

Adaptation Fund Board
Forty-fourth meeting
Bonn, Germany

Enhancing Civil Society Engagement and Options for Active Civil Society Observer Status

Strategic Issues

- a) Civil society organizations (CSOs) play an important role in the success of the Adaptation Fund's governance and projects and programmes, providing a vital link to the communities and people the Fund seeks to serve, and can provide valuable insights into the project evaluative feedback loop.
- b) While the Fund's engagement with CSOs is considered best practice, a key issue is how to implement the Board's decision to establish the status of "active civil society observer to the Adaptation Fund" (Decision B.42/54).
- c) The draft Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement and update the draft Guidelines for Participation of Active Civil Society Observers presented to the Board in this board paper proposes guidelines on how to implement Decision B.42/54.

Purpose

1. This board paper presents for the Board's approval the Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement and the Guidelines for Participation of Active Civil Society Observers.

Recommended Decision

2. The Adaptation Fund Board, having considered document AFB/B.44/13, recalling its decision B.40/75 requesting the Secretariat to update the draft Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement and update the draft Guidelines for Participation of Active Civil Society Observers, decides:
 - a) To adopt the Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement contained in Annex A to document AFB/B.44/13, and requests the Secretariat to make the necessary arrangements for the implementation of the Vision and Guidelines;
 - b) To adopt the Guidelines for Participation of Active Civil Society Observers contained in Annex B to document AFB/B.44/13, as amended following the Board's discussion held at its forty-third meeting, and requests the Secretariat to make the necessary



arrangements to implement the Guidelines for Participation of Active Civil Society Observers;

- c) To invite the Adaptation Fund Civil Society Network to coordinate the establishment of a self-managed selection process for active civil society observers and present it to the Board for information at its forty-fifth meeting.

Background

3. The Board began to discuss the role and contributions of civil society organizations (CSOs) in the work of the Adaptation Fund at its 33rd meeting in March 2019, wherein it requested the Secretariat to explore with CSOs and with reference to other climate funds options to enhance CSO involvement in the work of the Fund (Decision B.33/54).
4. The Board considered such options presented by the Secretariat at its 34th meeting in October 2019, asking the Secretariat to update the options presented for further discussion at its next meeting. The Board deferred discussion on this topic to its 37th meeting in October 2021, wherein it requested the Secretariat to draft an outline of a policy on CSO engagement for discussion at its next meeting (Decision B.37/42).
5. The Board next discussed an outline of a policy on CSO engagement at its 39th meeting in October 2022, requesting further work to develop an Adaptation Fund Vision and Guidelines for enhanced CSO engagement (Decision B.39/64).
6. At its 40th meeting in March 2023, the Board requested the Secretariat to prepare draft guidelines to establish the “elected active civil society observer” status, taking into account practices of other climate funds (Decision B.40/75). At its 41st meeting in October 2023, the Board discussed both the draft Vision and Guidelines for enhanced civil society engagement and draft Guidelines for Participation of Active Civil Society Observers and decided to continue the discussion at its next meeting (Decision B.41/34).
7. At its 42nd meeting in April 2024, the Board decided to establish the status of “active civil society observer” of the Adaptation Fund, granted to elected CSO representatives of observer organizations accredited to the United Nations Framework Convention on Climate Change (UNFCCC), as well as requested the Secretariat to update both the draft Vision and Guidelines for enhanced civil society engagement and draft Guidelines for Participation of Active Civil Society Observers (Decision B.42/54).
8. The Board continued the discussions on the above-mentioned draft documents at its 43rd meeting in October 2024. During this discussion, two board members expressed they had editorial changes or other comments on the draft documents, and the Chair of the Board requested the members to send those comments to the Secretariat, which were received by email. The Board decided to continue discussion of the draft Vision and Guidelines for enhanced civil society engagement and draft Guidelines for Participation of Active Civil Society Observers at its 44th meeting. The full text of that decision is as follows:

Having considered the information contained in documents AFB/B.42/9, the Adaptation Fund Board (the Board) decided: to continue the discussion on the Adaptation Fund Vision and Guidelines on Enhanced Civil Society Engagement, as contained in annex I to document



ADAPTATION FUND

AFB/B.43/9, and the Guidelines for Participation of Active Civil Society Observers, as contained in annex II to document AFB/B.43/9, at its forty-fourth meeting.

