

Green Climate Fund

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# Additional rules of procedure of the Board

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**GCF/B.01-12/02**

3 August 2012

**Meeting of the Board**

23-25 August 2012

Geneva, Switzerland

Agenda item 5



### **Recommended decision of the Board**

The Board, having reviewed document GCF/B.01-12/02 *Additional rules of procedure of the Board*, agrees, subject to comments and amendments made at the meeting, to adopt the additional rules of procedure of the Board.

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# Additional rules of procedure of the Board

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## Introduction

These additional rules of procedure of the Board are presented to the Board of the Green Climate Fund at its first meeting on 23-25 August 2012, pursuant to paragraph 17 of the Governing Instrument for the Green Climate Fund<sup>1</sup> (Governing Instrument) and supplement the procedural rules contained in the Governing Instrument. The rules that are drawn from the Governing Instrument are presented in this text in boxes with a reference to the appropriate paragraph of the Governing Instrument.

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<sup>1</sup> The Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) approved the Governing Instrument for the Green Climate Fund at its seventeenth session by decision 3/CP.17 (UNFCCC document FCCC/CP/2011/9/Add.1 of 15 March 2012).

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## Additional rules of procedure of the Board

### I. Scope

1. These rules of procedure shall apply to the conduct of business of the Board of the Green Climate Fund and, mutatis mutandis, of any of its subsidiary bodies.

### II. Definitions

2. For the purpose of these rules:
  - (a) "Governing Instrument" means the Governing Instrument for the Green Climate Fund approved by the Conference of the Parties to the United Nations Framework Convention on Climate Change at its seventeenth session (annex to decision 3/CP.17<sup>2</sup>);
  - (b) "Fund" means the Green Climate Fund;
  - (c) "Board" means the Board of the Fund;
  - (d) "Board member" or "Board members" means, as the case may be, any of the 24 members sitting on the Board, or more than one of them, or all members;
  - (e) "Alternate member" or "alternate members" means, as the case may be, any of the 24 alternate members of the Board, or more than one of them, or all alternate members;
  - (f) "Meeting" means any meeting of the Board, and includes meetings conducted by way of videoconference, teleconference, net-meeting or through other technological means;
  - (g) "Co-Chair" means either one of the two Co-Chairs elected by the Board;
  - (h) "Secretariat" means the independent Secretariat of the Fund, headed by the Executive Director, to be established by the Fund pursuant to the Governing Instrument, and the Interim Secretariat of the Fund set up as an autonomous unit within the premises of the secretariat of the United Nations Framework Convention on Climate Change;
  - (i) "Trustee" means the Trustee provided for by the Governing Instrument and the World Bank (International Bank for Reconstruction and Development) serving as the Interim Trustee for the Fund;
  - (j) "Accredited observer" means any State, organization, entity or person accredited to participate in Board meetings as observer;
  - (k) "Active observer" means the two civil society representatives and the two private sector representatives invited to participate in Board meetings as active observers.

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<sup>2</sup> UNFCCC Document FCCC/CP/2011/9/Add.1, of 15 March 2012

### III. Composition, selection and term of Board membership

#### 3.1 Selection of Board members and alternate members

*Paragraphs 9 to 12 of the Governing Instrument provides:*

##### 1. Composition

9. The Board will have 24 members, composed of an equal number of members from developing and developed country Parties. Representation from developing country Parties will include representatives of relevant United Nations regional groupings and representatives from small island developing States (SIDS) and the least developed countries (LDCs).

10. Each Board member will have an alternate member, with alternate members entitled to participate in the meetings of the Board only through the principal member, without the right to vote, unless they are serving as the member. During the absence of the member from all or part of a meeting of the Board, his or her alternate will serve as the member.

##### 2. Selection of Board members

11. The members of the Board and their alternates will be selected by their respective constituency or regional group within a constituency. Members of the Board will have the necessary experience and skills, notably in the areas of climate change and development finance, with due consideration given to gender balance.

##### 3. Term of membership

12. Members and alternate members will serve for a term of three years and be eligible to serve additional terms as determined by their constituency.

