



GREEN
CLIMATE
FUND

Draft Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change

GCF/B.08/35
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Meeting of the Board
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Draft Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change

Note on the status of the report

The following draft report is a working draft for consideration by the Board, to be revised to reflect comments from the Board and decisions taken during its eighth meeting.

Annex I: Draft decision of the Board

The Board, having reviewed document GCF/B.08/35 *Draft Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change*:

Adopts the draft Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change, presented in Annex II, taking into consideration the comments and amendments made and decisions taken at the eighth Board meeting, which will be included by the Secretariat prior to submission of the report to the United Nations Framework Convention on Climate Change secretariat for consideration by the Conference of the Parties at its twentieth session.

Annex II: Draft Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change

I. Introduction

1. This document contains the third annual report of the Board of the Fund to the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC). It is the first report since the establishment of the independent Secretariat of the Fund. It covers the activities undertaken by the Board between December 2013 and October 2014.
2. In decision 3/CP.17, the COP decided to provide guidance to the Board of the Fund, including on matters related to policies, programme priorities and eligibility criteria and matters related thereto, taking into account the Board's annual reports to the COP on its activities;
3. At its nineteenth session, the COP provided both initial and additional guidance to the Fund¹, and also agreed on the arrangements between the COP and the Fund² that were approved by the Board at its fifth meeting³.
4. The report hereby presented responds to the guidance received from the COP as well as to the arrangements between the COP and the Fund referred to above.

II. Report on the implementation of the arrangements between the COP and the Fund

5. The arrangements between the COP and the Fund set out the working relationship between the COP and the Fund, and require the Board of the Fund to report on the implementation of the arrangements in its annual reports to the Conference of the Parties, starting at the twentieth session of the COP. The table below summarizes the decisions and actions taken in response to the arrangements between the COP and the Fund.
6. There may be some degree of overlap between required reporting elements in the arrangements and those contained in the annual guidance from the COP.

¹ Decision 4/CP.19.

² Decision 5/CP.19.

³ Decision B.05/16.

Table 1. Overview of responses to reporting elements in the arrangements between the COP and the Fund

Elements to be reported by the Fund in accordance with the arrangements between the COP and the Fund (decision 5/CP.19)	Relevant decisions by the Green Climate Fund Board in 2014
<p>- To report on the implementation of the arrangements in its annual reports to the COP, starting at the twentieth session of the Conference of the Parties. (Decision 5/CP.19, paragraph 5)</p>	<p>The Report herewith addresses this request.</p>
<p>- To include the recommendations of its independent redress mechanism, and any action taken by the Board of the Fund in response to those recommendations. (Annex to decision 5/CP.19, paragraph 9)</p>	<p>Decision B.06/09 adopts the terms of reference of the independent redress mechanism as set out in Annex V of document GCF/B.06/18. The terms of reference set the basis for the independent redress mechanism to become operational.</p>
<p>- To include information on the implementation of policies, programme priorities and eligibility criteria provided by the COP, including information on the extent to which COP guidance has been adhered to by the Board of the Fund. (Annex to decision 5/CP.19, paragraph 11)</p>	<p><i>Please refer to Table 2 below on relevant decisions/actions taken by the Fund during 2014 in response to guidance from the COP.</i></p>
<p>- To include a synthesis of the different activities under implementation and a listing of the activities approved, as well as a financial report. (Annex to decision 5/CP.19, paragraph 12)</p>	<p><i>Please refer to the administrative and financial information in Section IV below.</i> The implementation of activities in 2014 has focused on the readiness programme, with US\$ 1 million committed as of August 2014. Included in the US\$ 1 million is an amount of US\$ 0.62 million for activities in six countries. Of this amount, half will be expended in the period to December 2014 and the remaining half in the first quarter of 2015.</p>
<p>- To include information on all activities financed by the Fund. (Annex to decision 5/CP.19, paragraph 13)</p>	<p><i>Please refer to the administrative and financial information in Section IV below.</i></p>
<p>- To indicate actions undertaken to balance the allocation of resources between adaptation and mitigation activities under the Fund. (Annex to decision 5/CP.19, paragraph 14)</p>	<p>Decision B.06/06: adoption of the initial parameters and guidelines for allocation of resources, during the initial phase of the Fund, including the decision to aim for a 50:50 balance between mitigation and adaptation over time.</p>
<p>- To include information on the development and implementation of mechanisms to draw on appropriate expert and technical advice, including from the relevant thematic bodies established under the Convention, as appropriate. (Annex to decision 5/CP.19, paragraph 15)</p>	<p>In 2014 the Board established and adopted terms of reference for the following committees and panels of the Board, which draw on appropriate expert and technical advice:</p> <ul style="list-style-type: none"> - Accreditation Panel (decision B.07/02) - Independent Technical Advisory Panel (decision B.07/03)

