



ADAPTATION FUND

AFB/B.37/9  
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Adaptation Fund Board  
Thirty-seventh meeting  
Bonn, Germany (virtual), 19-21 October 2021

Agenda item 12 c)

## **OPTIONS TO ADDRESS THE ISSUE OF AN ABSENCE OF A QUORUM**

## Background

1. Regarding a quorum, the *Rules of Procedure of the Adaptation Fund Board* (the Board) stipulate that: “[a] simple majority of the members of the Board must be present at a meeting to constitute a quorum. A quorum shall be verified by the Chair at the beginning of the meeting and at the time of the adoption of the decision” (paragraph 23 of Section VI (Meetings)); “[b]efore the end of each meeting, the Chair shall present a draft report of the meeting, containing draft conclusions and decisions of the meeting, for consideration and approval by the Board. The Chair shall ascertain the existence of a quorum before adopting the draft report of the meeting on the understanding that the Chair will finalize the text, taking into account the amendments proposed during the meeting” (paragraph 24 of Section VI); and “[a]fter ascertaining the existence of a quorum, the Chair shall announce the start of voting, after which no one shall be permitted to intervene until the results of the vote have been announced, unless an issue is raised in connection with the process of voting (paragraph 48 of the Section XIII” (Decision-Making and Voting)).

2. Regarding the Committees, the Fund’s *General Guidelines for Committees* stipulates that “[t]he Committee shall be bound by their terms of reference as adopted by the Board, and these General Guidelines” (paragraph 9 of Section IV (Operating procedures)); “[t]he Rules of Procedure of the Adaptation Fund Board (the Rules of Procedure) shall apply *mutatis mutandi* to the meetings of the Committees” (paragraph 10 of Section IV); and “[t]he Committees shall convene their meetings as decided by the Board, and shall meet simultaneously and back to back to the Board meetings” (paragraph 11 of Section IV).

3. At the thirty-third meeting of the Board the Chair of the Project and Programme Review Committee (PPRC) reported to the Board, during the Report of the twenty-fourth meeting of PPRC that one Board member who is the member of the Ethics and Finance Committee (EFC) joined the PPRC to ensure the quorum is established.<sup>1</sup> In response to query about how the rules on quorum affected the work of the Board’s committees, the manager of the secretariat explained that the Board’s rules of procedure applied to its committees as well.

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

- a) *To explore options to address the issue of an absence of a quorum, including other climate funds’ relevant practices; and*
- b) *To present a document which contains an analysis of the explored options to the Board for consideration at its thirty-fourth meeting.*

*(Decision B.33/55)*

5. This document was prepared in accordance with decision B.33/55 to present for the Board’s consideration at its thirty-fourth meeting as document AFB/B.34/12 but owing to the lack

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<sup>1</sup> Document AFB/B.33/15, paragraph 38.

of time, the Board did not consider it at that meeting. The item was also not included in the agenda of the thirty-fifth or thirty-sixth meetings, due to the limited time available during those meetings held in virtual format. It has been updated to reflect updates on relevant development in other climate funds. This revised document presents potential options for the Board to address the issue of an absence of a quorum, including other climate funds' relevant practices.

### **Relevant practices of other climate funds**

6. The secretariat undertook a comparative analysis of practices related to quorum of other climate funds, namely the Global Environment Facility (GEF), Green Climate Fund (GCF) and the Climate Investment Funds (CIFs).

#### Global Environment Facility (GEF)

7. *The Instrument for the Establishment of the Restructured Global Environment Facility* (GEF), adopted in March 2015, provides for the Council to be responsible for developing, adopting and evaluating the operational policies and programs for GEF-financed activities. Pursuant to paragraph 17 of the Instrument, “[t]wo-thirds of the Members of the Council shall constitute a quorum.” It also stipulates that the Council “shall consist of 32 Members, [...]. There shall be an equal number of Alternate Members. [...] The Alternate Member shall have full power to act for the absent Member” (paragraph 16).