3. Representation on the Board from developing country Parties will include:<sup>3</sup>

- (a) Three members and alternate members from the Asia-Pacific States;
- (b) Three members and alternate members from the African States;
- (c) Three members and alternate members from the Latin American and the Caribbean States;
- (d) One member and alternate member from small island developing States;
- (e) One member and alternate member from least developed country Parties; and
- (f) One member from developing country Parties not included in the regional groups and constituencies above; and one alternate member to rotate between developing country Parties included in the groups and constituencies listed above.

<sup>3</sup> Paragraph 10 of decision 3/CP.17.

## 3.2 Vacancies

4. The Board members and alternate members shall be selected and may be replaced in accordance with the procedures developed by each constituency or regional group within a constituency.
5. At the end of the term of a Board member or alternate member or in case of death, resignation or replacement of a Board member or alternate member or in any other case where the seat held by a Board member or alternate member becomes vacant, the vacancy shall be filled pursuant to the procedure established by each constituency or regional group within a constituency for the selection of its representatives on the Board. Any successor or replacement shall hold his or her position for the unexpired term of his or her predecessor.

## 3.3 Notification of representation

6. Each constituency or regional group within a constituency shall promptly communicate to the Secretariat in writing the names and contact details of the Board members and alternate members selected pursuant to Section 11 of the Governing Instrument, as well as the names and contact details of any successors or replacements.

## 3.4 Termination

7. The Co-Chairs acting jointly, or at least eight (8) Board members, may propose to the Board the termination of the membership of any Board member or any alternate member for cause, including, inter alia, actions at variance with the Fund's policies and standards on ethics and conflicts of interest, or unbecoming of their functions, or repeated failure to attend meetings of the Board without proper justification.
8. Any decision on the termination of the membership of a Board member or an alternate member can be taken only after the member or alternate member has been given the opportunity of a hearing at a Board meeting.
9. Any proposal for the termination of the membership of a Board member or alternate member shall be decided in accordance with the decision-making rules in Chapter VI below, in which case both the Board member and his or her alternate are disqualified from voting in the matter of termination. When the termination of a Co-Chair has been proposed, the other Co-Chair shall temporarily be sole Chair of all meetings of the Board until a decision on the proposal for termination of his or her Co-Chair has been taken or a new Co-Chair has been elected.

## IV. Co-Chairs

### 4.1. Election of the Co-Chairs

*Paragraph 13 of the Instrument provides:*

#### **4. Chairmanship**

13. Two Co-Chairs of the Board will be elected by the Board members from within their membership to serve for a period of one year, with one being a member from a developed country Party and the other being a member from a developing country Party.

10. If the Board determines that a Co-Chair is unable to fulfill his or her obligations, it will elect a new Co-Chair to complete the term of office of the incapacitated Co-Chair. Until such Co-Chair has been elected, the other Co-Chair will carry out the responsibilities of the incapacitated Co-Chair.

### 4.2. Duties of the Co-Chairs in the conduct of business

11. The Co-Chairs shall act solely in the best interests of the Fund without any constituency representation status or obligation.

12. The Co-Chairs shall share and allocate between themselves responsibility for chairing all Board meetings.

13. The Co-Chairs will, inter alia, declare the opening and closing of the meeting, ensure the observance of the rules of procedure of the Board and adherence to the agenda while allowing adequate time for discussion, accord the right to speak, seek to promote consensus, put questions to a vote if consensus is not reached, and announce decisions. The Co-Chairs will rule on points of order and, subject to these rules, will have control over the proceedings and over the maintenance of order, including adjournment or suspension of meetings.

14. During the course of a discussion, the Co-Chairs may announce the list of speakers and, with the consent of the Board, declare the list closed. When there are no more speakers on the list, the Co-Chairs will declare the discussion closed.

15. Before the end of each Board meeting, the Co-Chairs will present a draft summary report of the meeting containing the decisions of the meeting, for consideration and approval by the Board.

16. The Co-Chairs will encourage active and effective contributions by all members of the Board and communicate with members of the Board between Board meetings, and work closely with the Secretariat to carry out the day-to-day business of the Board.

17. The Co-Chairs will seek support for the Fund and the work of the Board. The Co-Chairs will represent the Board at external meetings and report back to the Board on those meetings.