Elements to be reported by the Fund in accordance with the arrangements between the COP and the Fund (decision 5/CP.19)	Relevant decisions by the Green Climate Fund Board in 2014
	<p>With regard to the relationship with relevant thematic bodies under the Convention, the Board Co-Chairs have corresponded with the Chairs of the Adaptation Committee and of the Technology Executive Committee of the United Nations Framework Convention on Climate Change to decide on the framework for cooperation with the Fund.</p> <p>In addition, since June 2013 the Fund has been engaging with relevant thematic bodies of the COP, in particular through the participation of its Secretariat in some of the events organized by those bodies. In this regard, the Secretariat represented the Fund at the fifth meeting of the Adaptation Committee (AC), at the meetings of the Standing Committee on Finance (SCF), at the National Adaptation Plan (NAP) Expo organized by the Least Developed Countries Expert Group (LEG), at the first meeting of the Executive Committee of the Warsaw International Mechanism for Loss and Damage, and at the sessions of the subsidiary bodies of the UNFCCC, including those of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP). The Secretariat was also able to participate remotely in the TEC thematic dialogue on climate technology financing. The engagement between the Fund and these bodies has so far focused on exchanging information. Most bodies, in light of their mandates and existing programme of work, have also started to reflect on how to continue enhancing their collaboration with the Fund. The matter of present and future collaboration of the Fund with the UNFCCC and external bodies was addressed at the October 2014 Board meeting. *[To be updated after the eighth Board meeting]</p>
<p>- To provide information on resource mobilization and the available financial resources, including any replenishment processes, in its annual reports to the COP. <i>(Annex to decision 5/CP.19, paragraph 17 (b))</i></p>	<p><i>Decision B.07/09</i>: decision that the <u>eight essential requirements for the Fund to receive, manage, programme and disburse financial resources have been met</u>, and decision to <u>commence the process to mobilize resources</u> commensurate with the Fund's ambition to promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change.</p> <p>Consistent with decision B.07/09, a process of collective engagement with potential contributors to the Fund's initial resource mobilization process was launched after the May 2014 Board meeting. Two meetings for interested contributors to and observers of the IRM process have been held. The first meeting was held from 30 June to 1 July in Oslo, Norway, and a second meeting took place</p>

Elements to be reported by the Fund in accordance with the arrangements between the COP and the Fund (decision 5/CP.19)	Relevant decisions by the Green Climate Fund Board in 2014
	<p>from 8 to 9 September in Bonn, Germany. As part of this process, interested contributors agreed on recommendations to the Board on the policies for contributions. These recommendations will be presented to the Board at its eighth meeting. The process of collective engagement with potential contributors to the Fund's initial resource mobilization process is expected to conclude with a final high-level pledging session from 19 to 20 November. So far US\$ 2.3 billion has been pledged as part of the Fund's initial resource mobilization process.</p>
<p>- To include any reports of the independent evaluation unit, including for the purposes of the periodic reviews of the financial mechanism of the Convention. <i>(Annex to decision 5/CP.19, paragraph 20)</i></p>	<p>Decision B.06/09 adopts the terms of reference of the Independent Evaluation Unit as set out in Annex III of document GCF/B.06/18. The terms of reference set the basis for the Independent Evaluation Unit to become operational.</p>

III. Action taken in response to guidance from the Conference of the Parties

7. The COP provides guidance to the financial mechanism in accordance with Article 11 of the Convention, and on its policies, programme priorities and eligibility criteria.

8. The Fund, as an entity entrusted with the operation of the Convention's financial mechanism, takes appropriate action on guidance received on an ongoing basis.

9. During 2014 the Fund achieved important milestones in response to the guidance provided by the COP in its eighteenth and nineteenth sessions, and in accordance with other relevant COP decisions, including:

- The completion of the essential requirements and the commencement of the initial resource mobilization process, with a total of three meetings of potential contributors and observers as part of the collective engagement;
- The adoption of the initial parameters and guidelines for the allocation of resources that consider a 50:50 balance between mitigation and adaptation over time and a floor of fifty percent of the adaptation allocation for particularly vulnerable countries, including least developed countries (LDCs), small island developing States (SIDS) and African States;
- The allocation of Funds amounting to US\$ 1 million for the development of the readiness activities work programme;
- The adoption of terms of reference for the Independent Evaluation Unit, the Independent Integrity Unit and the independent redress mechanism, which strengthens the accountability of the Fund's operations.
- Progress in building the institutional capacity of the Fund's Secretariat, as foreseen in paragraph 19 of the Governing Instrument and in accordance with Board decisions B.05/10 and B.05/11.

