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Updated guidelines for the operation of Board committees

Summary

This document responds to decision B.25/03, paragraph (e) that requested the Co-Chairs, in accordance with decision B.05/12, paragraph (b), to present updated general guidelines for committees and panels for consideration by the Board.

I. Introduction

1. As established in the Governing Instrument (paragraph 18(g)) and the Rules of Procedure of the Board (paragraph 30), the Board has established committees from among its members and/or alternate members, expert panels and groups for the conduct of its business. As per paragraph 31 of the Rules of Procedure, Committees shall assist the Board in its decision-making, and shall exercise any delegated authority under the overall authority and direction of the Board.
2. Paragraph 1 of the Rules of Procedure establishes that, except as decided otherwise by the Board, the Rules of Procedure apply mutatis mutandis to committees and subcommittees, panels and working groups established by the Board. General Guidelines for Committees and Panels were first considered by the Board at its fifth meeting (B.05). These were only noted by decision B.05/12 paragraph (b) but not adopted. However, this decision also plans to consider general guidelines for panels and groups at a later stage, as necessary.
3. The Board by decision B.20/04 paragraph (a) adopted the terms of reference for the review of committees, panels and group established by the Board. The independent firm's review report of committees, panels and groups titled "Final report of the review of the effectiveness of committees and group established by the Board" was presented to the Board at its twenty-fourth meeting in document GCF/B.24/Inf.15/Add.01 and taken note of by the Board by decision B.25/03, paragraph (a).
4. As an outcome of this review, the Board, by decision B.25/03 paragraph (e), requested the Co-Chairs, in accordance with decision B.05/12, paragraph (b), to present updated general guidelines for committees and panels for consideration by the Board. This document focuses on responding to this mandate.
5. As an element of context, it is useful to note that by decision B.25/03, paragraph (c), the Board requested the Co-Chairs to consult Board and alternate members, as well as the various committees, with a view to concluding the review of committees, panels and groups no later than the twenty-sixth meeting of the Board. Meanwhile, the Updated Strategic Plan endorsed by the Board by decision B.27/06, in paragraph 29 (e) provides that "the Board will consider, as part of its review of the Board's committees panels and groups, as appropriate, the way they comply with their obligation to assist the Board in its decision-making and exercise any delegations of its authority, in a manner consistent with the Rules of Procedure, the Governing Instrument, and taking into account the relevant decisions of the Board". This should also be taken into account in other components of the Board's work on committees. This work is ongoing, and should be further considered at a later stage.
6. The Co-Chairs have chosen to start by focusing on the updated guidelines for committees and panels, but acknowledge that responding to the mandates given by the Updated Strategic Plan and by decision B.25/05, paragraph (c), will require further work and should address other issues related to the work of Board's committees, panels and groups.
7. This document takes into consideration the practice followed in the conduct of committees in the absence of adopted guidelines and the experience of Secretariat focal points in their support to committees.
8. The guidelines for panels are not considered, as work to review the structure and operations of the technical advisory panel is ongoing pursuant to decisions B.19/08 and B.25/09 paragraph (i). Furthermore, pursuant to paragraph 29 (d) of the Updated Strategic Plan, a review towards the functioning of the independent units and panels and accredited entities and Secretariat, and between the Secretariat, independent units, the Technical Advisory Panel and Accreditation Panel is to be conducted. The guidelines for panels may therefore best be considered as part of or following the conclusion of this work.

II. Policy rationale

9. Committees are established to assist the Board in its decision-making function. Committees have so far been in operation for at least seven years. It is therefore most timely to incorporate lessons learnt to improve the operation of committees in better carrying out their function to assist the Board in decision-making which is particularly important for the GCF as a learning institution. This opportunity is presented by mandate to update the committee guidelines. The update and adoption of the guidelines could contribute towards enhancing the execution of the 2020 – 2023 Board workplan that has been particularly challenged in light of the COVID-19 pandemic. On the other hand, continuation of business-as-usual would be a missed opportunity to enhance the Board workplan's execution and could impact the timeliness of the preparations for GCF-2 which are also part of the workplan.

