

Green Climate Fund

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# Arrangements for observer participation in the Board meetings

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**GCF/B.01-12/03**

3 August 2012

**Meeting of the Board**

23-25 August 2012

Geneva, Switzerland

Agenda item 4



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

The Board, having considered document GCF/B.01-12/03 *Arrangements for observer participation in the Board meetings*,

- (a) Endorses the provisional arrangements made for participation of observers in its first meeting, as outlined in section III of document GCF/B.01-12/03, and agrees to extend them until it has adopted its own procedures;
- (b) Requests the Interim Secretariat to prepare a policy document on modalities and guidelines for effective participation of observers and engaging civil society and the private sector in the meetings of the Board for consideration by the Board at its second meeting.

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## Executive summary

This document provides an overview of the provisional arrangements for the participation of observers in the first meeting of the Board. These arrangements were elaborated on the basis of: a) the provisions of the Governing Instrument; b) current practices in the UNFCCC and GEF processes; and c) the draft additional rules of procedures of the Board. The arrangements were put in place to enable the three categories of observers invited to the meeting (Parties and observer States to the UNFCCC, United Nations and other intergovernmental organizations, and non-governmental organizations) to follow the proceedings. The document also proposes guidelines for participation of active observers (two civil society representatives and two private sector representatives) in the meeting.

Furthermore, this document presents options, modalities and guidelines for an effective participation of observers and engaging civil society and the private sector in future meetings of the Board. In particular, it lays down the admission procedure that could be developed to enable the participation of representatives of observer organizations other than those already admitted to the UNFCCC and GEF processes. It also provides suggestions relating to the representation, roles and responsibilities and selection process of active observers.

Finally, the document elaborates on other relevant elements of participation of observers in the work of the Board, such as consultations before the meetings, transparency and access to information and support for observer participation.

This document focuses on matters relating to the participation of observers in the meetings of the Board. It is expected that the Board, at a later meeting, will consider and adopt mechanisms to promote the input and participation of stakeholders in the design, development and implementation of the strategies and activities to be financed by the Fund, as requested in the Governing Instrument.

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# Arrangements for observer participation in the Board meetings

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## I. Mandate, scope and objective

1. The Governing Instrument<sup>1</sup> stipulates that the Fund will operate in a transparent and accountable manner guided by efficiency and effectiveness and will promote and strengthen engagement at the country level through effective involvement of relevant institutions and stakeholders. It specifies that the Board will make arrangements for developing and operating accreditation processes, to allow accredited observers to participate in its meetings.
2. This document provides an overview of the provisional arrangements made for the participation of observers in the first meeting of the Board. It also presents options for future accreditation and participation processes that the Board is going to develop and may wish to adopt at its second meeting. These options take account of the current practices in the United Nations Framework Climate Change Convention (UNFCCC) and Global Environment Facility (GEF) processes. They also draw on the experience shared by a range of observer organizations<sup>2</sup> that were informally consulted<sup>3</sup> by the Interim Secretariat through the liaison officers of the UNFCCC and the GEF secretariats.
3. At a later meeting the Board will consider and adopt mechanisms to promote the input and participation of stakeholders in the design, development and implementation of the strategies and activities to be financed by the Fund, as requested by the Governing Instrument.<sup>4</sup>

## II. Principles and definitions

4. According to the draft additional rules of procedure, unless the Board decides otherwise, meetings will be open to Board members, alternate members, designated advisers for Board members and alternate members, Interim Secretariat staff, a representative of the Interim Trustee, active observers and other observers who have been accredited for participation in the meeting.<sup>5</sup>
5. The Board may declare all or part of its meetings to be closed. Closed segments will be open to Board members, alternate members and, as decided by the Board, invited representatives of the Interim Secretariat, the Interim Trustee and observers.<sup>6</sup>
6. **Active observers:** The Governing Instrument specifies that 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.
7. **Other observers:** The following categories would form the observer group:

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<sup>1</sup> Annexed to decision 3/CP.17 of the seventeenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (Document FCCC/CP/2011/9/Add.1 of the UNFCCC, of 15 March 2012).

<sup>2</sup> These organizations include United Nations and intergovernmental organizations, civil society organizations and private sector organizations.

<sup>3</sup> The submissions received were posted on the Green Climate Fund website at: <<http://gcfund.net/partnerships.html>>.

<sup>4</sup> Paragraph 71 of the Governing Instrument.

<sup>5</sup> See document GCF/B.01-12/02, paragraph 26.

<sup>6</sup> See document GCF/B.01-12/02, paragraph 29.

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- (a) Parties and observer States to the UNFCCC;
  - (b) Implementing entities of the Fund (both national and international);
  - (c) United Nations and other intergovernmental organizations;
  - (d) Non-governmental organizations (NGOs) comprised of:
    - (i) Civil society organizations (CSOs): any admitted NGO with the UNFCCC and GEF processes, as well as independent non-profit organizations of individuals working towards a common objective who consider that their cause will be affected by the work of the Fund, including international as well as national and community-based organizations;
    - (ii) Private sector organizations (PSOs): any private companies and business associations with operations that deal with climate change mitigation and/or adaptation activities.

