



ADAPTATION FUND

AFB/B.34/11
4 October 2019

Adaptation Fund Board
Thirty-fourth meeting
Bonn, Germany, 10-11 October 2019

Agenda item 14

**OPTIONS TO FURTHER ENHANCE CIVIL SOCIETY
PARTICIPATION AND ENGAGEMENT IN THE WORK OF
THE BOARD**

Background

1. The Adaptation Fund (the Fund) has recognized the importance of its engagement with civil society as well as contributions of civil society to the Fund's work and has been engaged with civil society. While several practices of the Fund's engagement with civil society have been considered best practices, the Board acknowledged, at its thirty-third meeting, the importance of further enhancing the participation of civil society in the work of the Board.

2. At its thirty-third meeting, the Board decided to request the secretariat:

- a) *To explore, in consultation with civil society and drawing lessons from other climate funds, options to further enhance civil society participation and engagement in the work of the Board; and*
- b) *To prepare a document and submit it to the Board for consideration at the thirty-fourth meeting.*

(Decision B.33/54)

3. The medium-term strategy of the Adaptation Fund (the Fund) 2018-2022¹ aims to leverage further enhancement of the civil society engagement in the Fund by stating that "*Civil society already contributes to the Adaptation Fund in a variety of ways, including resource mobilisation, real-time updates on and assessments of supported projects, input from the intended beneficiaries, and knowledge management. Though current practices are reasonably effective in terms of transparency and even accountability to civil society organisations, there is still scope for improvement. The Board, therefore, aims to work with the Adaptation Fund NGO Network to explore modalities for even greater collaboration during the 2018-2022 period.*"

4. This document is prepared to present potential options for the Board to enhance civil society participation and engagement in the work of the Board considering the current practices of the Board, practices of other climate funds, and financial, operational and legal implications of the potential options.

Current practices of the Adaptation Fund

5. Civil Society's engagement with the Fund is relevant to and/or governed by, inter alia, the Rules of Procedure of the Adaptation Fund Board, Fund's General Guidelines for Committees, and the Fund's Open Information Policy (adopted in July 2013).

6. The Rules of Procedure of the Adaptation Fund Board² contains the following paragraphs relevant to participation of civil society in the Board meetings as observers:

¹ <https://www.adaptation-fund.org/wp-content/uploads/2018/03/Medium-Term-Strategy-2018-2022-final-03.01-1.pdf>.

² Available at <https://www.adaptation-fund.org/wp-content/uploads/2018/04/Rules-of-procedure-of-the-Adaptation-Fund-Board.pdf>.

VI. MEETINGS

[...]

19. *Unless the Board decides otherwise in accordance with paragraph 20, meetings shall be open to members, alternates and observers as referred to in paragraphs 31–32. Observers shall inform the secretariat of the composition of their delegation four weeks prior to the first day of any scheduled meeting.*

20. *The Board may declare any of its meetings, or segments thereof, closed; these shall then be open to members, alternates and the representatives of the secretariat and the trustee. The Board may invite any of the representatives referred to in paragraphs 31–32 to attend such meetings.*

[...]

22. *The secretariat shall notify all members, alternates and observers of the dates and venue of the meetings and circulate a formal invitation and provisional agenda for any meeting at least six weeks before the first day of the meeting.*

VIII. OBSERVERS

[...]

31. *Except where otherwise decided by the Board, meetings shall be open for attendance, as observers, to representatives of UNFCCC Parties, the UNFCCC secretariat and UNFCCC accredited observers. Such observers may attend without the right to vote.*

32. *The secretariat shall, upon the request of the Board, notify any individual or entity, whether national or international, governmental or non-governmental, qualified in a field related to the work of the Fund, of any meeting so that it may be represented by an observer.*

33. *Observers may, upon the invitation of the Chair and if there is no objection from any of the members present, participate without the right to vote in the proceedings of any meeting in matters of direct concern to the body or agency, which they represent.*

34. *Observers may, upon invitation of the Chair and if there is no objection from the members present, make presentations relating to matters under consideration by the Board.*

[...]

7. The Fund's General Guidelines for Committees³ contains the following paragraphs which may be relevant to the engagement of civil society:

³ Available at <https://www.adaptation-fund.org/wp-content/uploads/2014/09/General-Guidelines-for-Committees.pdf>

IV. Operating procedures

9. *The Committees shall be bound by their terms of reference as adopted by the Board, and these General Guidelines. The Board will revise the terms of reference and these General Guidelines as necessary, following the recommendations by the Committees.*

10. *The Rules of Procedure of the Adaptation Fund Board (the Rules of Procedure) shall apply mutatis mutandi to the meetings of the Committees.*

[...]

12. *The Committee meetings will be closed, unless otherwise decided by the Board.*

[...]