10. Furthermore, Board consideration of the ways committees, panels and groups of the Board comply with their obligation to assist the Board in decision-making and exercise any delegations of its authority is among the operational and institutional priority actions outlined in the Updated Strategic Plan to improve GCF processes and optimize operations. Updating the committee guidelines should contribute to this objective.

III. Analysis of policy proposal

3.1 Policy proposal

11. The key updates proposed to be made to the B.05 guidelines to encapsulate practices followed since while improving the conduct and processes for committees are explained below:

(a) **Committee membership:** The initial guidelines provisioned for 18-month committee membership, while allowing for members to serve for two consecutive terms. The terms of membership for committees commence at different times making it cumbersome and administratively burdensome to follow up all the committees, with near constant vacancies across the committees. The Board, in decision B.12/36 paragraph (c), decided that the term of membership for members and alternate members of the Board appointed to the Accreditation Committee, the Investment Committee, the Risk Management Committee and the Private Sector Advisory Group will be three years. In the interest of clarity and consistency, it is proposed the Board extends this provision to all committees to ensure that a consistent approach is taken across all committees. In so doing, rather than having two 18-month terms, there would be only one three-year term. This follows what has been the practice where committee members have typically served for a lot more than the 18 months proposed in the initial guidelines. The updated guidelines therefore provision for members to serve for one term of 3 years, with the possibility to serve for two consecutive terms to ensure continuity.

(b) **Alignment with Board membership:** The Board can decide for membership to committees to be aligned to the three-year terms of Board membership to commence at the start of the next term of Board membership and to end upon expiration of the term of Board membership. The next change to committee membership would therefore start on 1 January 2022 and end on 31 December 2024. Renewals to committees would therefore take place at the same time as Board membership.

Additionally, it is proposed that replacements to committees be aligned with paragraph 5 of the Rules of Procedure for the replacement of Board and alternate members. Therefore, appointments to committees will be on a personal basis, which implies that whenever a committee member is replaced as a Board member, the Board member taking their seat would automatically replace them as committee member for the

remainder of the unexpired term, unless the notification provided pursuant to paragraph 6 of the Rules of Procedure specifies otherwise. In addition, the window would remain open for the Board to replace members through appointment by a Board decision.

The above provisions would ease the administrative burden both on the Secretariat and constituencies of identifying replacement committee members while minimizing vacancies on committees which also impact quorum.

- (c) **Chairmanship:** While three-year terms are proposed for Committee membership, 12-month terms are maintained for Committee Chairs. If the committee chair is from one constituency, then the committee chair for the next term would be from the other constituency. On the other hand, the concept of vice-chair in the initial guidelines is removed. This means both constituencies would have the opportunity to chair committees for equal periods while allowing for continued efficiency gains from the current practice of having one chair at a time coordinating committees' work.
- (d) **Quorum:** No change is proposed to the quorum threshold of two-thirds of committee members; however it is proposed that a limit be placed for members to serve no more than one standing Committee at a time. This is with aiming at maximizing the availability of any one Board member to take on committee meetings and duties between Board meetings, and offering all Board and alternate members an opportunity to engage. The application of paragraph 5 of the Rules of Procedure to committee member replacements would also minimize the prevalence of vacancies and hopefully reduce the impact of lack of quorum, which has been a challenge for many committees to convene to conduct their business.
- (e) **Workplans:** It is proposed that committees develop workplans drawing from the four-year Board workplan including annual workplans that indicate timelines by when work is to be concluded. It is also proposed that the Board Co-Chairs periodically convene a meeting with committee chairs to take stock of progress in committee workplans. This should enhance the timeliness of committees' delivery of items scheduled for Board consideration and cross-committee collaboration on items to be reviewed by more than one committee before Board consideration. Committees would in their activity reports to Board meetings also indicate the status of execution of their work plans as part of their accountability to the Board.
- (f) The proposal is also in line with decision B.27/06 paragraph (g) that requested the committees, panels and groups of the Board to include the relevant actions outlined in the updated Strategic Plan in their respective deliberations and work programmes, as appropriate, throughout the first replenishment period.
- 12. **Delegated authority:** Some committees are already provided with different levels of delegated authority, either per their Terms of Reference or per specific Board decisions. The updated guidelines acknowledge this practice while not making any change to the level of delegated authority provided to committees.

