

BRIEFING PAPER

Civil society recommendations for AFB33.

Policy suggestions from the Adaptation Fund NGO
Network for decisions to be taken at AFB33.

AF NGO Network



Supporting the most vulnerable to climate change.

Brief Summary

In this paper, the Adaptation Fund NGO Network articulates its recommendations and policy suggestions for decisions to be taken at the thirty-third meeting of the Adaptation Fund Board (AFB33). The recommendations in this paper are based on the common position of the core partner organisations of the AF NGO Network. The paper is mainly addressed to the members of the Fund's two Committees (Project and Programme Review Committee and Ethics and Finance Committee), Board members and alternates in general as well as other interested stakeholders.

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1. Introduction

In this paper, the Adaptation Fund (AF) NGO Network articulates recommendations and policy suggestions for decisions to be taken at the thirty-third meeting of the Adaptation Fund Board (AFB33). This paper is mainly addressed to the members of the Fund's Project and Programme Review Committee (PPRC) and Ethics and Finance Committee (EFC), Board members and alternates in general, the AF Secretariat as well as other interested stakeholders.

The AF NGO Network is a coalition of non-governmental institutions and other interested stakeholders from civil society following ongoing processes within the AF and its projects. It strives for a sustainable and dynamic influence on the politics of the Fund and the effective engagement of civil society. It believes in the opportunity to contribute to the successful implementation of projects funded by the AF for the benefit of people and communities particularly vulnerable to climate change. The Network has more than 200 associated organisations from a wide range of countries in the Global South, ensuring significant global and bottom-up legitimacy for its policy demands. Civil society in the Global South is showing unprecedented interest in ensuring that the Fund's policies and projects focus on the needs of the most vulnerable communities.

During past AF Board (AFB) meetings, Board members/alternates have repeatedly highlighted the added value and importance of the AF NGO Network's publications on concrete recommendations from civil society for decisions to be taken at AFB meetings. For the AF NGO Network to be able to agree and draft those recommendations it is of utmost importance that documents on the agenda items to be discussed during AFB meetings are uploaded at the Fund's homepage at least two weeks in advance of AFB and Committee meetings. For AFB33, the majority of documents were uploaded less than a week in advance. Such a short timeframe makes it difficult for stakeholders to provide meaningful input for decisions to be taken during AFB meetings.

- **Board members should include a reference in the Fund's Open Information Policy¹ making a provision that meeting documents must be uploaded on the Fund's homepage at least 14 days before AFB and Committee meetings.**

The Network structured the recommendations and policy suggestions in this Briefing Paper according to the agenda items to be dealt with at AFB33. Main issues touched upon in this paper include overall trends regarding project/programme proposals and concepts submitted for AFB33, reasons for project delays, recommendations on the country and MIE caps and a concrete suggestions on how to enhance civil society engagement and participation during Board meetings.

¹ <https://www.adaptation-fund.org/wp-content/uploads/2015/01/Open%20Information%20Policy.pdf>

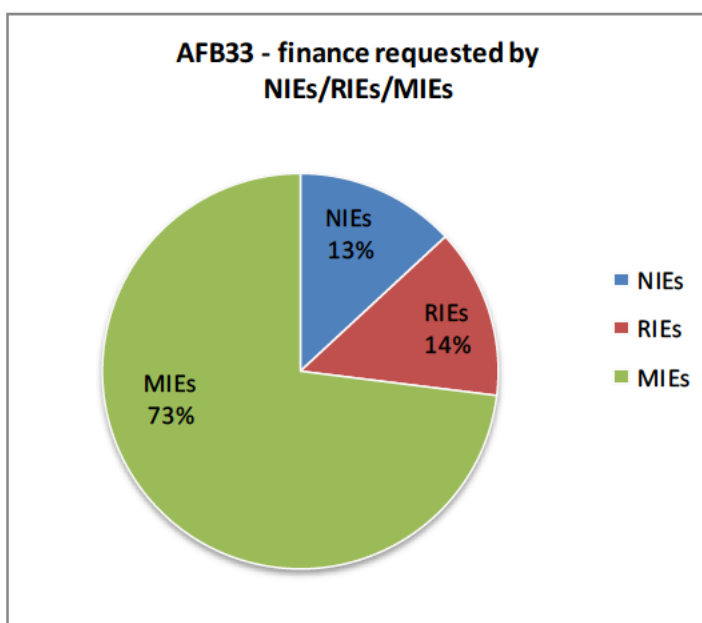
2. 24th meeting of the Project and Programme Review Committee

