

Green Climate Fund

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# Draft Travel Policy

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**GCF/B.05/15**

19 September 2013

**Meeting of the Board**

8-10 October 2013

Paris, France

Agenda item 9 (a)

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## **Recommended action by the Board**

It is recommended that the Board:

- (a) Takes note of the information presented in document GCF/B.05/15 *Draft Travel Policy*; and
- (b) Adopts the draft decision presented in Annex I to this document.

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## Draft Travel Policy

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### I. Introduction

1. At its March 2013 meeting in Berlin, Germany, the Board, by decision B.01-13/02,
  - (a) *Requested the Interim Secretariat to present to it at its September 2013 meeting a working document setting out a draft travel policy for the Fund, for approval by the Board, to be applied for funding the travel of Board members, alternate members, advisers, active observers and staff of the independent Secretariat;*
  - (b) *Further decided that the cost of travel and daily subsistence allowance of the Co-Chairs and Board members or alternate members nominated by the Board to represent the Fund will be provided from the administrative budget of the Fund, when traveling on Fund-related business, subject to authorization by the Board;*
  - (c) *Noted that other than for travel and daily subsistence allowance, Board members and alternate members will not receive any compensation from the Fund for their participation in the meetings of the Board.*
2. At its June 2013 meeting, the Board, by decision B.04/11, adopted the Guidelines on the participation and conduct of advisers in Board meetings and:

*Decided to implement Option 2 as presented in paragraph 18 of document GCF/B.04/11 ('Funding would be provided from the administrative budget of the Fund for the travel costs associated with Board meetings of one designated adviser per eligible developing country Board member and alternate member') as the basis for providing funding for the participation of adviser travel to meetings of the Board until the adoption of the Fund's overall travel policy, and requested the Interim Secretariat to reflect this in the Fund's overall travel policy.*
3. The Board, by decision B.04/18,

*Authorized the Interim Secretariat to provide from the administrative budget of the Fund the travel costs for the most direct and economical route associated with Board meetings of one designated adviser per eligible developing country Board member and alternate member.*

### II. Approach taken in drafting the Travel Policy

4. Annex II to this document outlines the rules for the funding of travel of Board members, alternate members, advisers, active observers and staff of the Fund, in accordance with decision B.01-13/02.
5. The Secretariat recognizes that travellers on official business act in the best interest of the Fund. However, in doing so, travellers should be prudent and cost-conscious with respect to business travel practices and should also bear in mind that travel expenses represent a significant component of the Fund's administrative costs. Travellers are therefore also responsible for controlling travel expenses and adhering to the policies and procedures outlined in the Travel Policy.
6. This Travel Policy is not intended to cover every possible situation. Instead, it is meant to guide the travellers and the staff administering the travel in making appropriate judgments about the use of Secretariat's travel funds.

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7. The Secretariat will address all other aspects relating to travel, in particular those that will require regular review and subsequent amendments, and regulate those by issuing complementary guidelines. It is recommended that the Executive Director be requested by the Board to issue and subsequently amend those guidelines as needed. Some of the guidelines to be issued include:

- (a) Processes to initiate and book tickets for travel, as well as the arrangement of hotel accommodation;
- (b) Per Diem Payment (PDP) rates list;
- (c) Travel advances;
- (d) Consultant travel;
- (e) Car rental;
- (f) Travel of candidates for employment and/or appointment;
- (g) Home country/leave travel;
- (h) Emergency travel;
- (i) Medical travel;
- (j) Education travel;
- (k) Carbon offset scheme.

8. The Secretariat will aim to operate in a cost-efficient manner, which, considering this Travel Policy, can be achieved by:

- (a) Paying for the actual costs incurred for making travel arrangements;
- (b) Paying for the actual costs incurred for hotel accommodation;
- (c) Establishing a flat fee to cover subsistence payments and terminal expenses. This will enable better management of overhead costs and minimize the number of staff needed to process the reimbursement of allowances on receipt basis (especially those in different currencies and languages).

## **Annex I: Draft decision of the Board**

The Board, having considered document GCF/B.05/15 *Draft Travel Policy*:

- (a) Adopts the Travel Policy of the Fund, as set out in Annex II to document GCF/B.05/15;
- (b) Authorizes the Executive Director to issue guidelines complementing this Travel Policy;
- (c) Requests the Secretariat to undergo procurement processes to contract a travel agent and other travel service providers.

