

Green Climate Fund

Status of resources

GCF/B.02-12/Inf.02

12 October 2012

Meeting of the Board

18-20 October 2012

Songdo, Republic of Korea

Agenda item 9

Status of resources

Introduction

This document contains the financial report of the Green Climate Fund Trust Fund as at 30 September 2012, prepared by the Interim Trustee (The World Bank) (contained in Annex I) and the report on the status of resources carried over from the financial support provided to the work of the Transitional Committee for the design of the Green Climate Fund (Annex II).

**Annex I: Green Climate Fund Trust Fund – Financial report prepared
by the Interim Trustee (The World Bank) –
As at 30 September 2012¹**

¹ Presented and reproduced as received, without editing.

Green Climate Fund Trust Fund

Financial Report

Prepared by the Interim Trustee

(The World Bank)

As of September 30, 2012

Green Climate Fund Trust Fund Summary as of September 30, 2012

Pledges and Contributions:

A pledge represents a contributor's expression of intent to make a contribution. Pledges are converted to contributions by way of a countersigned Contribution Agreement/Arrangement.

As of September 30, 2012, the total amount of pledges and contributions to the Green Climate Fund Trust Fund amounted to USDeq. 6.07 million. Of this amount, three contributors have paid USDeq. 2.9 million.

Funding Decisions:

As of September 30, 2012, the GCF Board had approved funding from the GCF Trust Fund totaling USD 798 thousand, in respect of costs and expenses GCF Interim Secretariat and Interim Trustee from January 1 to June 30, 2012, and estimated budget from July 1 to October 31, 2012.

Cash Transfers:

Based on the draft Standard Provisions, draft Transfer Agreement between the UNFCCC secretariat and the interim trustee, and joint notification from the heads of the UNFCCC and GEF secretariats, the interim trustee has transferred a total of USD 200 thousand up to September 30, 2012 to cover administrative costs incurred by the GEF secretariat in connection with its role in the GCF interim secretariat.

Funds Held in Trust:

Funds Held in Trust¹ reflect proceeds from contributors' payments and investment income, less the amount of cash transfers. Funds Held in Trust as of September 30, 2012 amounted to USDeq. 2.7 million.

Funds available to support GCF Board funding decisions:

Funds available amounted to USD 2.1 million as of September 30, 2012.

¹ Funds Held in Trust represents balance of cash, investments and unencashed promissory notes (if any) as of the reporting date.

1. GCF Trust Fund Summary – Inception through September 30, 2012

*In USD thousands**

	Inception to September 30, 2012	% of Total
<u>Pledges and Contributions</u>		
Contributions	3,544	58%
Pledges	2,529	42%
Total Pledges and Contributions	6,073	100%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	2,898	48%
Investment Income earned	2	0%
Total Resources Received	2,899	48%
<u>Resources not yet received</u>		
Contributions not yet received	646	11%
Pledges	2,529	42%
Total resources not yet received	3,175	52%
Total Potential Resources (A)	6,074	100%
<u>Cumulative Funding Decisions</u>		
Operational Expenses	798	100%
Total Funding Decisions Net of Cancellations (B)	798	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	5,276	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	2,699	
Approved Amounts Pending Cash Transfer	598	
Total Funds Available to Support GCF Board Funding Decisions	2,101	

*Due to rounding, figures presented may not add up to total/s provided

2. Contributions

In USD thousands

Green Climate Fund TF							UNFCCC TF	
all figures in '000s as at 30 September 2012								
Contributor	Currency	Pledge in Currency of Contribution	Pledge in USDeq. a/	Effective (or signed) Contribution	Receipts in Currency of Contribution	Receipts in USD eq. b/	Receipts in USD eq. b/ c/	Total Receipts in USD eq. b/
Australia	AUD	500	513	500	500	513	-	513
Denmark	DKK	5,000	867	-	-	-	254	254
Finland	EUR	500	646	500	-	-	-	-
Germany	EUR	785	1,014	-	-	-	282	282
Korea	KRW	2,350,000	2,099	2,350,000	2,350,000	2,099	-	2,099
Netherlands	USD	286	286	286	286	286	-	286
Norway							337	337
Spain							92	92
Switzerland							80	80
United States							275	275
United Kingdom	GBP	400	648	-	-	-	-	-
Total			6,073			2,898	1,319	4,216

a/ Valued on the basis of exchanges rates as of September 30, 2012
b/ Represents actual USD receipts
c/ Amounts approved by contributors for use for GCF, as reported by UNFCCC Secretariat

HIGHLIGHTS FOR THE PERIOD JUNE 30, 2012 THROUGH SEPTEMBER 30, 2012:

- The Interim Trustee executed a contribution agreement with Korea for KRW 2.35 billion and received the USD equivalent of this amount in September 2012.
- A contribution agreement with Finland was also fully executed in September 2012.
- As of September 30, 2012, the total receipts on contributions amounted to USDeq. 2.9 million, an increase of USD 2.1 million since June 30, 2012.
- As reported by the UNFCCC Secretariat, six contributors have approved the use by the GCF of their unspent contribution to the Transitional Committee. These funds are administered solely by the UNFCCC Secretariat and are, therefore, not included in the total amount of Funds Available in the GCF Trust Fund.

