

Fund for responding to Loss and Damage

FLD/B.2/18

13 September 2024

Second meeting of the Board

9–12 July 2024

Songdo, Incheon, Republic of Korea

Report of the second meeting of the Board of the Fund for responding to Loss and Damage

Summary

This report presents a summary of the discussions and outcomes of the second meeting of the Board of the Fund for responding to Loss and Damage, convened from 9 to 12 July 2024 in Songdo, Incheon, Republic of Korea.

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Agenda item 1: Opening of the meeting

1. The second meeting of the Board of the Fund for responding to Loss and Damage, was opened at 9.13 a.m. (UTC+9), on Tuesday, 9 July 2024 in Songdo, Incheon, Republic of Korea, by Richard Sherman, Co-Chair of the Board of the Fund, followed by remarks from Co-Chair John-Christophe Donnellier.
2. Prior to the opening, Mr. Ji-Young Choi, Deputy Minister for International Affairs, Ministry of Economy and Finance of the Republic of Korea, delivered welcoming remarks on behalf of the host country of the meeting; this was followed by a video presentation from Azerbaijan as the incoming COP 29 Presidency.
3. Following the opening remarks from the Co-Chairs, Board member Elizabeth Thompson delivered a statement regarding the devastating loss and damage caused by hurricane Beryl, a deadly and destructive Category 5 hurricane that had hit 13 countries in the Caribbean region the previous week, and was the earliest-forming Category 5 hurricane recorded in a hurricane season.
4. The Board adopted the following decisions under this agenda item.

DECISION B.2/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 additional rules of procedure, Ms. Alexandria Miskho, replacing Ms. Christina Chan.

DECISION B.2/D.2: 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. Anthony Ferguson, replacing Mr. Jaime Tramon.

Agenda item 2: Organizational matters

(a) Adoption of the agenda

5. The Board adopted the agenda as set forth in document FLD/B.2/1/Rev.1, 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 first meeting of the Board
 4. Report of the interim secretariat
 5. Report of the Co-Chairs
 - (a) Activities of the Co-Chairs
 - (b) Proposals from the Co-Chairs
 6. Selection of the Executive Director for the Fund
 7. Selection of the host country of the Board
 8. Additional rules of procedure of the Board
 9. Workplan of the Board

10. Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund
11. Access modalities, including in relation to the development of relevant indicators and triggers to clarify access and operational modalities for the Fund, including a functional equivalency framework
12. Financial instruments, modalities and facilities
13. Arrangements between the Conference of the Parties, 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
14. Participation of active observers in Board meetings and related proceedings
15. Arrangements for establishing and operationalizing the annual high-level dialogue
16. Matters under consultation by the Co-Chairs
 - (a) Travel policy
 - (b) Name of the Fund
 - (c) Other matters discussed by the Board at its first meeting
17. Dialogue with the civil society
18. Dates and venues of future meetings
19. Other matters
20. Closure of the meeting.

(b) Organization of the work of the meeting

6. The Co-Chairs announced the following changes to the membership of the Board since the first Board meeting:

- (a) Nomination of Nona Budoyan (Armenia) for the seat of developing countries not included in the regional groups and constituencies referred to in paragraph 17(b-f) of the Governing Instrument of the Fund for responding to Loss and Damage;
- (b) Alexandria Miskho (United States of America) replacing Christina Chan (United States) as an alternate member of the Board representing developed countries;
- (c) Temporary replacement of Selam Kidane Abebe (Ethiopia) by Alpha Kaloga (Guinea) as an alternate member representing the African States for the second Board meeting;
- (d) Temporary replacement of Tsuyoshi Hyokai (Japan) by Tsutomu Itsumi (Japan) as an alternate member representing developed countries for the second Board meeting;
- (e) Temporary replacement of Abdulla Ahmed Balalaa Al Harthi (United Arab Emirates (UAE)) by Hana AlHashimi (UAE) as a member representing the Asia-Pacific States for the second Board meeting.

7. Following this announcement, one Board member stressed that as the representative of developing countries not included in the regional groups and constituencies referred to in paragraph 17(b-f) of the Governing Instrument, the Board member from Armenia represents developing countries on the Board.

8. The following members or alternate members of the Board were not in attendance at the second meeting of the Board:

- (a) Adonia Ayebare;
- (b) Tosi Mpanu Mpanu;

- (c) Sumaya Zakieldean Hamdan;
- (d) Liliam Beatris Chagas de Moura;
- (e) Paola Visca Duarte;
- (f) Rajasree Ray;
- (g) Gaizka Malo.

9. A Board member voiced discontent with the delayed distribution of meeting documents and requested to receive them 21 days prior to future Board meetings to facilitate informed decision-making. The Co-Chairs agreed on the need to find a path to ensure Board members are provided sufficient time to review information to facilitate effective decision-making. The Co-Chairs also noted the constraints faced by the interim secretariat and the ad hoc subcommittees due to the tight scheduling of Board meetings.

10. The Board agreed to continue the interim arrangements for participation of observers as applied at its first meeting; that is, to invite one observer representative from each of the nine observer constituencies of the United Nations Framework Convention on Climate Change (UNFCCC) to observe the proceedings of open sessions of the Board meeting in the room.

11. The Board confirmed the decisions of the Co-Chairs taken following the first meeting of the Board, to utilize the Board's contingency budget to fund the travel and daily subsistence allowance for one designated adviser per alternate member of the Board for participation in the second meeting of the Board (B.2).

12. The Board adopted the following decisions under this agenda item.

DECISION B.2/D.3: Interim arrangements for observer participation at this meeting

The Board:

Invites, for the second meeting of the Board, one representative from each of the nine observer constituencies of the United Nations Framework Convention on Climate Change to observe the proceedings of open sessions of the Board meeting in the room.

