

# CLIMATE INVESTMENT FUNDS

JOINT CTF-SCF/TFC.14/4

May 1, 2015

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Joint Meeting of the CTF and SCF Trust Fund Committees

Washington D.C.

Monday, May 11, 2015

Agenda Item 4

**MEASURES TO FURTHER IMPROVE THE GOVERNANCE OF THE CLIMATE INVESTMENT FUNDS**

## PROPOSED DECISION

On June 25, 2014, the joint meeting of the CTF and SCF Trust Fund Committees reviewed the *Action Plan in Response to the Independent Evaluation of the CIF* (document CTF-SCF/TFC.12/9) and invited the CIF Administrative Unit and the MDBs to collaborate to implement the actions identified in the decision. One such action was to revise the paper CTF-SCF/TFC.11/7/Rev.1, *Measures to Improve the Efficiency of CIF Committees*, and to recommend additional options to improve the efficiency of Committee meetings and decision making while ensuring effectiveness.

The paper, JOINT CTF-SCF/TFC.14/4, *Measures to Improve the Governance of the Climate Investment Funds*, has been prepared by a consultant, drawing on inputs from Committee members, observers, MDBs, CIF Administrative Unit and comparative analyses from other relevant international institutions.

The joint meeting, having reviewed document JOINT CTF-SCF/TFC.14/4, *Measures to Improve the Governance of the Climate Investment Funds*, agrees to the following measures proposed in the document:

- a. [Boosting stakeholder integrity and accountability: The joint meeting requests the CIF AU to develop for review and approval by the joint meeting: (i) consolidated documents on roles and responsibilities for Co-Chairs, Committee members and observers; and (ii) a code of conduct for Committee members and observers to better address issues of integrity, accountability and conflict of interest.]
- b. [Establishing a Stakeholder Advisory Network (SAN) to provide an avenue for knowledge and experience sharing between current and past observers (CSO communities, indigenous peoples and private sector) that supports and enhances observers' contributions to directions, strategies, projects, and learning efforts of CIF: The joint meeting requests the CIF AU to develop a proposal, with the participation of observers, for the initiation and support of a SAN.]
- c. [Rethinking the Partnership Forum: The joint meeting requests the CIF AU to implement smaller and more targeted events throughout the year in place of the Partnership Forum, preferably alongside other regional or international events of the MDB and other partners.]
- d. [Establishing guidelines for the self-selection process for recipient countries to be conducted through a virtual platform: The joint meeting requests the CIF AU to prepare an approach to the constituency concept, for discussion by the Committees. The Committees also requests the CIF AU to develop guidelines for the joint meeting's review and approval that ensure inclusiveness and effectiveness of the selection process.]
- e. [Improving meeting efficiency through the change in the timing of the Co-Chairs' selection process: The selection of the countries providing the Co-Chairs will take place at the close of the member seat selection process. The specific person to fill the Co-Chair role can be named during the time between the country selection and the next Committee meeting, but in time for participation in meeting preparation activities.]
- f. [Improving the decision making process during and in-between meetings: The joint meeting invites the CIF AU to continue to collaborate with the Trustee to develop a Web-based, secure collaboration platform for approving decisions, taking advantage of the expanded capabilities being provided by the Trustee through its Financial Intermediary Funds Collaboration Platform. The joint meeting also invites the CIF AU to propose a standard process for assigning which decisions should be discussed during the Trust Fund Committee and Sub-Committee meetings, and which decisions should be processed through the "decision-by-mail" or "on-line decision" process.]



## Suggestions for Improving the CIF's Governance and Management

Climate Investment Funds  
Final Draft Report  
May 1, 2015

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**Submitted to:**  
Administrative Unit  
Climate Investment Funds



## Executive Summary

### *Purpose of the Report and How It Was Conducted*

Phase One was commissioned by the Climate Investment Funds (CIF) in February, 2015 to develop and propose practical suggestions for measures that would further improve the governance and management of the CIF and boost the organization's integrity, transparency, and accountability. The paper resulting from the CIF commission will be presented at the joint meeting of the CTF and SCF Trust Fund Committees meeting in May, 2015.

The CIF were established in 2008, and over time, the organization's structure and operations have been gradually modified in order to meet emerging needs and incorporate lessons learned. As such, one of the strengths of the CIF that distinguishes them from other multilateral funds has proven to be the Fund's adaptability in the face of new challenges.

Although the CIFs approach is innovative and distinct from that of other international climate finance organizations, the CIF still requires adjustments to their procedures and organization in order to function at full efficiency and effectiveness.

In developing the report, three primary sources of information were used.

The document review included CIF documents, with special attention paid to the CIF's Response to the Independent Evaluation, and a variety of climate change and other multilateral fund literature that shed light on issues of governance, management, and organizational efficiency.

Interviews were held with 24 CIF stakeholders from a variety of backgrounds to gauge their opinions on the current effectiveness of the CIF and to identify specific areas for improvement. It must be noted that these interviews do not constitute a comprehensive survey of CIF stakeholders, and the opinions expressed in this paper do not necessarily reflect the opinions of all CIF stakeholders. However, the results of the interviews do lend support and nuance to the findings derived from other sources.

Five comparative organizations were reviewed to find potential best practices: the Global Environment Facility (GEF); the Consultative Group for International Agricultural Research (CGIAR); Gavi, the Vaccine Alliance (also known as the "GAVI Alliance"); The Global Fund to Fight AIDS, Tuberculosis and Malaria (also known as "The Global Fund"); and the International Fund for Agricultural Development (IFAD). The comparative analysis included review of the publications and organizational documents of the comparator organizations, the websites of these organizations, and a few brief conversations with current or retired members of the comparators.

### *What Was Found*

The Phase One team found that while CIF stakeholders recognize the existence of some management and governance inefficiencies, they generally support maintaining a number of core features of the CIF that define a particular "culture of the CIF." Dependence on consensus was the most discussed of those principles. Even among stakeholders who identified inefficiencies or delays in procedure as issues within the CIF, time devoted to reaching consensus was generally perceived as a necessary and constructive part of the decision-making process. In addition to consensus, the strength of the MDB committee, the independent status of CIF observers, and the



role of the CIF Administrative Unit (CIF AU) were established early as four principles that should continue to serve as the basis for ongoing CIF success.

The study probed the potential areas for improvement within the scope of management and governance that had been previously identified by the Independent Evaluation, the Transparency International report, and CIF documents such as the Measures to Increase the Efficiency of CIF Committees (hereafter, “the CIF Measures document”). These areas include the following:

1. Decision-making
  - a. The delegation of decisions to the CIFAU, the MDB Committee, or other CIF partners as appropriate
  - b. Improving the decision-without-meeting process
2. Meeting efficiency
3. Clarity of responsibilities for members and member engagement
4. Selection of and clarity of responsibilities for Co-Chairs
5. Participation and clarity of responsibilities for observers
6. Partnership Forum
7. Guidelines to facilitate the self-selection process of members from eligible recipient countries
8. Transparency, accountability, and integrity

Specific findings in each of these areas are detailed in Section 3 “Presenting the Challenges.”

### *Suggestions for Improving the CIF's Governance and Management*

In keeping with the requirements and concerns of the CIF AU, work was focused on the specific those specific elements of management and governance within the CIF that need to be addressed and discussed. Suggestions should not alter the foundational framework of the CIF, but rather, should enable existing structures and procedures to function with greater efficiency and less procedural difficulties.

The suggestions are listed below, and detailed in Section 4 “Suggestions for Improvement”:

Suggestion 1a: Increase meeting efficiency by changing the timing of the Co-Chair selection process to give them the needed time to prepare for the first meeting of their terms and by reviewing with the new Co-Chairs the use of the authorities they have.
Suggestion 1b: Implement a standard process for assigning decisions to meetings, decision-without-meeting, or to an appropriate CIF entity (i.e., the CIF AU, the MDB Committee, and so on).
Suggestion 2: Change the current decision-without-meeting process to a more Web-centered collaboration environment approach, taking advantage of the expanded capabilities being provided by the Trustee.
Suggestion 3: Increase stakeholder engagement in meetings and boost stakeholder awareness of integrity and accountability by increasing role clarity for Co-Chairs, members, and observers, through the preparation of 1-2 page descriptions of responsibilities of Co-Chairs, members, and observers, informing them of what is expected of them as a CIF stakeholder. Include a Code of Conduct section setting out responsibilities for accountability, integrity, and conflict of interest.
Suggestion 4: Rethink and restructure the Partnership Forum into other events and activities that collectively achieve the same objectives and are more flexible and adaptable to the learning requirements of the CIF.
Suggestion 5a: The guidelines for the self-selection process for recipient countries should consider the possibility of developing a sense of programmatic constituency for the recipient countries as the primary basis for selection.



Suggestion 5b: The guidelines for the self-selection process for recipient countries should include the principles of an equitable regional balance (as modified by program focus), gender balance, “appropriate technical and/or policy expertise” that aligns with the objective of each targeted program, and an “active interest in promoting the efficient and effective governance” of that program.

Suggestion 5c: The guidelines for the self-selection process for recipient countries should first decouple the seat selection process from the Partnership Forum, move the seat selection consultation to a virtual environment, and develop procedural rules for the virtual environment to ensure that decisions of the consultation are inclusive and decisive.

Suggestion 6: Develop a Stakeholder Advisory Network (SAN) to support and enhance observers’ contributions to CIF directions, strategies, projects, and learning efforts.



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## 1 Introduction

1. The Climate Investment Funds (CIF) were established in 2008 to support the achievement of climate and development objectives throughout the developing world. “The CIF are intended to provide new and additional financing (in the form of grants, concessional loans, and risk mitigation instruments) to complement existing bilateral and multilateral financing mechanisms in order to demonstrate and deploy transformational actions to mitigate and adapt to climate change. The funds also aim to promote international cooperation on climate change, to foster environmental and social co-benefits of sustainable development, and to promote learning-by-doing.”<sup>1</sup> The CTF provides scaled-up financing to contribute to demonstration, deployment and transfer of low carbon technologies with a significant potential for long-term greenhouse gas (GHG) emissions savings, while the SCF provides financing to pilot new development approaches or scale-up activities aimed at a specific climate change challenge or sector. Part of the CIF’s mandate is to learn as much as possible about effective management of climate change issues so that future climate change investments could gain from CIF’s experience.

2. The CIF created an innovative partnership of national governments, multilateral development banks (MDBs), international development organizations and agencies, civil society organizations (CSOs), indigenous peoples, and the private sector. To achieve its goals, the CIF rely on the active collaboration and constructive involvement of all these stakeholders.

### 1.1 Basic Structure of the CIF

3. The CIF comprise two trust funds: the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF), which contains three sub-funds: the Pilot Program for Climate Resilience (PPCR), the Forest Investment Program (FIP), and the Scaling-Up Renewable Energy in Low Income Countries Program (SREP). Contributor countries contribute funds to the CIF for disbursement via the MDBs to climate change programs and projects in the recipient countries.

4. The CIF funds are each governed by a Trust Fund Committee or Sub-Committee. Each Committee has an equal number of seats for contributor countries and recipient countries. Each Committee has a specific number of representatives from civil society, indigenous peoples, and the private sector, as observers to the Committees. All members and observers to the Committees are self-selected.

5. The MDBs work with the recipient countries to help lay out a national climate change plan of action (investment plan). This plan is presented to the respective Committee or Sub-Committee and, upon committee endorsement, provides the structure within which specific projects are developed and implemented.

6. The CIF Administrative Unit (CIF AU) facilitates the work of the CIF and is responsible for managing partnerships and international level stakeholder engagement, including convening meetings of the CIF Committees, Sub-Committees, and MDBs and organizing a variety of stakeholder forums.

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<sup>1</sup> Independent Evaluation of the Climate Investment Funds Volume 1: Draft Evaluation Report. CTF-SCF/TFC.12/3, June 13, 2014.





### 1.2 Independent Evaluation of the CIF

7. In keeping with good practice and the CIF's mandate for learning, the CIF governance frameworks provided for an independent evaluation of the operations of the CTF and SCF to be carried out after three years of operation. The resulting report, the Independent Evaluation of the Climate Investment Funds (also referred to as the "Independent Evaluation"), was presented to the Joint Meeting of the CTF and SCF Trust Fund Committees (hereafter, "the Joint Meeting") in June 2014.<sup>2</sup> The report focused on a range of CIF issues, including organization, development effectiveness, and climate impact. The report also provided a set of organizational and project-related recommendations. During this same timeframe, other evaluative reports explored CIF transparency, accountability, and integrity.<sup>3</sup>

### 1.3 Sources of Information for this Paper

8. Three major sources of information were used in developing the following suggestions offered in this paper: CIF and other climate funds related documents, discussions with selected stakeholders, and comparisons with other multilateral funds.

9. CIF documents reviewed include the Framework, Rules of Procedure, Joint Meeting decisions, and more recent documents in which measures for improving CIF efficiency are proposed, among others. Other climate related documents, including research, evaluations, and comparative studies, were also reviewed. The list of all documents reviewed is in Annex 3 of this report.

10. Twenty-four interviews were conducted with CIF stakeholders selected from a list provided by the CIF AU. The list of stakeholders interviewed and a table with the stakeholders' ideas for improvements are contained in Annex 4 of this report.

11. Five comparative organizations were reviewed to find potential best practices: the Global Environment Facility (GEF); the Consultative Group for International Agricultural Research (CGIAR); Gavi, the Vaccine Alliance (also known as the "GAVI Alliance"); The Global Fund to Fight AIDS, Tuberculosis and Malaria (also known as "The Global Fund"); and the International Fund for Agricultural Development (IFAD). This comparative analysis was based on the Independent Evaluation's suggestion that the CIF may wish to look at best practice in meeting and decision-taking procedures from other corporate and multilateral organizations with non-resident governing bodies. Information from each of the comparators about the areas of interest can be found in Annex 5 of this report. A partial list of the source documents used in the comparative review is contained in Annex 3 of this report, under the heading: Comparator Organization Documents.

12. All comparators strive for consensus but hold in reserve a voting procedure of some kind for overcoming blockages. This seems to be the "common" practice that contributes to the efficiency of decision-making for these particular organizations. The CIF, on the other hand, maintains consensus as a key design principle of CIF governance. In their response to the Independent Evaluation, the CIF acknowledged that there are trade-offs between consensus and

<sup>2</sup> Independent Evaluation of the Climate Investment Funds Volume 1: Draft Evaluation Report. CTF-SCF/TFC.12/3,

<sup>3</sup> Transparency International conducted a review of the CIF in these areas as part of their overall look at transparency, accountability, and integrity throughout the climate change community.

[http://www.transparency.org/whatwedo/activity/making\\_sure\\_climate\\_money\\_gets\\_to\\_where\\_its\\_needed](http://www.transparency.org/whatwedo/activity/making_sure_climate_money_gets_to_where_its_needed).



speed-of-action, but “for a pilot instrument like the CIF it is essential to have difficult conversations among our Trust Fund Committees that lead to consensus.”<sup>4</sup>

### 1.4 Purpose and Structure of this Paper

13. Phase One was commissioned by the CIF in February, 2015 to develop and propose practical suggestions that can be implemented in response to the recommendations in the reports described earlier. Measures that the CIF are already undertaking were taken into account in order to bring more efficiency into the CIF Committees.<sup>5 6 7</sup> The particular focus of this paper is on measures that would further improve the governance and management of the CIF, and boost its accountability, integrity, and transparency.

14. Phase One worked with a group of CIF AU advisors in executing the project. The approved methodology that was followed in this task is detailed in Annex 1.

15. The suggestions resulting from this work will be presented at the Joint Meeting in May, 2015. This report presents the results in three sections:

- A discussion of the foundational characteristics of the CIF that should be maintained (Section 2)
- A discussion on the challenges faced by the CIF, using the results of the document review, interviews, and comparative reviews conducted as part of this work (Section 3)
- A presentation of the suggestions and proposed CIF actions for implementing them (Section 4)

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<sup>4</sup> Draft Response to the Independent Evaluation of the Climate Investment Funds, CTF-SCF/TFC.12/8, June 17, 2014.

<sup>5</sup> Measures to Increase the Efficiency of CIF Committees, CTF-SCF/TFC.11/7/Rev.1, January 27, 2014.

<sup>6</sup> Draft Response to the Independent Evaluation of the Climate Investment Funds, CTF-SCF/TFC.12/8, June 17, 2014.

<sup>7</sup> Action Plan in Response to Recommendations from the Independent Evaluation of the CIF, CTF-SCF/TFC.12/9, June 17, 2014.



## 2 Foundational Characteristics of the CIF

16. Phase One notes that proposed suggestions for improving governance and management are based on the foundational characteristics underlying the current design features of the CIF.

17. With this in mind, at the end of each interview, the interviewees were asked which aspects of the CIF they would *not* change. Based on the responses, our comparison of CIF structures and processes with other multilateral funds (See Annex 5), and our review of CIF documents, characteristics listed in Table 1 are design components of the CIF that should not be changed or affected by our suggestions because of the importance of the characteristics to the unique nature and success of the CIF. These characteristics are described below.

Table 1

Things that should not be changed
Through the MDB Committees, the CIF provide a unique platform for MDB collaboration.
Consensus must be maintained; the current method of consensus-based decision-making is working.
Current status of observers, as independent representatives within meetings, must be maintained.
CIF AU can increase the support it provides but must be careful not to change its basic approach.