12. Other updates were also made to the guidelines to align with current practice or to enhance current conduct.

3.2 Policy impact

13. Updated committee guidelines could contribute to improved operational efficiency of committees and therefore enhanced decision-making by the Board and a higher execution rate of the Board workplan, allowing for both needed operational and policy decisions to be taken for successful execution of GCF-1 and set the ground for GCF-2.



IV. Operational impact assessment and implementation arrangements

14. On adoption by the Board, committee focal points, committee chairs, committee members and the Board Co-Chairs would need to be oriented to the guidelines including any change in practices that the various committees would need to adopt.
15. While no budgetary implications are expected as the guidelines would mainly be implemented through existing Secretariat Focal points, there would be a significant increase in workload on these staff and particularly for the Office of Governance Affairs due to the lead role that the Office would need to play in supporting Committees and Board Co-Chairs to implement these guidelines in their conduct.
16. Work to be carried out upon the guidelines would include: the development of reporting templates for committee meetings and committee reports to Board meetings; the development of committee workplans aligned to the four-year Board workplan; developing and implementing the procedure to facilitate the alignment of committee membership to the term of Board membership and for the replacement of members to committees. A maximum of three-month buffer period from adoption of the policy is therefore recommended to allow for the Secretariat to prepare to implement new provisions in the updated guidelines, and to streamline these into their current work.

V. Budgetary implications

17. No staffing and budgetary implications are expected from the update to the guidelines which would be implemented through existing focal points to committees, while noting the increase in workload to members of staff directly involved in the implementation of the guidelines.

VI. Research and consultation

18. The Co-Chairs engaged the support of the Secretariat to prepare this first draft of the updated guidelines for the Co-Chairs to consult with the Board. The updates proposed are based on the experiences of Secretariat on focal points to committees. The Co-Chairs have then engaged with their respective constituency to conduct consultations on this draft, and have incorporated feedback received. The Co-Chairs will continue to consult with all stakeholders until the presentation of the guidelines to the Board for its consideration and approval at B.29.

VII. Monitoring and review

19. It is proposed that the discretion to update the guidelines once adopted be left to the Board. Such a decision may be prompted for instance following the overall policy review in the four-year Board workplan to be carried out in the third year of a programming period. It may also be reached upon a proposal by the Co-Chairs or by a Board member and accepted by the full Board.

VIII. Recommended action by the Board

20. It is recommended that the Board adopts the decision in annex I.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.29/09/Rev.01 titled “Updated guidelines for the operation of Board committees”:

- (a) Adopts the General guidelines for the operation of Board committees, as set out in annex II to this document; and
- (b) Amends the terms of reference of standing committees of the Board to reflect these guidelines, as appropriate.

Annex II: General guidelines for the operation of Board committees¹

I. Objective and scope

1. The Governing Instrument of the GCF, paragraph 18 (g), provides that the Board will establish subcommittees, panels and define their terms of reference, as appropriate.
2. Pursuant to paragraphs 30 and 31 of the Rules of Procedure of the Board (the “Rules of Procedure”), the Board of the Green Climate Fund establishes committees, panels and groups of the Board as may be required for the conduct of business. 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.
3. Pursuant to paragraph 1 of the Rules of Procedure, except as decided otherwise by the Board, the Rules of Procedure apply mutatis mutandis to committees and subcommittees, panels and working groups established by the Board.
4. The purpose of these guidelines is to elaborate the general guidelines to guide the conduct of business of Board committees and subcommittees.
5. These guidelines will not apply to ad hoc committees established by the Board for the purpose of the selection of a Board-appointed official.