10. These achievements have been guided by the recommendations from the COP, and constitute a solid basis on the road to realizing the Fund's mandate of promoting a paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development.

11. The initial operational policies adopted in 2014 are intended to allow for a continuous learning process, including for monitoring and evaluation, and operating under the values of efficiency and effectiveness.

12. The overall status of the Fund's progress in relation to the guidance received from COP 19 along with relevant guidance from COP 18 is presented below:

Table 2. Overview of guidance from the COP and relevant decisions/actions taken by the Fund

Guidance received from COP 19	Relevant decisions/actions taken by the Fund in 2014
<p>Requests the Fund:</p> <p>(a) To <u>balance the allocation of resources</u> between adaptation and mitigation, and ensure an appropriate allocation of resources for other activities;</p> <p>(b) To pursue a <u>country-driven approach</u>;</p> <p>(c) In allocating <u>resources for adaptation</u>, the Fund will take into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change; (decision 4/CP.19, paragraph 9)</p>	<p>(a) Decision B.06/06: adoption of the initial parameters and guidelines for allocation of resources, during the initial phase of the Fund, including the decision to aim for a 50:50 balance between mitigation and adaptation over time.</p> <p>(b) The Board held deliberations on country ownership during 2014 and a decision on the matter is expected to be reached at the eighth meeting of the Board *[To be updated after the eighth Board meeting]. Country ownership has been addressed previously in decisions B.04/05 on country ownership and B.04/04 and B.05/03 on the business model framework.</p> <p>(c) Decision B.06/06: adoption of the initial parameters and guidelines for the allocation of resources during the initial phase of the Fund, including the decision to aim for a floor of fifty percent of the adaptation allocation for particularly vulnerable countries, including least developed countries (LDCs), small island developing States (SIDS) and African States.</p> <p>Decision B.07/04 on the initial results management framework of the Fund, including an initial adaptation logic model and the adoption of a core indicator for adaptation.</p>
<p>Confirms that all developing country Parties to the Convention are eligible to receive resources from the Fund (decision 4/CP.19, paragraph 10)</p>	<p>The Fund Secretariat has exchanged communications with the UNFCCC Secretariat on this matter and will consider the experience of other implementing entities of the financial mechanism.</p>
<p>Urges the Board to <u>finalize as soon as possible the essential requirements to receive, manage, programme and disburse financial resources</u> in line with the approved work plan of the Board so that the Fund can <u>commence its initial resource mobilization process</u> as soon as possible and <u>transition subsequently to a formal replenishment process</u>; (decision 4/CP.19, paragraph 12)</p>	<p>Decision B.07/09: decision that the <u>eight requirements for the Fund to receive, manage, programme and disburse financial resources have been met, and the commencement of the process to mobilize resources</u> commensurate with the Fund's ambition to promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change.</p> <p><i>Please refer to Table 1 above for information on resource mobilization.</i></p>

<p>Requests the Board of the Fund:</p> <p>(a) To consider <u>important lessons learned on country-driven processes from other existing funds</u>;</p> <p>(b) To ensure that in its consideration and finalization of the Fund's <u>access modalities</u>, the Board takes into account the <u>institutions already accredited by relevant institutions</u> covered by the Board's agreement on the best practice fiduciary standards and principles and environmental and social standards;</p> <p>(c) To <u>report</u> to the COP at its twentieth session on progress made in the implementation of this decision, as well as the implementation of decision 6/CP.18; <i>(decision 4/CP.19, paragraph 16)</i></p>	<p>(a) and (b) Decision B.07/02: Adoption of the <u>initial guiding framework for the Fund's accreditation process</u> as contained in Annex I of document GCF/B.07/11 (also applies to the private sector); the <u>initial fiduciary principles and standards</u> as contained in Annex II of document GCF/B.07/11, and the Performance Standards of the International Finance Corporation (IFC), as contained in Annex III of document GCF/B.07/11. This decision and the annexes referred to above prescribe that the Fund's fiduciary principles and standards and environmental and social safeguards will be consistently in line with international best practices and standards, and systematically endeavor to reflect the best of the experience and lessons learned by relevant institutions. It was agreed that the Fund will adopt, <u>on an interim basis, the environmental and social Performance Standards (PS) of the International Finance Corporation (IFC)</u>, amongst other relevant provisions.</p> <p>Decision B.07/03: adoption of the <u>initial proposal approval process</u> as contained in Annex VII of document GCF/B.07/11;</p> <p>The October 2014 Board meeting will consider best practices for the establishment and composition of national designated authorities and focal points, best practice options for country coordination and multi-stakeholder engagement, as well as an assessment of institutions accredited by other relevant funds. *[To be updated after the eighth Board meeting]</p> <p>(c) This Report contains information on progress made in the implementation of decisions 6/CP.18 and 4/CP.19.</p>
<p>Requests the Board of the Fund <u>to report on the implementation of the arrangements</u> referred to in paragraph 4 of decision 5/CP.19 in its annual reports to the COP, starting at the twentieth session of the COP. <i>(Arrangements between the COP and the Fund, decision 5/CP.19, paragraph 5)</i></p>	<p>Please refer to section above on the progress made by the Fund on the implementation of the arrangements between the Conference of the Parties and the Green Climate Fund</p>

