

Submissions by members of the Transitional Committee

The Secretary to the TC received one additional submission by TC Member Mr. Omar El-Arini (Egypt) on behalf of 13 TC Members from Argentina, Burkina Faso, China, the Democratic Republic of Congo, Egypt, El Salvador, Gabon, India, Morocco, Nicaragua, Philippines, Saudi Arabia and Zambia. The submission is attached and reproduced without formal editing.¹

The submissions received from members of the Transitional Committee have been uploaded on UNFCCC (website: http://unfccc.int/cancun_agreements/green_climate_fund/items/5868.pp).

¹ These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The Technical Support Unit has made every effort to ensure the correct reproduction of the texts as submitted.

Speech by Dr. Omar El-Arini
Second TC meeting- Agenda item 9

I take the floor on behalf of a number of developing countries, including my own as well as Argentina, Burkina Faso, China, the Democratic Republic of Congo, El Salvador, Gabon, India, Morocco, Nicaragua, Philippines, Saudi Arabia and Zambia.

We share the view of other members that this meeting in Tokyo should be a defining moment in our work together.

In our meetings and workshops, in Bonn and here in Tokyo, we have clarified a range of important issues, and we have made substantial progress already at this meeting.

In our discussions we have also stressed the importance that our work is driven by the Members of the Transitional Committee, reflecting the collective expertise of the women and men around this table.

We believe, at this stage, it is important to focus our work and welcome the leadership of our able and motivating co-chairs as we move towards convergence in this meeting.

As a contribution to this effort we have prepared a draft document that reflect the elements of the TOR set out in Cancun decision 1/CP.16 , as well as in the Convention and the Bali Action Plan.

In summary, the document includes a number of components.

The first part, entitled [Operational Elements] for the Establishment of the Green Climate Fund sets out our collected views on the items described in our terms of reference, including those we are addressing in each of the workstreams.

It addresses issues such as:

- Objectives, principles and scope;
- Governance and institutional arrangements (including the Board, Secretariat, Trustee, expert and technical input);
- Financial and operational modalities; as well as
- Arrangements for monitoring and evaluation.

The document also responds to our specific mandate to develop rules of procedure for the board, which are set out in an Annex.

In preparing this contribution to our work, we have drawn extensively on the experience of developing countries with a wide range of funds, including the GEF, Adaptation Fund, Multilateral Fund and other funds.

We have also sought to draw on many of the excellent submissions by various TC Members as well as information prepared by the TSU and observer organizations including civil society.

We are formally tabling the document in this session and hope that the submission at this stage in our discussions will help to advance our work by collecting the views of a number of Parties, and encapsulating these in a form that can contribute to the operational documents we are mandated to prepare for consideration of the Conference of the Parties.

Let me stress that this document is a draft document and compilation of initial views and proposals by many TC members, and it does not preclude any further submissions by the TC members supporting it.

In this regard we note good alignment between some of our proposals and those put forward by members and co-facilitators, such as those on evaluation in our last session.

We are formally tabling the document and wish to have this reflected in our report for the meeting, and requested to make copies of the document available to all Members.

14th July 2011

DRAFT INSTRUMENT FOR THE ESTABLISHMENT OF THE GREEN CLIMATE FUND

I. BASIC PROVISIONS

Article 1. Basis

The Green Climate Fund (the Fund) is established and designated as an operating entity of the financial mechanism of the Convention under Article 11, and that is accountable to and functions under the guidance of the Conference of the Parties, with the objective to support projects, programmes, policies and other activities in developing country Parties.

Article 2. Legal Status

2.1 The Fund, as a body under international law, shall be endowed with a juridical personality. Consequently, the Fund shall enjoy such legal capacity as is necessary for the exercise of its functions and the protection of its interests, in particular the capacity to enter into contracts, to acquire and dispose of movable and immovable property and to institute legal proceedings in defense of its interests.

2.2 The Fund shall avail itself of such *privileges and immunities* in the territory of the host country, pursuant to the 1946 United Nations Convention on Privileges and Immunities, as is necessary for the fulfillment of its purposes.

2.3 The officials of the Fund Secretariat shall similarly enjoy such privileges and immunities as are necessary for the independent exercise of their official duties.

Article 3. Objectives

3.1 The Fund will contribute to the full, effective and sustained implementation of the UN Framework Convention on Climate Change, in relation to implementation of commitments for the provision of financial resources to developing country Parties, as mandated under relevant provisions of the Convention, including its Articles 4.3, 4.4, 4.5, 4.8 and 4.9 and in accordance with Article 11 of the Convention.

3.2 The Fund will manage the large scale of financial resources from a number of sources and deliver through a variety of financial instruments, funding windows and access modalities, including direct access, with the objective of providing adequate and predictable financial resources to developing countries for the implementation of climate-related policy measures, activities and actions, and achieving a balanced allocation between adaptation and mitigation.

3.3 The Fund will contribute to the goal of achieving coherence in the global financial architecture for the financing of climate-related activities, under the authority and governance of the Conference of Parties.

Article 4. Principles

4.1 The following are among the principles that will guide the Fund:

(a) The Fund will maintain consistency with the policies, programme priorities, and eligibility criteria adopted by the decisions of the Conference of the Parties and all “activities (including those related to funding) relevant to climate change undertaken outside the framework of the financial mechanism” consistent with decision 11/CP.1;

(b) The Fund shall operate under the principles of equity and common but differentiated responsibilities;

(c) The Fund will operate under the authority and guidance of, and be fully accountable to, the Conference of Parties;

(d) The Board of the Fund will have an equitable and geographically balanced representation of all Parties within a transparent and efficient system of governance (Article 11.2 of the Convention);

- (e) The Fund will enable direct access to funding by the recipient countries;
- (f) The Fund will be country-driven and demand-driven, with recipient countries being involved during the stages of identification, preparation and implementation, and responding to the needs and circumstances of the developing countries. The Fund will recognize, promote and strengthen the significance of engagement at the country level, in order to give effect to the principles of a country-driven approach, and direct access to funding;
- (g) The Fund will enable a holistic programmatic approach to funding aimed at, *inter alia*, specific projects or activities and programmes and plans encompassing a wide range of activities;
- (h) The Fund will make optimal and appropriate use of the full range of means of implementation available to allow for large scale of implementation; and
- (i) The Fund would facilitate linkages between the various funding sources and separate funds in order to promote access to the variety of available funding sources and reduce fragmentation.

II: GOVERNING, ADMINISTRATIVE AND ADVISORY BODIES

Article 5. The Board

Accountability to the COP

5.1 The Fund shall be governed by a Board which shall supervise and manage the Fund, under the authority and guidance of the Conference of the Parties, and shall be fully accountable to the Conference of the Parties which shall decide on its overall policies in line with relevant decisions.

