

Green Climate Fund

Arrangements for the Interim Secretariat

GCF/B.01-12/05

3 August 2012

Meeting of the Board

23-25 August 2012

Geneva, Switzerland

Agenda item 7



Recommended decision of the Board

The Board takes note of the information presented in document GCF/B.01-12/05 *Arrangements for the Interim Secretariat* and approves the arrangements as outlined.

Executive summary

This document gives an overview of administrative steps that have been taken to set up the Interim Secretariat, including the staffing and other arrangements, and suggests further steps to be taken in order to build the Interim Secretariat so that it can support the Board in implementing its work plan.

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Arrangements for the Interim Secretariat

I. Introduction

1. Through decision 3/CP.17, recognizing the need to facilitate the immediate functioning of the Green Climate Fund and ensure its independence, the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) requested the UNFCCC secretariat and the Global Environment Facility (GEF) secretariat to jointly take the necessary administrative steps to set up the Interim Secretariat of the Green Climate Fund as an autonomous unit within the UNFCCC secretariat premises without undue delay. The Interim Secretariat is to provide technical, administrative and logistical support to the Board until the independent Secretariat of the Green Climate Fund is established.

II. Roles and responsibilities of the Interim Secretariat

2. In line with decision 3/CP.17, the Interim Secretariat is to provide technical, administrative and logistic support until the independent Secretariat is established. This implies that the Interim Secretariat would take on the roles and responsibilities assigned to the independent Secretariat through the Governing Instrument, in particular the functions listed in paragraph 23 of the Governing Instrument (reproduced in the annex to this document).

3. Decision 3/CP.17 requests the Interim Secretariat to convene the first Board meeting and entrusts it with the task of receiving nominations for Board members.

4. Furthermore, the same decision sets out that the Interim Secretariat shall be fully accountable to the Board and shall function under its guidance and authority. It also requests the Board to move promptly to appoint the head of the Interim Secretariat¹ and notes that interim arrangements are to terminate no later than by the nineteenth session of the COP (November–December 2013).

III. Phased approach to setting up the Interim Secretariat

5. Given the urgency of the task, steps were taken immediately after the conclusion of COP 17 to establish the Interim Secretariat. A phased approach is employed:

- (i) A start-up phase until the first meeting of the Board, with guidance provided by a Steering Committee composed of senior staff of the UNFCCC and GEF secretariats; and
- (ii) Full operations under the direction of the Board, including with the head of the Interim Secretariat appointed by the Board, covering the period after the first Board meeting until the end of the period foreseen for interim arrangements (i.e. December 2013 at the latest).

6. The work of the Interim Secretariat focuses on assisting the Board in establishing the Fund's operational policies and related guidelines and procedures, based on the Governing Instrument. In the start-up phase, the Interim Secretariat has focused on preparations for the first Board meeting and

¹ See GCF/B.01-12/06.

made arrangements to ensure a rapid roll-out of activities based on Board guidance on direction and priorities. The budget proposal to be considered in conjunction with the work plan proposed for the Board is presented in document GCF/B.01-12/08.

7. All arrangements made so far have been made so that they can be adjusted in light of directions set by the Board and, as appropriate, to allow the head of the Interim Secretariat, once appointed, to select staff and lead the work of the team. This has, however, limited the possibility of building a comprehensive team of experts to assist the Board in its work. Any further delay in appointing the head of the Interim Secretariat would constrain the possibility of building up the required Secretariat support.

IV. Approach to staffing and administrative arrangements

4.1 Provisional arrangements made

8. The number, tasks and responsibilities of the staff of the Interim Secretariat will evolve according to the support needs of the Board and the amount of work in the course of the year 2012 and beyond. Decision 3/CP.17 emphasizes the need to facilitate the immediate functioning of the Fund and ensure its independence, which places a high responsibility on the Interim Secretariat to support the Board in moving quickly to the full operationalization of the Fund. Consequently, the staffing arrangements for the Interim Secretariat have been planned to evolve in parallel with activities, guided by the following objectives:

- (a) Ensuring responsiveness to the decisions of the Board in an expedited manner;
- (b) Securing relevant expertise to deliver high-quality work; and
- (c) Enabling the Interim Secretariat to function as an autonomous unit.