8. *The Rules of Procedure for the GEF Council*, as adopted in October 2007, state that “[i]n the event that both a Member and his/her Alternate are unable to attend a Council meeting, the Member may designate a temporary Alternate to act for him/her” (paragraph 3), and that “[e]xcept as may be expressly provided otherwise in these rules, any reference in these rules to a Member shall be deemed to include his/her Alternate or temporary Alternate when such Alternate acts for such Member” (paragraph 4).

9. To date, the GEF has not experienced any cases of absence of a quorum in GEF Council meetings. The GEF Council does not make use of Board committees or groups that would be subject to rules related to quorum.<sup>2</sup>

#### Green Climate Fund (GCF)

10. *The Governing Instrument for the Green Climate Fund* (GCF)<sup>3</sup>, approved by the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in December 2011, stipulates that “[a] two-thirds majority of Board members must be present at a meeting to constitute a quorum” (paragraph 15). Regarding the composition of the

<sup>2</sup> Email exchange with GEF secretariat representative.

<sup>3</sup> Available at [https://www.greenclimate.fund/documents/20182/1246728/Governing\\_Instrument.pdf/caa6ce45-cd54-4ab0-9e37-fb637a9c6235](https://www.greenclimate.fund/documents/20182/1246728/Governing_Instrument.pdf/caa6ce45-cd54-4ab0-9e37-fb637a9c6235).

Board, the Governing Instrument provides that “[t]he Board will have 24 members, [...]. Each Board member will have an alternate member, with alternate members entitled to participate in the meetings of the Board only through the principal member, without the right to vote, unless they are serving as the member. During the absence of the member from all or part of a meeting of the Board, his or her alternate will serve as the member (paragraphs 9 – 10).

11. The GCF’s *Additional Rules of Procedure of the Board*, adopted in March 2013 and amended in March 2016, further define that “[t]he existence of a quorum will be verified by the Co-Chairs at the beginning of the meeting and at the time of the adoption of any decision at the meeting, as well as at the time of adoption of the meeting report, and at the request of a Board member” (paragraph 27). These rules of procedure also apply to committees and subcommittees, panels and working groups established by the Board (paragraph 1).<sup>4</sup>

12. During GCF Board meetings, the provision that alternate members during the absence of the member from all or part of a Board meeting serve as the member with the right to vote help the Board “secure and maintain the two-thirds majority for quorum during Board meetings. The possibility of challenges in achieving quorum arise particularly when the meetings continue beyond the expected end time, however due to the presence of the alternates the GCF has been able to maintain quorum so far.”<sup>5</sup>

13. With regard to GCF Board committees, the GCF’s *General guidelines for the operation of Board committees* also specify that “a two-thirds majority of committee members must be present at a committee meeting to constitute a quorum. The existence of a quorum will be verified by the committee Chair at the beginning of the meeting and at the time of the adoption of any committee meeting report or other record of the committee meeting.”<sup>6</sup>

14. As an outcome of the GCF Board’s review of its committees, panels and group review report of committees, the GCF Board, in decision B.25/03 paragraph (e), requested the Co-Chairs to present updated general guidelines for committees and panels for consideration by the Board. The document GCF/B.29/09/Rev.01 “*Updated guidelines for the operation of Board committees*”<sup>7</sup> has been presented but not yet considered by the Board. In the updated guidelines, “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 in no more than one standing Committee at a time. The application of paragraph 5 of the Rules of Procedure [on the replacement of Board members within a term] 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” (paragraph 11 (d)).

<sup>4</sup> For committees, panels and groups, see paragraphs 30-32 of the Additional Rules of Procedure of the GCF which is available at [https://www.greencclimate.fund/documents/20182/1246728/Rules\\_of\\_Procedure.pdf/9d55fae7-f4df-45fe-a3f3-754bc0d98e67](https://www.greencclimate.fund/documents/20182/1246728/Rules_of_Procedure.pdf/9d55fae7-f4df-45fe-a3f3-754bc0d98e67).

<sup>5</sup> Email exchange with GCF secretariat representative.