(Decision B.43/31)

Comments Received Following the 43rd Meeting of the Board (October 2024)

9. The Secretariat received comments by email from two board members following the 43rd meeting of the Board as requested by the Chair on both the draft Vision and Guidelines on Enhanced Civil Society Engagement and draft Guidelines for Participation of Active Civil Society Observers.
10. Annex A contains the updated draft Vision and Guidelines on Enhanced Civil Society Engagement as presented to the Board at its 43rd meeting in October 2024, with the proposed edits in track change and comments from one of the Board members per the Chair's invitation.
11. Annex B contains the draft updated Guidelines for Participation of Active Civil Society Observers as presented to the Board at its 43rd meeting in October 2024 with proposed edits in track change from both Board members per the Chair's invitation.

Annex A: Draft Adaptation Fund Vision and Guidelines for Enhanced Civil Society Engagement

*New elements are presented in blue. The main text reflects and builds on existing policies and practices

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. **(From Board member: Not necessary)** ~~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 can benefit from** 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:
 - (a) Civil society actors' **views on activities of the Adaptation Fund are important are key partners in the decision-making and operations of the Adaptation Fund at various levels.** This includes:



- (i) the participation of civil society representatives as observers in Board meetings
 - ~~(ii) the contribution of civil society actors to the development of Fund-level policies, strategies, and resource mobilization, and~~
 - (iii) the inclusive participation of civil society and other stakeholders as part of **informal** stakeholder consultations in the AF project lifecycle from planning and implementation to evaluation and learning.
 - ~~(b) 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.~~
 - (c) The Fund seeks to engage with a broad range of civil society organizations, and to ensure that diverse perspectives and priorities are **reflected taken into account** in its decision-making and operational processes.
6. Objectives: With these vision and guidelines, the Fund aims to take actions to further enhance collaboration and engagement with not only civil society organisations but also wide range of 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 the existing policies and practices, in a consistent and comprehensive manner and add new elements that are decided by the Board **based on taking into account** 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 as necessary~~; and (e) further define civil society within the context of the Fund's work.

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 are UNFCCC accredited observers that 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 **in considering ways to mobilize better enhance** 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 organizations are not considered to represent civil society during their engagement in either of these roles.

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 **informally** with civil society and other stakeholders for their active **contribution input** into processes such as the process of reviewing the existing and emerging policies and procedures of the Fund, **where appropriate**¹.

Civil society engagement in Board meetings

Observer participation in Board meetings

11. 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 observers². Observers shall inform the secretariat of the composition of their delegation four weeks prior to the first day of any scheduled meeting³. Such observers may attend without the right to vote⁴.
12. 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 observer⁵.
13. 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 **open** meeting in matters of direct concern to the body or agency which they represent⁶. 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, **unless those matters are confidential in nature**⁷.

¹ Decision B.37/42

² Rules of Procedure of the Adaptation Fund Board (RoP), para. 31.

³ RoP, para. 19.

⁴ RoP, para. 31.

⁵ RoP, para. 32

⁶ RoP, para. 34

⁷ RoP, para. 35



Active civil society observers

14. Active civil society observers will be invited by the Board to participate in proceedings of the Board meetings **in open session** to represent the views of civil society on matters under consideration by the Board.
15. The active civil society observers ~~shall~~ **are invited to** 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

16. 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~~ **subject to the feasibility and schedule.**
17. Representatives of civil society propose an agenda of the dialogue to the secretariat prior to the Board meeting. Representatives of civil society coordinate speakers and resource persons for the session and their participation in the session during the Board meeting, **while ensuring adequate geographic and gender representation.**

Transparency of Board proceedings

18. 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 Fund⁸.
19. 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 Board⁹.

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

20. 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

21. 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 confidentiality¹⁰. Five main criteria for exclusion from information disclosure is as specified in paragraphs 3, 6-10 of the Fund’s Open Information Policy.
22. 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

⁸ RoP, para. 17 (a)

⁹ RoP, para. 2

¹⁰ Open Information Policy, para. 1 and 2

invite any of the representatives referred to in paragraphs 31–32 of the RoP to attend such meetings¹¹.

Disclosure of reasons for closed sessions

23. The Board ~~shall~~ **may** 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, **when appropriate**.

Participation in other decision-making processes of the Board

Civil society engagement in development of the Fund's policies

24. All policy documents and guidelines under Board discussions should be published on the website **including** for public comments **when possible and appropriate**, and the Board ~~should consider take~~ the public comments **into account** before adopting ~~such policies and guidelines decisions~~.

