ADAPTATION FUND

CSO NETWORK

Governance Arrangements
for
the Adaptation Fund CSO Network

Table of Contents

1. Introduction

The Adaptation Fund (AF) CSO Network, formerly the AF NGO Network, began its work in 2010. It served as an informal coalition of several civil society organisations (CSO), engaging in discussions and debate on AF policies and closely following AF projects' planning and implementation. This previously quite informal initiative of a few Southern CSOs gradually became institutionalised, resulting in formulation of the AF CSO Network's governance structure as outlined herein. This process has also resulted in the Network's decision to rename itself. The present name better reflects the scope of the Network as envisioned in this document.

For several years, a core group of CSOs varying in number, usually around 11 and mainly from the Global South, promoting the institutionalisation of the Network and trying to engage further CSOs in this process, has led the Network. The group, comprising the following, has actively worked to develop the present governance arrangements for the AF CSO Network: Conservation Action Practitioners (Rwanda), Development Alternatives (India), ENDA Energie (Senegal), Fundación Futuro Latinoamericano (Ecuador), Fundación Vida (Honduras); Germanwatch (Germany), Green Alternative (Georgia), Indigo Development and Change (South Africa), Jeunes Volontaires pour l'Environnement (Benin), and Panos Caribbean (Caribbean). Germanwatch and Fundación Futuro Latinoamericano have jointly facilitated and coordinated this process with support from the International Climate Initiative from the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety.

After evaluating the advantages and disadvantages of establishing a separate legal personality for the Network, it was decided to not register the Network as an organisation and, thus, not establish the personality. This was mainly to avoid concentration of power within the Network, and other potential conflicts of interest observed at other joint initiatives and networks that established a separate legal personality.

The core group of CSOs, in consultation with a broader group of CSOs active in adaptation finance, and other key stakeholders, jointly developed the governance structure herein. The aim of this process and the present governance arrangements was to ensure that the AF CSO Network remains a legitimate, transparent, representative, and participative platform for coordinating and facilitating CSO engagement in the AF.

2. Vision

An international climate finance architecture equipped with adequate, predictable, and sustainable resources, in which the people and communities most vulnerable to climate change directly engage in and benefit from concrete, equitable, and gender-responsive adaptation policies and actions that actively promote the rights of local communities and indigenous peoples.

3. Mission

Ensure that the AF's policies, investments, and procedures effectively support those most vulnerable to the climate crisis' adverse impacts. This is reached by providing a global transparent, representative, participative, and enabling platform for CSOs to engage in AF processes in their countries and regions, as well as internationally.

4. Key Principles and Values

The following principles and values will guide the AF CSO Network's actions:

1. Subsidiarity
2. Transparency and accountability
3. Flexibility
4. Independence
5. Active stakeholder participation
6. Inclusiveness and representativeness
7. Empowerment

5. Mandate

The AF CSO Network began as an informal initiative by a small group of CSOs, mainly from developing countries, who began engaging in AF processes in their countries and at the AF Board level. In successive years, this group has further formalised its engagement in the Fund's processes and has encouraged other CSOs, mainly from the Global South, to do the same in their countries and regions.

During this process, the AF CSO Network has continued to be completely independent from the AF Board and its Secretariat. However, there are various AF policies and official documents expressly acknowledging the important role of civil society and stakeholder engagement in the complete cycle of AF project planning, implementation, monitoring, evaluation, and learning. The AF Medium-term strategy 2018-2022 not only recognises the various ways in which civil society is already actively contributing to the AF but also highlights the room for improving civil society's engagement in the AF, and refers to the AF Board's intent to work with the Network to explore modes for even greater collaboration.

The AF CSO Network has become a recognised stakeholder not only by the AF Board but also by other organisations from global civil society.

6. Objectives

1. Promote meaningful, effective, equitable, and gender-responsive civil society engagement in AF processes and projects at national and regional levels.
2. Strengthen local voices from the Global South by empowering participative civil society advocacy in the AF Board's policymaking and decision-making.

3. Facilitate collective learning and collaboration among CSOs engaged in AF programmes, projects, and processes.

7. Core Activities of the Network

The following activities are an indicative list of some of the Network's key recurring activities to guide points of CSO engagement with the Network.