DECISION B.2/D.4: Interim arrangements for travel policy

The Board:

(a) *Recalls decision B.1/D.11, paragraph (d) that approved a contingency budget for travel and daily subsistence allowance for Board meetings and related intersessional meetings for 2024, and authorized the interim secretariat in consultation with the ad hoc subcommittee on the administrative budget to execute the approved contingency budget when the expenditure conditions have been met without seeking approval of the Board;*

(b) *Confirms the decisions of the Co-Chairs of the Board to utilize the Board's contingency budget to fund the travel and daily subsistence allowance for one designated adviser per alternate member of the Board for participation in the second meeting of the Board;*

(c) *Notes that the arrangement confirmed in paragraph (b) above does not prejudice, or pre-empt, the travel policy of the Board that will be approved by the Board.*

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

13. The Board considered document FLD/B.1/12 titled, "Report of the first meeting of the Board of the Fund for responding to loss and damage".

14. One Board member requested that, to help the reader understand the logic of the decisions, future reports should capture any statements made by Board members that they explicitly requested to be documented in the record.

15. The Board adopted the report of the meeting as presented.

Agenda item 4: Report of the interim secretariat

16. The Board considered document FLD/B.2/3, titled “Report of the interim secretariat”.
17. One Board member suggested, as a measure to increase efficiency, that future reports provide a summary of progress linked to the workplan of the Board in a concise tabular format.
18. The Board took note of the report.

Agenda item 5: Report of the Co-Chairs

(a) Activities of the Co-Chairs

19. The Board considered document FLD/B.2/4, titled “Report of the Co-Chairs of the Board”.
20. The Board took note of the report.

(b) Proposals from the Co-Chairs

21. The Board considered document FLD/B.2/5 titled “Background paper on the proposals from the Co-Chairs of the Board”.
22. The Co-Chairs presented proposals on the following matters under this agenda item:
 - (a) Interim statement on conflict of interest and ethics of the Board;
 - (b) Interim methodology for decisions without a Board meeting;
 - (c) Interim methodology for decision-making when all efforts at reaching consensus have been exhausted.
23. The Board decided that the interim methodology proposed by the Co-Chairs for decision-making when all efforts at reaching consensus have been exhausted would apply only to the specific instance of deciding on the selection of the host country of the Board.
24. The Board adopted the following decisions under this agenda item.

DECISION B.2/D.5: Interim statement on conflict of interest and ethics

The Board, having considered document FLD/B.2/5 titled “Background paper on proposals from the Co-Chairs of the Board”:

- (a) *Underscores the need for an interim statement on conflict of interest and ethics to guide the conduct of members and alternate members of the Board and advisers in connection with the Fund;*
- (b) *Endorses the interim statement on conflict of interest and ethics for Board and alternate members and advisers, as contained in annex I to this document, to be applied until the policy on ethics and conflict of interest referred to in paragraph (c) below, is adopted;*
- (c) *Requests the Co-Chairs, with the support of the interim secretariat, to further develop the interim conflict of interest statement with a view to adopting a policy on ethics and conflict of interest at the third meeting of the Board, and in any event, no later than the fourth meeting of the Board.*

DECISION B.2/D.6: Interim procedure for exhausting consensus

The Board, having considered document FLD/B.2/5 titled “Background paper on proposals from the Co-Chairs of the Board”:

- (a) *Adopts the interim procedure for exhausting consensus as set out in annex II to this document;*

(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 apply for the selection of the host country of the Board.*

2. The Board clarified that the interim methodology for decisions without a Board meeting proposed by the Co-Chairs in the above-mentioned report would be applied only until a permanent policy is established, with justification and on a case-by-case basis.

25. The Board further clarified the provision on the procedure which states that if the relevant Board member upholds their written request following discussion with the Co-Chairs, the draft decision will be considered by the Board at that meeting. The Co-Chairs clarified that this process would involve discussions between the respective Board member and the Co-Chairs, and the decision on whether the matter is resolved would reside with the Board member raising the written request.

26. Following the discussion, the Board adopted the following decision:

DECISION B.2/D.7: Interim procedures for decisions between Board meetings

The Board, having considered document FLD/B.2/5 titled "Background paper on proposals from the Co-Chairs of the Board":

(a) *Approves the interim procedures for decisions between Board meetings as contained in annex III to this document;*

(b) *Decides that these interim procedures would be used only on a case-by-case basis with a clear justification as to why the decision is needed between meetings;*

(c) *Further decides that these interim procedures do not prejudice the outcome of the procedures for taking decisions between meetings that the Board will adopt pursuant to paragraph 26 of the Governing Instrument.*

Agenda item 6: Selection of the Executive Director for the Fund

27. The Board considered document FLD/B.2/6 titled, "Report of the ad hoc subcommittee on the selection of the Executive Director of the Fund."

28. The Board was presented with the following draft documents prepared by the ad hoc subcommittee on the selection of the Executive Director for the Fund:

(a) Draft terms of reference for the Executive Director of the Fund;

(b) Draft selection process for the Executive Director of the Fund;

(c) Draft terms of reference for a human resources search firm to support the work of the ad hoc subcommittee on the selection of the Executive Director of the Fund.

29. The co-chairs of the ad hoc subcommittee, Laurence Ahoussou and Elizabeth Thompson, explained that an additional paragraph had been included in the draft decision as a proposal from the ad hoc subcommittee on the administrative budget, which states that the procurement of the human resources search firm will be carried out by the World Bank and the costs associated with this procurement and the recruitment of the Executive Director will be incurred by the World Bank, subject to cost recovery as per relevant provisions in the hosting agreement.

30. Some Board members highlighted the need for reflecting the scale of resources in the Fund that the Executive Director would be envisaged to mobilize and manage, to attract candidates of appropriate calibre.

31. The Board clarified that the reference to pursuit of policy advocacy in the terms of reference of the Executive Director, under key responsibilities on representation and partnerships, pertains to advocacy of the policies of the Board and the Fund.

