

# Fund for responding to Loss and Damage

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FRLD/B.4/9

30 November 2024

## **Fourth meeting of the Board**

2–5 December 2024

Manila, The Philippines

Provisional agenda item 8(b)

## **Background paper on the accreditation of observers to the Fund for responding to Loss and Damage**

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### *Expected action by the Board*

The Board will be invited to:

- (a) Take note of document FRLD/B.4/9, which provides an overview of the accreditation process for observer organizations and the interim process for accrediting observer organizations;
  - (b) Discuss the next steps and timeline, as necessary, regarding the arrangements for the accreditation of observers to the Fund for responding to Loss and Damage.
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## I. Background and mandate

1. According to paragraph 27 of the Governing Instrument of Fund for responding to Loss and Damage, “the Fund will make arrangements to allow for the effective participation of observers in its meetings, including developing and carrying out an observer accreditation process”. To begin implementing this mandate, the interim secretariat prepared document FLD/B.1/6, titled “Background paper on arrangements for observer participation in Board meetings”. The document contained a comprehensive benchmarking analysis of observer participation, including the accreditation process, within comparable institutions,<sup>1</sup> as well as a proposed framework for enhancing observer participation in Board meetings, pursuant to paragraphs 20 and 27 of the Governing Instrument.
2. At the first meeting of the Board (B.1), the Board adopted a phased approach to further define observers’ participation in Board meetings.<sup>2</sup> Under this approach, the Board requested the interim secretariat to prepare a paper on the participation of active observers in Board meetings and related proceedings for B.2, a paper on the observer accreditation process for B.3 and a paper on the establishment of consultative forums for stakeholder engagement for B.4.
3. At B.2, the Board approved its 2024–2025 workplan, which included proposed actions and timelines for confirming the accreditation process for observers at either B.3 or B.4.<sup>3</sup>
4. In accordance with the Board’s mandate to foster engagement with and participation by relevant stakeholders in the Fund’s activities, and ensuring that the input and participation of the communities most vulnerable to climate impacts are informing the Fund’s decision-making, this paper provides a process for obtaining accreditation as an observer organization to the Fund for responding to Loss and Damage.
5. Structure of this document:
  - (a) Annex I: Draft decision of the Board on the adoption of the observer accreditation process;
  - (b) Annex II: Draft observer accreditation process.

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<sup>1</sup> Annex 1 of document FLD/B.1/6, available at [https://unfccc.int/sites/default/files/resource/FLD\\_B1\\_6.pdf](https://unfccc.int/sites/default/files/resource/FLD_B1_6.pdf).

<sup>2</sup> Decision B.1/D.9.

<sup>3</sup> Decision B.2/D.10.

## Annex I

### Draft decision

The Board, having considered document FRLD/B.4/9 titled “Background paper on the accreditation of observers to the Fund for responding to Loss and Damage”:

- (a) *Adopts* the observer accreditation process, as set out in annex II;
- (b) *Decides* that, with reference to paragraph 5 of the observer accreditation process, a “blanket” approach will be applied as an interim arrangement until a comprehensive policy on overall observer engagement is adopted by the Board, under which observer organizations already accredited to the United Nations Framework Convention on Climate Change, other operating entities of the financial mechanism of the Convention and similar organizations, as determined by the Secretariat, may be recognized as accredited observer organizations of the Fund by following a simplified process comprising:
  - (i) Submitting a proof of accreditation as an observer organization by an equivalent organization as referred to in paragraph (b) above;
  - (ii) Providing information on its legal status, place of legal incorporation and headquarters/main office;
  - (iii) Fulfilling the requirements of paragraph 5(c)–(f) of the observer accreditation process;
- (c) *Requests* the Secretariat to undertake consultation with potential observer organizations other than those representing the traditional constituencies under the United Nations Framework Convention on Climate Change, in particular organizations that work with people who have been displaced in relation to climate change as well as representatives of the most vulnerable communities.

## **Annex II**

### **Observer accreditation process**

#### **I. Introduction**

1. According to paragraphs 20 and 27–29 of the Governing Instrument of the Fund for responding to Loss and Damage, the Board is to develop mechanisms to promote the effective participation of observers in its meetings.
2. The participation of observers is essential to ensuring transparency, inclusivity, accountability and effective stakeholder engagement in informing the decision-making processes of the Fund for responding to Loss and Damage (FRLD).
3. This document provides a process for the observer accreditation, drawing upon best practices of comparable institutions.
4. The accreditation process aims to define clear eligibility criteria, promote balanced representation and establish mechanisms to ensure sustained engagement of observers.