Encourages entities financing the activities referred to in decision 1/CP.16, paragraph 70, through the wide variety of sources referred to in decision 2/CP.17, paragraph 65, including the Fund in a key role, to collectively channel adequate and predictable results-based finance in a fair and balanced manner, taking into account different policy approaches, while working with a view to increasing the number of countries that are in a position to obtain and receive payments for results-based actions;

Also encourages the entities referred to in paragraph 5 of decision 9/CP.19, when providing results-based finance, to apply the methodological guidance consistent with decisions 4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and 11/CP.19 to 15/CP.19, as well as this decision, in order to improve the effectiveness and coordination of results-based finance;

Requests the Fund, when providing results-based finance, to apply the methodological guidance consistent with decisions 4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and 11/CP.19 to 15/CP.19, as well as this decision, in order to improve the effectiveness and coordination of results-based finance;

Encourages entities financing the activities referred to in decision 1/CP.16, paragraph 70, through the wide variety of sources referred to in decision 2/CP.17, paragraph 65, to continue to provide financial resources to alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests;

(decision 9/CP.19, paragraphs 5 to 8)

Decision B.07/04: adoption of elements of the initial results management framework of the Fund, core indicators for mitigation, and core indicator for adaptation; request to the Secretariat to develop a logic model and performance framework for ex-post REDD+ results-based payments, in accordance with the methodological guidance in the Warsaw framework for REDD+, for consideration at the third Board meeting of 2014. *[To be updated after the eighth Board meeting].

Guidance to be followed as implementation of results-based finance commences.

Guidance from COP 18 that is still relevant for reporting	Relevant decisions/actions taken by the Board
<p>The Conference of the Parties:</p> <p>Notes the progress made by the Board of the Fund and calls on the Board to ensure that the Fund expeditiously implements its work plan and develops the policies, eligibility criteria and programmes of the Fund, taking into account the guidance of the COP with a view to making the Fund operational as soon as possible. <i>(decision 6/CP.18, paragraph 5)</i></p>	<p>The Fund implemented its 2013 work plan as outlined in its second Report to the COP, and its 2014 work plan as described in the present Report.</p> <p>Information about decisions and actions taken with a view to making the Fund operational as soon as possible is provided in the present Report.</p>
<p>Requests the Board of the Fund:</p> <p>(a) To develop a <u>transparent no-objection procedure</u> to be conducted through national designated authorities referred to in paragraph 46 of the Governing Instrument, in order to ensure consistency with national climate strategies and plans and a country-driven approach and to provide for effective direct and indirect public and private-sector financing by the Fund, and to determine this procedure prior to approval of funding proposals by the Fund;</p> <p>(b) To balance the allocation of the resources of the Fund between adaptation and mitigation activities;</p>	<p>(a) Decision B.07/02: adoption of the <u>initial guiding framework for the Fund's accreditation process</u> as contained in Annex I of document GCF/B.07/11, which prescribes that the Fund's accreditation process will be based on three main stages, the first being no-objection and readiness.</p> <p>The October 2014 Board meeting will consider country ownership and a no-objection procedure. *[To be updated after the eighth Board meeting]</p> <p>Decision B.06/11 on the detailed programme of work on readiness and preparatory support outlines priority activities, such as the establishment of national designated authorities or focal points and strategic frameworks, including the preparation of country programmes.</p> <p>The Fund had received 54 initial national designated authority (NDA) or focal point designations as at 28 August 2014. These arrangements may evolve in response to further guidance from the Fund regarding NDA and focal point arrangements. Countries may request readiness support to strengthen these arrangements. The designation list will be updated continuously as the Fund receives additional designations.</p> <p>(b) Please refer to the table above on progress in relation to guidance from COP 19 for information on achieving balance in the allocation of resources.</p>