16. *The recommendations of the Committees shall be made publicly available, unless otherwise decided by the Board.*

[...]

8. The Fund's Open Information Policy (adopted in July 2013)⁴ contains many provisions related to civil society's engagement, and the examples of them are as follows:

1. *The Adaptation Fund (the Fund) is an organization committed to open access to information. Transparency is essential to building and maintaining public dialogue, increasing public awareness, enhancing good governance, accountability, and ensuring programmatic effectiveness. Openness promotes engagement with stakeholders, which, in turn, improves the design and implementation of projects and programmes, and strengthens the Fund's outcomes. It facilitates public oversight of Fund-supported operations during their preparation and implementation, which not only assists in exposing potential wrongdoing and corruption, but also enhances the possibility that problems will be identified and addressed early on.*

2. *The Fund's Board overall approach is therefore to disclose information unless there is a compelling reason for confidentiality. For limited cases where disclosure could have a negative impact on the Fund, the implementation of its projects and programmes, or deal with the legal obligations pertaining to privacy or intellectual property, information is retained as confidential. Such exceptions generally fall under one of five main criteria outlined below. In principle, all relevant information regarding the organization, its projects, programmes and operations are made available to the general public with the intent of full disclosure.*

⁴ Available at <https://www.adaptation-fund.org/wp-content/uploads/2015/01/Open%20Information%20Policy.pdf>.

[...]

Accessing Information

4. **Proactive Disclosure.** *The Fund routinely discloses a wide range of documents, through its website – www.adaptation-fund.org – including working documents discussed during Board meetings, committee reports and recommendations, and reports of all Board meetings. Under this Policy, the Fund significantly increases the amount of information it makes available to the public, particularly information related to projects and programmes under implementation and to the actions of the Board.*

[...]

Exclusion from Disclosure

6. *The Fund does not provide access to information whose disclosure may pose a risk to the security or safety of any individual, including Adaptation Fund Board secretariat staff, Board members and alternates, contractors and beneficiaries, including:*

[...]

9. Since the operationalization of the Fund, Board meetings have been open for attendance, as observers, to representatives of UNFCCC Parties, the UNFCCC secretariat and UNFCCC accredited observers, and civil society has participated in the Board meetings as observers without a right to vote. Observers are expected to register themselves in advance of the Board meetings. The Fund does not have its own observer accreditation system nor a list of the Fund's accredited observers. The Fund has not financially supported the participation of the observers apart from providing refreshments and lunch during the Board meetings.

10. The Board meeting has been webcasted for a wider public and it is accessible internationally. In limited cases, in line with the Rules of Procedure and the Fund's Open Information Policy, the Board declared a certain session of the Board meeting closed, mostly due to a compelling reason for confidentiality, including a situation where the Board has to discuss the matter of the legal obligations pertaining to privacy or intellectual property, information retained as confidential, commercially sensitive information, the name of the entity as well as all applications and corresponding supporting documentation which are kept strictly confidential until an entity has been accredited by the Board, and information required to preserve the integrity of the deliberative processes for the bodies of the Fund, including the Accreditation Panel, Ethics and Finance Committee (EFC), and Project and Programme Review Committee (PPRC).

11. Since 2010 the Fund has included a civil society dialogue as a standing, stand-alone agenda of the Board meeting. During the civil society dialogue session, the Chair of the Board invites civil society stakeholder representatives to the podium, where the Chair and Vice-Chair of the Board and Manager of the secretariat sit throughout the Board meeting, to make a presentation to the Board and interacts with the Board. The Fund has also provided civil society

stakeholders the opportunity to participate in the CSO dialogue session via video conference. The agenda of the civil society dialogue is prepared by the representatives of the civil society, and often presents progresses, engagements and issues around the Fund's projects under implementation and other Fund's work as well as relevant recommendations to the Board. The AF NGO Network has so far organized the civil society dialogue sessions and provided funding for NGO's from developing countries to attend and contribute to them.

12. In accordance with the Fund's General Guidelines Committees, in principle, the PPRC and EFC meetings are closed, unless otherwise decided by the Board. As per the Rules of Procedure of the Board, the closed session is open only to Board members, alternates and representatives of the secretariat and the trustee, and therefore, observers, representatives of UNFCCC Parties, the UNFCCC Secretariat and UNFCCC accredited observers are not allowed to attend the closed session, unless otherwise invited by the Board. It is noteworthy, however, since the first meeting of the Committees meetings and Board meeting, the recommendations of the EFC and PPRC which were transformed into the Board decisions were published as part of the Board meeting report, while the report of the two committee meetings started to be published from their fourteenth meeting in March 2014. .

