Seventh meeting of the interim Adaptation Benefits Mechanism Executive Committee

26 November 2020
The meeting took place remotely from 13:00-16:15 GMT

Report

Attendance

Ms. Fatima Zahra TAIBI (Co-Chair)
Mr. Luc GNACADJA (Co-Chair)
Ms. Evelyne BATAMULIZA
Mr. Daouda Ben Oumar NDIAYE
Mr. Axel MICHAELOWA
Mr. Assefa Tofu CHOFORE
Ms. Louise Helen BROWN
Ms. Doreen MNYULWA

I. Opening of the meeting.

II. Procedural matters.

III. Discussion on documents for the meeting:
    (a) ABM Pilot Phase Strategic Plan.

IV. Strategic engagement.

V. Date and place for the next meeting.

VI. AOB and closure.
I. Opening of the meeting.

1. The seventh meeting of the interim Adaptation Benefits Mechanism Executive Committee (ABM EC) was conducted remotely. The ABM EC Co-Chairs, Ms. Fatima Zahra Taibi and Mr. Luc Gnacadja, opened and presided the meeting. The meeting started at 13:00 GMT. The Director for Climate Change and Green Growth (PECG) of the African Development Bank, acting as the Head of the interim ABM secretariat (ABM secretariat), Dr. Anthony Nyong, attended the discussion under agenda item II, assisted by Mr. Gareth Philips, Manager of Climate and Environment Finance (PECG1) of the African Development Bank, acting as the Coordinator of the ABM secretariat.

II. Procedural matters

2. The ABM EC Co-Chairs invited the ABM EC members to discuss the role of the ABM EC, its functioning and relations with the ABM secretariat and the African Development Bank, and experiences so far and to make constructive proposals on areas for improvement, with the aim of taking stock of the achievements of the year and improving the work, procedures and results of the ABM Pilot Phase.

3. The ABM EC Co-Chairs reflected on the significance of the first year of operation of the ABM EC. They reminded how everyone joined with much passion and commitment, the challenges imposed by the COVID-19 crisis and the great amount of work achieved nevertheless. The ABM EC Co-Chairs commended the ABM secretariat for the assistance provided throughout the past year and opened the discussion quoting the book of Marshall Goldsmith “What got you here won’t get you there: how successful people become even more successful”.

4. The discussion was structured around four key areas below. For each area, the ABM EC invited ABM EC members to provide feedback on what was working well, any areas for improvement, and concrete suggestions for improvement. Following a discussion among the ABM EC and the ABM secretariat, steps were agreed to build on the good progress to date and improve any areas of weakness.
   (a) Role of the ABM EC and the ABM secretariat;
   (b) Strategic direction so far;
   (c) Working modalities;
   (d) Outreach and advocacy.
5. Regarding the role of the ABM EC and the ABM secretariat, ABM EC members noted that the ABM secretariat has provided exemplary support to the preparation and running of ABM EC meetings despite difficult and unforeseen circumstances and has worked hard on the preparation of documents and other activities to advance the ABM Pilot Phase. ABM EC members also commended the Co-Chairs for the excellent chairing of the meetings. ABM EC members noted the importance for the ABM EC and the ABM secretariat to comply with their roles and responsibilities as specified in their respective Terms of Reference, so that they can best deliver in an efficient and strategic way. The ABM EC members also noted that the respective ToRs might be revised if the need arises. ABM EC members emphasized that all activities of the ABM EC and ABM secretariat should be in line with the approved work plan, which may be updated when needed. ABM EC members further noted a lack of visibility on the resources available for the implementation of the ABM Pilot Phase and asked the African Development Bank to provide clarity on the resources allocated to the 2021 work plan. ABM EC members proposed the adoption of a simple tracking tool that will be used to report on progress against the work plan to enable greater visibility of the ABM EC on the status of all activities, as well as a brief report from the ABM secretariat on its activities for each meeting. The ABM EC noted that despite the cost efficiency of online meetings, face-to-face meetings are useful and expressed hope that more face-to-face meetings could be organized in the next year.

6. Dr. Nyong reconfirmed the high-level management commitment within the African Development Bank to make the ABM a success and clarified that no specific budget is available for any area of work, but that most resources are mobilized through projects. He confirmed that the ABM EC's role is to oversee and provide direction to the work of the ABM secretariat, which consists, for the time being, of staff and consultants working part-time for the ABM secretariat and part-time for the African Development Bank, and to map out where the ABM Pilot Phase is headed in the short, medium and long term. He encouraged the preparation of a realistic work plan for 2021, with the view to guiding the African Development Bank on the actions that need to be undertaken, the timing of deliverables, and the resources required to achieve the work plan targets. He explained that resources will come from different sources and that further resource mobilization will be undertaken by the Bank to make sure that sufficient resources are available. Mr. Phillips informed the ABM EC of recently submitted budget request for 2021, including funds for one in-person meeting of the ABM EC. ABM EC members raised concern that the EC was not consulted in the development of this budget and requested that an appropriate process be followed in future. Mr. Phillips also informed on efforts to mobilize funds for the ABM EC and the ABM Pilot Phase from different projects, as well as to reach out to various governments and non-profit organizations regarding the creation of an independent African Adaptation Benefits Fund to be hosted within the African Development Bank, which will provide structural financial sustainability for the operation of the ABM EC and the continuation of the ABM. Mr. Phillips also confirmed the dedication of the ABM
secretariat to operate in accordance with its Terms of Reference, as adopted inter-sessionally per e-mail between the sixth and the seventh meeting of the ABM EC.