#### **II. Accreditation process and eligibility criteria**

5. Organizations may apply for accreditation to the FRLD by submitting a letter of application to the Secretariat, which will include, at a minimum:
  - (a) A brief description of the organization, including its purpose, legal status, place of legal incorporation and headquarters/main office;
  - (b) An explanation demonstrating its alignment with the mandate of the FRLD;
  - (c) A statement outlining the potential value of the organization's contributions to the FRLD, and its role in responding to loss and damage, particularly in support of the most vulnerable developing countries. The statement should also specify the organization's expectations from the FRLD in return for its engagement;
  - (d) Evidence, if available, of contributions to climate finance, including for averting, minimizing and addressing loss and damage, or related fields, and addressing challenges associated with the adverse effects of climate change;
  - (e) A written confirmation of the organization's acknowledgement of the objectives and purpose of the FRLD, and its agreement to abide by all the relevant rules and procedures of the FRLD;
  - (f) The most recent annual report or equivalent document/publication outlining the organization's activities within the past 12 months.
6. To qualify for accreditation organizations must:
  - (a) Demonstrate a proven track record in areas relevant to the FRLD;
  - (b) Represent one of the following observer groups and observer constituencies:
    - (i) Indigenous Peoples;
    - (ii) Women;
    - (iii) Youth;
    - (iv) Environmental non-governmental organizations;
    - (v) The private sector;

- (vi) Other climate-vulnerable communities,<sup>1</sup> including but not limited to, farmers, workers or trade unions, migrants and local communities.

7. The inclusion of the climate-vulnerable community observer constituency aims to enhance the diversity and inclusivity of stakeholder representation in the activities of the FRLD.

### III. Maintaining observer relevance and engagement

8. To ensure the quality and relevance of observer participation, accredited observer organizations must confirm their continued engagement with the FRLD as follows:

- (a) Observer organizations must submit an annual update of contact information to the Secretariat, ensuring the focal point's contact details remain accurate;
- (b) Every five years, accredited observer organizations must submit a simplified reconfirmation letter including:
  - (i) Continued adherence to all the relevant rules and procedures of the FRLD;
  - (ii) Updated contact information of the accredited observer organization's focal point;
  - (iii) A brief summary of contributions or activities relevant to the FRLD.

9. Accredited observer organizations that fail to comply with these requirements will have their observer status suspended or revoked until all requirements of the relevant requirements are satisfied.

### IV. Secretariat support for facilitating observer accreditation

10. The Secretariat will provide support to facilitate the observer accreditation process, ensuring it is inclusive, transparent, efficient and aligned with the objectives of the FRLD. This support will include, but is not limited to:

- (a) Developing and maintaining accreditation guidelines and procedures to support the effective involvement of observers;
- (b) Establishing user-friendly application tool(s) to streamline the submission, review and monitoring of accreditation applications;
- (c) Providing technical assistance and guidance to applicant organizations to ensure compliance with accreditation criteria and requirements;
- (d) Coordinating with the secretariat of the United Nations Framework Convention on Climate Change and other entities under the Convention's financial mechanism, including the Green Climate Fund and the Global Environment Facility, to harmonize accreditation processes and prevent duplication.

### V. Review

11. The Board will conduct a review of the progress and outcomes of the observer accreditation process no later than three years after its adoption by the Board. This review will assess the effectiveness of the process in meeting the objectives of the FRLD and will consider lessons learned during the initial three-year period.

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<sup>1</sup> Relevant climate-vulnerable communities include farmers, workers, migrants and local communities. They may share the two active observer seats on a rotating basis through coordination among themselves. Further information on climate-vulnerable communities is contained in the report *Loss and Damage Fund: A Participation Blueprint*, published by the Loss and Damage Collaboration and available at <https://us.boell.org/en/2024/04/25/loss-and-damage-fund-participation-blueprint>.

12. If the review cannot take place within the designated timeline due to competing Board priorities, the Secretariat will prepare an interim progress report for the Board, detailing lessons learned and proposing provisional improvements to ensure continuity until the formal review is completed.

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