Obj. 1 – Promote meaningful, effective, equitable, and gender-responsive civil society engagement in AF processes and projects at national and regional levels.

   a) Enhance CSOs' engagement in sub-national, national, and regional AF processes and projects with their respective decision-makers (e.g., Designated Authorities and focal points, or implementing and executing entities) at national and regional levels.
   b) Mobilise CSOs' feedback on AF project proposals and concept notes under consideration by the AF Board.
   c) Follow up, through local CSOs, on planning and implementation of AF projects and provide independent assessments and feedback on AF projects being implemented.

Obj. 2 – Strengthen local voices from the Global South by empowering participative civil society advocacy and engagement in the AF Board's policymaking and decision-making.

   a) Host the Civil Society Dialogue, a standing agenda item at AF Board meetings, during which civil society representatives share independent insights on their countries' AF processes and projects communicating on-the-ground challenges and best practices, as well as respective recommendations, on behalf of the Network.
   b) Facilitate and coordinate a participative process among CSOs for the joint development of recommendations for the AF Board to consider.
   c) Promote an enabling environment within the Fund's policies and procedures, which allows for meaningful and effective civil society engagement.
   d) Provide feedback to the AF Board via regular exchanges with the AF Secretariat and participate in stakeholder consultation processes.

Obj. 3 – Facilitate collective learning and collaboration among CSOs engaged in AF programmes, projects, and processes.

   a) Strengthen knowledge of the AF and of respective engagement opportunities for global civil society.
   b) Support Network members in sharing, with other CSOs and decision-makers, experiences and lessons learnt from AF projects.
   c) Contribute to learning and exchanges among civil society networks involved in climate finance at global and regional levels.

8. Structure and Governance Arrangements of the AF CSO Network

This section sets out the AF CSO Network's structure and governance arrangements. It covers the roles and responsibilities of the Network's members, Regional Hubs, Secretariat, and Steering Committee. Figure 1 illustrates and explains the structure and governance arrangements of the AF CSO Network, as a coalition of civil society organisations (CSOs) engaging in discussions and debates on AF policies and closely following the planning and implementation of the Fund's projects.

Figure 1. AF CSO Network organisational chart
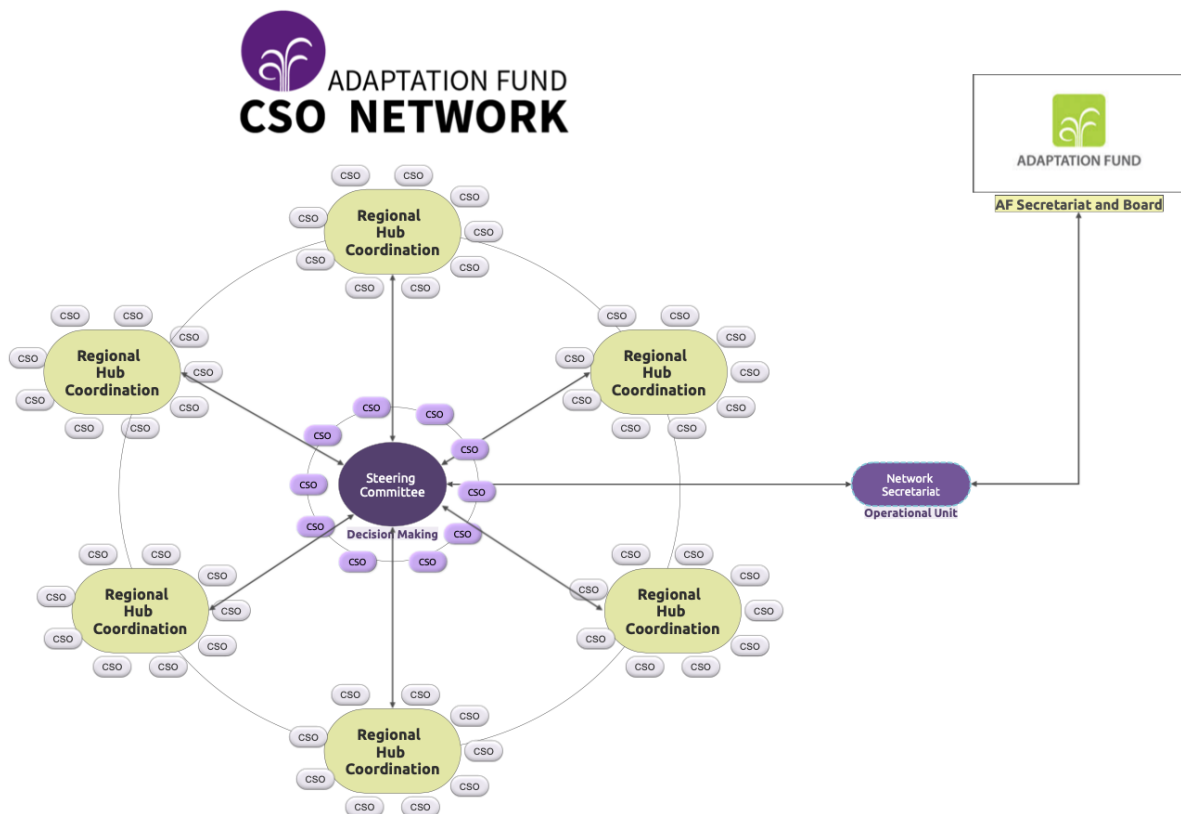
8.1 Membership

