

Climate Finance Advisory Service

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Daily Briefing

25th Adaptation Fund Board Meeting

(9 April 2015)

This is the Climate Finance Advisory Service (CFAS) Daily Briefing. Produced at key meetings and negotiations by the CFAS expert team, the Daily Briefings try to provide a concise, informative update on key discussions that have taken place at each day of the meeting and give an overview of substantive points of action or progress. Please note that this is an independent summary by CFAS and not officially mandated by the SCF.

Summary from 09 April 2015

On Thursday, 9 April 2015, the Adaptation Fund Board (AFB) convened for its 25th meeting in Bonn, Germany. Two days prior to the meeting, the two committees of the fund, the Ethics and Finance Committee (EFC) and the Project and Programme Review Committee (PPRC) met for their 16th meeting respectively.

As is the custom at each first meeting of the year, the session started with the transition to the new Chair. The outgoing Chair Mr. Mamadou Honadia (Burkina Faso) was succeeded by Mr. Hans Olav Ibrekk (Norway). Mr. Nauman Bashir Bhatti (Pakistan) was nominated and elected as the new Vice-Chair.

After opening the meeting, the Chair and the Secretariat reported on activities they had undertaken since the last AFB meeting. Inter alia, the Secretariat reported about a field visit it has undertaken in Senegal, as the respective AF project there is completed. Furthermore, the Secretariat engaged in building and enhancing partnerships of the AF with other bodies of the Convention, for instance the Green Climate Fund (GCF). The AF participated as an observer at the GCF Board meeting, while also providing information, on request of the GCF secretariat, regarding the AF's accreditation process, as well as challenges faced and lessons learned.

After the Secretariat, the Project and Programme Review Committee (PPRC) delivered a report on the activities prior to the meeting. The PPRC pointed out that the four remaining projects in the MIE project pipeline were to be cleared, so that budget for new proposals from Multilateral Implementing Entities would be available. For the 25th meeting, nine proposals have been submitted to the Secretariat by accredited implementing entities, with the total requested funding amounting to USD 48,097,199: three concepts (USD 17,812,880) and six fully-developed project proposals (USD 30,284,319). The Board approved three fully-developed proposals: One from India, one from Jordan and one from Morocco, all of them proposed by NIEs.

Following the PPRC report, the Ethics and Finance Committee (EFC) reported on its discussion on small National Implementing Entities. The accreditation of small NIEs on the basis of a "Streamlined Accreditation Process" would entail no changes to the fiduciary standards, but it would institute appropriate mitigating measures and controls needed for small NIEs to demonstrate their required

competencies. The Board decided to approve the streamlined process, however highlighting that a country was still only allowed to nominate one NIE.

As a usual agenda item of the EFC, the Board adopted new guidelines for the monetization of carbon assets, as well as a work plan for the fiscal year 2016. The administrative budgets of the Board, Secretariat and Trustee were also approved.

Following the EFC's report, the Accreditation Panel (AP), which is in charge of reviewing accreditation applications from Implementing Entities (IE) against the fund's fiduciary, environmental and social requirements, delivered its report to Board members and observers. The Board approved the NGO Fundación NATURA from Panama as a small National Implementing Entity. Furthermore, the Board decided the approval of Micronesia Conservation Trust (MCT) as small National Implementing Entity, however under two conditions: first, the accreditation of Micronesia Conservation Trust is valid only for projects up to USD 1 million; and second, the institution needs to include a description of its expertise and ability of the resources that it will use to complete or oversee procurements.

After the AP, the Secretariat presented a report on the Readiness Programme for Climate Finance. The Secretariat presented its activities and results, for instance an increase of NIE accreditation applications and NIE project proposals. In partnership with the Climate Development Knowledge Network (CDKN), the Climate Finance Ready website (climatefinanceready.org) was launched by the Secretariat in order to provide information around readiness activities. The Board decides to approve the use of USD 965,000 for the Readiness programme, of which USD 565,000 should be transferred to the Secretariat and USD 400,000 to be set aside.

In the afternoon, the UNFCCC Executive Secretary, Ms. Christiana Figueres, gave a brief overview on the current UNFCCC negotiations and the challenge of reaching a transformational agreement in Paris, by emphasising the importance to adequately address adaptation to climate change. Along this line, she stressed the necessity to link up adaptation to the mitigation trajectory. She touched upon the relation between the GCF and AF, emphasizing the potentials of a partnership for both institutions. She advised to initiate discussions at the level of the AF, the GCF and the Standing Committee on Finance.

The next point on the agenda gave room for Civil Society Organisations (CSOs) to engage in a dialogue with the AF Board. Starting, Mr. Emmanuel Seck (Senegal) presented on the current project for coastal management in Senegal, followed by a presentation by Mr. Ehab Eid (Jordan) with a perspective on the Jordan project that was officially approved in the morning session. Ms. Lisa Junghans from Germanwatch gave the state of play on the implementation of projects funded by the AF in the AF NGO Network partner countries, the existing "ground work", i.e. in Jamaica, South Africa and Cambodia, closing with a brief introduction of further activities of the Adaptation Fund NGO Network in 2015. Mr. Alpha Kaloga from Germanwatch presented the Network's view on institutional linkages between the AF and the GCF and how the AF Board could effectively work with CSOs. The discussion on the linkages with the GCF was postponed to tomorrow morning. The session will start with a presentation by the GCF and the AF Board will then discuss the issue in a closed session.

After the CSO dialogue, the Trustee made his financial report. Accordingly, the available funds in the AF Trust Fund amounted to USD 176.81 million as of 31 December, 2014. This represents an increase of

USD 26.12 million over the prior reporting period as a result of CER proceeds and donations received during the period.

Lastly, the topic of the AF's communication strategy was presented. One highlight was a video, already shown in the morning session, which gives a personal perspective to the "ground work" by different representatives of NIEs. Additionally, an electronic newsletter, which is sent out regularly was presented as a new outreach medium. In terms of social media, the AF counts growing numbers of followers. The Board closed its first day with the announcement that the AF will launch a new website by the end of April.

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Contact: www.c-fas.org and queries@c-fas.net