This section includes recommendations by the AF NGO Network on items to be discussed and decided during the 24th meeting of the PPRC. Unfortunately, there is no official opportunity for civil society to provide input on the discussions held in the PPRC. Hence, the AF NGO Network prepared the present Briefing Paper as a means to enhance discussions. In order to enhance stakeholder engagement it is nevertheless important that the PPRC meetings provide a space for elected civil society representatives to officially contribute to the discussions being held in the Fund's committee meetings. (Section 5 of the present Briefing Paper provides further explanations on how to enhance civil society engagement during Board and Committee meetings.)

2.1. Initial screening/technical review of project and programme proposals

This section looks at the volume of finance requested by MIEs, RIEs and NIEs for AFB33, challenges presented by regional projects, endorsement letters, as well as other proposal irregularities.

2.1.1. Volume of finance re-quested by MIEs, RIEs and NIEs



Looking at the overall volume of finance requested² by implementing entities for AFB33, the AF NGO Network noted a worrisome tendency. Only 13% of the overall volume of finance requested for AFB33 is requested by national implementing entities (NIEs).³ One of the strengths and unique features of the Fund is its direct access modality through which NIEs can directly access funding from the AF. In 2010, the AF Board decided to introduce a 50 percent cap on financing for MIE proposals to ensure that NIEs and regional implementing entities (RIEs) could access at least the same total amount of financing as multilateral implementing entities

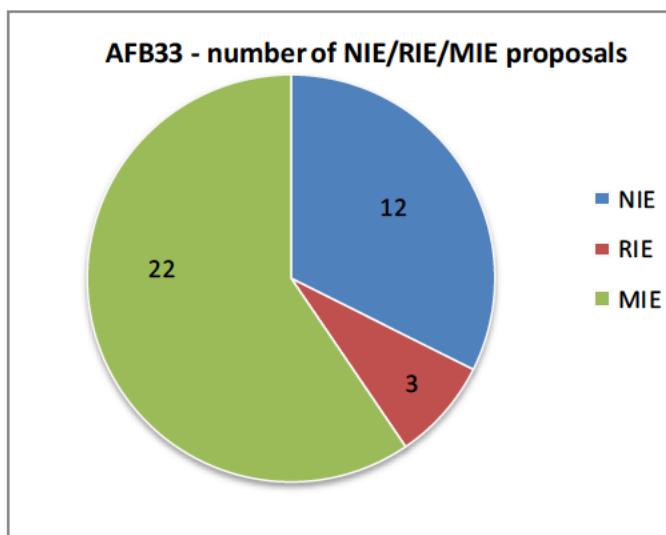
(MIEs). However, it is evident that the current set up of the 50 percent cap is not sufficient to further promote direct and enhanced direct access within the AF. Experiences from our local AF NGO Network members show that RIEs should not be considered direct access entities. Often RIE projects face similar challenges as MIE projects, such as lacking country ownership.

² The overall volume of finance requested for AFB33 includes not only project and programme proposals and concepts, but also proposals for small innovation grants, learning grants and scale up grants uploaded on the Fund's homepage in the section "Proposals Under Review".

³ Own analysis conducted by the AF NGO Network.

- To further promote the Funds direct access modality, a distinctive feature of the Fund, the AF NGO Network recommends that the AF Board take a decision that NIEs can access at least the same total amount of financing as RIEs and MIEs by introducing the 50 percent cap not only for MIE proposals, but also for RIE proposals.

The AF NGO Network members have witnessed cases where RIEs/MIEs are submitting project proposals to the AF for countries which are in the process of getting their own direct access entity accredited with the Fund, with project funding in some cases targeting to absorb the full funding available under the present USD 10 million country cap. Such RIEs/MIEs often do not consult national institutions which are in the process of becoming accredited with the Fund. If Designated Authorities (DAs) in those countries sign off on those project proposals or concepts, this might have negative implications for countries' opportunities to directly access resources from the Fund, as RIEs and MIEs may have exhausted the USD 10 million country cap before an NIE obtains accreditation.. If the AF wants its direct access modality to continue being a strong and distinctive feature of the Fund, the AFB should ensure that at least 50% of the Fund's funding goes through NIEs. The demand of NIEs might also increase if the AF's country cap is lifted in a way that favours direct access entities.