Network membership is open to all interested stakeholders from CSOs worldwide that support the Network's principles and objectives and wish to engage with the AF. However, with the AF implementing its adaptation actions in developing countries, the Network particularly relies on the input of its member CSOs from the Global South. The Network members are thus mainly from Global South countries. These members engage in the Network's activities and act as the Network's voice in their countries and regions.

The member CSOs may include non-governmental organisations (NGOs), foundations, indigenous people's organisations, women's organisations, youth organisations, faith-based organisations, community-based organisations, social enterprises and associations, trade

unions, academic or research institutions, and other types of public benefit organisations from civil society and that align with the Network's principles and values. The member CSOs' geographic scope also varies. While some organisations focus on implementing local adaptation activities, others focus on national, regional, and in some cases global adaptation actions and policy processes. This large number and variety of CSOs ensures global and bottom-up legitimacy of the Network's policy positions and recommendations. The Network only includes members from civil society but recognises the need for complementarity and synergy with the private and government sectors whenever possible.

Currently, membership is free and in-kind contributions are voluntary. However, in the future, the AF CSO Network may explore introducing a membership fee for certain kinds of organisations.

Member CSOs are invited to participate in the Network and can contribute to and benefit from the Network in various areas. Members benefit from being part of the Network, associating with experts on adaptation and adaptation finance, and from staying closely connected to developments within the AF, both internationally and within their countries and regions. Having an organisational background on climate change adaptation and climate finance topics helps an organisation to optimally benefit from and contribute to the Network's activities, though it is not a requirement for joining the Network.

Members benefit from and participate in the Network in the following ways:

- Receive regular updates and information on AF policies and processes.
- Are informed of new project proposals in their countries and regions submitted to the AF and are encouraged to review them with a view towards enhancing the design of project proposals and concept notes.
- Benefit from regional platforms wherein they can exchange experiences and lessons learnt regarding AF processes.
- Implement or promote peer-to-peer learning.
- Participate in the Network's online courses that aim to empower members to actively engage in AF projects and processes globally and locally.
- The Network serves as a platform to make local member CSOs' voices and experiences heard at an international AF decision-making level.

The Network operates through a decentralised structure, with member CSOs mainly engaging with the Network via Regional Hubs, through which most communication with Network members takes place.

8.2 Regional Hubs

Regional Hubs' Function

The Regional Hubs serve as a central mechanism for member engagement in the Network. They facilitate better coordination of communication and activities between members in a particular region and that may have shared interests or language groups. Regional Hub engagement accompanies general communication to all Network members on relevant

issues and thematic working groups, such as the Policy Task Force, in which all members are encouraged to participate.

