



ADAPTATION FUND

AFB/B.41/5
5 October 2023

Adaptation Fund Board
Forty-first meeting
Bonn, Germany, 12-13 October 2023

Agenda item 10 a)

(DRAFT) ADAPTATION FUND VISION AND GUIDELINES ON ENHANCED CIVIL SOCIETY ENGAGEMENT

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. While several aspects of the Fund's engagement with civil society have been considered best practice, 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. The Board, at its thirty-third meeting, 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. Pursuant to Decision B.33/54, the secretariat presented document AFB/B.34/11 to the Board at its thirty-fourth meeting, which contains 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, the practices of other climate funds, the observations and recommendations that had been received from the *Adaptation Fund NGO Network*¹ and their financial, operational and legal implications of the potential options. The recommendations from the Adaptation Fund NGO Network were initially conveyed to the Board during the bilateral meeting between the two parties that took place in the margin of the thirty-fourth meeting of the Board. Later, in February 2020, the Adaptation Fund NGO Network officially published the briefing paper "*AF NGO Network recommendations: Further strengthening civil society engagement in the work of the Adaptation Fund Board*"². Since then, the Board discussions on the matter have proceeded with consideration of the recommendations from the AF NGO network.

4. At the thirty-fourth meeting, the Board had a limited time to discuss the information presented in document AFB/B.34/11 and decided:

(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 present a document which compiles comments and input received from the Board to the thirty-fifth meeting of the Board for consideration.

¹ The Adaptation Fund (AF) NGO Network announced the change of its organizational name to the "Adaptation Fund (AF) Civil Society Network", through its [Draft Governance Arrangements](#) issued on 19 October 2021.

² <https://www.af-network.org/5453>

(Decision B.34/51)

5. Pursuant to Decision B.34/51, the secretariat prepared and circulated a survey on the subject matter to the Board during the intersessional period between its thirty-fourth and thirty-fifth meetings and prepared a document containing a compilation of responses and comments collected by the survey. Due to the limited time to exchange on other complex topics in Board meetings organized virtually during the COVID-19 pandemic, this agenda item was not taken up at the first and second sessions of the thirty-fifth meeting of the Board and was presented at the thirty-sixth meeting instead.

6. At its thirty-sixth meeting, the Board discussed the initial survey results presented in document AFB/B.36/7 and decided to request the secretariat:

- (a) *To resubmit the initial survey including the updated questions among the Board members and alternates, during the intersessional period between its thirty-sixth and thirty-seventh meetings, which reflect the Board's discussions held at its thirty-sixth meeting, including on the need of defining civil society organizations;*
- (b) *To conduct a study on the need for a policy for civil society engagement with the Adaptation Fund, taking into account the practices and policies of other climate funds;*
- (c) *To present a document containing the outcome of the work as referred to in subparagraphs (a) and (b) above for the Board's consideration at its thirty-seventh meeting.*

(Decision B.36/44)

7. Pursuant to Decision B.36/44, the secretariat circulated the second round of the survey on the subject matter to the Board during the intersessional period between its thirty-sixth and thirty-seventh meetings and also conducted the study on the need for a policy for civil society engagement with the Fund. At the thirty-seventh meeting of the Board, the secretariat presented the results and analysis of the second round of the Board survey and the study on the need for a policy for civil society engagement with the Fund, taking into account the practices and policies of other climate funds.

8. At its thirty-seventh meeting, the Board considered options to further enhance civil society participation and engagement based on the results of the Board survey and the study on the need for a policy for civil society engagement presented in document AFB/B.37/8 and decided:

- (a) *To request the secretariat, with a view to enhancing the Adaptation Fund's collaboration with civil society:*
 - (i) *To continue engaging with civil society and other stakeholders for their active contribution to the process of reviewing the existing and emerging policies and procedures of the Adaptation Fund (the Fund);*

