

Update on Arrangements for the Technical Support Unit

Information note by the Secretary to the Transitional Committee

I. Mandate

1. The Conference of the Parties (COP), by its decision 1/CP.16, requested the secretariat, in consultation with the COP President, to make arrangements enabling relevant United Nations agencies, international financial institutions and multilateral development banks, along with the UNFCCC secretariat and the Global Environment Facility (GEF), to second staff to support the work of the Transitional Committee (TC) for the design phase of the Green Climate Fund (GCF).

2. The Executive Secretary informed the TC at its initial meeting of the arrangements she had made for establishing a Technical Support Unit (TSU). The TC requested the Secretary to the TC to provide an update on these arrangements at its second meeting. This note provides an overview of the status of the TSU as of 24 June 2011.

II. Main activities of the Technical Support Unit since the initial meeting of the TC

3. The TSU started its operations immediately after the initial meeting of the TC on 2 May. The TSU consists of the Secretary to the TC and a substantive team drawn from UNFCCC secretariat staff and staff seconded from relevant organizations to support the work of the TC. While arrangements have been put in place as explained below, they provide sufficient room for flexibility to accommodate the potentially changing needs and priorities of the TC as may be identified at its second or subsequent meetings.

4. The focus of the work of the TSU has been, on the one hand, logistic in preparing the first technical workshop held in Königswinter, Germany, from 30 May to 1 June, 2011, and the second TC meeting together with a pre-meeting workshop (Tokyo, 12–14 July) and, on the other hand, substantive in supporting the Co-Chairs and the co-facilitators of the four workstreams in the preparation of the substantive documentation for the workshop and the second meeting. In addition, the TSU has sent out a survey of relevant funds and institutions and is evaluating the responses to provide a background note for the workshop on lessons learned to be held in Tokyo, Japan, on 12 July, and as a basis for further documents. In preparing the logistics and for administrative support, the Secretary to the TC has relied heavily on support from the UNFCCC secretariat, while the substantive work was concentrated within the TSU, with contacts to the UNFCCC secretariat and other organizations as necessary.

5. These activities are in line with the functions of the TSU presented at the initial meeting, namely to support the work of the TC, and in particular to:

- (a) Provide substantive technical input to the work of the TC;
- (b) Publish and distribute documents for the meetings of the TC, including making documents available to the public as decided by the TC;
- (c) Prepare reports of the meetings of the TC;
- (d) Keep records of the meetings of the TC and arrange for the custody and preservation of documentation of the meetings of the TC;
- (e) Support the workshops and workstreams established by the TC;
- (f) Provide support to the presiding officer(s) of the TC;
- (g) Working with the UNFCCC secretariat, make arrangements for the meetings of the TC, and provide it with logistic and administrative services as required;
- (h) Perform other functions as assigned by the TC.

III. Composition of the Technical Support Unit

6. As the technical secretariat of the TC, the TSU is composed of a team of staff and experts with technical expertise related to fund design, fund governance, fund operations management, financial planning, climate finance delivery on both mitigation and adaptation financing, social and environmental safeguards and related expertise. The TSU consists of a resident team, based full time in Bonn and hosted by the UNFCCC secretariat, complemented by an extended group of non-resident TSU staff, who contribute additional expertise as needed and join the resident team for limited periods of time.

7. The response by institutions invited to second staff to the TSU has been very positive. The Executive Secretary has received a number of offers of support for the work of the TC from United Nations agencies, international financial institutions and multilateral development banks, as well as the GEF secretariat. The following institutions have provided staff to the TSU or offered to do so: Adaptation Fund Board, African Development Bank, Asian Development Bank, Banque Ouest Africaine de Development, Caribbean Development Bank, Development Bank of Southern Africa, European Bank for Reconstruction and Development, European Investment Bank, GEF secretariat, Inter-American Development Bank, International Finance Corporation, United Nations Development Programme, United Nations Environment Programme, United Nations Framework Convention on Climate Change, and World Bank. Furthermore, Agence Francaise de Développement and KfW Group and intergovernmental organizations, including Organization for Economic Cooperation and Development, International Maritime Organization, and World Health Organization have also offered to contribute expert support to the TSU or already done so. The TSU may continue to call on other expert groups to provide input on an ad hoc basis for particular technical issues. Groups that have substantial expertise and wish to be considered as part of a pool that the TSU might draw on are invited to notify the TSU of their interest along with a statement of their areas of expertise on which the TSU might draw.