Formation of New Regional Hubs

The Network comprises eight Regional Hubs that established CSO members (Regional Hub Coordinators) voluntarily facilitate and coordinate. The Network aims for the hub structure to cover all regions. However, this will rely on the voluntary contributions of CSO members that have the necessary financial and human capacity to establish or maintain the required Regional Hubs; therefore, not all regions may be served by an existing Regional Hub at any given point in time.

If a CSO member's region is not covered by an existing hub, the member may either choose to join an existing Regional Hub or volunteer to set up a new hub for its region if it has the financial and human capacity to establish and coordinate it. Formation of a new Regional Hub requires prior consent of the Network's Steering Committee and should aim to not duplicate any existing hub structures.

The initial Regional Hubs (2021) are:

- Caribbean, in collaboration with other Small Island Developing States (SIDS) regions
- Eastern Africa
- Eastern Europe, Caucasus, and Central Asia
- Global North
- Latin America
- South Asia
- Southern Africa
- Western and Francophone Africa

Regional Hub Coordinators

Regional Hubs are facilitated by up to two member CSOs from a given region that have the required capacity to voluntarily assume this task. The Network mainly relies on member CSOs' voluntary work to fulfil this task. Financial support for member CSOs to host Regional Hubs cannot be guaranteed. The Network's Secretariat and Steering Committee will support efforts to mobilise funding from potential donors for this function. Regional Hub Coordinators have the following responsibilities:

- Provide a regional platform for exchange on AF projects and processes.
- Facilitate and coordinate communication with and among the Regional Hub's member CSOs.
- Promote the AF CSO Network among CSOs in the region and encourage them to join the Network and the respective Regional Hub.
- Promote the Network's capacity-building initiatives on engagement opportunities for CSOs in AF processes.
- Provide regular information and updates on AF projects and processes relevant to the region.
- Mobilise and coordinate feedback from the hub's member CSOs on AF project proposals and concept notes to be considered by the AF Board.

- Encourage CSO members of the hub to engage with decision-makers on AF processes in their countries.
- Encourage CSO members of the hub to conduct independent assessments of AF projects being implemented in their countries.
- Promote collective learning on experiences with AF projects and processes at the national level among CSOs in the region.
- Mobilise funds for Regional Hub coordination.

Nomination and Selection of Regional Hub Coordinators

The Network's member CSOs from a respective Regional Hub can nominate representatives from within their hub to be Regional Hub Coordinator. Nominations should only be put forward with the nominee organisation's prior consent. They should be accompanied by the motivation outlining the nominee's experience, expertise in relevant fields, and resources. Nominees should demonstrate that they have the required experience, expertise, resources, and legitimacy to perform Regional Hub coordination. Regional Hub Coordinators will serve for up to 3 years and can be re-elected for a second term. In exceptional circumstances, an additional term may be considered if motivated by Network members from the respective region. If there is more than one nominee for one position of Regional Hub coordination, the hub may consider a voting procedure. A smooth transition of Regional Hub Coordinators should be ensured to avoid losing the respective hub's institutional memory. The Steering Committee will develop respective terms of reference for Regional Hub coordination to ensure this role meets the regional members' needs.

The core group of CSOs mentioned in the introduction, which have been leading the process of further institutionalising the AF CSO Network, will be the first Regional Hub Coordinators. They serve for an interim term ending in 2024.

8.3 The AF CSO Network's Secretariat

Responsibilities of the Network Secretariat

The AF CSO Network's Secretariat coordinates and facilitates the Network's overall operation and serves as the Network's main point of contact. It is the main liaison point between the Network and the AF Board and its Secretariat.

The Network's Secretariat has the following responsibilities:

- Coordinate general inquiries addressed to the Network, or feedback requested from the Network.
- Coordinate preparation of joint positions of CSOs regarding policy recommendations for the AF.
- Maintain the AF CSO Network website and coordination of related processes.
- Serve as the Network's institutional memory and ensure efficient and effective knowledge management within the Network.
- Engage in regular exchanges with the AF Secretariat on the Network's behalf.

