporting needs of the 2nd MTS, as well as better support the AF in reporting on its efforts towards assisting developing country Parties towards the implementation of the UAE framework for the global goal on adaptation, including towards achieving its targets. It should not only help monitor and evaluate the progress and impact of AF projects, but also provide a basis for adaptive management such that the effectiveness and efficiency of programs and activities can be strengthened, and the strategic objectives of the MTS can be achieved. The revised RBM will also support better communication of the Fund's impact.

Analysis of Current Gaps and Challenges

7. Below are some of the current gaps and challenges determined through consultations that have already taken place:

- (a) *Need for better alignment with GGA:* The UAE Framework for Global Climate Resilience details a set of targets linked to thematic areas and stages of the adaptation cycle. The ongoing UAE-Belém work programme on indicators aims to identify or develop indicators and potentially quantify elements for the targets, to measure progress achieved against the UAE Framework targets. The revisions to the AF SRF will help bolster coherence with these targets (and emerging indicators, as available), to better ensure that the measured results of AF-funded activities can support reporting against the targets.
- (b) *Need for flexibility to meet local conditions and realities:* Data availability is a key constraint to collecting quality baselines, and some metrics are considered impossible to measure in countries with low data availability or decentralized countries such as the Pacific.
- (c) *Need for more clarity on measurement and attribution challenges:* The methodological guidelines for reporting on some core indicators are not clear, particularly around direct versus indirect beneficiaries. IEs also report some difficulties in attributing changes to the projects because households participate in multiple ventures beyond the project interventions. Moreover, there is a need to integrate indicators related to new funding windows of the Adaptation Fund, in particular LLA.
- (d) *Need for focus on capacity building and improved communications to support the usefulness of the SRF:* IEs have emphasized the need for more guidance on definitions and preferred methods of measurement. The need to strengthen national and local capacities of IEs M&E teams came out clearly from the consultations. This

includes better communication between the Secretariat and the M&E offices so that the frameworks of both institutions can be incorporated from the conception of the initiatives.

- (e) *Use of more participatory approaches for data collection:* Active participation during the implementation and evaluation of initiatives was highlighted as an area where the Fund can better help.

Proposed Approach and Methods

8. The SRF will be revised through a multi-phase approach that ensures that diverse stakeholder perspectives are incorporated, and that the new SRF reflects the new AF MTS and the broader global context, given the Adaptation Fund's prominent position serving the Paris Agreement.

9. Further work will be done to gain insights into the challenges and limitations of the current SRF so that revisions effectively address these issues. Issues of feasibility, data availability, and disaggregation will also be considered—striving to balance ambition, precision, and practicality, recognizing that Implementing Entities need to be capable of using these indicators during project design and implementation stages.

10. The final revisions will also keep in mind ongoing project implementation and reporting—and hence where feasible and appropriate, some continuity through targeted revisions and mapping of old indicators to new ones will be done.

11. The section below outlines the methods that will be used to undertake this work:

(a) *Document and literature review:* An in-depth review and analysis of relevant information available from a range of secondary sources will be undertaken. This analysis will deepen understanding of best practices from other adaptation/climate funds and global adaptation frameworks, targets, and indicators. These documents include:

- (i) Adaptation Fund policy and strategic documents: The SRF (2019) and other results-based management documents, Adaptation Fund Board programmatic directions and strategic priorities (e.g., related to innovation and LLA), the second MTS and its implementation plan, and other relevant Board documents to understand the context, strategy, and expectations for the revised SRF.
- (ii) International frameworks and targets: Global climate resilience goals, targets, and indicators, such as the GGA, the UAE Framework for Global Climate Resilience and submissions and work products under its associated Belem workstream, and the WMO Early Warnings for All Initiative, and others, to ensure that revisions to the SRF are coherent with this broader global landscape.

- (iii) Other climate funders' results frameworks: Results frameworks of other climate funds (e.g., GEF, GCF, CIF) and relevant adaptation funders (e.g., multilateral development banks, bilateral development agencies) to identify best practices and opportunities for revisions to the SRF to align with these best practices.
 - (iv) Existing evidence: Results from a survey previously conducted by the Adaptation Fund on IEs' perspectives of the current SRF to understand what is working well or not working well.
 - (v) Literature on LLA: Targeted review of relevant peer-reviewed and gray literature on LLA and emerging best practices for monitoring, reporting, and evaluation in this area.
- (f) *Key informant interviews*: Up to 10 focused interviews will be conducted which will include other multilateral and bilateral climate adaptation funders, key actors in UNFCCC, and global adaptation initiatives (see Annex II for a preliminary list). In each selected organization, interviewees will be those responsible for results-based management and strategic design and implementation, including related to LLA and innovation.
- (g) *Analysis and summary of consultations*: Based on the document review and interviews, an internal summary of the consultations and analysis will be prepared. A summary of this analysis will be shared as part of the revised SRF document for board review.
- (h) *Revisions to the SRF*: These revisions will offer options for new core indicators and outcomes and associated outputs and indicators, as relevant, including those on innovation and locally led adaptation. The revisions will also be aligned with the new MTS and its implementation plan, other programmatic developments at the Adaptation Fund, and emerging global paradigms, including related to the UAE Framework.