13. Other practices of the Fund's engagement with civil society including the AF NGO Network and its associated organizations are as follows:

- a) Submitting comments on project proposals which are considered by the Board and the PPRC;
- b) Participation in monitoring missions for projects under implementation;
- c) Participation in the Adaptation Fund events and inviting the secretariat to NGO events as resource people

14. The Adaptation Fund (AF) NGO Network⁵ currently holds 238-member organizations including 11 core partner organizations and its secretariat has been run by Germanwatch. The weblink of the AF NGO Network is available on the Fund's website.

AF NGO Network/CSO's observations and recommendations to the Board

15. AF NGO Network has issued to the Board a series of recommendations⁶ on civil society engagement with the Fund both directly to the Board and as part of its publications. Several practices of the Board's engagement with civil society are recognized as the best practices as listed in the study published by Germanwatch⁷.

[...]

⁵ <https://af-network.org/>

⁶ [Civil society recommendations for AFB33](#)

⁷ Study "[The future role of the Adaptation Fund in the international climate finance architecture](#)", Germanwatch. P.34-35

Best practices include:

- *The Fund uploads all project proposals (fully developed as well as concept and pre-concept notes) to its website and provides an opportunity for the public to send comments on them to the Secretariat, which are then forwarded to the Board for consideration (see Box 5 for further discussion).*
- *Annual project performance reports submitted by the implementing entities are also made publicly available on the AF's website.*
- *The Fund's policies require and recommend engagement with a wide range of stakeholders throughout the full project cycle.*
- *Civil society can participate in AFB meetings as observers, though without the opportunity to intervene in the proceedings. The AF's civil society dialogue is a 1-hour session⁸ scheduled as an official part of the Board meeting agenda, wherein civil society is given the opportunity to interact with the Board. The AF NGO Network organises these dialogues and provides funding for NGO's from developing countries to attend them and contribute to them. The Fund also gives civil society stakeholders the opportunity to contribute to the CSO dialogue via video conference.*

[...]

16. Notwithstanding the above positive review, other areas are identified for further improvement in the same study.

[...]

Further improvement needed:

- *The Fund's Board meetings should not only be streamed online live, but also should be recorded and archived. This would allow people from different countries and time zones to follow the different issues discussed and decisions made by the AFB.*
- *During past AFB meetings, an increasing number of sessions have been closed to the public with no public explanation for this decision. The Fund's disclosure policy should require that reasons for meetings to be closed, as well as for not disclosing information, be explained to the public.*

⁸ The time allocation for the AF's civil society dialogue has been made according to the agenda proposed by the AF NGO Network as well as the available time in relation to other Board agenda items. There have been several occasions that more than one hour was allocated to the dialogues in the past.

- *Moreover, the Fund's two committees (PPRC and EFC) meet in closed sessions prior to each Board meeting. Thus, important decisions are often discussed during those committee meetings prior to them being made at the Board meeting and without the opportunity for meaningful civil society engagement. In an attempt to provide input from civil society, the AF NGO Network has published briefing papers with the Network's recommendations, and positions on the agenda items being discussed during committee and Board meetings. However, there are no official channels for civil society to provide input for committee meetings.*
- *As the above-mentioned civil society dialogue during the Fund's Board meetings is often scheduled after several important Board decisions have already been made, civil society recommendations often arrive too late to have an impact. To enhance effective opportunities for civil society to participate and engage, it is necessary to have elected active civil society observers (from developing and developed countries) who have a seat at the table and the opportunity to intervene on any agenda item. Granting those observers the opportunity to attend closed meetings (after signing a confidentiality agreement) would also increase transparency.*
- *The Fund should provide resources for active developing countries observers to attend its Board meetings.*
- *Stakeholders in the countries in which projects are implemented often face challenges in providing valuable feedback on project proposals that span several hundreds of pages and are not in their native language. Thus, the Fund should require that implementing entities provide brief summaries (3–5 pages) in the respective countries' official language, in addition to the complete project proposal templates already required.*
- *The Fund's Accreditation Panel should explore opportunities to solicit and take account of stakeholder input on accreditation and re-accreditation applications (as the AF does for project/program proposals submitted to the Board for approval).*
- *The Fund should review and improve opportunities provided to stakeholders to engage in intersessional decision-taking.*

[...]

17. The secretariat was also invited to participate in the Adaptation Fund NGO Network Strategy Workshop 2018 (15-17 December 2018, Katowice, Poland) on the margins of COP24, which enabled the secretariat to gather additional feedback from civil society on the civil society engagement:

Civil society engagements of other climate funds

18. The secretariat undertook a brief research on civil society engagement of other climate funds, namely the Global Environment Facility (GEF), Green Climate Fund (GCF) and Climate Investment Fund (CIF) with a view to identifying good practices that could be considered by the Fund.