- Provide regular updates and information on relevant AF process to the Network's Steering Committee, Regional Hub Coordinators, and the broader network members.
- Stimulate day-to-day network activities based on an annual planning exercise.
- Facilitate overall capacity-building, knowledge-sharing, and learning activities.
- Coordinate, prepare, and follow up on meetings with Regional Hub Coordinators; the Steering Committee and other relevant meetings involving the Network.
- Initiate and facilitate task forces on specific topics.
- Engage in fundraising activities with potential donors, together with representatives from the Network's Steering Committee, to mobilise financial resources needed to maintain the Network's activities.

Composition

The AF Network's Secretariat comprises up to three member CSOs of the Network, of which at least half must be from the Global South. Ideally, these organisations should also be accredited UNFCCC observer organisations, as this status allows them to register as observers for AF Board meetings. Organisations voluntarily serve as the Network's Secretariat and must ensure they have the required financial and human capacities to perform this task. To ensure that smaller CSOs with less financial resources and from developing countries can also perform this task, the Network's Secretariat and Steering Committee will strive to mobilise funding from potential donors to financially support smaller CSOs from developing countries to fulfil this function.

Nomination and Selection Process

From 2022, member CSOs assuming the role of the Network's Secretariat will serve for up to 3 years and may be reselected for up to two consecutive terms. To ensure continuity and no loss of institutional memory, ideally, only one vacant position for a joint Network Secretariat should be elected at a time. Based on the Secretariat's existing roles and functions, the Steering Committee will develop terms of reference for this role. When a Secretariat post becomes available for re-election or there is a vacant position for the Secretariat, a call for expressions of interest and the terms of reference will be shared with the Network members, ideally before conclusion of the previous Secretariat's term. The Steering Committee will review all applications. If there is more than one suitable organisation applying for a vacant position, the Committee will facilitate a process for Network members to elect a candidate based on applicants' suitability to fulfil the terms of reference of the Secretariat and fulfil the Network's objectives. Organisations serving as Secretariat cannot be part of the Steering Committee.

8.4 Steering Committee

Responsibilities of the Steering Committee

Selected Steering Committee representatives serve as ambassadors for the Network in the international climate policy sphere and advocate for the AF CSO Network among peers. The Steering Committee is tasked with pursuing the Network's overall sustainability, including financial sustainability, and taking corresponding measures.

The Steering Committee reviews the professional competence of representatives from member CSOs that apply to coordinate and facilitate a Regional Hub or be the Network's Secretariat. Based on that review, the Committee will approve the final selection of Regional Hub Coordinators and organisations serving as Secretariat.

Composition

The Steering Committee aims to represent the voices and interests of those most vulnerable to climate change. These notably include marginalised groups in the Global South, such as women, indigenous peoples, disabled persons, youth, and older people. It comprises nine individuals, each representing a Network member organisation. These individuals are chosen based on their professional competence and their expertise in relevant areas. The Steering Committee's composition is representative and reflects criteria such as diversity and gender balance, regional balance, expertise in relevant areas in the field of adaptation finance, and representatives from different types of CSOs. As the AF implements its adaptation actions in developing countries, the AF CSO Network specifically relies on the expertise and experiences of representatives from developing country CSOs. Thus, at least seven of the nine individuals on the Committee are selected from among Global South CSO members. Each region should be represented in the Committee through either a respective Regional Hub Coordinator or another CSO member actively engaged in the region. Secretariat members will not be eligible to serve on the Committee, and if a Committee member's organisation assumes this role, they will recuse themselves from the Committee.

Nomination and Selection Process

The core group of CSOs, which have been leading the process of further institutionalising the AF CSO Network and were mentioned in the introduction, will form the first Steering Committee. They will serve an interim term ending not later than in 2024. Representatives in the AF CSO Network's Steering Committee serve a 3-year term, renewable for one term. To ensure continuity, ideally, only three positions in the Steering Committee will be vacated and elected at a time. Thus, the Network will annually elect successors for three vacant Steering Committee positions.

Individuals who will serve on behalf of the Network's eligible member organisations can be nominated to serve on the Steering Committee. The Network's Secretariat, with the respective Regional Hub Coordinators' assistance, will collect nominations and confirm nominees' eligibility before forwarding nominations to the Network members for review. AF CSO Network Regional Hub Coordinators can be nominated but should then recuse themselves from the election process. The Secretariat, in collaboration with Regional Hub Coordinators, will facilitate the election process by the Network's members to elect new Steering Committee members.