- (ii) *To create a dedicated section on the Fund's website related to the Fund's engagement with stakeholders, including civil society, and update it as the discussions on stakeholder engagement evolve;*
 - (iii) *To invite civil society members to the Fund's readiness workshops and webinars and consider organizing a session dedicated to civil society engagement, as appropriate and within budget;*
- (b) *To request the secretariat to prepare a draft outline of a policy or guidelines on civil society engagement, taking into account the findings of the survey results and the study on the need for the policy, as contained in document AFB/B.37/8, as well as the Board's discussions at its thirty-seventh meeting, and to present it for the Board's consideration at its thirty-eighth meeting.*

(Decision B.37/42)

9. Pursuant to Decision B.37/42, the secretariat prepared the draft outline of guidelines on civil society engagement considering items recommended by the AF Civil Society Network that received majority support and divided opinions in the Board survey and are implementable without amending the Rules of Procedure. The secretariat also included in document AFB/B.39/8 items recommended by the AF Civil Society Network that received majority opposition and divided opinions in the Board survey, and/or are not implementable without amending the Rules of Procedure.

10. At its thirty-ninth meeting, the Board considered the draft outline of guidelines and other information presented in document AFB/B.39/8 and decided to request the secretariat:

- (a) *To prepare a draft Adaptation Fund vision and guidelines for enhanced civil society engagement, based on the draft outline presented in table 1 of document AFB/B.39/8 and reflecting the discussion at the thirty-ninth meeting of the Board;*
- (b) *To compile any remaining elements recommended by the Adaptation Fund Civil Society Network that were not included in the draft outline referred to in subparagraph (a) above and their potential implications, for further discussion;*
- (c) *To present the documents referred to in paragraphs (a) and (b) above for the Board's consideration at its fortieth meeting.*

(Decision B.39/64)

11. Pursuant to Decision B.39/64, the secretariat presented the draft *Adaptation Fund vision and guidelines for enhanced civil society engagement* and a compilation of remaining elements recommended by the Adaptation Fund Civil Society Network that were not yet included in the draft outline of guidelines.

12. At its fortieth meeting, the Board considered the draft vision and guidelines, as well as the remaining elements that were not yet included in the draft outline of guidelines in document

AFB/B.40/7. During the discussion, the Board generally agreed not to include the three remaining items recommended by the Adaptation Fund Civil Society Network, namely a) establishing the Fund's own observer accreditation process, b) solicitation of stakeholder input on (re)accreditation, and c) solicitation of stakeholder input for intersessional decision-making, taking into consideration the implications that the secretariat presented in document AFB/B.40/7. The Board also agreed to continue its discussion on the option of establishing the "elected active civil society observers" as part of the draft vision and guidelines in its subsequent meetings.

13. Following the discussion, the Board decided to request the secretariat:

- (a) *To update the draft Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement set out in annex 1 to document AFB/B.40/7, based on the discussion at the fortieth meeting of the Board, including discussion of the remaining items recommended by the Adaptation Fund Civil Society Network;*
- (b) *To prepare a draft guideline to establish the "elected active civil society observer" status, taking into account practices of other climate funds;*
- (c) *To submit the documents mentioned in subparagraphs (a) and (b) to the Board for consideration at its forty-first meeting.*

(Decision B.40/75)

14. Pursuant to Decision B.40/75, the secretariat prepared the updated draft *Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement* (Annex to this document), and the draft *guidelines for participation of active civil society observers* (Annex I of document B.41/5/Add.1). The Board is invited to consider these documents at its forty-first meeting.

Next steps

15. The Board may wish to consider the *Guidelines for Participation of Active Civil Society Observers* with a view to potentially adopting both the 1) *Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement* and 2) *Guidelines for Participation of Active Civil Society Observers* at this meeting. However, some further preparatory work will be needed for those guidelines to become effective, including budget allocations, revision of project proposal templates, and a selection process for active civil society observers to be established by civil society.

16. The recommendation to the Board as indicated in paragraph 17 is prepared taking into account the time needed for the above-mentioned preparatory work and with a view for the guidelines to enter into force on 1 July 2024 or fiscal year 2024. Should the Board not reach a consensus on the contents of the *Guidelines for Participation of Active Civil Society Observers* at this meeting, the recommendation will need to be revised accordingly.