Global Environment Facility (GEF)

19. The GEF has 538 accredited NGOs, all of which comprise the GEF-CSO Network⁹. With the long history of the organization, the engagement with its own civil society organizations (CSOs) is relatively mature. The GEF Council approved an *Updated Vision to Enhance Civil Society Engagement with the GEF*¹⁰ and *GEF Stakeholder Engagement Policy (SD/PL/01)*¹¹ in November 2017 “to promote the inclusive and meaningful participation of Stakeholders in GEF’s governance and operations” (paragraph 5). The policy which came into effect in July 2018, set out mandatory requirements in three key areas: (A) project and program cycles; (B) activities led by the Secretariat (engagement in national and regional outreach activities as well as the development of GEF policies, guideline and strategy); and (C) Agency policies, procedures and capabilities (engagement in civil society-led activities).

20. On its official website¹² GEF holds a tab called “Partners” and describes its engagement with civil society, the GEF Small Grants Programme (GEF SGP)¹³, GEF CSO Network¹⁴ and the available opportunities for civil society. The GEF makes public five areas for civil society engagement on its website as follows:

a) *Commenting on project proposals*

b) *Commenting on policies*

→ *Stakeholders can provide inputs, feedback, suggestions and recommendations through their regional CSO representative in the GEF CSO Network, through GEF Council Members, or by directly sending their comments on the GEF website ongoing consultations tab.*

c) *Supporting project implementation, monitoring and evaluation*

d) *Participating in GEF events*

→ *The GEF provides financial support for CSO participation at Council Meetings and invite two groups of CSOs i) regional CSO representatives and ii) local CSOs with*

⁹ <http://www.gefcso.org/www.gefcso.org/index.cfm.html>

¹⁰ https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.53.10.Rev_01_CS0_Vision_0.pdf

¹¹ https://www.thegef.org/sites/default/files/documents/Stakeholder_Engagement_Policy_0.pdf

¹² <https://www.thegef.org/partners/csos>

¹³ <https://www.thegef.org/topics/gefsqp>

¹⁴ <http://www.gefcso.org/www.gefcso.org/index.html>

expertise in a technical or geographic area. The selection of sponsored CSOs is under the responsibility of the GEF Secretariat.

→ Also, CSOs are invited to speak at the end of each agenda item.

- e) *Making a formal complaint or grievance relating to GEF projects and operations, including concerns about possible corruption or fraud*

Green Climate Fund (GCF)

21. The GCF's Governing Instrument¹⁵, in paragraph 16, stipulates that *"[t]he 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."* Paragraph 71 further mandates the Board to *"develop mechanisms to promote the input and participation of stakeholders, including private-sector actors, civil society organizations, vulnerable groups, women and indigenous peoples, in the design, development and implementation of the strategies and activities to be financed by the Fund."*

22. In accordance with the GCF's Rules of Procedure¹⁶, two types of observers can attend GCF Board meetings, namely *"active observers and other observers who have been accredited for participation in the meeting"* (paragraph 25). *"Active observers may, upon invitation of the Co-Chairs, participate in the proceedings of the Board"* (paragraph 37) and are mandated to *"receive, in accordance with the applicable rules and procedures, all Board meeting documents, except documents classified as confidential or as the Board may provide"* (paragraph 40).

23. In accordance with the GCF's travel policy¹⁷, active observers *"located in eligible developing countries may receive funding"* for travel to GCF Board meetings (paragraph 6 (d)).

24. GCF has developed *"Guidelines relating to the observer participation, accreditation of observer organizations and participation of active observers"*¹⁸ setting out procedures for the selection of active observers and the accreditation of observer organizations. It is noteworthy that *"the active observers may intervene upon invitation of the Co-Chairs in open segments of the meetings of the [GCF] Board. They may attend as observers the meetings of a Board committee or working group in special circumstances and if expressly authorized by the Board"* (paragraph 14). *"CSOs and Private Sector Organizations (PSOs) select their respective active observers and*

¹⁵ https://www.greenclimate.fund/documents/20182/1246728/Governing_Instrument.pdf/caa6ce45-cd54-4ab0-9e37-fb637a9c6235

¹⁶ https://www.greenclimate.fund/documents/20182/1246728/Rules_of_Procedure.pdf/9d55fae7-f4df-45fe-a3f3-754bc0d98e67

¹⁷ https://www.greenclimate.fund/documents/20182/24946/GCF_B.08_30_-_Travel_Policy.pdf/d36e38e3-0427-4054-984b-b1465c338f17

¹⁸ https://www.greenclimate.fund/documents/20182/60328/Guidelines_for_Observer_Participation.pdf/88afd26d-1273-4428-aa88-4099d45fec2f

replacements.” who serve for a term of two years, with a maximum of two consecutive terms. The GCF Board further adopted a “Policy on ethics and conflicts of interest for active observers of the Green Climate Fund”.¹⁹

25. GCF currently has 281 registered CSOs and 82 PSOs as its observers and they are listed on its official website²⁰. In certain cases where the Board decides to extend “calls for inputs” on Board documents to observers, civil society may submit views²¹.