### **III. Provisional arrangements for participation of observers in the first meeting of the Board**

8. The Interim Secretariat has made provisional arrangements for observers to participate in the first meeting. The provisional arrangements have been made on the basis of the provisions of the Governing Instrument, current practices in the UNFCCC and GEF processes and the draft additional rules of procedure<sup>7</sup> of the Board. These arrangements will be followed until the Board has developed and adopted specific modalities and guidelines.

9. The modalities for registration for the first meeting were laid down in a notification posted on the Green Climate Fund website<sup>8</sup> and sent to the following categories of observers:

- (a) Parties and observer States to the UNFCCC (through their national focal points and the GEF operational and political focal points);
- (b) Designated contact points for United Nations (UN) and other intergovernmental organizations; and
- (c) UNFCCC constituency focal points and the GEF NGO network regional focal points for non-governmental organizations.

10. Except if the Board wishes to invite a few selected observers to sit at the back of the meeting room, all observers other than four active observers representing CSOs and PSOs and two observers representing UN and other intergovernmental organizations, will be invited to follow the proceedings of the meeting from a specially arranged overflow room.

11. As a provisional arrangement, at the beginning of the meeting the registered observer representatives from non-governmental organizations will be invited to select the four active observers<sup>9</sup> from among themselves. This will be done separately for civil society and private sector representatives. It is also suggested that the registered representatives of the UN and other intergovernmental organizations select two representatives: one representing multilateral development banks and the other representing UN and other IGOs.

12. The observers present will decide whether the same representatives will fill the allocated seats throughout the meeting or whether they wish to rotate among themselves. In order to ensure equity and diversity across observer organizations, the selection of observers for these seats should consider developed/developing country status, gender and international/national/local representation. If observers cannot agree on who will occupy these seats, they will remain empty.

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<sup>7</sup> See document GCF/B.01-12/02.

<sup>8</sup> See <<http://gcfund.net/documents.html>>.

<sup>9</sup> As defined by the Governing Instrument. See section II above.

13. The active observers present in the room during the open segments of the first meeting will be able to:

- (a) Attend without the right to vote in the proceedings;
- (b) Upon invitation of the Co-Chairs and, if no member objects, make interventions relating to matters under consideration by the Board.

#### **IV. Options for modalities and guidelines for effective participation of observers and engaging civil society and the private sector in the meetings of the Board**

##### **4.1 Process and guidelines for accreditation and participation of observers**

14. The process and guidelines would build on the provisional arrangements for the first meeting of the Board as laid down in paragraphs 8 to 10:

- (a) An organization with an observer status with the UNFCCC and GEF processes will automatically be admitted to the Fund as observer. Representatives of such organizations may therefore register for participation in the Board meetings according to modalities laid down in the notification of the meetings. The Board retains the right to exclude any organization with observer status with the UNFCCC and GEF processes that it would not deem relevant or appropriate to its proceedings;
- (b) Additional procedures could be developed to enable participation of representatives of observer organizations other than those already admitted to the UNFCCC and GEF processes. Special arrangements can also be made for recognizing as observer organizations the implementing entities of the Fund (national, regional and international) and private companies.

15. Applicant organizations other than those automatically admitted as per paragraph 14 (a) will be formally admitted by the Board once they have successfully completed the admission process. The admission process will include screening of these organizations against a set of guiding criteria.

16. The guiding criteria would provide general conditions for an entity to be admitted as an observer. Criteria would include: the applicant organization acknowledges the goals and basic principles of the Fund; the applicant organization has specialized scientific and technical competences relating to the Fund's goals; and the applicant organization can demonstrate a well-organized administrative structure with representatives fully mandated to speak on behalf of the organization. In their letter of application, the applicant organizations would be requested to:

- (a) Provide a description of the organization, including its relevant competences and experience;
- (b) Explain the benefit of its input for the Fund and what it expects in return from the Fund;
- (c) Give written confirmation that it will abide by the Fund's rules of procedure.

17. Once the application is received, the Secretariat would forward it to the members of the Board, which could decide on a no-objection basis in line with the procedures set out in the draft additional rules of procedure<sup>10</sup>. A list of observer organizations granted the observer status would be maintained on the Green Climate Fund website.

18. Once the notification for a meeting has been issued, the designated contact point of the observer Party / State or admitted organization will have approximately two weeks in which to nominate names to the Secretariat.<sup>11</sup> No nominations will be accepted after the deadline set in the

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<sup>10</sup> See document GCF/B.01-12/02, paragraph 46.

<sup>11</sup> For the purpose of this document, the term "Secretariat" refers also to the Interim Secretariat until the independent Secretariat has been established.

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notification. In order to attend meetings, representatives of UN and other intergovernmental organizations will need to be officially nominated by the head of that organization.

19. Registered observers will be able to attend open pre-meeting consultations. During the meetings of the Board, observers (other than active observers) will follow the proceedings from the overflow room. However, a selected number of observers, such as observers from implementing entities, may be invited to sit at the back of the room at the discretion of the Board.