<p>(c) To <u>secure funding</u> for the Fund, taking into account paragraphs 29 and 30 of the Governing Instrument, to facilitate its expeditious operationalization, and to establish the necessary policies and procedures to enable an early and adequate replenishment process;</p> <p>(d) To establish the independent secretariat of the Fund in the host country in an expedited manner as soon as possible, in accordance with paragraph 19 of the Governing Instrument;</p> <p>(e) To select the <u>trustee</u> of the Fund through an open, transparent and competitive bidding process in a timely manner to ensure that there is no discontinuity in trustee services;</p> <p>(f) To initiate a <u>process to collaborate with the Adaptation Committee and the Technology Executive Committee</u>, as well as other relevant thematic bodies under the Convention, to define linkages between the Fund and these bodies, as appropriate; <i>(decision 6/CP.18, paragraph 7)</i></p>	<p>(c) Decision B.07/09 regarding <u>the commencement of the process to mobilize resources</u> commensurate with the Fund's ambition to promote the paradigm shift. At its seventh meeting, the Board decided that it will consider modalities for mobilizing private sector resources at scale at its eighth meeting (decision B.07/08). <i>Please refer to Table 1 above for information on the initial resource mobilization process.</i></p> <p>(d) The headquarters of the Fund was inaugurated on 4 December 2013, and good progress has been made in creating the systems and staffing the Secretariat. For further information refer to the summary report on Secretariat activities below.</p> <p>(e) The consideration of Trustee arrangements, including the review of the Interim Trustee and the initiation of a process to select the Trustee of the Fund will be addressed at the October 2014 Board meeting. <i>*[To be updated after the eighth Board meeting]</i></p> <p>(f) The Board Co-Chairs have corresponded with the Chairs of the Adaptation Committee and Technology Executive Committee of the United Nations Framework Convention on Climate Change to decide on the framework for cooperation with the Fund.</p> <p><i>For information concerning the relationship with relevant thematic bodies under the Convention, please refer to Table 1 above.</i></p>
<p>Requests the Board of the Fund to continue to include in its report to the COP the specific steps that it has undertaken to implement the request contained in paragraphs 5 and 7 of decision 6/CP.18, as well as <u>information on the status of financial contributions for the administrative budget</u> of the Fund, including the administrative costs of the Board of the Fund and its interim secretariat;</p> <p><i>(decision 6/CP.18, paragraph 10)</i></p>	<p>The information above reflects the decisions/actions taken by the Fund during 2014 in response to paragraphs 5 and 7 of decision 6/CP.18.</p> <p>For information on the status of financial contributions for the administrative budget of the Fund, including the administrative costs of the Board of the Fund and its Secretariat, please refer to the section on administrative and financial performance below.</p>

Requests the Board of the Fund to make available its annual reports to the COP as early as possible, and no later than 12 weeks prior to a session of the COP, for consideration by Parties;
(decision 6/CP.18, paragraph 15)

The Fund has not been able to present its annual report to the COP within the requested time period as the meeting of the Board at which the report is considered normally takes place in September/October each year.

IV. Other activities of the Fund

4.1 The Board

4.1.1 Membership of the Board

13. Nominations for Board members and alternate members are received through communications sent on behalf of the respective constituency or regional group within a constituency. Both the developed and the developing country constituencies have advised of changes in their composition during 2014. Appendix I to this Report provides the list of Board members and alternate members.

4.1.2 Election of the Co-Chairs of the Board

14. At its October 2013 meeting, the Board elected Mr. Manfred Konukiewitz (Germany) and Mr. Jose Maria Clemente Sarte Salceda (Philippines) to serve as Co-Chairs for the period of one year.

15. At its October 2014 meeting, the Board elected [name/country] and [name/country] to serve as Co-Chairs for the period of one year.

[To be updated after the eighth Board meeting]

4.1.3 Meetings of the Board

16. Three Board meetings were held during the period covered by this report. The sixth meeting was held in Bali, Indonesia, from 19 to 21 February 2014. The seventh meeting took place in Songdo, Republic of Korea, from 18 to 21 May 2014; and the eighth meeting of the Board was conducted in Bridgetown, Barbados, from 14 to 17 October 2014.

17. In addition to Board members and alternate members, four active observers from developing and developed countries representing civil society organizations and the private sector participated in the meetings. Furthermore, the meetings were attended by advisers to Board members and alternate members and the representatives of accredited observer organizations.

18. The decisions taken by the Board during 2014 are contained in documents GCF/B.06/18 from its sixth meeting; GCF/B.07/11 from its seventh meeting; and GCF/B.08/XX from its eighth meeting (to be updated after the eighth Board meeting). The report on the sixth meeting of the Board is contained in document GCF/B.06/19, the report on the seventh meeting is contained in document GCF/B.07/XX, the report on the eighth meeting is contained in document GCF/B.08/XX (to be updated after the eighth Board meeting). All documents referenced are also available on the Fund's website <GCFund.org>.

