

Green Climate Fund

Status of Resources

GCF/B.05/Inf.03

17 September 2013

Meeting of the Board

8-10 October 2013

Paris, France

Agenda item 14

Status of Resources

I. Introduction

1. This document addresses:
 - (a) The administrative budget update for the period from 1 November 2012 to 30 June 2013; and
 - (b) Projected total administrative budget expenditure for the period from 1 November 2012 to 31 December 2013.

II. Administrative budget update for the period from 1 November 2012 to 30 June 2013

2. At its October 2012 meeting, by its decision B.02-12/06, (GCF/B.02-12/12, paragraph 10 (a)), the Board approved the administrative budget of the Fund for the period from 1 November 2012 to 31 December 2013.
3. At its March 2013 meeting, by its decision B.01-13/06, paragraph (n), the Board approved an increase to this administrative budget by US\$ 150,000, specifically allocated for consultancies.
4. At its June 2013 meeting, by its decision B.04/18, the Board 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.
5. During the period from 1 November 2012 to 30 June 2013, Board expenses of US\$ 197,532 were incurred. The expenditures of the Interim Secretariat amounted to US\$ 1,822,926. The costs and expenses of the Interim Trustee were US\$ 180,778. These expenditures are detailed in Table 1.

Table 1: Administrative budget update for the period 1 November 2012 to 30 June 2013 (in US\$)

	<u>Approved budget</u> 1 Nov. 2012 – 31 Dec. 2013 (14 months)	<u>Actual expenditures</u> 1 Nov. 2012 – 30 Jun. 2013 (8 months)
1. Board		
1.1 Board meetings ^{a)}	954,000	197,532
1.2 Board committees, panels and working groups	382,000	-
<i>Sub-total: Board</i>	<i>1,336,000</i>	<i>197,532</i>
2. Interim Secretariat		
2.1 Salaries, wages and consultancies ^{b)}	3,995,000*	1,545,499
2.2 Travel ^{c)}	315,000	119,070
2.3 General operating and information technology costs ^{d)}	1,175,000	158,357
<i>Sub-total: Interim Secretariat</i>	<i>5,485,000</i>	<i>1,822,926</i>
3. Executive Director	<i>121,000</i>	<i>-</i>
4. Interim Trustee	<i>689,000</i>	<i>180,778</i>
GRAND TOTAL	<i>7,631,000*</i>	<i>2,201,237</i>

Notes:

- a) Travel of Board members and/or alternate members eligible for funding to the March and June 2013 Board meetings, held in Berlin, Germany and Songdo, Republic of Korea. The venues for the Board meetings were provided by the Governments of Germany and the Republic of Korea, respectively, resulting in savings of US\$ 250,000;
- b) Ten full-time staff members and staff-cross support costs totalled US\$ 815,000; four full-time staff consultancy contracts were extended, totalling 96 weeks, to support the Interim Secretariat and bridge the recruitment period (pursuant to decision B.02-12/06, paragraph (c)); consultancy contracts were extended and/or issued, totalling 160 weeks, to provide specialist advice on the business model framework documents as well as to provide other substantive support to the Interim Secretariat; Executive Director recruitment costs totalled US\$ 158,000 and include the contracting of a search firm to support the recruitment process, in accordance with Board decision B.02-12/08, paragraph (iii), and the travel of Committee members, Interim Secretariat staff and candidates;
- c) Secretariat staff travel amounted to US\$ 119,070, which included travel to the March and June 2013 Board meetings;
- d) General operating expenditures include the provision of software, purchase of hardware, office space, telephone/communication, etc.

* Pursuant to decision B.01-13/06, paragraph (n), the amount allocated for consultancies and consequently the total administrative budget were increased by US\$ 150,000.

III. Projected total administrative budget expenditure for the period from 1 November 2012 to 31 December 2013

6. The total projected administrative budget expenditure up to 31 December 2013 is provided in Table 2. It consists of the actual expenditure up to 30 June 2013 and the projected expenditure for the remaining six months of 2013. The total projected expenditure is US\$ 6,168,995, against an approved budget of US\$ 7,631,000.

Table 2: Projected total administrative budget expenditure for the period from 1 November 2012 to 31 December 2013 (in US\$)

	<u>Approved budget</u>	<u>Actual expenditures</u>	<u>Total projected expenditures (See Table 3)</u>	<u>Total expenditure (Actual + Projected)</u>
	1 Nov. 2012 - 31 Dec. 2013 (14 months)	1 Nov. 2012 - 30 Jun. 2013 (8 months)	1 Jul. 2013 - 31 Dec. 2013 (6 months)	By 31 Dec. 2013 (14 months)
1. Board				
1.1 Board meetings	954,000	197,532	402,000	599,532
1.2 Board committees, panels and working groups	382,000	-	75,000	75,000
Sub-total: Board	<u>1,336,000</u>	<u>197,532</u>	<u>477,000</u>	<u>674,532</u>
2. Interim Secretariat				
2.1 Salaries, wages, consultancies	3,995,000	1,545,499	2,200,208	3,745,707
2.2 Travel	315,000	119,070	269,000	388,070
2.3 General operating and information technology costs	1,175,000	158,357	761,850	920,207
Sub-total: Interim Secretariat	<u>5,485,000</u>	<u>1,822,926</u>	<u>3,231,058</u>	<u>5,053,985</u>
3. Executive Director	<u>121,000</u>	-	121,000	121,000
4. Interim Trustee	<u>689,000</u>	<u>180,778</u>	<u>138,700</u>	<u>319,478</u>
GRAND TOTAL	<u>7,631,000*</u>	<u>2,201,237</u>	<u>3,967,758</u>	<u>6,168,995</u>

