

Fund for responding to Loss and Damage

FRLD/B.3/11

15 November 2024

Third meeting of the Board
18–20 September 2024
Baku, Azerbaijan

Decisions of the Board – third meeting of the Board, 18–20 September 2024

Summary

This document contains a compilation of the decisions of the Board of the Fund for responding to Loss and Damage adopted at the third meeting of the Board, in Baku, Azerbaijan, from 18–20 September 2024.

Contents

Page

Agenda item 1: Opening of the meeting	3
<i>DECISION B.3/D.1: Appointment of members to ad hoc subcommittees of the Board</i>	3
Agenda item 2: Organizational matters.....	3
Agenda item 3: Report of the second meeting of the Board	4
Agenda item 4: Report of the interim secretariat	4
Agenda item 5: Report of the Co-Chairs.....	4
Agenda item 6: Administrative budget of the new, dedicated and independent secretariat of the Fund.....	4
<i>DECISION B.3/D.2: Report of the ad hoc subcommittee on the administrative budget on matters relating to cost recovery of the World Bank</i>	4
Agenda item 7: Selection of the Executive Director for the Fund	5
<i>DECISION B.3/D.3: Interim procedure for determining when all efforts at reaching consensus have been exhausted</i>	5
<i>DECISION B.3/D.4: Selection of the Executive Director of the Fund</i>	5
<i>DECISION B.3/D.5 on selection of the Executive Director of the Fund</i>	6
Agenda item 8: Additional rules of procedure of the Board	6
Agenda item 9: Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund	6
<i>DECISION B.3/D.6: Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund</i>	6
Agenda item 10: Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session.....	8
<i>DECISION B.3/D.7: Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session</i>	8
Agenda item 11: Arrangements for establishing and operationalizing the annual high-level dialogue	8
<i>DECISION B.3/D.8: Arrangements for the launch event for the annual high-level dialogue and for the first annual high-level dialogue</i>	8
Agenda item 12: Dialogue with civil society.....	9
Agenda item 13: Dates and venues of future meetings.....	9
<i>DECISION B.3/D.9: Dates and venues of future meetings</i>	9
Agenda item 14: Other matters	9
Agenda item 15: Closure of the meeting	10
 Annex I	
Interim procedure for determining when all efforts at reaching consensus have been exhausted	11
Annex II	
Report of the Board of the Fund for responding to Loss and Damage to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session	12
Annex III	
Concept note: Launch event for the annual high-level dialogue	30

Agenda item 1: Opening of the meeting

1. The meeting was opened by the Co-Chairs, on Wednesday, 18 September 2024.
2. The Board adopted the following decision.

DECISION B.3/D.1: Appointment of members to ad hoc subcommittees of the Board

The Board:

Appoints as a member of the ad hoc subcommittee on the administrative budget, Mr. Hiroki Matsui, replacing Mr. Atsushi Kato.

Agenda item 2: Organizational matters

(a) Adoption of the agenda

3. The Board adopted the agenda as shown below:
 1. Opening of the meeting
 2. Organizational matters
 - (a) Adoption of the agenda
 - (b) Organization of the work of the meeting
 3. Report of the second meeting of the Board
 4. Report of the interim secretariat
 - (a) Report on the activities of the interim secretariat
 - (b) Report on the execution of the administrative budget
 5. Report of the Co-Chairs
 - (a) Activities of the Co-Chairs
 6. Administrative budget of the new, dedicated and independent secretariat of the Fund
 7. Selection of the Executive Director for the Fund
 8. Additional rules of procedure of the Board
 9. Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund
 - (a) Hosting agreement between the Board of the Fund and the World Bank
 - (b) Trustee arrangements
 - (c) Confirmation of the conditions stipulated in paragraph 20 of decisions 1/CP.28 and 5/CMA.5 regarding the operationalization of the Fund as a World Bank-hosted financial intermediary fund for the interim period of four years, as set out in paragraph 17 of the same decisions
 10. Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session
 11. Arrangements for establishing and operationalizing the annual high-level dialogue
 12. Dialogue with civil society
 13. Dates and venues of future meetings
 14. Other matters
 15. Closure of the meeting.

(b) **Organization of the work of the meeting**

4. No decision was adopted under this agenda item.

Agenda item 3: Report of the second meeting of the Board

5. Document FLD/B.2/18 titled “Report of the second meeting of the Board of the Fund for responding to Loss and Damage” was issued to the Board under this agenda item.
6. The Board adopted the report of the second meeting of the Board.

Agenda item 4: Report of the interim secretariat

(a) **Report on the activities of the interim secretariat**

7. Document FLD/B.3/2/Rev.1 titled “Report of the interim secretariat” was issued to the Board under this agenda item.
8. The Board took note of the report of the interim secretariat.

(b) **Report on the execution of the administrative budget**

9. Document FLD/B.3/2/Rev.1 titled “Report of the interim secretariat” was issued to the Board under this agenda item.
10. The Board took note of the execution of the administrative budget as contained in the annex to document FLD/B.3/2/Rev.1.

Agenda item 5: Report of the Co-Chairs

11. The Co-Chairs presented an oral report of the activities of the Co-Chairs of the Board.
12. The Co-Chairs drew the attention of the Board to the matter of the acronym for the Fund.
13. The Board decided that the acronym for the Fund for responding to Loss and Damage shall be “FRLD”.

Agenda item 6: Administrative budget of the new, dedicated and independent secretariat of the Fund

14. Document FLD/B.3/4/Rev.1 titled “Report of the ad hoc subcommittee on the administrative budget on matters relating to cost recovery of the World Bank” was issued to the Board under this agenda item.

15. The Board adopted the following decision.

DECISION B.3/D.2: Report of the ad hoc subcommittee on the administrative budget on matters relating to cost recovery of the World Bank

The Board, having considered document FLD/B.3/4/Rev.1 titled “Report of the ad hoc subcommittee on the administrative budget on matters relating to cost recovery of the World Bank”:

- (a) *Welcomes the work of the ad hoc subcommittee on the administrative budget on matters relating to cost recovery of the World Bank;*
- (b) *Takes note of the Report of the ad hoc subcommittee on the administrative budget on matters relating to cost recovery of the World Bank;*

(c) Endorses the key principles contained in paragraphs 41–47 of document FLD/B.3/4/Rev.1;

(d) Requests the Co-Chairs, in consultation with the ad hoc subcommittee on the administrative budget and assisted by the interim secretariat and the World Bank, to develop a plan for the transition from the interim secretariat to the new, dedicated and independent secretariat, and to present it for consideration by the Board no later than at the fourth meeting of the Board.

Agenda item 7: Selection of the Executive Director for the Fund

16. Document FLD/B.3/5 titled “Report of the ad hoc subcommittee on the selection of the Executive Director of the Fund for responding to Loss and Damage” was issued to the Board under this agenda item.

17. The Board adopted the following decisions.

DECISION B.3/D.3: Interim procedure for determining when all efforts at reaching consensus have been exhausted

The Board, having considered document FLD/B.3/5 titled “Report of the ad hoc subcommittee on the selection of the Executive Director of the Fund for responding to Loss and Damage”:

(a) Adopts the interim procedure for determining when all efforts at reaching consensus have been exhausted as set out in annex I;

(b) Decides that, without prejudice to the procedures for determining when all efforts at reaching consensus have been exhausted the Board will adopt, pursuant to paragraph 26 of the Governing Instrument and without setting a precedent, this interim procedure will only apply for the selection of the first Executive Director of the Fund.