3. Cumulative Funding Decisions

In USD thousands

Activity	As of September 30, 2012
Operational Expenses a/	
Administrative Budget - GEF Secretariat	200
Administrative Budget - UNFCCC Secretariat	209
Administrative Budget - Trustee	389.3
Total Funding Decisions	798.3
a/ represents approved budget through October 31, 2012	

4. Funds Available

In USD thousands

	As of September 30, 2012	As of June 30, 2012	Change
	(a)	(b)	(a) - (b)
1. Cumulative Receipts	2,899	799	2,100
a. Cash receipts from Contributors	2,898	798.6	2,099
b. Investment Income earned on undisbursed balances	2	0	1
2. Cumulative Cash Transfers	200	200	0
a. Operational Expense	200	200	0
3. Funds Held in Trust with no Restrictions (3 = 1 - 2)	2,699	598.8	2,100
4. Funding Decisions Pending Cash Transfer	598.3	240	358
5. Funds available to support GCF Board funding decisions (5 = 3 - 4)	2,100.8	358.8	1,742

HIGHLIGHTS FOR THE PERIOD JUNE 30, 2012 THROUGH SEPTEMBER 30, 2012:

- **Funds Held in Trust** increased by USD eq. 2.1 million due to the receipt of Korea's contribution.
- **Funding Availability** increased by USD eq. 1.7 million over the prior reporting period.

Annex II: Status of resources carried over from the financial support provided to the work of the Transitional Committee for the design of the Green Climate Fund

Resources carried over from contributions made to the UNFCCC secretariat in support to the work of the Transitional Committee for the design of the Green Climate Fund amounted to US\$ 1,318,859. Of this amount, approximately US\$ 823,743 have been spent up to 30 September 2012, leaving, as shown in Table 1, a balance of US\$ 495,116 to be used for further activities in support of the work of the Interim Secretariat, including the arrangements for the second meeting of the Board in Songdo, Republic of Korea. Further US\$ 267,000 have been spent through the GEF secretariat to be reimbursed through the Green Climate Fund Trust Fund.

Table 1. Status of resources carried over from contributions received for the support to the Transitional Committee as at 30 September 2012 (in US\$)

<u>1. Cumulative contributions</u>	
<i>Sub-total: Cumulative contributions as at 30 Sept. 2012</i>	<i>1,318,859</i>
<u>2. Cumulative expenditure</u>	
Actual expenditures (1 Jan. - 30 Jun. 12)	380,923
Actual expenditures (1 Jul. - 30 Sep. 12)	442,820
<i>Sub-total: Expenditure as at 30 Sept. 2012</i>	<i>823,743</i>
<i>3. Status of resources</i>	<i>495,116</i>

During the specific period 1 July-30 September 2012, expenditures of the Interim Secretariat amounted to US\$ 509,819, of which US\$ 67,000 were incurred through the GEF secretariat. These expenditures are broken down as follows:

Table 2. Expenditures of the Interim Secretariat 1 July-30 September 2012 (in US\$)

	Actual expenditures
<u>Board</u>	
Board meetings	148,591
Board committees, panels and working groups	8,506
<i>Sub-total Board</i>	<i>157,097</i>
<u>Interim Secretariat</u>	
Salaries, wages and consultancies	250,983
Travel	62,160
General operating and IT costs	39,580
<i>Sub-total Interim Secretariat</i>	<i>352,722</i>
<i>GRAND TOTAL *</i>	<i>509,819</i>

* Includes expenditures incurred through the GEF secretariat, which will be reimbursed by the Green Climate Fund Trust Fund.

Expenditures were mostly in relation to staff salaries and consultancies and preparations for the first, and partially second, Board meetings. A report on activities undertaken by the Interim Secretariat can be found in document GCF/B.02-12/10.

It is expected that expenditures will significantly increase during the month of October 2012 in connection with preparations for the second Board meeting, resulting in a reduction of the balance of funds remaining for use. Future expenditures will therefore have to be met through the Green Climate Fund Trust Fund once all funds remaining with the UNFCCC secretariat are exhausted.