4.1.4 Logo of the Fund

19. The Board, in its decision B.05/09, requested the Logo Selection Panel (comprising four Board members/alternate members, one civil society and one private sector representative under the overall authority of the Executive Director) to contract a professional designer to design the logo.

20. Following the recommendation of the Logo Selection Panel, the Board has chosen a new logo which has been designed to differentiate the Fund, convey the modern, client-orientated image of the Fund, and symbolize its game-changing nature.

4.2 The Secretariat

4.2.1 Overview

21. Throughout 2014 the Secretariat has focused on supporting the work of the Board in accordance with its work plan for 2014 and relevant Board decisions, building the systems for and staffing the independent Secretariat, facilitating the initial resource mobilization process (IRM), and carrying out readiness outreach work with developing countries, amongst other activities.

22. The work carried out by the Secretariat included the preparation, development and follow-up for the February, May and October 2014 meetings of the Board. Amongst other important milestones for the operationalization of the Fund, this led to the adoption of the essential requirements that made it possible to commence the initial resource mobilization process. During 2014 the Secretariat was also involved in preparing for the two IRM meetings held from 30 June to 1 July in Oslo, Norway, and from 8 to 9 September in Bonn, Germany, as well as for the high-level pledging session that will take place from 19 to 20 November in Berlin, Germany.

23. The Secretariat has also supported the different committees and panels of the Board, which were established to deliver expert input and guidance.

24. During 2014 significant progress has been made in implementing systems and staffing the independent Secretariat.

25. In accordance with Board decision B.05/09 to undertake the work necessary to implement the *new logo in all communication products of the Fund*, the logo is now being rolled out. It will also be used to brand the Fund's headquarters. In addition, the Secretariat has produced a new brochure about the Fund featuring the logo, which is now being distributed and aims to provide a fast way to reach out to potential contributors.

26. As part of these efforts, the Fund's website has been updated to include the new logo and present a fresh image of the Fund that embodies its innovative and transformational spirit. The content of the website also reflects important improvements, such as a special readiness portal designed to support outreach efforts. It provides technical updates, a quarterly newsletter and guidance to countries promoting readiness.

4.3 The Trustee

27. The COP, at its sixteenth session, invited the World Bank to serve as the interim trustee for the Fund, subject to a review three years after operationalization of the Fund. The Governing Instrument for the Fund accordingly stipulated that the World Bank would serve as Interim Trustee of the Fund, subject to a review three years after operationalization of the Fund⁴. The World Bank's Board agreed that the World Bank would provide interim trustee services to the Fund, and the Green Climate Fund Trust Fund was established at the World Bank for this

⁴ Governing Instrument for the Green Climate Fund, paragraph 26.

purpose. The interim trustee arrangement will be in place up to 30 April 2015, unless otherwise agreed between the Fund's Board and the World Bank.

28. Interested contributors at the initial resource mobilization (IRM) meeting recommended clarifying the provision of trustee services to the Fund during and immediately after the IRM period to ensure that contributors are able to effectively disburse funds into the Fund's trust fund. They recognized that the Board has the mandate to decide on the trustee arrangements for the Fund, as outlined in the Governing Instrument and COP guidance.

29. In the context of the Governing Instrument's provision that *the World Bank will serve as interim trustee for the Fund, subject to a review three years after the operationalization of the Fund*, it was highlighted that only the Board can decide when the Fund becomes operational. Interested contributors recommended that the Board define when the Fund is deemed to be operational at its eighth meeting. [To be updated after the eighth Board meeting].

4.3.1 **Financial resources for the administrative budget in the Green Climate Fund Trust Fund**

30. The activities of the Board, the Secretariat and the Interim Trustee are supported through an administrative budget approved by the Board. This budget is implemented using the funds available in the Green Climate Fund Trust Fund (GCF Trust Fund) established by the Interim Trustee.

4.3.2 **Status of resources**

31. As at 30 June 2014:

- Pledges and contributions to the GCF Trust Fund amounted to US\$-equivalent 56.3 million. Of this amount, US\$-equivalent 51.4 million was received and deposited by 13 contributors; in addition US\$ 0.1 million of investment income was earned.
- The Interim Trustee had transferred a total of US\$ 11.9 million to cover the administrative costs of the Board, Secretariat, and the Interim Trustee.
- At its October 2013 meeting, through decision B.05/20, the Board approved, from the resources available in the Green Climate Fund Trust Fund, the administrative budget of the Green Climate Fund for the period from 1 January to 31 December 2014 of up to US\$ 18,817,566. During 2014 the execution rate of the approved administrative budget was relatively low. Accordingly, the recommended budget for 2015 is mostly flat compared to 2014.

