Fund for responding to Loss and Damage

FRLD/B.5/13

7 May 2025

Fifth meeting of the Board
8–10 April 2025
Bridgetown, Barbados

Decisions of the Board – fifth meeting of the Board, 8–10 April 2025

Summary

This document contains a compilation of the decisions of the Board of the Fund for responding to Loss and Damage adopted at the fifth meeting of the Board, in Bridgetown, Barbados, from 8 to 10 April 2025.

Contents

Agenda item 1: Opening of the meeting

1. The meeting was opened by the Co-Chairs, on Tuesday, 8 April 2025.

Agenda item 2: Organizational matters

(a) Adoption of the agenda

2. 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 fourth meeting of the Board
4. Establishment of a Budget Committee of the Board
5. Report of the Secretariat
    (a) Report on the activities of the Secretariat
    (b) Report on the execution of the administrative budget
6. Workplan and administrative budget matters of the Fund
    (a) Organizational structure
    (b) Workplan and administrative budget of the Secretariat and the interim Trustee and administrative budget of the Board for 1 July to 31 December 2025
    (c) Retroactive approval of the expenditure incurred by the World Bank as host and the interim Trustee for 1 July to 31 December 2024
7. Status of resources
8. Proposal for the start-up phase of the Fund in accordance with decision B.4/D.3
9. Report of the Co-Chairs
    (a) Report of the Co-Chairs
    (b) Performance management process for the Executive Director
10. Guidance from the twenty-ninth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change and the sixth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement: Co-Chairs' proposal
11. Guidelines for the participation of advisers in meetings of the Board and meetings of committees
12. Dialogue with civil society
13. Dates and venues of upcoming meetings of the Board
14. Other matters
15. Closure of the meeting

(b) Organization of the work of the meeting

3. No decision was adopted under this agenda item.

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

4. Document FRLD/B.4/15 titled "Report of the fourth meeting of the Board of the Fund for responding to Loss and Damage" was issued to the Board under this agenda item.

5. The Board adopted the report of the fourth meeting of the Board.[1]

Agenda item 4: Establishment of a Budget Committee of the Board

6. Document FRLD/B.5/2 titled "Establishment of a Budget Committee of the Board" was issued to the Board under this agenda item.

7. The Board adopted the following decision.

DECISION B.5/D.1: Establishment of a Budget Committee of the Board

The Board, having considered document FRLD/B.5/2 titled "Establishment of a Budget Committee of the Board":

(a) *Establishes the Budget Committee as a standing committee of the Board in accordance with paragraphs 2(h) and 43 of the rules of procedure of the Board;*

(b) *Adopts the terms of reference of the Budget Committee as set out in annex I to this document;*

(c) *Appoints as members of the Budget Committee:*

(i) Anders Martin Larnemark;

(ii) Anthony Ferguson;

(iii) David Kaluba;

(iv) Hiroki Matsui;

(v) José Delgado;

(vi) Karima Oustadi;

(vii) Maheshwar Dhakal;

(viii) Mark Dennis Y.C. Joven;

(ix) Peter Abraham Jr;

(x) Simon Stumpf;

(d) *Decides that any reference to the ad hoc subcommittee on the administrative budget in decisions with current or potential mandates is considered to refer to the Budget Committee established by this decision;*

(e) *Confirms that the ad hoc subcommittee on the administrative budget is hereby disbanded.*

Agenda item 5: Report of the Secretariat

8. Document FRLD/B.5/3 titled "Report on the activities of the Secretariat" was issued to the Board under this agenda item.

9. The Board took note of the report of the Secretariat.

[1] A corrected version of the report, contained in document FRLD/B.4/15/Rev.1, was issued following the conclusion of the meeting.

Agenda item 6: Workplan and administrative budget matters of the Fund

(a) **Organizational structure**

10. Document FRLD/B.5/10 titled "Organizational structure of the Secretariat" was issued to the Board under this agenda item.

