

Annex 1

TERMS OF REFERENCE FOR THE STEERING COMMITTEE OF THE COMMONWEALTH CLIMATE FINANCE ACCESS HUB

1. Background

Climate change is one of the major threats to human existence as it is reversing development trajectories, worsening food and nutrition insecurity and undermining the security of nations especially Small States including Small island developing states (SIDs) and other climate vulnerable countries. Consequently, it affects the entire spectrum of the economy and requires substantial resources to address. Climate finance is partially being made available to developing countries through a number of international initiatives, such as the Adaptation Fund, the Climate Investment Funds, and the Green Climate Fund (GCF) for the purpose of enabling nations to adapt to climate change and mitigate it.

Small States and Least Developed Countries (LDCs) are among the most vulnerable nations to climate change due to their limited financial, human, institutional and technological capacity to respond to this phenomenon. According to the Commonwealth Expert Group on Climate Finance (2013), Commonwealth Small States and LDCs experience difficulties in navigating the many climate funds that exist, preparing proposals, demonstrating and complying with eligibility criteria, and preparing effective long term responses to climate change. For this reason, the Expert Group proposed the establishment of a Climate Finance Skills Hub and Response Mechanism, which is to address the capacity constraints of these vulnerable countries in order for them to be able to benefit from existing climate funds. At the Commonwealth Heads of Government Meeting (CHOGM) in 2013 Heads mandated the Commonwealth Secretariat to develop such a mechanism. The Secretariat



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presented the Climate Finance Access Hub at CHOGM in 2015 where Heads unanimously endorsed the design, which is now being implemented.

2. Objectives

The overall objective of the Climate Finance Access Hub (the Hub) is to address capacity constraints hampering Small and Vulnerable States from accessing climate finance. In its functional approach, the Hub will particularly focus on gaps within wider international support on climate finance readiness and through programmatic and capacity-embedding functions will assist targeted regions and countries. Provision of technical assistance, knowledge creation and transfer to selected countries and collaborating with regional organisations on climate finance will be key functions of the Hub.

The specific objectives are to:

- (i) Facilitate human and institutional capacity building at national and regional levels;
- (ii) Support development of international climate finance eligible climate change related project pipeline in countries based on national priorities;
- (iii) Facilitate inter- and intra-regional sharing of skills, knowledge and expertise on different aspects of climate change with particular focus on climate finance;

3. Services

The Hub will render its services under the following three pillars:

(a) Gateway for Applications

The Hub is to receive applications from member states for capacity building on identifying potential areas of climate change projects, enhancing national enabling environments, designing and implementing projects based on the international principles of climate financing and their implementation. Long-term capacity enhancement will be ensured through placement of regional and national advisers against defined terms of reference and established national priorities and objectives. The Hub will also liaise with various donors and readiness initiatives to avoid duplication of effort and to ensure that its support mechanisms are well aligned and comply with the requirements of different climate finance institutions.



(b) Technical Mechanism

This will be linked to a fund and will support draw-down of consultants to provide specific short-term technical or specialised advice required to fill the gaps of particular proposals from member countries. The purpose of this support function is to provide specific and focused technical advice in preparation of project ideas for submission to the international climate finance institutions.

(c) Knowledge Management

The knowledge management component is inbuilt and aimed to gather, synthesize and compile relevant information from the applications processed by the Hub, from the network of practice linked to the Hub and through knowledge creating processes, and disseminate it through different knowledge and information products. Key objective of it is to prioritise south-south learning, promoting sharing of knowledge and experiences and facilitate exchange of experts. All other means of information creation and their implementation will be explored and appropriately employed.

4. Mandate

The mandate of the Hub emanates from the Commonwealth Heads of Government's endorsement of November 2015 in Malta.

5. Functions of the Steering Committee

- a) To provide strategic and policy guidance to the operations of the Hub;
- b) Review, evaluate and undertake a swot analysis of the opportunities and constraints faced by the Hub;
- c) Consider and review policy documents, operational plans and budgets for the Hub;
- d) Consider and approve the annual work plan and budget;
- e) Consider and review regional and international partnership proposals for the Hub;
- f) Monitor and assess the overall performance of the Hub in line with its annual and strategic plans;



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- g) Co-opt experts and organisations into the Steering Committee on a case by case basis and according to need;
- h) Support resource mobilisation and stakeholder engagement by the Hub;
- i) Ensure transparency, accountability and that the controls and risk management system of the Hub is robust and defensible, including a review of the Risk Register when they meet.