32. An observer representative from the children and youth constituency emphasized the importance of selecting a candidate possessing deep knowledge of UNFCCC and the Paris

Agreement, specifically in delivering climate finance to developing countries and addressing loss and damage equitably. They further advocated for the human resources search firm to look beyond traditional candidates from multilateral development banks.

33. The Board adopted the following decision.

DECISION B.2/D.8: Selection of the Executive Director for the Fund

The Board, having considered document FLD/B.2/6 titled “Report of the ad hoc subcommittee on the selection of the Executive Director of the Fund”:

(a) *Welcomes the report of the ad hoc subcommittee on the selection of the Executive Director of the Fund;*

(b) *Adopts the terms of reference for the Executive Director of the Fund, as contained in annex IV to this document;*

(c) *Adopts the selection process for the Executive Director of the Fund, including the timeline for the advertisement and shortlisting of candidates for the selection of the Executive Director, as contained in annex V to this document;*

(d) *Endorses the terms of reference for a human resources search firm to support the work of the ad hoc subcommittee on the selection of the Executive Director of the Fund, as contained in annex VI to this document;*

(e) *Decides that the ad hoc subcommittee on the selection of the Executive Director of the Fund will oversee the selection process referred to in paragraph (b) above;*

(f) *Requests the ad hoc subcommittee on the selection of the Executive Director of the Fund to report back to the Board by the third meeting of the Board with an update on the shortlist of six candidates and its recommendation for the shortlist of three candidates for consideration and interview by the Board;*

(g) *Requests the co-chairs of the ad hoc subcommittee on the selection of the Executive Director, with the support of the interim secretariat, to continue to engage with the World Bank to obtain input as appropriate;*

(h) *Notes that the procurement of the human resources search firm referred to in paragraph (d) above will be carried out by the World Bank, and the costs associated with the procurement of the human resources firm and with the recruitment of the Executive Director will be incurred by the World Bank and subject to cost recovery as per relevant provisions in the hosting agreement in consultation with the ad hoc subcommittee on the administrative budget.*

Agenda item 7: Selection of the host country of the Board

34. The Board considered document FLD/B.2/6 titled, “Selection of the host country of the Board”. Annex II to the document includes the evaluation report by the ad hoc subcommittee of submissions received in response to the call for proposals. Some elements of the document FLD/B.2/6 were circulated on a limited distribution basis.

35. The co-chairs of the ad hoc subcommittee on the selection of the host country of the Board, Gerard Howe and Daniel Lund, introduced the report of the ad hoc subcommittee. A total of eight submissions were received in response to the call for proposals issued by the Co-Chairs of the Board seeking interested Parties to host the Board of the Fund to confer it with legal personality and legal capacity. The evaluation report prepared by the ad hoc subcommittee was a technical report aiming to enhance understanding of the content of the responses, and including additional information from independent metrics to help further differentiate between the proposals.

36. The Co-Chairs noted that the matter had been discussed extensively within their respective constituencies, and therefore decided to suspend the plenary session to undertake bilateral consultations with individual Board members to understand the potential for consensus. Following the consultations, the Co-Chairs determined the necessity to apply

interim procedures for exhausting consensus, as stipulated in decision B.2/D.6, to decide on the matter.

37. Having applied the above-mentioned procedures, the Board selected the Philippines as the host country of the Board of the Fund, subject to the country meeting the commitments made in its proposal. The Board further requested the Co-Chairs to undertake negotiations with the Government of the Philippines to finalize the Host Country Agreement between the Philippines and the Board while keeping the Board informed on the status of this process and authorized the Co-Chairs to sign the agreement on behalf of the Board.

38. Following the deliberations, the Board adopted the following decision.

DECISION B.2/D.9: Selection of the host country of the Board

The Board, having considered document FLD/B.1/9 titled "Selection of the host country of the Board":

(a) *Expresses its gratitude to the governments of Antigua and Barbuda, Armenia, the Bahamas, Barbados, Eswatini, Kenya, the Philippines and Togo for their submissions in response to the call for proposals to host the Board of the Fund;*

(b) *Welcomes the evaluation report by the ad hoc subcommittee on the selection of the host country of the Board;¹*

(c) *Decides to select the Philippines as the host country of the Board of the Fund, subject to the country meeting the commitments made in its proposal;²*

(d) *Requests the Co-Chairs of the Board, with legal and other support of the interim secretariat, to undertake negotiations with the Government of the Philippines with a view to finalizing the Host Country Agreement between the Philippines and the Board, and to keep the Board informed on the status of negotiations prior to signing of the Host Country Agreement;*

(e) *Authorizes the Co-Chairs of the Board to sign, on behalf of the Board, the Host Country Agreement between the Philippines and the Board.*

Agenda item 8: Additional rules of procedure of the Board

39. The Co-Chairs referred to document FLD/B.2/8 and its addendum titled, "Additional rules of procedure of the Board" reflecting the state of the work of the committee prior the beginning of the Board meeting and the developments since then. The Co-Chairs invited the Co-Chairs of the subcommittee to provide a presentation.

40. The co-chair of the ad hoc subcommittee on additional rules of procedure of the Board, Elena Pereira, provided an update on its work. The Co-Chairs noted that, despite progress and agreement on certain items, consensus had not been reached on others such as certain definitions, on matters relating to translation of documents, and with respect to decisions between meetings. The Co-Chairs of the subcommittee invited the Board to consider allowing the subcommittee additional time for further consultations and guidance from the Board to resolve outstanding issues and refine the draft additional rules of procedure. On the basis of this suggestion, the Board agreed that the subcommittee should continue work under its mandate, with the objective of receiving a new draft for B.3.

41. In response to a query from an active observer, the Co-Chairs explained that opportunity would be provided for observers to provide input during the consultation process, as foreseen in the mandate of the ad hoc subcommittee.

