



**GLOBAL ENVIRONMENT FACILITY**  
INVESTING IN OUR PLANET

GEF/C.57/10  
November 19, 2019

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57<sup>th</sup> GEF Council Meeting  
December 17 – 19, 2019  
Washington, D.C.

Agenda Item 15

**APPROVAL OF AMENDMENT OF 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**

### **Recommended Council Decision**

The Council, having considered document GEF/C.57/10, *Approval of Amendment of 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*:

- (a) Approves the amended and restated Memorandum of Understanding as adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its 15<sup>th</sup> session as adopted by the President of the Conference of the Parties and as annexed to this document; and
- (b) Requests the Secretariat of the Global Environment Facility to transmit its approval to the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol and the Chair of the Adaptation Fund Board.

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## INTRODUCTION

1. The Global Environment Facility (GEF) was invited by the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol to provide secretariat services to the Adaptation Fund Board on an interim basis (Decision 1/CMP.3). The Memorandum of Understanding (MOU) 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* was concluded and became effective upon the adoption by the CMP (Decision 1/CMP.4) and the Council of the GEF. The Council of the GEF approved the MOU with the CMP regarding the secretariat services to the Adaptation Fund Board at its 35<sup>th</sup> meeting in June 2009<sup>1</sup>.

2. The amendment of the MOU is prepared in line with Decision 1/CMP.14 where the CMP decided that the Adaptation Fund shall serve the Paris Agreement under the guidance of, and be accountable to, the CMA with respect to all matters relating to the Paris Agreement, effective 1 January 2019, and that it shall exclusively serve the Paris Agreement once the share of proceeds under Article 6, paragraph 4, of the Paris Agreement becomes available. By the same decision, the CMP also requested the Adaptation Fund Board to consider, among others, the arrangements of the Adaptation Fund with respect to the Paris Agreement and to make recommendations to the CMP at its 15<sup>th</sup> session with a view to the recommendations being forwarded to the CMA at its second session in December 2019.

3. The amendment of the MOU is related to: (i) adding the recital of subparagraphs 1 of decision 13/CMA.1 and subparagraph 2 of decision 1/CMP.14 in the Preamble; (ii) adding reference to decisions 1/CMP.14 and 13/CMA.1 in Article 1; (iii) replacing reference to decision 1/CMP.3 with 'decisions of the CMP and the CMA' in Articles 2(l) and 7; (iv) correcting the typo in Article 6 by adding "from" after "withdraw"; and (v) deleting the outdated and completed task of CMP's review of MoU at its sixth session in 2010. The text of the amendment of the MOU is contained in Annex I to this document. For easy reference, a comparison between the original MOU and the draft amendment of the MOU is provided in the following table:

**<Table: Comparison between the MOU and Draft Amendment of the MOU>**

	<b>Original text</b>	<b>Amended text</b> <i>Note: for clarity, additions are in underline font, deletions are in strikethrough font.</i>	<b>Description on amendment</b>
Preamble	The Conference of the Parties ... , on an interim basis,	The Conference of the Parties ... , on an interim basis,	

<sup>1</sup> See paragraphs 14 in GEF/C.35/Joint Summary, *Joint Summary of the Chairs* ([https://www.thegef.org/sites/default/files/council-meeting-documents/Joint\\_Summary\\_of\\_the\\_Chairs\\_06.26.09\\_with\\_Council\\_Revisions\\_0\\_1.pdf](https://www.thegef.org/sites/default/files/council-meeting-documents/Joint_Summary_of_the_Chairs_06.26.09_with_Council_Revisions_0_1.pdf)).

	<p>Recognizing the willingness of the GEF . . . ,</p> <p>Having consulted with . . . ,</p> <p>The CMP and . . .the Board:</p>	<p><u>The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) having decided that the Adaptation Fund shall serve the Paris Agreement under the guidance of, and be accountable to, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement with respect to all matters relating to the Paris Agreement, effective 1 January 2019, subject to the decision on this matter made by the CMP (decision 13/CMA.1),</u></p> <p><u>The CMP having decided that the Adaptation Fund shall exclusively serve the Paris Agreement and shall no longer serve the Kyoto Protocol once the share of proceeds under Article 6, paragraph 4, of the Paris Agreement becomes available (decision 1/CMP.14),</u></p> <p>Recognizing the willingness of the GEF . . . ,</p> <p>Having consulted with . . . ,</p> <p>The CMP and . . .the Board:</p>	<p><i>Adding the recital of subparagraphs 1 of decision 13/CMA.1 and subparagraph 2 of decision 1/CMP.14.</i></p>
<p>Art. 1</p>	<p>The purpose of the present Memorandum of Understanding (hereinafter the MOU) is to make AFB/B.34/9/Add.3 2 provisions for the relationship between the CMP and the</p>	<p>The purpose of the present Memorandum of Understanding (hereinafter the MOU) is to make AFB/B.34/9/Add.3 2 provisions for the relationship between the CMP and the</p>	<p><i>Adding reference to decisions 1/CMP.14 and 13/CMA.1.</i></p>

