



Guidelines

Procedure for approval of a new, revision of an existing, or request for clarification concerning an Adaptation Benefit Mechanism Methodology or a Methodological Tool

Revision 1

I. BACKGROUND

1. One of the basic rules of the Adaptation Benefit Mechanism (ABM), established by the African Development Bank and the interim Adaptation Benefits Mechanism Executive Committee (ABM EC), is that ABM activities shall apply a baseline and a monitoring methodology approved by the ABM EC. If a proposed ABM activity intends to apply a new methodology, such methodology shall be approved by the ABM EC prior to the submission of a request for registration of the ABM activity to the ABM EC. Likewise, a revision of an approved methodology shall also be approved by the ABM EC prior to its application to a proposed ABM activity. If one or more aspects of an approved methodology are in doubt, a clarification may be sought from the ABM EC.

2. At its sixth meeting, the ABM EC adopted the “Guidelines on the procedure for approval of a new, revision of an existing, or request for clarification concerning an Adaptation Benefits Mechanism Methodology”¹. At its 15th meeting, the ABM EC adopted the revised guidelines, as contained in this document, based on recommendations by the ABM Methodology Panel. An overview of the history of the document is included in Appendix 1.

II. OBJECTIVES

3. The purpose of these guidelines is to provide ABM activity participants with comprehensive guidance on the procedure and process for submitting a new ABM Baseline and Monitoring Methodology (ABM methodology) for approval by the ABM EC, a request for revision of an already approved ABM methodology before applying it

¹ Document ABM EC/2020/6/4

to an ABM activity or a request for clarification of an ABM methodology.

III. DEFINITIONS

4. In addition to the definitions in the “ABM Glossary of terms”², the following terms apply in these procedures:

- (a) "Shall" is used to indicate requirements to be followed;
- (b) "Should" is used to indicate that among several possibilities, one course of action is recommended as particularly suitable;
- (c) "May" is used to indicate what is permitted;
- (d) “ABM Roster of Experts” denotes methodology experts who provide advisory functions. The ABM Secretariat issues calls for candidacies based on the “Terms of Reference for members of the ABM Roster of Experts for the Methodology Panel of the interim Adaptation Benefits Mechanism Committee” upon request of the ABM EC. The Chair and Vice-Chair of the ABM Methodology Panel decide by consensus which candidates shall be listed on the roster. Once listed, an expert cannot be removed from the roster, except through consensus. The roster shall be developed over time to cover expertise on all relevant adaptation activity types and strive to reflect gender and geographical balance.

IV. GUIDELINES

Scope and applicability

5. This procedure defines the processes for the development of new ABM methodologies and methodological tools, for the revision of approved ABM methodologies and methodological tools, and for clarification requests on approved ABM methodologies and methodological tools.

Entry into force

6. This procedure shall become effective upon a decision by the ABM EC.

Normative references

7. The following referenced documents are indispensable for the application of this procedure:

- (a) “ABM activity cycle guidelines”³;
- (b) “ABM Glossary of terms”;
- (c) “Guidelines on the development of an ABM methodology”⁴;

² See the most recent version on the ABM website : www.abmechanism.org

³ Document ABM EC/2022/14/5

⁴ Document ABM EC/2022/15/15

- (d) “ABM Activity Description Document”⁵.

Submission process

8. Proposals for new ABM methodologies/methodological tools, revisions of approved ABM methodologies/methodological tools and clarification requests may be submitted to the ABM secretariat at any time by submitting the following documents to the ABM secretariat through the dedicated interface on the ABM website⁶. Until the interface is operational, submissions may be made by email to the ABM secretariat⁷:

- (a) New ABM methodology or methodological tool:
 - (i) The proposed new ABM methodology / methodological tool;
 - (ii) The draft description of the planned ABM activity that intends to apply the proposed new ABM methodology, including application of the proposed ABM baseline and monitoring methodology to the activity.
- (b) Revision of an approved ABM methodology or methodological tool:
 - (i) Current approved ABM methodology/tool showing the proposed changes in a Track-Changes mode⁸;
 - (ii) The draft description of the planned ABM activity that intends to apply the revised ABM methodology/tool, including application of the revised ABM baseline and monitoring methodology to the activity;
 - (iii) An additional paper justifying the proposed change(s);
- (c) Request for clarification of an approved ABM methodology or methodological tool:
 - (i) A communication clearly articulating the nature of the clarification requested, accompanied by a commented version of the ABM methodology/tool in question;
 - (ii) Detailed analysis of the issues, options, and implications of the requested clarification.

9. No fixed fee shall be payable to the ABM secretariat for the submission of a new ABM methodology, a request for revision or a clarification until further notice.

⁵ This document is under development.

⁶ This interface is under development.

⁷ E-Mail: ABMEchanism@afdb.org

⁸ Word versions of approved methodologies shall be made available on the ABM website (<https://abmechanism.org/>)

Completeness check

10. As soon as possible after the receipt of a submission, but not longer than 10 working days after the date of receipt, the ABM secretariat shall initiate a completeness check of the received proposal and liaise with the Submitting Party (SP), in a facilitative manner, to receive any missing or additional information.

11. If the ABM secretariat finds that the submission is incomplete and the information requested from the SP is not forthcoming within 10 working days of the date of transmission, the ABM secretariat shall conclude that the submission is incomplete, and the proposal shall not be further processed.