## 4.2 Process and guidelines for participation of active observers

20. The process and guidelines would build on the provisional arrangements for the first meeting of the Board as laid down in paragraphs 11 to 13.

### *Representation of active observers*

21. The two civil society representatives and two private sector representatives participating in the Board meetings as active observers will be the representatives of CSOs and PSOs, respectively.

22. Representation could be for a term of two years, with a maximum of two consecutive terms.

23. Provision for replacing active observers could be important to ensure consistent representation. The modalities for selecting replacement of active observers could follow the modalities for selecting active observers as laid down in paragraphs 26 to 30.

### *Roles and responsibilities of active observers*

24. The active observers could be allowed to:

- (a) Request items to be added to the provisional agenda before Board meetings;
- (b) Recommend to the Co-Chairs external experts to speak on a specific agenda item; and
- (c) Request the floor to make oral interventions in open segments of the meetings of the Board.

25. The responsibilities of the active observers could explicitly include that they:

- (a) Consistently attend meetings and strengthen institutional memory and trust;
- (b) Consult with other civil society and private sector stakeholders in compliance with agreed consultation guidelines;
- (c) Represent the views of their constituency;
- (d) Solicit, collect and communicate information from CSOs and PSOs to the Board on matters that the Board is considering;
- (e) Collect and disseminate information from the Board and related bodies and processes to members of the CSOs and PSOs groupings.

### *Selection process of active observers*

26. The selection process would need to be designed and managed in active partnership with CSOs and PSOs. It should ensure that the choice of individuals is tailored to the Board's needs and expectations from the observers, and comply with the provisions of the Governing Instrument.

27. The selection process will therefore entail developing eligibility criteria to assess and screen candidates for the CSOs and PSOs seats, taking into account their roles and responsibilities.

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28. The selection process could be led by a qualified independent organization selected by the Board from a number of organizations identified by the Secretariat and draw on different approaches to select active observers, including:

- (a) Self-selection process, e.g. through self-nominations and voting by the CSO and PSO constituencies;
- (b) Facilitated self-selection process, e.g. through a CSO/PSO advisory panel or a committee;
- (c) Selection by the Board, based on nominations from the CSOs and PSOs and possible pre-selection by the Secretariat;
- (d) A combination of these processes.

29. In particular, for PSO active observers, Board selection may be the most appropriate approach, as there is no dedicated private sector constituency but rather business organizations with different levels of collaboration, interests (regional, sectoral, etc.) and networks. The Board may wish to invite as active PSO observers senior personalities from the private sector who are able to convey policy advice to the Board based on relevant first-hand experience from private sector engagement in adaptation and/or mitigation activities in developing countries.

30. In order to respect equity and diversity across observer organizations, representation of active observers should aim, in addition to the agreed balanced representation from developing and developed countries, at a balanced gender representation as well as a balanced representation between international and local or national organizations.

### 4.3 Consultations with the Board before the meetings

31. Consultations with the Board could provide a valuable opportunity for all stakeholders to interact and to benefit from their views and comments on the Fund's activities. They could also help observers to interact with the active observers. The Secretariat would be responsible for making the administrative and logistical arrangements for these consultations.

32. Several complementary formats of consultations could be considered, including pre-consultations convened for up to two days before regular Board meetings, or regular fora organized up to twice a year.

### 4.4 Transparency and access to information

33. Observers will need sufficient time and information before meetings in order to consult with and obtain inputs from a range of stakeholders and to participate in a substantive and effective manner.

34. The Secretariat will notify Board members, alternate members and observers of the dates and venue of the meetings and circulate a formal invitation and provisional agenda for any meeting at least 30 days before the first day of the meeting.<sup>12</sup> Observer organizations should then inform the Secretariat of the composition of their delegation no later than two weeks after the notification has been circulated.

35. The Secretariat will make relevant documentation available to all those invited to the meeting at least 21 days before the first day of the meeting, unless otherwise decided by the Board.<sup>13</sup>

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<sup>12</sup> See document GCF/B.01-12/02, paragraph 21.

<sup>13</sup> See document GCF/B.01-12/02, paragraph 24.

36. Documents for a meeting will be published on the Green Climate Fund website at least two weeks before the meeting, unless Co-Chairs have decided that documents should be restricted for internal use by the Board members.

37. A webpage within the Green Climate Fund website could be dedicated to information intended for observer organizations. This would also include information about the opportunities and related procedures and guidelines for civil society and the private sector to effectively engage with the Fund process.

## 4.5 Support for observer participation

38. Given the challenges and potential benefits to the Fund that are associated with observer participation, appropriate staff resources in the Secretariat would need to be dedicated to managing relations with observers, especially civil society and the private sector. This service would contribute to effective representation, send a strong message that observer input is valued and strengthen relations among the observer representatives participating in the Board meetings.

39. The Fund could cover the travel costs of active observers from developing and developed countries. A small budget could be provided for the self-selection process, information sharing and consultation activities relating to the active observers. Where additional capacity would be required, the selected representatives could propose a budget based on planned activities for consideration by the Board.

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