42. No decision was adopted under this item.

¹ As contained in document FLD/B.2/7.

² Decision B.1/D.5, annex, para. 3.

Agenda item 9: Workplan of the Board

43. The Board considered document FLD/B.2/9 titled, “Workplan of the Board for 2024”, which provides a proposal from the Co-Chairs on the workplan of the Board for 2024–2025 (see annex VII to this document).

44. The Co-Chairs introduced the document, outlining the elements of the workplan, and the time frame and sequence of actions. The key mandates pertaining to modalities and policies are clustered around governance, resources, modalities and funding arrangements.

45. In the discussions that ensued, Board members highlighted several aspects that necessitated accelerated action by the Board, including arrangements to enable the Fund to begin disbursing funds in 2025, mobilizing resources and ensuring safeguards and standards.

46. Following deliberations on the proposal from the Co-Chairs, the Board made amendments to the work plan and decision text reflecting the outcomes of the discussion. This included the development of propositions for bottom-up country programming approaches, including options for national response plans, programmes and including pre-arranged finance and options for early interventions by the Fund as early as in 2025 and 2026. The initial propositions will be presented at the fourth meeting of the Board. The Board further discussed the need to determine an approach for cost recovery by the World Bank including with respect to the services to be provided in relation to the operationalization of the Fund as a World Bank-hosted financial intermediary fund (FIF); in hosting the independent secretariat of the Fund; and in the provision of Trustee services.

47. Views from Board members regarding key elements for inclusion in the propositions were discussed. The Co-Chairs agreed to further consult on the list of key elements during the preparation of the propositions.

48. Board members emphasized the importance of establishing a long-term resource mobilization strategy no later than by 2025 and the work plan was updated accordingly.

49. The Board also discussed the need to determine an approach for cost recovery of the World Bank, including with respect to the services that may be provided, pending the approval by the Board of the operationalization of the Fund as a World Bank hosted financial intermediary fund.

50. A representative speaking on behalf of observer constituencies requested the addition of language in the decision to ensure consultation with observers in the work of the Board.

51. On the basis of the discussions and amendments to the proposal, the Board decided to adopt its workplan for 2024–2025, as follows.

DECISION B.2/D.10: Workplan of the Board

The Board, having considered document FLD/B.2/9/Rev.1 titled “Background paper on the workplan of the Board”:

(a) *Adopts the workplan for the Board for 2024–2025 as set out in annex VII to this document;*

(b) *Decides that the workplan will be updated on a rolling basis to reflect the new mandates agreed by the Board;*

(c) *Notes the need to determine an approach for cost recovery of the World Bank in the provision of services related to the operationalization of the Fund as a World Bank-hosted financial intermediary fund;*

(d) *Requests 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 a report to the Board by 15 August 2024 on cost recovery of the World Bank with respect to the services to be provided:*

(i) *In hosting the independent secretariat of the Fund;*

(ii) *As the Trustee of the Fund;*

(e) *Further requests* the co-chairs of the ad hoc subcommittee on the administrative budget to engage with the World Bank to produce a report to the Board by 15 August 2024 on cost recovery of 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, together with the necessary reporting arrangements by the World Bank for such cost recovery;

(f) *Requests* the interim secretariat, under the guidance of the Co-Chairs and drawing upon external resources, to develop a proposition outlining: (i) options and choices for the Fund to further operationalize a bottom-up country-led approach that promotes and strengthens national responses to loss and damage; and (ii) options for early interventions by the Fund as early as 2025–2026;

(g) *Further requests* the Co-Chairs to take into consideration the views taken by the Board members and observers during the second meeting of the Board and subsequent views to inform the development of the terms of reference of the work referred to in (i) and (ii) under paragraph (f);

(h) *Also requests* the Co-Chairs and interim secretariat to submit the propositions described in paragraph (f) to the Board fourteen days prior to the fourth meeting of the Board for its consideration at that Board meeting.

Agenda item 10: Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund

52. The Board considered document FLD/B.2/10/Rev.1 titled, “Matters relating to the operationalization of the Fund as a World Bank-hosted financial intermediary fund”, which contains a report of the Co-Chairs of the Board on their engagement with the World Bank during the period between B.1 and B.2 in its annex.

53. A representative of the World Bank provided an update on the status of its work to prepare for the operationalization of the Fund as a World Bank-hosted FIF. Referring to the letter of the World Bank that confirms its ability and willingness to host the Fund as an FIF by the deadline stipulated by the Conference of the Parties (COP) and Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA),³ the representative of the World Bank briefed the Board on its efforts to fulfil the conditions for operationalization of the Fund as an FIF, including through flexible interpretation of its relevant policies and plans for an innovative, effective and agile fund.

54. The representative described to the Board the envisaged structure of the Fund as an FIF, the World Bank’s roles as Trustee and host of the secretariat, and potential future roles as an implementing entity based on FIF models. The representative’s presentation featured a general outline of a typical hosting agreement, including roles and responsibilities, cost recovery provisions, human resources, administrative matters, fundraising, conflict of interest, and dispute resolution.

55. The representative of the World Bank emphasized that implementing entities would be solely accountable for the end use of funds and would be responsible for reporting and that the functions of the Trustee would be distinct from the project and programme implementation functions. The independent secretariat would report only functionally to the Board while being administratively linked to the World Bank, with the privileges and immunities of the World Bank extended to the staff of the secretariat. The hosting agreement between the World Bank and the Board would define roles and responsibilities and decide which are applicable on administrative matters.

56. The representative reiterated the commitment of the World Bank to submit the draft hosting agreement and the draft trustee agreement to the Board, approved by the Board and

³ Para. 19 of decision 1/CP.28 and 5/CMA.5.

management of the World Bank, by the eight-month deadline stipulated by the COP and the CMA (see footnote 3).