7. The ABM EC decided to prepare a unified work plan for 2021, including all ABM-related activities. The work plan will indicate priorities, as well as the aspirational activities, depending on availability of resources. The African Development Bank could use this work plan to mobilize resources. The ABM EC also decided that the work of the ABM secretariat and the African Development Bank on the ABM should be guided by the ABM work plan. The work plan should enable the ABM EC to have oversight and be flexible enough to allow for harnessing emerging opportunities to promote the ABM and mobilize finance for the ABM Pilot Phase through the wider activities of the African Development Bank. The ABM EC further decided to put in place a tracking tool to measure the progress towards the annual work plan and schedule a review of the annual plan to reflect, learn and keep improving. The ABM EC also requested the ABM secretariat in advance of each meeting to brief the ABM EC in writing on the activities of the ABM secretariat and the African Development Bank related to the ABM in line with its work plan, including outreach, project pipeline and availability of resources.

8. On the topic of strategic direction, ABM EC members noted that while the 2020 work plan provided a good starting point for the work of the ABM EC, in the absence of a longer term strategy, the work of the ABM EC has become somewhat ad-hoc and there is an urgent need to adopt a strategy for the full ABM Pilot Phase which sets out a shared vision, mission, key definitions, end goal and a road map of how to get there (including activities, roles and responsibilities, and timelines), as well as an approach to risk management. The ABM EC agreed that its "Strategic Plan for the ABM Pilot phase (2019-2023) shall be followed in preparing its next annual work plan, which shall be adopted by the end of 2020.

9. Regarding outreach and advocacy, the ABM EC acknowledged that 2021 will be a critical year for outreach on the ABM, with the view to facilitate its breaking through, including at the International Climate Change Conference in Glasgow. The ABM EC also acknowledged that advocacy by the President of the African Development Bank would be indispensable for raising the ABM on the international agenda. The ABM EC commended the inclusion of the ABM in the work plan of the African Regional Center for Adaptation of the Global Center for Adaptation and the mentioning of the ABM by the Vice-President of the African Development Bank at the launching event that was held on 16 September 2020. The ABM EC noted that a slot for the ABM at the launching event ABM would have been useful and appreciated, as the ABM is the only cooperative mechanism for engaging the private sector in adaptation in the work programme of the African Development Bank.

1 ABM EC/2020/5/6
2 ABM EC/2020/7/5
Regional Center for Adaptation, while engaging the private sector is a top priority for this organization. The ABM EC expressed its expectation to have an opportunity in the future to present the ABM in more detail to the African Regional Center for Adaptation, as well as an expectation to hear the Bank's Senior Management advocating for the ABM at high level fora. The ABM EC decided to prepare communication materials for outreach on the ABM, such as a brochure or a booklet for sharing via the ABM webpage and at events and requested the ABM secretariat to prepare first drafts. The ABM EC agreed to finalize the ABM activity cycle with priority as input to those materials. Mr. Nyong noted that the best advocacy for the ABM would be to have a proof of concept which would convince any skeptics of its relevance, but numbers would be needed for that and it is utmost necessary to get these numbers quickly through concrete deliverables and projects. The ABM EC noted that the African Development Bank should make it an urgent priority to mobilize funding for a proof of concept, and that high-level advocacy by the Bank should be carried out in parallel to this in order to mobilize donors' support.

10. On working modalities, the ABM EC noted that although the ABM EC and ABM secretariat have both made commendable efforts to adjust to an online working modality, the ABM EC fell behind schedule on its 2020 work plan and there is a need to improve the efficiency of its work if it is to achieve the ABM Pilot Phase strategy within the timeline of the pilot phase. The ABM EC noted the time limitations of ABM EC members and requested the ABM secretariat to prepare the first drafts of documents. The ABM EC also proposed that all meetings for the year should be planned in advance at the beginning of the year in order to facilitate planning and block dates off in EC members' calendars. The possibility of using separate rooms for discussions in remote meetings as a means to advance the adoption of documents was proposed. It was also suggested that the ABM EC should focus discussions on priority issues or areas of contention rather than going through documents line-by-line, and that the option of voting should be used where consensus cannot easily be obtained in order to avoid falling far behind schedule. Taking decisions my email on less complex issues and sending comments on documents in advance of meetings were also proposed as ways to enhance efficiency.