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

25. 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.
26. All project proposals submitted will be posted on the website of the Adaptation Fund **observers may send written comments to the Secretariat**. ~~The Secretariat will provide facilities that will enable interested stakeholders to publicly submit comments about proposals~~¹².
- 27: (From Board Member: Duplication)** ~~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

- 28: (From Board Member: Not relevant)** ~~The project/programme proponent submits a concept/fully developed document based on a template approved by the Board~~¹³.
- 29: (From Board Member: Additional burden on project proposal – unacceptable)** ~~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

¹¹ RoP, para. 20

¹² Operational Policies and Guidelines (OPGs), para. 85

¹³ OPGs, para. 47. (a)

30. (From Board Member: Not relevant) ~~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.~~

(From Board Member: Not relevant and not appropriate to prioritized civil society orgs accredited un UNFCCC over Parties for access to LLA) ~~Locally led adaptation (LLA)~~

~~31. The Fund supports locally led adaptation and has recently adopted new funding modalities dedicated to LLA based on its experience with the Enhanced Direct Access modality and the AFCIA window. Civil society actors are welcome to apply for micro-grants for locally led adaptation through the upcoming LLA Global Aggregator programme.~~

(From Board Member: Not relevant) ~~Fund's Ad Hoc Complaint Handling Mechanism (ACHM)~~

~~32. 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 secretariat¹⁴.~~

~~33. 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

34. The Fund ~~should~~ **could** 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~~ subject to the availability of resources ~~budget~~¹⁵.

Enhanced communication

(From Board Member: Not appropriate) ~~Civil society on the Fund's website~~

~~35. The Fund website will have a dedicated section on the Fund's engagement with stakeholders, including civil society, and update it as the discussions on stakeholder engagement evolve¹⁶.~~

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

~~36. 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.~~

¹⁴ Ad hoc complain handling mechanism (ACHM), para. 20

¹⁵ Decision B.37/42

¹⁶ Decision B.37/42

Annex B: Guidelines for Participation of Active Civil Society Observers

Representation of active observers

1. Two civil society representatives from among the UNFCCC accredited civil society organizations ~~will~~ **are to** (Board member 1) be invited to participate in the Board meetings as active civil society observers. Two alternates can be selected as substitutes for those active observers who are unable to participate in the meetings.
2. The active observers and alternates ~~shall~~ **[are selected for – Board member 2] OR [will be invited to – Board member 2]** serve for a term of two years, with a maximum of two consecutive terms.
3. Two active observers and two alternates ~~should be~~ **[are to be – Board member 1] OR [will be – Board member 2]** selected from civil society organizations considering a balanced gender **and geographic** (Board member 2) representation as well as a balanced representation from developing and developed countries.
4. Civil society organizations ~~will~~ **are to** (Board member 1) select their respective active observers and alternates in an **inclusive and** (Board member 2) self-organized process.

Roles and responsibilities of active observers

5. Active observers ~~shall~~ **are invited to** (Board member 2 and Board member 1) attend the meeting of the Board consistently and communicate views of civil society stakeholders to the Board on matters under consideration by the Board.
6. Active observers may, participate in the proceedings of the open segments of Board meetings and make interventions, upon the invitation of the Chair of the Board, in order to present the views of civil society on matters being considered by the Board, in line with the rules of the procedure of the Adaptation Fund Board.

Conflict of interest and confidentiality

7. Active observers ~~must~~ **are to** (Board member 1) declare any conflicts of interest they may have in relation to any items on the agenda of the meetings that they are invited to attend.
8. Active observers ~~shall~~ **are to** (Board member 1) recuse themselves from all related deliberations and decision making should any personal and/or financial interest arise in any aspect of a project activity or a body representing a project for approval to the Board. The active observers ~~have an obligation~~ **are** (Board member 1) to promptly disclose any such situation.

Travel of active observers

9. ~~Travel for active observers from developing countries to attend the Board meeting, upon their request, will be arranged by the secretariat under its standard procedures, from the budget of the Board and secretariat. Eligible active observers and alternates who will attend the Board meeting shall confirm their participation with the secretariat no later than six weeks before the Board meeting to be able to receive travel support from the secretariat. (Board member 1)~~

Review

10. After a trial period of two years a review of the guidelines for observer participation will be undertaken, taking into consideration lessons learned and views by relevant stakeholders.