12. The ABM secretariat shall inform the SP of the conclusion of the completeness check. If the submission is concluded as incomplete, the ABM secretariat shall communicate the underlying reasons to the SP. In this case, the SP may resubmit their request with revised documentation at any time.

Initial assessment and appointment of an Activity Methodology Panel

13. Upon positive conclusion of a completeness check, the ABM secretariat shall forward the complete set of documentation for an initial assessment to the Chair and Vice-Chair of the Methodology Panel.

14. In the case of a revision or a clarification request, if both the Chair and Vice-Chair agree that the request is simple, non-controversial or unambiguously justified, they may recommend the approval of the revision, or issue a clarification directly to the ABM EC⁹. The further procedure is described from paragraph 23 onwards.

15. For all other submissions, the Chair and Vice-Chair shall convene an Activity Methodology Panel (AMP), drawing from the Roster of Experts as needed, to undertake the review of the request, and inform the ABM secretariat. The ABM secretariat shall contact the experts, inviting them to join the AMP. The invited AMP members shall accept or reject the invitation within five working days. In the event of rejection, the Chair and Vice-Chair shall identify an alternative until a complete panel is formed.

16. The AMP shall include, in addition to the Chair or Vice-Chair of the Methodology Panel – who shall chair the AMP and ensure consistency across all approved methodologies, members of the Roster of Experts, as specified in paragraph 17 below.

17. The AMP shall consist of minimum five experts, covering the following areas of expertise:

⁹ Typical examples could be factual errors in the ABM methodology, editorial issues, etc.

- (a) Technical expertise with knowledge of the technology / activity type;
- (b) Financial expertise with knowledge of project finance;
- (c) Adaptation expertise (indicators and metrics);
- (d) Monitoring and evaluation expertise;
- (e) Expertise regarding transparency under the Paris Agreement and reporting;
- (f) Sustainable Development Goals (SDGs) expertise;

18. Additional expertise can be added to the AMP on a temporary or permanent basis through consensus of the AMP.

19. If, during this initial assessment, the Chair and Vice-Chair identify any minor issues in the submission, they shall request the SP to submit the missing or revised documents and/or information within 10 working days of receipt of the request. If the SP does not submit the requested documents and/or information by this deadline, the submission shall be considered incomplete.

20. Under the guidance of the Chair of the AMP, the AMP shall meet virtually, or in person, subject to availability of resources, as frequently and as expeditiously as possible in order to complete their review on the requested activity. The first meeting should be within 15 working days of the appointment of the AMP. Brief minutes shall be recorded of the AMP meeting(s). From the nomination of an AMP to the completion of the initial assessment, no more than 25 working days shall pass.

Preparation of draft recommendation

21. The AMP shall reach a conclusion through a qualified majority of members and prepare a recommendation as follows:

- (a) Ask the ABM EC to approve the request ("A case"); or
- (b) Ask the ABM EC to reject the request ("C case"); or
- (c) To request further information from the SP, in case the methodology could be brought to a level, which could lead to a subsequent approval ("B case").

22. The recommendation shall include substantiation for the proposed decision.

23. The ABM secretariat shall forward the recommendation and accompanying documentation to the ABM EC for approval either on a Lapse of Time Basis (LoTB)¹⁰ or

¹⁰ LoTB is preferred if the next ABM EC meeting is more than 1 month away.

for consideration at the next ABM EC meeting.

Consideration by the ABM EC

24. Under LoTB approval, if no ABM EC member objects to the recommendation by the AMP, it shall be deemed final after 15 working days.

25. If the recommendation is tabled on the agenda for an ABM EC meeting, the ABM EC shall decide to either:

- (a) Approve the recommendation (“A case”, “B case” or “C case”);
- (b) Request the AMP to review the recommendation (“B case” or “C Case”) to the ABM EC and provide guidance on the issues for review. The AMP shall address the request from the ABM EC, as per the timeline specified in paragraph 20 above and resubmit a decision recommendation for consideration by the ABM EC.

26. If the ABM EC approves an “A Case” recommendation of the AMP, the ABM secretariat shall format and publish the decision on the ABM website within five working days of the approval.

27. If the ABM EC approves a “C Case” recommendation of the AMP, the ABM secretariat shall publish the decision, without specifying the identity of any entity involved, and inform the SP accordingly, providing reasons for rejection of the request.

28. If the ABM EC approves a “B Case” recommendation of the AMP, the ABM secretariat shall inform the SP to provide a revision of the methodology based on requests for revision/clarification of the AMP within 10 working days. After the SP has resubmitted the methodology, the AMP shall reconvene, and the procedure shall resume from paragraph 21.

29. If the ABM EC has requested a revision of the recommendation of the AMP and no agreement can be reached between the ABM EC and the AMP after this revision, the ABM EC finalizes the revision and issues a final decision. The ABM secretariat shall inform the SP about the ABM EC decision as appropriate.

Appendix 1: History of the document

Table 1 below contains the history of the revisions of the document “Guidelines on the development of an Adaptation Benefits Mechanism Methodology”.

Table 1. History of the document

Version	Date	Description
2	3 June 2022	Document ABM EC/2022/15/16 Additional explanations of the process based on the experiences with the first AMP. Old paragraphs 24-25 substantively amended. New paragraphs 26-28 added.
1	15 October 2020	Document ABM EC/2020/6/4 Initial adoption