32. The proposed administrative budget for the Fund for 2015 is presented below:

Proposed administrative budget for the period 1 January to 31 December 2015 (in US\$)

[To be updated after the eighth Board meeting]

	Approved budget	Total projected expenditures	Proposed budget
	1 January–31 December 2014	1 January–31 December 2014	1 January–31 December 2015
	US\$		
1.1 Board meetings			
1.1.1 Board representative travel	792,000	556,479	792,000 ^a
1.1.2 Secretariat staff travel	90,000	281,938	90,000 ^b
1.1.3 Venue and logistics	170,000	231,705	250,000 ^c
Subtotal: Board meetings	1,052,000	1,070,122	1,132,000
1.2 Co-Chair and Board representative travel			
1.2.1 Co-Chair and Board representative travel	22,500	25,550	22,500 ^d
Subtotal: Co-Chair and Board representative travel	22,500	25,550	22,500
1.3 Board committees, panels and working groups			
1.3.1 Board representative travel	90,000	31,096	186,000 ^e
1.3.2 Venue and logistics	80,000		80,000 ^f
Subtotal: Board committees, panels and working groups	170,000	31,096	266,000
Grand total (1+2+3)	1,244,500	1,126,768	1,420,500

^a Twelve members, and twelve alternate members, at an average cost of US\$ 7,500 each per meeting; 24 advisers at an average cost of US\$ 3,500 each per meeting.

^b Assuming twenty Secretariat staff at an average cost of US\$ 4,500 per meeting of the Board held away from the Fund's headquarters.

^c Assuming an average cost of US\$ 20,000 per meeting for meetings held away from the Fund's headquarters and two meetings of the Board held at the Fund's headquarters at an average cost of US\$ 115,000.

^d Assuming three Co-Chair and Board representatives at an average cost of US\$ 7,500 each.

^e Assuming three funded Board Member participants for one committee, panel and working group meeting at an average of every three months, at an average cost of US\$ 7,500 each for Board members and six non-Board member participants at an average cost of US\$ 4,000.

^f Assuming two committee, panel and working group meetings at an average of every three months, at an average cost of US\$ 10,000 per meeting.

Appendix I: Members and alternate members of the Board of the Green Climate Fund

Members	Alternate members	Constituency/Regional Group
Mr. Christian N. Adovelande (Benin) President West African Development Bank	Mr. Tosi Mpanu Mpanu (Democratic Republic of the Congo) Former Chair the African Group of climate negotiators	Developing countries, Africa
Mr. Omar El-Arini (Egypt) Member of Board, Egyptian Environmental Affairs Agency, International consultant on ozone layer and climate issues	Mr. Newai Gebre-ab (Ethiopia) Member the former Transitional Committee for the design of the Green Climate Fund	
Mr. Zaheer Fakir (South Africa) Head International Relations and Governance, Department of Environmental Affairs	Mr. Paulo Gomes (Guinea Bissau) Member of the Board of Directors, Ecobank Transnational Inc. Vice-Chairman of the finance committee	
Mr. Ziqian Liang (China) Deputy Director General International Department, Ministry of Finance	Mr. In-Chang Song (Republic of Korea) Director General International Financial Cooperation, Ministry of Strategy and Finance	Developing countries, Asia-Pacific
Mr. Ayman M. Shasly (Saudi Arabia) International Policies Consultant Ministry of Petroleum and Mineral Resources	Mr. Jose Ma. Clemente Sarte Salceda (Philippines) Governor Province of Albay	
Mr. Nauman Bashir Bhatti (Pakistan)	Mr. Shri Dipak Dasgupta (India) Principal Economic Adviser Ministry of Finance	
Mr. Jorge Ferrer Rodriguez (Cuba) Minister Counsellor Multilateral Affairs and International Law General Division, Ministry of Foreign Affairs	H.E. Ms. Audrey Joy Grant (Belize) Minister Energy, Science and Technology and Public Utilities	Developing countries, Latin America and the Caribbean
Ms. Vanesa Valeria D'Elia (Argentina) Advisor to Minister Ministry of External Relations	Mr. Rodrigo Rojo (Chile) Deputy Director, Intl. Affairs Ministry of Finance	