DECISION B.3/D.4: Selection of the Executive Director of the Fund

The Board, having considered the limited distribution document titled “Report of the ad hoc subcommittee on the selection of the Executive Director of the Fund” (annex II to document FLD/B.3/5):

(a) Recalls decision B.2/D.8 on the selection of the Executive Director of the Fund;

(b) Welcomes the “Report of the ad hoc subcommittee on the selection of the Executive Director of the Fund”, presented in annex II to document FLD/B.3/5;

(c) Decides to select Ibrahima Cheikh Diong for the post of the Executive Director of the Fund for responding to Loss and Damage for a four-year term;

(d) Also decides that the Board will guide the selected Executive Director in developing, for its consideration and approval:

(i) A performance management, development and evaluation system, complete with annual objectives and results-based key performance indicators for the Executive Director no later than the fifth meeting of the Board;

(ii) An organizational structure and a plan to ensure an inclusive and diverse secretariat staff, with gender and geographical balance, including among the senior leadership and regional desks, to be selected through a merit-based, open and transparent process;

(e) Requests the Co-Chairs and the Executive Director, with the support of the World Bank, to develop and submit for consideration and approval by the Board a proposal for the performance management, development and evaluation system referred to in paragraph (d)(i) above;

(f) *Further requests* the World Bank to enter into the necessary contractual arrangements with the Executive Director as soon as possible.

18. The Board also adopted a decision that will be included in a limited distribution addendum to the meeting report:

DECISION B.3/D.5 on selection of the Executive Director of the Fund

Agenda item 8: Additional rules of procedure of the Board

19. Document FLD/B.3/6 titled “Additional rules of procedure of the Board” was issued to the Board under this agenda item.

20. The Board took note of the report from the ad hoc subcommittee on additional rules of procedure.

Agenda item 9: Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund

21. Documents FLD/B.3/7 titled “Co-Chairs’ proposal on the operationalization of the Fund as a World Bank-hosted financial intermediary fund”, FLD/B.3/Inf.4 titled “Agreement on the hosting arrangements for the secretariat of the Fund for responding to Loss and Damage”, FLD/B.3/Inf.5 titled “Trustee Agreement on the terms and conditions for the administration of the Trust Fund for the Fund for responding to Loss and Damage”, FLD/B.3/Inf.6 titled “Trust Fund Contribution Agreement between the indicial contributors and the International Bank for Reconstruction and Development, serving as the interim trustee of the Trust Fund for the Fund for responding to Loss and Damage” and FLD/B.3/Inf.7 titled “Trust Fund Contribution Arrangement between the indicial contributors and the International Bank for Reconstruction and Development, serving as the interim trustee of the Trust Fund for the Fund for responding to Loss and Damage” were issued to the Board under this agenda item.

22. The Board adopted the following decision.

DECISION B.3/D.6: Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund

The Board, having considered documents:

FLD/B.3/7 titled “Co-Chairs’ proposal on the operationalization of the Fund as a World Bank-hosted financial intermediary fund”;

FLD/B.3/Inf.4 titled “Agreement on the hosting arrangements for the secretariat of the Fund for responding to Loss and Damage”;

FLD/B.3/Inf.5 titled “Trustee Agreement on the terms and conditions for the administration of the Trust Fund for the Fund for responding to Loss and Damage”;

FLD/B.3/Inf.6 titled “Trust Fund Contribution Agreement between the indicial contributors and the International Bank for Reconstruction and Development, serving as the interim trustee of the Trust Fund for the Fund for responding to Loss and Damage”;

FLD/B.3/Inf.7 titled “Trust Fund Contribution Arrangement between the indicial contributors and the International Bank for Reconstruction and Development, serving as the interim trustee of the Trust Fund for the Fund for responding to Loss and Damage”;

(a) *Confirms* that the conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5 can be met during the interim period;

(b) *Requests* the Co-Chairs, assisted by the interim secretariat, to convey to the Conference of the Parties and the Conference of the Parties serving as the meeting of the

Parties to the Paris Agreement the confirmation that the conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5 can be met during the interim period;

- (c) Confirms its understanding that:
 - (i) *Its partnership with the World Bank may need to evolve responsively to the operational model and modalities developed pursuant to the Governing Instrument of the Fund and in response to the Fund's scale and maturity and that the agreements with the World Bank may accordingly be amended as necessary;*
 - (ii) *It is expected to adopt an operations manual detailing operating principles and guidelines for the operation of the Fund that will include among other things:*
 - a. *Operational modalities that ensure that the Fund's activities are guided by the country-ownership approach to programmes and projects articulated in the Governing Instrument;*
 - b. *Procedures for the monitoring and evaluation of performance and the financial accountability of activities financed by the Fund, and for any necessary external audits, in line with paragraph 22(m) of the Governing Instrument;*
 - (iii) *Matters related to, among other things, the prevention and addressing of irregularities and fraud, the Board's access to information and rules for the recovery of funds will be addressed in the Fund's policies and the operations manual and reflected in the financial agreements with recipients, in a manner consistent with the Governing Instrument;*
 - (iv) *It may adopt a communication strategy at a later stage to guide the secretariat's communication activities;*
 - (v) *The provisions relating to representation at the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement contained in paragraph 5.02(b) of the "Agreement on the hosting arrangements for the secretariat of the Fund for responding to Loss and Damage" are without prejudice to the adoption by the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement of their draft arrangements with the Board;*
 - (vi) *The World Bank in its engagement with the ad hoc subcommittee on the selection of the Executive Director for the Fund, as it may be constituted from time to time, does not exercise decision-making authority and acts in an advisory capacity;*
 - (vii) *The secretariat will support and facilitate the work of the Board in connection with its decision-making, as set forth in section 3.01(a) of the "Agreement on the hosting arrangements for the secretariat of the Fund for responding to Loss and Damage," and as may be further elaborated in the operations manual;*
- (d) Endorses the "Agreement on the hosting arrangement for the secretariat of the Fund for responding to Loss and Damage" to be entered into between the World Bank and the Board;
- (e) Endorses the "Trustee Agreement on the terms and conditions for the administration of the Trust Fund for the Fund for responding to Loss and Damage" to be entered into between the World Bank and the Board;
- (f) Endorses the templates of the "Trust Fund Contribution Agreement" and "Trust Fund Contribution Arrangement";
- (g) Authorizes the Co-Chairs to sign on its behalf the "Agreement on the hosting arrangement for the secretariat of the Fund for responding to Loss and Damage" and the "Trustee Agreement on the terms and conditions for the administration of the Trust Fund for the Fund for responding to Loss and Damage";
- (h) Requests the Co-Chairs to track and report to the Board so that the Board can report to the Conference of the Parties and the Conference of the Parties serving as the

meeting of the Parties to the Paris Agreement on progress towards meeting the conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5;

(i) *Decides to launch, pursuant to paragraph 24 of decisions 1/CP.28 and 5/CMA.5, the independent assessment of the performance of the World Bank as host of the Fund's secretariat referred to in paragraph 23 of decisions 1/CP.28 and 5/CMA.5 no later than the first meeting of the Board in 2027 and to report the outcomes of the review to the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement not later than at their thirty-third and tenth sessions respectively, with a view to ensuring the business continuity of the Fund.*

Agenda item 10: Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session

23. Document FLD/B.3/8 titled “Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session” was issued to the Board under this agenda item.

24. The Board adopted the following decision.

DECISION B.3/D.7: Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session

The Board, having considered document FLD/B.3/8 titled “Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session”:

(a) *Adopts the Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session as presented in annex II, and requests the Co-Chairs, assisted by the interim secretariat, to submit the report to the secretariat of the Convention and the Paris Agreement;*

(b) *Requests the Co-Chairs, assisted by the interim secretariat, to develop an addendum to the “Report of the Board to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session” capturing the progress and decisions made during the third meeting of the Board and submit the addendum to the secretariat of the Convention and the Paris Agreement.*

Agenda item 11: Arrangements for establishing and operationalizing the annual high-level dialogue

25. Document FLD/B.3/9, titled “Concept note: Annual high-level dialogue on complementarity and coherence” was issued to the Board under this agenda item.

