

Green Climate Fund

Participation of Advisers in Board Proceedings

GCF/B.04/11

4 June 2013

Meeting of the Board

26-28 June 2013

Songdo, Republic of Korea

Agenda item 5 (b)

Recommended action by the Board

It is recommended that the Board:

- (a) Takes note of document GCF/B.04/11 *Participation of Advisers in Board Proceedings*;
- (b) Adopts the draft decision presented in Annex I to this document.

Participation of Advisers in Board Proceedings

I. Introduction

2. At its March 2013 meeting, the Board addressed the matter of participation of Board members' and alternate members' advisers, as part of discussions on additional rules of procedure of the Board. Following this discussion, the Board requested the Interim Secretariat, under the guidance of the Co-Chairs, to prepare a document on the participation of advisers for consideration at the June 2013 Board meeting (decision B.01-13/01).

3. At the same meeting, the Board also decided to consider funding of travel expenses of advisers in the context of the Fund's overall travel policy (decision B.01-13/02). The Fund's travel policy has not yet been considered by the Board. Therefore, this document recommends that the Board takes a decision on the funding of advisers' travel expenses, which would be incorporated into the Fund's travel policy, once it is drafted.

II. Participation and conduct of advisers

2.1 Designation and attendance of advisers at Board meetings

4. For many Board members and alternate members, the assistance of advisers is important to facilitate the efficient performance of their functions, including by conducting research and through the provision of information and advice. Notwithstanding this, advisers are not part of the governance structure provided for by the Governing Instrument. Generally, constituent agreements of other organizations and the rules of procedure of other executive boards do not contain provisions on advisers¹.

5. As defined in the Rules of Procedure of the Board, "adviser" means an expert providing advice to a member and/or alternate member during or in connection with Board meetings (GCF/B.01-13/12, Annex I, paragraph 2 (b)). Advisers do not have a formal role in Board proceedings beyond providing advice to a Board member and/or alternate member during, or in connection to, Board meetings. In accordance with this rule, adviser attendance at Board meetings is subject to the approval of their registration documentation by a Board member or alternate member.

6. Advisers may attend Board meetings for which their Board member or alternate member has approved their registration. Attendance of executive sessions is only open to advisers if the Board requests their participation (see paragraphs 25 and 28 of the Rules of Procedure).

7. Seating for advisers is provided behind the alternate member, or in the case of no attendance by the alternate member, behind the Board member. One adviser per Board member and alternate member is allowed to observe Board proceedings from within the Board meeting room at any one time.

¹ For example, no reference is made in case of the Rules of Procedure for meetings of the Executive Directors of the International Bank for Reconstruction and Development and International Development Association, the Rules of Procedure of the Executive Board of the International Fund for Agricultural Development or the Rules of Procedure of the Board of Directors of the Asian Development Bank. The Operating Procedures of the Board and Committees of the Global Fund to Fight Aids, Tuberculosis and Malaria contain in paragraph 4.1 only the clarification that delegations to Board meetings may include advisers.

2.2 Representation by advisers in committees, sub-committees, panels and working groups

8. The question as to whether advisers may represent Board members or alternate members in committees, sub-committees, panels or working groups is discussed in accordance with the provisions contained in paragraphs 2 (b) and 30 –32 of the Rules of Procedure.

9. In accordance with paragraph 30 of the Rules of Procedure, Board committees shall consist of “members and/or alternate members”. In view of this express and unqualified provision, advisers are not foreseen to participate in Board committees.

10. The same restriction is not applicable, in accordance with paragraph 32, to technical and expert panels appointed by the Board which “may include but need not be limited to Board members and alternate members.” However, members of technical and advisory panels other than Board members are generally expected to be eminent specialists in a given field. Advisers generally would need to meet this requirement to be considered for appointment to technical expert panels.

11. In accordance with paragraph 1, the Rules of Procedure “shall apply to the conduct of business of the Board of the Green Climate Fund and, *mutatis mutandis* and except as decided otherwise by the Board, to committees and sub-committees, panels and working groups established by the Board.” As indicated above, the Rules of Procedure contain express provisions on the composition of committees and panels. Thus, except where the Board decides otherwise, sub-committees and working groups may only comprise Board members and alternate members.

2.3 Conduct of advisers

12. Board members and alternate members are accountable for the conduct of their respective adviser/s during, or in connection, with Board meetings, including with regard to access to information, such as Board discussions, documents, communications and decisions. It is therefore the responsibility of Board members and alternate members to ensure the appropriate conduct of their respective adviser/s, with particular regard to conflict of interest and confidentiality.

13. The Rules of Procedure foresee, in paragraphs 18 and 21, respectively, that any notification of Board meetings or transmittal of documents shall be to members or alternate members of the Board. It is for each Board member or alternate member to decide whether, and to what extent, they may wish to provide their advisers access to documents or information, except for documents that are confidential and expressly restricted to the Board members and alternate members.

14. Appropriate measures could be considered to ensure that advisers maintain the confidentiality of information provided to them by Board members or alternate members. For example, advisers could be requested to sign a written undertaking that they maintain confidentiality.

2.4 Guidelines on the participation and conduct of advisers in Board meetings

15. To ensure clarity and consistency of the application of principles for the participation and conduct of advisers as discussed in Sections 2.1, 2.2 and 2.3 above, it is recommended that the Board adopts guidelines covering these matters as set out in Annex II to this document.

III. Funding for adviser travel to Board meetings

16. Developing country Board members and alternate members have requested that the administrative budget of the Fund foresee funding of the cost of travel of advisers to Board members from eligible developing countries.² In the absence of a Board decision on this matter, no provision has been made in the administrative budget of the Fund to cover the travel expenses of advisers.