26. In line with its information disclosure policy, the GCF webcasts live proceedings of Board meetings, excluding any executive sessions, and makes video recordings available on its website.

Climate Investment Fund (CIF)

27. CIF arrangements include active observer status for private sector, civil society, and indigenous peoples’ representatives. The two trust funds that comprise the CIF, the Clean Technology Fund (CTF) and Strategic Climate Fund (SCF), are governed by the respective committee that oversees and decides on operations and activities. Pursuant to paragraph 30 of the CTF Governance Framework Document²² and paragraph 25 of the SCF Governance Framework Document²³, representatives of: (i) the Global Environment Facility; (ii) the United Nations Framework Convention for Climate Change; (iii) the United Nations Development Programme; (iv) the United Nations Environment Programme; (v) contributor countries; and (vi) recipient countries, for which the CTF Trust Fund Committee has approved any investment plan, program or project, shall be invited to observe any Meeting except Executive Sessions. Pursuant to the Rules of Procedures²⁴, the Head of the Administrative Unit, in consultation with the CTF/SCF Trust Fund Committee, may also invite representatives of civil society selected through a consultation among themselves, or of any international or governmental agencies, or other organizations with a relevant mandate to observe any Meeting except Executive Sessions (paragraph 15).

28. The CTF Committee’s deliberations on an investment plans are held in an Executive Session. In 2009, the Committee agreed²⁵ that observers should be invited to participate in the

¹⁹ https://www.greenclimate.fund/documents/20182/1674504/GCF_B.23_11_-_Policy_on_ethics_and_conflicts_of_interest_for_active_observers_of_the_Green_Climate_Fund.pdf/6a12409a-b67c-ae27-6753-e8d10fc5801d

²⁰ <https://www.greenclimate.fund/how-we-work/tools/observer-directory/civil-society>

²¹ https://www.greenclimate.fund/boardroom/board-meetings/documents?p_p_id=122_INSTANCE_8e72dTqCP5qa&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=118_INSTANCE_jUGwSITWV8c5_column-2&p_p_col_count=1&p_r_p_564233524_resetCur=true&p_r_p_564233524_categoryId=23991#nav-category

²² https://www.climateinvestmentfunds.org/sites/cif_enc/files/meeting-documents/ctf_governance_framework_revised_2014_0.pdf

²³ https://www.climateinvestmentfunds.org/sites/cif_enc/files/meeting-documents/scf_governance_framework-final.pdf

²⁴ https://www.climateinvestmentfunds.org/sites/cif_enc/files/meeting-documents/ctf_rules_of_procedure_for_tfc_revised_2014_0_0.pdf

²⁵ https://www.climateinvestmentfunds.org/sites/cif_enc/files/meeting-documents/agreement_to_invite_observers_to_participate_in_meetings_during_presentation_of_ips.pdf

meeting during the presentation of an investment plan by the country and MDBs concerned and be provided an opportunity to present their comments on the plan to the Committee.

29. Under the SCF Trust Fund Committee, there are three sub-committees (Forest Investment Program (FIP) Sub-committee, Pilot Program for Climate Resilience (PPCR) Sub-committee and Scaling Up Renewable Energy Program in Low Income Countries (SREP) Sub-committee)²⁶. In each composition of the committee, a pre-set number of seats are assigned to CSOs, private sector and indigenous people respectively, in addition to other observers such as GEF, UNDP, UNEP, UNFCCC and UNPFII, and the observers are to actively engage in discussions.

CTF Trust Fund Committee:	CSOs (4), private sector (2), indigenous peoples (2)
SCF Trust Fund Committee:	CSOs (4), private sector (2), indigenous peoples (2)
FIP Sub-committee:	CSOs (4), private sector (2), indigenous peoples (2)
PPCR Sub-committee:	CSOs (1), private sector (2), indigenous peoples (2)
SREP Sub-committee:	CSOs (4), private sector (2), indigenous peoples (2)

30. In 2015, the CTF and SCF Trust Fund Committees in joint decision²⁷ approved the *Work program for enhancing observers' participation in the Climate Investment Funds*.

31. CIF has the Stakeholder Advisory Network on Climate Finance (SAN)²⁸ established in 2016 by official observers of the CIF and other climate finance stakeholders.

Implications on enhancing civil society participation and engagements

32. The implementation of the additional civil society engagement proposed by the AF NGO Network would entail several implications. A preliminary analysis of such implications conducted by the secretariat is as follows.