26. The Board adopted the following decision.

DECISION B.3/D.8: Arrangements for the launch event for the annual high-level dialogue and for the first annual high-level dialogue

The Board, having considered document FLD/B.3/9, titled “Concept note: Annual high-level dialogue on complementarity and coherence”:

(a) *Endorses the concept note on the launch event for the annual high-level dialogue on coordination and complementarity, co-hosted by the Republic of Azerbaijan as the COP 29 Presidency and the Board of the Fund for responding to Loss and Damage, as contained in annex III;*

(b) *Requests the interim secretariat, in coordination with the COP 29 Presidency and the Co-Chairs, as co-hosts, to issue invitations to the launch event of the annual high-level dialogue to selected participants and selected speakers from the entities listed in decisions 1/CP.28 and 5/CMA.5, annex II, paragraph 14;*

(c) *Also requests the interim secretariat, under the guidance of the Co-Chairs, and in collaboration with the COP 29 Presidency, to organize the launch event, on the basis of the concept note, on the margins of the World Leaders Climate Action Summit to be held in Baku, Azerbaijan;*

(d) *Decides that the first annual high-level dialogue will be held on the margins of the 2025 Spring Meetings of the International Monetary Fund and the World Bank Group;*

(e) *Requests the interim secretariat, in coordination with the Office of the United Nations Secretary-General and the Co-Chairs, to undertake the necessary preparations for the first annual high-level dialogue;*

(f) *Also requests the interim secretariat, under the guidance of the Co-Chairs and in consultation with the Office of the United Nations Secretary-General, to prepare a concept note for the first high-level dialogue, to be presented at the fourth meeting of the Board.*

Agenda item 12: Dialogue with civil society

27. No document was issued under this item.

28. No decision was adopted under this item.

Agenda item 13: Dates and venues of future meetings

29. The “Report of the activities of the Co-Chairs of the Board” having not been issued to the Board prior to the Board meeting, the Co-Chairs presented an oral report.

30. The Board adopted the following decision.

DECISION B.3/D.9: Dates and venues of future meetings

The Board:

(a) *Expresses its gratitude to the Government of Azerbaijan for hosting the third meeting of the Board and for the hospitality and warmth extended to the participants;*

(b) *Welcomes the offers from the governments of Barbados, Nepal and Zambia to host the meetings of the Board;*

(c) *Confirms decision B.1/D.15 through which the Board decided to hold its fourth meeting from Monday, 2 December to Thursday, 5 December 2024;*

(d) *Decides to hold its fourth meeting in Manila, the Philippines;*

(e) *Also decides to hold its fifth meeting in Barbados from 8 to 10 April 2025;*

(f) *Further decides to hold its sixth meeting in the Philippines from 9 to 11 July 2025;*

(g) *Decides to hold its seventh meeting in the Philippines from 8 to 10 October 2025;*

(h) *Also decides that the next meetings outside the host country will take place in Zambia (2026) followed by Nepal (2027).*

Agenda item 14: Other matters

31. No decision was taken under this item.

Agenda item 15: Closure of the meeting

32. The meeting was closed on Friday, 20 September 2024.

Annex I

Interim procedure for determining when all efforts at reaching consensus have been exhausted

1. Following bilateral confidential consultations with each Board member, if the Co-Chairs, acting jointly and in good faith, determine that consensus may still be possible, they will propose the following procedure for exhausting consensus to take place in the form of written confidential balloting for the Board's consideration.
2. Once the Board so decides, the Co-Chairs will announce the start of the balloting process, including the suspension of webcasting:
 - (a) Each Board member shall be entitled to one ballot. Co-Chairs retain their right to participate in the balloting process. Only members entitled to cast a ballot will be present in the boardroom. All Board members present in the boardroom shall participate in the balloting process and be entitled to one ballot in each round of balloting;
 - (b) For Board seats where the Board member is absent, pursuant to paragraph 18 of the Governing Instrument of the Fund for responding to Loss and Damage, the alternate member shall be entitled to take part in the balloting process.
3. The Co-Chairs will apply the following formula:
 - (a) The selection of the candidate who receives two-thirds of the ballots cast in a single round will be put forth for decision by the Board by consensus as referred to in paragraph 8 below;
 - (b) If no candidate receives two-thirds of the ballots cast in the first three rounds, after the fourth round the candidate with the least number of ballots will be dropped;
 - (c) The balloting will resume with the two remaining candidates for no more than a further three rounds;
 - (d) At the outcome of these three rounds (the fifth, sixth and seventh), if no candidate has received two-thirds of the ballots, the Co-Chairs may decide to suspend the balloting process for further consultations and propose a way forward to the Board.
4. Board members will be requested to leave any electronic devices at the designated table in the boardroom during the secret balloting process. No interruption will be allowed during the balloting process.
5. The balloting process will be supported by a limited number of interim secretariat staff and the ballots cast will be counted by two members of the interim secretariat designated jointly by the Co-Chairs. "Empty" ballots will not count for determining the outcome of the process.
6. The Co-Chairs will announce the number of ballots received for each candidate after each round of balloting.
7. After the final outcome of the confidential balloting has been announced, Board members may make a brief statement should they wish to. Statements made at this stage of the process are for the benefit of the Board and will not be recorded in the report of the meeting, unless the Board member requests otherwise.
8. The final outcome of the balloting process will be confirmed in a Board decision adopted by consensus.

Annex II

Report of the Board of the Fund for responding to Loss and Damage to the Conference of the Parties at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session

I. Introduction

A. Mandate and background

1. By approving the Governing Instrument of the Fund for responding to Loss and Damage,¹ the Conference of the Parties (COP) at its twenty-eighth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its fifth session operationalized the Fund, to be serviced by a new, dedicated and independent secretariat, and governed and supervised by a Board, designating it as an entity entrusted with the operation of the Financial Mechanism of the Convention, also serving the Paris Agreement, which will be accountable to and function under the guidance of the COP and the CMA.²
2. According to paragraph 13 of the Governing Instrument of the Fund, the Board of the Fund will:
 - (a) Receive guidance from the COP and the CMA on its policies, programme priorities and eligibility criteria;
 - (b) Take appropriate action in response to the guidance received from the COP and the CMA;
 - (c) Submit annual reports to the COP and the CMA for their consideration.
3. COP 28 and CMA 5 urged the Board to promptly select the Executive Director of the Fund through a merit-based, open and transparent process.³
4. COP 28 and CMA 5 decided that the Board will be conferred with the legal personality and the legal capacity as necessary for discharging its roles and functions, in particular the legal capacity to negotiate, conclude and enter into a hosting arrangement with the World Bank as interim trustee and host of the Fund's secretariat, and requested the Board to select the host country of the Board through an open, transparent and competitive process, with the host country conferring to the Board the legal personality and the legal capacity as necessary for discharging its roles and functions.⁴
5. COP 28 and CMA 5 invited the World Bank, subject to certain conditions,⁵ to operationalize the Fund as a World Bank-hosted financial intermediary fund for an interim period of four years, starting from the sessions of the COP and the CMA at which the Board confirms that the conditions referred to in paragraph 20 of decisions 1/CP.28 and 5/CMA.5 can be met, with the Fund to be serviced by a new, dedicated and independent secretariat hosted by the World Bank.⁶

¹ Decisions 1/CP.28, para. 2, and 5/CMA.5, para. 2. The Governing Instrument of the Fund is contained in annex I to those decisions.

² Decisions 1/CP.28, paras. 3–5, and 5/CMA.5, paras. 3–5.

³ Decisions 1/CP.28, para. 11, and 5/CMA.5, para. 11.

⁴ Decisions 1/CP.28, paras. 15–16, and 5/CMA.5, paras. 15–16.

⁵ Set out in decisions 1/CP.28, paras. 20–24, and 5/CMA.5, paras. 20–24.

⁶ Decisions 1/CP.28, para. 17, and 5/CMA.5, para. 17.

6. COP 28 and CMA 5 decided that, if the Board determines that the relevant financial intermediary fund documentation,⁷ approved by the World Bank Board of Directors, does not ensure that the conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5 can be met during the interim period, the COP and the CMA, on a recommendation of the Board of the Fund, will take the necessary steps to operationalize the Fund as an independent stand-alone institution, including approving the necessary amendments to the Governing Instrument of the Fund and providing guidance to the Board of the Fund with respect to the selection process for the host country of the Fund, or the COP and the CMA may take any other course of action deemed appropriate.⁸

7. COP 28 and CMA 5 also decided that the Board will provide guidance to the World Bank as it takes the necessary steps to establish the Fund as a financial intermediary fund.⁹

B. Scope

8. This report provides information on progress in operationalizing the Fund for responding to Loss and Damage, particularly on the action taken by the Board of the Fund in response to decisions 1/CP.28 and 5/CMA.5, as well as recommendations for consideration at COP 29 and CMA 6, as appropriate. Unless otherwise specified, the reporting period is 1 January to 31 August 2024.