9. In order to move quickly in establishing an autonomous Interim Secretariat, the UNFCCC and GEF secretariats have assigned staff from among their staff either full-time or part-time to work in the Interim Secretariat. For the initial period up to the first Board meeting, three full-time staff members have been assigned to work in the Interim Secretariat, and approximately ten additional part-time staff members are providing support from within the UNFCCC and GEF secretariats. In addition, a few short-term consultants were hired to provide expertise that was not available among the secretariat staff. All arrangements are limited in time and can be terminated within 1-3 months after the first Board meeting if necessary.

10. Given the request by the COP to place the Interim Secretariat within the UNFCCC premises, arrangements have been made to use the part-time cross support of UNFCCC staff in Bonn for administrative, logistic and information technology support. Because of this, UNFCCC administrative rules and procedures have been used for procurement and it is planned that UNFCCC rules and regulations would also govern any new recruitment for the Interim Secretariat. A pragmatic approach was taken in order to enable cost-effective interim arrangements; this is, however, not meant to prejudice administrative arrangements for the independent Secretariat. It is understood that policies and rules for procurement and human resources in the independent Secretariat will be addressed through the work plan of the Board.

4.2 Further arrangements planned

11. Additional staff and consultants would need to be recruited in order to bring required capacity and expertise into the Interim Secretariat. So far, all arrangements made have been provisional in order to ensure flexibility to adjust them based on directions by the Board. It is foreseen that any further recruitment of staff would be made once the Board has given direction on how it wants to proceed.
12. Additional staffing arrangements will be needed to secure the support to the Board in implementing its work plan. It is proposed to use a combination of the following staffing arrangements:
 - (a) Further staff assignments (on a full-time or part-time basis) from the UNFCCC and GEF secretariats;
 - (b) Additional cross-support from the UNFCCC and GEF secretariats on a cost-recovery basis;
 - (c) Early recruitment of staff by the Interim Secretariat, including possibly through reimbursable secondments from other relevant institutions;
 - (d) Consultants (short-term or for extended periods).
13. Staffing decisions for the Interim Secretariat would be guided by well-defined terms of reference and follow competitive recruitment processes.
14. Any further delay in staffing the Interim Secretariat would seriously constrain the ability of the Interim Secretariat to build the capacity needed to support an ambitious work plan. This risk is aggravated by the fact that the lifetime of the Interim Secretariat is limited, since interim arrangements are to be terminated no later than COP 19, i.e. by December 2013. Attracting a pool of candidates of the highest calibre will become difficult if the duration of assignments is limited and the uncertainties concerning employment conditions are significant.

Annex

Functions of the Secretariat of the Green Climate Fund¹

1. The Secretariat will be responsible for the day-to-day operations of the Fund, providing administrative, legal and financial expertise. In particular, the Secretariat will:
 - (a) Organize and execute all administrative duties;
 - (b) Report information on the Fund's activities;
 - (c) Liaise with members, implementing entities, and cooperating bilateral and multilateral institutions and agencies;
 - (d) Prepare performance reports on the implementation of activities under the Fund;
 - (e) Develop the work programme and annual administrative budget of the Secretariat and Trustee and submit them for approval by the Board;
 - (f) Operationalize the project and programme cycle processes;
 - (g) Prepare financial agreements related to the specific financing instrument to be concluded with an implementing entity;
 - (h) Monitor the financial risks of the outstanding portfolio;
 - (i) Work with the Trustee to support the Board to enable it to carry out its responsibilities;
 - (j) Carry out monitoring and evaluation functions;
 - (k) Support the Board in arranging replenishment processes;
 - (l) Establish and run effective knowledge management practices;
 - (m) Perform any other function.

¹ Paragraph 23 of the Governing Instrument.