18. Over half of the interviewees mentioned that **the MDB Committee** was a breakthrough for the CIF in MDB collaboration and partnership. The Independent Evaluation noted that “Through the MDB Committee, the CIF have institutionalized a platform that has supported strong MDB collaboration.” The CIF have benefited in a number of ways from the resources and experience the MDB Committee can bring to bear, including technical expertise and experience, the MDBs’ knowledge of in-country networks and potential partners, and the goodwill that many of the MDBs have with the recipient countries.

19. **Consensus** as the principle of equal voice and representation makes the CIF unique in the eyes of many interviewees. On the other hand, the Independent Evaluation concluded that “Consensus decision making has advantages and disadvantages” and that “The consensus decision rule, together with the lack of a secretariat with a strong executive function, has hampered efficient decision-making, resulting sometimes in indecision and micromanagement.”<sup>8</sup> In this regard, all comparative organizations reviewed avow that they strive for consensus first, but if consensus proves too difficult, all have some voting capability in their procedures document that can be invoked to resolve the issue (See Annex 5).

20. In its response to the Independent Evaluation, the Joint Meeting expresses the opinion “that for a pilot instrument like the CIF it is essential to have difficult conversations among our Trust Fund Committees that lead to consensus. In this way, concerns can be better understood and better addressed in the future—by the CIF or other initiatives...”<sup>9</sup> While the interviewees understood that consensus could be seen by some as disadvantageous, they generally felt agreed with the Joint Meeting’s response that it was important to talk through hard issues rather than resorting to a vote. Interviewees would welcome changes that would help improve the efficiency of decisions without meeting, but only on the stipulation that the capabilities and mechanisms for expressing agreement, objections, and request for comments are clear to members and easily usable by them, so that the spirit of consensus is maintained. No interviewee suggested that

<sup>8</sup> Independent Evaluation, p xvi

<sup>9</sup> Draft Response to the Independent Evaluation of the Climate Investment Funds, CTF-SCF/TFC.12/8 , June 17, 2014, p. 3.



formal majority voting be used to break consensus blockages, although several agreed when directly asked that such an approach might be considered.

21. We agree with the CIF in their response to the Independent Evaluation that consensus is important to the governance of the CIF as a pilot and that it should be maintained as the key principle of decision making. In those few cases in which decisions may be delayed because of the commitment to consensus, the focus should be on the concern, the eventual resolution of the concern, and the learning that may be gained from the hard discussion of the members about the concern and the reasons for its occurrence.

22. The value observers bring to the CIF was acknowledged both in the evaluation reports and in the stakeholder interviews. **The independent status of observers** must be maintained so they may continue to contribute their expertise in an impartial manner. Observers work to ensure transparency and accountability, and provide on-the-ground information about project implementation.

23. However, we also recognize that observers are responsible for representing the concerns of their larger constituencies, not only the concerns of the organizations that individual members represent. As the Independent Evaluation discusses, the notion of observer constituency is difficult to define. What exactly constitutes an observer's constituency is unclear, and may involve a combination of diverse factors such as the organization's area of focus, the particular type of organization, and possible similarities among the unique missions of the organizations each observer represents.<sup>10</sup> The definition of what exactly constitutes an observer's constituency is an important issue that must be discussed in the ongoing evolution of the CIF culture. Ultimately, it must be decided whether observer constituencies are something that must be formalized and taken into account during the observer selection process, or if they should retain their current informal organization.

24. **The CIF AU's role** of providing support without becoming directly involved in decision-making or technical review should be maintained. Interviewees agreed that some of the challenges described in the Independent Evaluation and mentioned throughout this paper may be amenable to a more assertive role for the CIF AU in facilitating knowledge transfer and in supporting the CIF Committees, members, the MDB Committee, and observers. For instance, it was recommended that the CIF AU should continue to offer its support to Trust Fund and Sub-Committee members and observers for meeting preparation, seat selection consultations, and other activities.

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<sup>10</sup> Independent Evaluation, p. 13.



### 3 Presenting the Challenges

25. This section specifies the CIF governance and management challenges, with a discussion and summary finding of each.

#### 3.1 Specific Areas of Focus for this Paper

26. The Independent Evaluation, the Transparency International report, and previous CIF documents such as the Measures to Increase the Efficiency of CIF Committees (hereafter, “the CIF Measures document”) together identify a number of potential areas for improvement within the scope of management and governance. These areas include the following:

9. Decision-making
  - a. The delegation of decisions to the CIFAU, the MDB Committee, or other CIF partners as appropriate
  - b. Improving the decision-without-meeting process
10. Meeting efficiency
11. Clarity of responsibilities for members and member engagement
12. Selection of and clarity of responsibilities for Co-Chairs
13. Participation and clarity of responsibilities for observers
14. Partnership Forum
15. Guidelines to facilitate the self-selection process of members from eligible recipient countries
16. Transparency, accountability, and integrity

#### 3.2 Decision-making

##### *The Potential Area for Improvement*

27. *Some interviewees feel that decisions take too long, and that the need for consensus can lead to delays that affect the value of the contributions the CIF makes. Some argue that certain types of decisions, such as Project Preparation Grants or sub-projects under approved programs, can be delegated to the MDB Committee or the CIF AU.*

28. *The consideration of the decision-without-meeting process was added to this issue. The CIF uses decision-by-mail extensively for approval of projects and have implemented guidelines for its use. However, there have been occasions when the process has taken longer to reach consensus than some felt was necessary.*

##### *Discussion*

29. The Independent Evaluation recommended that the CIF review the best practices in meeting and decision-making procedures of other comparative organizations to determine whether CIF decision-making could benefit from these practices. The Independent Evaluation also suggested the CIF consider defining categories of decisions for which consensus is not required, and explore possibilities for delegating some decisions to other CIF entities, such as the CIF AU, thus re-focusing the attention of the Joint Meetings on strategic issues.

30. Discussions with stakeholders about decision-making focused on the issue of consensus. Several interviewees thought, when directly asked, that some mechanism for breaking stalemates in decision making, such as a voting protocol of some sort, might be worthwhile to have in those



few situations in which consensus is unreachable. However, the prevailing opinion of stakeholders was that the principle of consensus made for stronger decisions in the long run, while admitting that the process could be time-consuming.

31. One suggestion made was that distinguishing between strategic and non-strategic decisions might be a way to introduce alternative decision-making approaches. Strategic decisions would always require consensus; however, consensus on non-strategic issues might not be always relevant or desirable. In discussing this suggestion further, it was also apparent that there are no clear definitions what decisions are strategic and which are non-strategic. Some decisions are clearly strategic. Changes to the framework documents and endorsement of investment plans, for instance, can easily be viewed as strategic decisions in their impact on future directions. Other distinctions are not so clear. While some members would argue that projects are more operational in nature and do not require consensus for approval, others seek to have input in all project decisions.

32. Another suggestion proposed that large, higher-level, strategic decisions contain within them their subordinate aspects. Therefore, endorsement of the higher-level decision subsequently extends to the subordinate components. For instance, the endorsement of an investment plan implies the approval of the projects that make up the plan. Following this reasoning, projects that are part of an endorsed investment plan can be considered to be approved as a subordinate part of the endorsement. However, the counterargument is that the subcomponents of a significant issue are not always well-defined at the time of endorsement. For instance, not all the projects constituting an investment plan are fully enough developed at the time of plan endorsement for stakeholders to have a clear enough understanding of the projects to presuppose approval.

33. Stakeholders generally felt that the decision-without-meeting process works effectively most of the time. Some stakeholders felt that it would always be challenged because the workload many members are under often makes last minute review a standard operating procedure. If that last minute request requires an extension of the prescribed time, there is no process in place to expedite the decision or avoid these kinds of delays. Some stakeholders acknowledged that some of the transparency available in meetings, which allow for open discussions, was absent from the decision-without-meeting process. Stakeholders are not always aware of progress as the decision works its way through the process, but only see the end result. However, a review of the decision-without-meeting website seems to indicate that all comments and responses having to do with decision-without-meeting are available for review for anyone to see.

34. The comparator organizations examined have different approaches to the delegation of decision making to other entities within their partnerships. At the GEF, projects are classified into four different types. Programmatic Approach and Full-sized Projects must be approved by the Council and must follow the GEF project life cycle. Medium-sized Projects and Enabling Activities are approved by the CEO, who is delegated authority by the Council. However, this delegation of responsibility to the CEO requires that the Secretariat have the technical expertise needed to help them evaluate the projects and make recommendations to the CEO.

35. Decision-by-mail or some other form of decision-without-meeting is commonly used among the comparators. Rather than pushing proposals out to members via email—the procedure in most processes of other organizations—IFAD uses a lapse of time (LOT) procedure, in which proposals are posted on IFAD's website and members are informed. If no request for consideration is received before the specified date, the proposal is accepted. However, although





the LOT procedure was recently approved as the decision mechanism for loans up to US\$25 million, 60 percent of loans are still scheduled for discussion.<sup>11</sup> Therefore, it would appear that the LOT procedure works up to a point, but IFAD stakeholders still want the opportunity to share their input.

### Findings

36. The current requirement for consensus in decision-making is an important factor that must be taken into account when formulating recommendations for revised procedures. Some decisions made are routine and procedural; others require discussion and time to deliberate. Developing a standard way to classify decisions and creating dedicated mechanisms for them would streamline the current process and free valuable meeting time for decisions that require more attention and for discussions on important topics such as results and lessons learned. In the absence of clear criteria to distinguish consistently between strategic and operational decisions, we suggest implementing a process by which emergent decisions are assigned either to a Committee meeting, the decision-without-meeting process, or to a CIF partner for resolution. For instance, if the Joint Meeting identifies an issue for future consideration during the course of the meeting, a determination can be made at that time of the mechanism through which the issue will be resolved. Any member can escalate a decision from a CIF partner, to decision-without-meeting, or to consideration at a Committee meeting by simply requesting that it be moved. The ongoing list of decisions to be made can be maintained on the CIF website.

37. The decision-without-meeting process sometimes leads to longer-than-anticipated approval cycles, since extensions are often sought and granted at the last minute. The CIF Measures document outlines steps to be followed in the decision-without-meeting process in the hopes of avoiding some of these delays.<sup>12</sup> In the end, however, the CIF AU is not in a position to limit the comment period. Implementing an easier way to review and comment on proposals would support more effective decisions without meeting results.

## 3.3 Meeting efficiency

### *The Potential Area for Improvement*

38. *Some interviewees feel that meetings run too long and that better use of time would lead to better decisions.*

### *Discussion*

39. Stakeholders admit that meetings are not always conducted as efficiently as possible. A number of factors contribute to meeting inefficiency, including Co-Chairs with limited meeting facilitation skills, inclusion of agenda items that can be addressed in other forums, and lack of enforcement of standard meeting procedures.

40. Stakeholders generally feel that the advantages of maintaining the balanced voice of the members and the benefits of working hard at difficult issues that result from the consensus principle outweigh the inconvenience of some meeting inefficiency.

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<sup>11</sup> IFAD's Institutional Efficiency and Efficiency of IFAD-Funded Operations, Independent Office of Evaluation of IFAD, July 2013, p. 86

<sup>12</sup> Measures to Increase the Efficiency of CIF Committees, CTF-SCF/TFC.11/7/Rev.1, January 27, 2014.





41. Given the current situation in the CIF, the number of decisions required to be taken at Trust Fund Committee and Sub-Committee meetings seems to be declining and meeting agendas are lighter of their own accord without any change of rules or delegation of responsibility.
42. Interviewees share the opinion, also taken up in the CIF Measures document, that better preparation could lead to more efficient meetings. Better preparation was discussed in terms of the responsibilities and roles of the Co-Chairs and the preparation and discussion of the agenda and other meeting materials. There is general agreement that the proper tools for managing meetings efficiently—calling speakers to order, limiting speaking time, and soon— already exist in the Framework and Rules of Procedure documents. Part of the preparation of the Co-Chairs should be the consideration of these tools and how to apply them in a responsible way.
43. The comparative review suggests that two factors influence the efficiency of meetings among the comparators: the availability of an alternative to consensus for decision-making and the role of the head of the coordinating unit.
44. In terms of the availability of an alternative to consensus, all the organizations reviewed all agree that consensus is an important value. However, in the interests of efficiency, when a blockage occurs in the consensus process, each has a voting procedure of some sort to invoke as a means of resolving the issue and advancing the meeting agenda. These include the CGIAR's simple majority, GAVI and the Global Funds' two-thirds majority, and the GEF's somewhat complicated double majority.
45. In several organizations, the head of the coordinating unit—the President, Executive Director, or CEO—actually chairs the board meetings. In most of these cases, co-chairs are selected from the membership, but the coordinating unit head provides consistency from one meeting to the next. Having the coordinating unit head fill this role appears to provide a more directive presence in the Chair, who facilitates the meeting, can bring it to order, move discussions to vote, and otherwise manage meeting flow.
46. A few comparator organizations use independent chairs or facilitators, approaches that have been considered by the CIF before. However, given the current situation of the CIF and the impression of some Trust Fund Committee and Sub-Committee members that the work load for meetings is gradually lightening, this type of approach does not seem warranted for the CIF at the moment.

### *Findings*

47. The CIF are already implementing efficiency measures approved in February 2014 through CTF-SCF/TFC.11/7/Rev.1, Measures to Improve the Efficiency of CIF Committees.
48. The CIF AU offers the Co-Chairs the opportunity to discuss meeting agendas prior to the meeting, but the Co-Chairs have not always taken advantage of this opportunity. The CIF AU should continue this practice, although it may have to experiment with different arrangements to increase participation and accommodate specific needs.
49. The CIF AU also should continue to support the coordination meeting among recipient countries of the various funds a day in advance of the Joint Meeting. This time offers the members a chance to consult on agenda items to enhance the effectiveness of their participation in the meeting. The time also helps members from recipient countries get to know each other better and begin to build the personal networks that will increase the overall effectiveness of the meetings.



50. Similarly, the CIF AU should continue to provide interested members with pre-meeting preparation and briefings on materials to be discussed, so that less meeting time is spent explaining documents and more can be devoted to making decisions.

51. The CIF AU can work with the Co-Chairs, members, and any observers who would like assistance in preparing to address the CIF Committees. Assistance of this sort could sharpen the observer's appreciation of the observer role and determine the right focus for the presentation.

52. Additional time between selection and the taking up of the Co-Chair responsibilities will provide individuals adequate time for understanding the Co-Chair's roles and responsibilities, for assimilating lessons learned by those who have acted as Co-Chair before, and for reviewing the agenda of the upcoming meetings. The extra time will also allow for a detailed discussion of meeting management techniques and tools, focusing on the authorities provided to the Co-Chairs through the Framework and Rules of Procedure documents.

53. At this time we do not suggest increasing the role of the head of the CIF AU to the level of co-chair for the Joint Meeting. Such a move, we believe, would begin to move the CIF AU into a more strategic, direct-setting role, rather than the administrative support role that is established for the CIF AU in the Framework documents. We consider the steps outlined herein for increasing preparation of the Co-Chairs, for working with them on meeting management techniques, and for supporting other meeting preparation activities will bear fruit in terms of more efficient meetings without changing the AU role significantly.

### 3.4 Selection of and Clarity of Responsibilities for Co-Chairs

#### *The Potential Area for Improvement*

54. *Some interviewees feel that the Co-Chairs are sometimes put at disadvantage due to the timing of their selection and have limited time for preparing for their leadership role.*

55. *The current practice in the CIF is to select the Co-Chairs "at the Trust Fund Committee Meeting convened six months following the Partnership Forum, recognizing that members of the Trust Fund Committee are to be selected at the Partnership Forum."<sup>13</sup> This means that the new Co-Chairs have no formal preparation time for their first meeting.*

#### *Discussion*

56. Many stakeholders interviewed agreed that at times the Co-Chairs appeared to be put in a disadvantageous situation by the timing of their selection. Interviewees also felt that the lack of preparation time contributed at least some level of inefficiency to those meetings.

57. Several contributor members interviewed said that the contributor members in most cases had at least tacit prior agreement as to the next Chair. This prior agreement allows the presumed next Chair to prepare at least to some degree prior to the first meeting. However, the same advanced awareness does not seem to be true of the recipient country Co-Chair.

58. Comparator organizations have at least two approaches to Chair selection. One approach is that Chairs can be selected in advance, through the work of a nominating committee. The Global Fund, for instance, elects the new Chair and Vice-Chair at the meeting prior to them

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<sup>13</sup>Governance Framework for the Clean Technology Fund: Adopted November 2008 and amended June 2014, June 2014, 9; Governance Framework for the Strategic Climate Fund, Adopted November 2008 and amended December 2011, p. 7.



taking office (except in the case of an election to fill a vacancy). Such an arrangement allowed the Global Fund to announce the selection of the new Chair two months before the selected person took up the new responsibilities.<sup>14</sup>

59. Another approach is illustrated by the GEF Council, which selects a new Chair for every meeting. However, the GEF CEO and Head of the GEF Secretariat, co-chairs Council meetings and provides a sense of constancy to the proceedings.