6. Membership

6.1. Composition

6.1.1. Members

Following the inaugural meeting, membership shall be comprised of the following:

- a) Four Members of Commonwealth countries representing the regions (Africa and Indian Ocean, Asia, Caribbean, and Pacific) on rotational basis every two years;
- b) At least one member of the Donor Community with the possibility for other countries to participate;
- c) At least One member representing the regional organisations on rotational basis;
- d) At least One member representing international climate finance Institutions (GCF, AF, CIFs, WB etc);
- e) One member from the Republic of Mauritius by virtue of hosting the Hub;
- f) One member from the Commonwealth Secretariat.

6.1.2. Observers

Representatives of development partners, an academic institution or international climate change related media entity(ies) may participate in the meetings on invitation as observers. The observers shall not have voting rights.



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The Commonwealth Secretariat shall solicit for the subsequent membership of the steering committee with an aim to accomplish the replacement of members in compliance with the above established criteria.

6.2. Terms of Membership

6.2.1. Members

All members of the Steering Committee shall serve for a maximum period of two (2) years except members referred in paragraph 6.1 (e) and 6.1 (f) who will be on a permanent basis. Members will be replaced by other countries of the respective regions complying the principle of equal opportunity for all countries within the Commonwealth family.

Membership of representatives of regional organisations, international climate finance institutions and donor community shall also be for the period of two years. On expiry of the term, new representatives will be selected from other institutions complying with the principle of equal opportunity.

The Steering Committee retains the right to maintain a representative of an international climate finance institution based on benefits to the Hub.

6.2.2. Observers

Membership of observer organisations shall also be for the period of two years. On expiry of the term, new representatives will be selected from other institutions complying with the principle of equal opportunity.

The Steering Committee retains the right to maintain a representative of an international climate finance institution based on benefits to the Hub.

6.3. Attendance

A member of the Steering Committee unable to be present at a Steering Committee meeting may provide written notification by email to the General Manager of the Hub



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nominating an alternate individual to attend in his/her place no later than two weeks before the next Steering Committee Meeting.

Should a member of the Steering Committee be unable to fulfil his/her term, his/her country must provide written notification to the General Manager of the Hub no later than 30 days before the next Steering Committee Meeting.

Representatives of development partners shall submit written confirmation of their attendance to the General Manager no later than 30 days before the next Steering Committee Meeting.

6.4. Quorum for the Meetings

The quorum for the Steering Committee shall be two thirds of its membership with a minimum representation of two of the beneficiary countries representing the regions defined in paragraph 6.1(a) of this document.

6.5. Responsibilities and Conduct of Steering Committee Members

The members of the Hub Steering Committee are required to be up to date with the trends in climate finance. They are also expected to study all documents related to their meetings and operations of the Hub at all times and thoroughly prepare for the meetings of the Steering Committee. They should demonstrate commitment to the success of the Hub in enabling countries to access and effectively utilise climate funds. Members of the Steering Committee should not be involved or have any links with criminal syndicates or money laundering activities. They are to serve as ambassadors for the Hub's work to facilitate climate resilient development. Finally, they should respect confidentiality and privacy with regard to information deliberated by the Hub.

7. Chairpersonship

7.1. Selection



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The Chairpersonship of the Steering Committee of the Hub shall be drawn from the countries within the beneficiary countries on a rotational basis across regions for a maximum period of one year.

Except for the inaugural meeting, the Chairpersonship of the Steering Committee shall be selected by members of the Steering Committee at the first meeting and annually thereafter.

The Government of Mauritius shall preside over the meeting of the inaugural Steering Committee and continue its chairmanship until such time the election of another chairperson.

7.2. Responsibilities of the Chairperson

The overall responsibility of the chairperson will be to represent the Steering Committee, oversee and guide the deliberations of the Steering Committee and to ensure that decisions taken are actionable and are in line with the objectives of the Climate Finance Access Hub. She or he will work closely with the General Manager on advancing the course of the Hub.

