

Green Climate Fund

Report on Activities of the Secretariat

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19 May 2014

Meeting of the Board

18-21 May 2014

Songdo, Republic of Korea

Agenda item 3

Report on Activities of the Secretariat

I. Introduction

1. This report covers the activities undertaken by the Secretariat since the sixth meeting of the Board, held in Bali on 19-21 February 2014, and was prepared for the information of the Board and provide guidance, as necessary.

II. Support to Board committees, panels and teams, and expert consultations

2.1 Risk Management and Investment Committees

2. The Secretariat prepared summary documents for the Risk Management and Investment Committees covering the key outcomes of the previous committee meetings, including the joint meeting between the two committees, and the informal and formal Board meetings.

Furthermore, the Secretariat provided background notes to facilitate discussions on key features of the Fund's design that are relevant to the areas of responsibility of the two committees, and invited the committees to provide feedback on these notes. Where possible, the Secretariat incorporated the committees' views based on the background notes when developing the Board documents.

3. For each committee, two virtual meetings took place between the sixth and the seventh Board meetings. The Secretariat supported these meetings by making logistical arrangements, providing agendas and writing the minutes. During the meetings the Secretariat provided updates on the relevant documents, and technical information and clarifications when called upon by the chair or coordinator of the committee.

2.2 Ethics and Audit Committee

4. The Secretariat facilitated work of a Policy/Code of Ethics of Board members by providing information on the practices of other organizations, including a comparative matrix on the rules of four organizations.

2.3 Private Sector Advisory Group

5. During the sixth Board meeting, the Co-Chairs approved the selection of 10 international experts to serve in the Private Sector Advisory Group (PSAG). The PSAG's role is to make recommendations to the Board on the Fund-wide engagement with the private sector and related private sector modalities. The Secretariat confirmed the availability of the experts to serve on the PSAG and then assisted in organizing a virtual meeting of the group. This initial meeting provided an opportunity for PSAG members to become acquainted with each other, and also included a discussion on the PSAG's key deliverables and the anticipated short-term work plan.

6. The working modalities of the PSAG were also discussed and a follow-up physical meeting was held in Geneva on 14-15 April 2014 to discuss substantive matters, including inputs to key documents for the seventh Board meeting. The Secretariat assisted with logistical arrangements for the participants, organization of the meeting including preparing the agendas and related documentation, facilitation of the discussions and compilation of the meeting's

outcomes. The Secretariat also helped document and handle requests for PSAG advice from other Board committees, such as the Investment Committee, and assisted with the development of a PSAG annual work plan.

2.4 Board Team on Accreditation

7. To support the development of the accreditation process, two virtual meetings were held with the Board Team on Accreditation, and additional meetings were held with experts. Meetings were also held with civil society and private sector organizations with a view to obtaining their inputs.

2.5 Logo Selection Panel

8. Following decision B.06/14, taken by the Board at its sixth meeting, requesting the Secretariat to coordinate the re-design of the proposed logo, the logo designer consulted with the Secretariat and the Logo Selection Panel Chair on the logo revision process and potential variations of the logo. The explanation of the logo was refined to highlight the way in which the revised shape evokes climate-mapping techniques and the revised green tones reflect the Fund's mission to promote a paradigm shift towards low-emission and climate-resilient development. Final steps include presenting the Panel-approved logo to the Board, gaining consensus for final approval of the logo and creating final artwork. Once the Board has adopted the logo, the Fund's visual identity and brand image can be further developed for use in internal and external communications.

2.6 Consultations on a Fund-wide gender-sensitive approach

9. In order to support the preparation of the Fund's gender policy and gender action plan and as requested by the Board in decision B.06/07, the Secretariat consulted with a group of fifteen external gender and climate experts in order to obtain input for a draft document. Building upon the first gender consultations in January 2014, new experts were contacted from multilateral development banks and institutions with on-the-ground project experience. Consultations were held in three separate sessions with representatives from civil society, climate-change funding organizations and practitioners, including from developing countries. Some invited representatives who could not attend the sessions sent their recommendations in writing. The consultation process also strengthened stakeholder relations and enhanced the positive and on-going collaboration on gender.

III. Outreach activities

3.1 Informal dialogue

10. An informal Board dialogue on meeting the GCF's essential requirements for resource mobilization was hosted by the Ministry of Strategy and Finance of the Republic of Korea on 14 April 2014 in Washington, D.C. The Secretariat was present during the informal dialogue and the informal discussions provided helpful insights for the finalization of the Board documents.

3.2 Call for nomination of national designated authorities and notification on readiness and preparatory support

11. The Secretariat reached out directly to more than 120 countries with letters inviting them to engage with the Green Climate Fund in nominating a national designated authority (NDA) or focal point and developing their readiness and preparedness to access the Fund. As of 5 May 2014, the following 12 countries have designated an NDA or focal point: Côte d'Ivoire, the Dominican Republic, El Salvador, Eritrea, Fiji, India, Madagascar, Mali, Mauritius, the Niger, Palau, and the Syrian Arab Republic.