9. Action taken by the Board of the Fund in response to provisions of decisions 1/CP.28 and 5/CMA.5, which COP 29 and CMA 6 may wish to take note of, is presented in appendix I.

II. Work of the Board during the reporting period

10. The Board of the Fund for responding to Loss and Damage held two in-person meetings, with a further two meetings scheduled for the second half of 2024. Progress and decisions made at the third meeting of the Board are covered in the addendum to this report.¹⁰ Agendas and meeting documents, including background papers and meeting reports, are made available on the web pages¹¹ of the interim secretariat for the Fund (see para. 17 below).

11. The Board adopted a calendar of meetings for 2024 (see table 1).

Table 1

Meetings of the Board of the Fund for responding to Loss and Damage in 2024

<i>Meeting</i>	<i>Dates</i>	<i>Location</i>
First meeting	30 April to 2 May	Abu Dhabi, United Arab Emirates
Second meeting	9–12 July	Songdo, Republic of Korea
Third meeting	18–20 September	Baku, Azerbaijan
Fourth meeting	2–5 December	Manila, Philippines

12. A list of the current members and alternate members of the Board is contained in appendix II.

⁷ Referred to in decisions 1/CP.28, para. 19, and 5/CMA.5, para. 19.

⁸ Decisions 1/CP.28, para. 22, and 5/CMA.5, para. 22.

⁹ Decisions 1/CP.28, para. 25, and 5/CMA.5, para. 25.

¹⁰ [FCCC/CP/2024/9/Add.1–FCCC/PA/CMA/2024/13/Add.1](https://fccc.int/loss-and-damage-fund-joint-interim-secretariat#Meetings-and-events).

¹¹ <https://unfccc.int/loss-and-damage-fund-joint-interim-secretariat#Meetings-and-events>.

A. Election of the Co-Chairs of the Board

13. At its first meeting, the Board elected by consensus Jean-Christophe Donnellier (France, developed countries) and Richard Sherman (South Africa, developing countries) as its Co-Chairs.¹²

B. Pledges to the Fund for responding to Loss and Damage

14. Table 2 provides information on pledges made to the Fund. As at 24 September 2024, a total of USD 702.01 million had been pledged by 23 contributors.

Table 2

Pledges made to the Fund for responding to Loss and Damage as at 24 September 2024

<i>Contributor</i>	<i>Amount pledged (million)</i>	<i>Amount pledged (USD million)^a</i>
Austria	EUR 10.00	11.15
Canada	CAD 16.00	11.88
Denmark	DKK 175.00	26.18
Estonia	EUR 0.05	0.06
European Union	EUR 25.00	27.89
Finland	EUR 3.00	3.35
France	EUR 100.00	111.55
Germany	USD 100.00	100.00
Iceland	USD 0.60	0.60
Ireland	EUR 25.00	27.89
Italy	EUR 100.00	111.55
Japan	USD 10.00	10.00
Luxembourg	EUR 8.00	8.92
Netherlands (Kingdom of the)	EUR 15.00	16.73
Norway	USD 25.00	25.58
Portugal	EUR 5.00	5.58
Republic of Korea	USD 7.00	7.00
Slovenia	EUR 1.50	1.67
Spain	EUR 20.00	22.31
United Arab Emirates	USD 100.00	100.00
United Kingdom of Great Britain and Northern Ireland	GBP 40.00	53.52
United States of America	USD 17.50	17.50
Walloon Region of Belgium	EUR 1.00	1.12
Total	–	702.01

Source: COP 28 Presidency.

Abbreviations: CAD = Canadian dollar(s), DKK = Danish krone(r), GBP = pound(s) sterling.

^a On the basis of World Bank exchange rates as at 26 September 2024.

15. When serving as the interim secretariat for the Fund, the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) received on 1 March 2024 a contribution of USD 10 million from Japan for commencing the operationalization of the Fund.

¹² In accordance with para. 23 of the Governing Instrument of the Fund.

C. Workplan of the Board

16. At its second meeting, the Board adopted its workplan for 2024–2025.¹³ The workplan is aimed at implementing the provisions of the Governing Instrument of the Fund with a view to approving funding decisions as soon as possible, and at developing operational procedures and policies for delivering on the mandate of the Fund and ensuring appropriate safeguards.

D. Establishment and work of the interim secretariat for the Fund

17. COP 28 and CMA 5 established an interim secretariat for the Fund to provide support, including administrative support, to the Board during the transitional period until the independent secretariat referred to in paragraph 1 above is established, and requested the secretariats of the UNFCCC and the Green Climate Fund and invited the United Nations Development Programme to jointly form this secretariat.¹⁴

18. Prior to the first meeting of the Board and the election of its Co-Chairs, the interim secretariat undertook work to advance its mandate, such as conducting informal consultations with nominated members of the Board in preparation for its first meeting, including in relation to the agenda, background papers and work required to operationalize the Fund; regularly engaging with the World Bank on matters relating to operationalizing the Fund as a World Bank-hosted financial intermediary fund, including by organizing informal briefings between the nominated members of the Board and the World Bank secretariat; and organizing two information sessions on preparations for upcoming Board meetings with representatives of the nine UNFCCC observer constituencies and United Nations and intergovernmental organizations. The interim secretariat also began working with the Executive Office of the Secretary-General of the United Nations on arrangements for holding the first annual high-level dialogue on coordination and complementarity.¹⁵

19. The interim secretariat launched web pages¹⁶ for the Fund in December 2023, which provide stakeholders with up-to-date information on the Fund.

20. Furthermore, the interim secretariat provided logistical and substantive support to the Board related to convening and conducting its first and second meetings, and to preparing for its third meeting, including by preparing background documents on meeting topics.

E. Budget of the Board and the interim secretariat

21. At its first meeting, the Board considered and approved the draft budget for supporting its work and the work of its interim secretariat for 1 January to 31 December 2024 (see appendix III).¹⁷ The budget for the Board amounts to USD 162,168 and the administrative budget for the interim secretariat amounts to USD 2,627,177, with an allocated contingency budget of USD 914,262 for expenditure that may be incurred or planned for by the Board or the interim secretariat. The approved budget covers the logistics for Board and related meetings; the administrative costs of the interim secretariat, including for staff, consultants, travel and daily subsistence allowances, and general operating costs; and contingencies.

22. The Board requested the interim secretariat, in consultation with the ad hoc subcommittee on the administrative budget, to seek its approval for additional budget as necessary, recognizing that the programme for work under the Fund is to be further developed. Once the independent secretariat has been established at the end of the transitional period, any unused funds will be transferred to that secretariat or the trustee of the Fund.

¹³ Decision B.2/D.10; the workplan is contained in annex VII to document FLD/B.2/17.

¹⁴ Decisions 1/CP.28, para. 26, and 5/CMA.5, para. 26.

¹⁵ See chap. II.B of annex II to decisions 1/CP.28 and 5/CMA.5.

¹⁶ <https://unfccc.int/loss-and-damage-fund-joint-interim-secretariat>.

¹⁷ See decision B.1/D.11, para (a).

F. Ad hoc subcommittees of the Board

23. The Board established several subcommittees,¹⁸ as outlined below.

24. The **ad hoc subcommittee on additional rules of procedure of the Board**, established by the Board at its first meeting to assist it in developing additional rules of procedure,¹⁹ met seven times during the reporting period. Anna Merrifield (Finland) and Elena Pereira (Honduras) were elected as the first co-chairs of the subcommittee through a no-objection procedure following its second meeting. Following the sixth subcommittee meeting, which took place at the second meeting of the Board, Claire Holzer Fleming (United Kingdom of Great Britain and Northern Ireland) was elected as co-chair, replacing Anna Merrifield.