5.2 The arrangements to be concluded with the Fund include the modalities listed in Article 11.3 of the Convention.

5.3 In implementing the principle of accountability to the Conference of the Parties, the Board shall submit annual reports to the Conference of the Parties for its consideration and deliberation, on various operational matters including:

- (a) Strategic priorities, operational policies guidelines and procedures;
- (b) The status of the Fund, in terms of contributions and disbursements, including on shortfalls/surplus of resources and its assets and liabilities, as well as an estimate of additional resources leveraged by the Fund including through private sector engagement;
- (c) The Fund's annual operational budget;
- (d) The approved projects and activities including, *inter alia*, funded projects, projects approved for funding pending availability of resources, projects that received conditional approval as well as the total amount of resources committed or to be committed for the approved projects and other eligible activities;
- (e) The Fund's triennial business plan and the Fund's annual work programme/business plan, including projections for resource allocations to the agreed thematic windows, demonstrating a balance between adaptation and mitigation activities; and
- (f) Any other matters that may be required by the Conference of the Parties.

5.4 The Conference of the Parties shall consider the annual reports referred to in Article 5.3 above, and take appropriate actions as may be required. The Conference of the Parties shall consider and deliberate on them and make decisions on adoption, revisions or otherwise, and to provide further directions, guidance, instructions and recommendations. -

Functions

5.5 The functions of the Board shall include the following:

- (a) To administer the Fund in accordance with the policies, programme priorities and eligibility criteria related to the Convention as decided by the Conference of the Parties;
- (b) To develop specific operational policies and guidelines, including programming guidance and administrative and financial management guidelines, and to report to the Conference of the Parties;
- (c) To decide on projects, including the allocation of funds, in line with the Fund's principles, criteria, modalities, policies and programmes;
- (d) To ensure that funded projects are in conformity with the policies, programme priorities and eligibility criteria established by the Conference of the Parties (Article 11.3(a) of the Convention);
- (e) To ensure that funding decisions may be reconsidered in light of the policies, programme priorities and eligibility criteria established by the Conference of Parties (Article 11.3(b) of the Convention);
- (f) To oversee the operation of all relevant organs of the fund including the trustee, secretariat, sub-committees, implementing agencies, and expert, advisory and evaluation panels;
- (g) To develop draft legal and administrative arrangements for secretariat services and the interim trustee for approval by the Conference of the Parties;
- (h) To nominate the head of the Secretariat for approval by the Conference of Parties for a term of office of [2] [3] years, which may be reviewed following the same procedure;
- (i) To approve the budget of the Secretariat;
- (j) To develop criteria, based on principles and modalities, to ensure that any implementing and executing entities that may be appointed have the capacity to implement the administrative and financial management guidelines of the Fund, and report on it to the Conference of the Parties;
- (k) To enter into agreements/arrangements with implementing/executing entities accredited by it;
- (l) To establish committees, panels and working groups, if required, drawing on the thematic bodies under the Convention to provide, *inter alia*, expert advice, to assist the Board in the performance of its functions;
- (m) To oversee the operation of the Fund in light of its purposes, scope and objectives and periodically reviewing and approving the operating modalities of the fund;
- (n) To monitor and review implementation of the operations of the Fund, including its administrative arrangements and the expenditure incurred under the Fund, and make recommendations, as may be appropriate, for the consideration of the Conference of the Parties;
- (o) To regularly review performance reports on implementation and ensure independent evaluation and auditing of activities supported by the Fund;
- (p) To review and approve the work programme of the fund and monitoring and evaluating progress in achieving it;
- (q) To decide on funding instruments to be used by the Fund;
- (r) To provide information to the Conference of Parties relevant to determining the amount of funding necessary and available for the implementation of the Convention (Article 11.3(d) of the Convention);
- (s) To provide support to the periodic review of the amount of funding necessary and available for the implementation of the Convention (Article 11.3(d) of the Convention);
- (t) To establish additional thematic windows and with sub-windows as may be required;
- (u) To provide recommendations on a balanced allocation of funding across thematic areas under the financial mechanism;

- (v) To provide reports to each session of the Conference of Parties on its funding operations (Article 11.3(c) of the Convention) consistent with the requirement of accountability;
- (w) To review and approve the administrative budget of the fund and arranging for performance reviews and audits;
- (x) To appoint and keep under regular review all Fund officers;
- (y) To conduct its meetings in accordance with the rules of procedure approved by the Conference of the Parties;
- (z) To develop working/coordination arrangements with, and provide information to, other relevant bodies of the Convention (Standing Committee, Adaptation Executive Committee, Technology Executive Committee, etc) under the guidance of the Conference of the Parties;
- (aa) To liaise with Adaptation Fund Board on matters related to funding of adaptation projects and programmes; and
- (ab) To provide recommendations on means to enhance consistency of activities undertaken outside the framework of the financial mechanism with the policies, programme priorities and eligibility criteria established by the Conference of Parties (decision 11/CP.1 of the Conference of the Parties);
- (ac) Any other function that may be assigned to it by the Conference of the Parties.

Composition

5.6 The Board shall have 24 members. The Board will comprise an equal number of members from developing and developed country Parties; representation from developing country Parties shall include representatives of relevant United Nations regional groupings and representatives of small island developing States and the least developed countries (decision 1/CP.16, paragraph 103).

5.7 Each Board member shall have an alternate member; and alternate members shall be entitled to participate in the meetings of the Board only through the principal member, without the right to vote, unless they are serving as the member; during the absence of the member from all or part of a meeting of the Board, his or her alternate shall serve as the member.

5.8 Members, including alternate members, of the Board with the appropriate technical, and/or policy expertise shall be identified by their respective governments, nominated by the relevant groups as indicated in Articles 5.6 above and approved by the Conference of the Parties. Vacancies shall be filled in the same manner.

5.9 Members and alternate members shall serve for a term of two years and shall be eligible to serve a maximum of two consecutive terms.

Chair and Vice Chair

5.10 The Board members will select the Chair and Vice-Chair, each for a period of one year, with one being a member from a developed country Party and the other being from a developing country Party. The office of Chair and Vice-Chair shall alternate annually between a member from a developed country Party and a member from a developing country Party;

Decision-making

5.11 Decisions of the Board shall be taken by consensus. If all efforts at reaching a consensus have been exhausted, and no agreement has been reached, decisions shall be taken by a two-thirds majority vote of the Parties present and voting, representing a majority of each group (developed and developing countries).

Rules of Procedure

5.12 The Board shall conduct its business in accordance with the Rules of Procedure provided in Annex [X] to this document subject to a decision on the Rules of Procedure by the Conference of Parties.