11. No decision was adopted under this item.

(b) **Workplan and administrative budget of the Secretariat and the interim Trustee and administrative budget of the Board for the period from 1 July to 31 December 2025**

12. Document FRLD/B.5/4 titled "Workplan and administrative budget of the FRLD for 1 July to 31 December 2025" was issued to the Board under this agenda item.

13. The Board adopted the following decision.

DECISION B.5/D.2: Workplan and administrative budget of the FRLD for 1 July to 31 December 2025

The Board, having considered document FRLD/B.5/4 titled "Workplan and administrative budget of the FRLD for 1 July to 31 December 2025":

(a) *Approves the workplan for the independent Secretariat for 1 July to 31 December 2025, as contained in document FRLD/B.5/4;*

(b) *Also approves the administrative budget for the Board for 1 July to 31 December 2025 in the amount of USD 782,290 as set out in table 2 of document FRLD/B.5/4;*

(c) *Further approves the administrative budget for the independent Secretariat for 1 July to 31 December 2025 in the amount of USD 3,564,361 as set out in table 3 of document FRLD/B.5/4;*

(d) *Approves the administrative budget for the interim secretariat for 1 July to 31 December 2025, in the amount of USD 1,049,715 as set out in table 4 of document FRLD/B.5/4;*

(e) *Also approves the budget for the interim Trustee for 1 July to 31 December 2025 in the amount of USD 510,670 as set out in table 5 of document FRLD/B.5/4;*

(f) *Further approves a contingency budget of USD 80,000 for 1 July to 31 December 2025 as set out in table 6 of document FRLD/B.5/4 for expenditures that may be incurred or planned for by the Board;*

(g) *Approves USD 3,776,890 for projected staff salaries and emoluments for 2026;*

(h) *Also approves USD 3,776,890 for projected staff salaries and emoluments for 2027;*

(i) *Further approves USD 1,888,445 for projected staff salaries and emoluments for 2028;*

(j) *Authorizes the Secretariat, in consultation with the ad hoc subcommittee on the administrative budget, to execute the contingency budget approved in paragraph (f) without seeking approval of the Board.*

(c) **Retroactive approval of the expenditure incurred by the World Bank as host and the interim Trustee for the period from 1 July to 31 December 2024**

14. Document FRLD/B.5/5 titled "Retroactive approval of the expenditure incurred by the World Bank as host and the interim Trustee for 1 July 2024 to 31 December 2024" was issued to the Board under this agenda item.

15. The Board adopted the following decision.

DECISION B.5/D.3: Retroactive approval of the expenditure incurred by the World Bank as host and the interim trustee for the period from 1 July 2024 to 31 December 2024

The Board, having considered document FRLD/B.5/5 titled "Retroactive approval of the expenditure incurred by the World Bank as host and the interim trustee for the period from 1 July 2024 to 31 December 2024":

Approves, on a retroactive basis, the expenditure incurred by the World Bank as host of the Fund and the interim trustee for the period from 1 July 2024 to 31 December 2024, as contained in table 1 of annex II to this document.

Agenda item 7: Status of resources

16. Document FRLD/B.5/6 titled "Status of resources" was issued to the Board under this agenda item.

17. This agenda item was not opened.

Agenda item 8: Proposal for the start-up phase of the Fund in accordance with decision B.4/D.3

18. Document FRLD/B.5/7 titled "Proposal for the start-up phase of the Fund for responding to Loss and Damage" was issued to the Board under this agenda item.