### *Findings*

60. The CIF are working with Co-Chairs prior to Committee Meetings to discuss agendas and the schedule of meetings. The CIF Measures document notes that a teleconference was held among the Committees' Co-Chairs and the CIF AU prior to the Joint Meeting in October 2013, and that "the CIF Administrative Unit found it very helpful to have the agreement of all co-chairs on both the provisional agendas and the schedule of meetings."<sup>15</sup> While the same opportunity was offered prior to other Committee Meetings, the Co-Chairs have not always taken advantage of the opportunity.

61. To allow adequate preparation time, Co-Chairs need to be selected prior to the beginning of the first meeting of the Co-Chairs' term.

## **3.5 Clarity of Responsibilities for Members and Member Engagement**

### *The Potential Area for Improvement*

62. *Some feel that the Committee members can be too country-centered, steadily supporting their country's investment plans or their country interest instead of playing their role as Committee members.*

63. *Some feel that Committee members are not well engaged in the decision-making process.*

### *Discussion*

64. According to the CIF Measures document, feedback from members indicates that part of the reason for lack of member engagement is that the members do not have enough time to absorb papers or to discuss issues prior to the meetings.

65. The multi-part design of the CIF has presented some challenges for new members. To those unfamiliar with the CIF's "original complex architecture," navigating the two-fund, three-sub-committee system may be difficult.<sup>16</sup> This can be especially challenging for new Trust Fund Committee and Sub-Committee members from recipient countries, who often lack the resources, support, and informal networks of knowledge sharing and institutional history that tend to be in place among members from contributor countries.

66. Although the Governance Frameworks of both the CTF and SCF Trust Funds identifies the Trust Fund Committees and Sub-Committees responsibilities, some members do not appear to fully understand their roles and responsibilities. New members, especially those with little or no previous experience with multilateral partnerships, are sometimes not aware of the roles and responsibilities of each group in the partnership. This information is available in the CIF

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<sup>14</sup> [http://www.theglobalfund.org/en/mediacenter/newsreleases/2013-03-22\\_Global\\_Fund\\_Selects\\_its\\_Next\\_Board\\_Chair\\_and\\_Vice-Chair/](http://www.theglobalfund.org/en/mediacenter/newsreleases/2013-03-22_Global_Fund_Selects_its_Next_Board_Chair_and_Vice-Chair/).

<sup>15</sup> Measures to Increase the Efficiency of CIF Committees, CTF-SCF/TFC.11/7/Rev.1, January 27, 2014, p 3.

<sup>16</sup> Independent Evaluation, p. 6.



documentation, but it is spread across multiple documents, making access to the complete set of roles and responsibilities difficult.

67. Participants from contributor countries have good working relationships with each other, many of which are preexisting and supported by mutual work on other projects. These informal relationships help the contributor members work together. Recipient members, on the other hand—with perhaps the exceptions of some of the larger recipient countries that have significant experience with international funds—have less interaction and cooperation before meetings. This lack of interaction can lead to disinterest and withdrawal when the committee proceedings are not focused on specific local concerns of the recipient member.

68. Several comparator organizations have Terms of Reference for at least some of their board members that spell out what is expected from the member and role. The Global Fund has descriptions of roles and responsibilities for key positions appended to its operation procedures and IFAD has high level roles and responsibilities as part of their rules of procedures documents. These documents may help members get a clear idea of what is expected relative to their engagement in meetings.

69. Additionally, many of the comparators have member selection processes in which board members are selected from defined constituencies. This sense of responsibility on the part of the board or council member toward the interests of his/her constituency can serve to increase the engagement of the member in aspects of the meetings other than those related to the member's individual concerns.

### *Findings*

70. The CIF AU is striving to post all documents three to four weeks prior to the meeting at which they will be reviewed. The CIF AU has undertaken a variety of efforts to help members absorb the information required to participate effectively in the meetings: posting documents ahead of time, conducting information briefings, and offering opportunities for different stakeholders to come together prior to the Committee meetings. These efforts have produced generally positive reactions on the part of members, although members have not always taken full advantage of the opportunities provided by the CIF AU. Some small changes to these preparatory activities are warranted in order to encourage stakeholders to take more advantage of these opportunities. For instance, experimenting with different methods of engagement—telephone conference, video-conference, web-based conference—can help identify which method has a better chance of connecting with CIF stakeholders.

71. The CIF AU has completed an orientation document that provides the structural overview that allows each actor in the CIF to understand his/her specific role in light of the other actors in the partnership. The orientation integrates information from the various CIF documents into one, clear, succinct, and easily understood package.

72. The CIF AU is also bringing members of recipient counties to the Committee Meetings a day in advance of their specific meeting in order to provide briefings and to increase informal exchanges among recipient country committee members.

73. Further role clarity is essential to the clear, efficient execution of individual responsibilities in the CIF. Most comparator organizations have some form of roles and responsibilities document that summarizes the responsibilities for each organization stakeholder group. A CIF Roles and Responsibilities document could be produced and include a Code of



Conduct expected of members and observers. This would serve to boost awareness of all participants' responsibilities for accountability and integrity.

### 3.6 Clarity of Responsibilities for Observers

#### *The Potential Area for Improvement*

74. *Some feel that the participation of observers in the CIF is limited, that they are asked to represent too diverse and large a group, and that their responses are going to be biased from their region and/or interest point of view.*

#### *Discussion*

75. The Independent Evaluation states that the “CIF governance structure has achieved legitimacy in design through an inclusive and balanced framework, and expanded role for observers, and good disclosure and transparency.” The Independent Evaluation concluded that the observers have greater voice in the CIF than in other funds, and that the role of observers as a source of input and a boost to transparency.<sup>17</sup> This beneficial role of observers was also acknowledged in the Transparency International report.

76. Stakeholders agreed that the observer role could be defined more completely and that better preparation for observers' interactions with the Trust Fund Committees and Sub-Committees would enhance the benefits that they could bring. Particularly challenging is the role of observers as representatives of a constituency. The Independent Evaluation framed the challenge of defining the role of observers in the following way: “While CIF observers are intended to represent a constituency, responsibilities, and accountability to this constituency are not clearly understood. The ‘constituency’ is not clearly defined, nor have expectations for how to liaise with the constituency been sufficiently clarified.”<sup>18</sup>

77. Some of the comparative organizations have very clearly defined relationships with members of the civil society organizations, indigenous peoples, and/or the private sector.<sup>19</sup> Often, representatives from these groups either serve as members of the Board or Council with voting power, or play meaningful roles in meetings as contributors. In some comparator organizations, such as the GAVI Alliance, observers are present at the invitation of the Chair but do not participate in the meetings. In others, like the Global Funds, a fixed number of voting members of the board are representatives from civil society (NGOs) and the private sector. Although observers play a key role in transparency and accountability within all the comparator organizations we reviewed, it appears that the responsibility of observers to represent a constituency is just as much of a challenge for many of them as it is for the CIF.

78. The CIF have identified the need to leverage the role of the observer community, and is defining a Stakeholders Advisory Network (SAN) to capture lessons learned from past observers and to build lasting connections among the observer community. The SAN would appear to be an appropriate platform for the development of more meaningful observer constituencies over time.

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<sup>17</sup> Independent Evaluation, p. x.

<sup>18</sup> Independent Evaluation, p 13.

<sup>19</sup> See for instance, the GEF CSO network, <http://www.gefcso.org/>.





### Findings

79. Observers play a key role within the CIF. The CIF's official website states that observers are "vital in broadening perspectives, supporting transparency and accountability, and ensuring targeted and effective action on the ground" and "present their constituencies' views, put items on the agenda, provide expert advice and communicate decisions to the stakeholders they represent."<sup>20</sup> Although observers do not vote on decisions in CIF meetings, their role within the CIF is nonetheless an active one that their colleagues recognize.

80. In an effort to sustain the value of the observer role in the CIF, and in an attempt to keep the community of observers who have been involved with CIF discussions and work – several since its inception – the CIF are considering additional support for observers through the continued development of a Stakeholders Advisory Network (SAN), a platform through which observers may interact and exchange knowledge outside of CIF meetings. A significant objective of this network will be clearer definition of larger observer constituencies, and a greater ability to engage directly with individuals who are spread all around the world.

## 3.7 Rethinking the Partnership Forum

### *The Potential Area for Improvement*

81. *The Governance Documents of the CIF state that the CIF Administrative Unit shall convene the Partnership Forum – a broad-based meeting of stakeholders of the CIF – every 18 months to provide an avenue for dialogue on the strategic directions, results, and impacts of the CIF and discuss solutions to climate change challenges. Since 2008, the CIF has held five Partnership Forums co-hosted by one of the five partner MDBs. Using the 18-month provision, the sixth Partnership Forum should take place in December 2015.*

82. *Given that the COP21 will take place in December 2015, it is not feasible to hold the Partnership Forum at the same time. Furthermore, after consultations with the MDBs and other stakeholders, there is agreement that the Partnership Forum needs to be rethought in order to increase the benefits expected from it, particularly in the transfer of lessons learned. There is also need to de-link the seat selection process from the Partnership Forum if the model of hosting it every 18 months is rethought.*

### *Discussion*

83. The Partnership Forum has evolved over the years to include a greater focus on knowledge (via the Knowledge Bazaar), private sector and civil society days, and multiple simultaneous sessions. The CIF AU and the MDBs have held several discussions to review past Partnership Forums with a view to use lessons learned to shape the future strategic direction related to such events.

84. Whereas there was general consensus that the Partnership Forums have been useful in achieving their set objectives, with the CIF well into its sixth year, there was agreement on the need to revisit the objectives and impact of the Partnership Forum with a view to champion the CIF as a learning vehicle with evidence of transformational impact; and to distill the lessons learned to broader audiences beyond the CIF pilot countries and historical contributors.

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<sup>20</sup> <https://www.climateinvestmentfunds.org/cif/node/12531>.



85. There was also agreement that the Knowledge Bazaar, though welcomed as a good idea, had increasingly evolved as a complex undertaking that focused more on the exhibition at the expense of structured learning and lesson sharing.

### *Findings*

86. While the Partnership Forum worked well for networking and exchanging ideas, the current model of a 500-plus gathering does not allow for lesson sharing in ways that give an opportunity to different parties affected by and/or interested in the CIF to take the lessons forward. Furthermore, the current format does not give visibility to the important work and results that the CIF and partners are achieving together, since it is largely confined to the major CIF constituents. Over time, the Forum has also become too big for meaningful knowledge exchanges. The common view is that the Partnership Forum should be replaced by several events throughout the year to promote the original objectives of the Partnership Forum among both CIF- and non-CIF stakeholders in order to inform the betterment of climate action.

### **3.8 Guidelines to Facilitate the Self-Selection Process of Members from Eligible Recipient Countries**

#### *The Potential Area for Improvement*

87. *At the Joint Meeting in June 2014, the CIF AU was requested to prepare, for consideration, guidelines for eligible CIF recipient countries to facilitate the self-selection process of CTF/SCF Trust Fund Committee and Sub-Committee Members from recipient countries.*

#### *Discussion*

88. As noted in the Independent Evaluation and the CIF response to the Independent Evaluation, the inclusion of distinct Committees—the CTF, SCF and SCF Sub-Committees (SREP, PPCR, and FIP)—allows for greater engagement and participation by a larger pool of eligible recipient countries. It also allows for a greater focus on the specific concerns and focus of each Committee and Sub-Committee by its members.

89. However, while this aspect of CIF design helps focus the different programs on target recipients, the priority given to eligible recipient countries with pilots for member selection seems to limit a more inclusive selection of non-pilot recipient committee members. The Interim Report of the Independent Evaluation points out that at the time (July 2013), 20 of the 49 recipient countries had not served as a member of any committee. Such a number argues against the inclusivity that is a goal of the CIF. While the priority given to eligible countries with a pilot is reasonable from a learning transfer perspective, it may also be important to stipulate that at least one non-pilot eligible country representative be selected as a member.

90. CIF stakeholders identified the Sub-Committee member selection process as problematic, subject to political pressure and appearing at times to constitute conflicts of interest when implementation of decisions directly involve a member's country. Some Sub-Committees appear to have a fairly close membership that attempts to control the inclusion of new members.

91. The connection of the selection process with the Partnership Forum is also an issue. For some eligible recipient countries, sending a representative for the Partnership Forum when the representative is not already a Committee or Sub-Committee member constitutes a difficulty in





terms of time and finances. For this and other reasons, several interviewees wondered whether it was necessary for the selection process to take place during the Partnership Forum.

92. The comparators reviewed in this paper use defined constituencies for recipient countries as the basis of their selection guidelines (See Table 2). Other guidelines, such as knowledge of the issues and gender balance appear secondary to this constituency basis.

Table 2 - Constituency Basis for Member Selection

Comparator	Type of Recipient Member Constituency
Global Fund	Seven representatives from developing countries, one representative based on each of the six World Health Organization regions and one additional representative from Africa
GAVI Alliance	Five of the 32 voting members of the GAVI Board are representatives of GAVI Alliance developing countries. The developing country governments' constituency is currently represented by Anglophone Africa, Francophone Africa, Asia, the Middle East, Latin America, and Eastern Europe.
IFAD	The Executive Board of IFAD consists of 18 Members and 18 Alternate Members. Members and Alternate Members are elected for three-year terms from within their respective Lists (Lists A, B, and C) and Sub-Lists (List C has three regional Sub-Lists: Countries in the Africa group; Countries in Europe, Asia and the Pacific; Countries in Latin America and the Caribbean). The Members and Alternate Members in the respective Lists represent other constituents of that List.
CGIAR	Members of the CGIAR Fund Council, with the exception of the Fund Council Chair and the Fund Executive Secretary, are chosen based on the following constituencies and sub-constituencies: <ul style="list-style-type: none"> <li>Development Assistance Committee (DAC) members [Sub-constituencies: Asia, Europe and Central Asia, Latin America and Caribbean, Pacific, Sub-Saharan Africa, West Asia and North Africa]</li> <li>Non-DAC members [Sub-constituencies: Asia, Europe, North America, Pacific]</li> <li>Multilateral Organizations</li> <li>Foundations</li> </ul>
GEF	The GEF groups its participants into 32 constituencies, of which 18 represent recipient countries and 14 are non-recipient countries. The 18 recipient constituencies are divided as follows: <ul style="list-style-type: none"> <li>Africa – 6 groupings</li> <li>Asia and Pacific – 6 groupings</li> <li>Latin America and Caribbean – 4 groupings</li> <li>Central, Eastern Europe and Former Soviet Union – 2 groupings</li> </ul>
Green Climate Fund	The Board will have 24 members, composed of an equal number of members from developing and developed country Parties. Representation from developing country Parties will include representatives of relevant United Nations regional groupings and representatives from small island developing States (SIDS) and least developed countries (LDCs). “The members of the Board and their alternates will be selected by their respective constituency or regional group within a constituency. Members of the Board will have the necessary experience and skills, notably in the areas of climate change and development finance, with due consideration given to gender balance.”



### Findings

93. One difficulty in the selection process is the absence of clear constituencies within the recipient countries. The selection by constituency provides a greater sense of clarity to the seat selection process for these organizations. Constituencies have been considered for recipient country selection in the past.<sup>21</sup> However, the proposal for constituencies was not approved by the Trust Fund Committees at the time. Because of the central nature of a constituency approach in the other funds, it may be time for the CIF to reopen the question.

94. Because of the thematic focus of the CIF and the commitment to a selective eligibility of countries in the CIF programs, it may be more reasonable to define a “programmatic constituency,” rather than a regional one. In this model, a programmatic constituency would be based on the specific focus of the CIF program. For instance, the priority for PPCR pilots to be given to “highly vulnerable least developed countries eligible for MDB concessional funds, including the small island developing states among them” may create an inherent constituency of countries meeting those criteria.<sup>22</sup>

95. Similarly, the selection criteria for FIP pilots inherently identify the forest constituency through characteristics such as the potential to lead to significantly reduced greenhouse gas emissions from deforestation and forest degradation, potential to contribute to FIP objectives, country preparedness and ability, and country distribution across regions and biomes, ensuring that pilots generate lessons on how to go to scale with the results of the pilots.

96. These basic definitions may be a starting point for an effective discussion of a focused, program-based approach to constituencies that still can address regional balance within the parameters of each program.

97. The CIF AU already supports the member selection process at the Partnership Forum by contacting all the eligible country focal points and inviting them to the Partnership Forum, by arranging rooms for the consultations at the Forum, and for facilitating discussions when possible. However, with the 18-month period of the Partnership Forum in question, it appears that this would be an opportune moment to consider alternatives to the procedural guidelines currently in place for the member selection process. A move to a virtual environment may provide more flexibility and outreach.

## 3.9 Transparency, Accountability, Integrity

### *The Potential Area for Improvement*

98. *Some feel that there are opportunities for improvement in the areas of transparency, accountability, and integrity.*

99. *The Independent Evaluation points out that the CIF foundational documents do not identify a process for managing potential or apparent conflicts of interest or for resolving disputes.*

100. *Other reports are critical in regard to integrity. One noted that a fund-wide zero-tolerance policy is missing and “codes of conduct setting out ethical and anti-corruption rules*

<sup>21</sup> Measures to Improve the Operations of the Climate Investment Funds, CTF-SCF/TFC.6/3, June 14, 2011.