Article 6. Secretariat

6.1 An independent Secretariat shall be established to support the operation of the Fund.

6.2 The office of the Head of the Secretariat shall be filled by a senior person with an understanding of the needs and challenges of developing countries and extensive experience related to development challenges, environment issues, finance and international affairs. The Board shall recruit the Head of the Secretariat, in accordance with a job description developed by it and approved by the Conference of the Parties. The Conference of the Parties shall decide on the nomination of the Board of the Head of the Secretariat. The Head of the Secretariat will be accountable to the Board.

6.3 The Secretariat shall be staffed with professionals with experience in management, administration, finance, development, climate change and other relevant fields, taking into account equitable geographical distribution and gender balance. Among the skills needed by at least a significant part of the senior management and other staff are in-depth knowledge and experience of the socio-economic conditions of developing countries, the dynamics of the developmental processes, climate change and environmental issues, and integration of climate change/environmental concerns into economic and social plans and structures, within the context of sustainable development and poverty eradication. The professional staff and Head of the Secretariat shall be international civil servants and their recruitment and subsequent appointments shall follow established United Nations rules.

6.4 The Fund Secretariat operating under the Head of the Secretariat shall assist the Board in the discharge of its functions.

6.5 The functions of the independent Secretariat may include, *inter alia*:

- (a) Responding to enquiries about the Fund and be the liaison with Parties, cooperating multilateral and national implementing agencies and other bilateral and multilateral institutions;
- (b) Developing the triennial and annual business plans of activities and associated budgets for the Fund;
- (c) Developing a system for disbursement of funds to the national implementing entities or, where applicable, to implementing agencies, [and liaise with the interim trustee for this purpose];
- (d) Monitoring and evaluating expenditures incurred under the Fund for review by the Board;
- (e) Assessing and, where appropriate, offering recommendations to the Board regarding country programmes and work programmes developed by the recipient countries on their national adaptation and mitigation strategies;
- (f) Maintaining and circulating periodically a current inventory of projects [including with the aim to avoid duplication of effort between the implementing agencies and other institutions];
- (g) Preparing for the Board an annual assessment of bilateral and other contributions to the Fund comply with criteria [to be determined by the Parties/ the Board] for consideration as part of the contributions to the Fund;
- (h) Preparing performance reports on the implementation of activities under the Fund for review by the Board;
- (i) Monitoring the activities of the national implementing entities and, if applicable, the implementing agencies based on their oral and written reports;
- (j) Encouraging the relevant Parties to make prompt payment of their contributions towards the Fund;
- (k) Providing other administrative and support functions for the Board;

(l) Submitting annual activity reports and annual accounts to the Board for its approval, and to the Conference of Parties for their adoption;

(m) Making arrangements for meetings of the Board, including the issue of invitations, preparation of documents, and reports of meetings; and

(n) Performing all other functions that the Board may require.

Article 7. Expert and technical panels

The Board may establish expert and technical panels, including from relevant thematic bodies established under the Convention to support its work and to provide inputs for the Fund's activities.

Article 8. Stakeholder input and participation

8.1 Consultative forums may also be set up by the Board with the objective of engaging communicating and consulting with stakeholder.

8.2 The panels will be open to representatives of civil society organizations, environment and development NGOs, trade unions, farmers' organizations and community-based organizations, bilateral and multilateral development cooperation agencies, technical and research agencies, the private sector and its organizations, as well as to governments. Such representation should ensure balance among geographic regions and among developed and developing countries.

Article 9. Trustee

9.1 The Fund shall have a trustee, which shall have the administrative competence to manage the financial assets of the Fund, maintain appropriate financial records and prepare financial statements and other reports required by the Board, in accordance with internationally accepted fiduciary standards.

9.2 The trustee shall administer the assets of the Fund only for the purpose of, and in accordance with, the relevant decisions of the Fund Board; the trustee shall hold the assets of the Fund separate and apart from the assets of the trustee, but may commingle them for administrative and investment purposes with other assets maintained by the trustee; and the trustee shall establish and maintain separate records and accounts to identify the assets of the Fund.

9.3 The trustee shall be accountable to the Fund Board for the performance of its fiduciary responsibilities.

9.4 The World Bank is invited to serve as the interim trustee for the Fund, subject to a review three years after operationalization of the Fund.

9.5 The interim trustee shall have a legally binding agreement with the Board stipulating its responsibilities and the modalities regarding relevant activities of the interim trustee including, *inter alia*:

(a) Reporting on receipt of contributions including cash payment and promissory notes held;

(b) Investment of unallocated resources, interest and returns accrued on the funds invested;

(c) Disbursements approved by the Board for projects, programmes and other relevant activities;

(d) Annual audits of accounts;

(e) All other treasury functions assigned by the Board; and

(f) Report on the mobilization of resources and disbursements by the interim trustee for other activities having a bearing on the activities of the Fund.

9.6 Procedures and criteria for appointing a permanent trustee for the Fund, through an open, transparent, equitable, accountable and competitive bidding process, shall be developed by the Board for consideration of and adoption by the Conference of Parties, in order to ensure the start of open bidding process eighteen

months before the expiry of term of the interim trustee and the appointment of the permanent trustee.

Article 10. Relation between the Fund and other bodies and entities

The Fund shall operate in the context of appropriate arrangements between itself and other existing funds in the Convention and in the Kyoto Protocol, and between itself and other funds, entities and channels of climate financing that are being undertaken outside the framework of the financial mechanism. The Fund will be guided by proposals in this regard by the Board, the Standing Committee, and other thematic bodies under the Convention, in accordance with guidance by the Conference of Parties.

Article 11. Country driven approach

11.1 The Fund shall adopt an approach that is driven by recipient countries to support them to more effectively implement climate policies, measures, actions and activities. Consequently, the Fund shall allocate resources in the most appropriate forms and for the most appropriate uses that are suitable for the recipient countries. The Fund shall tailor its strategy and approach to the needs and circumstances of each country; therefore a country driven approach is required, with the full participation of the countries concerned.

11.2 The Fund will encourage and enable comprehensive capacity development including: the development of institutions in developing countries, such as the development of focal points and coordinating mechanisms (e.g. the National Implementation Agencies) at the national level for the receiving, use and accounting of funds allocated and distributed by the Fund. The country driven approach would have the functions of planning activities, estimating financial requirements for implementing the climate activities; the preparation of application for international climate financing, the establishment of the system of receiving and allocating international climate financing, including through the Fund, and the establishment of a system for accountability of the receipt and use of the funds and the system of managing the funds.

III. SCOPE AND SCALE, THEMES AND WINDOWS OF FUND**Article 12. Scope and mandate**

12.1 The scope and the thematic areas of the Fund is shall be based on the mandate established in the Convention, as well as relevant decisions of the Conference of the Parties, including decision 1/CP.13 and decision 1/CP.16 and any future decision relating to the Fund. Details of relevant provisions are set out in Annex I.

