

Fund for responding to loss and damage

FLD/B.1/4

22 April 2024

First meeting of the Board

30 April to 2 May 2024

Abu Dhabi, United Arab Emirates

Provisional agenda item 6

Background paper on the selection of the host country of the Board

Expected actions by the Board

The Board will be invited to:

- (a) Develop and agree on the terms of reference, evaluation criteria, modalities, milestones and indicative timeline for the selection of the host country;
 - (b) Launch the selection process for the host country of the Board.
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I. Background and mandate

1. The twenty-eighth session of the Conference of the Parties (COP) and the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) decided that the Board of the Fund referred to in decisions 1/CP.28 and 5/CMA.5 will be conferred with legal personality and the legal capacity 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.¹
2. COP 28 and CMA 5 requested 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.²
3. As at 15 April 2024, the interim secretariat of the Fund had received unsolicited expressions of interest for hosting the Board from the Governments of the Bahamas, Barbados and the Philippines.

II. Host country selection process

4. In order to launch the process for the selection of a host country, the Board may wish to develop and agree the terms of reference, criteria, modality and timelines for the selection of the host country, as set out below.

A. Terms of reference for host country selection

5. In developing the terms of reference for the selection of the host country, the Board may wish to consider including the following elements:
 - (a) The ability of the host country to confer on the Board of the Fund the legal personality and the legal capacity 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;
 - (b) The ability to provide immunity from every form of legal process for the Board, its funds, assets and other property in the host country;
 - (c) The ability to provide all members, alternate members and other attendees invited to participate in the official business of the Board immunity from legal process in the host country of the Board in respect of words spoken or written and all acts performed by them in their official capacity. Such immunity shall continue to be accorded after termination of their business. They shall also be accorded inviolability for all papers and documents;
 - (d) The ability to provide simplified and speedy procedures to issue entry visas to the host country for Board members and other attendees of all nationalities for the purposes of attending meetings of the Board and related activities;
 - (e) The ability to conclude within 60 calendar days after receiving confirmation of selection the domestic legislative processes necessary to confer the legal personality and legal capacity on the Board as well as the necessary privileges and immunities to its members, alternate members and other attendees invited to participate in the official business of the Board;
 - (f) Any other information that the host country wishes to provide;
 - (g) Other elements as appropriate.

¹ Decisions 1/CP.28, para. 15, and 5/CMA.5, para. 15.

² Decisions 1/CP.28, para. 16, and 5/CMA.5, para. 16.

B. Criteria for host country evaluation and selection

6. In determining its evaluation criteria for the selection of the host country, the Board may wish to consider including the following elements:

- (a) Legal status:
 - (i) The ability of the host country to confer on the Board of the Fund the legal personality and the legal capacity 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;
- (b) Privileges and immunities:
 - (i) The ability to provide immunity from every form of legal process for the Board, its funds, assets and other property in the host country;
 - (ii) The ability to provide all members, alternate members and other attendees invited to participate in the official business of the Board immunity from legal process in the host country of the Board in respect of words spoken or written and all acts performed by them in their official capacity;
 - (iii) The ability to provide simplified and speedy procedures to issue entry visas to the host country for Board members and other attendees of all nationalities for the purposes of attending meetings of the Board and related activities;
 - (iv) The ability to conclude within 60 calendar days after receiving confirmation of selection the domestic legislative processes to confer the legal personality and legal capacity on the Board and the necessary privileges and immunities to its members, alternate members and other attendees invited to participate in the official business of the Board;
- (c) Any other information that the host country wishes to provide;
- (d) Other elements as appropriate.

C. Modalities

7. The Board may wish to consider and agree on the following options for its working modalities in conducting the evaluation for the selection of a host country:

- (a) The Board may wish to mandate the Co-Chairs, assisted by the interim secretariat, to evaluate the expressions of interest to decide on the host at its next meeting;
- (b) The Board may wish to mandate the interim secretariat to evaluate the expressions of interest and report back to the Board for consideration at its next meeting.

D. Milestones and indicative timelines

8. The Board may wish to consider the possible milestones and timelines set out in the table below in deciding on its workplan for selecting a host country.

Indicative timeline for the host country selection process

Milestone	Time frame (Board meeting)			
	B.1	B.2	B.3	B.4
Finalization of terms of reference	X			
Issuance of call for expressions of interest	X			
Deadline for submission of expressions of interest			X	
Finalization of the evaluation report of expression of interest			X	

<i>Milestone</i>	<i>Time frame (Board meeting)</i>			
	<i>B.1</i>	<i>B.2</i>	<i>B.3</i>	<i>B.4</i>
Consideration of the evaluation report and selection of host country by the Board		X		
Completion of domestic legislative processes by selected host country and communication of the legal status in writing to the Board			X	
Signing of host country agreement between the Board and host country			X	

E. Next steps

9. On the basis of its agreed milestones and timelines, the Board may wish to consider the following steps to undertake the host country selection process:

- (a) Issuance of a public invitation to Parties to express an interest in hosting the Board, by 3 June 2024;
- (b) Preparation of the evaluation report of the expressions of interest;
- (c) Consideration of the evaluation report at the next (second) meeting of the Board and selection of the host country to confer the Board with legal personality and legal capacity;
- (d) Completion of the domestic legislative processes by the selected host country and subsequent confirmation in writing to the Board of the legal status of the Fund;
- (e) Signing of the host country agreement between the Board and the host country.