<sup>22</sup> The Pilot Program for Climate Resilience Fund under the Strategic Climate Fund, Climate Investment Funds, December, 2011.



*and standards governing Fund actors' behaviour in relation to the Funds are not in place for any Fund actors."*<sup>23</sup>

101. *Such a statement fails to take into account that the CIF AU and the MBDs are bound by the rules of their respective organizations. However, it does identify the absence of a CIF-wide Code of Conduct for Co-Chairs, members, and observers.*

### Discussion

102. Stakeholders place the CIF high in all three categories of transparency, accountability, and integrity. Both the Transparency International and the Independent Evaluation reports agree that the CIF has good transparency. Better understanding of roles and responsibilities throughout the CIF would provide members with a better grasp on their accountability requirements.

103. Occasionally, individual country concerns seem to predominate for one member or another over CIF concerns, but this was a rare occurrence and not one that seems to represent the norm. Co-Chairs, for instance, take pains to differentiate when they were acting as Chair and when they were speaking as their country's representative. Even these occasions are rare, however, since the Chairs are allowed to get alternates to replace them as the country member.

104. Integrity may become a larger issue as downstream project implementations grow in size. A rule of funding oversight seems to be that the further from the source the activity is, the greater the possibility of wrongful behavior. This rule implies that the danger of corruption is higher for on-the-ground, in-country implementation efforts than it would be for higher visibility projects such as project planning and capacity building.

105. All the comparator organizations had evidence of their efforts to make clear their commitment to the elimination of waste, fraud, and abuse and their insistence on the integrity of each of their members. All the organizations reviewed had some form of zero-tolerance for fraud, corruption, and waste, and some organizations also had a standard commitment to the identification and management of potential conflicts of interest. Several organizations had codes of conduct for members, such as the section on Accountability, Ethics and Conflict of Interest included in the Global Fund's Board and Member Roles and Responsibilities document<sup>24</sup>.

### Findings

106. All CIF projects and programs are implemented by and through the MDBs, and the CIF rely on the well-established transparency and accountability mechanisms of its implementing entities. The CIF were designed to follow to the extent possible the MDBs' established infrastructure, policies, and procedures.<sup>25</sup> The Trustee and the CIF AU are bound by the World Bank policies and procedures on transparency, accountability and integrity.

107. It would be worthwhile to remind Co-Chairs, Trust Fund Committee and Sub-Committee members and observers of their individual responsibilities in these areas. The development of a CIF Code of Conduct for Co-Chairs, Committee members and observers should be included as part of the consolidated roles and responsibilities document.

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<sup>23</sup> Transparency International, pp 12 -14.

<sup>24</sup> Operating Procedures of the Board and Committees of the Global Fund to Fight Aids, Tuberculosis and Malaria, 20 November 2014, Annex 1, p. 1.

<sup>25</sup> <https://www.climateinvestmentfunds.org/cif/transparency-and-accountability>.



## 4 Suggestions for Improving CIF Governance and Management

### 4.1 Introduction

108. The Phase One team used two principles for the team to guide the selection of suggestions for this report. Both principles are rooted in the characteristic of complex systems known as the butterfly effect, which states that large outcomes can result from almost imperceptible changes made in a complex system. Applied to a partnership like the CIF, which is made up of many parts with complex interactions, a small change in process or structure can have large, far-reaching, and sometimes unanticipated results.

109. Therefore, any suggestions for changes to be made in the CIF management and governance must be simple and monitored over time to evaluate their effect on CIF behavior. If any changes made to CIF management and governance processes are not having the desired effect, they should be reevaluated and modified.

110. While specific suggestions are offered for specific challenges, the proposed changes do not necessarily exist in a one-to-one correlation with the challenges identified. For instance, an increase in a member's understanding of his/her role and the expectations that other members have for his/her performance can also positively affect accountability, integrity, member engagement, and other areas.

111. As noted in Section 3, the CIF have already undertaken a number of improvement initiatives. As the CIF initiatives continue and the additional suggestions are implemented, the CIF AU should monitor resulting changes in behavior in order to closely guide the implementation of each measure taken.

112. Much of the burden for implementing the suggestions in this paper will fall on the CIF AU. Since the CIF AU is expected to provide the resources—both additional funds and personnel—to support the initiatives, it is likely that their budget will be impacted. Anecdotal evidence also suggests that the CIF are currently understaffed. If that is the case, the CIF AU will need to add several staff positions to support the implementation of these suggestions.

Table 3 – Suggestions for Improving CIF Governance and Management

Suggestion 1a: Increase meeting efficiency by changing the timing of the Co-Chair selection process to give them the needed time to prepare for the first meeting of their terms and by reviewing with the new Co-Chairs the use of the authorities they have.
Suggestion 1b: Implement a standard process for assigning decisions to meetings, decision-without-meeting, or to an appropriate CIF entity (i.e., the CIF AU, the MDB Committee, and so on).
Suggestion 2: Change the current decision-without-meeting process to a more Web-centered collaboration environment approach, taking advantage of the expanded capabilities being provided by the Trustee.
Suggestion 3: Increase stakeholder engagement in meetings and boost stakeholder awareness of integrity and accountability by increasing role clarity for Co-Chairs, members, and observers, through the preparation of 1-2 page descriptions of responsibilities of Co-Chairs, members, and observers, informing them of what is expected of them as a CIF stakeholder. Include a Code of Conduct section setting out responsibilities for accountability, integrity, and conflict of interest.
Suggestion 4: Rethink and restructure the Partnership Forum into other events and activities that collectively achieve the same objectives and are more flexible and adaptable to the learning requirements of the CIF.



Suggestion 5a: The guidelines for the self-selection process for recipient countries should consider the possibility of developing a sense of programmatic constituency for the recipient countries as the primary basis for selection.

Suggestion 5b: The guidelines for the self-selection process for recipient countries should include the principles of an equitable regional balance (as modified by program focus), gender balance, “appropriate technical and/or policy expertise” that aligns with the objective of each targeted program, and an “active interest in promoting the efficient and effective governance” of that program.

Suggestion 5c: The guidelines for the self-selection process for recipient countries should first decouple the seat selection process from the Partnership Forum, move the seat selection consultation to a virtual environment, and develop procedural rules for the virtual environment to ensure that decisions of the consultation are inclusive and decisive.

Suggestion 6: Develop a Stakeholder Advisory Network (SAN) to support and enhance observers’ contributions to CIF directions, strategies, projects, and learning efforts.



## 4.2 Suggestions Table

114. The following table contains the suggestions for improvement selected for this report.

Suggestion 1a: Increase meeting efficiency by changing the timing of the Co-Chair selection process to give them the needed time to prepare for the first meeting of their terms and by reviewing with the new Co-Chairs the use of the authorities they have.	
Finding	Suggestion
<p>Participation of the Co-Chairs in the development of meeting agenda and in preparing for upcoming meetings has had a positive effect on meeting efficiency. However, the current timing of Co-Chair selection prevents the preparation from occurring at least in the first meeting of the term of a new Co-Chair.</p> <p>The Co-Chairs also have authorities within the meetings to call speakers to order, decide points of order, limit the time allowed to speakers, and others. However, new Co-Chairs may be hesitant to use these authorities.</p>	<p>Understanding that new Co-Chairs need time to prepare for meetings to help increase the efficiency of the meetings, it is proposed that the selection of the country that will provide the Co-Chair will take place at the close of the member seat selection process. The specific person who will fill the Co-Chair role can be named during the time intervening between the selection and the next Committee Meetings, but in time for participation in meeting preparation activities.</p>
Suggestion 1b: Implement a standard process for assigning decisions to meetings, decision-without-meeting, or to an appropriate CIF entity (i.e., the CIF AU, the MDB Committee, and so on).	
Finding	Suggestion
<p>The CTF/SCF Trust Fund Committee would prefer to spend time on strategic rather than operational concerns. However, no easily discerned criteria exist for distinguishing between strategic and non-strategic issues. Agendas at CIF Committee Meetings are often very full and the attempt to address all the items may sometimes result in a loss of focus on more strategic issues. Agendas could be prioritized by moving non-strategic issues to the decision-without-meeting process. The Committees could then return their focus to more strategic topics.</p> <p>However, several stakeholders admitted that it might be difficult to unanimously assess which topics are strategic and which are not, and that there might be disagreements among stakeholders as to which types of decisions require consensus.</p> <p>Other comparative organizations assign requests for decisions to an appropriate decision mechanism at the time they are accepted during a Board or Board meeting. For instance, the Board may request “a draft decision by [date] for consideration and decision by mail,” or “to report</p>	<p>In the effort to move some discussions from CIF Committee Meetings to other decision-making mechanisms, we suggest that a standard process be defined for assigning action items that arise during the Joint Meeting to an appropriate decision mechanism—consideration during a Joint Meeting, approval through the decision-without-meeting process, or operational implementation by the appropriate CIF partner—at the time the request for decision is accepted by the Joint Meeting. Any member can escalate a decision from assignment to a CIF partner, decision-without-meeting, or to consideration at a Committee meeting by simply requesting that the decision assignment be changed. The mechanism of decision making should be determined at the time of the discussion during the meeting and captured in the Co-Chair summary.</p> <p>The summaries of the Co-Chairs reviewed during this study show that this classification scheme is used in many, but not all, cases when a request for decision is accepted by the Joint Meeting. For instance, the Joint Meeting has requested the partners “to prepare a technical paper for consideration at</p>





<p>back with proposals on the way forward for consideration at the next Council meeting.” The action may also be assigned to a coordinating partner, who then has the responsibility for making the operational decisions associated with implementing it: “The Council accepts the plan and asks the [coordinating partner] to implement the plan and to report progress to the Council at the next meeting.”</p>	<p>the Joint Meeting in [date].” The Joint Meeting has also approved a plan and assigned operational responsibility to the partners for implementing it: “The meeting invites the CIF Administrative Unit and MDBs to collaborate to implement the plan and to report back to the joint meeting annually on the progress being made.” However, this assignment process does not seem to be followed consistently.</p> <p>Required decisions that emerge in the time period between Joint Meetings can be tentatively assigned to an appropriate decision-making mechanism by the head of the CIF AU. The head of the AU would notify members of the issue and the assigned mechanism for its resolution. Again, any member can escalate the issue—from assignment to a CIF partner, to decision-without-meeting, or to consideration at a Committee meeting—by simply requesting that the decision assignment proposed by the CIF AU be changed.</p> <p>The ongoing list of pending decisions and the locus for their resolution (Joint Meeting, decision-without-meeting, assignment to partner) should be maintained on the CIF website.</p>
<p><b>Suggestion 2: Change the current decisions without meeting process to a more Web-centered collaboration environment approach, taking advantage of the expanded capabilities being provided by the Trustee.</b></p>	
Finding	Suggestion
<p>The CIF AU has received feedback that the decision-by-mail process has had some instances in which it took too long for the members to reach a decision. A timetable for decision-by-mail processes has been approved and put into place. However, there is still the feeling that the process can be delayed by any member who asks for additional time, even at the last moment.</p>	<p>Understanding that decision-by-mail is currently the main means of making decisions without meeting, it is proposed that the decision-without-meeting process be shifted from an email basis to a collaborative Web-based platform basis, supported by a process modeled on IFAD’s LOT approach. In this Web-based process, the proposing entity posts a new project proposal on the Website, and notifications are then sent immediately to all appropriate members. Member comments are delivered directly to the website and then become available to all appropriate members for their review.</p> <p>Such a process takes the CIF AU out of the “mailman” role and puts more responsibility on the members for responding in compliance with the proposed timetable.</p>





**Suggestion 3:** Increase stakeholder engagement in meetings and boost stakeholder awareness of integrity and accountability by increasing role clarity for Co-Chairs, members, and observers, through the preparation of 1-2 page descriptions of responsibilities of Co-Chairs, members, and observers, informing them of what is expected of them as a CIF stakeholder. Include a Code of Conduct section setting out responsibilities for accountability, integrity, and conflict of interest.

Finding	Suggestion
<p>Some members, especially those who may be new to the CIF appear at times to be only marginally engaged in Committee Meetings. One possible contributing factor to this perceived disengagement may be the lack of clear understanding by new members.</p> <p>The idea was introduced of having new members, Co-Chairs, and observers review their roles and responsibilities in a Terms of Reference format, an approach that is used in some other multilateral funds. However, this approach was rejected as too formal given the current situation.</p> <p>The CIF also received requests for a discussion of guidelines enhancing the contribution of observers to the CTF/SCF Trust Fund Committee.</p> <p>Review of CIF documents show that the roles and responsibilities of the Co-Chairs, the members, and the observers are presented in several places throughout the CIF document library. Feedback was received that suggested that consolidating these roles and responsibilities into one document, participants would have easier reference to the full scale of their expected involvement.</p> <p>Finally, the CIF have been encouraged to work on increasing the awareness of its stakeholders to their responsibilities in the areas of integrity, accountability, and Conflict of Interest.</p>	<p>A clear understanding of the roles and responsibilities of various stakeholders in the CIF is critical to their successful engagement in CIF activities. Therefore, it is proposed that the CIF AU prepare 1-2 page descriptions of responsibilities of Co-Chairs, members, and observers, informing them of their expected roles and responsibilities as CIF stakeholders.</p> <p>The observer Roles and Responsibilities should be extended to include the guidelines for enhanced observer participation in the CIF governance processes, which is consistently mentioned as one of the defining strengths of the CIF.</p> <p>These descriptions should include a Code of Conduct section setting out the responsibilities of Co-Chairs, members, and observers for accountability, integrity, and Conflict of Interest (Note that the CIF AU and the Trustee are already bound by the policies and procedures of the World Bank and the MDB representatives are bound by the policies and procedures of their respective organizations).</p>

**Suggestion 4:** Rethink and restructure the Partnership Forum into other events and activities that collectively achieve the same objectives and are more flexible and adaptable to the learning requirements of the CIF.

Finding	Suggestion
<p>Whereas the Partnership Forum works well for networking and exchanging ideas, the current model of a big 500+ gathering does not allow for lesson sharing in a way that gives an opportunity to different parties affected by and interested in the CIF to take our lessons forward. Furthermore, the current format does not give visibility to the important work and results that the CIF and partners are achieving together, since it is largely confined</p>	<p>Aware of the need reach out to more stakeholders and distill lessons beyond the core CIF constituents, most of whom are already conversant with the work and results of the CIF, it is proposed that the Sixth Partnership Forum and subsequent ones be smaller and more targeted to ensure thematically focused learning, networking and knowledge exchange and allow for meaningful and relevant interactions between targeted participants. For sustainability, it was further suggested and agreed that the CIF should</p>



to the major CIF constituents. Over time, the Forum has also become too big for meaningful knowledge exchanges.

organize smaller and more targeted events throughout the year preferably alongside other regional or international events of the MDB and other partners, including the Spring and Annual Meetings of the WBG, Annual, and Thematic Meetings of other MDBs etc. The CIF would leverage these events to share lessons in climate finance, as well as explore other financing models.

**Suggestion 5a:** The guidelines for the self-selection process for recipient countries should consider the possibility of developing a sense of programmatic constituency for the recipient countries as the primary basis for selection.

