



## **SUBMISSION BY CYPRUS AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES**

**This submission is supported by Bosnia and Herzegovina, Iceland, the Formal Yugoslav Republic of Macedonia, Montenegro and Serbia**

**Nicosia, 9 / 10 / 2012**

**Subject: Further views on the Review of the Adaptation Fund**

1. SBI 36 invited in its conclusions Parties and relevant organizations to submit to the secretariat, by 17 September 2012, further views on the review of the Adaptation Fund (AF) in accordance with the annex to decision 6/CMP.6 and para 33 of decision 1/CMP.3.
2. The CMP decided at its 3rd session to undertake a review of all matters relating to the AF at its 6th session, where it was decided to have the review at the 7th session and then every three years thereafter. CMP 6 also requested the AF Board to make available, in its report to CMP 7, the performance reviews of the interim secretariat (GEF) and the interim trustee (WB/IBRD) of the AF.
3. The EU welcomes the report of the AF Board (FCCC/KP/CMP/2012/7 and FCCC/SBI/2012/INF.2), which contains its consideration of the review and its recommendations and decisions.
4. The EU notes that both the AF Secretariat and the Trustee have carried out their duties and responsibilities in an effective and efficient manner since their recent inception.
5. The EU further notes that the review contained some observations on the performance of the Trustee and the secretariat, including relating to the project review process, staffing, administrative and cross support from the GEF. The review also listed a number of suggested operational improvements, but identifies no pressing issues that would require altering the existing interim arrangements.
6. With regards to the Secretariats performance, the review found that the interim arrangements have operated well and lists a number of operational improvements that could be made on principle basis, as the demands on the services of the Secretariat increase. Among these are suggestions to change the status of the AF Secretariat in a more independent direction either as (a) a fully independent and resourced secretariat (reference made to the Multilateral Fund model) or (b) a “GEF-like” model with dedicated AF Secretariat placed within the present Trustees organizational and physical structure. Changes such as those suggested in the review report would incur significant costs and detract from the time the secretariat needs for its core activities. The EU thus agrees with the conclusion and recommendation of the Board to maintain the GEF as the interim secretariat, noting that the matter of the GEF’s role falls within the political mandate of the CMP.
7. Finally, the EU would like to commend the Adaptation Fund for the significant work that it continues to undertake.