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## Annex II: Draft Travel Policy

### I. Introduction

1. The Secretariat recognizes that travellers on official business act in the best interest of the Fund. However, in doing so, travellers should be prudent and cost-conscious with respect to business travel practices and should also bear in mind that travel expenses represent a significant component of the Fund's administrative costs. Travellers are therefore also responsible for controlling travel expenses and adhering to the policies and procedures outlined in the Travel Policy.
2. This Travel Policy is not intended to cover every possible situation. Instead, it is meant to guide the travellers and the staff administering the travel in making appropriate judgments about the use of Secretariat's travel funds. It does not preclude the Fund to make, on a competitive basis, comprehensive arrangements with one or more airlines to provide services to the Fund, if such arrangements respond to the needs of the Fund and are conducive to incurring savings.
3. Complementary guidelines will be issued covering all sections of this Travel Policy.

### II. Principles

4. This Travel Policy is based on the following principles:
  - (a) Cost-efficiency and minimization of transaction costs;
  - (b) Consistency in the application of travel rules; and
  - (c) Environmental sustainability of travel.

### III. Scope

5. The provisions of this Travel Policy apply to the travel of Board members, alternate members, advisers, active observers and staff of the Secretariat.

### IV. Eligibility criteria for funded travel

6. The following persons are eligible for funding of travel from the administrative budget of the Fund:
  - (a) Board members and alternate members from eligible developing countries\*, for participation for any in-person Board meetings, including any informal consultations preceding such meetings, and in any in-person meetings of committees, sub-committees, panels or working groups of which they are members.
  - (b) The Co-Chairs, other Board members or alternate members, if designated by the Board to represent the Fund in external events;
  - (c) Board members' advisers from eligible developing countries\* (one adviser of each eligible developing country Board member and alternate member);
  - (d) Active observers, to the extent that their participation in Board meetings has been authorized by the Board (generally, only the representatives from civil society organizations (CSO) and private sector organizations (PSO) from national or

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sub-regional non-governmental organizations (NGOs) located in eligible developing countries\* may receive funding);

- (e) Staff of the Secretariat.

## V. Travel authorization

7. The Secretariat will issue letters of invitation to Board members and alternate members for their participation in Board meetings, including any informal consultations or other meetings preceding Board meetings, as well as for travel to meetings of committees, sub-committees, panels or groups eligible to be funded in accordance with this Travel Policy.

8. Where the Board has authorized the travel of the Co-Chairs, other Board members or alternate members to represent the Fund on Fund-related business, such travel will be funded in accordance with this Travel Policy.

9. Funding for the travel of advisers will be provided on the terms and conditions as set out in the letter of invitation issued by the Secretariat. The letter will outline the extent to which advisers are eligible for funding under this Travel Policy and if their participation has been endorsed by the developing country Board member or alternate member concerned.

10. Active observers, to the extent that their travel has been approved by the Board, and based on the terms and conditions as set out in their letter of invitation.

11. Travel of staff of the Secretariat, when travelling on Fund-related business, is subject to the authorization by the Executive Director or by a person designated by the Executive Director.

## VI. Routing

12. The Fund is committed to the environmental sustainability of its travel, which will guide the choice of routing and mode of travel as set out in this Travel Policy.

13. The official itinerary will be the most direct and economical route. The official itinerary will be determined based on the advice by the Fund's approved/contracted travel agency.

14. The most direct route will normally be the one with the least number of stop-overs between the point of departure and the final destination. If there are two or more itineraries with the same number of stop-overs, the one with the shortest travel time will be considered the most direct.

15. The most economical route will be the least costly in monetary terms.

16. The traveller will cover the costs in excess of the official itinerary resulting from deviations for personal reasons.

## VII. Calculation of travel time

17. Travel time: The hours actually spent in the air and/or on the train via the most direct route to the destination country. (Time spent on the ground to check-in or connect to other flights does not apply.)

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\* The Executive Director will establish, as a guideline, a list of developing countries eligible for funded travel. The list will include small island developing States (SIDS) and least developed countries (LDCs). For other developing countries, a GDP-per-capita threshold will be applied. Initially, the threshold will be US\$ 6,500 and data from the Data Management Service of the United Nations Conference on Trade and Development (UNCTAD) will be used. This list will be updated annually and circulated to Board members and alternate members.

18. Relevant elapsed travel time: The total number of hours between the departure time of the originating flight to the arrival time at the destination. (This includes the time spent on the ground to check-in or connect to other flights.)

## **VIII. Mode of travel**

19. The Fund is committed to reducing the greenhouse gas emissions arising from its travel operations. For short-distance travel, the normal mode of travel will be train, whenever the travel time does not exceed six hours. In such cases, the traveller may not choose to select air travel unless there is an exigency, which needs to be authorized as set out in Chapter V.