18. If the Co-Chairs cannot agree on any matter, they shall refer such matter to the Board for decision.

## V. Meetings

### 5.1 Frequency and location

19. The Board will meet in person at least twice every year or as frequently as necessary at the seat of the Secretariat or at an alternative location agreed by the Board. Additional meetings may be conducted by way of videoconference, teleconference, net-meeting or through other technological means if the Board so decides.

20. At each meeting, the Board will confirm the date and duration of the following meeting.

### 5.2 Notification of meetings

21. The Secretariat will notify Board members, alternate members and accredited observer organizations and active observers of the dates and venue of the meetings and circulate a provisional agenda for any meeting at least 30 calendar days before the first day of the meeting. The notification to Board members, alternate members and active observers will be in the form of a formal invitation. In the case of an emergency meeting as provided in paragraphs 34 to 36 below, the Co-Chairs acting jointly shall determine the circulation period, taking into account the urgency of the matter.

### 5.3 Agenda for meetings

22. The Secretariat will, under the authority of the Co-Chairs, prepare the draft provisional agenda for each meeting.

23. The Board will, at the beginning of each meeting, adopt the agenda for the meeting.

### 5.4 Transmittal of documents

24. The Secretariat will transmit the documentation relating to items on the provisional agenda to all those invited to the meeting at least 21 calendar days before the first day of the meeting scheduled, unless otherwise decided by the Co-Chairs acting jointly.

25. The Board may use electronic means for transmission, distribution and storage of documentation, without prejudice to other means of circulation of the documentation.

### 5.5 Attendance

26. Meetings of the Board, other than executive sessions, will be open to Board members, alternate members, designated advisers for Board members and alternate members, Secretariat staff, a representative of the Trustee, active observers and other observers who have been accredited for participation in the meeting.

## 5.6 Observers

***Paragraph 16 of the Governing Instrument provides:***

**7. Observers**

16. The Board will make arrangements, including developing and operating accreditation processes, to allow for effective participation by accredited observers in its meetings. The Board will invite, to participate as active observers: two civil society representatives, one each from developing and developed countries, and two private sector representatives, one each from developing and developed countries.

27. The Co-Chairs, acting jointly, and in consultation with the Board, may invite other observers and experts to attend any Board meeting.

## 5.7 Quorum

***Paragraph 15 of the Governing Instrument provides:***

**6. Quorum**

15. A two-thirds majority of Board members must be present at a meeting to constitute a quorum.

28. The existence of a quorum will be verified by the Co-Chairs at the beginning of the meeting and at the time of the adoption of any decision at the meeting.

## 5.8 Executive sessions

29. In its discretion, the Board may conduct its business in closed executive session where only Board members and alternate members, the Executive Director, and such other persons authorized or requested by the Board to attend, may be present.

## 5.9 Emergency Board meetings

30. Emergency Board meetings may be called by the Co-Chairs, acting jointly, to address extraordinary circumstances. Any Board member, or the Executive Director, may propose the need for an emergency meeting to the Co-Chairs.

31. The Co-Chairs, acting jointly, may, as reasonably required under the circumstances, modify the normal procedural guidelines for Board meetings in the case of an emergency Board meeting. Depending on the circumstances, the Co-Chairs acting jointly will determine whether the emergency Board meeting should be held in person, or by other means.

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32. If the Co-Chairs are unable to reach a consensus on the necessity for such emergency meeting, or whether such meeting should be in person or by any other means, they shall refer the matter to the Board for decision.

## 5.10 Subsidiary bodies

33. The Board may establish such subsidiary bodies from among its members and alternate members as may be required for the transactions of its business. Subsidiary bodies may only establish other entities or external working groups with the prior consent of, and on terms and conditions approved by, the Board.

34. Subsidiary bodies, other entities and external working groups shall assist the Board in its decision-making, and shall exercise any delegated authority under the authority and direction of the Board, which may revoke such delegated authority under the same procedures in place for the original delegation of authority. The Board reserves and retains all powers not expressly delegated to any other body.