12. Outreach efforts on readiness and preparatory support with regional development banks were initiated, in particular with the Inter-American Development Bank, the Caribbean Development Bank and the African Development Bank, as well as with the Pacific Islands Forum Secretariat. Similar efforts were made with the UNFCCC to explore how readiness for mitigation and adaptation can be relevant in the context of nationally appropriate mitigation actions (NAMAs) and national adaptation plans (NAPs) respectively.

3.3 Civil society and private sector observers

13. The Secretariat hosted a number of virtual meetings with civil society and private sector observers following the sixth Board meeting, mostly relating to the essential requirements for resource mobilization. The Secretariat made the logistical arrangements for these virtual meetings and moderated the discussions, providing introductions on the documents and further information and clarification when necessary. The Secretariat incorporated inputs provided by the observers into the development of the documents.

3.4 Bilateral and other meetings

14. On the invitation of local and international organizations located in the Republic of Korea and specifically in Songdo, the Secretariat was represented at a number of meetings and used the opportunity to explain the Fund's mission and role, explore synergies and establish cooperation.

15. A bilateral meeting between the Fund and representatives from the Global Green Growth Institute was held to explore options for cooperation on readiness and preparatory support, the Private Sector Facility, matters relating to the host country relationship and synergies on administrative and logistical matters.

3.5 Missions

16. Following the sixth Board meeting, the Secretariat undertook some missions to raise awareness of the progress made by the Fund, enrich partnerships with like-minded organizations and strengthen bilateral government relations.

(a) **Bonn** (March 2014): A Secretariat representative attended the fourth part of the second session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) from 10 to 14 March 2014 in Bonn. On the invitation of the Co-Chairs of the ADP and the UNFCCC secretariat, the Secretariat representative also participated in the technical expert meeting on renewable energy and energy efficiency, and in the briefing by relevant organizations and UN agencies on support for domestic preparations for intended nationally determined contributions.

- (b) **Beijing mission** (April 2014): China's Ministry of Finance organized one-and-a-half days of meetings for the Executive Director with relevant authorities in China. The authorities shared China's previous experiences of and successful modalities for supporting other developing countries with adaptation and mitigation projects.
- (c) **Washington, D.C. mission** (April 2014): The Executive Director and Secretariat representatives participated in the World Bank/International Monetary Fund (IMF) Spring Meetings, related events and high-level government meetings in Washington, D.C.
- (i) The Executive Director delivered a speech at the Global Solutions Summit, co-organized and hosted by the US State Department, where she informed business executives, technology entrepreneurs and private equity companies about how the private sector can partner with the Fund on climate finance. In addition to attending a ministerial dialogue hosted by the World Bank, as well as other key events, the Executive director held meetings with senior staff at the World Bank, the International Finance Corporation, International Monetary Fund (IMF)/the Global Environment Facility, the Climate Investment Funds and the Inter-American Development Bank.
 - (ii) The Executive Director also held bilateral meetings on the margins of the World Bank/IMF meetings with a number of finance ministers and high-level representatives of developed and developing countries.
 - (iii) Key outcomes included strengthening political support for the Fund, with a focus on cooperation for future resource mobilization and readiness engagement; and the enhancement of dialogue, relationships and partnerships important to the success of the Fund's capitalization.

IV. Communication and media activities

4.1 Communication

17. In accordance with decision B.04/14, the Secretariat continued work on the communication strategy and used the draft strategy as a working document to inform its communication activities. Given the need to develop communication products to support resource mobilization, the communication team began work on a series of initial print products that can be used to explain basic facts about the Fund, its readiness programme and the Private Sector Advisory Group.

4.2 Media

18. The Secretariat communication team continued its media activities by responding to media inquiries, providing factual information about the Fund and issuing press releases focused on Board meeting progress and the new Private Sector Advisory Group. The communication team also explored options to increase the visibility of the Fund, including holding virtual press conferences.

V. Observer Accreditation

19. To date, 165 observer organizations have been accredited with the Fund. They include 113 civil society organizations, 23 private sector organizations and 29 international entities.

20. Under the guidance of the Co-Chairs, the Secretariat forwarded its accreditation recommendations to Board members for approval on a no-objection basis. Updated lists of

accredited observer organizations are available on the Fund's website at: <http://gcfund.net/partnerships/observers.html>.

VI. Legal, Administrative and support services

6.1 Legal Services

21. The Acting General Counsel provided advice on a series of procedural and substantive matters including the interpretation of the Governing Instrument and Rules of the Procedures of the Board, and relating to policies and procedures, privileges and immunities, and legal arrangements with the Trustee and other international organizations and partners. He rendered a Legal Opinion on "Selection of Board members or alternate member of the Green Climate Fund" which was placed on the website.