12.2 The Fund, as an operating entity of the financial mechanism of the Convention, shall address the following thematic areas:

- (a) Adaptation activities;
- (b) Mitigation activities;
- (c) Technology development and transfer;
- (d) Capacity building of and institutional development in developing countries; and
- (e) Information and processes taken to implement the Convention.

12.3 The Conference of the Parties and the Board can designate sub-themes linked to the above.

12.4 The scope of the thematic issues, derived from the Convention's finance-related commitments, shall include:

- (a) For adaptation:
 - The provision of agreed full incremental costs for preparing for adaptation to the impacts of climate change;

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- The provision of agreed full incremental costs in developing appropriate plans for coastal zones, water and agriculture and protection and rehabilitation of areas affected by drought, desertification and floods;
 - The provision of agreed full incremental costs for formulating and implementing national and regional programmes containing measures to facilitate adequate adaptation; and
 - Financial resources to assist developing country parties that are particularly vulnerable to the adverse effects of climate change in meeting the costs of adaptation those adverse effects;
- (b) For mitigation:
- The provision of agreed full incremental costs for formulating and implementing national and regional programmes containing measures to mitigate climate change by addressing emissions by sources and removals by sinks of all greenhouse gases; and
 - The provision of agreed full incremental costs for the conservation and enhancement of sinks and reservoirs of greenhouse gases including biomass, forests, and as well as other terrestrial, coastal and marine ecosystems;
- (c) For technology development and transfer:
- The provision of agreed full incremental costs for the development, application and diffusion including transfer of technologies, practices and processes that control reduce or prevent anthropogenic emissions of greenhouse gases in all relevant sectors (including energy, transportation, industry, agriculture, forestry and waste management);
 - Financial resources to promote, facilitate and finance as appropriate the transfer of or access to of environmentally sound technologies and know-how to developing countries parties; and
 - Financial resources to support the development and enhancement of developing countries' endogenous technologies and capacities;
- (d) For information and processes taken by Parties in order to implement the Convention:
- Provision of agreed full incremental costs for promotion and cooperation in scientific, technological, technical, socio-economic and other research, systematic observation and development of data archives related to the climate system and intended to further the understanding and to reduce or eliminate the remaining uncertainties regarding the causes, effects, magnitude and timing of climate change and the economic and social consequences of various response strategies;
 - Provision of agreed full incremental costs for promotion and cooperation in the full, open and prompt exchange of relevant scientific, technological, technical, socio-economic and legal information related to the climate system and climate change, and to the economic and social consequences of various response strategies; and
 - Provision of agreed full incremental costs for promotion and cooperation in education, training and public awareness related to climate change and encourage the widest participation in this process, including that of non-governmental organizations;
- (e) For capacity building, institutional development, other activities:
- Financial resources for specific capacity-building activities that require support to enable developing countries to undertake the enhanced implementation of the Convention, in accordance with decision taking by the Conference of the Parties; and
 - Financial resources for capacity-building support to developing country Parties, with a view to strengthening endogenous capacities by *inter alia*:
 - Strengthening relevant institutions at various levels, including focal points and national coordinating bodies and organizations;
 - Strengthening networks for the generation, sharing and management of information and knowledge, including through North–South, South–South and triangular cooperation;
 - Strengthening climate change communication, education, training and public awareness at all levels;
 - Strengthening integrated approaches and the participation of various stakeholders in relevant social, economic and environmental policies and actions; and

- Supporting existing and emerging capacity-building needs identified in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources.

12.5 In each of the above areas, financial resources are required to enable developing countries to effectively implement their commitments under the Convention. The Conference of the Parties and the entity or entities entrusted with the operation of the financial mechanism shall agree on arrangements for the “determination in a predictable and identifiable manner the amount of funding necessary and available for the implementation of the Convention and the conditions under which that amount shall be periodically reviewed”.

Article 13. Size and scale of the fund

13.1 The Fund shall manage a large scale of financial resources from a number of sources and deliver through a variety of financial instruments.

13.2 The Fund shall take into account the various commitments made in relation to climate financing, including the commitment by developed countries to provide new and additional resources, approaching USD 30 billion for the period 2010–2012; that scaled-up, new and additional, predictable and adequate funding shall be provided to developing country Parties; that developed country Parties commit to a goal of mobilizing jointly USD100 billion per year by 2020 to address the needs of developing countries; and that a significant share of new multilateral funding for adaptation should flow through the Fund.

13.3 The Fund shall make arrangements to determine in a predictable and identifiable manner “the amount of funding necessary and available for the implementation of the Convention and the conditions under which that amount shall be periodically reviewed taking into financial needs identified by the developing country Parties” in accordance with Article 11 of the Convention. The Fund will also “seek to mobilize financial resources” in accordance with Article 11, as well as Articles 4, paragraphs 3, 4 and 5 of the Convention.

Full and incremental costs

13.4 The Fund shall provide information relevant to the determination of the amount of funding necessary for the implementation of the Convention including, *inter alia*, through an evaluation, in relation to each of the thematic areas covered by the Convention and collectively, of the type of costs to be covered including those which are to be financed at agreed “full costs” and at agreed “full incremental costs”, as well as financing required to address other commitments described in the Convention for consideration by the Conference of the Parties.

13.5 The Fund shall provide financial resources to assist developing countries that are particularly vulnerable to the adverse effects of climate change in “meeting the costs of adaptation to those adverse effects”, in accordance with the Convention. Adaptation costs, consistent with the approach established under the Adaptation Fund under the Kyoto Protocol, shall be provided on a “full adaptation cost basis of projects and programmes to address the adverse effects of climate change”.² Full costs are defined to mean “the costs associated with implementing concrete adaptation activities that address the adverse effects of climate change.”³

13.6 The Fund shall agree on a methodology and guidelines for calculating and assessing incremental costs, taking into consideration the recommendations of the Standing Committee and other thematic bodies under the Convention, in accordance with guidance by the Conference of the Parties. These shall include, *inter alia*, general principles, guidelines, criteria and indicative lists of categories of incremental costs, to enable a more precise calculation of incremental costs.

Estimating financial needs and costs of adaptation, mitigation, etc.

13.7 Drawing on recommendations by thematic bodies on the areas and types of costs to be covered, and on the methodologies and guidelines established in accordance with Article 13.6, the Fund may estimate the scale of financing needed in accordance with Article 11.3(d) of the Convention.

13.8 The Fund will establish a process to ensure that an adequate and predictable level of financing needed

²Adaptation Fund Board, *Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund*, p. 2, para. 14

³*Id.*

shall be provided regularly, taking into account Articles 13.6 and 13.7. The outcomes of this process shall be provided for consideration by the Conference of the Parties.