19. The Board adopted the following decision.

DECISION B.5/D.4: Proposal for the start-up phase of the Fund for responding to Loss and Damage

The Board, having considered document FRLD/B.5/7 titled "Proposal for the start-up phase of the Fund for responding to Loss and Damage" and

Recalling its decision B.4/D.3 requesting the Secretariat, under the guidance of the Co-Chairs, to develop and present to the Board a range of options and propositions for the "start-up phase";

Also recalling that, in paragraph (e) of the same decision, the Board decided that the start-up phase will serve as the initial period to test and refine operational approaches that are to be developed and implemented in parallel with the longer-term operational policies and procedures, with a view to generating lessons and evidence to refine the development and implementation of such long-term strategies towards a fully fledged operating model, and enabling rapid learning while maintaining flexibility to adjust approaches based on early implementation experience;

Emphasizing the need to expedite the operationalization of the start-up phase that will inform the development of the long-term operating model of the Fund and deliver finance to assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to loss and damage, while taking into consideration the needs of climate-vulnerable communities;

Noting with appreciation the propositions and proposal on operationalizing the start-up phase of the Fund developed by the Executive Director for the fourth and fifth meetings of the Board, respectively;

Recalling the urgent and immediate need for new, additional, predictable and adequate financial resources to assist developing countries that are particularly vulnerable to the adverse effects of climate change to respond to loss and damage;

Also recalling in this context the Board's commitment to adopt, by the end of 2025, a resource mobilization strategy with the objective of escalating the contribution of the FRLD to responding to loss and damage through contributions from a wide variety of sources of funding, including grants and concessional loans from public, private and innovative sources, as appropriate;

Further recalling that, pursuant to paragraph (g) of the same decision, the activities implemented during the start-up phase will not prejudge nor set precedent for the development of the long-term operational model of the Fund, in particular in the light of the Fund's expected scale up and the resulting evolution of its operating model and capabilities;

Financial provisions

Recognizing that the commitment authority for 2025, given the current resources available, is USD 319 million;

(a) *Decides to establish the Barbados Implementation Modalities (with the acronym BIM) to respond to loss and damage consisting of a first set of interventions, for the calendar years of 2025 and 2026, for a total of USD 250 million;*

(b) *Also decides to review the need for further allocation at the eighth meeting of the Board, subject to available commitment authority;*

(c) *Further decides that an amount in the range of USD 5 million to 20 million may be allocated to each of the activities, projects and programmes to be approved during the start-up phase, subject to funding criteria to be approved by the Board;*

Principles and scope

(d) *Decides that the Barbados Implementation Modalities will support bottom-up, country-led and country-owned approaches to loss and damage that promote and strengthen national responses to loss and damage and deliver results and positive impacts for particularly vulnerable developing countries, including through the building of national responses and systems that includes the effective engagement of all relevant stakeholders, including in particular people and communities in climate-vulnerable situations, in accordance with decisions 1/CP.28 and 5/CMA.5, annex II, paragraph 18, with the aim of testing, learning and refining operational modalities, access modalities, financial instruments and funding structures;*

(e) *Also decides that the Barbados Implementation Modalities will be implemented in parallel with the development of the longer-term operational policies and procedures of the Fund, in line with the workplan of the Board for 2024–2025, which will be updated on a rolling basis, pursuant to decision B.2/D.10;*

(f) *Further decides that the Barbados Implementation Modalities will aim to finance a set of activities, projects and programmes that is representative of the full scope of the Fund as contained in chapter II of the Governing Instrument, ensuring balanced representation of geographies and contexts, and will be derived from bottom-up, country-led and country-owned approaches, each supporting a single or multiple countries on activities;*

(g) *Decides that the Barbados Implementation Modalities will also aim to explore engagement with the private sector, where relevant, in contributing to responding to loss and damage in alignment with bottom-up, country-led and country-owned approaches;*

(h) *Also decides that the funding for the Barbados Implementation Modalities will incorporate the elements for a resource allocation parameter in accordance with paragraph 60 of the Governing Instrument, with a minimum allocation floor of 50 per cent for small island developing States and the least developed countries, considering the limited resources available, while safeguarding against the over-concentration of support provided by the Fund in any given country, group of countries or region and, in accordance with paragraph 61 of the Governing Instrument, will be dynamic and reviewed by the Board;*

(i) *Further decides that the Fund will finance the Barbados Implementation Modalities through grants through which the countries may test interventions whereby those grants are subsequently combined with other financial instruments in deploying different funding modalities;*