57. With respect to the services rendered by the World Bank, including during the transition period, the representative provided preliminary information on the cost-recovery methodology that the World Bank applies in the case of World Bank-hosted FIFs that is to be developed in tandem with the hosting agreement. The representative further explained that hosting the secretariat would entail direct and indirect costs. Direct costs would be determined by the Board of the Fund, which would include items such as the secretariat's staff costs, travel costs, consultants' costs, contractual services, and. Indirect costs would arise from corporate services provided by the World Bank, which could include items such as information technology, legal, budget, human resources and security. Indirect costs would be calculated as a fixed proportion of direct costs and are part of the cost-recovery methodology.

58. The Board of the Fund would be responsible for fundraising but may draw on the secretariat for support, including on non-traditional financing. With respect to provisions relating to the staff of the secretariat, although the staff would be employees of the World Bank and therefore subject to relevant staff rules and employment, staff satisfy their duty to the World Bank by fulfilling their responsibilities in relation to the work programme of the Fund and the Board of the Fund.

59. The World Bank representative also presented a typical outline of a Trustee agreement, noting that the draft agreement with the Fund was under preparation. Such agreements would typically include articles on establishment and administration, contributions, investment of funds, transfer of resources, compensation, accounting and financial reporting, and representation.

60. Funds held by the Trustee are typically invested and managed by several other parts of the World Bank such as treasury services, accounting and legal affairs. The World Bank co-mingles these funds in the broader trust fund portfolio, which are invested on behalf of the Fund upon instruction of the Board. The funds held by the Trustee benefit from the World Bank's privileges and immunities. The Trustee holds, invests and transfers to the implementing entities upon guidance from the Board. Responsibility for the funds is borne by the implementing entities, and hence they are defined as limited trustees.

61. Following this presentation, the Co-Chairs informed the Board that, at the next meeting of the Board, the ad hoc subcommittee on the administrative budget may provide more information on the cost-recovery methodology for both direct and indirect costs associated with hosting the secretariat and the Trustee function.

62. The Co-Chairs further confirmed that the draft FIF documents would be circulated to the Board as soon as they are received, and that the Co-Chairs would engage with the Board on the basis of the draft FIF documents potentially through a virtual meeting where opportunity will be provided for Board and alternate members to provide comments and seek clarification, which would then be taken back to the World Bank. The meeting is intended to be attended by all Board and alternate members, but without decision-making, to consider whether the World Bank proposal fulfils the conditions stipulated by the COP and the CMA.

63. On the basis of the outcome of this consultation process, the FIF documentation would be prepared for consideration of the Board at B.3. The Co-Chairs also emphasized that these documents would not be endorsed by the Co-Chairs but submitted as proposals from the World Bank for consideration by the Board.

64. One Board member emphasized the need for ensuring that virtual meetings do not clash with official holidays in their scheduling. In addition, they suggested seeking legal advice from the interim secretariat on whether the proposals submitted by the World Bank fulfil the conditions stipulated by the COP and CMA⁴.

⁴ Para. 20 of decision 1/CP.28 and 5/CMA.5.

65. The representative of the World Bank assured the Board of its commitment to operationalize the Fund as soon as possible and to enable it to receive contributions in 2024. The Board then moved into closed session for the remainder of its deliberation under item.

Agenda item 11: Access modalities, including in relation to the development of relevant indicators and triggers to clarify access and operational modalities for the Fund, including a functional equivalency framework

66. The Board considered document FLD/B.2/11 titled, “Background paper on access modalities in accordance with the Governing Instrument of the Fund for responding to loss and damage”. The document was prepared by the interim secretariat for information purposes and transmitted on an exceptional basis to the Board without prior review by the Co-Chairs.

67. The interim secretariat presented the contents of the background paper to the Board, which comprised an overview and comparison of access modalities used by climate and non-climate comparator funds, including information on triggers/thresholds, rapid disbursement, and small grant funding modalities. Following the presentation Board members reflected and shared their views regarding access modalities.

68. Suggestions included forming a subcommittee to discuss the matter; defining triggers specific to the Fund’s objectives, including addressing slow onset and sudden onset events and non-economic and economic losses effectively; the need for metrics and modalities for direct budget support, particularly for rapid disbursement and responses to loss and damage; conducting further discussions on the programmatic approach and potential phased approaches for fast track accreditation/screening; and the feasibility of setting up a small grants programme under the Fund. Others emphasized the need to address the overall approach comprehensively, advocating for simultaneous resolution of all aspects related to what actions to take, how they are executed, and by whom, while ensuring alignment with the Governing Instrument.

69. Following this discussion, the Co-Chairs acknowledged the richness of the discussion, appreciating contributions on both substance and operational strategy. The Co-Chairs further noted suggestions from Board and alternate members on potential next steps, including commissioning further work, while emphasizing the need for specific guidance to be provided to the interim secretariat, or possible subcommittees, based on gathered proposals and inputs.

70. No decision was adopted under this agenda item.

Agenda item 12: Financial instruments, modalities and facilities

71. The Board considered document FLD/B.2/12 titled, “Background paper on financial instruments, modalities and facilities”. The document was prepared by the interim secretariat for information purposes and transmitted on an exceptional basis to the Board without prior review from the Co-Chairs.

3. The interim secretariat presented an overview of the information contained in the document to the Board for its information; namely that the document provided a comprehensive analysis of available financial instruments and modalities that can be utilized for loss and damage. It included examples from existing climate and non-climate funds, highlighting strengths and weaknesses of different instruments, key principles and ways forward. Emphasis was placed on addressing the needs of vulnerable countries and communities affected by climate-induced loss and damage.