25. The co-chairs of the subcommittee noted at the second meeting of the Board that certain definitions and procedural matters had not yet been agreed upon, and invited the Board to consider allowing it additional time to hold further consultations with and seek guidance from the Board with a view to resolving outstanding issues and refining the draft rules of procedure in accordance with its mandate. The Board agreed to do so.

26. The **ad hoc subcommittee on the selection of the host country of the Board**, established by the Board at its first meeting,²⁰ met twice between the first and second meetings of the Board. Gerard Howe (United Kingdom) and Daniel Lund (Fiji) were elected as the co-chairs. The co-chairs presented the report²¹ of the subcommittee to the Board at its second meeting. The subcommittee was dissolved at the second meeting of the Board following the completion of its mandated tasks.²²

27. The **ad hoc subcommittee on the administrative budget**, established by the Board at its first meeting to support it in discharging its functions pursuant to paragraphs 22(n) and 35(e) of the Governing Instrument of the Fund, met seven times during the reporting period. Peter Abraham (Antigua and Barbuda) and José Delgado (Austria) were elected as the co-chairs.

28. The subcommittee reviewed the administrative budget proposals of the interim secretariat and the periodic budget execution reports.

29. At its second meeting, the Board noted the need to determine an approach to the cost recovery of the World Bank for its provision of services related to operationalizing the Fund as a World Bank-hosted financial intermediary fund, and requested the co-chairs of the subcommittee, with the support of the interim secretariat, to engage with the World Bank to produce two reports for consideration by the Board: one on the cost recovery of the World Bank with respect to the services to be provided in hosting the independent secretariat of the Fund and as the trustee of the Fund, and one on cost recovery with respect to services that the World Bank may provide, as decided by the Board, during the transitional period of the Fund until the hosting agreement for the independent secretariat is signed and becomes effective, and the World Bank assumes the trustee function, and on the necessary arrangements for reporting by the World Bank for such cost recovery.²³ A report covering these matters was to be submitted to the Board for consideration at its third meeting.

30. The **ad hoc subcommittee on the selection of the Executive Director for the Fund**, established by the Board at its first meeting,²⁴ met four times during the reporting period. Henrietta Elizabeth Thompson (Barbados) was elected as chair of the subcommittee, with Laurence Ahoussou (Canada) subsequently elected as co-chair.

31. On the basis of the proposals of the subcommittee,²⁵ the Board approved at its second meeting the terms of reference for the role of Executive Director of the Fund and the selection

¹⁸ In accordance with para. 22(h) of the Governing Instrument of the Fund.

¹⁹ In accordance with para. 31 of the Governing Instrument of the Fund.

²⁰ See decision B.1/D.5, para. (a).

²¹ See document FLD/B.2/7.

²² See decision B.1/D.6, para. (a).

²³ See decision B.2/D.10, paras. (d–e).

²⁴ See decision B.1/D.12.

²⁵ Contained in document FLD/B.2/6.

process, and endorsed the terms of reference for a human resources search firm to support the work of the subcommittee.²⁶

G. Draft arrangements between the Conference of the Parties to the United Nations Framework Convention on Climate Change, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and the Board

32. COP 28 and CMA 5 decided that arrangements with the Fund, consistently with the Governing Instrument of the Fund and to ensure that the Fund is accountable to and functions under the guidance of the COP and the CMA, are to be approved at COP 29 and CMA 6. The Standing Committee on Finance was requested to develop those arrangements, to be concluded between the COP, the CMA and the Board of the Fund.²⁷

33. At its second meeting, the Board considered and approved the draft arrangements between the COP, the CMA and the Board developed by the Standing Committee on Finance (contained in appendix IV) for consideration and approval at COP 29 and CMA 6.²⁸

34. The Board approved the draft arrangements with the understanding that the COP and the CMA will separately adopt a decision thereon.

H. Selection of the Executive Director of the Fund

35. At its second meeting, the Board noted that the procurement of the human resources search firm for supporting the work of the ad hoc subcommittee on the selection of the Executive Director of the Fund (see para. 31 above) will be carried out by the World Bank, and the costs associated with this procurement and with the recruitment of the Executive Director will be incurred by the World Bank and subject to cost recovery, as per the hosting agreement between the Board and the World Bank.

36. The World Bank subsequently engaged the services of Korn Ferry, a human resources search firm, to support the Board in its search for a suitable candidate for the role of Executive Director of the Fund. The firm published the vacancy notice, which remained open for applications until 30 August 2024.

I. Selection of the host country of the Board

37. At its first meeting, the Board adopted the terms of reference for selecting the host country of the Board, which include criteria for evaluating proposals against the terms of reference, and agreed on the indicative timeline, process and next steps for the selection,²⁹ noting that the terms of reference only consider a scenario in which the conditions outlined in paragraphs 21–24 of decisions 1/CP.28 and 5/CMA.5 are not met.

38. Following a call for proposals from Parties interested in hosting the Board, thereby conferring it with legal personality and legal capacity, issued by the Co-Chairs of the Board, the interim secretariat received eight submissions.³⁰

39. The ad hoc subcommittee on the selection of the host country of the Board prepared a technical report, for consideration by the Board at its second meeting,³¹ aimed at enhancing understanding of the content of the submissions received, including through the inclusion of

²⁶ Contained in annexes IV–VI to document FLD/B.2/17.

²⁷ Decisions 1/CP.28, paras. 6–7, and 5/CMA.5, paras. 6–7.

²⁸ As per decisions 1/CP.28, para. 7, and 5/CMA.5, para. 7.

²⁹ Contained in annex III to document FLD/B.1/12.

³⁰ From the Governments of Antigua and Barbuda, Armenia, the Bahamas, Barbados, Eswatini, Kenya, the Philippines and Togo.

³¹ See document FLD/B.2/7.

additional information on independent metrics to help readers to differentiate further between the proposals.

40. At the second meeting of the Board, the Philippines was selected as the host country of the Board, subject to the commitments in its proposal being met. At the same meeting, the Board requested the Co-Chairs to conduct negotiations with the Government of the Philippines with a view to finalizing the host country agreement between the Philippines and the Board, keeping the Board informed of progress, and authorized the Co-Chairs to sign the agreement on its behalf.

41. In the light of this request, the Co-Chairs entered into negotiations, with the support of the interim secretariat, and provided guidance to the Government of the Philippines with a view to ensuring that the agreement aligns with the Governing Instrument of the Fund, mandates from other documents and the requirements of the Board. On 28 August 2024, the President of the Philippines signed act 12019 granting juridical personality and legal capacity to the Board, which entered into force following its publication in the Official Gazette. In addition, the President issued special authority to the Minister of the Department of Environment and Natural Resources, which grants the authority to negotiate, conclude, sign, execute and deliver, in accordance with the act, the final copy of the host country agreement for and on behalf of the Government of the Philippines.

J. Operationalization of the Fund as a World Bank-hosted financial intermediary fund

42. The Co-Chairs of the Board engaged regularly with the World Bank, providing guidance on the expectations of the Board regarding the operationalization of the Fund as a World Bank-hosted financial intermediary fund.

43. Events attended by the Co-Chairs included a meeting, in May 2024, with the relevant World Bank team to discuss matters relating to the World Bank staff paper on the operationalization of the Fund as a World Bank-hosted financial intermediary fund, to be presented to the Board of Executive Directors of the World Bank in June 2024, and an event hosted by the Dean of the Board of Executive Directors of the World Bank, held in advance of a meeting with its Board of Directors, for exchange of views between the Co-Chairs of the Board of the Fund and the Executive Directors of the World Bank.

44. The World Bank formally accepted the invitation of the COP and the CMA to operationalize the Fund as a World Bank-hosted financial intermediary fund³² through a letter, sent on 11 June 2024, from its Senior Managing Director to the COP 28 President, noting the decision of the World Bank Board of Executive Directors to approve the role of the World Bank as interim host of the Fund's secretariat. The letter also confirms that the World Bank is willing and able to meet the conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5.