Enhanced collaboration with the AF NGO Network

33. Given the AF NGO Network's suggestions, the following areas could be considered to further enhance the collaboration with the AF NGO Network:

- a) Creating a dedicated section related to AF NGO Network on the Fund's website to contribute to further enhancement of the Fund's collaboration with civil society currently led by the AF NGO Network: The secretariat's preliminary analysis finds that as long as contents are developed in-house in consultation with the AF NGO Network, financial implication is minimal. A disclaimer had better be included to avoid any misunderstanding and confusion between the two independently operating organizations.

²⁶ <https://www.climateinvestmentfunds.org/about/cif-committees>

²⁷ JOINT CTF-SCF/TFC.14/5

²⁸ <https://www.climateinvestmentfunds.org/news/san-promoting-inclusion-and-cooperation-climate-finance>

- b) Allowing civil society's more active contribution to the process of reviewing the existing and emerging policies and procedures of the Board: the Fund has consistently launched call for public comments on the existing and emerging policies and procedure of the Board including the Medium-term strategy and gender policy. Civil society could send comments to the secretariat by e-mails or the inquiry form of the website²⁹. The Fund could further enhance this practice.
- c) Provision of capacity building for members of the AF NGO Network through webinars: As it deems necessary and appropriate, the Fund could invite members of the AF NGO Network to webinars which has been organized primarily for the National Implementing Entities. Organization of dedicated webinars for the AF NGO Network could be considered regarding the secretariat's annual work programme. Financial implication could be minimal as long as the contents are developed by the secretariat staff members and the form of the meetings is online.

Timely publications of documents for Board meetings

34. The secretariat posts submitted project proposals and concepts on the Fund's website soon after the submission deadline and they are posted until the Board has made decisions in them. The timing of publication of the secretariat reviews of proposals is strictly tied to the existing review cycle of nine weeks. To further improve the timeliness of the publication of the secretariat's project reviews, the existing review cycle may be revisited.

35. Preparation of other Board documents is not necessarily tied with the project review cycle. However, many of other Board documents are produced by the same secretariat staff who review project proposals while the preparation of non-project proposal documents has been largely affected by the increasing number of submitted proposals as well. The secretariat has increasingly been short-handed due to the increasing number of emerging issues associated with the recent development of the climate finance architecture as well as the increasing number of operational areas and the corresponding Board documents. To further improve the situation, it would be necessary to increase the human resources and capacity of the secretariat, which would require additional financial resources.

Recording and archiving of the Board meetings on the Fund's website

36. Live webcasting of the Board meetings is available during the meetings but its recordings are not available on the website. The secretariat does record the Board meetings solely for internal purposes such as recollecting statements in the process of finalizing the meeting reports. The publication and archiving of the recorded Board meetings are both technically possible but entails financial implications. However, the Board may also want to consider that publishing recordings of the Board meetings might also have implications on the free and candid exchange of ideas during the meetings: for instance, the Board members might consider themselves being

²⁹ <https://www.adaptation-fund.org/contact/>

‘strictly on the record,’ which may affect their ability to speak freely in the meetings, compared to the current proceedings. In terms of the technical arrangements, to post video recordings, the secretariat would need to make the enhancement of the website infrastructure that could accommodate a large audio-visual data, or to post them on commercial file sharing platforms such as YouTube. The technical editing of the recorded videos at a required standard of quality would likely have high cost implications. The Board may want to consider the benefits of implementing this option (ef. the potential number of users for the recorded Board meetings) relative to the costs.

Disclosure of reasons for closed sessions

37. A recommendation from civil society states that *“the Board should specify in its disclosure policy that reasons for meetings being closed, and reasons for not disclosing information, will be explained to the public.”*

38. The Board closes sessions according to its open information policy³⁰ adopted in July 2013. The Board’s overall approach is to disclose information unless there is a compelling reason for confidentiality. The policy identifies five main criteria for exclusion from the open information policy.

[...]

- i. *International relations: Information that may harm the Fund’s relations with other governments or institutions. This includes information received from or sent to third parties, under an expectation of confidentiality.*
- ii. *Security and safety: Information that may pose a risk to the security or safety of any individual, including, Board members and alternates and beneficiaries.*
- iii. *Personal information: Information that intrudes on the privacy of a person or could contravene confidentiality.*
- iv. *Commercially sensitive information: Information that does harm to the Fund or the Fund’s partners or suppliers commercial interests.*
- v. *Information that is exempt from disclosure under other policies or regulations: This includes deliberative information.*

[...]

39. Within the existing policy, the Board can continue exercising the closure of sessions with valid reasons. However, the Board could improve the practice by providing reasons for closure in

³⁰ <https://www.adaptation-fund.org/wp-content/uploads/2015/01/Open%20Information%20Policy.pdf>

more explicit way to the observers before closing the session, for example, referring to the specific criteria listed above.