4. Following the interim secretariat presentation, and as an introduction for the Board discussion on this item, the Co-Chairs noted that the discussion of financial instruments and access modalities were intrinsically linked, and the current approach of a ‘top-down’ policy definition for these was only one way for the Board to consider. An alternative approach, suggested by the Co-Chairs, was to consider these through a bottom-up approach,

whereby individual country programs could determine specific needs, access entities, selection of instruments, and consideration of complementarity and coherence, including with other funding arrangements

5. In the ensuing discussion, Board members shared their opinions and suggestions, which included for some Board members preference for pre-arranged finance, grants and highly concessional loans and avoidance of complicated instruments and increasing the debt burden. Some other Board members echoed the suggestion by the Co-Chairs to focus on the bottom-up approach, noting also the need to understand what such approach would entail. Some Board members also underlined the importance of achieving speed, flexibility and scale that would address the current needs related to loss and damage. The need for agreeing on the vision for the Fund was also mentioned during the discussion, noting the urgency of starting to deliver the funds on the ground. The need for further discussion on identifying specific targets for interventions and defining instruments for rapid and slow-onset events based on country needs was also noted.

6. Some Board members highlighted direct budget support as another area for further enquiry. The interim secretariat highlighted the benefits of direct budget support, such as increased ownership by recipient countries and reduced transaction costs. The representative of the interim secretariat further discussed different types of pre-arranged financing mechanisms such as contingency financing, insurance schemes, catastrophe bonds and disaster risk pools, highlighting the need for flexible financing solutions tailored to different scenarios and the evolving needs of the Fund.

7. No decision was adopted under this agenda item. It was proposed that a way forward and next steps on this matter be discussed under the Board's consideration of its work plan later in the agenda.

Agenda item 13: 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

72. The Board considered document FLD/B.2/13 titled, "Background paper on draft arrangements between the Conference of the Parties, 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".

73. The Board decided to approve the initial draft of the arrangements between the COP, the CMA and the Board of the Fund for responding to loss and damage, as set out in annex II to document FLD/B.2/13.

74. The proposal was adopted with the understanding that once forwarded to the COP and the CMA, two separate decisions would be taken to adopt the draft arrangements: a decision under the COP and a decision under the CMA.

75. On the basis of the above understanding, the Board adopted the following decision.

DECISION B.2/D.11: Arrangements between the Conference of the Parties of 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

The Board, having considered document FLD/B.2/13 titled "Background paper on 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":

(a) *Approves the 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, as contained in annex VIII to this document;

(b) *Decides to include, in line with paragraph 7 of decisions 1/CP.28 and 5/CMA.5, the approved draft arrangements in its annual report to the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, for consideration and approval by 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.*

(c) *Requests the Co-Chairs of the Board to inform the Co-Chairs of the Standing Committee on Finance of the outcome of its deliberations on the draft arrangements.*

Agenda item 14: Participation of active observers in Board meetings and related proceedings

76. The Board considered document FLD/B.2/14/Rev.1 titled “Background paper on the participation of active observers in Board meetings and related proceedings”.

77. The Co-Chairs acknowledged gaps in the paper due to ongoing considerations in other committees, such as those relevant to rules of procedures, conflict of interest and travel policy. They noted that these subsequent policies will address these existing gaps in the current document.

78. Observer constituencies provided their views on the background paper prepared by the interim secretariat. These included a request from one observer representative to include the farmers constituency in the active observer representation; to amend the current practice of inviting observers to participate in the meeting after decisions are taken, which undermines their meaningful participation; to expand the active observer representation beyond the UNFCCC observer constituencies; and to ensure that each group be allowed two active observers and two alternates. Another observer representative highlighted the positive inclusive practice of the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, which provides three seats for representatives of Indigenous Peoples organizations as active advisory board members.

79. In response to a suggestion to include further stakeholders not identified in the Governing Instrument, the Co-Chairs clarified that the intention was not to renegotiate the Governing Instrument.

80. Noting the lack of readiness by the Board to adopt a decision on the matter, the Co-Chairs proposed deferring decision-making on the matter, while also deciding to continue its interim arrangement for observers, as practised at B.1 and B.2 to ensure predictability. Board members concurred with this proposal, highlighting that the current practice should serve as the minimum standard moving forward until a comprehensive policy has been developed and adopted through a stepwise approach. Some Board members suggested exploring alternative options for broadening stakeholder engagement, including through virtual participation.

81. The Co-Chairs summarized the views of the Board, recognizing the need for further work to be done and the importance of revisiting the issue. They noted the encouragement from the Board to continue dialogue with civil society. On the basis of the discussion, the Board agreed to maintain its interim arrangement through a decision until such time as a full policy is developed, clarifying that these arrangements would not prejudice or pre-empt the final policy.

82. On the basis of the discussions, the Board adopted the following decision.

DECISION B.2/D.12: Participation of active observers in Board meetings and related proceedings

The Board, having considered document FLD/B.2/14/Rev.1 titled “Background paper on the participation of active observers in Board meetings and related proceedings”:

(a) *Notes* the work of the interim secretariat in preparing the “Background paper on the participation of active observers in Board meetings and related proceedings” as contained in document FLD/B.2/14/Rev.1;

(b) *Requests* the interim secretariat to develop a draft policy for participation of active observers in Board meetings and related proceedings (“**Observer Policy**”), and to conduct further consultations with, and seek inputs from, the Board and stakeholders in developing such policy;

(c) *Requests* the interim secretariat to present the draft Observer Policy to the Board for consideration no later than at its fourth meeting;

(d) *Decides* that the interim arrangements for observer participation adopted in decision B.2/D.3 will apply for observer participation in subsequent meetings of the Board until the Observer Policy is adopted by the Board;

(e) *Notes* that the interim arrangements adopted in paragraph (d) above do not prejudice, or pre-empt, the Observer Policy that will be approved by the Board.

Agenda item 15: Arrangements for establishing and operationalizing the annual high-level dialogue

83. Under this agenda item, the Board considered document FLD/B.2/15 and its revision titled, “Arrangements for establishing and operationalizing the first annual high-level dialogue”.