8. An approach based on defined terms of reference has been used in the selection of individuals with relevant expertise for the TSU. Special consideration has been given to gender and regional balance. Based on the terms of reference for the Transitional Committee (decision 1/CP.16, appendix III), annex I below presents an updated list of areas of expertise that have been included in the TSU. The list of TSU staff and associated experts is given in annex II below.

9. The composition of the resident and non-resident teams can be adapted as needed in the light of the decisions of the TC. A flexible approach has been adopted whereby one particular area of expertise may be provided by multiple TSU members to ensure adequate coverage. Similarly, one TSU specialist may be able to cover multiple areas of expertise.

IV. Working arrangements for the Technical Support Unit

10. The TSU has operated as a team, where responsibilities are shared among several staff according to their expertise and in order to manage work loads. No single document is a product of a single TSU staff member. All drafts are shared and cleared by the team before they are provided to the Co-Chairs or the Co-Facilitators for final clearance. Teamwork has helped to bring together the broad range of experience that staff coming from so many institutions encompass. In order to manage communications, focal point roles have been assigned for the various workstreams as shown in annex II below.

11. The Secretary to the TC (from the UNFCCC secretariat) is responsible for providing direct support to the TC and acts as secretary during meetings of the TC. The secretary coordinates the work of the TSU and is responsible for its overall activities including documents prepared by the TSU, that is, documents sent to the TC members for consideration, before and during TC meetings. The TSU operates under the administrative guidance of the Executive Secretary of the UNFCCC secretariat. On substantive matters, the Secretary to the TC, and through him the TSU, is accountable to the TC.

12. Arrangements made include an agreement between the UNFCCC secretariat and the institution providing staff. It also contains an undertaking by the seconded staff to ensure that there is no conflict of interest and that staff will respect the impartiality and independence of the TSU in supporting the TC and not seek or accept instructions regarding his/her function from any Government, organization or from any other authority external to the UNFCCC secretariat and the TC. The undertaking requires utmost discretion in all matters relating to the execution of the functions and obliges the staff not to communicate, at any time, without the authorization of the Executive Secretary or a person authorized by her, to the media or to any other institution, person, Government or other authority external to the UNFCCC secretariat, any information that has not been made public, and which has become known to the staff member by reason of his/her function.

13. Concerning the question about a possible conflict of interest between staff from the World Bank to be seconded to the TSU and the possible functions of the World Bank as the interim trustee for the GCF, further to the measures set forth in paragraph 12 above, it has been verified that the part of the World Bank that performs the trustee functions and the part which has seconded staff to the TSU are institutionally independent.

V. Budget situation

14. Estimates of resources required to support the work of the TC were in the region of USD 3 million. To date, the UNFCCC secretariat has received an allocation of funds from Norway (USD 470,000), Spain (USD 200,000), the US (USD 600,000) and two firm written pledges from Australia (USD 230,000 in total) and Norway (precise amount still to be confirmed). Based on funds received to date and the firm written pledges, we would have around USD 1.5 million. Denmark, Germany, Sweden, Switzerland and the United Kingdom of Great Britain and Northern Ireland have also expressed their willingness to make a contribution. The two pledges mentioned above were received only at the end of June, which now provides confidence that the support to the TC can be kept up beyond its second meeting. It is expected that the shortfall will be covered when the further contributions and pledges come in.