Phasing in the large scale of the Fund

13.9 The Fund shall make a plan for the phasing in of the volume of resources, including activities that require funding in the initial phase of the Fund, and the next phases.

IV: OPERATIONAL MODALITIES

Article 14. Sources of finance

14.1 In line with Article 4.3 of the Convention, developed country Parties and other developed Parties included in Annex II of the Convention shall provide financial resources to the Fund.

14.2 In accordance with the Convention and decision 1/CP.16:

- (a) Financial resources shall be “new and additional, predictable and adequate”;
- (b) Financial resources shall be provided to developing country Parties, taking into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change; and
- (c) Financial resources shall be measurable, verifiable and reportable and non-earmarked and should involve the provision of financial resources from sources envisaged by the Convention.

14.3 The financial contributions should be principally in the form of grants. To the extent concessional finance is provided, only the grant or concessional element should be counted as new and additional (as is the historical practice of key donors).

Assessed contributions

14.4 In accordance with Article 4.3 and relevant decisions of the Conference of the Parties the provision of financial resources shall reflect “appropriate burden sharing among the developed country Parties”. The Fund shall develop a more systematic method for assessing and allocating the responsibility among the developed countries to provide adequate and predictable, new and additional financial resources.

14.5 The Fund shall utilize a systematic method in evaluating the level of financial resources required to implement the Convention, which shall address:

- (a) Consideration of the scale of financing required in aggregate to reflect the total scale of financing necessary for the implementation of the Convention by developing country parties to the Convention; and
- (b) Consideration of the means for the “appropriate burden sharing among developed country Parties” which can be assured through the development of a scale of assessed contributions, similar to the practice adopted within the United Nations.

Article 15. Delivery and uses of funds

Direct access

Eligible Parties shall be able to submit their project proposals, prepared in accordance with project preparation eligibility criteria agreed by the Board, either directly to the Fund Board or through an implementing or executing agency chosen by them.

Article 16. Plans, programmes and projects eligible for funding

16.1 The Board will formulate detailed operational guidelines for plans, programmes and projects that are eligible for funding in each of the thematic areas covered by the Fund, taking into account the recommendations of relevant thematic bodies under the Convention as well as the policies, programme

priorities and eligibility criteria decided by the Conference of the Parties.

16.2 In each thematic area, eligibility criteria will be developed to provide clear guidance on the types of activities that are entitled to the provision of financial resources. These shall reflect, *inter alia*:

- (a) The character of the specific thematic area with a view to enabling approaches tailored to each thematic area to target financing and facilitate access; and
- (b) The requirements of activities at different levels (e.g. project, programmatic and national planning levels).

16.3 Financial resources provided through the Fund shall enable activities at a range of different levels including:

- (a) Specific projects comprising a set of concrete activities that are defined clearly in terms of their scope, timing and expected results;
- (b) Larger overarching programmatic initiatives including programs of specific investments and activities within a specific thematic area and sector; and
- (c) Integrated national climate plans to enable developing countries that wish to do so to strengthen their efforts at the cross-sectoral and national level to integrate climate change into relevant economic and social development planning.

16.4 The Fund shall have a streamlined approval process to enable effective disbursement, with simplified criteria and procedures in particular for small-scale activities.

16.5 The Fund will support capacity building in developing countries with a view to improve their capacity to formulate plans and proposals and thus to better raise financial resources.

Eligible countries

16.6 In accordance with the Convention, including its Article 4.3, all developing countries, without discrimination or any form of exclusion, are eligible to receive financial resources for the implementation of measures set out in Article 4.1 of the Convention including those relating to adaptation, mitigation (including forests), technology development and transfer, and capacity building as well as for national communications in accordance with Article 12.1 of the Convention.

16.7 The consideration of the specific needs and concerns of countries shall be undertaken in accordance with the provisions of Article 4 of the Convention.

16.8 The Fund shall strive to strike a fair balance between the considerations set out in Articles 16.6 and 16.7 (the rights of all developing countries and the needs of those in specific situations) through Fund guidelines and other modalities.

Country endorsement and eligible implementing agencies

16.9 Each proposal for funding must be endorsed by the requesting government of a Party eligible to receive funding (Eligible Party), which shall designate and communicate to the Secretariat the authority that will endorse on behalf of the national government the projects and programmes proposed for funding.

16.10 Eligible Parties may choose to designate a national authority which can submit proposals directly to the Fund. Such national authority will be responsible for the overall management and the implementation of projects and programmes financed through them by the Fund, and will bear all financial, monitoring and reporting responsibilities. Eligible Parties, in addition, may engage the services of multilateral implementing agencies.

16.12 A group of Eligible Parties may also nominate regional and sub-regional entities as implementing agencies, in which case provisions of Article 16.10 will apply.

Article 17. Fiduciary standards and financial management*Fiduciary Standards*

17.1 The implementing entities designated to receive the funds and to allocate and use them shall abide by the principles of financial accountability and good fiduciary standards.

17.2 These principles and standards may cover financial integrity and management, institutional capacity and implementation.

17.3 The Fund shall provide resources to provide the designated national agency and personnel in the developing countries with training, capacity building and institutional development in relation to financial management and accountability. This should be financed through appropriate arrangements within the Fund. This capacity building should be implemented as a priority so as to ensure preparedness for project implementation.

Article 18. Engaging with the private sector and other economic entities

18.1 The private sector in developed countries is encouraged to make supplementary contributions and donations to the Fund. However, resources of the Fund should not be used for subsidizing corporations or financial institutions of developed countries (as the Fund is established to provide resources to developing countries).

18.2 Such contributions shall not include payments by companies for offsetting in the carbon trade, as financial resources provided by carbon markets are to enable developed countries to implement their mitigation commitments and are not contributions towards the financing commitment of the developed countries in accordance with the Convention.

18.3 The Fund will encourage governments in developing countries to make use of a variety of instruments to engage with their economic public and private institutions and units, including major companies, small and medium enterprises, the urban informal sector, and the rural farmers, and to support their engagement in national efforts for mitigation, adaptation, technology development, capacity building and institutional development.

18.4 A variety of financing instruments such as subsidies, tax breaks, concessional loans, public investment in agricultural programmes, may be employed at the national level in order to incentivize the economic units of developing countries. The incremental cost to the public and private sector to make changes for mitigation or adaptation, and various types of the relevant public-sector expenditure in incentivizing the private economic units, may be eligible to be financed through the Fund.

Article 19. Monitoring and evaluation*Monitoring*

19.1 The Board is responsible for the strategic oversight of projects and programmes implemented with resources from the Fund. The Board or a designated sub-committee of the Board, with support of the Secretariat, will monitor the Fund's portfolio of projects and programmes.

