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CONFERENCE OF THE PARTIES SERVING AS THE
MEETING OF THE PARTIES TO THE KYOTO PROTOCOL
Fifth session
Copenhagen, 7–18 December 2009

Agenda item 9 (a)
Adaptation Fund
Report of the Adaptation Fund Board

Draft decision -/CMP.5

Report of the Adaptation Fund Board

Proposal by the President

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Article 12, paragraph 8, of the Kyoto Protocol,

Also recalling decision 10/CP.7,

Reaffirming decisions 3/CMP.1, 28/CMP.1, 5/CMP.2, 1/CMP.3 and 1/CMP.4,

Takes note with appreciation of the report of the Adaptation Fund Board¹ and the significant progress the Board has made in the operationalization of the Adaptation Fund,

Expressing its appreciation to the Governments of Barbados and Germany for their generous offers to confer legal capacity on the Adaptation Fund Board,

1. *Endorses* the decision of the Adaptation Fund Board to accept the offer of Germany to confer legal capacity on the Adaptation Fund Board;²
2. *Invites* the Government of Germany to take the necessary measures to confer legal capacity on the Adaptation Fund Board;

¹ FCCC/KP/CMP/2009/14.

² See decision B.7-8/1 of the Adaptation Fund Board, available at <<http://afboard.org/index.html>>.

3. *Requests* the Adaptation Fund Board to consult further with the Government of Germany to conclude the necessary legal arrangements to confer legal capacity on the Adaptation Fund Board, and to report back on progress made to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its sixth session;

4. *Decides* that the Chair and Vice-Chair of the Adaptation Fund Board shall jointly serve as legal representatives of the Board;

5. *Adopts* the amendments to the rules of procedure of the Adaptation Fund Board, as contained in the annex to this decision, in accordance with the provisions in decision 1/CMP.4, annex I, paragraph 64;

6. *Takes note with appreciation* of the work carried out by the Adaptation Fund Board concerning:

- (a) The adoption of the operational policies and guidelines for Parties to access resources from the Adaptation Fund, in accordance with decisions 1/CMP.3 and 1/CMP.4;
- (b) The monetization of certified emission reductions in accordance with decision 1/CMP.3;

7. *Takes note* of the approval by the Council of the Global Environment Facility of the memorandum of understanding between the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and the Council of the Global Environment Facility regarding secretariat services to the Adaptation Fund Board;

8. *Also takes note* of the approval by the Board of Directors of the International Bank for Reconstruction and Development (the World Bank) of the terms and conditions of services to be provided by the International Bank for Reconstruction and Development as trustee for the Adaptation Fund;

9. *Encourages* Parties included in Annex I to the Convention and international organizations to provide funding to the Adaptation Fund, which will be additional to the share of the proceeds from clean development mechanism project activities.

ANNEX

Amendments to the rules of procedure of the Adaptation Fund Board

1. Paragraph 2 (h) should be revised as follows:

“Secretariat” is a body appointed by the CMP to provide secretariat services to the Board ~~and to the Fund~~, consistent with decision 1/CMP.3, paragraphs 3, 18, 19 and 31;
2. Paragraph 2 (j) should be revised as follows:

“Implementing entities” means the national legal entities and multilateral organizations that have been identified ex ante by the Board as meeting the criteria adopted by the Board, in accordance with decision 1/CMP.3, paragraph 5 (c), to access funding to implement concrete adaptation projects and programmes supported by the Fund;
3. Paragraph 2 (k) should be revised as follows:

“Executing entities” are organizations that ~~meet the criteria set by the Board to access funding to implement concrete adaptation projects and programmes supported by the Fund, subject to such audit mechanisms and due diligence criteria as established by the Board~~ execute adaptation projects and programmes supported by the Fund under the oversight of implementing entities.
4. Paragraph 5 should be revised as follows:

The member and alternate shall each serve for a term of two ~~calendar~~ years and shall be eligible to serve a maximum of two consecutive terms. The term of office of a member, or an alternate, shall start at the first meeting of the Board in the calendar year following his or her election and shall end immediately before the first meeting of the Board in the calendar year in which the term ends;
5. Paragraph 10 should be revised as follows:

The Board shall elect the Chair and Vice-Chair from among its members, with one being from an Annex I Party and the other being from a non-Annex I Party. The term of office of the Chair and Vice-Chair shall be one ~~calendar~~ year, starting at the first meeting of the Board in each year. The office of Chair and Vice-Chair shall alternate annually between a member from an Annex I Party and a member from a non-Annex I Party.