<sup>6</sup> [https://www.greencclimate.fund/documents/20182/24937/GCF\\_B.05\\_12\\_-\\_General\\_Guidelines\\_for\\_Committees\\_and\\_Panels.pdf/fb148200-16ee-440e-86fb-c9729adeb575](https://www.greencclimate.fund/documents/20182/24937/GCF_B.05_12_-_General_Guidelines_for_Committees_and_Panels.pdf/fb148200-16ee-440e-86fb-c9729adeb575)

<sup>7</sup> <https://www.greencclimate.fund/sites/default/files/document/gcf-b29-09-rev01.pdf>

15. In its Reports from committees, panels and groups, several committees, including the accreditation committee, ethics and audit committee and budget committee, have reported to the Board cases of lack of a quorum preventing the convening of formal meetings. In this context, it must be noted that GCF Board committees also meet intersessionally via teleconferences. Various practices have been used at the discretion of the relevant committee chair, with the common practice being to postpone the formal meeting and/or the decision-making until quorum. This includes holding informal sessions, while ensuring that no decisions/recommendations are taken in the absence of quorum.<sup>8</sup> For example, the Ethics and Audit Committee reported to the 10<sup>th</sup> and 11<sup>th</sup> Board meetings that one or more of its meetings “were deemed informal due to lack of quorum. Absent Members were represented most of times by Advisors.”<sup>9</sup> The Budget Committee reported to the 18<sup>th</sup> Board meeting that due to the need for quorum, the finalization of the discussion on the proposed budget increase was postponed to a later date, while further information on the issue were provided by the Secretariat in the meantime.<sup>10</sup> In 2020, the Accreditation Committee reported that “three virtual meetings were cancelled in the beginning of the year due to a lack of quorum and without a new AC-chair being selected. Communication among AC members on accreditation matters also took place via email.”<sup>11</sup>

#### Climate Investment Funds (CIFs)

16. The two trust funds that comprise the CIF: the Clean Technology Fund (CTF) established under the framework of the CIF and Strategic Climate Fund (SCF) established in accordance with, and for the purpose set forth in, the SCF Governance Framework Document, which are governed by the SCT Trust Fund Committee<sup>12</sup> and the CTF Trust Fund Committee, respectively that oversees and decides on operations and activities. Pursuant to paragraphs 19 and 20 of the CTF *Governance Framework Document*<sup>13</sup> and paragraphs 14 and 15 of the SCF *Governance Framework Document*<sup>14</sup>, the Committees each consist of eight representatives from contributor countries and eight representatives from eligible recipient countries, which will be the decision-making Members.

17. The CTF *Rules of Procedure for Meetings of the Trust Fund Committee* (adopted in November 2008 and amended in November 2011) and SCF *Rules of Procedure for Meetings of*

<sup>8</sup> Email exchange with GCF secretariat representative.

<sup>9</sup> [https://www.greenclimate.fund/documents/20182/87610/GCF\\_B.11\\_INF.04\\_ADD.01\\_-\\_Reports\\_from\\_committees\\_and\\_panels\\_of\\_the\\_Board\\_of\\_the\\_Green\\_Climate\\_Fund\\_Addendum.pdf/95987a63-d78d-4871-afca-dafa6a009db8](https://www.greenclimate.fund/documents/20182/87610/GCF_B.11_INF.04_ADD.01_-_Reports_from_committees_and_panels_of_the_Board_of_the_Green_Climate_Fund_Addendum.pdf/95987a63-d78d-4871-afca-dafa6a009db8)

<sup>10</sup> [https://www.greenclimate.fund/documents/20182/820027/GCF\\_B.18\\_Inf.02\\_Add.02\\_-\\_Reports\\_from\\_committees\\_panels\\_and\\_groups\\_of\\_the\\_Board\\_of\\_the\\_Green\\_Climate\\_Fund\\_-\\_Addendum\\_II.pdf/082fd21f-0a6a-49d7-9d01-8ac2b4ea63b0](https://www.greenclimate.fund/documents/20182/820027/GCF_B.18_Inf.02_Add.02_-_Reports_from_committees_panels_and_groups_of_the_Board_of_the_Green_Climate_Fund_-_Addendum_II.pdf/082fd21f-0a6a-49d7-9d01-8ac2b4ea63b0)

<sup>11</sup> <https://www.greenclimate.fund/sites/default/files/document/gcf-b27-inf11.pdf>

<sup>12</sup> SCF Trust Fund Committee is the trust fund committee of the SCF, established in accordance with paragraphs 14 through 25 of the SCF Governance Framework Document. Rules of Procedure for Meetings of the Trust Fund Committee of the Strategic Climate Fund, paragraph 2.