19.2 Implementing entities shall ensure that capacity exists to measure and monitor results of the executing entities at the country-level, and shall submit annual status reports on projects and programmes under implementation. The Board, with the support of the Secretariat, shall provide an annual report on the overall status of the projects and programmes.

Evaluation

19.3 There shall be periodic independent evaluations of the performance of the Fund, which shall address factors including, *inter alia*, the performance of the Fund; evaluation of the Secretariat and the interim Trustee; assessments of the appropriateness of Fund's structures, operations and policies; the effectiveness of the work of the thematic windows and areas, and the impacts on the recipient countries of the activities and programmes supported by the Fund.

19.4 Evaluations shall be undertaken with a view to providing information regarding performance at:

(a) Fund level. Evaluation of the Fund and its overall performance to ensure it achieves its objectives and remains accountable to the Parties through the Conference of Parties.

(b) Entity level. Evaluation of the fund's various entities and officers – including its secretariat, trustee and other bodies – to ensure the components of the Fund are effectively performing their functions and contributing to the effectiveness of the fund as a whole.

(c) Thematic level. Evaluation of the Fund's operations in each of its specific thematic areas to ensure it is achieving the specific objective set in relation to each thematic area.

(d) Project level. Evaluation at the level of implementation – including the provision of financing and its application to specific projects – in collaboration with relevant implementing partners and countries.

19.5 Evaluations of fund entities, thematic areas and operations and implementation shall be undertaken or arranged by an independent Evaluation Unit of the Fund, which is answerable directly to the Board.

19.6 The Evaluation Unit will undertake or arrange for independent evaluation or assessment of the Fund, fund entities and fund operations and projects plays a key role in enhancing decision-making, accountability and effectiveness.

19.7 A portion of regular projects and programmes that complete implementation will be subject to terminal evaluation by an independent evaluator. Terminal evaluation reports will be submitted to the Board within a reasonable time after project termination.

19.8 Information on the Fund's performance – including its various entities, thematic areas and projects – will be regularly compiled by the Board for consideration by the Conference of Parties, which could provide additional oversight and guidance as appropriate.

Article 20. Environmental and social safeguards

20.1 The programmes and projects to be funded should be environmentally and socially appropriate, and in line with the objectives and principles of the Fund. However, the assessment and procedures to ensure they meet minimum environmental and social standards should not become conditionality.

20.2 The Fund through the technical and expert panels provided by the thematic bodies under the convention will ensure the applications of environmental and social safeguards to the funds activities, including for the technology transfer and development.

ANNEX 1

SCOPE AND MANDATE OF THEMATIC AREAS OF FUNDING AND THEMATIC WINDOWS OF THE GREEN CLIMATE FUND

Convention

The scope of the Fund will be in accordance with the provisions of the UNFCCC regarding commitments for financing for climate change, as detailed in this Annex I.

(a) In relation to **communication of information related to implementation**, the Convention (Article 4.3) commits the developed countries to provide new and additional financial resources to meet the “agreed full costs” incurred by developing countries in complying with their obligations to provide national communications (as set out in Article 12.1).

(b) In relation to **implementation of other commitments** by developing countries, the Convention (Article 4.3) commits developed countries to provide such financial resources needed to meet the “agreed full incremental costs” of implementing certain measures (as set out in Article 4.1). These include:

- Formulating and implementing national and regional programmes containing **measures to mitigate** climate change and to facilitate adequate **adaptation** (Article 4.1(b));
- Cooperating in the **development and transfer of technologies** to mitigate climate change in all relevant sectors (including energy, transportation, industry, agriculture, forestry and waste management) (Article 4.1(c));
- Cooperating in the conservation and enhancement of **sinks and reservoirs** of greenhouse gases including **biomass, forests, oceans and other ecosystems** (Article 4.1(d));
- Cooperating in preparing for **adaptation** to the impacts of climate change, develop appropriate plans for coastal zones, water and agriculture and protection and rehabilitation of areas affected by drought, desertification and floods (Article 4.1(e)).
- Taking climate change into account in relevant policies and actions, and employing appropriate methods to **minimizing adverse effects** of projects or measures to mitigate or adapt to climate change (Article 4.1(f)).
- Promoting **scientific and other forms of observation** etc. to improve understanding of climate change and the consequences of response strategies (Article 4(g)).
- **Exchange and communicate information** and **promote education, training and public awareness** (Articles 4(h)-(j)).

(c) In relation to the **adverse impacts of climate change**, the Convention (Article 4.4) commits developed countries to assist developing countries that are particularly vulnerable to the adverse effects of climate change in meeting the costs of adaptation to those adverse effects.

(d) In relation to **technology transfer**, the Convention (Article 4.5) commits developed countries to take all practicable steps to “promote, facilitate and finance” the transfer of or access to environmentally sound technologies and know-how, and in the process to support the enhancement of endogenous capacities and technologies in developing countries.

(e) The Convention provides that **the Conference of Parties is responsible for seeking to mobilize financial resources** in accordance with Article 4, paragraphs 3, 4, and 5 and Article 11 (Article 7(2)(h)). It is also responsible for arranging for the provision to developing countries of technical and financial support for national communications and in **identifying technical and financial needs associated with proposed projects and response measures** under Article 4 (Article 12.7).

(f) The Convention requires the Conference of Parties, and the entity or entities entrusted with the operation of the financial mechanism, to agree on arrangements for the “determination in a predictable and identifiable manner **the amount of funding necessary** and available for the implementation of this Convention and the conditions under which that amount shall be periodically reviewed” (Article 11(3) (d)).

Bali Action Plan

The **importance of enhanced action to implement the Convention was recognized in the Bali Action**

Plan, in which Parties resolved to “urgently enhance implementation of the Convention in order to achieve its ultimate objective in full accordance with its principles and commitments.”

In relation to finance, the Bali Action Plan recognizes the need for “**enhanced action on the provision of financial resources and investment** to support action on mitigation and adaptation and technology cooperation”, and identifies a range of areas for further consideration. This includes “improved access to adequate, predictable and sustainable financial resources and financial and technical support, and the provision of new and additional resources, including official and concessional funding for developing country Parties”.

The Bali Action Plan also links mitigation actions by developing countries and the provision of financing, technology and capacity building by developed countries, in a **measurable, reportable and verifiable manner** (paragraph 1(b) (ii)).

ANNEX 2

DRAFT RULES OF PROCEDURES OF THE GREEN CLIMATE FUND BOARD

Applicability

Rule 1

1. These rules of procedure shall apply to the conduct of the business of the Green Climate Fund Board, in accordance with decision 1/COP.16 of the Sixteenth session of the Conference of the Parties (COP) to The United Nations Framework Convention on Climate Change (UNFCCC).