Elected active civil society observers to intervene on agenda item of the meetings and to attend closed meetings

40. The civil society has suggested to schedule the CSO dialogue session early in the Board meeting so that it could deliver its relevant views, suggestions and recommendations on the agenda items before the Board discusses them. The Board accommodated this request and set the CSO dialogue session early in the meeting before the Board discuss the substantive agenda at the additional meeting (B.33.b) in June 2019.

41. The civil society has expressed its desire: to intervene on agenda item of the meetings (currently, the civil society speaks during its dedicated session during the Board meeting) to further participate and to engage in the Board meeting; and to attend closed meetings to further participate in and contribute to the committees meetings which are in principle closed unless otherwise decided by the Board as well as closed sessions of the Board meeting. If such request is accommodated, it may drastically change the dynamic of the Board meetings, as civil society would be able to actively participate in the Board discussions and intervene on any agenda item in an official setting.

42. Given the confidentiality of the information and matters discussed during the closed sessions of the Board meetings and committees meetings, before accommodating such request by the civil society, the Board would need to consider the measures to keep the confidentiality of the information and discussions intact: such as the election of active civil society observers who are allowed to attend the closed sessions and committee meetings and to intervene on agenda item during the Board meeting, and requirement for the active civil society observers to sign a confidentiality agreement before attending the closed sessions and committee meetings. It is assumed that the committee meetings would remain closed for other public participation. Further, when the Board would decide to close sessions during its meetings, only the active civil society observers who signed a confidential agreement would be allowed to stay.

43. The option to allow active observers in Board meetings could be complemented by financial support to such observers. These two matters are not necessarily linked, although it is the model followed by certain other funds.

44. The inclusion of active observers itself would not imply major change in the total number of meeting participants, and therefore, the financial implication for meeting organization would be limited. As for the travel and meeting participation support, should it be decided by the Board to provide, separate financial resources would need to be allocated from the administrative budget.

45. The Rules of Procedure does not prohibit from the Board to invite the active observers to the closed session of the Board meetings. It allows the Board to invite any of the representatives of the observers referred to in paragraphs 31-32 of the Rules of Procedure to attend closed

meetings without the right to vote. The Fund' General Guidelines for Committee provides that "the Rules of Procedure of the Board shall apply mutatis mutanda to the meetings of the Committee" (paragraph 10) and "[t]he Committee meetings will be closed, unless otherwise decided by the Board" (paragraph 12). Therefore, accommodating the suggestion on the attendance of the active observer in the closed session of the meetings and the meetings of the Committees would not require revision of the Rules of Procedure and the General Guidelines for Committees.

46. Regarding the suggestion to allow the elected active observer to intervene on **any** agenda item of the meeting, accommodating of such suggestion may require a revision of the Rules of Procedure because paragraph 33 provides that "[o]bservers may, upon the invitation of the Chair and if there is no objection from any of the members present, participate without the right to vote in the proceedings of any meeting **in matters of direct concern to the body or agency, which they represent.**" This means that observers, if invited by the Chair and if the members present do not object, are allowed to participate without the right to vote in the proceedings of any meeting but in 'matters of direct concern to the body or agency, which they represent.' Therefore, if the Board decides to allow the elected active observer to intervene on **any** agenda item of the meeting, it requires a revision of the relevant provision(s) of the Rules of Procedure.

47. As mentioned earlier, the Fund does not have a list of accredited observers like the GEF and GCF do. Without establishing the observer accreditation system, the Fund would need to deal with the accredited observers of UNFCCC, as it has done until now. The AF NGO Network recommends that the Fund establishes its own observer accreditation process as, in their view, the observer accreditation process of the UNFCCC is complex especially for CSOs from developing countries. Implementation of this option would require financial and human resources to administer the observer applications throughout year and develop an online system to automate part of the process.

Suggestions related to summary of project proposals and country-specific project information

48. People living in the regions where the Fund's projects are being implemented are the ultimate beneficiaries of the Fund. If an Implementing Entity (IE) provides a brief summary of project proposals in the respective countries' official languages, and if the Fund allows such summary to be published together with the complete project proposal, this would contribute to raising local awareness and understanding of the project and the Fund. It could also improve transparency and information sharing on the Fund in a local context.

49. The current template for project proposals does not have a section for the IE to provide a summary of the project proposal. To implement this recommendation, the project proposal template would need to be revised first, which is implementable. However, the translation of the summary in the respective countries' official language would have significant financial and time-related implications for the Fund if it were to be done by the secretariat. The secretariat has access to translation services within the World Bank system to translate Board meeting reports and other information materials translated into the other five UN languages. However, the translation service

of non-UN languages may not be readily available among vendors that the secretariat can hire within the World Bank's procurement parameters.

50. In terms of cost efficiency, the most functioning way might be that the implementing entities be required to provide summaries in the official language(s) of the people potentially affected by the proposed project. However, a concern is that the information provided in the countries' official language could not be verified by the secretariat as part of the technical review. In such a case, the Fund might face issues related to accountability and reputational risk.