2.1.2. Challenges of regional projects

The AF NGO Network's core partners have assessed the consultation processes of several regional project concepts and proposals submitted for AFB33, and other regional projects already approved during previous Board meetings. The Network's core partners have observed that many of those regional projects significantly lack country ownership and that stakeholder consultation at various levels has not been conducted properly. The Network's core partners could not only identify that consultations with the potential project's beneficiaries have been conducted inadequately, but also that relevant organisations from civil society working in the area of adaptation at potential project sites have neither been consulted or informed about the project. In the case of some projects, such as the regional proposal submitted by UNESCO for the Southern African region, it emerged that not even the Designated Authorities and/or countries' NIEs have been consulted. For the already approved regional project for the Lake Victoria Basin implemented by UNEP there have been significant delays in project inception due to lack of country ownership and because stakeholder consultations did not take place effectively in advance. The core partners of the AF NGO Network also assessed that for many regional AF project national institutional capacities are not strengthened sufficiently

- The Board should decide that regional projects should fall within the 50 per cent cap. In addition, the Board should also decide that the 50 per cent cap should not only apply for MIEs, but also include RIEs.
- The Board should decide on measures that ensure that national institutional capacities are strengthened and sufficient country ownership as well as adequate stakeholder consultation of regional projects are given at concept stage. Regional projects should

emerge based on a clear need for countries to regionally cooperate on challenges presented by climate change.

- The Board should not approve the regional project proposal for Southern Africa submitted by UNESCO until the proposal is strengthened and revised to include a proper consultation process with national stakeholders.

2.1.3. Endorsement letters

Another general observation of the AF NGO Network on the proposals submitted for AFB33 and uploaded at the Fund's homepage in the section "Proposals Under Review" are the missing endorsement letters by countries' Designated Authorities for several of the projects (e.g. the regional proposal "Strengthening Adaptive Capacities for Smallholder Farmers in Water Stressed River Basins in Southern Africa" submitted by UNESCO). Those endorsement letters by governments are a pre-condition for projects to be approved by the Fund and are highly important to ensure effective stakeholder consultation and country ownership – key principles of the AF. Thus, projects with missing endorsement letters by Designated Authorities should not even be forwarded to and considered by the Board during AFB meetings.

- Endorsement letters need to be made available and accessible to the public by the Secretariat. The Secretariat also needs to ensure that all endorsement letters are made available to the public in the section "Proposals Under Review" on the Fund's homepage.
- Concepts or proposals with missing endorsement letters should not be forwarded to and considered by the Board. Such as is the case for the regional proposal for Southern Africa submitted by UNESCO.

The following list shows projects with missing (or not available to the public) endorsement letters by countries' Designated Authorities (DAs):

Country	Project Title	Entity	Observations
Bangladesh	Adaptation Initiative for Climate Vulnerable Offshore Small Islands and Riverine Charland in Bangladesh	UNDP	According to the technical review by the Secretariat, the proposal has been endorsed by the DA. However, the endorsement letter could not be found in the annex of the proposal document uploaded in the section "Proposals Under Review" or in document AFB/PPRC.24/13. Endorsement letter needs to be made available to the public by the Secretariat.
Congo	Building adaptive capacity to climate change in vulnerable communities living in the Congo River Basin	WFP	According to the technical review by the Secretariat, the proposal has been endorsed by the DA. However, the endorsement letter could not be found in the annex of the proposal document uploaded in the section "Proposals Under Review" or in document AFB/PPRC.24/27. Endorsement letter needs to be made available to the public by the Secretariat.
Iran	Reducing vulnerability to climate change in the Lake Bakhtegan	UNDP	The endorsement letter could not be found in the annex of the proposal document uploaded in the section "Proposals Under Review" or in document AFB/PPRC.24/16.