84. Following the Co-Chairs’ introduction of the document, which included presenting several options for potential dates for convening the dialogue, several Board members emphasized the critical importance of convening the first dialogue in 2024, to enhance complementarity and coordination with other ongoing efforts. The need for clear articulation of the purpose of the dialogue and how it will meaningfully contribute to the work of the Board was highlighted. High-level political engagement was stressed, including suggestions to explore summit-level conferences to leverage existing opportunities, minimize travel and maximize participation. The challenges to scheduling the dialogue to enable adequate preparation time and allow for reporting to the COP and the CMA were discussed by Board and alternate members. The need to have the Executive Director on board by the time of the event was also discussed.

85. Taking into account the various considerations raised by Board and alternate members regarding an appropriate time to schedule the event, the Board agreed on a hybrid approach, whereby the first annual high-level dialogue would take place in the first half of 2025, and will be preceded by a launch of the high-level dialogue on the margins of the World Leaders Climate Action Summit during COP 29 and CMA 6. The Secretary-General of the United Nations, the President of COP 29 and the President of the Philippines as the selected host country of the Board, as well as heads of multilateral climate funds, were suggested as high-level invitees to give prominence to the event.

86. On the basis of the discussions, the Board adopted the following decision.

DECISION B.2/D.13: Arrangements for establishing and operationalizing the annual high-level dialogue

The Board:

(a) *Decides* to launch the high-level dialogue, on the margins of the World Leaders Climate Action Summit, during the twenty-ninth session of the Conference of the Parties and the sixth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, to be held in-person, in November 2024 in Baku, Azerbaijan;

(b) *Requests* the interim secretariat, in coordination with the Office of the United Nations Secretary-General, to prepare a concept note on the high-level dialogue, including arrangements for the high-level launch during the twenty-ninth session of the Conference of the Parties and the sixth session of the Conference of the Parties serving as the meeting of

the Parties to the Paris Agreement in Baku, Azerbaijan, to be presented for the Board's consideration at its third meeting;

(c) *Decides that the first annual high-level dialogue will be held in the first half of 2025, with the exact date and venue to be determined at the third meeting of the Board of the Fund;*

(d) *Requests the interim secretariat, in coordination with the Office of the United Nations Secretary-General to produce a background paper of possible dates and venues for the first high-level dialogue, including the Spring Meetings of the World Bank Group and International Monetary Fund, to be presented to the Board at its third meeting;*

(e) *Requests the interim secretariat, in consultation with the ad hoc subcommittee on the administrative budget, to utilize the approved contingency budget in the administrative budget for the organization of the high-level dialogue and to report to the Board on the execution of the budget at the third meeting of the Board, in accordance with decision B.1/D.11.*

Agenda item 16: Matters under consultation by the Co-Chairs

(a) Travel policy

87. The Board considered document FLD/B.2/16/Rev.1 titled, "Note by the Co-Chairs on matters under consultation by the Co-Chairs".

88. The Co-Chairs introduced the document, clarifying that it was intended to provide Board and alternate members with a factual overview of the various issues highlighted under previous discussions under the item. The Co-Chairs noted the use of contingency budget to fund advisers of alternate members of the Board as a measure to ensure fairness and participation.

89. Noting the lack of consensus regarding a Board travel policy, the Co-Chairs expressed their intention to present a set of principles to guide the development of the policy at this meeting rather than aim to adopt a policy. In this regard, the note from the Co-Chairs included proposals to shape such principles, with a special focus on participation and support for members of the Board representing developing countries. Some Board members mentioned the need for funding support for observers. Several Board members emphasized the need to explore the possibility of conducting virtual or hybrid meetings to reduce travel costs.

90. Board members highlighted considerations such as fairness and equal representation; minimizing environmental impact and carbon footprint; safeguarding health and well-being; and cost efficiency in determining the principles. Some members highlighted funding support for advisers of Board and alternate members representing developing countries as crucial.

91. On the basis of the discussions, the Board adopted the following decision.

DECISION B.2/D.14: Matters under consultation by the Co-chairs: Travel policy

The Board, having considered document B.2/16/Rev.1 titled "Note by the Co-Chairs on matters under consultation by the Co-Chairs":

(a) *Requests the interim secretariat, in consultation with the Co-Chairs, to develop a travel policy for the Board ("Travel Policy"), taking into consideration the inputs provided by the Board on this agenda item, and submit to the Board for its consideration and adoption at its third meeting;*

(b) *Decides that the Travel Policy shall include the cost of travel and daily subsistence allowance for both members and alternate members of the Board from developing countries as well as one adviser for each member and alternate member of the Board from developing countries for participation in Board meetings to be provided by the Fund;*

(c) *Agrees that the Travel Policy shall be reviewed every three years following its adoption;*

(d) *Further decides* that the approach approved under paragraph (b) above shall apply for participation in the meetings of the Board until the Travel Policy is adopted and the associated costs shall be provided from the approved administrative budget of the Fund, in consultation with the ad hoc subcommittee on administrative budget;

(e) *Decides* that the Travel Policy will provide travel-related measures to:

(i) *Ensure full and equal participation in all Board meetings and related proceedings;*

(ii) *Manage human well-being;*

(iii) *Reduce and mitigate the environmental impact and carbon footprint related to the implementation of the Travel Policy, and ensure sustainability of travel;*

(iv) *Address cost-efficiency of travel, in the context of the cost-efficiency approach across all Fund policies, and minimize travel time;*

(f) *In order to inform the Board's considerations on the Travel Policy, requests* the interim secretariat to prepare a technical paper, for consideration by the Board at its third meeting, setting out options for formats for Board and related meetings, including challenges and practical solutions for in-person, hybrid and virtual meetings;

(g) *Requests* the interim secretariat, in consultation with the ad hoc subcommittee on the administrative budget, pursuant to paragraph (g) in decision B.1/D11, to provide information on the estimated budget for the implementation of the draft Travel Policy in the technical paper referred to in paragraph (f).

