OBSEVERS AND THE GREEN CLIMATE FUND

Submission in response to the initial consultation by the Interim Secretariat of the GCF on observer participation in the proceedings of the Board of the GCF

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We would like to thank the Interim Secretariat to the Green Climate Fund for the opportunity to participate in this initial survey on observer participation in the proceedings of the GCFB.

We appreciate that the issues raised in the survey are about the role of ‘observers participation in the proceedings of the Board of the GCF’, but we also feel the need to emphasize that there must be more to civil society participation in the running of the GCF than serving as observers to the Board. We hope that the process put in place for the former will not prejudge and limit civil society participation in the overall functioning of the GCF, once it is up and running, as the functions are likely to vary considerably.

Observers can be helpful to efficacy of the GCF in a number of different ways. For example, they can help increase the transparency of the Funds proceedings, they can provide expertise, they can help the Board in obtaining feedback on the performance of the Fund, indeed they could be used as part of a complaints mechanism etc.

Each of these functions may require different (complementary) forms of engagement. Transparency, say, can be increased through simply allowing observers to be present at the meeting, as well as observe virtually through the use of webcasting. Other functions may be better served through more active involvement, as for example through the use of ‘active’ observers. However, to achieve the maximum benefit of such engagement, they must have representative legitimacy from their ‘constituency’, in particular for the stakeholder groups that will be the ultimate target of the GCF, and be most affected by its activities.

We believe that in the current design phase, the GCF Board ought to launch an in-depth consultation on the modalities for civil society participation in the functioning of the Board and the activities of the GCF, once it is fully operational, when civil society engagement will need to go deeper than just observers or even active observers, to ensure that their strengths are fully taken on board in tackling climate change.

There is, at present, no fully satisfactory model for ensuring effective civil society participation, although past experiences have contributed to a much better understanding of what is needed in future. For instance, we have published a number of papers addressing it in the context of the
UNFCCC negotiations,\(^1\) the involvement of civil society in the governance of the financial mechanism,\(^2\) in general, and the GCF in particular.\(^3\)

The issues circulated for initial consultation are essentially about the *form* of observer participation, and as such, we believe, cannot sensibly be answered in the absence of some further clarity about the *functions* that GCF observers are meant to have. This, we believe, should be the first objective of the in-depth consultation. For the initial participation of observers in the GCF Board meetings, we propose the following interim arrangement:

- Adopt the modalities for *ordinary observers* from the *Adaptation Fund Board*, including the accreditation procedure, the admittance of observers to the Board room (with overflow facilities), the modalities for closed session proceedings, and the webcasting of proceedings.
- Use the procedural rules of the *Climate Investment Funds* for *active observers*, with the exception of their selection, which for the interim period should be carried out at the beginning of each meeting by the observers present at the meeting.

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Observer participation in the proceedings of the Board of the Green Climate Fund

Issues for initial consultation

A. Background

Responding to the request from the Conference of the Parties at its seventeenth session in Durban, the UNFCCC secretariat and the GEF secretariat have taken the necessary administrative steps to set up the interim secretariat of the Green Climate Fund as an autonomous unit within the UNFCCC secretariat premises so that the interim secretariat can provide technical, administrative and logistical support to the Board until the independent secretariat of the Green Climate Fund is established.

Through decision 3.CP/17, Parties have requested the interim secretariat to make arrangements for convening the first meeting of the Board of the GCF by 30 April 2012. The interim secretariat is making logistical and substantive preparations for the same.

B. Observer participation in the proceedings of the Board

Governments have placed high importance on the participation of observers in operationalizing the GCF. The substantive contribution of observers to the work of the Transitional Committee added great value to the successful conclusion of the design process. As the GCF now enters into a new phase, the participation of the observers is even more valuable.

The Governing Instrument for the GCF calls upon the Board to make arrangements, including developing and operating accreditation processes, to allow for effective participation by accredited observers in its meetings. It also requests the Board to invite the participation 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.

The Board at its first meeting is expected to consider a proposal on modalities for observer participation and provide guidance on specific procedures for effective participation of observers, including active observers.

For participation of observers in the First Board meeting, the interim secretariat would make tentative arrangements building on the practise of observer participation during the work of the Transitional Committee and guidance from the Governing Instrument for the GCF.

C. Issues for consultations with observers

In order to effectively support the Board, the interim secretariat is reaching out to observers for initial consultation on the broad modalities of observer participation in the work of the Board. In addition, as provided in the Governing Instrument of the GCF, the Board will 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 GCF. The interim secretariat of the GCF is utilizing existing networks of UNFCCC and GEF observers for initial consultations. A timely response to the issues outlined below could inform the Board of the views of observers on modalities of effective participation in the proceedings of the Board.

1. Guidelines for accreditation of observers

What are the key elements of the processes and guidelines for accreditation of observers for the GCF?

2. Active observers
a) What should be the modalities of participation of active observers in the Board meetings?
b) What should be the roles and responsibilities of the active observers towards their respective constituencies?
c) What should be the selection procedure for active observers, both for civil society and private sector?
d) What could be the general parameters and criteria for the selection of active observers?
e) Would a “self-selection process” be a preferred mechanism for the selection of active observers?
f) What should be the terms of active observers?
g) Should there be a provision for alternates for active observers?
h) Would Civil Society Organizations (CSO) be in a position to provisionally identify two active observers for the First Board meeting?
i) How can the selected active observers ensure equitable representation of various voices from the diverse CSO community?

3. Consultation with the GCF Board
   a) Would provisions for consultations with the Board prior to Board meetings be useful?
   b) What should be the mode and duration of any pre-meeting consultations?
   c) Would an annual forum for consultations be a useful platform for consultations? Any other ideas for the modalities of consultation?
   d) How should the contributions from the broader civil society be channelled to the Board in between its meetings?
   e) What should be the mechanism for submission of views?

4. Availability of relevant information and documents
   a) What is the reasonable timeline for receiving documents for effective consultation before each Board meeting?
   b) What are the useful and equitable modes of dissemination of information?

5. Support for observer participation

   What kind of institutional and financial support is needed from the GCF for substantive participation and effective representation of observers and how should such funds be raised?

6. Measuring the level of observer involvement in proceedings of the Board

   Should there be specific indicators to measure the level of observer participation in proceedings of the Board? What could these indicators be?

Note: In order to ensure timely preparation of the proposed document for the first meeting of the Board, please submit your responses by 20 March 2012 to: GCF-IntSec@unfccc.int.