

DRAFT

**African Risk Capacity Group Board
Modalities for the Appointment of Partners**

A. Background

1. Paragraph 17 of the Terms of Reference of the African Risk Capacity (ARC) Group Board provides that the Conference of the Parties (CoP) shall adopt modalities for the appointment of up to four (4) members of the Board to give effect to arrangements under Article 21 of the ARC Treaty.
2. Under Article 21 of the Agreement for the Establishment of the African Risk Capacity (ARC) Agency (Agreement or Treaty), the “ARC Agency shall establish and maintain active cooperation with States, inter-governmental organizations and non-governmental organizations or institutions that are desirous of assisting the ARC Agency in achieving its objectives.”
3. Pursuant to this provision, ARC has established and maintained relationships with States, inter-governmental and other partner organizations. The partnerships are diverse in nature and cover, inter alia, financial, political and advocacy, research and development, media, and academia/policy¹.
4. Cognizant of the important role of partner organizations, the ARC Treaty provided a window for the CoP to appoint one additional (1) member of the ARC Agency Governing Board to give effect to the arrangements entered into with partner organizations under Article 21 of the Treaty.² However, this provision was not operationalized by the CoP. The Board under its Rules of Procedure may invite observers, individuals or representatives of organizations to participate in its meetings without the right to vote. Pursuant to this, funding partners of ARC attend meetings of the Board and participate as observers, without the right to vote.
5. In line with the conclusions of the governance reform, the Joint Board of the ARC Agency Governance Board and Board of Directors of ARC Insurance Company Ltd agreed that Partner Institutions should be represented in the Group Board and that the number of partners should be increased to four (4). This recommendation was endorsed by the CoP during its extraordinary session held in Kigali, Rwanda in November 2019 and subsequently adopted as part of the Treaty amendments in June 2020.

¹ Also addressing different thematic areas i.e early warning, risk knowledge, assessment and profiling, contingency planning, financing and insurance interventions, disaster risk governance and systems etc.

² Article 14 (1) (e) of the Treaty

B. Composition of the ARC Group Board

6. Article 14 of the ARC Treaty, as amended, provides for the composition of the ARC Group Board. The composition of the Board is as follows:
 - a) 5 members elected by the CoP;
 - b) 1 member appointed by the Chairperson of the African Union Commission (AUC);
 - c) 1 member appointed by the Chairperson of the AUC in consultation with the Executive Director of WFP;
 - d) The Chairpersons of the Boards or similar organs of the ARC Agency Subsidiaries or Affiliated Entities;
 - e) The ARC Group Director General and the Chief Executive Officers of the ARC Subsidiaries or Affiliated Entities, without the right to vote;
 - f) *“up to four additional members appointed by the Conference of the Parties in recognition of the funding agreements and to give effect to any arrangements entered into under Article 21 of the Agreement”³.*
7. Each Member of the Board shall have an alternate who will serve on the Board when the Member is not available but shall not attend meetings, other than as an observer, when the Member that he or she replaces is also present.
8. Members and their alternates serve in their personal capacities and on a part time-time basis as required to carry out their functions.
9. Members, except those serving by virtue of office, shall serve for a three-year term which may be renewed once, as long as the partner remains in an active funding relationship or other partnership with the ARC Group.

C. Partner Institutions

10. As provided in Article 21 of the ARC Treaty, the partners may include States, inter-governmental organizations and non-governmental organizations or institutions that are in an active funding or other active partnership with the ARC Group. Apart from the partnerships covering diverse areas, inter alia, financial, political and advocacy, research and development, media, and academia and policy, the partners may also be sub-divided into other broad categories⁴, namely, but not limited to:

³ These members will be appointed by the CoP by consensus (just like for the election of members of the ARC Group Board) failing which the CoP will proceed to a vote.

⁴ These categories are merely illustrative and reflect the type of partners that ARC has to date.

- a) Donors (States or development institutions providing funding to Agency or Ltd);
- b) Multilateral development institutions;
- c) Banking/Financial organizations/institutions;
- d) Insurance and Reinsurance organizations/institutions/associations;
- e) Technical partners (research institutions working in disaster management);
- f) Non-governmental Organizations.

D. Responsibilities

- 11. Members representing the partner institutions have the same responsibilities as the other Group Board Members as outlined in paragraph 20 of the Terms of Reference for the ARC Group Board.
- 12. The Partner members shall have a duty to observe the utmost good faith towards the ARC Group, be required to exercise independent judgment and to take decisions according to the best interests of the ARC Group.
- 13. The Partner members shall also be required to avoid any real or potential conflict of interest during the deliberations and decision-making processes of the Board.
- 14. For cost effectiveness and efficiency, the Partners may be required to be responsible for all costs of participation of its designated representative (s). Partners should take this into account when submitting their expression of interest in the membership of ARC below.

E. Modalities for Nomination

- 15. A call shall be made at least three (3) months before a session of the CoP to ARC Partner Institutions that have entered into partnership arrangements with ARC under Article 21 of the Treaty for them to communicate to the ARC Secretariat their interest in the membership of the ARC Group Board. The call shall also encourage the Partner Institutions to consult with each other as widely as possible before submitting their expressions of interest.

16. In submitting the expression of interest in writing, in the membership of the ARC Group Board, the Partner institution shall also simultaneously propose its designated representatives for the full and alternative positions and briefly outline the knowledge, skill and expertise that the designated representatives will bring to the Board.⁵
17. The designated representatives shall be persons of high integrity and independence who are widely recognized for their professional competence and experience in fields relevant to the objectives and functions of ARC.
18. Partner Institutions shall designate the full and alternate member taking into account the principle of equitable gender representation. Therefore, at least one (1) member of the two proposed members/alternates should be female.
19. Upon receipt of the interests from the Partner institutions, the ARC Secretariat shall categorize the interests received into the broad groups outlined in paragraph 10 above⁶. The ARC Secretariat shall prepare a List of Candidates (Partner Institution and designated representatives) together with a note on the nature of the relationship and activities of each Partner Institution interested in the Board's membership for the past three (3) years.
20. The ARC Partner Institutions falling in the same category shall be requested to undertake consultations with a view of submitting one common set of member/alternate candidates for the category, where possible. If time permits, the Secretariat may facilitate a virtual meeting for the partners to discuss the nominations.
21. The final List of Candidates shall be circulated to the CoP in accordance Rules of Procedure of the CoP.

F. Appointment of Members

22. When appointing up to four (4) additional members in recognition of the funding agreements and to give effect to any arrangements entered into under Article 21 of the Agreement, the CoP shall ensure, as much as possible, a distribution of different diverse fields of expertise and partner groupings across the Partner Members.

⁵ Countries with active insurance policies also submit CVs.

⁶ Some partners may fall into more than one category.

23. The CoP shall also take into account the past activities of the Partner Institutions in their support to ARC as well as the expressions of potential future collaboration.