11. The discussion of procedural matters was concluded with agreement on the following points:
   (a) The ABM EC and ABM secretariat shall operate in line with their respective TORs, which may be updated from time to time, if necessary;
   (b) The ABM EC shall endeavor to approve the Strategic Plan, which sets out a shared vision for where the ABM Pilot Phase is going and how it will achieve the vision (including activities, roles and responsibilities, timeline, and risk management), before the end of 2020;
   (c) The ABM EC shall, at its next meeting, adopt a work plan for 2021, based on the Strategic Plan, which sets out all ABM pilot phase activities to be
undertaken by the African Development Bank, ABM secretariat and the ABM EC. This work plan may be updated from time to time should the need arise. Progress on the work plan shall be reviewed periodically;

(d) The ABM secretariat shall develop a tracking tool to monitor progress on the work plan which shall be updated in advance of each ABM EC meeting;

(e) The ABM secretariat shall prepare a report on its activities, in advance of each meeting;

(f) The ABM secretariat shall provide an overview of funding available for the implementation of the 2021 work plan at the next meeting;

(g) The ABM secretariat shall take the lead in drafting documents for ABM EC meetings and should ensure that it has the resources to prepare documents in line with the timeline set out in the work plan;

(h) The ABM EC shall agree on its schedule of meetings for the year in advance;

(i) The ABM EC shall be more strategic and efficient in its operating modalities, including by receiving comments in writing on documents in advance of meetings, focusing discussions on key priorities or areas of contention rather than going through documents line-by-line, and making use of voting.

III. Discussion of documents for the meeting:

(a) ABM Pilot Phase Strategic Plan.

12. The ABM EC Co-Chairs invited the ABM EC members to discuss the revised draft ABM Pilot Phase Strategic Plan and agreed on further non-substantive revisions. The ABM EC requested the ABM secretariat, in collaboration with the respective work team, to incorporate the agreed changes with the view to adopting the final document\(^3\) per e-mail.

IV. Strategic engagement

13. The ABM secretariat reported on past and future outreach activities to promote the ABM, including through the wider activities of the African Development Bank and participation of ABM EC members in these activities, such as a webinar for the Common Wealth Secretariat; a seminar for other Multilateral Development Banks; bilateral meetings with IFAD, UNCCD, 3S, the IFC, the UK COP26 team and the Inter-American Bank; collaboration with the African Regional Center for Adaptation of the Global Commission for Adaptation, bilateral outreach for creating the African Adaptation Benefits Fund; and planning for representation

\(^3\) ABM EC/2020/7/3
at COP26. The ABM EC requested the secretariat to share information on past and future opportunities for outreach and engagement of ABM EC members as much as possible in advance in writing and share recordings, if available. The ABM EC requested the ABM secretariat to provide a written version of its update to the EC.

V. Date and place for the next meeting.

14. The ABM EC Co-Chairs invite ABM EC members to discuss the options and format for a next meeting and requested the ABM secretariat to determine the dates for monthly meetings in the first half of 2021, in consultation with ABM EC members with preference for every third Thursday of the month.

VI. Any other business and closure of the meeting.

15. The ABM EC Co-Chairs invited the ABM EC members to identify priority items for discussion at the next meeting and exchange any other relevant information. Outreach, methodological matters and adoption of the annual work plan for 2021, based on the adopted Strategic Plan for the ABM Pilot Phase, were prioritized for the next meeting. Finalizing the Code of Conduct for the ABM EC and its support structure was noted as pressing. The ABM EC requested the secretariat to prepare a draft Terms of Reference for a Methodology Panel in consultation with the respective work group and circulate it for approval per email.

16. A procedural question to the ABM EC by stakeholders⁴ on whether it is possible to submit immediately a proposal for a new ABM methodology for approval was discussed. Mr. Axel Michaelowa recused himself from the discussion to avoid perceived conflict of interest. The ABM EC noted that despite that two relevant guidelines were already adopted⁵, a number of guidelines and provisions to enable processing of ABM Methodologies still needs to be agreed, such as an ABM activity cycle and the establishment of a Methodology Panel and its Rooster of Experts, and ruled that until then, there are two options for submitters to choose from. Option 1 is to wait for a notification by the ABM EC inviting submissions of new ABM methodologies. Option 2 is to submit a new ABM methodology at any time beforehand with the understanding that the timelines in the guidelines on approval of new methodologies will not apply and that the methodology will only be considered upon a notification by the ABM EC, as referred to in Option 1 above.

⁴ Perspectives.
⁵ AB MEC/20202/5/10 and ABM EC/2020/6/4.
17. The seventh meeting of the ABM EC closed on Thursday, 26 November 2020, at 16:15 GMT.