Operational elements and process

(j) *Decides to launch a call for proposals and/or funding requests from developing countries for approval by the Board at its sixth meeting;*

(k) *Also decides that, with regard to direct access via direct budget support through national governments, referred to in paragraph 49(a) of the Governing Instrument, the Barbados Implementation Modalities will include the transfer of funds to national governments for the purpose of financing activities within the scope of the Fund;*

(l) *Further decides that the Barbados Implementation Modalities may be implemented in collaboration with other entities that form part of the funding arrangements, pursuant to decisions 1/CP.28 and 5/CMA.5, annex II, paragraphs 9–10;*

(m) *Requests the Secretariat, under the guidance of the Co-Chairs, to develop for consideration and adoption by the Board at its sixth meeting, and in synergy with existing mandates contained in decision B.4/D.3 where relevant:*

(i) An initial project/programme funding criteria, an initial project/programme cycle and a results management framework for the Barbados Implementation Modalities;

(ii) The terms of reference for the call for proposals and/or funding requests for activities, projects and programmes that are representative of the full scope of the Fund pursuant to chapter II of the Governing Instrument, including a template for requests;

(iii) A modality to operationalize access through entities accredited to the Adaptation Fund, the Green Climate Fund and the Global Environment Facility, pursuant to paragraphs 49(b) and (c) of the Governing Instrument;

(iv) An approach and criteria to developing partnerships with other entities that form part of the funding arrangements, pursuant to decisions 1/CP.28 and 5/CMA.5, annex II, paragraphs 9–10, including the various roles of national entities, multilateral development banks, United Nations agencies and international financial institutions;

(v) Draft guidelines regarding paragraph 48 of the Governing Instrument on the designation of a national authority or national focal point;

(n) *Requests the Secretariat to consider how, in the light of decision B.4/D.3 that requests the Secretariat to present modalities for complementarity and coherence with the Santiago Network to the Board at its sixth meeting, this collaboration may serve to provide technical assistance;*

Role of countries

(o) *Invites developing countries Parties to designate a national authority or national focal point, pursuant to paragraph 48 of the Governing Instrument for the purpose of submitting funding requests to the Fund;*

Direct budget support

(p) *Requests the Secretariat to develop a proposal for the Board's consideration at its sixth meeting for the operationalization of direct access via direct budget support, including with respect to decisions 1/CP.28 and 5/CMA.5, paragraph 20(g) and paragraphs 67–68 of the Governing Instrument, while taking into consideration the necessary flexibility of the Barbados Implementation Modalities phase;*

Learning

(q) *Also requests the Secretariat to prepare an analysis of the initial results of the Barbados Implementation Modalities, including key findings, lessons learned, challenges and recommendations with regards to the Fund's operational approaches and impact-orientation as well as its funding and access modalities, for consideration by the Board no later than its eleventh meeting, with a view to informing the work on the long-term vision of the Fund's operational model;*

(r) *Further requests the Secretariat to prepare a monitoring and evaluation strategy, including in consultation with all relevant stakeholders as listed in paragraph 28 of the Governing Instrument, informed by the analysis of the initial results of the Barbados*

Implementation Modalities, for consideration and approval by the Board no later than its thirteenth meeting.

Agenda item 9: Report of the Co-Chairs

(a) **Report of the Co-Chairs**

20. Document FRLD/B.5/12 titled "Report of the Co-Chairs" was issued to the Board under this agenda item.

21. This agenda item was not opened.

(b) **Performance management process for the Executive Director**

22. Document FRLD/B.5/11 titled "Performance management process for the Executive Director" was issued to the Board under this agenda item.