	Basin		The technical review of the Secretariat mentions that there is an endorsement letter signed by a different person listed on the AF website. Endorsement letter needs to be made available to the public by the Secretariat.
Lesotho	Improving adaptive capacity of vulnerable and food-insecure populations in Lesotho	WFP	The endorsement letter could not be found in the annex of the proposal document uploaded in the section "Proposals Under Review". But the endorsement letter was attached in the technical review by the Secretariat, document AFB/PPRC.24/18. <u>The Secretariat needs to make sure that all endorsement letters are made available to the public in the section "Proposals Under Review".</u>
Uganda	Strengthening climate change adaptation of small towns and peri-urban communities	ADB	The endorsement letter could not be found in the annex of the proposal document uploaded in the section "Proposals Under Review". But the endorsement letter was attached in the technical review by the Secretariat, document AFB/PPRC.24/22. <u>The Secretariat needs to make sure that all endorsement letters are made available to the public in the section "Proposals Under Review".</u>
Malawi	Enhancing Adaptive Capacity and Livelihood Diversification for the Rural Poor of Northern Malawi	ADB	According to the technical review by the Secretariat, the proposal has been endorsed by the DA. However, the endorsement letter could not be found in the annex of the proposal document uploaded in the section "Proposals Under Review" or in document AFB/PPRC.24/27. Endorsement letter needs to be made available to the public by the Secretariat.
Regional (Angola, Mozambique, Namibia, South Africa, Zimbabwe)	Strengthening Adaptive Capacities for Smallholder Farmers in Water Stressed River Basins in Southern Africa	UNESCO	Endorsement letters from the DAs in South Africa and Zimbabwe are missing. This has also been noted by the technical review of the Secretariat. Hence, this project should not be considered by the AF Board.
Regional (Argentina, Uruguay)	Climate Change adaptation in vulnerable coastal cities and ecosystems of the Uruguay River	CAF	According to the technical review by the Secretariat, the proposal has been endorsed by the DAs of both countries. However, the endorsement letters could not be found in the annex of the proposal document uploaded in the section "Proposals Under Review" or in document AFB/PPRC.24/33. Endorsement letter needs to be made available to the public by the Secretariat.

2.1.4. Regional pre-concept for Belize, Guatemala and Honduras submitted by UNEP

The regional pre-concept for Belize, Guatemala and Honduras submitted by UNEP was not uploaded at the Fund's homepage in the section "Proposals under Review", where both project concepts and full project proposals are posted online for public review and comment (as requested in paragraph 5 of the Fund's

Open Information Policy⁴). Relevant stakeholders in the countries did not have the opportunity to review this pre-concept note and to provide relevant feedback to the Secretariat and Board. In addition, the role of UNEP in the project development process of this proposal is very unclear as well as the level of country ownership.

The AF NGO Network has the impression that in the current project setup the World Resources Institute (WRI) would actually assume the role of MIE, and UNEP's involvement would not be necessary. However, WRI is not an accredited MIE with the AF and thus cannot submit project proposals to the Fund. Thus, the AF NGO Network fears that for this proposal UNEP's intended role during project implementation was artificially created in order to submit the proposal via one of the Fund's implementing entities. Such a project setup would create unnecessary institutional layers during project implementation and unwarranted resources to be spent in project implementation and execution fees. Board approval of this pre-concept might send the wrong signal and create an incentive for other multilateral institutions not accredited with the AF to submit their proposals through RIEs/MIEs accredited with the Fund, and would not be aligned with the Fund's objective of promoting direct access to its resources.

- **The AF NGO Network recommends that the Board does not approve the pre-concept for Belize, Guatemala and Honduras submitted by UNEP. However, the proposal which aims for an innovative approach involving the private sector could potentially be further explored under the Fund's innovation pillar.**

Either WRI should seek accredited as an MIE with the AF and submit the proposal itself, or another source of funding, other than the AF, would need to be found for this project proposal.

Nevertheless, the AF NGO Network thinks that this pre-concept for Belize, Guatemala and Honduras submitted by UNEP is a qualitative good concept including an innovative approach to adaptation to climate change involving the private sector. The proposal seeks to create a financial mechanism that allows private sector impact investors to fund restoration projects directly linked to adaptation efforts. Thus, this project proposal could also be further explored under the Fund's innovation pillar.