Recommendation

17. Having considered the information contained in document AFB/B.41/5 and AFB/B.41/5/Add.1, the Adaptation Fund Board (the Board) decides:

- (a) To request the secretariat:
 - (i) To update the draft *Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement* contained in the Annex to document AFB/B.41/5 and the draft *Guidelines for Participation of Active Civil Society Observers* contained in Annex I to document AFB/B.41/5/Add.1, considering the Board's discussions held at its forty-first meeting;
 - (ii) To make necessary arrangements needed for the adoption and implementation of the *Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement* and *Guidelines for Participation of Active Civil Society Observers*, including budget allocation for fiscal year 2025, and revision of project proposal templates;
 - (iii) To present (i) and the status of (ii) at the forty-second meeting of the Board for its consideration.
- (b) To invite the Adaptation Fund Civil Society Network to establish a self-managed selection process for active civil society observers and present it to the Board for their information at the forty-second meeting.

Annex

(Draft) Adaptation Fund Vision and Guidelines for Enhanced Civil Society Engagement

*New elements are presented in blue. Others are existing policies.

Overview

1. This document outlines a vision and guidelines for enhanced civil society engagement for the Adaptation Fund (the Fund) based on the Fund's mandate and existing policies and practices, including the Fund's Operational Policies and Guidelines, and in line with the Fund's overall strategic vision, as outlined in the Medium-Term Strategy (2023-2027) and other relevant strategies.

2. **Mandate:** The Adaptation Fund's mandate is to assist developing country Parties to the Kyoto Protocol and/or the Paris Agreement that are particularly vulnerable to the adverse effects of climate change in meeting the costs of adaptation and to finance concrete adaptation projects and programmes that are country driven and based on the needs, views and priorities of eligible Parties.

3. **Mission:** Based on its mandate, the Adaptation Fund's mission under its Medium-Term Strategy (2023-2027) is to serve the Paris Agreement by accelerating effective adaptation action and efficient access to finance, including through direct access, to respond to the urgent needs and priorities of developing countries. The Fund does so by supporting country-driven adaptation projects and programmes, innovation, and learning with concrete results at the local level that can be scaled up. All of the Fund's activities are designed to promote locally based or locally led action, enhance access to climate finance and long-term institutional capacities, empower and benefit the most vulnerable people and communities as agents of change, advance gender equality, encourage and enable the scaling and replication of results, and strengthen complementarity, coherence and synergies with other adaptation funders and actors.

Vision, principles, and objectives

4. **Vision statement for civil society engagement:** The Adaptation Fund recognizes the critical role that civil society and other non-state actors play in supporting and enhancing adaptation efforts, particularly in marginalized and vulnerable communities. Effective adaptation requires active engagement with a wide range of stakeholders, including civil society, through inclusive, transparent and efficient processes to support activities that produce tangible results, foster innovation and promote knowledge sharing. Therefore, the Fund's vision is to engage civil society actors and other stakeholders in its work to achieve its mission of supporting concrete adaptation projects and programmes in developing countries and its mission of accelerating effective adaptation action and efficient access to finance, including through direct access.

5. Principles: Civil society actors are key partners of the Adaptation Fund at all levels of the Fund's decision-making and operations. This includes the participation of civil society representatives as observers in Board meetings, the contribution of civil society actors to the development of Fund-level policies, strategies, and resource mobilization, and the inclusive participation of civil society and other stakeholders as part of stakeholder consultations in the AF project lifecycle from planning and implementation to evaluation and learning. The Fund's policies and practices for engaging civil society reflect a commitment to meaningful participation, inclusiveness, transparency, accountability, respect for human rights, gender mainstreaming, and a focus on the most vulnerable communities and groups as agents of change. The Fund seeks to engage with a broad range of civil society organizations, and to ensure that diverse perspectives and priorities are reflected in its decision-making and operational processes.

6. Objectives: With these vision and guidelines, the Fund aims to take actions to further enhance collaboration with not only civil society but also wide stakeholders, such as the private sector, by building on the Fund's existing policies and practices. The objective of the vision and guidelines for civil society engagement is to:

- (a) set a clear vision and reinforce the Fund's continued commitment to civil society engagement;
- (b) streamline in a consistent and comprehensive manner the existing policies and practices together and add new elements that are decided by the Board based on the recommendations by civil society and other stakeholders;
- (c) increase the visibility and communication of the Fund's commitment and practices on civil society engagement;
- (d) provide the possibility to review and update the Fund's policies and practices on civil society engagement when needs arise to stay aligned with international best practices; and
- (e) further define civil society in the work of the Fund.