22. In addition, the Acting General Counsel conducted discussions with the Office of Legal Affairs of the United Nations on the question whether the Fund would qualify for:

- (i) An institutional linkage with the United Nations; and
- (ii) A relationship agreement with the United Nations under which the officials of the Secretariat and other persons associated with the Fund can make use of the United Nations Laissez Passer."

23. Further to the request for a Legal Opinion with the aforementioned content to the Under-Secretary General for Legal Affairs and UN Legal Counsel, a response had been sent to the Executive Director on 21 February 2014, which focused on the permissibility of a relationship agreement between the Fund and the United Nations. The Assistant Secretary-General for Legal Affairs, Stephen Mathias and his team, agreed in a discussion with the Acting General Counsel, on 26 March 2014, to further review the question if the Fund may qualify an institutional linkage similar to that which currently exists between the UNFCCC Secretariat and the United Nations. A request for a supplementary Legal Opinion on this matter has been sent to the Office of Legal Affairs.

6.2 Progress on the administrative framework

24. Following the Board's approval of the administrative policies of the Fund, by decision B.06/03, taken at its sixth meeting, the Secretariat has started working on the draft administrative guidelines on human resources and procurement, including accompanying manuals, templates and forms.

25. Two senior consultants have joined the Secretariat to work on procedures related to human resources and financial management and accounting. Together with the administrative team, the consultants have started developing the necessary administrative structure, workflows and delineation of responsibilities.

26. Various options are currently being explored for a dispute resolution system for the staff of the Secretariat.

6.3 Secretariat staff

27. The Secretariat has made significant progress in recruiting staff for the 20 key positions. The 530 applications received were screened and candidates were short-listed for in-person interviews, starting with the six senior positions, i.e. the four division directors, the Chief Financial Officer and the General Counsel.

28. A panel of six members was established, comprising the Executive Director, three Senior Advisors, the Deputy Director for Management and Administration of the Global Green Growth Institute and the Director of SRI (a recruitment firm).

29. Thirty-one candidates were invited to the Fund's headquarters for in-person interviews which took place from 17 to 22 March 2014. Following a rigorous selection process, the panel agreed to recommend the two most qualified candidates for each position in order of preference, whereby the second most qualified candidate would be selected in the event the most suitable candidate did not accept the offer.

30. With the support of Incheon City, candidates who came for in-person interviews were given an opportunity to familiarize themselves with the Fund's headquarters and its surroundings by visiting real estate agents, schools and other local facilities. This has been an important part of the selection process that should help the candidates assess the duty station and make an informed decision if they are selected for the position.

31. The Secretariat is pleased to report that the first phase of interviews went very well, both in terms of substance and logistical arrangements. In spite of the initial challenges in finding highly qualified candidates prepared to leave their current positions to join a newly established organization and location, the Secretariat and SRI have been successful in drawing up a list of highly talented professionals with diverse backgrounds and who enable geographical balance.

32. Significant progress has also been made with regard to the other 14 experts. By the time this report was compiled a short list of up to three candidates for each of the positions had been established for the next step of in-person interviews to take place in Songdo between 22 and 27 May 2014.

6.4 Temporary team

33. While the recruitment process is on-going, a temporary team of senior advisers, experts and assistants are ensuring that work continues and are preparing the seventh meeting of the Board. Since the sixth meeting, the team has continued to provide broad and adequate support to the Board.

34. A number of consultants have either been extended to continue with their work or newly brought in to supplement the existing team, working both on substantive and administrative and organizational issues. Until such time as the recruitment of key staff has been concluded, the Secretariat will need to continue to rely on the services of consultants to support its work. Although responsibility is gradually being assumed in full by the Secretariat in Songdo, the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) is still providing some administrative services support, mainly in the area of travel, until such time as the Secretariat's proposed travel policy has been approved and a travel agent has been appointed locally.

35. To the extent possible, the work of the temporary team has been organized along the lines of the approved structure of the Secretariat, ensuring that essential services are covered. In addition to preparing substantive documentation to facilitate the work of the Board, the team has provided institutional services such as supporting the selection process of staff and consultants, participating in contracts committees, representing the Secretariat at meetings and other duties.

6.5 Other logistical and administrative work

36. Arrangements have been made to prepare for and conduct the seventh Board meeting at the ConvensiA in Songdo. As this is the first Board meeting to be held in the Fund's host city, the

Secretariat has managed all logistics internally, which has involved remodelling and furnishing various rooms at the conference centre to accommodate the meetings of the Board, its committees and various consultative groups; coordination of ICT services; arrangement for travel of eligible participants and consultants to support the Board; and securing accommodation for all participants in nearby hotels at affordable prices.

37. Following a bilateral agreement between Incheon City and the Secretariat, the City assigned a full-time officer to assist the Secretariat in successfully hosting the Board meeting. Similarly, a Memorandum of Understanding was concluded with the UNFCCC to temporarily provide some experts for logistical and substantive support to strengthen the Secretariat's capacity in meeting and documents management.