23. The Board adopted the following decision.

DECISION B.5/D.5: Performance management for the Executive Director

The Board, having considered document FRLD/B.5/11 titled "Performance management process for the Executive Director":

(a) *Decides to defer the approval of the performance management process for the Executive Director to the sixth meeting of the Board;*

(b) *Requests the Co-Chairs to conduct the evaluation of the performance of the Executive Director for the performance period 2024/2025 on the basis of the mandates given to the Secretariat thus far and to present to the Board at its sixth meeting the outcome of the evaluation;*

(c) *Also requests that, for the evaluation referred to in paragraph (b) above, the Co-Chairs follow, on an exceptional basis, the process described in annex III to this document;*

(d) *Notes the comments expressed by members of the Board and requests the Executive Director to present to the Board at its sixth meeting a revised proposal for objectives and key results taking into consideration the views expressed by the Board, to be used thereafter as the basis for setting the annual objectives of the Executive Director.*

Agenda item 10: Guidance from the twenty-ninth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change and the sixth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement: Co-Chairs' proposal

24. This agenda item was not opened.

Agenda item 11: Guidelines for the participation of Advisers in meetings of the Board and meetings of committees

25. Document FRLD/B.5/9 titled "Participation of Advisers in meetings of the Board and meetings of committees" was issued to the Board under this agenda item.

26. The Board adopted the following decision.

DECISION B.5/D.6: Guidelines on the participation of Advisers in meetings of the Board and meetings of committees

The Board, having considered document FRLD/B.5/9 titled "Participation of Advisers in meetings of the Board and meetings of committees":

Adopts the Guidelines on the participation of Advisers in meetings of the Board and meetings of committees, as contained in annex IV to this document.

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 upcoming meetings of the Board

29. No document was issued under this item

30. The Board adopted the following decision.

DECISION B.5/D.7: Dates and venues of upcoming meetings of the Board in 2026

The Board:

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

(b) *Decides to hold its eighth meeting in Livingstone, Zambia, from 22 to 24 April 2026;*

(c) *Also decides to hold its ninth meeting in the Philippines from 8 to 10 July 2026;*

(d) *Further decides to hold its tenth meeting in the Philippines from 7 to 9 October 2026.*

Agenda item 14: Other matters

31. No decision was adopted under this item.

Agenda item 15: Closure of the meeting

32. The meeting was closed on Thursday, 10 April 2025.

Annex I

Terms of reference of the Budget Committee

I. Mandate

1. The mandate of the Budget Committee is to review the administrative budget and work programme of the FRLD and to make recommendations to the Board regarding the discharge of its functions pursuant to paragraphs 22(n) and 35(e) of the Governing Instrument.

2. In the exercise of its mandate, the Budget Committee will have access to information of relevance to its role and functions.

II. Role and functions

3. The role of the Budget Committee is to review and make recommendations to the Board on matters related to the administrative budget of the FRLD. In fulfilling this role, the Budget Committee will:

(a) Review and make recommendations on the proposed administrative budget of the FRLD, including the budgetary implications of the work programme, the staffing structure of the Secretariat and budgetary aspects relating to meetings of the Board;

(b) Review and make recommendations on the execution of the expenditures of the administrative budget of the FRLD;

(c) Review and make recommendations on financial reports and related documents, including administrative budgets submitted by the interim Trustee of the Fund and the permanent Trustee of the Fund, when appointed;

(d) Consider any other matters related to the administrative budget and work programme as referred to the Budget Committee by the Board.

III. Membership

4. The Budget Committee will consist of a minimum of six and a maximum of ten members, with an equal number of members representing the developing and developed countries.

5. The Budget Committee will elect two co-chairs from among its members, one from the developing countries and one from the developed countries.

6. Members of the Budget Committee will serve for a term of three years, aligned with the term of the Board membership.

IV. Working modalities

7. The presence of at least two thirds of the members of the Budget Committee will constitute a quorum for a meeting.

8. The Committee will be assisted by the Secretariat.

9. A staff member designated by the Executive Director will participate in the Budget Committee meetings as an ex officio member without participating in the taking of decisions that are within the authority of the Budget Committee.