8. Secretarial Services

The General Manager for the Hub shall render secretariat services to the Steering Committee. Secretariat services will include preparation of documents for the meetings of the Hub Steering Committee including invitations, agenda, minutes and other relevant documents. The Secretariat will also follow up on assignments related to the work of the Steering Committee. The Secretariat of the Steering Committee will also keep both the chairperson of the Steering Committee and the Commonwealth Secretariat updated on all matters of the Hub.

The Steering Committee shall be periodically (six monthly) updated on the development, identification and placement of national advisors.

8.1. Commonwealth Secretariat



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The General Manager of the Hub will review all documents involving the Hub Steering Committee in consultation with Commonwealth Secretariat.

The Commonwealth secretariat shall support the Hub in all its activities as a programme of member states and report its progress through CHOGM.

8.2. Government of the Republic of Mauritius

The Government of the Republic of Mauritius shall provide office accommodation conducive to the effective operations of the Hub as well as the provision of competent local staff to support the operations of the Hub.

The Government of the Republic of Mauritius may provide any updates on matters related to hosting of the Hub.

8.3. Commonwealth Small and Vulnerable States

Commonwealth Small and Vulnerable States serving as Steering Committee members shall report at meetings and provide feedback on the contributions and table recommendations to improve the provision of technical assistance services provided by the Hub.

They will also have the duty and responsibility to consult other beneficiary countries within their regional jurisdiction, in order to be updated on the successes and challenges faced in the implementation of the Hub's climate finance work and share the outcomes of the Steering Committee meetings.

8.4. Regional Organisation and Development Partners

Regional Organisations and Development Partners participating in Steering Committee meetings are expected to provide feedback and recommendations as per Section 5 Functions of the Steering Committee.

8.5. Observers

Observer members who wish to make formal presentations at Steering Committee meetings are encouraged to do so by contacting the General Manager of the Hub.

9. Decision Making Process

The decision-making process of the Steering Committee shall be based on a no-objection basis.

Decisions that cannot be reached by no-objection basis during Steering Committee meetings shall be referred to the Chairperson. The Chairperson shall develop a solution for a decision to be distributed to Steering Committee members through the General Manager.

The General Manager serving as secretariat to the Steering Committee shall distribute minutes via email of each meeting to Steering Committee members within 7 working days of the date of the meeting. If within 14 days of the issue of the minutes, no objection has been raised to these minutes, they shall be considered adopted.

Objection/comments must be raised, in writing or via email, addressed to the General Manager of the Climate Finance Access Hub, who will correct the minutes and circulate the amended version to the Steering Committee members within 7 days from the date of receiving the written feedback.

10. Hosting and Frequency of Meetings

The Steering Committee shall convene at least two (2) physical meetings for the first year and thereafter to meet annually as determined by the Chairperson. The Steering Committee will also have the liberty to call for extra-ordinary meetings based on needs and availability of resources.

Due to cost implications, the Steering Committee shall endeavour as much as possible to hold their meetings on the margin of other big fora and explore virtual meetings especially those related to consultations.

The date, time and venue for meetings of the Steering Committee shall be agreed upon by members of the Steering Committee and documented in the minutes of the meetings accordingly.

The date, time and venue of extra-ordinary meetings shall be determined by the Secretariat in consultation with the chairperson.

The first meeting of the Steering Committee shall be held in Mauritius. Thereafter, meetings may be hosted on a rotational basis among the constituencies/Regions benefiting from the services of the Hub, as may be determined by the first Steering Committee meeting.

11. Funding and Participation

Members of the Steering Committee are encouraged to finance their participation at the meetings. Where this is not possible, the Commonwealth Secretariat shall support the participation of beneficiary countries serving on the Steering Committee. All other members of the Steering Committee including co-opted ones shall be expected to support their own participation unless the Chairperson of the Steering Committee makes exceptions based on need. Innovative ways of funding the participation of members of the Steering Committee will be explored by the Hub in consultation with the Committee.

12. Reporting

The Steering Committee shall report to the Commonwealth Heads of Government through the Secretary-General of the Commonwealth Secretariat.

13. Revision of Terms of Reference

The Steering Committee may revise its terms of references as and when necessary.