17. So far, support for the participation of advisers has been provided from outside the Fund on an ad-hoc basis. Voluntary contributions by the Government of Switzerland covered adviser travel for the first Board meeting in August 2012 and the Government of the Republic of Korea provided funds for adviser travel for the second Board meeting in October 2012. No funding for advisers was provided through the Interim Secretariat for the third Board meeting in March 2013.

18. A number of options exist in response to this matter:

- (a) **Option 1:** Funding of the participation of advisers would be the sole responsibility of their Board member and/or alternate member;
- (b) **Option 2:** Funding would be provided from the administrative budget of the Fund for the travel costs associated with Board meetings of one designated adviser per eligible developing country Board member and alternate member;
- (c) **Option 3:** Funding would be provided from the administrative budget of the Fund for the travel costs associated with Board meetings of one designated adviser per eligible developing country Board member.

19. Assuming that funding of travel of advisers would be limited to the most economic means of travel, a standard cost of US\$ 3,000 per travel applies. Hence, Option 2 would require a total funding per Board meeting of US\$ 60,000 (assuming that 20 Board members and alternate members are from eligible developing countries), while Option 3 would require a half of that, i.e. US\$ 30,000. Depending on the number of Board meetings per year (two or three), this would add an additional US\$ 60,000 to US\$ 180,000 to the administrative budget.

20. Board guidance is requested as to which option should be pursued. This decision would then guide the Interim Secretariat in preparing a draft travel policy for the Fund.

² In accordance with decision B.01-13/02, UNFCCC rules for determining eligibility of developing countries will be applied until the Board adopts the travel policy for the Fund.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.04./11, *Participation of Advisers in Board Proceedings*,

- (a) Adopts the Guidelines on the participation and conduct of advisers in Board meetings as set out in Annex II of document GCF/B.04/11;
- (b) Requests the Interim Secretariat to publish the Guidelines on the Fund's website;
- (c) Decides to implement Option [X] as presented in paragraph 18 of document GCF/B.04/11 as the basis for providing funding for the participation of adviser travel to meetings of the Board until the adoption of the Fund's overall travel policy, and requests the Interim Secretariat to reflect this in the Fund's overall travel policy.

Annex II: Guidelines on the participation and conduct of advisers in Board meetings

I. Designation and attendance of advisers at Board meetings

1. Paragraph 2 (b) of the Rules of Procedure defines an “Adviser” as follows:

“2 (b) “Adviser” means an expert providing advice to a member and/or alternate member during or in connection with Board meetings;”

Moreover, paragraphs 25 and 28 of the Rules of Procedure state that:

“25. In addition to Board members and alternate members, meetings of the Board, other than executive sessions, will be open to attendance by designated advisers of Board members and alternate members, Secretariat staff, representatives of the Trustee, active observers and other observers who have been accredited for participation in the meeting.”

“28. In exceptional circumstances, the Board may conduct its business in closed executive session where, unless decided otherwise by the Board, only Board members and alternate members, the Executive Director, advisers, and such other persons authorized or requested by the Board to attend, may be present.”

2. Seating for advisers will be provided behind the alternate member or, in the case of no attendance by the alternate member, behind the Board member.
3. One adviser per Board and alternate member will be allowed in the Board meeting room to observe Board proceedings at any one time.

II. Representation of advisers in committees, sub-committees, panels and working groups

4. Paragraphs 1 and 30-32 of the Rules of Procedure define the composition of Board committees, sub-committees, panels and working groups:

“1. These rules of procedure shall apply to the conduct of business of the Board of the Green Climate Fund and mutatis mutandis, and except as decided otherwise by the Board, to committees and subcommittees, panels and working groups established by the Board.”

“30. The Board may establish such committees from among its members and/or alternate members, and such panels as may be required for the conduct of its business.

31. Committees shall assist the Board in its decision-making, and shall exercise any delegated authority under the overall authority and direction of the Board, which may revoke such delegated authority under the same procedures in place for the original delegation of authority. Except for standing committees, all committees established ad hoc should have a clearly defined timeline and end date, related to the execution of its functions and should be subject to review at regular intervals.

32. The Board may establish, on permanent or temporary basis, technical and expert panels to assist it in the performance of its functions. Technical or expert panels may include but need not be limited to Board members and alternate members. They generally shall have advisory functions only.”

5. In accordance with these provisions, advisers may be appointed to technical and expert panels established by the Board provided that they are eminent specialists in a given field, but

may not form part of Board committees and sub-committees. The Rules of Procedure do not contain any provision on the composition of working groups. Thus, the Board may decide, if circumstances so warrant, to include advisers in working groups.

III. Conduct of advisers

6. Board members and alternate members are accountable for the conduct of their respective adviser/s during, and in connection with, Board meetings.
 7. The Rules of Procedure, in paragraphs 18 and 21, only refer to Board members and alternate members in relation to notification of meeting and transmittal of documents:
 - “18. 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. A notification will also be posted on the Fund’s website. In the case of an extraordinary meeting, the Co-Chairs, acting jointly, shall determine the date by which notification to the Board members has to be made, taking into account the urgency of the matter.”
 - “21. The Secretariat will transmit to Board members and alternate members the documentation relating to items on the provisional agenda at least 21 calendar days before the first day of the meeting scheduled, except in case of extraordinary meetings and in exceptional circumstances where, in the view of the Co-Chairs, a shorter period for the transmission of documentation is warranted. In any such cases, the Co-Chairs, acting jointly, shall determine the date by which the said documentation has to be transmitted.”
 8. Each Board member or alternate member will decide whether to provide their adviser/s access to documents or information, except for documents that are confidential and expressly restricted to Board members and alternate members.
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