2.2. Full cost of adaptation reasoning

The AF NGO Network appreciates that a wide range of stakeholders have been consulted by the Secretariat to obtain feedback on the Fund's options for co-financing.

- **The Network strongly recommends that the Fund's principle of "Funding on full adaptation cost basis of projects and programmes to address the adverse effects of climate change" should be maintained.**

The status quo on the full cost of adaptation reasoning criteria that "the Adaptation Fund does not require co-financing for the projects/programmes it funds" (Board decision B.22/23) has been successful to date, and we feel should not be altered. The Adaptation Fund specifically aims to help developing countries to build resilience and adapt to climate change, supporting those most vulnerable to the impacts of climate change to take adaptation actions that would not be possible in the absence of this funding. Required co-financing would imply an additional burden especially for direct access countries and LDCs and SIDS in general. The core partners of the AF NGO Network have also observed that often in the course of the project and during implementation several activities have been co-financed at the local/community level without

⁴ <https://www.adaptation-fund.org/wp-content/uploads/2015/01/Open%20Information%20Policy.pdf>

previously committing to it in the project planning phase. Yet it is important that the Fund maintains its unique feature of providing funding on full adaptation cost basis not making co-financing a requirement.

However, the AF NGO Network also recommends that the Board ensures that under the Fund's new funding window for innovation grants, there are no undue limits on projects where the AF financed component is not able to deliver its outcomes and outputs regardless of the success of the co-financed component. Otherwise good and innovative projects which managed to obtain co-financing for a component might not be able to get a project approved at the AF and thus negatively affect the Fund's innovation pillar.

2.3. Amendments to the project review process

The AF NGO Network appreciates that the time period for providing public comments on project proposals by stakeholders has been extended. This will hopefully result in more feedback and comments on project proposals by stakeholders in the respective countries.

It should be noted though, that despite this extension, real stakeholder consultation during the project development process should be improved. This would allow stakeholders at country-level to make real inputs at the project design stage already, rather only reviewing proposals and making detailed comments on lengthy projects documents for the first time after projects are submitted for Board approval.

3. 24th meeting of the Ethics and Finance Committee

This section includes recommendations by the AF NGO Network on items to be discussed and decided during the 24th meeting of the EFC. Unfortunately, there is no official opportunity for civil society to provide input on the discussions held in the EFC. Hence, the AF NGO Network prepared the present Briefing Paper as a means to enhance discussions. In order to enhance stakeholder engagement, it is nevertheless important that the EFC meetings provide a space for elected civil society representatives to officially contribute to the discussions being held in the Fund's Committee meetings. (Section 5 of the present Briefing Paper provides further explanations on how to enhance civil society engagement during Board and Committee meetings.)

3.1. Reasons for delays in project inception

The AF NGO Network appreciates the analysis conducted by the AF Secretariat of the reasons for delays in project inception. However, the feedback on delays for project inception provided only by the Fund's implementing entities cannot be considered a comprehensive source for the analysis of reasons for project delays. Implementing entities may fear negative consequences from the Fund or reputational damage if they highlight the real reasons for delays. While their feedback is essential for this analysis, the AF needs to bear in mind the impact of this conflict of interest in reporting. Complementary information and feedback from Executing Entities, Designated Authorities and independent stakeholders such as civil society representatives should be consulted as well, in order to provide a comprehensive analysis for delays in project inception.

Some of the reasons identified by implementing entities such as a lack of understanding of key stakeholders regarding their roles in the project are issues that could be mitigated through a

comprehensive stakeholder consultation process in the project planning phase. This is especially true for regional projects and projects implemented by multilateral/regional entities, and during the project planning phase it should be ensured that there is sufficient country ownership and involvement of national institutions to avoid misunderstandings on their roles and expectations regarding the project.

The AF NGO Network's core partners and associated organisations have also been assessing reasons for project inception delays and have often identified the lack of consultation and country ownership (especially for regional projects) as one of the main reasons for delays in project inception.

Other risks causing inception delays, such as poor availability of qualified personnel in country, should already have been assessed and identified during project elaboration, accompanied by a risk mitigation strategy. One option could be that implementing entities are required to assess and identify those potential risks causing delays in project inception in section B of "Part III: Implementation Arrangements" in the proposal template and are asked to provide a risk mitigation strategy.