* Pursuant to decision B.01-13/06, paragraph (n), the amount allocated for consultancies and the consequently total administrative budget were increased by US\$ 150,000.

7. During the period from 1 July to 31 December 2013, Board expenses are projected to total US\$ 477,000 and the expenditures of the Interim Secretariat are expected to total US\$ 3,231,058. The costs and expenses of the Interim Trustee are estimated at US\$ 138,700. The projection was calculated on the basis of activities foreseen as at 30 June 2013 and standard rates were applied, as in document B.02-12/06 (Administrative Budget of the Green Climate Fund).

8. The projected cash flow expenditures for the administrative budget are presented in Table 3. The administrative budget expenditure from 1 November 2012 to 31 December 2013 is currently (as at 30 June 2013) projected to total US\$ 6,168,995, which is US\$ 1,462,005 less than the approved budget of US\$ 7,631,000. Based on estimated expenditures up to 31 December 2013 and existing contributions and pledges to the Fund as presented in the report of the Interim Trustee (document GCF/B.05/Inf.04), the Fund has sufficient funds to cover its expenditures for the remainder of the year.

Table 3: Cash flow expenditures for the administrative budget for the period from 1 July 2013 to 31 December 2013 (in US\$)

	<u>Projected expenditure</u> 1 Jul. 2013 - 30 Sep. 2013 (3 months)	<u>Projected expenditure</u> 1 Oct. 2013 - 31 Dec. 2013 (3 months)	<u>Total projected expenditures</u> 1 Jul. 2013 - 31 Dec. 2013 (6 months)
1. Board			
1.1 Board meetings	402,000	-	402,000 ¹
1.2 Board committees, panels and working groups	-	75,000	75,000 ²
<i>Sub-total: Board</i>	<u>402,000</u>	<u>75,000</u>	<u>477,000</u>
2. Interim Secretariat			
2.1 Salaries, wages, consultancies	1,112,867	1,087,342	2,200,208 ³
2.2 Travel	185,000	84,000	269,000 ⁴
2.3 General operating and information technology costs	380,925	380,925	761,850 ⁵
<i>Sub-total: Interim Secretariat</i>	<u>1,678,792</u>	<u>1,552,267</u>	<u>3,231,058</u>
3. Executive Director	<u>60,500</u>	<u>60,500</u>	<u>121,000</u> ⁶
4. Interim Trustee	<u>51,600</u>	<u>87,100</u>	<u>138,700</u> ⁷
GRAND TOTAL	<u>2,192,892</u>	<u>1,774,867</u>	<u>3,967,758</u>

¹ Assuming 12 Board members, 12 alternate members travelling to one Board meeting, at average cost of US\$ 7,000 per trip, and 24 advisers eligible for funding, at an average cost of US\$ 3,500. Additionally, assuming meeting logistics at an average cost of US\$ 150,000 per meeting. In case meeting logistics are provided by the Government of France, savings of US\$ 150,000 will occur.

² Assuming up to five trips for Board members and/or alternate members at an average cost of US\$ 7,000 per trip. Additionally, assuming meeting logistics at an average cost of US\$ 20,000 per meeting. In case meetings will be conducted via videoconferencing, savings of US\$ 75,000 will occur.

³ Assuming nine full-time staff members, continued staff-cross support and five full-time staff consultancies to be extended and/or issued. Also assuming 235 consultancy weeks of consultancy work. Current UNFCCC standard salary costs were applied.

⁴ Assuming 12 travel of staff and staff-consultants to the October 2013 meeting of the Board, at an average cost of US\$ 3,500 (reduced standard rate was applied due to shorter travel distance for the Interim Secretariat). Assuming seven staff missions to Songdo for preparations of transition and local logistical arrangements. Assuming 10 Executive Director missions on behalf of the Fund plus assigned accompanying staff member(s). Assuming additional staff travel to committee meetings, workshops and other missions, average cost of US\$ 7,000 per trip.

⁵ Assuming projection of cash flows for software, hardware, office space, telephone, etc. Additionally, assuming separation and relocation planning, and related information technology and office investments.

⁶ Assuming Executive Director costs equivalent to United Nations Assistant Secretary-General/World Bank Vice-President level.

⁷ Assumption provided by the Interim Trustee.