Definition of civil society

7. In the work of the Adaptation Fund, civil society refers to a diverse set of actors that includes non-governmental organizations (NGOs), community-based organizations (CBOs), research and academic organizations, women's groups, indigenous peoples' organizations, and other non-state actors. These organizations may be local, national, regional, or international in scope. In line with the Fund's Rules of Procedure, those civil society organizations that are UNFCCC accredited observers can attend meetings of the Board as observers.

8. While the private sector can play a role in financing and implementing climate adaptation projects, it is not typically considered to be part of civil society. The private sector can engage with and support civil society organizations in their efforts to address climate change, and partnerships between the private sector and civil society can be an effective way to mobilize resources and build capacities for adaptation.

9. The Fund's Operational Policies and Guidelines distinguishes the types of organizations that can implement and execute projects with funding from the Fund, as implementing entities and executing entities, respectively. It is important to note that while civil society organizations can become accredited as implementing entities and/or involved in the execution of projects and programmes as executing entities, taking either of those two roles comes to prevail in how the Fund defines its relationship with them, and such organization is not considered to represent civil society during their engagement in either role.

Engaging for active contribution of civil society and other stakeholders, including private sector

10. With a view to enhancing the Fund's collaboration with civil society, the Fund will continue engaging with civil society and other stakeholders for their active contribution to such as the process of reviewing the existing and emerging policies and procedures of the Fund.³

Civil society engagement in Board meetings

Observer participation in Board meetings

9. Unless the Board decides otherwise in accordance with paragraph 20 of [Rules of Procedure \(the RoP\)](#), meetings shall be open to members, alternates and observers as referred to in paragraphs 31–32 of the RoP. Observers refer to, except where otherwise decided by the Board, to representatives of UNFCCC Parties, the UNFCCC secretariat and UNFCCC accredited observers.⁴ Observers shall inform the secretariat of the composition of their delegation four weeks prior to the first day of any scheduled meeting⁵. Such observers may attend without the right to vote.⁶

10. 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.⁷

11. 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.⁸ 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.⁹

Active civil society observers

³ Decision B.37/42

⁴ Rules of Procedure of the Adaptation Fund Board (RoP), para. 31.

⁵ RoP, para. 19.

⁶ RoP, para. 31.

⁷ RoP, para. 32

⁸ RoP, para. 34

⁹ RoP, para. 35

12. Active civil society observers will be invited by the Board to participate in proceedings of the Board meetings to represent the views of civil society on matters under consideration by the Board.

13. The active civil society observers shall participate in proceedings of the Board meetings in accordance with the “*Guidelines on Participation of Active Observers in the Adaptation Fund Board Meetings*”.

Dialogue with civil society

14. The Board organizes a dialogue with civil society at every Board meeting as a standing agenda unless there is a compelling reason not to do so.

15. Representatives of civil society propose an agenda of the dialogue to the secretariat prior to the Board meeting. Representatives of civil society coordinates speakers and resource persons for the session and their participation in the session during the Board meeting.

Transparency of Board proceedings

16. The secretariat shall make the necessary arrangements for the meetings of the Board, including ensuring that announcements of the meetings are posted on the Adaptation Fund and UNFCCC websites, issuing invitations, preparing meeting documents and the final report, which will include decisions of the meeting, and shall post all documents on the website of the Adaptation Fund.¹⁰

17. Any written records of the Board or recordings of proceedings shall be kept by the secretariat on behalf of the Board in accordance with paragraph 17 (c) and applicable rules and regulations. The secretariat shall make available to any Board member or alternate, at his or her request, copies of any records or recordings kept by the secretariat on behalf of the Board.¹¹

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

18. The secretariat makes available to observers a webcast of open sessions for the Board proceedings and archive the recorded proceedings on a web-based platform.