Annex I

Specialized expertise included in the Technical Support Unit

- Secretary to the Transitional Committee:** Accountable to the Transitional Committee (TC) on substantive matters and to the Executive Secretary of the UNFCCC secretariat on administrative issues. Provides direct support to the TC and acts as secretary during its meetings. Responsible for the overall coordination of activities of the Technical Support Unit (TSU) including documents formally sent to the TC for consideration. Leads on the intergovernmental policy aspects of the support to the TC. Coordinates with the UNFCCC secretariat to make arrangements for the meetings of the TC, including logistics and administrative support. Experience in coordinating support to an intergovernmental process and knowledge of related economic and financial aspects is required for this position.
- Climate policy specialist:** Under the overall guidance and coordination of the Secretary to the TC, (a) weighing the various design options under consideration against the climate finance negotiations and emerging governance and implementation architecture in the climate change regime, as well as real-time guidance given during TC meetings from Co-Chairs and TC members; (b) integrating such considerations into the evaluation of design options; (c) drafting documents for the TC to address both the climate and finance aspects of design options; (d) assisting the Secretary to the TC in the overall management of the TSU. Experience in supporting UNFCCC negotiations and full understanding of the relevant elements of the Cancun Agreements and the Bali Action Plan is required for this position.
- Fund governance specialists:** Under the overall guidance and coordination of the Secretary to the TC, working closely with the fund design specialist, the financial management specialist, assessing options relating to such issues as (a) Board composition, selection process, mandate and functions, terms, etc., (b) role of non-governmental stakeholders in fund governance, (c) assessment of options for decision-making rules, (d) relationships between the Board, the Conference of the Parties (COP) and Fund secretariat, (e) analysis and assessment of options on eligibility for accessing funds, and (f) analysis and assessment of options for establishing financial and operational relationships between the Green Climate Fund (GCF) and other institutions such as governments, multilateral development banks, United Nations agencies, bilateral financial institutions, the private sector and other stakeholders. Experience in dealing with multilateral or other international fund governance issues, in particular issues related to the establishment of new global fund/s is required for this position.
- Fund coordination expert:** Under the overall guidance and coordination of the Secretary to the TC, working closely with the fund design specialist, the financial management specialist, assessing options for establishing the Fund secretariat and operational guidelines (to be eventually transformed into operations manuals) addressing the mandates, functions and responsibilities of the secretariat. Experience in designing administrative processes or in the administration of major funds and developing fund operational guidelines is required for this position.
- Fund design specialist:** Under the overall guidance and coordination of the Secretary to the TC, (a) facilitating the preparation of design options papers, including assessment of operational options, cost/benefit and efficiency/effectiveness comparisons, and related questions; (b) assessing value-added and complementarity of design options; and (c) identifying additional sources of information as necessary, including on lessons learned. Experience in fund design, including assessment of design options, and fund operations management is required for this position.
- Financial management specialist:** Under the overall guidance and coordination of the Secretary to the TC, working closely with the fund design specialist, the fund governance specialist and the legal expert, assessing options with regard to the size and diversity of sources, the need for scalability over time, and income outlook according to possible sources and size scenarios. Experience in mapping out financial flow models is required for this position.
- Stakeholder outreach and safeguards specialist:** Under the overall guidance and coordination of the Secretary to the TC, (a) assisting with the engagement with non-government stakeholders during

the GCF design process; (b) advising on options for mechanisms/modalities to ensure stakeholder input and participation in the GCF governance and operations; and (c) assessing options relating to safeguard policies and procedures at all stages of project cycle. Experience in stakeholder engagement and implementation of safeguard policies and procedures is required for this position.

8. **Climate finance delivery specialists** (practitioners with experience in delivery for adaptation, mitigation, REDD Plus and technology): Under the overall guidance and coordination of the Secretary to the TC, assessing options for GCF delivery and access, assistance modalities and approaches to resource allocation and prioritisation. Strong understanding of requirements and procedures for planning and implementing adaptation and mitigation programmes is required for this position.

9. **Private-sector specialist**: Under the overall guidance and coordination of the Secretary to the TC, focusing on how GCF financing can best 'crowd in' private-sector financing, including but not limited to assessing options on incentivizing private-sector participation at the international funding, national programme investment and funding, and project investment and funding levels. Experience in mobilizing private equity and carbon markets is required for this position.

Annex II

TSU staff and associated experts
(as at 24 June 2011)

Name	Function	Status
Claudia Arce	Climate finance delivery specialist	Associated expert
Andreas Biermann	Climate finance delivery specialist, energy efficiency	Non-resident*
Simon Billett	Fund coordination specialist, focal point for workstream III	Resident
Peter Coveliers	Fund management specialist	Non-resident*
Robert Dixon	Fund governance specialist	Resident
Warren Evans	Fund design specialist	Resident
Teodora Jacinto	Team assistant	Resident
Toru Kubo	Climate finance delivery specialist, technology	Resident, part-time
David McCauley	Climate finance delivery specialist, REDD+	Non-resident*
Steven Moore	Organizational focal point	Resident
Anthony Nyong	Stakeholder outreach and safeguards specialist, focal point for workstream IV	Resident
Jagjeet Sareen	Climate policy specialist, focal point for workstreams I and II	Resident
Eric Usher	Private sector specialist	Resident
Merlyn Van Voore	Fund governance and adaptation specialist	Non-resident*
Gloria Visconti	Climate finance delivery specialist, mitigation	Non-resident*
Henning Wuester	Secretary to the Transitional Committee	Resident

* *Part-time in Bonn*