- The AF NGO Network recommends that the Board to agree on concrete next steps to avoid future delays in project inception. This might include additional requirements in the proposal template and ensuring effective and comprehensive stakeholder engagement and consultations before approving projects.
- The Secretariat should conduct a more comprehensive overview and analysis of reasons for delays in project inception including feedback from Executing Entities, Designated Authorities and independent stakeholders such as civil society representatives.

3.2. Financial report prepared by the Trustee

One of the unique features and purposes of the AF is to facilitate direct access to adaptation finance. If the Fund wants to maintain its niche in the evolving architecture of international climate finance, it needs to ensure that the majority of its resources are made available through its direct access modality. This is currently not the case with only 31% of the resources of the Fund's cumulative funding decisions provided to NIEs (as of 31 December 2018).⁵ See figure below. The AF NGO Network thinks this is a worrisome tendency which requires concrete steps to be taken by the Board.

- The Board should, in addition to the MIEs, include RIEs in the 50 per cent cap
- The Board should include regional projects in the 50 per cent cap for MIEs and RIEs

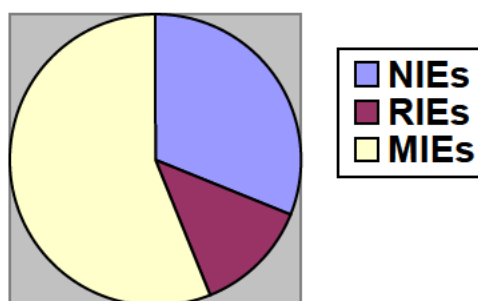


Figure 1 AF Cumulative Funding Decisions (breakdown by MIEs, RIEs and NIEs)

⁵ Adaptation Fund. Financial Report Prepared by the Trustee. https://www.adaptation-fund.org/wp-content/uploads/2019/02/AFB.EFC_24.6_Trustee-report-as-at-31-Dec-2018.pdf

Moreover, the financial report by the Trustee confirms that the Fund's main financial flows come from voluntary contributions from developed countries. During 2018 the proceeds from CER⁶ sales generated have only been about 1 million USD compared to about 129 million USD new pledges received. This clearly shows that the sustainability and predictability of the Fund's financial flows is an enduring issue that still needs to be addressed even though the CMA decided that the Fund shall be financed from the share of proceeds from the mechanism established by Article 6.4. of the Paris Agreement, as well as from a variety of voluntary public and private sources. There are still many uncertainties regarding the timeline for the establishment of the Article 6.4. mechanism as well as the expected level of revenue from that mechanism.

While the AF has been successful in meeting and even surpassing its resource mobilisation targets in the recent past, taking into account the increasing demands on the AF and the limitation set by the need for a country cap, the AFN recommends that the Board seeks to set more ambitious resource mobilisation target in future. A more ambitious target would better indicate to potential contributors the gap between the need for funding and availability, particularly in the context of the lack of certainty surrounding the future sources of funding for the AF.

- The Fund's Board needs to pursue further opportunities, in addition to the ones already conducted, to ensure the sustainability and predictability of the Fund's resources.
- The Fund's Board should seek to set more ambitious targets for fund mobilisation in future in line with the increasing demands on the Fund

4. Provision of resources between single-country and regional projects

The core partner organisations of the AF NGO Network identified the USD 10 million country cap as one of the biggest challenges for their countries and regions. An analysis conducted by Germanwatch also shows that the country cap has primarily negative consequences for direct access countries (or countries seeking to obtain a direct access).⁷ Direct access countries went through an often-tedious and time-consuming process of having their own national entity accredited with the Fund. Through the accreditation process and implementation of their first project(s), those accredited national entities strengthened their institutional capacities and gained valuable insights and experiences. It would be beneficial to provide opportunities to those entities to apply those acquired assets to further adaptation projects.

The country cap will probably also have implications for the incentives for pursuing accreditation of an own direct access entity. It can be assumed that, for a country to have the incentive to go through the process of accreditation, at least US\$5 million would need to be left accessible. According to the analysis conducted by Germanwatch, this would imply that 29 of the 35 countries for which only an RIE/MIE is implementing a project have only weak incentives to complete the process (as of 1 March 2018). In some cases, a country might also realise that another national entity would be better- (or equally well-) suited for implementing national adaptation priorities. However, the country cap would have negative implications on a country's incentive to have a second entity accredited, even if the AF would provide the opportunity to do so.