45. The Board of Executive Directors of the World Bank approved the World Bank management's proposed approach to operationalization of the Fund as a World Bank-hosted financial intermediary fund, which involves, inter alia:

(a) Establishing the proposed financial intermediary fund at the World Bank, with the World Bank providing support to the Fund by acting as interim trustee and hosting its secretariat, and with a novel structure whereby the trustee will enter into financing agreements with funding recipients, including direct access recipients and implementing entities other than multilateral development banks, United Nations agencies and the International Monetary Fund, on behalf of the Board of the Fund, which has independent legal personality, and submitting to the Executive Directors for approval any subsequent proposal to include direct access in a financial intermediary fund where the World Bank, as financial intermediary fund trustee, signs the financing agreements with recipients;

³² Contained in decisions 1/CP.28, para. 17, and 5/CMA.5, para. 17.

(b) The Fund providing assistance to Parties to the Convention and the Paris Agreement that are not members of the World Bank.

46. On 12 August 2024 the World Bank submitted to the Board of the Fund draft financial intermediary fund documentation, including a hosting agreement, a trustee agreement and a contribution agreement.³³ The Co-Chairs of the Board consulted with the Board to seek members' views and feedback on the draft documentation, which were compiled into a document and shared with the World Bank on 29 August 2024.

K. Development of policies, programme priorities and eligibility criteria of the Fund

47. At its second meeting, the Board held preliminary discussions on the modalities of the Fund, considering two background papers prepared by the interim secretariat: one on access modalities, in accordance with the Governing Instrument of the Fund, and the other on financial instruments, modalities and facilities.

L. Name of the Fund

48. In response to the recommendation of the COP 28 and CMA 5 President, in presenting to COP 28 and CMA 5 the decision to approve the report of the Transitional Committee, that, once operational, the Board take up the matter of naming the Fund referred to in decisions 1/CP.28 and 5/CMA.5,³⁴ the Board, at its second meeting, decided on the Fund for responding to Loss and Damage as the name.

M. Participation in meetings and events

49. At the invitation of the Chair of the Subsidiary Body for Implementation, one of the Co-Chairs of the Board participated in the 3rd Glasgow dialogue, convened from 6 to 7 June 2024 in Bonn during the sixtieth sessions of the subsidiary bodies, sharing the perspective of the Board based on the guiding questions for the dialogue³⁵ and facilitating one of the three parallel breakout group discussions on enhancing complementarity, coherence and coordination across the loss and damage finance architecture.

N. Communications

50. The web pages of the interim secretariat (see para. 19 above) include information on the status of nominations to the Board and pledges to the Fund. The web pages relating to Board meetings, which include meeting documentation and, for open sessions, webcast links, are regularly updated.

51. The interim secretariat held briefings for the Board ahead of its first meeting and for stakeholders ahead of the first and second meetings of the Board.

III. Coordination and complementarity

52. At its second meeting, the Board discussed arrangements for establishing and operationalizing the first annual high-level dialogue on coordination and complementarity. Following the launch of the dialogue on the margins of the World Leaders Climate Action Summit, to be held during COP 29 and CMA 6, the first dialogue will take place in the first half of 2025.

³³ In accordance with decisions 1/CP.28, para. 19, and 5/CMA.5, para. 19.

³⁴ [FCCC/CP/2023/11](#), para. 102, and [FCCC/PA/CMA/2023/16](#), para. 82.

³⁵ Contained in annex I to the summary report on the dialogue, available at <https://unfccc.int/documents/640029>.

Appendix I

Action taken by the Board of the Fund for responding to Loss and Damage between 1 January and 31 August 2024 in response to provisions of decisions 1/CP.28 and 5/CMA.5 on the operationalization of the new funding arrangements, including a fund, for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4

<i>Provision of decisions 1/CP.28 and 5/CMA.5</i>	<i>Action taken by the Board of the Fund for responding to Loss and Damage</i>
<p>Paragraph 6</p> <p>Decide that arrangements with the Fund, consistent with the Governing Instrument of the Fund and to ensure that the Fund is accountable to and functions under the guidance of the COP and the CMA, are to be approved at COP 29 and CMA 6</p>	<p>The draft arrangements developed by the Standing Committee on Finance were approved by the Board at its second meeting for subsequent consideration and approval at COP 29 and CMA 6.</p>
<p>Paragraph 7</p> <p>Request the Standing Committee on Finance to develop the arrangements referred to in paragraph 6 above, to be concluded between the COP, the CMA and the Board of the Fund, consistently with the Governing Instrument of the Fund, for consideration and approval by the Board and subsequent consideration and approval at COP 29 and CMA 6</p>	
<p>Paragraph 10</p> <p>Request the UNFCCC secretariat to initiate arrangements for convening the first meeting of the Board of the Fund once all voting member nominations have been submitted, but no later than 31 January 2024, and to convene subsequent meetings until the secretariat of the Fund is operational</p>	<p>On 5 December 2023 the UNFCCC secretariat invited Parties to submit through their regional groups and constituencies nominations of representatives for membership of the Board to the UNFCCC secretariat as soon as possible.^a The UNFCCC secretariat received sufficient nominations for the Board to constitute a quorum by 29 February 2024. The interim secretariat convened the first meeting of the Board from 30 April to 2 May 2024 in Abu Dhabi, United Arab Emirates, and the second meeting from 9 to 12 July 2024 in Songdo, Republic of Korea. Arrangements were being made for the third Board meeting, which took place from 18 to 20 September 2024 in Baku, Azerbaijan.</p>
<p>Paragraph 11</p> <p>Urge the Board of the Fund to promptly select the Executive Director of the Fund through a merit-based, open and transparent process</p>	<p>At its first meeting, the Board adopted two decisions relevant to this matter: the first establishing an ad hoc subcommittee on the selection of the Executive Director of the Fund, and the second adopting the terms of reference for the subcommittee. At its second meeting, the Board approved the terms of the reference for the Executive Director role and the selection process, and endorsed the terms of reference for a human resources search firm to support the work of the subcommittee. The Board was aiming to formally appoint the</p>

Executive Director at its third meeting, but the timing of the appointment depends on the finalization of the host country agreement.

Paragraph 15

Decide that the Board of the Fund will be conferred with the legal personality and the legal capacity as necessary for discharging its roles and functions, in particular the legal capacity to negotiate, conclude and enter into a hosting arrangement with the World Bank as interim trustee and host of the Fund's secretariat

At its first meeting, the Board adopted the terms of reference for selecting the host country of the Board; established a selection process and committee, evaluation criteria and an indicative timeline; and launched the selection process. At its second meeting, the Board selected the Philippines as the host country and requested its Co-Chairs to finalize the agreement with the host country.

The Co-Chairs conducted negotiations, supported by the interim secretariat, with the Government of the Philippines and provided guidance with a view to ensuring that the host country agreement aligns with the Governing Instrument of the Fund, mandates contained in other documents and requirements of the Board.

Paragraph 16

Request the Board of the Fund to select the host country of the Board through an open, transparent and competitive process, with the host country of the Board conferring to the Board the legal personality and the legal capacity as necessary for discharging its roles and functions

An act has entered into force granting juridical personality and legal capacity to the Board.

Paragraph 25

Further decide that, prior to the establishment of the financial intermediary fund, the Board of the Fund will provide guidance to the World Bank as it takes the necessary steps to establish the Fund as a financial intermediary fund

The Co-Chairs of the Board engaged regularly with the World Bank during the reporting period, providing guidance on the expectations of the Board regarding the operationalization of the Fund as a World Bank hosted financial intermediary fund.

The Co-Chairs of the Board met with a World Bank team in May 2024 to address matters relating to the World Bank staff paper on the operationalization of the Fund as a World Bank hosted financial intermediary fund, to be presented to the Board of Executive Directors of the World Bank in June 2024. Ahead of a meeting with the Board of Executive Directors of the World Bank, the Dean of the Board of Executive Directors of the World Bank hosted an event that provided an opportunity for discussion between the Co-Chairs of the Board of the Fund and the Executive Directors of the World Bank.