2. These rules apply mutatis mutandis to any meeting of any subsidiary body established by the Board.

Definitions

Rule 2

3. For the purpose of these rules:

(a) "Fund" means the Green Climate Fund pursuant to decision 1/COP.16 of the Sixteenth session of the Conference of the Parties;

(b) "Board" means the Green Climate Fund Board, established by decision 1/COP.16, established by the Sixteenth session of the COP as the operating entity of the Green Climate Fund with the mandate to supervise and manage the Green Climate Fund under the guidance of, and be accountable to, the COP;

(c) "Member" means a representative elected by the COP as a member of the Green Climate Fund Board, accorded the right to vote;

(d) "Alternate" means a representative elected by the COP as an alternate for each member;

(e) "Meeting" means any meeting of the Green Climate Fund Board;

(f) "Chairman" means the Board member elected as Chairman of the Green Climate Fund Board, according to paragraph 9 of these rules;

(g) "Vice-Chairman" means the Board member elected as Vice-Chairman of the Green Climate Fund Board, according to paragraph 9 of these rules;

(h) "Secretariat" is the independent secretariat of the Green Climate Fund, consistent with decision 1/COP.16, paragraphs 108;

(i) "Trustee" means the trustee for the Green Climate Fund;

(j) "UNFCCC" means the United Nations Framework Convention on Climate Change;

(k) "Parties" means Parties to the UNFCCC;

(l) "Secretary" means the staff member of the secretariat in charge of providing support services and logistics to the Green Climate Fund Board meetings;

(m) "Head of secretariat" means the head of the Green Climate Fund Secretariat;

(n) "Subsidiary body" means any committee, sub-committee, working group, contact group, established by the Board of the Green Climate Fund.

Board

Rule 3

4. The Board shall comprise 24 members and 24 alternates, consisting of twelve members and twelve alternates from developed Parties, and twelve members and twelve alternates from developing countries. Each group of parties shall select its Board members and its alternates. The members of the Board and their alternates shall be formally endorsed by the Conference of the Parties.

5. The member and alternate shall each serve for a term of two calendar years and shall be eligible to serve a maximum of two consecutive terms.

6. In the absence of a member, or when requested by a member in writing, his or her alternate will act for the member, including by voting in the member's stead.

7. If a member or an alternate resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the Green Climate Fund Board shall request the relevant constituency to nominate the new member, or the new alternate for the remainder of the mandate of the member or alternate. Appointments of new members and or alternates shall be reported to the next session of the COP.

(a) When a member resigns or is otherwise unable to complete the assigned term or the functions of a member, his or her alternate shall serve as a member, ad interim

(b) When a member or alternate member resigns or is otherwise unable to complete the assigned term or the functions of a member or alternate member, the Committee shall request the Conference of the Parties serving as the meeting of the Parties to the Green Climate Fund to elect a new member or alternate member for the remainder of the term at its next session.

8. Except as may be expressly provided otherwise in these rules, any reference in these rules to a member shall be deemed to include his or her alternate, when such alternate acts for such member.

9. The Board may establish such committees or working groups from among its members and alternates as may be required for the transaction of its business and inform the COP in its annual report on the assigned functions to these committees or working groups.

Chair and the Vice Chair

Rule 4

10. The Board shall elect its Chairman and Vice-Chairman from among its members, with one being from a developed countries Party and the other being from a developing countries Party. The term of office of the Chairman and Vice-Chairman shall be one calendar year. The office of Chairman and Vice-Chairman shall alternate annually between a member from a developed country Party and a member from a developing country Party.

11. If the Chairman is temporarily unable to fulfill the obligations of the office, the Vice-Chairman shall in the interim assume the obligations and authorities of the Chairman. In the absence of the Chairman and the Vice-Chairman at a particular meeting, any other member designated by the Board shall temporarily serve as the Chairman of that meeting.

12. If the Chairman or Vice-Chairman is unable to complete the term of office, the Board shall elect a replacement to complete the term of office.

13. Unless otherwise decided by the Board, the chairman and vice chairman for any subsidiary body shall be elected by the Board, pursuant to paragraphs 9-11 above;

14. The Chairman, or any member designated by the Chairman, shall report to the annual meeting of the COP on behalf of the Board.

Secretariat

Rule 5

15. The secretariat shall:

(a) Make the necessary arrangements for the meetings of the Board, including ensuring that announcements of the meetings are posted on the Green Climate Fund and UNFCCC websites, issuing invitations, preparing meeting documents and the final report of each Board meeting, and shall post all documents on the website of the Green Climate Fund;

(b) Keep meeting records and sound recordings of all Board meetings;

(c) In agreement with the chairman and vice-chairman of the Board, the secretariat shall draft the provisional agenda for Board meetings;

(d) The Head of the Secretariat shall serve, ex officio, as the secretary to the meetings of the Board; and

(e) Perform all other functions that the Board may request.

Meetings

Rule 6

16. The Board shall meet at least twice every year in addition to the meetings in conjunction with sessions of the Conference of the Parties or Subsidiary Bodies under the Convention, or as frequently as necessary to enable it to discharge its responsibilities. The meetings of the Board shall take place in the country of the seat of the Fund secretariat, except when meeting in conjunction with sessions of the Conference of the Parties or with the sessions of subsidiary bodies under the Convention, in which case the Board meeting may take place in the country or at the venue of the relevant Convention meeting.

17. A simple majority of the members of the Board must be present at a meeting to constitute a quorum. A quorum shall be verified by the Chairman at the beginning of the meeting.

18. The Board may declare any of its meetings, or segments thereof, closed; these shall then be open to members, alternates and invited representatives of the secretariat and the trustee. The Board may invite any of the representatives referred to in paragraphs 27-28 to attend such meetings.

19. At each meeting, the Board may set the date and duration for the next meeting.

20. The secretariat shall notify all members, alternates and observers of the dates and venue of the meetings and circulate a formal invitation and provisional agenda for any meeting at least six weeks before the first day of the meeting.

21. Unless the Board decides otherwise, meetings shall be open to members, alternates and observers as referred to in paragraphs 27-28. Observers shall inform the secretariat of the composition of their delegation four weeks prior to the first day of any scheduled meeting.

22. Before the end of each meeting, the Chairman shall present a draft report of the meeting, containing draft conclusions and decisions of the meeting, for consideration and approval by the Board. The Chairman shall ascertain the existence of a quorum before adopting the draft report of the meeting on the understanding that the secretariat will finalize the text, taking into account the members comments and amendments proposed during the meeting.

23. Any written records of the Board or recordings of proceedings shall be kept by the secretariat on behalf of the Board in accordance with applicable rules and regulations. The secretariat shall make available to any Board member or alternate, at his or her request, copies of such records or recordings.