Annexes:

Annex I: Comparative analysis of other climate Funds strategic results framework

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The below table presents an early analysis of the results frameworks across climate funds, with some lessons to incorporate in the revision of the AF SRF.

	Key features of results frameworks	Core indicators (adaptation)	Strengths/Challenges
CIF	<p>Results framework developed for each CIF program (e.g., Pilot Program for Climate Resilience)</p> <p>Core indicators monitored and reported on at the national level through an annual participatory, country-led process over the lifetime of the country program</p> <p>Project-level reporting by multilateral development banks using project-specific outcome and output indicators</p>	<ol style="list-style-type: none"> 1. Degree of integration of climate change in national, including sector, planning 2. Evidence of strengthened government capacity and coordination mechanism to mainstream climate resilience 3. Quality and extent to which climate responsive instruments/investment models are developed and tested (optional) 4. Extent to which vulnerable households, communities, businesses, and public-sector services use improved PPCR-supported tools, instruments, strategies, and activities to respond to climate variability or climate change 5. Number of people supported by the PPCR to cope with the effects of climate change 	<p>Participatory country reporting is aligned with principles of country ownership, stakeholder engagement, and learning by doing</p> <p>Challenges in sustaining and strengthening capacity for country-led reporting over full lifetime of country program</p> <p>Challenges in aggregating results at the program/portfolio level, given different project-level indicators</p>
GEF	<p>Core outcome indicators for adaptation monitored and reported at the project level and aggregated</p> <p>Core indicators map to GEF strategic objectives, including related to beneficiaries, land, marine, or coastal area, policy and planning, adaptive capacity, and private sector engagement</p> <p>Menu of sub-indicators at outcome and output levels, linked to core indicators</p>	<ol style="list-style-type: none"> 1. Number of direct beneficiaries (sex and age disaggregated) 2. Area of land managed for climate resilience (hectares); Coastal and marine area managed for climate resilience (hectares) 3. Number of policies, plans, frameworks that will mainstream climate resilience 4. Number of people trained or with awareness raised (sex disaggregated) 5. Number of private sector enterprises engaged in climate change adaptation and resilience action 	<p>Substantial continuity in indicators from 2018 to present</p> <p>Approach enables aggregation at Fund level</p> <p>Core indicators are at both outcome and output levels</p>
GCF	<p>Integrated results management framework (IRMF) with core indicators and supplemental indicators that align with GCF's results areas</p>	<ol style="list-style-type: none"> 1. Direct and indirect beneficiaries reached. 2. Hectares of natural resource areas brought under improved low emission and/or climate-resilient management practices. 3. Value of physical assets made 	<p>Updated results management framework introduced additional core adaptation indicators, beyond beneficiaries</p> <p>Difficulties in aggregating</p>

Key features of results frameworks	Core indicators (adaptation)	Strengths/Challenges
<p>Additional core indicators measure contribution to changes in enabling conditions and environments</p> <p>Projects/programs monitor core and supplemental indicators, as well as project-specific indicators</p>	<p>more resilient to the effects of climate change and/or more able to reduce GHG emissions.</p> <p>4. Enabling environment indicators:</p> <ul style="list-style-type: none"> - Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low-emission climate-resilient development pathways in a country-driven manner. - Degree to which GCF investments contribute to technology deployment, dissemination, development or transfer and innovation. - Degree to which GCF investments contribute to market development/transformation at the sectoral, local or national level. - Degree to which GCF investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards. - Hectares of natural resource areas brought under improved low emission and/or climate-resilient management practices. 	<p>beneficiaries, due to heterogeneity in assumptions and calculations</p> <p>Accurately determining the value of assets can be challenging</p>
<p>Best practices</p>	<ul style="list-style-type: none"> • Use a participatory approach which empowers local stakeholders and ensures their active contribution to the results tracking process. This also builds country ownership, allows exchange of knowledge, and ensures accountability and transparency. • Ensure that capacity development is a key component of results tracking to strengthen the ability of implementing agencies to monitor and evaluate. • Use a sound theory of change or program logic to improve focus on creating good performance indicators that are specifically related to each project/program and organization. 	

Annex II: List of Potential Interviewees

The following table provides a preliminary list of key informants (external to the Fund) that could help inform the SRF revision process. This list will be refined during the document and literature review phase, as additional or different organizations are potentially identified, as well as during the interview phase, using a snowball sampling approach.

Organization	Office / Department	Rationale for interview
UNFCCC	Secretariat staff leading GGA and UAE – Belém work programme	Deepen understanding of how AF SRF can align with GGA and UAE Framework; identify bilateral, multilateral, or non-government organizations that are active in the UAE – Belém work programme and that should be interviewed for SRF revisions
Global Environment Facility (GEF)	Policy, Partnerships, and Operations Unit	Learn from GEF's experience updating and implementing the results architecture for climate change adaptation for the LDCF and SCCF
Global Center on Adaptation	Locally Led Adaptation	Align with best practices for LLA results-based management
WMO	Early Warnings for All Initiative	Align with global initiative and best practices for indicator development
World Bank	Climate Indicators Team	Learn from experience developing and implementing climate adaptation results metrics at corporate and project levels and aligning with other institutions
UNDP and/or UNEP	Team responsible for implementing the innovation small grants through AFCIA	Learn from experience monitoring and reporting on innovation through the joint platform