II. Guidelines for the operation of Board committees

2.1 Membership

6. Committees will comprise Board members and alternate members (Committee members), in accordance with paragraph 30 of the Rules of Procedure of the Board.
7. Committees will consist of an even number of members from developing countries and developed countries, with a minimum of four and a maximum of six committee members.
8. Committee members will be appointed by the Board, with due consideration given to gender balance, as appropriate, in line with paragraph 11 of the Governing Instrument. If a Board member or an alternate Board member who is a committee member is replaced on the Board, that replacement will also be applicable in committees to the extent that the replacement to the Board seat is notified pursuant to paragraph 5 of the Rules of Procedure, and unless the notification provided pursuant to paragraph 6 of the Rules of Procedure specifies otherwise.
9. Committee members will serve on no more than one standing committee at a time.
10. Committee membership term will be for three years, aligned with the term of Board membership.
11. Committee members will serve for one term and may serve for one additional consecutive term for purposes of continuity.
12. If a committee member is unable to carry out her or his functions, or ceases to be a committee member, a new committee member will be elected by the Board for the remainder of the original committee member’s term.

¹ The Rules of Procedure of the Board apply to the operation of committees of the Board in accordance with paragraph 1 of the Rules of Procedure. In the event of any conflict between these Guidelines and the Rules of Procedure, the Rules of Procedure will prevail.



2.2 Chairmanship

13. Each committee will elect a Chair from amongst its members.
14. Committee Chairs will serve for a term of 12 months.
15. The Chairmanship of Committees shall be elected from among its members and the 12-month terms of Chairmanship shall alternate between Developed and Developing countries for the life of the Committee. Due consideration should be given to gender and regional balance among Committee Chairs.
16. Committee Chairs will convene, set agendas for and facilitate committee meetings with the support of the Secretariat and in accordance with the ToRs of each Committee as well as additional mandates provided by the Board, and report back to the Board on behalf of the committee, as required.
17. If the Chair is not able to carry out her or his functions, or ceases to be a committee member before their term is complete, a new Chair will be elected by the Committee, for the remainder of the term.
18. If the Committee Chair will be absent or unable to fulfil their duties, the Committee Chair shall inform the Secretariat Focal Point promptly. The Secretariat committee Focal Point may also reach to the Committee Chair to confirm if they can preside over a committee meeting.
19. If the Chair is absent, the Secretariat Committee Focal Point shall inform the Co-Chairs of the situation to address the matter with their constituencies.

2.3 Accountability

20. Committees will be accountable to and function under the guidance of the Board and shall at each meeting report to the Board on their activities including on the status of implementation of their workplans and on Board mandates to the committees within timelines specified in the respective committees' annual workplans.
21. The Board may in its guidance to Committees delegate authority to committees, in accordance with paragraph 31 of the Rules of Procedure of the Board.

2.4 Terms of reference

22. The Board will adopt terms of reference of each committee. Committees should review their Terms of reference at least every 4 years, with any updates or revisions submitted to the Board for approval, upon adoption of the four-year Board workplan at the start of a programming cycle.
23. Committee terms of reference may specify whether the committee is a standing committee or an ad hoc committee, and in the case of the latter, the duration of the committee, in accordance with paragraph 31 of the Rules of Procedure of the Board.
24. In addition to the mandates specified in the terms of each Committee, Committees may be mandated by the Board to perform specific functions to support the Board, the Independent Units or the Secretariat.

2.5 Operating procedure

25. Committees will present their workplans to the Board at the first Board meeting of each year. The workplans shall derive from the four-year Board workplan and GCF Strategic Plan, as

well as Committees' Terms of Reference and mandates given by the Board. These workplans will be updated on a rolling basis and will include timelines for the development of those items, in order to ensure that the Board can consider them in due time, as scheduled in the four-year Board workplan.

26. In the event that the Committee is unable to reach consensus, the Committee Chair shall report this to the next meeting of the Board.