	Council and to fulfil Article 12 of the Kyoto Protocol and decisions 1/CMP.3 in connection with the provision of secretariat services as the secretariat.	Council and to fulfil Article 12 of the Kyoto Protocol and decisions <u>1/CMP.3, 1/CMP.14, and 13/CMA.1</u> in connection with the provision of secretariat services as the secretariat.	
Art. 2 (l)	Provide the trustee with all relevant information to enable it to carry out its responsibilities, consistent with decision 1/CMP.3 and the decisions of the Board;	Provide the trustee with all relevant information to enable it to carry out its responsibilities, consistent with <del>decision 1/CMP.3</del> <u>decisions of the CMP and the CMA</u> and the decisions of the Board;	<i>Replacing reference to decision 1/CMP.3 with 'decisions of the CMP and the CMA'.</i>
Art. 6	The present MOU will come into effect upon adoption by the CMP and the Council. Either party may withdraw this MOU at any time by notification addressed to the other party. The withdrawal will take effect six months after the notification.	The present MOU will come into effect upon adoption by the CMP and the Council. Either party may withdraw <u>from</u> this MOU at any time by notification addressed to the other party. The withdrawal will take effect six months after the notification.	<i>Correcting the typo in Article 6 by adding "from" after "withdraw".</i>
Art. 7	Decision 1/CMP.3, paragraph 32, provides for a review of the interim institutional arrangements after three years at the sixth session of the CMP. The present MOU will be reviewed in accordance with that decision. Following that review, this MOU may be modified to reflect any decisions mutually agreed by the CMP and by the Council.	<del>Decision 1/CMP.3, paragraph 32, provides for a review of the interim institutional arrangements after three years at the sixth session of the CMP.</del> The present MOU will be reviewed in accordance with <del>that decision</del> <u>decisions of the CMP and the CMA</u> . Following that review, this MOU may be modified to reflect any decisions mutually agreed by the CMP and by the Council.	<i>Deleting the outdated and completed task of CMP's review of MoU at its sixth session in 2010.</i>  <i>Replacing reference to decision 1/CMP.3 with 'decisions of the CMP and the CMA.'</i>

4. The amendment of the MOU was approved by the Adaptation Fund Board at its 34<sup>th</sup> meeting in October 2019 (Decision B.34/49<sup>2</sup>) and was recommended by the Adaptation Fund Board to the CMP for its adoption through the *Report of the Adaptation Fund Board to the CMP* at its 15<sup>th</sup> session.
5. The amendment of the MOU is expected to be approved by the CMP at its 15<sup>th</sup> session in December 2019 and is hereby submitted to the Council for approval at its 57<sup>th</sup> meeting in December 2019.
6. If the amendment of the MOU, as contained in Annex I to this document, is not approved by the CMP at its 15<sup>th</sup> session, it will be withdrawn from Council's consideration at its 57<sup>th</sup> meeting. In addition, if there are any changes in the text of the amendment of the MoU as contained in Annex I to this document, following the consideration by the CMP, the new version will be circulated to the Council.
7. The amendment of the MOU will enter into force upon the mutual adoption by the CMP and the Council of the GEF.
8. The Council is invited to approve the amendment of the MOU and request the GEF CEO and Chairperson to inform the CMP and the Adaptation Fund Board of its approval of the amendment of the MOU.