Finding	Suggestion
<p>In the Summary of the Co-Chairs, Joint Meeting of the CTF and SCF Trust Fund Committees, June 25, 2014, “The joint meeting invites the CIF Administrative Unit to assist eligible CIF recipient countries in the development of guidelines to facilitate the self-selection process.”</p> <p>The first criterion in selecting Board/Committee members of other multi-lateral funds similar to the CIF is the specific constituency (most often regional) to which the members belongs. This criterion positions the member of the Committee clearly as the representative of that constituency over and above representation of the member’s national interest. Other guidelines—gender balance, or expertise, for instance—appear to be subordinate to the constituency criterion.</p> <p>Such a constituency guideline is difficult for the CIF. Aside from the contributor and recipient country constituencies, the focused, thematic of the CIF may limit the use of natural regional constituencies as a basis of member selection.</p>	<p>Understanding that natural regional constituencies may not work as the basis for Committee seat selection as they do in other multilateral organizations, but maintaining the conviction that members should represent a broader constituency than simply their own national interest, it is suggested that the CIF explore the concept of establishing programmatic constituencies based on the interests of the specific programs in which the members are involved. A “programmatic constituency” is based on the idea of a constituency that is inherent in the specific focus of each CIF program. For instance, criteria for selection of FIP pilots identify the forest constituency through criteria such as the potential to lead to significantly reduced greenhouse gas emissions from deforestation and forest degradation, potential to contribute to FIP objectives, country preparedness and ability, and country distribution across regions and biomes, ensuring that pilots generate lessons on how to go to scale with the results of the pilots.</p> <p>If such a programmatic constituency can be defined and fostered, representing the constituency can be used as a key criterion in Committee member seat selection.</p>
<p><b>Suggestion 5b:</b> The guidelines for the self-selection process for recipient countries should include the principles of an equitable regional balance (as modified by program focus), gender balance, “appropriate technical and/or policy expertise” that aligns with the objective of each targeted program, and an “active interest in promoting the efficient and effective governance” of that program.</p>	
Finding	Suggestion



<p>In the Summary of the Co-Chairs, Joint Meeting of the CTF and SCF Trust Fund Committees, June 25, 2014, “The joint meeting invites the CIF Administrative Unit to assist eligible CIF recipient countries in the development of guidelines to facilitate the self-selection process.”</p>	<p>The following guidelines to facilitate the self-selection process for eligible CIF recipient countries are suggested: regional balance as modified by program focus (or programmatic constituency), gender balance, commitment to the CIF program, comprehension of the issues, and necessary experience and skills.</p>
<p>Suggestion 5c: The guidelines for the self-selection process for recipient countries should first decouple the seat selection process from the partnership forum, move the seat selection consultation to a virtual environment, and develop procedural rules for the virtual environment to ensure that decisions of the consultation to be inclusive and decisive.</p>	
Finding	Suggestion
<p>Experience indicates that the goals of the CIF in getting full eligible recipient country participation in the Committee member selection process may be hindered by the linkage between the stakeholder selection consultations with the Partnership Forum.</p> <p>Moving to a virtual platform instead of relying on a face-to-face meeting may provide more flexibility and greater participation of eligible recipient countries in the self-selection process.</p>	<p>It is proposed that the selection of Committee members be removed from any connection with the Partnership Forum and be moved into a virtual environment in which all eligible countries in their respective constituencies can participate.</p> <p>It is also proposed that procedural guidelines are written to ensure that all interested eligible recipient countries who express interest in having a seat are considered (inclusive) and that at the conclusion of the consultation, the selection process will be closed for that term (decisive).</p>
<p>Suggestion 6: Develop a Stakeholder Advisory Network (SAN) to support and enhance observers’ contributions to CIF directions, strategies, projects, and learning efforts.</p>	
Finding	Suggestion
<p>The contributory role of observers on the CIF has been cited in a number of reviews of the CIF operations. The success of the observer engagement is due in large part to the significant commitment of observers’ time and resources. It is also because of the resources allocated in briefings, orientation, active interactions during CIF meetings and continuous support provided by CIF AU through “help-desk” services. However, observers leave the CIF after their term is ended. There is a need to continue the partnership with the observers after their service year is ended. The large volume of experience within the active and ex-observers is a valuable resource to reach out and engage the observers’ large constituencies.</p>	<p>To maintain the institutional memory of ex-observers, enhance the contribution of active observers and strengthen the engagement of the broader stakeholders, it is suggested to establish a network of current and ex-observers. The initial members of the SAN will be non-state actors who served as CIF observers including first round and second rounds, and current observers. The membership admission, however, could be opened to the broader non-state actors through time.</p> <p>Over time, The Network should provide the locus for the development of a stronger sense of observer constituencies.</p>



The Independent Evaluation and other evaluation reports have pointed out the need for advancing the engagement of the broader non-state stakeholders in the CIF at the country, regional and global level.

However, there are few defined processes for accessing the potential contributions from the wider observer network, including past observers who have spent time with the CIF.



## Annex 1: Methodology

This annex presents Phase One's methodology for developing and presenting concrete suggestions for improving the CIF's governance and management, and boosting its accountability, integrity, and transparency. Exhibit 1 highlights key elements of the approach.

Exhibit 1: Highlights of the Phase One Approach

Major Activities	Key Concepts Covered/Proposed
Scope the task	Agreeing on task scope, the value expected from the task by the CIF, and any measures in place to determine the success of the task
Gather the data	Desk review Stakeholder interviews Comparative analysis
Analyze the information	Critical analysis of data gathered Review of tentative suggestions with CIF AU
Develop the paper	Draft, revised, and final versions of paper
Present the suggestions	Final presentation Questions and answers

### *Scope the Task*

The first critical step in the project was scoping the task and coming to an agreement between the CIF AU governance team and Phase One on the expected value the project will provide for the CIF.

As a result of the initial meeting with the CIF AU, the Phase One Team developed a Product Definition Sheet (PDS) for review and approval. The CIF AU Team approved the PDS at the second project team meeting.

The PDS provided the basic structure for the deliverable to be developed. Annex 2 contains the PDS for this project.

### *Gather the Data*

Following the approval of the PDS, Phase One began gathering and reviewing the information required for the report. Three sources of data were used:

- 1) A *desk review* of existing evaluations, videos, and other documentary evidence
- 2) A series of *stakeholder interviews*
- 3) A *comparative analysis* of other organizations similar to the CIF.

### *Desk Review*

We reviewed relevant documents, as determined in the scoping meeting and enhanced by our review of the available literature. Our desk review included two sets of documents:

- CIF design documents and guidelines, Committee decisions, and evaluation reports. In addition, we reviewed videos of Committee Meetings.



- Other documents concerning the organizations in the comparative study and other research papers into related issues in the governance and management of multilateral partnerships.

The list of desk study materials can be found in Annex 3.

### *Stakeholder Interviews*

In conjunction with and analysis of CIF documents and the structure and functioning of comparative organizations, interviews with stakeholders were useful as a way to gauge the opinions of individuals and discuss possible recommendations with stakeholders who have witnessed the growth and change of the CIF, many since its establishment. It must be noted that this is by no means a comprehensive survey; the individuals we contacted to interview were identified because of their experience and role within the CIF, and because of the unique perspective on the issues we were researching. Comments and observations from stakeholder interviews are not intended to stand alone as a source for our recommendations, but rather to support conclusions we have come to from analysis of other material.

To structure the interview process, Phase One developed the Interview Guide. The CIF AU Team reviewed and modified the Guide. The CIF AU team then provided Phase One with a list of CIF stakeholders to be interviewed, including Committee members, MDBs, observers, and the CIF AU.

Phase One contacted all interviewees by email, with a copy of the Interview Guide attached to the email. Phase One informed interviewees that participation was completely voluntary, that interviewee responses would remain confidential, and that interviewees were free pass on any question or topic. Participants were given the opportunity to qualify their statements after the conclusion of the interview.

Interviews were conducted with at least two representatives from Phase One Consulting Group, one individual conducting the interview and another responsible for taking notes. Notes were typed, and edited for content and clarity. On two occasions, only one Phase One interviewer was available due to unavoidable schedule conflicts. In these two cases, the interviewee granted permission for a recording of the interview to be made. The recording was later transcribed and the recording was subsequently deleted once an amended transcript was completed.

Twenty-three interview sessions were conducted, with three interview sessions attended by multiple interviewees. The interviews lasted between thirty minutes and an hour, following the structure laid out in the Interview Guide.

Interview notes were analyzed and coded into an interview recommendations matrix that corresponds to the questions asked during the interview. For every comment in the matrix, the number of responses in total and by participant group was calculated.

These results are by no means intended to be representative of the opinions of CIF stakeholders overall, but rather a small survey that gives us a general idea of how our proposed suggestions concerning the governance and management of the CIF are perceived from various diverse stakeholders.

See Annex 4 for the coded recommendations matrix, the interview guide, and the list of interviewees.





### *Comparative Analysis*

During the scoping meeting, the CIF AU governance team and Phase One discussed a number of organizations for the comparative analysis. After some discussion, Phase One settled on six organizations to be part of the analysis. These included the Global Environment Facility (GEF), CGIAR, the Clinton Foundation, The Global Fund, GAVI, and IFAD.

The comparative analysis sought to answer specific questions regarding governance and management approaches, including the use of decision-by-mail and other decision-without-meeting procedures, the delegation of decisions to component groups within the organization, the role of the secretariat or network coordinator, and the roles and responsibilities of members, among others. Source documents from the various organizations provided the majority of the input for the comparative analysis.

The results of the comparative analysis were used to fine-tune the suggestions made in the body of the report. The major findings of the comparative analysis can be found in Annex 5.

### *Analyze the Information*

Phase One analyzed the information that was collected. As the general structure of findings began to emerge, Phase One developed a list of emerging suggestions for discussion with the CIF AU governance team. Three meetings between Phase One and the CIF AU team were held to review the draft findings. These meetings helped shape the suggestions and the Action Plan that are detailed in the body of the report.

### *Develop the Paper*

After reviewing the preliminary suggestions for improving governance and management and boosting accountability, integrity, and transparency with the CIF, Phase One developed the first draft of the paper. The approved PDS was used to structure this paper.

The draft paper will be distributed to the list of stakeholders determined by the CIF, who will be asked to comment on it. Phase One will include a detachable comment sheet in the draft paper to aid readers in making their comments.

Comments will then be discussed with the CIF AU team and incorporated in the paper as appropriate.

### *Present the Suggestions*

The CIF AU governance team leader will present the recommendations from the paper for consideration at the Joint meeting of the CTF and SCF Trust Fund Committees meeting in May, 2015. To this end, Phase One will develop the presentation and review it with the CIF team before the CIF AU delivers it at the Trust Fund meeting.



## Annex 2: Product Definition Sheet

Project name	CIF Governance Recommendations
Title of Product	Recommended Measures for Improving CIF Governance and Management
Purpose	Our report will offer concrete, actionable steps that when implemented will improve the Fund's management and governance. Our suggestions will build upon the research and guidance of the Independent Evaluation and the Transparency International evaluation. A key goal of the suggestions will be boosting accountability, integrity, and transparency across the Climate Investment Funds (CIF).
Scope	<p>The document will take into account the findings and recommendations put forth by the Independent Evaluation and Transparency International evaluation, interviews with key CIF stakeholders, and best practices comparisons with other organizations with similar governance challenges.</p> <p>The document will provide concrete suggestions as to how the CIF can improve the efficiency of its operations and address and rectify the issues raised by the evaluations.</p> <p>This report will be presented for consideration at the Joint meeting of the CTF and SCF Trust Fund Committees meeting in May of 2015.</p> <p>The report will include:</p> <ul style="list-style-type: none"> <li>• <i>CIF management efficiency and the CIF decision-making processes</i> <ul style="list-style-type: none"> <li>○ Deliverables from the decision-making process</li> <li>○ Roles and responsibilities</li> <li>○ Timing</li> <li>○ Whole decision-making process/procedure                             <ul style="list-style-type: none"> <li>▪ Projects</li> <li>▪ Policies</li> <li>▪ Procedures</li> <li>▪ Budget</li> </ul> </li> </ul> </li> <li>• <i>CIF governance, particularly the country selection process</i></li> <li>• <i>Transparency</i></li> <li>• <i>Accountability</i></li> <li>• <i>Integrity</i></li> </ul>
Outline	<p>Contents of the <i>Recommended Measures</i> document will cover the following areas:</p> <p><i>Executive Summary</i></p> <p><i>1. Introduction</i></p> <p><i>2. Statement of the Challenges</i></p> <p>High level summary of areas for improvement</p> <p><i>3. Phase One's Recommendations and Action Plan</i></p> <p>List of Phase One Consulting Group's recommendation, with a detailed description of how our recommendations were formulated, and how our proposed changes address the three target areas specified in our proposal (accountability, integrity, and transparency).</p> <p>Steps for implementing these changes, and what resources are already in place to facilitate adoption of new practices or policies.</p>



	<p><i>4. Supporting Rationale*</i></p> <p>Overview of the CIF and its mission and Framework documents</p> <p>Roles and responsibilities</p> <p>Review of the recommendations of past independent evaluators, with special attention to how improving the problem areas identified by other independent evaluators will help the CIF more effectively fulfil its mission.</p> <p>Insight gained from interviews with CIF stakeholders, stressing the importance of gathering input from within the organization.</p> <p>Insights gained from comparative analysis</p> <p>Annexes:</p> <p>Recommendations Matrix, with brief explanation of results</p> <p>Research and methodology</p> <p>Comparative Evaluation</p> <p>*Supporting rationale was moved up into the body of Section 3.</p>
Sources	<p>CIF Framework documents</p> <p>Independent Evaluation of the CIF</p> <p>Transparency International evaluation</p> <p>Interviews with stakeholders</p> <p>Comparative analysis with other organizations</p>
Format and Presentation	<p>Paper: Microsoft Word</p> <p>Presentation: PowerPoint</p>
Owner	CIF Administrative Unit
Author	Phase One
Quality Criteria	<p>Completeness</p> <p>Link of action step to specified challenge</p>
Type of quality checks to be applied	<p>Internal review at Phase One prior to delivery</p> <p>Review by CIF readers</p> <p>Incorporation of changes by Phase One</p>
Reviewers	<p>Phase One: Tertius Eksteen</p> <p>CIF Administrative Unit team</p> <p>MDB representatives</p>
Approval process	Fisseha Abissa



## Annex 3: List of Documents Reviewed

### CIF Documents

Action Plan in Response to Recommendations from the Independent Evaluation of the CIF: June 17, 2014; Meeting of the Joint CTF-SCF Trust Fund Committee; Montego Bay, Jamaica

Climate Investment Funds: FY09 Budget Paper; Nov 03, 2008

Design Document for the Forest Investment Program, a Targeted Program under the SCF Trust Fund: July 7, 2009

Design Document for the Program on Scaling-Up Renewable Energy in Low Income Countries (SREP), a Targeted Program under the Strategic Climate Fund: June 1, 2009

Draft Response to the Independent Evaluation of the Climate Investment Funds; June 17, 2014, Meeting of the Joint CTF-SCF Trust Fund Committee; Montego Bay, Jamaica

Final Interim Report Independent Evaluation of the Climate Investment Funds; July 2013. Prepared by ICF International, Submitted to Evaluation Oversight Committee for the Independent Evaluation of the Climate Investment Funds

Governance Framework for the Clean Technology Fund: Adopted November 2008 and amended June 2014, June 2014

Governance Framework for the Strategic Climate Fund, Adopted November 2008 and amended December 2011

Independent Evaluation of the Climate Investment Funds Volume 1: Draft Evaluation Report: June 2014 / Meeting of the Joint CTF-SCF Trust Fund Committee; Montego Bay, Jamaica

Independent Evaluation of the Climate Investment Funds: Annexes, Vol 2. Draft Annexes; June 2014

Measures to Improve the Operations of the Climate Investment Funds; June 14, 2011, Joint Meeting of the CTF and SCF Trust Fund Committees; Cape Town, South Africa

Measures To Improve The Operations Of The Climate Investment Funds, November 18, 2011

Measures To Increase The Efficiency Of CIF Committees, January 27, 2014

Measures to Increase the Efficiency of CIF Committees, October 7, 2013, Joint Meeting of the CTF and SCF Trust Fund Committees, Washington D.C.

Models for the Future Operations of the CIF, CTF-SCF/TFC.13/3, November 5, 2014

Note on Outcome of Consultations among Recipient Country Members for Selection of Seats on the CIF Committees, January 23, 2013.

Note on the Selection of Members of the SCF Sub-Committees; October 29, 2010, Meeting of the SCF Trust Fund Committee, Washington, DC. November 11, 2010

Note on the Selection of Members to the CTF and SCF Trust Fund Committees and SCF Sub-Committees, April 29, 2014 (Revised)

Note on the Selection of Members to the CTF and SCF Trust Fund Committees and SCF Sub-Committees, Revised January 24, 2013



Progress Report on the Measures to Improve the Operations of the CIF, April 11, 2013, Joint Meeting of the CTF and SCF Trust Fund Committees, Washington D.C. April 29-30, 2013

Proposal by CIF Administrative Unit for Selection of SREP Sub-Committee Seats by Eligible Recipient Countries; March 13, 2013.

Results of the Member Selection Consultations, June 23, 2014 / Meeting of the Joint Trust Fund Committee, Montego Bay, Jamaica

Rules of Procedure for Meetings of the Trust Fund Committee of the Clean Technology Fund, Adopted November 2008 and amended June 2014

Rules of Procedure for Meetings of the Trust Fund Committee of the Strategic Climate Fund, Adopted November 2008 and amended June 2014

Rules regarding GEF Constituencies, GEF/C.4111.Rev.01: November 15, 2011, GEF Council Meeting November 8-10, 2011

Selection Criteria for Private Sector Observers to the Climate Investment Funds, Updated August 2014

Summary of the Co-Chairs Joint Meeting of the CTF and SCF Trust Fund Committees, June 25, 2014, Co-Chairs: Mr. David Kaluba, Zambia, Ms. Kate Hughes, United Kingdom

The Pilot Program for Climate Resilience Fund under the Strategic Climate Fund: December, 2011

Work Program and Budget for Enhancing Observers' Participation in the Climate Investment Funds, March 5, 2014

### **Comparator Organization Documents**

#### *Global Environment Facility (GEF)*

GEF Evaluation Office Ethical Guidelines, Evaluation Document No. 2, 2007

GEF Programming Strategy on Adaptation to Climate Change Least Developed Countries Fund Special Climate Change Fund; October 2014

OPS3: Progressing Toward Environmental Results. Complete Report

OPS4 Technical Document #5: Governance of the GEF. August 2009

Rules of Procedure for the GEF Council, October 2007, reprinted July 2009

#### *The Global Fund to Fight AIDS, Tuberculosis and Malaria*

Code of Conduct for Recipients of Global Fund Resources; Approved July 16, 2012

Operating Procedures of the Board and Committees of the Global Fund to Fight Aids, Tuberculosis and Malaria; November 20, 2014

Policy on Ethics and Conflict of Interest for Global Fund Institutions

Terms of Reference: Chair and Vice-Chair of the Board. The Global Fund to Fight Aids, Tuberculosis, and Malaria

Terms of Reference: Coordinating Group. The Global Fund to Fight AIDS, Tuberculosis and Malaria



The Global Fund Governance Handbook

The Global Fund Strategy 2012-2016: Investing For Impact

The Global Fund's Partnership Strategy, Approved by the Global Fund Board at its Twentieth Board Meeting, 9-11 November, 2009

The Global Fund's Operational Policy Manual: Issue 2.6, March 24, 2015

### *GAVI Alliance*

GAVI Alliance Conflict of Interest Policy, Version 2.0, Prepared by Debbie Adams, Managing Director Law and Governance, Approved by GAVI Alliance Board, June 12th, 2012

GAVI Alliance Ethics Policy, Version 1.0, Prepared by Debbie Adams, Managing Director Law and Governance, Approved by GAVI Alliance Board, June 12, 2012

GAVI Alliance Governance Committee Meeting: FINAL MINUTES, 26 September 2013, New York, NY, USA

GAVI Alliance Programme and Policy Committee Charter, Approved on 29-30 October 2008 Revised on 4-5 December 2012 and 11-12 June 201

Second GAVI Evaluation: GAVI Second Evaluation Report, September 13, 2010

GAVI Alliance By-Laws; Approved on 29-30 October 2008, Revised 18-19 June 2014

GAVI Alliance Statutes; Approved on 29-30 October 2008, Revised 16-17 November 2011

Second GAVI Evaluation: Recommendations Paper, September 6, 2010

### *The Consultative Group for International Agricultural Research (CGIAR)*

Annual Report 2010: Towards A Reformed CGIAR

CGIAR Open Access and Data Management Policy, Approved by CGIAR Consortium Board, October 2, 2013

Constitution of the Consortium of International Agricultural Research Centers, Approved by Consortium Board, May 5<sup>th</sup> and Centers June 3<sup>rd</sup>, 2011.