On 11 June 2024 the Co-Chairs received written confirmation that the World Bank Board of Executive Directors had approved the World Bank's role as interim host of the Fund's secretariat and trustee of the Fund.

The Co-Chairs attended a meeting with the World Bank, held from 24 to 26 June 2024, to discuss the next steps for meeting milestones and conditions, including those set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5, in particular the deadline of 12 August 2024 for the submission by the World Bank of relevant documentation to the Board. The documentation was submitted by the deadline and circulated among Board members, whose comments were considered in the revision of the documentation by the World Bank.

Paragraph 20(k)

Decide that the continued operationalization of the Fund during the interim period will be conditional on the World Bank hosting the Fund as a financial intermediary fund in a

At its second meeting, the Board requested the co-chairs of the ad hoc subcommittee on the administrative budget, with the support of the interim secretariat, to engage with the World Bank to produce two reports for consideration by the Board: one on the cost recovery of the World Bank with respect to the services to be

<i>Provision of decisions 1/CP.28 and 5/CMA.5</i>	<i>Action taken by the Board of the Fund for responding to Loss and Damage</i>
manner that ensures a cost recovery methodology that is reasonable and appropriate	provided in hosting the independent secretariat of the Fund and as the trustee of the Fund, and one on cost recovery with respect to services that the World Bank may provide, as decided by the Board, during the transitional period of the Fund until the hosting agreement for the independent secretariat is signed and becomes effective, and the World Bank assumes the trustee function, and on the necessary arrangements for reporting by the World Bank for such cost recovery. A report covering these matters was to be submitted to the Board for consideration at its third meeting.
Paragraph 22(n) of annex I	
The Board will review and approve the administrative budget and work programme of the Fund and arrange for performance reviews and audits	The Board was aiming to approve the administrative budget for the independent secretariat at its third meeting.

Abbreviations: CMA = Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, COP = Conference of the Parties, UNFCCC = United Nations Framework Convention on Climate Change.

^a The message to Parties is available at <https://unfccc.int/documents/636618>.

Appendix II

Members and alternate members of the Board of the Fund for responding to Loss and Damage as at 31 August 2024

<i>Constituency or regional group represented</i>	<i>Name and country</i>	
	<i>Member</i>	<i>Alternate member</i>
Developed countries	Laurence Ahoussou Canada	Ben Abraham New Zealand
Developed countries	Antonella Baldino Italy	Karima Oustadi Italy
Developed countries	Georg Børsting Norway	Karoline Kjeldsen Norway
Developed countries	José Delgado Austria	Georges Gehl Luxembourg
Developed countries	Jean-Christophe Donnellier France	Pierre Marc France
Developed countries	Jens Fugl Denmark	Anna Merrifield Finland
Developed countries	Gerard Howe United Kingdom	Claire Holzer Fleming United Kingdom
Developed countries	Marjeta Jager European Union	Ronan Sweeney Ireland
Developed countries	Rebecca Lawlor United States	Alexandria Miskho United States
Developed countries	Sebastian Lesch Germany	Simon Stumpf Germany
Developed countries	Hiroki Matsui Japan	Tsuyoshi Hyokai Japan
Developed countries	Ana Paula Rodrigues Portugal	Gaizka Malo Spain
Asia-Pacific States	Abdulla Ahmed Balalaa Al Harthi United Arab Emirates	Didar Temenov Kazakhstan
Asia-Pacific States	Mohammad Ayoub Saudi Arabia	Ali Tauqeer Sheikh Pakistan
Asia-Pacific States	Mark Dennis Joven Philippines	Gholamhossein Darzi Islamic Republic of Iran
African States	David Kaluba Zambia	Sumaya Zakieldean Hamdan Sudan
African States	Mohamed Nasr Egypt	Tosi Mpanu Mpanu Democratic Republic of the Congo
African States	Richard Sherman South Africa	Alpha Kaloga Guinea
Latin American and Caribbean States	Liliam Beatris Chagas de Moura Brazil	Maria Victoria Gandini Argentina
Latin American and Caribbean States	Elena Pereira Honduras	Jaime Tramon Chile
Latin American and Caribbean States	Henrietta Elizabeth Thompson Barbados	Anthony Ferguson Bahamas

<i>Constituency or regional group represented</i>	<i>Name and country</i>	
	<i>Member</i>	<i>Alternate member</i>
Small island developing States	Peter Abraham Jr Antigua and Barbuda	Laura Elizabeth Agathine Seychelles
Small island developing States	Daniel Lund Fiji	Ahmed Waheed Maldives
Least developed countries	Adao Soares Barbosa Timor-Leste	Maheshwar Dhakal Nepal
Least developed countries	Djibril Ibila Benin	Madeleine Diouf Sarr Senegal
Developing countries not included in the regional groups or constituencies	Nona Budoyan Armenia	Rajasree Ray India

Appendix III

Administrative budget of the Board of the Fund for responding to Loss and Damage and the interim secretariat for the Fund for 1 January to 31 December 2024¹

<i>Appropriation line</i>	<i>Budget (USD)</i>
Board budget (for logistics and Board-related meetings)	
Total Board budget	162 168
Administrative budget of the interim secretariat	
Human resources	
Director, global specialist, manager (3 staff members)	74 502
Senior adviser, programme specialists, programme officers, associate programme officers, technical support, administrative officer and specialists (18 staff members)	1 612 932
Administrative, operational and team assistants (9 staff members)	83 248
Subtotal	1 770 682
Consultants (6 consultants)	210 840
Travel and daily subsistence allowance	461 312
General operating costs (office space, equipment, supplies, communications, information technology)	184 343
Total administrative budget of the interim secretariat	2 627 177
Total budget of the Board and interim secretariat, excluding contingency	2 789 345
Contingency budget	
Board (travel and daily subsistence allowance for Board meetings and related intersessional meetings)	600 469
Interim secretariat (staff cost for policy items)	313 793
Total contingency budget	914 262
Total budget of the Board and interim secretariat	3 703 607

¹ Each organization involved (i.e. the secretariat of the United Nations Framework Convention on Climate Change, the Green Climate Fund and the United Nations Development Programme) will apply its own policies and procedures with regard to travel, human resources and general services, and logistics, and associated costs, in accordance with decision B.1/D.11.

Appendix IV

Draft arrangements between the Conference of the Parties to the United Nations Framework Convention on Climate Change, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and the Board of the Fund for responding to Loss and Damage

Preamble

Recalling Article 11 of the Convention and Article 9, paragraph 8, of the Paris Agreement,

Also recalling paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4; and decisions 1/CP.28 and 5/CMA.5, as well as annex I to those decisions, which sets out the Governing Instrument of the Fund referred to in paragraph 3 of decisions 2/CP.27 and 2/CMA.4 (hereinafter referred to as the Fund),

Recognizing that the Fund is designated as an entity entrusted with the operation of the Financial Mechanism of the Convention, also serving the Paris Agreement, which will be accountable to and function under the guidance of the Conference of the Parties to the United Nations Framework Convention on Climate Change and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, as per paragraph 5 of decisions 1/CP.28 and 5/CMA.5,

Also recognizing that, pursuant to paragraph 6 of decisions 1/CP.28 and 5/CMA.5, the arrangements between the Conference of the Parties to the United Nations Framework Convention on Climate Change, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and the Board of the Fund are to be consistent with decisions 1/CP.28 and 5/CMA.5 and the Governing Instrument of the Fund.

The Conference of the Parties to the United Nations Framework Convention on Climate Change (COP), the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) and the Board of the Fund for responding to Loss and Damage (hereinafter referred to as the “Board” and the “Fund” respectively) hereby agree to the following arrangements:

I. Purpose of these arrangements

1. The purpose of these arrangements is to set out the working relationship between the COP, the CMA and the Board to ensure that the Fund is accountable to and functions under the guidance of the COP and the CMA, consistently with the Governing Instrument of the Fund,¹ and receives guidance from the COP and the CMA on its policies, programme priorities and eligibility criteria.