If a Steering Committee representative vacates their position before the end of their term, resulting in a lack of regional or interest group representation, nominations for an interim representative will be accepted, subject to the nominee's prior consent. These will be accompanied by the motivation outlining the nominees' experience and expertise in relevant fields. The Network's Secretariat, in collaboration with the respective Regional Hub Coordinators, will collect nominations and confirm nominees' eligibility before forwarding the

nominations to the respective regions to select an interim representative to serve until the next formal election process.

9. Legal Personality

The AF CSO Network is a voluntary international association of civil society organisations guided by a Steering Committee and does not have its own registered legal personality. The Network's Secretariat and the Regional Hub Coordinators facilitate the Network's day-to-day operation. The Network's Steering Committee oversees those activities and decides on the Network's direction.

In situations in which a legal personality is needed for certain processes within the Network, the AF CSO Network will select a legal host from among its member organisations that can assume this role. Ideally, this will be one of the organisations serving as the Network's Secretariat. This is exercised, for example, when the Network obtains institutional funding that an organisation with a legal personality must manage. In this case, the Network's Steering Committee will set up an agreement with the organisation volunteering to assume the responsibility of legal host for the Network. This legal host is subject to annual financial audits.

10. Financing and Sustainability

The Steering Committee develops and annually reviews a financial sustainability strategy for the Network and accordingly adopts an annual action plan.

The Network's long-term sustainability strongly depends on member CSOs' in-kind contributions – non-monetary contributions of time, expertise, experience, and knowledge. All member CSOs are encouraged to integrate Network activities in their project portfolio. This will allow them to actively engage in the Network's activities, Regional Hubs, and other task forces.

The Network's Steering Committee and Secretariat pursue fundraising activities for the Network to ensure that many of the smaller CSOs from developing countries can actively engage in the Network's activities. The Network has historically received project funding from Germany's International Climate Initiative and that has been channelled through Germanwatch and mainly used for the Network's further institutional strengthening. However, this funding has been increasingly difficult to source. The AF CSO Network seeks both institutional funding from donors to support general Network activities through a legal host, and project/programme grants that the organisations serving in the Network's Steering Committee and Secretariat, and as Regional Hub Coordinators, obtain from donors to specifically support the Network's activities, including capacity-building efforts.

In the future, the AF CSO Network will explore other funding options to contribute to the Network's financial sustainability and independence. These options may include requiring membership fees from certain groups of CSO members, and generating resources from the

sale of services, such as its advertising on online capacity-building courses, which are offered for free to Network members.

Moreover, the AF CSO Network continues to advocate that the AF's administrative budget covers certain travel costs of developing country CSO representatives who contribute to the CSO Dialogues or as potential 'active observers' during AF Board meetings.

11. The Network's Coordination, Communication, and Articulation

Coordination, Communication, and Articulation with Member CSOs

The Network's regular communication with its member CSOs mainly occurs virtually and both directly from the Network Secretariat and in a decentralised manner through the Network's Regional Hubs. The Regional Hub Coordinators maintain regional mailing lists through which regional exchange is facilitated. Regional exchanges take place in the Regional Hub's working language. Regional Hub Coordinators are also encouraged to conduct virtual meetings of their hub at least twice a year.

In addition to the Network's regional exchange, the Network's Secretariat facilitates Network communication and provides periodic general communication with all Network members on relevant general updates and information related to the AF or the AF CSO Network. It will use any appropriate tool that may facilitate or strengthen communication between members.

The Network aims to organise virtual General Meetings at least once every 2 years, with all members invited to participate. During those meetings, the Network's Steering Committee, Secretariat, and Regional Hub Coordinators share insights with all members on the Network's past accomplishments and achievements, and discuss the Network's future directions jointly with all members.

The Network's Policy Task Force develops policy recommendations for the AF Board. It is mainly coordinated through a mailing list and shared documents. All Network CSO members are encouraged to join the Task Force if they have the capacity and are interested in reviewing agenda items for AF Board meetings, and other relevant policy issues related to the AF's work, and jointly develop positions and recommendations on the Network's behalf.