10. Provisions will be put in place to manage actual and potential conflicts of interest.

V. Duration

11. The Budget Committee will be a standing committee of the Board.

12. Three years following the establishment of the Budget Committee, the Board will evaluate the terms of reference of the Budget Committee. The Budget Committee may also propose to the Board for its consideration updates to its terms of reference.

Annex II

Expenditure incurred by the World Bank as host and the interim Trustee of the Fund for responding to Loss and Damage for the period from 1 July 2024 to 31 December 2024

I. Budget execution summary

1. Tables 1–4 provide detailed information on the expenditure incurred by the World Bank for the period from 1 July 2024 to 31 December 2024.

Table 1
Summary of the budget and expenditure from 1 July 2024 to 31 December 2024
(in United States dollars)

No.	Budget category/subcategory	Actual expenditure
1	World Bank hosting costs	517,887
2	Interim trustee	547,353
Total		**1,065,240**

II. World Bank hosting costs

2. The actual expenditure incurred by the World Bank as host of the Fund from 1 July 2024 to 31 December 2024 is shown in table 2.

Table 2
World Bank hosting costs from 1 July 2024 to 31 December 2024
(in United States dollars)

No.	Budget category/subcategory	Actual expenditure
1.1	Staffing costs	149,991
1.2	Consultancies	21,469
1.3	Travel	115,945
1.4	Professional firm’s contracts	135,000
1.5	General operating costs	7,448
	Total direct costs	**429,853**
1.6	Cost recovery (20.48%)	88,034
	Total	**517,887**

3. **Staffing costs** includes the expenditure relevant to staffing of the independent Secretariat in 2024 including the Executive Director and staff from the World Bank directly involved in supporting the Executive Director in the establishment of the independent Secretariat and the support to the Board.

4. **Consultancies** includes the cost of three short-term consultants providing support to the Executive Director in communications, office coordination and executive assistance.

5. **Travel** includes the travel costs of the Executive Director to attend COP 29 and the third and fourth meetings of the Board as well as the travel costs of the short-term consultants and World Bank staff for travel to meetings, including travel to the second, third and fourth meetings of the Board.

6. **Professional firm’s contracts** includes the cost of the executive search firm hired by the World Bank to help with the selection of the Executive Director.

7. **General operating costs** includes the day-to-day office running costs incurred during the office operations set up.

8. **Cost recovery** is the indirect cost charged by the World Bank as per the hosting agreement with the World Bank. This is calculated as 20.48 per cent of the direct costs incurred by the Secretariat. This charge is not levied on the interim trustee expenses.

III. Interim trustee expenditure

9. The actual expenditure reported for the interim trustee from 1 July 2024 to 31 December 2024 is shown in the table 3.

Table 3
Interim trustee actual expenditure from 1 July 2024 to 31 December 2024
(in United States dollars)

No.	Budget category/subcategory	Actual expenditure
2.1	Financial and programme management	217,380
2.2	Investment management[a]	9,794
2.3	Accounting and reporting	26,869
2.4	Legal services	293,310
	Total	**547,353**

[a] Investment management cost is a variable cost that is calculated based on 4.5 basis points of the average annual cash balance.

10. The trustee work programme from 1 July to 31 December 2024 included the following trustee services for Fund:

(a) **Financial and programme management** included the drafting, negotiating and executing of the Trustee Agreement with the Board, as well as drafting, negotiating and executing 13 Contribution Agreements/Arrangements with contributors; management and execution of financial activities, including receiving and applying receipts of contributions; recording allocations and commitments of resources for approved administrative budgets; and financial reporting for the Board. It also includes collaboration with the Board (including USD 46,209 in cost of travel to Board meetings) and the Secretariat, as well as the provision of policy advice and guidance to stakeholders, as needed;

(b) **Investment management** fees, calculated as a flat fee of 4.5 basis points (i.e. 0.045 per cent) of the average annual balance of the undisbursed cash in the Fund. The average cash balance for November and December 2024 was USD 130,583,587;

(c) **Accounting and reporting**, including managing the accounting model for the Fund, providing clearance of agreements and setting up and maintaining appropriate records, accounts and systems to support financial reporting;

(d) **Legal services** included drafting, negotiating and processing the Trustee Agreement, developing the templates for the Contribution Agreement/Arrangement, and signing Contribution Agreements/Arrangements with 13 contributors. It also included the provision of policy advice and legal review on issues as they may impact the Fund and the services of the interim trustee, as well as travel to Board meetings (USD 45,610).