27. Committees will convene their meetings as determined by the Committee led by the committee Chair with the support of the Secretariat. Meetings shall be held regularly, at least once between each Board meetings. Efforts will be made to hold additional meetings at the time of full Board meetings, including by teleconference, as appropriate. Notification of meetings to members shall done electronically and primarily through the Secretariat in consultation with the Chair of the Committee.

28. A two-thirds majority of committee members must be present at a committee meeting to constitute a quorum. Committee can take decisions, including to elect a new Chair provided there is quorum. The existence of a quorum will be verified by the committee Chair at the beginning of the meeting.

29. Committee chairs will at the end of each meeting recap verbally the summary of resolutions reached during the meeting to be recorded by the Secretariat and later circulated to the Committee as part of the meeting report.

30. Committee Chairs may request, in consultation with other committee members, assistance and/or advice from experts or other third parties in the performance of their functions.

31. Unless otherwise decided by the Board or specified in the committee's terms of reference, attendance at committee meetings will be limited to committee members, two advisers per committee member, essential Secretariat staff and, upon invitation by the committee Chair and on a case-by-case basis, members of the Independent Units, or other stakeholders. The Committee shall where matters are of a confidential nature have the ability to restrict the category of persons above from attendance at its meeting or for that specific agenda item.

32. Prior to each Committee meeting, Committee members may request that his/her Board member, alternate Board member (depending on the status of the corresponding Committee members) act in their stead at the next meeting. This change would need to be notified by the Committee member to the Committee Chair in written form, prior to the opening of the Committee meeting. This change should only be permitted in limited circumstances.

33. A committee member who is unable to participate in committee meetings, including virtual meetings, more than two times consecutively and was not represented by their Board member or alternate Board member (depending on the status of the corresponding Committee members) will cease to be a Committee member.

34. Committee meetings will be closed to active observers unless otherwise specified in the terms of reference of the committee.

35. Committees will report on their activities at each Board meeting, including on their work based on their workplans.

2.6 Role of the Secretariat

36. The Executive Director or his/her delegate may attend the meetings of any committee in an ex-officio capacity.



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37. The Secretariat will coordinate and support the work of committees, as needed, including drafting and submission of documents for consideration by committees.
38. The Secretariat will appoint one qualified officer per committee as Secretariat focal point for that committee.
39. The Secretariat's committee focal point will provide secretarial assistance and support to the work of the committee, attend its meetings and assist the Chair in preparing, facilitating and coordinating the committee's work and meetings.
40. The focal point, supporting the Chair, will be responsible for providing Committee members with proposed meeting dates and times at least 3 weeks prior to the Committee meeting and distribute documents to be discussed at least 5 business days prior to the Committee meeting. The Executive Director or the focal point will be consulted on proposed meeting agendas and may propose items to be included in meeting agendas.

41. The focal point will be subject to the guidance of the relevant Committee Chair and will be responsive to the tasks assigned to her/him by the committee.
42. The focal point will be responsible for producing written reports of committee meetings. Report of committee proceedings will be approved by committee members within five working days after the committee meetings, on a no objection basis. Report of committee proceedings will include, at a minimum: list of participants, agenda of the meeting, meeting minutes including the resolutions reached before the meeting, and the date of next meeting. These reports will be disclosed to the Board on a rolling basis, and as an attachment to the report of Committee, panels and groups to the Board.

III. Implementation arrangements

43. These guidelines will come into effect immediately after adoption by the Board, with the exception of paragraphs 8 to 10, which will be effective as of 1 January 2022.
44. The Secretariat will support the Committees to implement these guidelines in their conduct. This will include the developments of reporting templates for committee meetings and committee reports to Board meetings, the development of committee workplans aligned to the four-year Board workplan.
45. To ensure transparency, an overview of the committee structure and committee membership as well as Secretariat focal points will be made available on the GCF website and updated regularly.

IV. Monitoring and review

46. These guidelines shall be reviewed following a decision by the Board to do so. Such a decision may be prompted following related policy reviews in the Board workplan, or upon a decision by the Board.
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