Confidentiality and conflict of interest

Rule 7

24. Information obtained from Green Climate Fund project participants marked as proprietary and/or confidential shall not be disclosed without the written consent of the provider of the information, except as required by national law.

25. Members and alternates have a duty not to disclose such confidential and/or proprietary information, unless required by applicable national law. This duty remains an obligation after the member's term expires.

26. At each meeting, members and alternates must declare any conflicts of interest they may have in relation to any items on the agenda. Each member and alternate member shall serve in his or her individual capacity and, with respect to any matter that is under consideration by the Board, act in an independent and impartial manner and avoid real or apparent conflicts of interest

27. Members and alternates shall be bound by the rules of procedure of the Green Climate Fund Board, and shall abstain from speaking on project submissions emanating from their countries, unless specifically invited by the Chairman to provide clarifications regarding the submissions. They shall further recuse themselves from all related deliberations and decision-making should any personal and/or financial interest arise in any aspect of a project activity or a body representing a project for approval to the Board. Members and alternates have an obligation to promptly disclose any such situation.

Observers

Rule 8

28. Except where otherwise decided by the Board, meetings shall be open for attendance, as observers, to representatives of UNFCCC Parties, the UNFCCC secretariat and UNFCCC accredited observers. Such observers may attend without the right to vote.

29. The secretariat shall, upon the request of the Board, notify any individual or entity, whether national or international, governmental or non-governmental, qualified in a field related to the work of the Fund, of any meeting so that it may be represented by an observer.

30. Observers may, pursuant to paragraph 17 above, upon the invitation of the Chair and if there is no objection from any of the members present, participate without the right to vote in the proceedings of any meeting in matters of direct concern to the body or agency, which they represent.

31. Observers may, upon invitation of the Chairman and if there is no objection from the members present, make presentations relating to matters under consideration by the Board.

Procedures for public communication

Rule 9

32. The secretariat shall acknowledge receipt of unsolicited communications addressed to the Chairman and make them available to the Chairman and the Board via e-mail or fax. The Chairman, with the support of the Head of the Secretariat, shall initiate action, including consultation with the Board, as needed, and answer unsolicited communications on behalf of the Board, as appropriate.

33. Unsolicited communications may be taken into consideration at the Board's next meeting if received before the document submission deadline (four weeks prior to the meeting). Any unsolicited communication received after this deadline would normally be considered at a subsequent meeting. At the discretion of the Chairman, a communication may be brought forward to the Board.

34. If a member or alternate of the Board, in that capacity, receives an unsolicited communication, he or she shall forward it to the secretariat, copying the sender of the unsolicited communication, for processing as per the above. The same shall apply for submissions received by members of panels, committees or working groups.

Agenda

Rule 10

35. The secretariat shall, in consultation with the Chairman and Vice Chairman, prepare the draft provisional agenda for each regular meeting. The provisional agenda, together with the notice of the meeting and other relevant documents, shall be transmitted to all those invited to the meeting in accordance with paragraphs 19 and 39 of these rules.

36. The Board shall, at the beginning of each meeting, adopt the agenda for the meeting.

37. Any item on the agenda of any meeting, consideration of which has not been completed at the meeting, shall automatically be included in the agenda of the next meeting unless otherwise decided by the Board.

(a) The provisional agenda and draft schedule for each meeting as well as the draft report on the previous meeting shall be circulated to members and alternate members at least six weeks before the opening of the meeting, to the extent possible under the applicable time frames.

(b) The proposed agenda of each meeting shall include any item proposed by a member.

(c) The Board when adopting its agenda may decide to add urgent and important items and to delete, defer or amend items.

Travel

Rule 11

38. The full costs of travel and daily subsistence allowance, at the UN standard rate, of eligible members and alternates to attend meetings of the Board, or any ancillary meetings decided by the Board, shall be provided from the budget of the Board and the Fund Secretariat.

39. The cost of travel and daily subsistence allowance of the Chairman and Vice Chairman of the Board, irrespective of the group of parties they represent, shall be provided from the budget of the Board and the Fund Secretariat, when traveling on business of the Green Climate Fund, subject to authorization from the Board.

Transmittal of documents

Rule 12

40. The secretariat shall transmit the documentation related to items on the provisional agenda to all those invited to the meeting at least four weeks before the first day of the meeting scheduled.

Decision-making and voting

Rule 13

41. Decisions of the Board shall be taken by consensus whenever possible. If all efforts at consensus have been exhausted and no agreement reached, decisions shall be taken by a two-thirds majority of the Parties present and voting, representing a majority of developed countries and a majority of developing countries Parties.

42. An alternate may cast a vote only if acting for the member in accordance with paragraph 6.

43. The Chairman shall ascertain whether consensus has been reached. The Chairman shall declare that a consensus does not exist if there is a stated objection to the proposed decision under consideration by a member or alternate acting for a member.

44. After ascertaining the existence of a quorum, the Chairman shall announce the start of voting, after which no one shall be permitted to intervene until the results of the vote have been announced, unless an issue is raised in connection with the process of voting.

45. Voting shall be by roll-call, which shall be taken in alphabetical order of the names of the members, beginning with the member whose name is drawn by lot by the Chairman.

46. The name of each member shall be called in all roll-calls, and he or she shall indicate the vote ('yes' or 'no') or abstention.

47. Votes cast by each member participating in a roll-call shall be recorded in the report of the meeting.

Use of electronic means

Rule 14

48. The Board may use electronic means for transmission, distribution and storage of documentation, without prejudice to normal means of circulation of the documentation, as the case may be.

Technical and Expert Panels

Rule 15

49. The Board may establish technical and expert panels to provide through the thematic bodies under the Convention, inter alia, expert advice, to assist it in the performance of its functions. The Board may draw on the experience and utilize the existing institutions under the UNFCCC.

Languages

Rule 16

50. The working language for the Board shall be English. Simultaneous interpretation shall be provided during its meetings in all of the official United Nations languages that correspond to the actual language requirements of the members and alternates present at that meeting.

51. Late meetings, committees and working groups will be held in English when interpretation is not available.

52. Documents for the meetings will be provided in English only.

53. The full text of all reports including decisions taken by the Board shall be made publicly available via the Green Climate Fund website in all six official languages of the United Nations.

Amendments to rules of procedure

Rule 17

54. The Board may recommend amendments to these rules of procedure to the COP, for its consideration and approval

55. Any amendment of these rules approved by the Board shall be provisionally applied pending their adoption by the Conference of the Parties.

Overriding authority of the UNFCCC

Rule 18

56. In the event of any conflict between any provisions of these rules and any provisions of the UNFCCC, the UNFCCC shall prevail.