## 5.11 Language

35. The working language of Board will be English.

36. Documents for and reports of the meetings will be provided in English.

## 5.12 Travel and compensation

37. The full costs of travel and daily subsistence allowance<sup>4</sup> of the Board members and alternate members from eligible developing countries<sup>5</sup> to attend Board meetings, or any ancillary meetings decided by the Board, will be provided from the budget of the Fund.

38. The cost of travel and daily subsistence allowance of the Co-Chairs will be provided from the budget of the Fund, when traveling on Fund-related business, subject to authorization by the Board.

39. Other than for travel and daily subsistence, Board members and alternate members will not receive any additional compensation from the Fund for their participation in Board meetings.

## 5.13 Maintaining permanent records of meetings

40. The Board shall decide to what extent the records of Board proceedings shall be made public.

41. Any written records of the Board or sound recordings of proceedings of each meeting will be kept by the Secretariat on behalf of the Board in accordance with applicable rules and regulations. The Secretariat will make available to any Board member or alternate member, at his or her request, copies of such records or sound recordings of each meeting.

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<sup>4</sup> The rules applicable to travel of United Nations staff will be followed until the Board adopts the travel policy for the Fund and its officials.

<sup>5</sup> UNFCCC rules for determining eligibility of developing countries for availing the support for travel will be applied until the Board adopts the travel policy for the Fund.

## 5.14 Arrangements for meetings

42. The Secretariat shall make all arrangements for the meetings of the Board under the guidance of the Co-Chairs.

## VI. Decision-making and voting

*Paragraph 14 of the Governing Instrument provides:*

### 5. Decision-making

14. Decisions of the Board will be taken by consensus of the Board members. The Board will develop procedures for adopting decisions in the event that all efforts at reaching consensus have been exhausted.

## 6.1 Decisions of the Board

43. Decisions of the Board will be taken by consensus whenever possible. In determining whether consensus is or is not attainable, the Co-Chairs may make proposals to the Board, including proposing a recess for informal consultation among the members.

44. The Co-Chairs will ascertain whether consensus has been reached. The Co-Chairs will declare that a consensus does not exist if there is a stated objection by a member to the proposed decision under consideration.

45. If all efforts at consensus have been exhausted and no agreement has been reached, decisions shall be taken by formal voting procedures to be developed by the Board.

## 6.2 Decisions without meeting

46. In-between Board meetings, the Secretariat, after approval of the Co-Chairs, may transmit to Board members a proposed decision with an invitation to approve the decision within a prescribed period, which is no less than two weeks, on a no-objection basis.

47. At the expiration of the period prescribed for replies, the decision will be deemed approved unless there is an objection. If an objection has been received, the proposed decision will be brought to the attention of the Board at the following meeting.

48. The Secretariat shall notify all the Board members and alternate members of the action taken pursuant to paragraph 47.

## VII. Confidentiality and conflicts of interest

49. Board members and alternate members are required to adhere to the Fund's policies and standards on ethics and conflicts of interest.<sup>6</sup>

50. The Board members and alternate members shall submit to the Secretariat and update, on an annual basis, an attestation of their financial interests.

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<sup>6</sup> A separate Fund's policy on ethics and conflict of interest will be adopted by the Board.

51. The Board members and alternate members shall inform the appropriate authorities of the Fund immediately upon learning of any actual, potential or perceived conflict of interest, as defined by the Board.
52. At each meeting, Board members and alternate members will disclose any conflicts of interest they may have in relation to any items on the agenda.
53. Board members and alternate members will recuse themselves from participating in any decision regarding a project and/or involving an entity with respect to which they have a personal and/or financial interest.
54. Board members and alternate members will not disclose, both during and after their term of office, information obtained from Fund project participants that is marked as proprietary and/or confidential, without the written consent of the provider of the information, except as otherwise required by law.

### **VIII. Amendments to the rules**

55. These rules, except for those that reproduce provisions from the Governing Instrument, may be amended by the Board through the same decision-making procedure applicable to other decisions.

### **IX. Overriding authority of the Governing Instrument**

56. In the event of any conflict between any provision of these rules and any provisions of the Governing Instrument, the provisions of the Governing Instrument will prevail.
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