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<sup>2</sup> See Document AFB/B.34/19, *Decisions of the Thirty-fourth Meeting of the Adaptation Fund Board* (<https://www.adaptation-fund.org/meeting/34th-afb-meeting/>)

**ANNEX I: TEXT OF THE AMENDMENT OF THE MOU BETWEEN THE CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO THE KYOTO PROTOCOL (CMP) AND THE GEF COUNCIL**

**AMENDED AND RESTATED 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**

**I. Preamble**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (hereinafter the CMP) having decided (decision 5/CMP.2) to establish the Adaptation Fund of the Kyoto Protocol (hereinafter the Fund) and having further decided (decision 1/CMP.3) that the operating entity of the Fund shall be the Adaptation Fund Board (hereinafter the Board) established to supervise and manage the Fund, and that the Board should develop and approve draft legal and administrative arrangements for secretariat services and the trustee for approval by the CMP (decision 1/CMP.3, paragraph 5 (j)), and having invited the Global Environment Facility (hereinafter the GEF) to provide secretariat services to the Board, on an interim basis,

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) having decided that the Adaptation Fund shall serve the Paris Agreement under the guidance of, and be accountable to, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement with respect to all matters relating to the Paris Agreement, effective 1 January 2019, subject to the decision on this matter made by the CMP (decision 13/CMA.1),

The CMP having decided that the Adaptation Fund shall exclusively serve the Paris Agreement and shall no longer serve the Kyoto Protocol once the share of proceeds under Article 6, paragraph 4, of the Paris Agreement becomes available (decision 1/CMP.14),

Recognizing the willingness of the GEF to provide secretariat services to the Board (hereinafter the secretariat) on an interim basis,

Having consulted with each other and taking into account the relevant aspects of their governance structures, as reflected in their constituent instruments,

The CMP and the Council of the GEF (hereinafter the Council) have reached the following understanding in accordance with the recommendation of the Board:



## **II. Purpose**

1. The purpose of the present Memorandum of Understanding (hereinafter the MOU) is to make provisions for the relationship between the CMP and the Council and to fulfil Article 12 of the Kyoto Protocol and decisions 1/CMP.3, 1/CMP.14, and 13/CMA.1 in connection with the provision of secretariat services as the secretariat.

## **III. Secretariat services**

2. The secretariat shall, under the guidance and instructions of the Board, provide the following services to the Board to support and facilitate the work of the Board:

- (a) As a dedicated team of officials, provide secretariat services to the Board in a functionally independent and effective manner;
- (b) Manage the daily operations of the Fund and report to the Board;
- (c) Assist the Board in developing strategies, policies and guidelines for the Fund;
- (d) Ensure timely implementation of the decisions of the Board;
- (e) With respect to the day to day functioning of the Fund, act as liaison between the Board and Parties and implementing and executing entities;
- (f) Make arrangements for the meetings of the Board, including issuance of invitations and preparation of documents and reports of meetings, and provide a secretary of the Board meeting;
- (g) Develop the work programme and annual administrative budget of the Fund and submit them for approval by the Board
- (h) Ensure the implementation of the operational policies and guidelines of the Fund developed by the Board through, inter alia, the development of a project cycle based on criteria to be adopted by the Board;
- (i) Operationalize the project cycle by:
  - (i) Undertaking initial review and screening of project proposals to assess conformity with guidelines approved by the Board;
  - (ii) Presenting project proposals for Board approval;
  - (iii) Monitoring implementation of progress;
  - (iv) Periodically reporting to the Board on portfolio performance;
- (j) Coordinate the formulation and monitor the implementation of projects, ensuring liaison with other bodies as required;
- (k) Liaise, as appropriate, with the secretariats of other relevant international bodies;
- (l) Provide the trustee with all relevant information to enable it to carry out its responsibilities, consistent with decisions of the CMP and the CMA and the decisions of the Board;
- (m) Provide services to ensure and facilitate proper communication with Parties;
- (n) Perform any other functions assigned to it by the Board.

3. The head of the secretariat responsible for rendering the services shall be accountable to the Board.

#### **IV. Amendments**

4. Any amendments to the present MOU will be mutually agreed upon by the CMP and the Council. The Board may recommend to the CMP any amendments to the MOU.

#### **V. Interpretation**

5. If differences arise in the interpretation of the present MOU, the Council and the CMP or the Board, as appropriate, will consult each other and reach a mutually agreed solution.

#### **VI. Entry into effect**

6. The present MOU will come into effect upon adoption by the CMP and the Council. Either party may withdraw from this MOU at any time by notification addressed to the other party. The withdrawal will take effect six months after the notification.

#### **VII. Review**

7. The present MOU will be reviewed in accordance with decisions of the CMP and the CMA. Following that review, this MOU may be modified to reflect any decisions mutually agreed by the CMP and by the Council.