<sup>13</sup> Available at [https://www.climateinvestmentfunds.org/sites/cif\\_enc/files/meeting-documents/ctf\\_governance\\_framework\\_revised\\_2014\\_0.pdf](https://www.climateinvestmentfunds.org/sites/cif_enc/files/meeting-documents/ctf_governance_framework_revised_2014_0.pdf)

<sup>14</sup> [https://www.climateinvestmentfunds.org/sites/cif\\_enc/files/meeting-documents/scf\\_governance\\_framework-final.pdf](https://www.climateinvestmentfunds.org/sites/cif_enc/files/meeting-documents/scf_governance_framework-final.pdf).

*the Trust Fund Committee* (adopted in November 2008 and amended in June 2014) establish that “[a] quorum for any Meeting shall be two-thirds of Decision-Making Members. A quorum shall be verified by the Secretary at the beginning of the Meeting and at the time of the adoption of the decision. Any Meeting at which a quorum shall not be present may be adjourned from time to time by the Co-Chairs. Notice of any such adjourned Meeting need not be given” (paragraphs 16 – 17 and 17 – 18 respectively).

18. The CTF/ SCF’s *Rules of Procedure for Meetings of the Trust Fund Committee* also provide that “[a]ny Member may appoint its Alternate, if such Member is temporarily not reasonably able to attend any Meeting or to perform any other functions as Member, including due to its service as a Co-Chair under paragraphs 24 and 25/ 25 and 26 below. Except as otherwise expressly provided in these Rules, any reference in these Rules to a Member shall be deemed to include his/her Alternate when such Alternate acts for such Member” (paragraph 12).

#### Practices of other international organizations

19. The *Oxford Encyclopedia of Public International Law* provides the following on quorum in international organizations: “In order to be able to take decisions, all international organizations require that at least a certain minimum of the members, called the quorum, is present before an organ can lawfully meet. Usually, registration at a session is enough for the quorum. It is not necessary that the quorum is actually present at each meeting, nor at each voting. Otherwise, a small number of members could block decision-making by leaving the conference hall when there are only a few members more than the required quorum. In the UN General Assembly, the quorum of half of the membership led to considerable delays as many Member States come late. Therefore, it was decided in 1971 that meetings can start when one-third of the members is present, but no votes can be taken before the quorum of half of the membership is registered.”

20.

#### **Summary and Conclusion**

21. While the rules of quorum are largely similar in all multilateral climate funds, other features of governance and decision-making can differ. The GEF and the CIFs do not apply the use of committees to support their decision-making. The GCF as the other climate fund that has established several Board committees that meet both during and between Board meetings has also reported the lack of quorum as a challenge for the work in committees.

22. One notable difference is that the GCF Board also has alternate members that during Board meetings can act as Members in their absence to ensure and maintain quorum, as well as advisers that can participate in Board meetings, committee meetings and informal meetings to follow the proceedings. In addition, various working practices have been employed at the discretion of the relevant committee chair such as holding informal sessions and postponing formal decision-making until quorum is reached. The effectiveness of GCF Board committees has been reviewed and has noted that vacancies can impact the reaching of quorum. As a result, it is currently proposed in a GCF document to limit the participation of Board members to one

committee and to reduce vacancies in committees by applying the relevant rules of procedure for replacing Board members within a term.

23. Other UN bodies have changed their rules on quorum to allow formal meetings to start with a lower number of members in order to avoid the hold up of meetings due to delay of their members, while the formal decision-making still requires the full quorum.

24. Current practices of the Adaptation Fund seem to be aligned with those of other climate funds and UN bodies. The continuation of such practices, when necessary and relevant, would not require a revision of the AF Board's *Rules of Procedure* and/or *General Guidelines for Committees* nor an explicit Board decision.

### **Next step**

25. The Board may wish to consider the information presented in this document and decide on any necessary action to be taken.