II. Determination and communication of guidance from the Conference of the Parties to the United Nations Framework Convention on Climate Change and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

2. The Board will receive guidance from the COP and the CMA on its policies, programme priorities and eligibility criteria.²

¹ Decision 1/CP.28, annex I.

² Pursuant to para. 13(a) of the Governing Instrument of the Fund.

3. The Board will submit annual reports to the COP and the CMA for their consideration.³
4. The COP and the CMA will adopt decisions providing guidance to the Board at each of their sessions, unless otherwise decided by the COP and the CMA.
5. The COP and the CMA will provide such guidance on the basis of, inter alia, a thorough consideration of the information in the annual reports of the Board.
6. The Board may review the periodicity of the guidance from the COP and the CMA and make a recommendation thereon for consideration by the COP and the CMA.⁴

III. Conformity with guidance of the Conference of the Parties to the United Nations Framework Convention on Climate Change and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

7. The Board will take appropriate action in response to the guidance received from the COP and the CMA and will report on such action in its annual reports.

IV. Reconsideration of funding decisions

8. These arrangements reaffirm that the Board has responsibility for setting the strategic direction of the Fund and for the Fund's governance and operational modalities, policies, frameworks and work programme, including relevant funding decisions.⁵
9. The COP and the CMA may provide additional guidance to the Board to clarify policies, programme priorities and eligibility criteria as they impact funding decisions.
10. Further modalities by which a particular funding decision may be reconsidered, as per Article 11, paragraph 3(b), of the Convention, will be developed by the Board, as appropriate.

V. Financial instruments

11. In its provision of finance, the Fund will take into account guidance from the COP and the CMA, pursuant to paragraphs 57–59 of the Governing Instrument.

VI. Annual reports of the Board to the Conference of the Parties to the United Nations Framework Convention on Climate Change and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

12. The Board will include in its annual reports to the COP and the CMA:
 - (a) Information on implementation of policies, programme priorities and eligibility criteria, including information on action taken by the Board in response to guidance provided by the COP and the CMA;
 - (b) A synthesis of the different activities under implementation and a list of the activities approved, as well as a financial report;
 - (c) Information on all activities financed by the Fund;
 - (d) Action taken to develop, operate and review the resource allocation system referred to in paragraphs 60–61 of the Governing Instrument;

³ Pursuant to para. 13(c) of the Governing Instrument.

⁴ Pursuant to para. 14 of the Governing Instrument.

⁵ Pursuant to para. 15 of the Governing Instrument.

(e) Any reports of the independent evaluations of the performance of the Fund referred to in paragraphs 64–65 of the Governing Instrument;

(f) Information on how it has drawn on expert and technical advice, including from the relevant constituted bodies established under the Convention and the Paris Agreement, as appropriate;

(g) Information on the high-level dialogue referred to in paragraph 11 of annex II to decisions 1/CP.28 and 1/CMA.5, as described in paragraph 12 of annex II to those decisions;

(h) Information on action taken to enhance coordination and complementarity pursuant to paragraphs 51–53 of the Governing Instrument, as well as recommendations to the COP and the CMA pursuant to paragraph 22(s) of the Governing Instrument.

13. The Board is encouraged to include information in its annual reports on how it has established consultative forums to engage and communicate with stakeholders, pursuant to paragraph 28 of the Governing Instrument, and how it has developed and managed mechanisms to promote the input and participation of stakeholders, pursuant to paragraph 29 of the Governing Instrument.

14. The COP and the CMA may request the Board to provide additional information in its annual reports.

VII. Determination of funding necessary and available

15. The Board will include information in its annual reports to the COP and the CMA on its long-term fundraising and resource mobilization strategy, as appropriate.⁶

VIII. Periodic review of the Fund

16. Pursuant to paragraph 66 of the Governing Instrument, the Fund will be subject to periodic reviews conducted by the COP and the CMA, which will be informed by, inter alia, the results of the independent evaluation of the performance of the Fund referred to in paragraph 64 of the Governing Instrument and the annual reports of the Board to the COP and the CMA.

IX. Amendments to the Governing Instrument

17. The Board may recommend amendments to the Governing Instrument for consideration by the COP and the CMA.⁷

X. Termination of the Fund

18. The Board may recommend the termination of the Fund for consideration by the COP and the CMA.⁸

⁶ Pursuant to para. 56 of the Governing Instrument.

⁷ Pursuant to para. 72 of the Governing Instrument.

⁸ Pursuant to para. 73 of the Governing Instrument.

XI. Cooperation between the secretariat of the Fund and the secretariat of the United Nations Framework Convention on Climate Change, and representation of the Board in sessions of the Conference of the Parties to the United Nations Framework Convention on Climate Change and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

19. The secretariat of the Fund may, as necessary and subject to the direction of the Board of the Fund, cooperate and exchange views with the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) on matters relevant to the operation of the Financial Mechanism of the Convention and the Paris Agreement, including implementation of these arrangements between the COP, the CMA and the Board, coordination with other international financing channels and funding arrangements, as appropriate, and participation of representatives in sessions of the COP and the CMA.

20. The participation of representatives of the UNFCCC secretariat in meetings of the Board, and of the secretariat of the Fund in sessions of the COP and the CMA, is to be governed by the rules of procedure of the Board and the draft rules of procedure of the COP respectively.

XII. Final clauses

21. These arrangements can only be modified by mutual written consent of the COP, the CMA and the Board.

22. These arrangements are effective upon approval by the Board and subsequent approval by the COP and the CMA.

23. These arrangements may only be terminated by mutual written consent of the COP, the CMA and the Board.

Annex III

Concept note: Launch event for the annual high-level dialogue

Background

1. The Conference of the Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), through decisions 2/CP.27 and 2/CMA.4,¹ established new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change in responding to loss and damage. Further, the COP and the CMA, through annex II to decisions 1/CP.28 and 5/CMA.5 established an annual high-level dialogue on coordination and complementarity, co-convened by the Fund for responding to Loss and Damage and the United Nations Secretary-General. It further decided that the Fund will act as the platform for facilitating coordination and complementarity under the funding arrangements.²
2. The Board of the Fund for responding to Loss and Damage decided at its second meeting (decision B.2/D.13) to launch the annual high-level dialogue, on the margins of the World Leaders Climate Action Summit to be held in person.

Launch event

3. The annual high-level dialogue will be launched through a high-level launch event on the margins of the World Leaders Climate Action Summit, as follows:
 - (a) Co-hosts: the Republic of Azerbaijan as the COP 29 Presidency and the Board of the Fund for responding to Loss and Damage; Date and time: 12 or 13 November 2024 (to be confirmed), 90 minutes;
 - (b) Venue; Baku, Azerbaijan.
4. In order to set the scene for the first annual high-level dialogue, the objectives of this public-facing event will be:
 - (a) Initiate the relationship and the required structured and timely exchange of relevant knowledge and information between the funding arrangements, including the Fund, with a view to strengthening coordination and complementarity within funding arrangements, including the Fund;
 - (b) Share relevant knowledge and information and identify ways to strengthen coordination and complementarity within the funding arrangements, taking into account the context of continued operationalization of the Fund;
 - (c) Take stock of the state of the funding arrangements, including of the Fund's progress in its first year;
 - (d) Identify priority gaps in which the funding arrangements could cooperate with the Fund in the coming year, building on the experience of different stakeholders.
5. Participants in the launch event will be asked to provide specific comments and feedback towards enhanced coordination and complementarity.
6. The launch event will be a dialogue of selected participants, taking into account any limitations of the World Action Climate Summit, representing entities engaged in responding to loss and damage that form part of the new funding arrangements, in line with paragraph 14 of annex II to decisions 1/CP.28 and 5/CMA.5.

¹ See FCCC/CP/2022/10/Add.1, available at <https://unfccc.int/documents/626561>, and FCCC/PA/CMA/2022/10/Add.1, available at <https://unfccc.int/documents/626569>.

² Decisions 1/CP.28 and 5/CMA.5, annex II, paras. 11–16.

7. The outcome of the launch event will be a joint statement by the Co-Chairs of the Board and the Republic of Azerbaijan as COP 29 Presidency summarizing the event.
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