⁶ Adaptation Fund. Financial Report Prepared by the Trustee

https://www.adaptation-fund.org/wp-content/uploads/2019/02/AFB.EFC_.24.6_Trustee-report-as-at-31-Dec-2018.pdf

⁷ Germanwatch (2018). The future role of the Adaptation Fund in the international climate finance architecture. https://www.germanwatch.org/sites/germanwatch.org/files/The%20future%20role%20of%20the%20Adaptation%20fund%20in%20the%20international%20climate%20finance%20architecture_1.pdf

Moreover, other countries that have newly (or soon to be) accredited NIEs with the Fund face limitations because significant part of their country cap has already been spent on projects/programmes of RIEs/MIEs.

Thus, the AF NGO Network's core partners agree with the assessment conducted by the Secretariat that lifting the country cap might be useful, especially to maintain direct access countries' interest in the Fund. This might also encourage other countries that have accessed resources near the current country cap but not yet have an NIE, to apply for accreditation.

- **Thus, when lifting the country cap the Board should do so favouring direct access entities only.**

As already highlighted in section 2.1.2., regional projects are currently facing a number of challenges such as limited country ownership or the lack of strengthening capacities of local institutions. It might be very difficult to identify how much of the funding for regional projects actually goes to which country since due to many layers in the implementation arrangements of regional projects much money is going to regional/international institutions and consultants for implementation as well as significant resources spent on coordinating activities.

Looking at the long pipeline of regional projects and their accompanying challenges as well as the worrisome trend of less overall resources for direct access, the AF NGO Network suggests to include regional projects within the 50 per cent country cap for MIEs and to also include RIE proposals in that cap rather than creating a new cap. In addition to the previous measure, the AF NGO Network agrees that the process already in place of allocating funding for regional projects on an annual basis should be maintained.

The Board should also ensure that additional policies for regional projects are put in place to ensure sufficient country ownership and involvement of local institutions during project planning and implementation. The AF NGO Network also sees the advantages identified by the Secretariat for capping the number of regional projects for countries to 2-3 proposals. However, this should be done on an interim basis only and as an additional measure only after including regional proposals in the 50 per cent cap and strengthening the process of ensuring country ownership.

- The AF NGO Network strongly recommends the Board to take a decision at AFB33 to increase the country cap.
- In addition to increasing the country cap up to USD 15 (20) million, the Board should highlight that the revised country cap is also only a temporary measure and confirm its intention of gradually increasing the cap in the coming years.
- The Board should increase the country cap in a way that strengthens the Fund's direct access modality. If the Board lifts the country cap up to USD 15 (or 20) million, additional resources beyond the original USD 10 million should only be possible to be accessed by direct access entities.
- The AF NGO Network supports the request that individual project(s)/programmes(s) cannot exceed USD 10 million.
- To avoid that implementing entities try to access the USD 15 (or 20) million at a time, additional resources beyond USD 10 million should only be available to national implementing entities after they have submitted the mid-term evaluation of (a) previous AF project(s)/programme(s) in the country.
- The AF NGO Network recommends that all funding for regional projects should be within the 50 per cent cap for MIEs. In addition the 50 per cent cap should not only include MIE proposals but also RIE proposals.

- If the Board decides that the number of regional proposals in which a country can participate should be capped to 2-3 proposals, the decision should refer to that this is only on an interim basis.

5. Issues arising from the COP

5.1. Enhancing civil society participation and engagement during Board meetings

At COP24 in Katowice, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) requested the AF Board to consider the rules of procedure of the Board, the arrangements of the AF with respect to the Paris Agreement and any other matter so as to ensure the AF serves the Paris Agreement smoothly.⁸ The AF NGO Network sees in this request by the CMP a clear mandate for the AF Board to also consider its arrangements for civil society participation during Board meetings. This goes hand in hand with the AF Board's commitment in the Fund's Medium-Term-Strategy to jointly work with the AF NGO Network to explore modalities for even greater collaboration during the 2018-2022 period.⁹

While several practices of the AF regarding stakeholder engagement and participation can be considered exemplary, there is room for improvement to ensure the Fund complies with international best practice. The Board itself highlighted in its Medium-Term Strategy that while current practices for civil society engagement are reasonably effective, there is still scope for improvement. Thus, the AF NGO Network strongly recommends that AF Board members raise the issue during AFB33.