The Network may periodically establish additional issue working groups to address particular concerns or move forward identified areas of work. At least one member of the Network's Steering Committee, a member of the Secretariat, and at least one Regional Hub Coordinator lead the working groups. The groups may, however, include members of the wider Network who are interested in engaging on the respective issue.

Coordination, Communication, and Articulation among the Network's Regional Hub Coordinators, Steering Committee, and Secretariat

The Network's Secretariat and all Regional Hub Coordinators hold monthly virtual coordination meetings, which the Network's Steering Committee joins every second month.

Regional Hub Coordinators or representatives of the Steering Committee not participating in two consecutive meetings, or two per year, are asked by the Network's Secretariat if their time permits them to continue to serve. They are automatically removed from the Steering Committee if they miss more than three meetings in a year.

The Network's Secretariat convenes an annual strategy workshop with members of the Network's Steering Committee, all Regional Hub Coordinators, and the Network's Secretariat to undertake strategic planning for the Network. If the Network has sufficient financial resources, this workshop takes place in person. Periodically, the workshop includes input from external experts as required.

All the above meetings must have their minutes recorded and made available to the Network's members.

External Network Communication

The Network's Steering Committee, with the Network Secretariat's support, will periodically develop external communication strategies to:

a) Ensure current and potential CSO members awareness of the Network's existence and understanding of its role and operations.
b) Facilitate exchange of information and experiences between the Network and other actors in climate change adaptation.
c) Generate support for the Network's work and create opportunities for new partnerships

12. Network Representation

Occasionally, the AF CSO Network is invited or chooses to participate in official events such as side events or other sessions organised by, for example, the AF Secretariat or the UNFCCC. While all the member CSOs are encouraged to share their own experiences with the Network at those events, official representation of the AF CSO Network is coordinated by the Network's Secretariat. Regional Hub Coordinators, Steering Committee representatives, or the Network's Secretariat represent the Network whenever feasible. However, active members with the necessary ability and with awareness of the Network's agreed upon positions and processes may, after approval by the Network's Secretariat, also be selected to speak on the Network's behalf. All representatives speaking on the Network's behalf must adhere to the Network's agreed upon joint positions.

The Network will also periodically select formal representation for certain recurring positions, such as the AF Technical Evaluation Reference Group's advisory groups.

Moreover, the AF CSO Network hosts the CSO Dialogue with AF Board members. This is a standing agenda item during the Fund's Board meetings. The Network is responsible for organising the CSO Dialogue's agenda in consultation with the AF Secretariat. For the first part of the CSO Dialogue, one or two selected CSOs from developing countries usually share independent insights from ongoing AF processes and projects in their countries or regions. Member CSOs or other stakeholders from civil society that are not part of the

Network may share these insights. The Network's Secretariat, before each AF Board meeting, collects propositions for insights to be shared with the AF Board on AF processes and projects in countries and regions. These are collected from the CSO members and other external CSO stakeholders on request. After screening these propositions, the Steering Committee selects up to two relevant insights to be shared based on a list of criteria to be developed, such as linkages and relevance to other agenda items of the respective AF Board meeting.

During the second part of the CSO Dialogue, an AF CSO Network representative is selected to provide concrete recommendations and suggestions on behalf of civil society for ongoing policy discussions in the AF Board. These recommendations and suggestions reflect the Network's joint position and are prepared by the Network's task force on policy recommendations for the AF Board (see section 11 above). The representative should ideally be an active member of this task force, a Regional Hub Coordinator, or a representative of the Network's Secretariat or Steering Committee.

The AF CSO Network, based on prior experience in hosting the CSO Dialogue and coordinating contributions for this agenda item on behalf of civil society, may also establish similar transparent and legitimate election processes for civil society representatives (from within and outside the Network) as required.

13. Regular Review of the Network's Governance

The AF CSO Network's Steering Committee and Secretariat will conduct regular reviews of the present governance arrangements and, if necessary, suggest amendments or additions needed, which need to be consulted on with the Network's broader members before being approved. These reviews should be formally conducted at least every 5 years, or as needed.