Good Practice Note No. 21: "Center Business Integrity Strategy"; CGIAR Internal Auditing Unit "What is the CGIAR Consortium?" Information Note from the CGIAR Consortium General Counsel, June 2014

### *International Fund for Agricultural Development*

IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations, EB 2005/86/INF.8

"Knowledge Sharing Methods and Tools: A Facilitator's Guide." Allison Hewlitt and Lucie Lamoreux; International Development Research Centre (IDRC) and the International Fund for Agricultural Development (IFAD), October 2010

Rules of Procedure of the Executive Board, adopted by the IFAD Executive Board at its First Session on 14 December 1977

Revision of the lapse-of-time procedure for approval of IFAD-funded projects and programmes, EB 2012/106/R.9, 16 August 2012





## Other Documents

“Are we nearly there? Bridging UK supported funds and a post 2012 climate architecture,” BOND Development and Environment Group, Bretton Woods Project. June 2009

“Effective Decision-Making: A Review of Options for Making Decisions to Conserve and Manage Pacific Fish Stocks,” Prepared by the Center for International Environmental Law for the World Wildlife Fund-US

“Governance of New Global Partnerships Challenges, Weaknesses, and Lessons,” Keith A. Bezanson and Paul Isenman, Center for Global Development: CGD Policy Paper 014, October 2012

Participatory decision-making: The core of multi-stakeholder collaboration, Sam Kaner, Jamie Watts, and Emile Frison, October 2008

“Protecting Climate Finance: An Anti-Corruption Assessment of the Adaptation Fund,” Transparency International, February 28, 2014

“Protecting Climate Finance: An Anti-Corruption Assessment of the Climate Investment Funds,” Transparency International, February 28, 2014

“Protecting Climate Finance: An Anti-Corruption Assessment of the Global Environment Facility’s Least Developed Countries Fund & Special Climate Change Fund,” Transparency International, 2014

The World Bank Participation Sourcebook – Appendix I: Methods and Tools

Climate Investment Funds Monitor 10: November 2014. Bretton Woods Project

Transnational Committee, Second Meeting: 29 June 2011. Workstream II: Governance and Institutional Arrangements Background note: Review of the legal status of select international funds and financial institutions



## Annex 4: Interview Summary and Recommendations Table

### List of Interviewees

Name	CIF Component
Abigail Demopulos	Contributor
Andrea Bacher	Observer
Andrea Kutter	CIF AU (former)
Andreas Biermann	MDB
Archana Godbole	Observer
Ben Green	Contributor
Bente Weisser	Contributor
Bhuban Karki	Recipient
Daniel Menebhi	Contributor
Duangrat Laohapakakul	Legal
Gerhard Dieterle	MDB
Gevorg Sargsyan	MDB
Gloria Visconti	MDB
Junko Funahashi	Legal
Kanta Kumari Rigaud	MDB
Kate Hughes	Contributor
Marta Simonetti	MDB
Pamela Crivelli	Trustee
Patricia Bliss-Guest	CIF AU (former)
Preety Bhandari	MDB
Rose-May Guignard	Recipient
Zaheer Fakir	Recipient
Zihong Zhang	CIF AU
Artur Cardoso De Lacerda	World Bank (former CIF member)

Table 3



### Interview Summary

Twenty-four interviews (see Table 3 for our list of interviewees) were held during the period from mid-February through mid-March, 2015. All the interviewees were very accommodating, open, and clearly interested in improving CIF operations. We found it interesting that while all participants appreciated the need for the CIF to improve certain aspects of the decision-making process or address issues of meeting efficiency, on the whole they felt that the CIF were working well. Several interviewees with broad experience in the world of international partnerships suggested that the CIF were working as well or better than any other comparable international organization.

Interviewees tended to feel strongly that possible solutions to several of the issues we focused on had strong ramifications for other areas, as well. This sense was particularly strong when we discussed the need for clarity in roles and responsibilities. Interviewees generally felt that if all the CIF actors better understood the roles and responsibilities of their respective positions, some of the other challenges—such as member engagement—might be effectively addressed as well. Meeting preparation was another area that seemed to have complimentary effects on other areas. Interviewees expressed a perception that the more the Co-Chairs, members, and other actors prepared for upcoming meetings, the more smoothly the subsequent meeting would go and the more effectively decisions could be made. However, one governance issue we uncovered is that at the beginning of each term, the Co-Chairs are at a disadvantage because they are not selected until the meeting begins. Therefore, the timing of Co-Chair selection would need to be moved forward in order to afford elected Co-Chairs more time to prepare for their roles and to review material that will appear at the meeting they will be chairing. Both of these ideas were brought forward into the suggestions we offer in the report.

Upon completion of each interview, an interview transcript was developed. These transcripts were then coded into the Recommendations Table. All three Phase One team members worked at coding the recommendations. By coding the transcripts in this way, we were able to quantify the frequency of each recommendation and the breadth of the recommendation across the range of CIF groups.

The recommendations table provided the major input to our development of the suggestions in the report. Not every recommendation was brought forward. For instance, a number of interviewees felt like an independent Chair or meeting facilitator could provide benefits in terms of meeting efficiency. However, upon examination of how other organizations have organized this role, we decided that, at this time, such a suggestion would not be effective. Instead, we suggested additional preparation and involvement of the Co-Chairs earlier in the process. As in all other areas, the CIF should monitor the effects resulting from any changes made, and adjust the implementation of any suggestions they decide to implement.

We would like to thank all the interviewees who spent their time with us on the phone and who spoke so openly and insightfully about the CIF and its challenges and strengths.



## Interviewee Recommendations Table

Group (Total)	Ideas for consideration
	<b>1. Decision-making</b> Some feel that decisions take too long, and that the need for consensus leads to delays that affect the value of the contribution the CIF makes. Some argue that some decision-types can be delegated to the MDB Committee or the CIF AU – such as Project Preparation Grants or sub-projects under approved programs etc.
1.1	Allow Co-Chairs to use their discretion to temporarily table decisions that are stalled.
1.2	Accept MDB internal approvals on sub-projects under approved investment plan as equal to CIF approval.
1.3	Meetings should focus on strategic decisions
1.4	Handle most non-strategic decisions (technical details, budget, etc.) via mail, to leave more time for discussion of high-level, more strategic, issues during meetings. CIF AU should make decisions on as many non-strategic issues as possible.
1.5	Take steps to improve decision-by-mail process, including using a collaboration site rather than mail to capture discussions and positions
1.6	Strengthen the executive function of the CIF AU
1.7	Provide new members with an overview of the consensus process, especially concerning requirements for consensus, abstentions, and the ability of members to submit comments on decisions. Increased knowledge of the process will hopefully result in increased participation. (See also: Meeting Effectiveness 3.)
1.8	CIF AU provides briefings for recipient country Committee members in advance of Committee Meetings.
1.9	Move from full consensus to 90% approval to break gridlocks and long discussions
1.10	Deploy a collaboration site to replace mail voting. This site will allow for all positions, comments and documents to be captured, and provide voting tallies, links to similar past decisions, etc.
	<b>2. Meeting Effectiveness</b> Some feel that meetings run on too long and that better use of time would lead to better decisions.
2.1	Bring in a knowledgeable outside facilitator to conduct meetings and keep them on track.
2.2	CIF AU could play a stronger role in advising Co-Chairs of when to stop discussion and move on.
2.3	CIF should have rules for discussion, such as limits on speaking time, or avoiding repetition
2.4	More actively engage Co-Chairs in the organization of meetings.
	<b>3. Member Engagement</b> Some feel that Committee members are not well engaged in the decision-making process
3.1	Develop frame of reference for Committee members spelling out their responsibilities
3.2	Sometimes members do not have all the material to review before the meeting, and has to use up meeting time to read reports



3.3	Encourage recipient countries to participate in discussions of decisions and issues that do not directly involve their own country.
3.4	Have the CIF AU facilitate knowledge transfer between recipient countries (informal structure exists for donor countries already), encouraging members to be aware of the positions of their colleagues.
	<b>4. Roles and Responsibilities: Selection and Preparation of Co-Chairs</b> Some feel that the Co-Chairs are sometimes put in a disadvantageous position by the timing of their selection and have limited time for preparing for their leadership role
4.1	CIF AU using a more hands-on approach when preparing Co-Chairs, perhaps communicating with them at length after they are elected, and before they chair their first meeting. Develop formal training for Co-Chairs.
4.2	Develop Terms of Reference for Co-Chairs spelling out their responsibilities. Clarify the responsibility of the Co-Chairs, defining the scope of their role as moderator and of their role as representative of their own country (especially if their country is an interested party).
4.3	Ensure Co-Chairs are elected well in advance of meeting. This will allow to CIF AU to provide guidance and provide background. Also, the Chair will have time to get another representative from the country to participate to remove the Co-Chair's responsibility to chair and represent a country/region
4.4	Thoroughly brief the Co-Chairs on the issues to be discussed at the meeting they will lead. Perhaps this can be done through teleconferencing with reps of countries involved in decisions, interested parties, and observers.
4.5	Select counties as Co-Chair instead of individual with later identification of the specific individual.
	<b>5. Roles and Responsibilities: Members</b> Some feel that the Committee members can be too country-centered, steadily supporting their country's investment plans or their country's interests instead of playing their role as Committee members.
5.1	Develop Terms of Reference for committee members spelling out their responsibilities
5.2	Have CIF AU encourage and facilitate informal interaction between representatives of recipient countries (already occurring in some cases)
5.3	More clearly define the mission of the CIF, and emphasize the importance of members' understanding of the culture of the Funds. Promote the values of the CIF, and highlight how they make the CIF a unique organization. Create the sense that this is not "just another commitment" for member, but rather one in which they are expected to participate and understand.
5.4	In the absence of any formal training (outside the orientation), encourage and facilitate informal knowledge transfer between experienced and new members
	<b>6. Roles and Responsibilities: Outside Observers</b> Some feel that the participation of observers in the CIF is limited and they are asked to represent too diverse and large a group, and that their responses are going to be biased from their region and/or interest point of view.
6.1	Observers sometime have limited knowledge of the implementation issues faced by recipient countries
6.2	Have Observers provide an overview, in writing, of their positions on the issues the CIF are discussing to be distributed to members before or during meetings. Include with preparation documents so as not to take up too much meeting time.



6.3	Outside meetings, create the opportunity for interaction between observers and country representatives.
	<b>7. Member Self-Selection</b> Members have requested the CIF AU to prepare, for their consideration, guidelines for eligible CIF recipient countries to facilitate the self-selection process of CIF Committee Members from recipient countries.
7.1	Selection should take place at least a month prior to the meetings.
7.2	CIF AU should run selection session along with current Co-Chairs
7.3	Probably need to separate selection consultations from the Partnership Forum
7.4	Members don't always seem to represent a constituency
7.5	Find some way to encourage eligible but non-pilot countries to seek membership
	<b>8. Other Areas For Improvement Cited in the Interviews</b>
8.1	CIF AU should develop a "lessons learned" program as a means of transmitting institutional knowledge and history.
8.2	CIF AU should add more useful material to the Orientation program
8.3	Perception of COI

## Interview Guide

Thank you for agreeing to participate in the CIF's improvement efforts. This Interview Guide provides an overview of the need for the interview (Interview Introduction), and the issues we would like to explore (Interview Topics)

### Interview Introduction

In June, 2014 the results of the Independent Evaluation of the CIF were delivered. One of the key areas for recommendations was in the area of Governance and Management.

Government and Management		
<p><i>CIF governance structure has achieved legitimacy in design through an inclusive and balanced framework, and expanded role for observers, and good disclosure and transparency.</i></p> <p><i>Efficiency and effectiveness has been hindered by the CIF's complex architecture, consensus decision rule and lack of a secretariat with strong executive function.</i></p> <p><i>However, CIF have shown a capacity for organizational</i></p>	<p><i>Look to best practice in meeting and decision-taking procedures from other corporate and multilateral organizations with non-resident governing bodies.</i></p> <p><i>Consider defining categories of decisions for which consensus is not required.</i></p> <p><i>Delegate some approval and other decision-making responsibilities to working groups.</i></p> <p><i>Delegate operational decisions to the administrative unit subject to strategic guidance from the Joint TFC Meeting.</i></p>	<p><i>The GCF may wish to look at best practice in meeting and decision-taking procedures from other corporate and multilateral organizations with non-resident governing bodies.</i></p> <p><i>Efficient governing bodies often delegate nonstrategic and lower-level operational decisions to Board sub-committees or to the Secretariat.</i></p> <p><i>Consensus decision-making has advantages and disadvantages.</i></p> <p><i>Innovative new organizations benefit from flexibility to learn</i></p>





<i>learning and adaptation over time.</i>		<i>and to adapt their procedures and structures.</i>
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The CIF AU has asked Phase One to develop a set of suggested actions for responding to these recommendations. The actions will be based on CIF background documents, comparisons with other organizations similar to the CIF, and your input.

Your participation is completely voluntary, of course. Interviewees will be listed in the annex to the report, but individual anonymity will be maintained regarding any specific responses.

Our interview should take no longer than 30 minutes.



## Interview Topics

### **Your Background**

To help us understand your overall perspective, can you share a little about your experience with the CIF---how long you have been involved, the positions you have held, and so on--- and other prior experience that might be relevant?

### **Areas of Focus**

#### **1. Decision-making**

*Some feel that decisions take too long, and that the need for consensus leads to delays that affect the value of the contribution the CIF makes. Some argue that some decision-types can be delegated to the MDB Committee or the CIF AU – such as Project Preparation Grants or sub-projects under approved programs etc.*

- a) Do you perceive this as an area that can be improved?
- b) If so, what concrete steps would you take to improve it?

#### **2. Meeting Effectiveness**

*Some feel that meetings run on too long and that better use of time would lead to better decisions.*

- a) Do you perceive this as an area that can be improved?
- b) If so, what concrete steps would you take to improve it?

#### **3. Meeting Effectiveness**

*Some feel that Committee members are not well engaged in the decision-making process*

- a) Do you perceive this as an area that can be improved?
- b) If so, what concrete steps would you take to improve it?

#### **4. Roles and Responsibilities: Selection and Preparation of Co-Chairs**

*Some feel that the Co-Chairs are sometimes put in a disadvantageous position by the timing of their selection and have limited time for preparing for their leadership role*

- a) Do you perceive this as an area that can be improved?
- b) If so, what concrete steps would you take to improve it?

#### **5. Roles and Responsibilities: Members**

*Some feel that the Committee members can be too country-centered, steadily supporting their country's investment plans or their country interest instead of playing their role as Committee members.*

- a) Do you perceive this as an area that can be improved?
- b) If so, what concrete steps would you take to improve it?

#### **6. Roles and Responsibilities: Outside Observers**

*Some feel that the participation of observers in the CIF is limited and they are asked to represent too diverse and large a group, and that their responses are going to be biased from their region and/or interest point of view.*

- a) Do you perceive this as an area that can be improved?
- b) If so, what concrete steps would you take to improve it?



## **7. Self-Selection of CIF Committee Members from Recipient Countries**

*Members have requested the CIF AU to prepare for their consideration, guidelines for eligible CIF recipient countries to facilitate the self-selection process of CIF Committee Members from recipient countries.*

- a) Can you provide suggestions for these guidelines and on the facilitation of the self-selection consultation?

We finished each interview with the question: What would you be sure NOT to change about the way the CIF functions today?



## Annex 5: Comparator Summaries

### Summary

In response to the suggestion of the Independent Evaluation that we look at comparative organizations, and in fulfilment of the Terms of Reference, we selected five organizations to review in terms of the areas of governance and management. Insights from the comparison were brought forward to the discussion of challenges and suggestions in sections 2 and 3 of the report. What follows are some of the general impressions that we gathered from the comparative work.