Closed meetings

19. The Fund is committed to open access to information, and the Fund’s Board overall approach is therefore to disclose information unless there is a compelling reason for confidentiality.¹² Five main criteria for exclusion from information disclosure is as specified in paragraphs 3, 6-10 of the Fund’s Open Information Policy.

¹⁰ RoP, para. 17 (a)

¹¹ RoP, para. 25

¹² Open Information Policy, para. 1 and 2

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 of the RoP to attend such meetings.¹³

Disclosure of reasons for closed sessions

21. The Board shall disclose reasons for closed session to observers explicitly to help observers better understand the rationale behind the need of the closed session and reaffirm the need.

Participation in other decision-making processes of the Board

Intersessional decisions

22. 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.¹⁴

23. 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.¹⁵

24. 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.¹⁶

25. 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.¹⁷

Civil society engagement in development of the Fund's policies

26. All policy documents and guidelines under Board discussions should be published on the website for public comments, and the Board should consider the public comments before adopting such policies and guidelines.

¹³ RoP, para. 20

¹⁴ RoP, para. 56

¹⁵ RoP, para. 57

¹⁶ RoP, para. 58

¹⁷ RoP, para. 59

Civil society engagement in the design and implementation of the Fund's projects and programmes

27. All projects/programmes supported by the Fund have to comply with the Fund's Environmental and Social Policy (ESP) and Gender Policy (GP), which provide a framework for engaging civil society and other stakeholders in the design, implementation and monitoring and evaluation of AF-funded projects.

28. All project proposals submitted will be posted on the website of the Adaptation Fund. The Secretariat will provide facilities that will enable interested stakeholders to publicly submit comments about proposals.¹⁸

29. Members of civil society can submit comments about the submitted proposals and the Fund's projects and programmes under implementation in line with the *Operational Policies and Guidelines (OPG)*, *Environmental and Social Policy (ESP)* and *Gender Policy (GP)*.

Summary of project proposals

30. The project/programme proponent submits a concept/fully-developed document based on a template approved by the Board.¹⁹

31. In the concept and fully-developed document, the project/programme proponent should include a summary of the project proposal in the respective countries' official languages spoken in the geographic area where project activities are undertaken or where their impacts are experienced, for wider dissemination of the information to local communities and stakeholders.

Innovation facility

32. The Adaptation Fund Climate Innovation Accelerator, or AFCIA, aims to foster innovation in climate change adaptation in developing countries. The programme targets a broad range of potential finance recipients, including governments, non-governmental organizations, community groups, entrepreneurs, young innovators, and other groups. Civil society actors are welcome to apply for this funding window.

Locally led adaptation

33. The Fund supports locally led adaptation and continues to develop further funding modalities based on its experience with the Enhanced Direct Access modality and the AFCIA window with the aim of allowing civil society actors to apply for micro-grants for locally led adaptation.

Fund's Ad Hoc Complaint Handling Mechanism (ACHM)

¹⁸ [Operational Policies and Guidelines \(OPGs\)](#), para. 85

¹⁹ OPGs, para. 47. (a)

34. Any individual, or their representative(s), living in an area where impacts of a Fund supported project may occur, can bring a written complaint forward to the secretariat.²⁰

35. Members of civil society can submit a complaint against projects and programmes funded by the Fund following the ACHM.

Civil society engagement in the Fund's readiness activities

36. The Fund should invite members of civil society to the Fund's readiness workshops and webinars and consider organizing a session dedicated to civil society engagement as appropriate and within budget.²¹

Enhanced communication

Civil society on the Fund's website

37. The Fund website will have a dedicated section on the Fund's website related to the Fund's engagement with stakeholders, including civil society, and update it as the discussions on stakeholder engagement evolve.²²

Provision of country-specific information on the Fund's website

38. The website is to be user-friendly and abreast with the needs of users including civil society. The usability of the Fund's website will be reviewed periodically for improvement, including the form of the information dissemination concerning the country-driven process.

²⁰ [Ad hoc complain handling mechanism \(ACHM\)](#), para. 20

²¹ Decision B.37/42

²² Decision B.37/42