Annex III

Performance management process for the Executive Director

1. At the commencement of the performance period, the Co-Chairs and Executive Director will agree on annual objectives and key results (OKRs) that align with expectations of the Board as well as any applicable requirements of the World Bank.

2. For administrative purposes, the Co-Chairs will share final OKRs with the Vice President for the Planet Vice Presidency at the World Bank (hereinafter referred to as the Host VP).

3. For the purposes of the performance evaluation at the end of the performance period, the Co-Chairs will seek feedback from all Board members by using relevant and appropriate tools such as scorecards, questionnaires and interviews, as well as feedback from at least two (2) staff for a 360-degree performance review. In accordance with the Hosting Agreement, the Host VP will also provide inputs on the performance of the Executive Director (on administrative issues).

4. Taking into consideration all of the above-mentioned feedback and any other relevant elements, the Co-Chairs will prepare their assessment of the performance of the Executive Director and will share the evaluation with the Host VP. The evaluation will be conducted, finalized and reported to the Board no later than at the second meeting of the Board in the calendar year.[1]

5. In accordance with the Hosting Agreement, the Host VP will record the outcome of the assessment of the Executive Director in the World Bank systems. The Host VP will then finalize the process in accordance with World Bank rules and policies in this respect which may include, as appropriate and as applicable, a related salary increase.

6. In case a salary increase is applicable, the Co-Chairs will inform the Budget Committee of the outcome of the evaluation, to ensure that any increase is reflected in the budget review.

[1] The World Bank performance management cycle runs from July to June in the subsequent year.

Annex IV

Guidelines on the participation of Advisers in Board meetings and meetings of committees

I. Designation of advisers and attendance at Board meetings

1. Each Board member and Alternate member shall designate their respective Adviser(s) by notifying the Secretariat of the names, function and contact details of the Adviser(s).

2. In accordance with paragraph 28 of the Rules of Procedure, all Advisers will be in copy and receipt of the documentation relating to items on the provisional agenda when it is being transmitted to Board members and Alternate members.

3. One Adviser each per Board member and Alternate member will be allowed in the Board meeting room to observe Board proceedings at any one time. The Co-Chairs of the Board may have up to two advisers allowed in the Board meeting room, in addition to any Advisers of their respective Alternates.

4. Seating for Advisers will be provided behind the Alternate member or, in the case of no attendance by the Alternate member, behind the Board member.

II. Participation of Advisers in committees

5. In accordance with paragraph 43 of the Rules of Procedure, only Board members and Alternate members may be members of committees. Therefore, Advisers may not be appointed to committees but may attend committee meetings if they are an Adviser(s) to a committee member.

6. One Adviser per committee member may attend committee meetings, in an advisory capacity, without the right to represent the committee member in case of their absence.

7. Each Board member or Alternate member who is a committee member will decide whether to provide their Adviser(s) with access to documents or information relating to the work of that committee. Such access to documents or information shall in any event be done in accordance with any other applicable rules regarding confidentiality or access to information, which shall take precedence.

III. Conduct of Advisers

8. Board members and Alternate members are accountable for the conduct of their respective Advisers during, and in connection with, Board meetings and meetings of committees, including with respect to any Adviser’s handling of documentation and information.

9. These guidelines are without prejudice to any conflicts of interest policy that the Board may develop pursuant to paragraph 53 of the Rules of Procedure. The provisions of such policy shall, where relevant, supersede these guidelines in respect to any matter regulated by such policy.