20. For train travel with a travel time of more than six hours, the mode of travel may be either by air or by train, based on the preference of the traveller and approval of related costs. Travel by train is encouraged wherever this is a viable option.

21. For group travel, transport by bus may be selected as the preferred mode of travel if this presents a cost-efficient and low-emission alternative to other modes of travel.

## **IX. Standard travel entitlements**

22. The class of service will be economy class for travel times of up to nine hours.

23. The class of service will be business class for travel times exceeding nine hours.

24. Travel by train will always be first class, regardless of the travel time.

25. Advisers eligible for funded travel will travel least costly (usually economy class), regardless of the travel time.

26. Active observers, to the extent that their travel has been approved by the Board, will travel least costly (usually economy class), regardless of the travel time.

## **X. Travel arrangements**

27. The Secretariat will administer, through the travel agent, all travel arrangements. Associated costs resulting from travel bookings will be compensated by the Secretariat directly to the travel agent, based on actual expenditures incurred.

## **XI. Rest time**

28. Travellers will be entitled to rest time, based on the relevant elapsed travel time.

29. The traveller may decide to forego the rest time entitlement.

## **XII. Accommodation arrangements**

30. The Fund may either arrange through a travel agent or reimburse hotel accommodation based on the cost of hotel accommodation actually incurred for every night spent on mission.

31. The travel agent will negotiate special rates and guarantee agreements for hotel accommodation, which apply to standard single rooms with bath, in adequate to high-standard quality hotels, taken from a list of accredited/preferred hotels worldwide.

32. The hotel will be located within a safe and reasonable commuting distance from venues of major activities of the mission.



### **XIII. Payment of subsistence expenses**

33. The Sections below present the general approach and policy of the Fund's subsistence allowance scheme, while detailed figures and procedures for each allowance will be issued by way of complementary guidelines.

#### **13.1 Per Diem Payment**

34. A PDP<sup>1</sup> will be paid based on the location of the mission.

#### **13.2 Transport to and from the airport or train station**

35. Transport to and from the airport or train station, as well as to and from the hotel or venue should be by the most economical and practical mode of transport.

36. Travellers will be entitled to a flat fee<sup>2</sup> which includes the costs incurred by the traveller for tolls, parking fees, etc.

#### **13.3 Travel advances**

37. Board members, alternate members and advisers eligible for funded travel may request an advance payment of the applicable PDP entitlement.

38. Secretariat staff will receive the full amount of applicable PDP prior to the commencement of travel.

#### **13.4 Miscellaneous expenses**

39. Travellers may carry baggage up to the airline's free allowance in the class flown. The traveller will cover any costs for excess baggage.

40. Secretariat staff will be entitled to pre-book additional baggage or receive reimbursement for costs relating to excess baggage, if required to carry official documents, office supplies and/or other mission-related materials that exceed the airline's free allowance and based on the authorization of the Executive Director or by another designated person.

### **XIV. Carbon offset**

41. The Fund will adopt a scheme of special funding for offsetting carbon emissions based on an approach proposed by the Secretariat and approved by the Board.

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<sup>1</sup> A list of PDP rates will be established to be initially be based on the applicable Asian Development Bank Daily Subsistence Allowance (DSA) rates and complemented by applicable World Bank Meals, Tips, Valet (MTV) rates, until the Fund has established its own guidelines and PDP rates. The Fund's PDP rates will be comprised of two lists; standard PDP and increased PDP.

<sup>2</sup> A flat fee for transport to and from the airport or train station, as well as to and from the hotel or venue, will be US\$ 40.

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**XV. General guidelines**

42. All travellers covered under this policy will be responsible for making their own insurance and visa arrangements. Where in exceptional circumstances, a traveller does not have proper medical insurance valid at the location of a meeting, he/she may request the Fund to facilitate issuance of commercial travel insurance. In such a case, contractual relations will be exclusively between the traveller and the travel insurance. The Fund does not accept any responsibility regarding any acts performed by, or on behalf of, the insurance.

43. Travellers should ensure their fitness to travel, based on their recent physical examination and that the necessary measures for immunization and/or other medical requirements are administered to them accordingly.

44. Notwithstanding paragraph 51, the Fund will not be liable to pay or reimburse any medical or related expenses incurred by travellers for, or in connection with, their participation in Board, committee, sub-committee, panel or working group meetings.

**XVI. Final provisions**

45. This Travel Policy will enter into force on 1 December 2013 and will be reviewed after twelve months.

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