Decision-making: The organizations that we reviewed all state that they aim for consensus in their decision-making. However, if consensus cannot be reached, they all have in reserves some variety of voting scheme—each with its own advantages and disadvantages. In our own first-hand experience with at least one of the groups, the voting procedures seemed to have become the de facto mechanism for making decisions.

An interesting point, particularly evident in the decision-making area, was that some best practices (or at least “common” practices) we found in the comparator organizations do not offer much insight for the CIF. For instance, all the comparators strive for consensus in their decision-making procedure, but hold in reserve a voting procedure for overcoming blockages that seems to be used most often as a primary method of decision-making. On the other hand, some CIF advocates would argue that the centrality of the consensus principle in the CIF forces hard discussions and deliberation that might otherwise be circumvented by voting. Thus, these advocates might consider consensus only as the best practice.

Roles and Responsibilities: Several funds have formally outlined Terms of Reference that describe the responsibilities of a Chair or the equivalent position. Additionally, other organizations include desired qualifications for members who wish to be nominated for a Chair position, which usually include a thorough understanding of the issues to be deliberated and previous leadership experience in a similar organization. While some organizations circulate chairing responsibility between representatives from contributor countries, recipient countries, implementing agencies, and other interested parties, others relegate the responsibility to the senior membership of the organization. Frequently, the head of the coordinating unit—the Secretariat or Office of the President or Administrative Unit, either Chairs the Executive Board or at least is an ex officio member of it. In this regard, the coordinating units of all the funds we reviewed have a heavier hand with their Funds than the CIF AU has with the CIF.

On the other hand, the organizations reviewed are much more formal than the CIF in how they communicate their commitment to integrity. Each organization has some form of a zero-tolerance policy for waste, fraud, and abuse. How well these are honoured far downstream from the source is a question, although in our review we found evidence of at least one of our comparator funds shutting down a project because some kind of financial abuse was uncovered.

The tables with the high level summary of the information we found are contained in this Annex.



## Global Environment Facility

Characteristic	Description
Legal Personality	No explicit international legal personality or legal capacity for the GEF or its organs. The GEF derives its legal identity from the World Bank. <sup>26</sup>
Relationship w/ Trustee	World Bank is trustee
Relationship w/ MDBs	MDBs are part of implementing agencies, which also include UN groups (UNDP and UNEP)
Type of Board (resident / non-resident)	Non-resident. Committee and General Assembly make decisions.
Characteristics of the Board	<p>The Council is the GEF's governing board of directors, responsible for developing, adopting, and evaluating policies and programs for GEF-financed activities. The directors are referred to as Council members, who represent 32 GEF constituencies– 16 from developing countries, 14 from developed countries, and two from countries with economies in transition.</p> <p>Among its tasks, the GEF Council: keeps operations under review; ensures regular monitoring and evaluation of policies, programs, operational strategies and projects; reviews and approves the work program; directs the utilization of funds; reviews the availability of resources, and; act as the focal point to the Conferences of the Parties of major Environmental Conventions.<sup>27</sup></p> <p>The Council takes place twice a year, for two or three days in order to develop, adopt, and evaluate GEF activities, in accordance with the directives from the Instrument, as well as with the reviews conducted by the Assembly. Council decisions are taken by consensus and mostly during the meeting days, but may also happen by mail correspondence if necessary.</p>
Guidelines for committee member selection	<p>Assembly members and alternates are appointed by each Participant country “in such manner as it may determine.”</p> <p>The Member and Alternate representing a constituency shall be appointed by the Participants in each constituency. Unless the constituency decides otherwise, each Member of the Council and each Alternate shall serve for three years or until a new Member is appointed by the constituency, whichever comes first. A Member or Alternate may be reappointed by the constituency. Members and Alternates shall serve without compensation. The Alternate Member shall have full power to act for the absent Member.<sup>28</sup></p>
Type of Coordinating Unit	Secretariat, CEO
Type of decision-making (consensus or other)	Decision-making is based on a double majority: 60 percent majority of the total number of Participants and a 60 percent majority of the total financial contributions expressed in voting powers assigned to members. Double majority voting magnifies the voice of smaller members and guard against powerful minorities pushing through decisions opposed by the majority of

<sup>26</sup> [https://unfccc.int/files/cancun\\_agreements/green\\_climate\\_fund/application/pdf/tc2\\_ws2\\_2\\_290611.pdf](https://unfccc.int/files/cancun_agreements/green_climate_fund/application/pdf/tc2_ws2_2_290611.pdf)

<sup>27</sup> <http://www.thegef.org/gef/council>

<sup>28</sup> Instrument for the Establishment of the Restructured Global Environment Facility, October, 2011



	members. It balances the power of numbers versus the power of financial contributions <sup>29</sup>
Delegation of decisions	The Global Environment Facility has a non-resident Council that meets twice a year, for two or three days. There are four types of projects at the GEF: Programmatic Approach; Full-sized Projects (FSP); Medium-sized Projects (MSP); and Enabling Activities (EA). The Programmatic Approach and FSPs have to be approved by the Council and follow the full GEF Project cycle procedures. MSPs and EAs are approved by the CEO under delegated authority from the Council with simplified procedures.
Use of decision-by-mail	The GEF Council approves the work programs. The Council reviews the work programs during the two Council meetings held each year and through several inter-sessional work programs with decision-by-mail on a no-objection basis, between Council meetings. <sup>30</sup> Documents pertaining to decisions currently under deliberation are available on the GEF website ( <a href="http://www.thegef.org/gef/taxonomy/term/419">http://www.thegef.org/gef/taxonomy/term/419</a> ).
Meeting efficiency	The GEF Secretariat organizes and facilitates meetings.
Roles and responsibilities/use of TOR	The distinction between the roles of GEF members is unclear. <sup>31</sup>
Selection and preparation of Co-Chairs	At each meeting, the Council shall elect a Chairperson from among its Members for the duration of that meeting. The position of elected Chairperson shall alternate from one meeting to another between recipient and non-recipient Council Members. <sup>32</sup>
Engagement of members	
Participation and Role of Observers	Ten seats on the GEF Council are reserved for NGO observers. Before each GEF Council meeting, the GEF convenes a one-day NGO consultation meeting <sup>33</sup> . Active observers: The Governing Instrument specifies that the Board will invite two civil society representatives to participate as active observers, one each from developing and developed countries; and two private sector representatives, one each from developing and developed countries. Active observers could be allowed to: <ul style="list-style-type: none"> <li>• Request items to be added to the provisional agenda</li> <li>• Recommend to the Co-Chairs external experts</li> <li>• Request the floor to make oral interventions</li> <li>• Active observer responsibilities include: <ul style="list-style-type: none"> <li>• Consistently attend meetings</li> <li>• Consult with other civil society and private sector stakeholders</li> <li>• Represent the views of their constituency</li> </ul> </li> </ul>

<sup>29</sup> [https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS4-TD5-Governance\\_of\\_the\\_GEF.pdf](https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS4-TD5-Governance_of_the_GEF.pdf) OPS4 Technical Document #5: Governance of the GEF. August 2009

<sup>30</sup> Simplified Processes for the Approval of Proposals for Certain Activities, in Particular Small-scale Activities, GCF/B.08/22\*, 6 October 2014, p.3.

<sup>31</sup> Joint Evaluation of the GEF Activity Cycle and Modalities, p79

<sup>32</sup> [http://www.thegef.org/gef/sites/thegef.org/files/publication/11488\\_English.pdf](http://www.thegef.org/gef/sites/thegef.org/files/publication/11488_English.pdf) Rules of Procedure for the GEF Council. October 2007, reprinted July 2009.

<sup>33</sup> OPS3: Progressing Toward Environmental Results. Complete Report





	<ul style="list-style-type: none"><li>• Solicit, collect and communicate information</li></ul> <p>Other observers from implementing entities, UN and other intergovernmental organizations, and NGOs can observe proceedings.</p>
Transparency	<p>The GEF aspires to and exhibits a number of best practices regarding transparency. It has policies concerning access to information, which include provisions governing applications for information as well as an appeals process should information not be made available. It could, however, improve its performance on transparency, in particular by ensuring that Fund information and reports are more consistently made available to the public. In addition, it should ensure that information regarding the anticorruption rules and safeguards of downstream actors, such as implementing bodies, are disclosed and made easily accessible on its website. Further, the transparency of Council meetings could be bolstered by opening them to a larger number of observers.</p>
Accountability	<p>At the Fund level, clear and comprehensive processes defined by World Bank policies are in place to ensure the investigation and sanctioning of the Funds' Secretariat and Trustee. However, the Funds' executive-level accountability needs further rules and procedures regarding both the behaviour of Council members and the Council as a body. This means more sufficient assurances of investigative, review and sanctioning processes that are honest, independent, and impartial. Sanctions for GEF Partner Agencies are also not sufficiently clear. Ongoing conversations about providing for disaccreditation procedures must be moved forward to address this gap.<sup>34</sup></p>
Integrity (Zero tolerance policy)	<p>Overall, the GEF has not adopted a zero-tolerance of corruption policy that would apply to all the Trust Funds operating under its remit.<sup>35</sup> However, GEF staff members and consultants are World Bank employees, and are required to subscribe to the World Bank's ethics policies and procedures concerning ethics.</p>

<sup>34</sup> [http://www.transparency.org/whatwedo/publication/protecting\\_climate\\_finance\\_assessment\\_gef\\_ldcf\\_sccf](http://www.transparency.org/whatwedo/publication/protecting_climate_finance_assessment_gef_ldcf_sccf)

<sup>35</sup> Protecting Climate Finance: An Anti-Corruption Assessment of the Global Environment Facility's Least Developed Countries Fund & Special Climate Change Fund, Transparency International, 2014, p. 56



## CGIAR

Characteristic	Description
Legal Personality	According to the CGIAR Constitution, “the Consortium of International Agricultural Research Centers is hereby established as an independent international organization under international law, with full international legal personality, enjoying such legal capacity as may be necessary for the exercise of its functions and powers, and the fulfillment of its purposes...” <sup>36</sup>
Relationship w/ Trustee	World Bank is trustee of the CGIAR Fund
Relationship w/ MDBs	None
Type of Board (resident / non-resident)	Non-resident
Characteristics of Board	Consortium Board Fund Council
Guidelines for committee member selection	ExCo consists of (a) non-rotating members (CGIAR Chair, Cosponsors hosting a CGIAR System governance unit, a representative of the Alliance, the Science Council Chair, and the GFAR Chair) and (b) rotating members representing geographic and functional constituencies. Each rotating ExCo member serves for a period of two consecutive years, supported by an alternate member. Each rotating member and alternate is identified by the constituency concerned <sup>37</sup> .
Type of Coordinating Unit	CGIAR Consortium, CEO (ex-officio member of Consortium Board)
Type of decision-making (consensus or other)	The Board shall make every effort to reach agreement by consensus on all matters on which a decision of the Board is required. If all efforts to reach a consensus on a particular matter have been exhausted and no agreement has been reached, a decision on the matter shall as a last resort, and except as otherwise provided in the Rules of Procedure of the Board, be taken by a simple majority vote in accordance with the Rules of Procedures of the Board. <sup>38</sup>
Delegation of decisions	The Strategy and Results Framework defines the decision structure within organization.
Use of decision-by-mail	No mention of decision-by-mail in the Constitution of Strategy and Results Framework.
Meeting efficiency	The CGIAR Consortium is responsible for organizing meetings.
Roles and responsibilities/use of TOR	The Roles and Responsibilities for each role (Fund Council, Fund Office, and Trustee) are clearly defined and presented concisely in the Fund Governance Framework.
Selection and preparation of Co-Chairs	The Chair and Vice-Chair are elected by the Board from amongst its members by simple majority.
Engagement of members	The CGIAR structure requires active participation of all members and partners, and this participation forms a key part of all aspect of research and programs.

<sup>36</sup> CGIAR Consortium Constitution: [http://www.cgiar.org/www-archive/www.cgiar.org/pdf/Consortium\\_Constitution\\_05%2003%202010.pdf](http://www.cgiar.org/www-archive/www.cgiar.org/pdf/Consortium_Constitution_05%2003%202010.pdf)

<sup>37</sup> The Charter of the CGIAR System, March 2007 [http://www.cgiar.org/www-archive/www.cgiar.org/pdf/charter%202007\\_main%20text.pdf](http://www.cgiar.org/www-archive/www.cgiar.org/pdf/charter%202007_main%20text.pdf)

<sup>38</sup> Constitution of the Consortium of International Agricultural Research Centers, approved by Consortium Board, May 5<sup>th</sup>, and Centers, June 3<sup>rd</sup>, 2011



Participation and Role of Observers	<p>The consortium board includes two nonvoting, nonmember observers: one representative of Member Center leadership, as agreed and appointed by the Member Centers, and one representative of the Fund Council, as agreed and appointed by the Fund Council.<sup>39</sup></p> <p>Fund Council...observers shall have the right to attend meetings of the Board, to participate in its deliberations, to propose items for the agenda, and to formulate proposals for action, but shall not have the right to vote.<sup>40</sup></p>
Transparency	<p>The CGIAR, its Research Programs (CRPs), and all consortium members are committed to transparency through their unanimous support of the CGIAR Open Access and Data Management Policy. The Policy sets “common expectations” with respect to Open Access to information products, peer-reviewed journal articles; reports and papers; books and book chapters; data and databases; data collection and analysis tools; video, audio and images; computer software; web services; and associated metadata.<sup>41</sup></p>
Accountability	<p>The CGIAR developed an Accountability Framework that defines accountability for each stakeholder role.</p>
Integrity (Zero tolerance policy)	<p>According to the “Center Business Integrity Strategy” note from the Internal Auditing Unit of the CGIAR, all “trustees, staff and others” who work for or under the Center are recommended to develop a “documented and systematic strategy...on appropriate practices to promote integrity” and avoid practices that might be perceived as corrupt and provide confidence to stakeholders that the Center is “meeting emerging international good practice.”<sup>42</sup></p> <p>The Board shall adopt procedures to avoid potential conflicts of interest on the part of Board members in dealing with Consortium matters.<sup>43</sup></p>

<sup>39</sup> [http://www.cgiar.org/www-archive/www.cgiar.org/exco/exco17/exco17\\_consortium\\_constitution.pdf](http://www.cgiar.org/www-archive/www.cgiar.org/exco/exco17/exco17_consortium_constitution.pdf) Constitution of the Consortium of International Agricultural Research Centers, approved by Consortium Board, May 5th, and Centers, June 3rd, 2011

<sup>40</sup> Ibid

<sup>41</sup> CGIAR Open Access and Data Management Policy. Approved by CGIAR Consortium Board October 2, 2013.