- Board members should take a decision which asks the Secretariat to make a public call for proposals/suggestions to enhance the effectiveness of civil society participation and engagement during AF Board meetings.

Based on those proposals/suggestions received, the Secretariat should elaborate a document for AFB34 with options for a decision to enhance effective civil society participation and engagement during Board meetings.

The AF NGO Network has already analysed the Fund's standards and practices for civil society engagement and participation and would be happy to submit a concrete proposal on how to enhance those standards and practices.

6. Knowledge management and communication

The AF NGO Network appreciates the section called "Active Pipeline Projects" on the AF homepage. This newly introduced section at the homepage includes projects and programmes that have been received by the Adaptation Fund Board during the preceding 12 months but that have not yet been approved as full

⁸ UNFCCC. Decision -/CMP.14 (Advanced unedited version) https://unfccc.int/sites/default/files/resource/cmp14_auf_af.pdf

⁹ Adaptation Fund. Medium-Term-Strategy 2018 -2022. <https://www.adaptation-fund.org/wp-content/uploads/2018/03/Medium-Term-Strategy-2018-2022-final-03.01-1.pdf> page 25

proposals. This information provided on active pipeline projects enhances transparency on the Fund's processes and is facilitating stakeholders in countries to access information on planned projects in their countries.

However, often stakeholders are interested in country specific information about the AF. But in order to find country specific information, stakeholders need to look at many different sections at the AF homepage (sections: Designated Authorities, Implementing Entities, Readiness Grants, Projects Information, Active Pipeline Projects, Proposals Under Review). For stakeholders who do not know the homepage and the Fund very well, this might imply that necessary country specific information might not be found.

- **The AF NGO Network recommends the AF Board to ask the Secretariat to provide country specific information on its website (like for example the GCF is doing on its website).**

This would enhance the Fund's transparency and access to information for stakeholders facilitating their engagement in AF related processes.

7. Portfolio monitoring missions

The AF NGO Network appreciated the opportunity given to its representatives to attend the AF monitoring mission to South Africa. The best practices and recommendations identified by the Network during this monitoring mission can be found in the attachment of the Secretariat's report to the Board on this monitoring mission.

Ensuring that independent stakeholders (such as AF NGO Network members) attend the Fund's monitoring missions not only facilitates direct engagement opportunities, but also brings in relevant perspectives and observations from civil society that enhance discussions and allow for constructive feedback. The AF NGO Network plays an important role when it comes to generating and sharing knowledge as well as collective learning. The Network intends to prepare information materials on best practices and lessons learnt of AF experiences which the Network's core partners share with relevant stakeholders in their countries and regions.

- **AF Board and Secretariat should continue actively engaging civil society during future monitoring missions.**
- **The AF Secretariat should inform the AF NGO Network on a timely basis about planned monitoring missions.**

This would allow the AF NGO Network to identify a Network member organisation from the country to be visited to be engaged during the monitoring visit. Engaging local AF NGO Network representatives during the monitoring visits will not imply any additional costs for the Fund since Network member organisation are usually based close to the project sites and the organisations themselves (or the AF NGO Network) could cover any arising costs that might occur during the monitoring visit.

AF NGO Network

The AF NGO Network is a coalition of non-governmental institutions and other interested stakeholders from civil society following ongoing processes within the Adaptation Fund and its projects. It strives for a sustainable and dynamic influence on the politics of the Fund and the effective engagement of civil society. It believes in the opportunity to contribute to the successful implementation of projects funded by the AF for the benefit of people and communities particularly vulnerable to climate change.

The AF NGO Network is coordinated by Germanwatch and its recommendations and policy suggestions reflect the common position of its 10 core partner organisations. The Network also has more than 200 associated organisations from a wide range of countries in the Global South ensuring significant global and bottom-up legitimacy for its policy demands.

You can also help achieve the goals of AF NGO Network by becoming an associate member of the Network.

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