51. The AF NGO Network has also recommended that the Board provides country-specific information on the Fund's website. The information of the approved projects is currently published by project and there is no country-specific information on the Fund's website³¹. Implementing the way of presentation to capture information by country would require changes in the website structure and creation of an additional layer to present the projects by country. Despite the merits of this recommendation, the benefits of making this website enhancement would be more substantial when the Fund's portfolio becomes much bigger. The Board has approved 94 concrete adaptation projects until today, among which only a few countries have more than one project under implementation. Nevertheless, the secretariat could improve the presentation and usability of the information on the Fund's website.

Solicitation of stakeholder input on (re-)accreditation and intersessional decision-making

52. Due to their different natures, the Board may want to consider the subject issues separately:(re-)accreditation and intersessional decision-making.

53. The accreditation or re-accreditation processes involve strictly confidential information in their entirety, as indicated in the Fund's Open Information Policy. Given its implications on the international relations, the entities applying for accreditation shall be kept anonymous until an entity has been accredited by the Board as the disclosure of the name of entities could potentially harm the reputation of the entities, for instance if the application is not successful. As such, the name of the entity as well as all applications and corresponding supporting documentation provided by the entity 'in confidence' must be kept strictly confidential. The Accreditation Panel produces a report of every Panel meeting, including an assessment of the analysis of applications by applicant entities. Since the assessments contain sensitive and/or confidential information on an institution's fiduciary standards, and institutions provide the Panel with confidential information such as internal audit reports, the information shall remain confidential. In this regard, the accreditation review process needs to be distinguished from the project/programme review process. Therefore, it has been deemed inappropriate for the Fund to solicit inputs from the entities' stakeholders related to the review of the accreditation applications themselves. However, other areas and/or opportunities are available for civil society to engage in, for example, by providing inputs in the accreditation policies.

³¹ <https://www.adaptation-fund.org/projects-programmes/>

54. The Board makes decisions intersessionally according to the rules of procedure as extracted below.

[...]

XVI. INTERSESSIONAL DECISIONS

56. Decisions without meetings may occur on an extraordinary basis when, in the judgement of the Chair and the Vice-Chair, a decision must be taken by the Board that should not be postponed until the next meeting of the Board. The secretariat, with the approval of the Chair, shall transmit to each member and alternate a proposed decision with an invitation to approve the decision on a no-objection basis.

57. Each member's comments on the proposed decision shall be sent to the secretariat during such period as the secretariat may prescribe, provided that such period is no less than two weeks.

58. At the expiration of the period prescribed for comments, the decision shall be approved unless there is an objection. If a proposed decision has financial implications, approval of the decision will require replies from at least two-thirds of the members. If there is an objection raised by any member to any proposed decision that cannot be resolved, the Chair shall include consideration of the proposed decision as an item on the agenda for the next meeting.

59. Any intersessional decision shall be deemed to have been taken at the headquarters of the UNFCCC secretariat. The secretariat shall inform members and alternates about the decision and post all intersessional decisions on the Adaptation Fund website.

[...]

55. The secretariat posts both intersessional documents and decisions on the Fund's public website. The intersessional decisions typically deal with intersessional project review and requests of project extension from implementing entities. The Board has already enabled civil society engagement by calling for public comments on intersessional project proposals. If the Board would solicit inputs for other agenda items, it would have implications on the length of the decision-making process, to accommodate civil society inputs for relatively straight-forward agenda items that require to take the formal intersessional procedure for the Board approval.

56. Currently, calling for public comments on Board meeting documents, including those to be discussed during the Board meetings, has been done in an ad hoc manner, for instance, in relation to the Medium-term Strategy and the Gender Policy. Civil society engagement in intersessional Board agenda should be in line with that of the Board meeting documents. Therefore, the Board may want to consider the practice in relation to the in-session Board documents first. Sending e-

mail notifications to the civil society could be done relatively easily whenever Board meeting documents and intersessional documents are posted on the website.

Next step

57. As listed above, options to further enhance civil society participation and engagement in the work of the Board expand to a wide range of areas. The Board may want to consider these matters and decide on a way forward, such as through the creation of a new guideline or policy on civil society engagement. This could be done, for instance, through consideration and elaboration of individual options.

Recommendation

58. The Board may wish to consider the information presented in document AFB/B.34/11 and decide:
- a) To provide the secretariat with comments on the options provided in document AFB/B.34/11 during the intersessional period between its thirty-fourth and thirty-fifth meetings; and
 - b) To request the secretariat to draft a policy on civil society engagement of the Adaptation Fund, in consultation with the AF NGO Network and consideration of the comments from the Board members, and present a document to the Board at its thirty-fifth meeting.