<sup>42</sup> Center Business Integrity Strategy, Good Practice Note No. 21, Internal Auditing Unit, CGIAR

<sup>43</sup> Constitution of the Consortium of International Agricultural Research Centers, approved by Consortium Board, May 5th, and Centers, June 3rd, 2011



## GAVI Alliance

Characteristic	Description
Legal Personality	GAVI is a Swiss Foundation with international institution status in Switzerland and public charity status in the United States. <sup>44</sup>
Relationship w/ Trustee	World Bank is trustee <sup>45</sup>
Relationship w/ MDBs	No formal established relationship.
Type of Board (resident / non-resident)	Non-resident
Characteristics of Board	The GAVI Alliance Board is made up of 18 representative seats, 9 independent seats, and one CEO. UNICEF, WHO, the World Bank, and Gates Foundation hold permanent seats. <sup>46</sup>
Board/committee member selection	The selection of board members is carried out by a Nominating Committee, which “may establish, subject to the approval of the Board, minimum criteria as to the qualifications and competencies of all Board Members.” These criteria for Board Members shall ensure “that gender balance in all areas of GAVI Alliance work should be ensured, including throughout the governance structures, to the extent possible.” <sup>47</sup>
Type of coordinating unit	The Secretariat is the coordinating unit and consists of a professional staff responsible for carrying out the day-to-day operations of the GAVI Alliance. The powers, duties, and processes for the Secretariat shall be defined in the By-laws and such other directions as shall be provided by the Board from time to time. The CEO shall manage the Secretariat and shall report on the activities of the Secretariat to the Board (and the Executive Committee) as and when required by the Board (or the Executive Committee), but at a minimum twice per year, as determined by the By Laws and such other directions as shall be provided by the Board from time to time.
Type of decision-making (consensus or other)	The Board of the GAVI Alliance will use “all reasonable efforts” to reach consensus for decision-making. If no consensus can be reached, any decision will require a two-thirds majority of members present and voting (a quorum shall be a majority of all voting Board members or alternates). The Board may also act by means of teleconference, e-mail, or other method of communication, subject to procedures determined by the Board from time to time.” <sup>48</sup> The Board may approve the annual accounts on a no-objection basis. The Board may approve the minutes of its meetings on a no-objection basis. <sup>49</sup>
Delegation of decisions	The Board may delegate its powers, except where governing law or these Statutes or the By-laws may otherwise prohibit delegation.
Use of decision-by-mail	The Board may take a decision without a meeting to an action circulated in writing, electronically or by fax if all of the Board Members (or their named Alternates) consent thereto in writing, electronically or by fax, and written

<sup>44</sup> <http://www.gavi.org/about/governance/legal-structures/>

<sup>45</sup> [http://fiftrustee.worldbank.org/webroot/data/FIF\\_HL\\_Brochure.pdf](http://fiftrustee.worldbank.org/webroot/data/FIF_HL_Brochure.pdf)

<sup>46</sup> <http://www.gavi.org/about/governance/gavi-board/composition/>

<sup>47</sup> GAVI Alliance By Laws – Section 2.4.1: “General Nomination Procedures and Qualifications of Board Members”

<sup>48</sup> See Statutes – Article 15: Board Decision-making

<sup>49</sup> See By Laws



	<p>evidence of such consent is filed with the minutes of the proceedings of the Board.<sup>50</sup></p> <p>Annual accounts and meeting meetings can be approved on a no-objection basis, providing time for review and comment has been allowed.</p>
Meeting efficiency	<p>GAVI has a dedicated secretariat.<sup>51</sup> The GAVI Secretariat, in collaboration with the Chair and Vice Chair of the Board, shall prepare the agenda of the Board's meetings, pursuant to any procedures set by the Board, provided that any Board Member may request the Board to take up any matter not on the agenda.<sup>52</sup></p>
Roles and responsibilities/use of TOR	<p>The roles and responsibilities of the various stakeholders are described at a high level in the GAVI Alliance Statutes. Member Terms of Reference are not used.</p>
Selection and preparation of Co-Chairs	<p>"Board members will select the Chair and a Vice Chair of the Board from among their own voting members, it being understood that the Vice Chair shall be chosen from among the voting members of the Executive Committee. The Chair and the Vice Chair shall be selected for a two-year period or such other term that the Board may determine. The Chair and the Vice Chair may be reselected for a single term. The Chair and the Vice Chair positions shall not be occupied by the same person."<sup>53</sup></p> <p>The Nominating Committee selects candidates for Chair and Vice-Chair. Any other voting Board Member may be nominated for these positions, as well. While acting as Chair or Vice-Chair, a Board Member will not express the viewpoint of their organization or constituency, and may not vote in any Board or Executive Committee Meeting.<sup>54</sup></p>
Engagement and roles of members	<p>"Board Members are expected to participate fully in all meetings of the Board unless extraordinary circumstances prevent attendance."<sup>55</sup></p> <p>"Each Eligible Constituency shall have its own process for selecting its Representative Board Member(s) ("Selection Process"). It shall be the responsibility of the Eligible Constituency to implement its Selection Process."<sup>56</sup></p>
Participation and Role of Observers	<p>"Any Board Member / Alternate who is not a member of the Committee may attend Committee Meetings as an observer."<sup>57</sup></p> <p>"Observers may attend the Board meeting or a Committee Meeting with the permission of the relevant Chair. Observers are not allowed to take part in the discussions unless invited by the Chair."<sup>58</sup></p>
Transparency	<p>A dedicated Transparency and Accountability Unit assesses a country's financial controls before grants are distributed, and oversees network of Country Responsible Officers (CROs) to investigate reports of corrupt practices and fraud wherever projects are being implemented.</p>
Accountability	<p>See above</p>

<sup>50</sup> GAVI Alliance Programme and Policy Committee Charter – Section 4. "Duties and Responsibilities"

<sup>51</sup> <http://www.gavi.org/about/governance/secretariat/>

<sup>52</sup> GAVI Alliance By Laws – Section 2.7.2: "Meetings of the Board"

<sup>53</sup> GAVI Alliance Statutes – Article 12: Organization of the Board

<sup>54</sup> GAVI Alliance By Laws – Section 2.6: "Chair and Vice Chair"

<sup>55</sup> GAVI Alliance By Laws – Section 2.7.2: "Meetings of the Board"

<sup>56</sup> GAVI Alliance By Laws – Section 2.4.2: "Nomination and Appointment Procedures for Representative Board Members"

<sup>57</sup> GAVI Alliance Programme and Policy Committee Charter

<sup>58</sup> <http://www.gavi.org/about/governance/gavi-board/composition/>



Integrity (Zero tolerance policy)	<p>The GAVI Alliance has a zero-tolerance policy towards misuse of funds.</p> <p>The GAVI Alliance Conflict of Interest Policy states that its purpose is to “protect the integrity and reputation of GAVI’s decision-making processes...by establishing procedures to identify, evaluate and address any actual, perceived or potential conflicts that may arise.”<sup>59</sup></p>
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<sup>59</sup> GAVI Alliance Conflict of Interest Policy. Version 2.0. Approved June 12<sup>th</sup>, 2012





## The Global Fund to Fight AIDS, Tuberculosis and Malaria

Characteristic	Description
Legal Personality	Legal personality under international law recognized by Switzerland and the United States. <sup>60</sup>
Relationship w/ Trustee	World Bank is trustee.
Relationship w/ MDBs	The Global Fund “has not fully engaged the numerous regional organizing and governance bodies around the world.” <sup>62</sup>
Type of Board (resident / non-resident)	Non-resident board
Characteristics of Board	Includes representatives from donor and recipient countries, NGOs, the private sector, and affected communities <sup>63</sup> .
Board/committee member selection	Board seats with voting power are allocated to representatives of donor countries, developing countries, civil society, the private sector, foundations, non-governmental organizations, and communities affected by disease. Voting Board members serve for two-year terms, and serve as representatives of a constituency. Each Board constituency will develop its own process to designate its representatives. This process should “involve broad consultation within that constituency.” <sup>64</sup>
Coordinating unit characteristics	The Secretariat is responsible for day-to-day operations and implementation of Global Fund strategy and policies; its budget is included in the Global Fund operating expenses budget. The Executive Director of the Secretariat is appointed by, and reports to, the Board. Working under the guidance of the Global Fund Board, he/she leads and manages the Global Fund’s operational, financial, and administrative functions. He/she is responsible for implementing Board-approved strategy, setting the organization’s annual priorities and implementing a risk-based approach to all aspects of the Secretariat’s functions <sup>65</sup>
Type of decision-making (consensus or other)	The Board shall “use best efforts” to reach consensus for decision-making. If consensus is not reached despite “all practical efforts by the Board and the Board Chair,” any voting member of the Board may call for a vote. In order to pass, motions require a two-thirds majority of both the Donor Voting Bloc and the Implemented Voting Bloc If the Board Chair believes that debate over decision is too close to reach consensus, he or she may defer the decision until the next Board meeting. <sup>66</sup>
Delegation of decisions	There does not appear to be delegation of Board level decisions. Decisions taken between Board meetings need to be communicated to the Board

<sup>60</sup> Agreement between the Swiss Federal Council and the Global Fund to Fight AIDS, Tuberculosis and Malaria in view of determining the legal status of the Global Fund in Switzerland

<sup>61</sup> Public-Private Partnerships and Responsibility under International Law, Clarke. P. 55

<sup>62</sup> The Global Fund’s Core Partnership Strategy - The Partnership Landscape, item 2.22

<sup>63</sup> <http://www.theglobalfund.org/en/board/>

<sup>64</sup> Operating Procedures of the Board and Committees of the Global Fund – Section A. “Board Member Representation”

<sup>65</sup> [file:///C:/Users/Tertius%20Eksteen/Downloads/Core\\_GovernanceHandbookSection2CoreStructures\\_Handbook\\_en.pdf](file:///C:/Users/Tertius%20Eksteen/Downloads/Core_GovernanceHandbookSection2CoreStructures_Handbook_en.pdf) The Global Fund to Fight AIDS, Tuberculosis and Malaria Governance Handbook, Section 2: Core Structures. May 2014

<sup>66</sup> Operating Procedures of the Board and Committees of the Global Fund – Section C. “Conduct of Board Meetings”



	immediately with a full explanation. The Board may modify or reverse these decisions.
Use of decision-by-mail	The Board may vote on motions in-between sessions of the Board electronically and in accordance with the voting procedures set forth in this Section 15 of the Operating Procedures. The timelines for casting votes shall be 10 day unless an urgent motion requires a shorter timeline for reaching a decision. <sup>67</sup>
Meeting efficiency	The Board of the Global Fund holds a minimum of two meetings per year, each meeting lasting generally two days. Notice of time and place of each meeting will be distributed at least forty days in advance, and a meeting agenda with relevant documentation, to be prepared by the secretariat, will be circulated to Board Members at least three weeks in advance. The agenda will include, “synthesized options, recommendations, and supporting rationale,” and will be organized with priority given to items requiring decision. <sup>68</sup>
Roles and responsibilities/use of TOR	High level roles and responsibilities for the key roles are provided in the Board Operating Procedures. (Key competencies and responsibilities of Board Members, Communication Focal Points, Committee Membership, Members of each of the Standing Committees of the Board, Board Leadership) <sup>69</sup>
Selection and preparation of Co-Chairs	Board Chair and Vice-Chair elected for two year terms from Board Members form implementer and donor blocs. The Chair and Vice-Chair are elected for two-year terms and serve until the appointment of a successor. <sup>70</sup> Elections of the Board Chair and Vice-Chair shall take place at the first Board meeting of the calendar year in which the elections are scheduled to occur. <sup>71</sup>
Engagement of members	The Global Fund has a dedicated Coordinating Group, which “provides a visible and transparent mechanism for co-ordination and collaboration between the Board and its committees in regard to the Board’s governance, risk, and administration functions... that require coordination and frequent discussions and collaboration.” <sup>72</sup> See Operating Procedures of the Board and Committees of the Global Fund – Annex 1: “Board and Committee Member Roles and Responsibilities”
Roles and responsibilities of observers	Observers are part of the Board of the Global Fund. NGOs (foundations, civil society, communities) constitute both voting and non-voting seats. Members from the private sector (interested corporations) have voting seats. <sup>73</sup>

<sup>67</sup> [http://www.theglobalfund.org/Documents/board/core/Board\\_GlobalFundBoard\\_OperatingProcedures\\_en/](http://www.theglobalfund.org/Documents/board/core/Board_GlobalFundBoard_OperatingProcedures_en/)

<sup>68</sup> Operating Procedures of the Board and Committees of the Global Fund to Fight AIDS, Tuberculosis and Malaria – Section B 6. “Regular Board Meetings”

<sup>69</sup> Operating Procedures of the Board and Committees of The Global Fund to Fight AIDS, Tuberculosis and Malaria – Annex 1

<sup>70</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria By Laws – section 7.2 “Appointment of Board Members”

<sup>71</sup> Operating Procedures of the Board and Committees of The Global Fund – Section F. “Election Procedures for Board Chair and Vice-Chair”

<sup>72</sup> Terms of Reference: Coordinating Group, The Global Fund to Fight AIDS, Tuberculosis and Malaria. GF/B25/DP7, as amended at the at the Thirty-Second Board Meeting by GF/B32/DP05

<sup>73</sup> Governance Handbook Section 2: The Constituency Structure



	Observers may attend Board meetings as part of the delegation of a Board Member. However, observers and non-Member representatives from constituencies are not permitted to attend Committee Meetings. <sup>74</sup>
Transparency	Global Fund's Documents Policy mandates that information on its internal decisions and operational activities must be made available to the public in the absence of a compelling reason for confidentiality. However it does not sufficiently clarify exceptions to this or refer to an independent appeals body. <sup>75</sup>
Accountability	The Global Fund has a dedicated Audit and Ethics Committee (AEC) endorsed by the Board. Among the responsibilities explained in the committee's charter. The AEC oversees the Global Fund's Office of the Inspector General (OIG), which investigates corruption, fraud, and waste. The Roles and Responsibilities Annex in the Operating Procedures includes a section on each individual's responsibility for Accountability, Ethics and Conflict of Interest. <sup>76</sup>
Integrity (Zero tolerance policy)	The Office of the Inspector General has zero tolerance for fraud, corruption, and waste. Through its whistle-blowing channels, the Office of the Inspector General encourages all to come forward to point out any irregularities that prevent Global Fund resources from reaching those who need them. <sup>77</sup> The OIG operates independently, and answers only to the Board. See: Global Fund's Policy on Ethics and Conflicts of Interest

<sup>74</sup> Operating Procedures of the Board and Committees of The Global Fund – 44. Size of Committees

<sup>75</sup> <http://ati.publishwhatyoufund.org/donor/global-fund/>

<sup>76</sup> Operating Procedures of the Board and Committees of The Global Fund to Fight AIDS, Tuberculosis and Malaria, Annex 1

<sup>77</sup> <http://www.theglobalfund.org/en/oig/>



## International Fund for Agricultural Development (IFAD)

Characteristic	Description
Legal Personality	Yes
Relationship w/ Trustee	A specialized agency of the United Nations
Relationship w/ MDBs	No formal relationship with MDBs.
Type of Board (resident / non-resident)	Resident
Characteristics of Board	<p>The Governing Council is IFAD's highest decision-making authority. Each Member State is represented in the Governing Council by Governors, Alternate Governors and any other designated advisers.</p> <p>The Executive Board is responsible for overseeing the general operations of IFAD and for approving its programme of work. Membership on the Executive Board is determined by the Governing Council and is presently distributed as follows: List A: eight Members and eight Alternate Members; List B: four Members and four Alternate Members; and List C: six Members and six Alternate Members; two each in the three regional subdivisions of List C Member States.</p> <p>The Executive Board of IFAD consists of 18 Members and 18 Alternate Members. Members and Alternate Members are elected for three-year terms from within their respective Lists (Lists A, B, and C) and Sub-Lists (List C has three regional Sub-Lists: Africa; Europe, Asia and the Pacific; Latin America and the Caribbean). Elected members are approved by the IFAD Governing Council.</p>
Board/committee member selection	The Members and Alternate Members are elected for a three-year term of office within their respective Lists and Sub-Lists, i.e., List A, List B, List C and within List C: Sub-List C1 for Countries in the Africa Group; Sub-List C2 for Countries in Europe, Asia and the Pacific; and Sub-List C3 for Countries in Latin America and the Caribbean, and are approved by the Governing Council. The Members and Alternate Members in each of the Lists represent other constituents of their respective List. <sup>78</sup>
Coordinating unit characteristics	Office of the President and Vice-President (OPV). The IFAD president chairs the Executive Board.
Type of decision-making (consensus or other)	At any meeting of the Board, the President should attempt to secure a consensus on a proposal in lieu of taking a vote thereon. However, the Board shall take decisions by vote at the request of any member <sup>79</sup>
Delegation of decisions	Governing Council decisions are taken in meetings and decision cannot be delegated to other committees.
Use of decision-by-mail	<p>Two forms of project approval: a Lapse of time procedure (LOT) and a Standard procedure</p> <p>The LOT procedure is governed by rule 24 of the Rules of Procedure of the Executive Board. Under this procedure, eligible proposals are not placed on</p>

<sup>78</sup> <https://webapps.ifad.org/members/eb>

<sup>79</sup> Rules of Procedure of the Executive Board, adopted by the IFAD Executive Board at its First Session on 14 December 1977



	the agenda of the Executive Board session but rather posted on IFAD's website and communicated to Board Members for approval on a lapse-of-time basis. Proposals are deemed approved by the Executive Board if no request for consideration at a Board session is received by a specified deadline. <sup>80</sup>
Meeting efficiency	IFAD uses a dedicated Knowledge Management Facilitator during meetings and workshops. IFAD has also produced "A Facilitator's Guide," a document intended for Knowledge Facilitators, Country Program Officers, and other professionals whose duties involve training others in knowledge sharing practices.
Roles and responsibilities/use of TOR	Limited roles and responsibilities description for each role in Rules of Procedure
Selection and preparation of Co-Chairs	The Governing Council Sessions are chaired by the Chairman of the Governing Council Bureau which is composed of, for a two-year term, a Chairman and two Vice-Chairmen representing each of the three Lists of the Member States of the Fund.
Engagement and roles of members	The Governing Council of IFAD is the Fund's principle Governing Body having full decision-making powers. It consists of all of IFAD's Member States and meets annually.
Participation and Role of Observers	Observers may participate in the proceedings of the Governing Council at the invitation of the Chairman and the approval of the Council.  Observers are also invited to attend sessions. These Observers consist of representatives from non-IFAD Member States that have applied for Membership to the Fund, the Holy See and those United Nations Specialized Agencies, Intergovernmental Organizations and Non-Governmental Organizations whose Observer status has been approved by the Fund's Executive Board.
Transparency	IFAD's Policy on the Disclosure of Documents increases accountability, transparency, and service to their stakeholder community. It also furthers general knowledge and transparency about governance structure and role in promoting rural poverty reduction and agricultural development. The policy reflects the principle of "presumption of full disclosure." <sup>81</sup>
Accountability	See above.
Integrity – Zero tolerance policy	IFAD is committed to promoting and adhering to the highest standards of probity and accountability in the use of its funding and takes a zero-tolerance stance towards cases of fraud and corruption in its activities and operations, both within the institution and under its projects and programs. <sup>82</sup>

<sup>80</sup> Revision of the lapse-of-time procedure for approval of IFAD-funded projects and programmes, EB 2012/106/R.9, 16 CIF August 2012

<sup>81</sup> <http://www.ifad.org/governance/faq/index.htm>

<sup>82</sup> IFAD Policy On Preventing Fraud And Corruption In Its Activities And Operations, EB 2005/86/INF.8