Gabriel Quijandria (Peru) Vice Minister, Ministry of Environment	Angel Valverde (Ecuador) National Director Mitigation on Climate Change, Ministry of Environment	
Mr. David Kaluba (Zambia) Principal Economist Ministry of Finance and National Planning	Mr. Mesbah ul Alam (Bangladesh) Secretary Ministry of Disaster Management and Relief	Developing countries, Least developed countries
Mr. Patrick McCaskie (Barbados) Director Research and Planning Unit, Economic Affairs Division, Ministry of Finance and Economic Affairs	H.E. Mr. Ali'ioaigi Feturi Elisaia (Samoa) Ambassador Extraordinary and Plenipotentiary, Permanent Representative Permanent Mission of Samoa to the United Nations	Developing countries, Small island developing States
Mr. George Zedginidze (Georgia) Former Minister Ministry of Environment Protection	Mr. Irfa Ampri (Indonesia) Head Center for Climate Change Financing and Multilateral Policy, Fiscal Policy Agency, Ministry of Finance	Developing countries
Mr. Ewen McDonald (Australia) Deputy Secretary Department of Foreign Affairs and Trade	Mr. Rod Hilton (Australia) Assistant Director General Australian Agency for International Development	Developed countries, Australia on behalf of Australia and New Zealand
Ms. Irene Jansen (Netherlands) Head International Economics and Financial Institutions Division, Foreign Financial Relations Directorate Ministry of Finance	Mr. Peder Lundquist (Denmark) Deputy Permanent Secretary Ministry of Finance	Developed countries, Denmark and the Netherlands
Mr. Arnaud Buisse (France) Deputy Assistant Secretary Multilateral Financial Affairs and Development Division, Directorate-General of the Treasury	Mr. Frederic Glanois (France) Head Official Development Assistance and Multilateral Development Institutions, Directorate-General of the Treasury	Developed countries, France
Mr. Manfred Konukiewitz (Germany) Deputy Director General (retired) Representative of the Government	Mr. Norbert Gorissen (Germany) Head Division of International Climate Finance, International Climate Initiative, Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU)	Developed countries, Germany

<p>Mr. Shuichi Hosoda (Japan) Director Development Issues, International Bureau Ministry of Finance</p>	<p>Mr. Tomonori Nakamura (Japan) Special Coordinator for Environmental Finance, Development Policy Division, International Bureau Ministry of Finance</p>	<p>Developed countries, Japan</p>
<p>Mr. Henrik Harboe (Norway) Director of Development Policy Ministry of Foreign Affairs</p>	<p>Mr. Petr J. Kalas (Czech Republic) Former Minister Ministry of Environment</p>	<p>Developed countries, Norway and Czech Republic</p>
<p>Mr. Adam Kirchknopf (Hungary) Head Economic Section, Embassy of Hungary in Switzerland</p>	<p>Mr. Marcin Korolec (Poland) Secretary of State, Government Plenipotentiary for Climate Policy</p>	<p>Developed countries, Hungary and Poland</p>
<p>Ms. Ludovica Soderini (Italy) International Financial Relations, Treasury Department, Ministry of Economy and Finance</p>	<p>Ms. Ana Fornells de Frutos (Spain) Head International Climate Division, Ministry of Environment</p>	<p>Developed countries, Spain and Italy</p>
<p>Mr. Stefan Marco Schwager (Switzerland) Senior Adviser International Biodiversity and Climate Change Finance, Federal Office for the Environment</p>	<p>Mr. Alexey Kvasov (Russian Federation) Deputy Chief of the Presidential Experts' Directorate Russian G8 Sherpa, Executive Office of the President</p>	<p>Developed countries, Russian Federation and Switzerland</p>
<p>H.E. Mr. Jan Cedergren (Sweden) Ambassador Ministry of Environment</p>	<p>Mr. Jozef Buys (Belgium) Attaché Directorate General Development Cooperation Ministry of Foreign Affairs</p>	<p>Developed countries, Sweden and Belgium</p>
<p>Ms. Andrea Ledward (United Kingdom of Great Britain and Northern Ireland) Head DFID's Climate and Environment Department</p>	<p>Mr. Josceline Wheatley (United Kingdom of Great Britain and Northern Ireland) Head International Team DFID's Climate and Environment Department</p>	<p>Developed countries, United Kingdom of Great Britain and Northern Ireland</p>
<p>Mr. Leonardo Martinez-Diaz (United States of America) Deputy Assistant Secretary Environment and Energy Office, Department of the Treasury</p>	<p>Mr. C. Alexander Severens (United States of America) Director Environment and Energy Office, Department of the Treasury</p>	<p>Developed countries, United States of America</p>

Appendix II: Work plan of the Board for 2015

[To be included as decided at the October Board meeting]