(b) Name of the Fund

92. The Board considered document FLD/B.2/16/Rev.1 titled, "Note by the Co-Chairs on matters under consultation by the Co-Chairs".

93. The Co-Chairs recalled that the COP 28 President, in presenting to COP 28 and CMA 5 the decision to approve the report of the Transitional Committee, recommended that, once operational, the Board take up the matter of naming the Fund. Since then, the Fund had taken on a self-naming process, frequently being referred to as the "Fund for responding to loss and damage", as applied by the interim secretariat as well as the World Bank. While this has been the most common phrasing, the Fund has also been referenced in the decision regarding the host country decision (decision B.1/D.6 annex) as the "Fund referred to in decisions 1/CP.28 and 5/CMA.5".

94. While cognizant of interests to brand the Fund with a new name, the Co-Chairs did not recognize appetite or convergence for this idea. As such, the Co-Chairs proposed to officially name it as the "Fund for responding to loss and damage" following consultations, viewing it as the most logical solution.

95. Some Board members suggested abbreviating the name of the Fund as "FrLD."

96. Referring to the gavelling of the decision in two phases, initially as a verbally agreed decision followed by adoption of written decision text in the afternoon, one Board member noted that there was no provision in the Governing Instrument, in the COP and the CMA decisions, or in policies adopted by the Board that allowed the Board to take verbal decisions and thus should not set a precedence going forward.

97. On the basis of the proposal from the Co-Chairs, the Board agreed to name the Fund as "Fund for responding to Loss and Damage." As such, the Board adopted the following decision.

DECISION B.2/D.15: Name of the Fund

The Board, having considered document FLD/B.2/16 titled "Note by the Co-Chairs on matters under consultation by the Co-Chairs":

Decides that the name of the Fund will be the "Fund for responding to Loss and Damage".

(c) Other matters discussed by the Board at its first meeting

98. The Board considered document FLD/B.2/16/Rev.1 titled, “Note by the Co-Chairs on matters under consultation by the Co-Chairs”.

99. The Board did not discuss this matter under the formal agenda.

Agenda item 17: Dialogue with the civil society

100. No document was issued under this item.

101. A dialogue with civil society was conducted as a standing agenda item to enhance Board engagement with stakeholders.

102. The observer representative from the farmers and agricultural non-governmental organizations (NGOs) briefed the Board highlighting the significant yet underestimated impact of climate-induced loss and damage on farmers around the world; particularly due to gaps in data availability and the slow onset processes of such impacts. They stressed the need for enhanced and direct access for farmers including through farmers’ unions, associations and cooperatives, which are well-positioned to deliver effective, tailored, and sustainable solutions at scale.

103. The Indigenous Peoples organizations’ representative emphasized the importance of a human-rights-based and community-centred approach in the workplan of the Fund, encouraging the urgent operationalization of the Fund with a focus on direct access for the most vulnerable and modalities for public participation. The representative advocated for the establishment of a dedicated community access window for small grants, a comprehensive resource mobilization strategy, and the development of specific policies for gender, youth and Indigenous Peoples as part of the Board’s workplan.

104. A representative from the environmental NGOs called for the need to clearly differentiate between active observer roles and broader meaningful observer engagement, in line with the Governing Instrument. They highlighted inconsistencies in the current draft guidelines proposed for active observer engagement and advocated for allowing active observers to participate in the Board on an equal footing with Board members, including equal access to documents for active observers having signed the confidentiality agreement, funding support for attendance, and the designation of alternates. The representative further suggested application of transitional articles as a more favourable alternative to the current practice of interim documents.

105. Another representative from the same constituency underscored the need for a clear and holistic definition of “direct access” that does not involve intermediaries. They highlighted the existing barriers to access and emphasized the advantages of direct budget support. The representative also expressed strong support for the proposal to establish a community access window, reinforcing the need for mechanisms that ensure resources reach vulnerable communities directly and equitably.

106. The representative from the research and independent NGOs spoke on the potential triggers and parameters for accessing the Fund, advocating for a programmatic approach based on national-level loss and damage programmes, including the use of local assessments on recovery from recent events and as practised by local governments. The representative also highlighted the need to create space for local stakeholders, Indigenous Peoples and civil society and academic institutions to collaborate with governments in co-developing local assessments and potential initiatives rooted in Indigenous knowledge, as well as science and evidence-based practices. .

107. The representative of trade union NGOs expressed views on financial instruments appropriate for addressing loss and damage, critiquing the options presented in the Board paper (document FLD/B.2/12) for their lack of consideration from a climate justice perspective and the relevance to the contexts of impacted communities. The representative further noted the lack of exploration in the paper on social protection measures in place in developing countries. The representative strongly advocated for the provision of grants over

debt-creating instruments. The representative emphasized that the Fund should prioritize equity, climate justice, and human rights, avoiding approaches that could exacerbate financial burdens on affected communities. The representative further called for the annual high-level dialogue on complementarity and coordination to define the Fund's vision and scope, mobilize finance at scale that meets the needs and rights of affected communities, and ensure that developed countries demonstrate political will to contribute, rather than shifting burden to multilateral development banks. The representative advocated for the dialogue to be inclusive, outcome-oriented, and include a clear follow-up process to ensure effectiveness.

108. The women and gender constituency representative reiterated their discontent regarding operationalization of the Fund as a World Bank-hosted FIF. The representative emphasized that the FIF package must guarantee the full autonomy of the Fund, safeguard the eligibility of developing countries to access the Fund, and ensure that direct access becomes the Fund's primary access modality allowing direct budget support to national and subnational entities. They advocated for greater accountability and disclosure to observers of the FIF documentation submitted by the World Bank before the Board certifies that these satisfy the conditions stipulated by the COP and the CMA. The representative also highlighted the crucial role of the additional rules of procedure in ensuring inclusivity and meaningful observer engagement, suggesting ways on how these could be elaborated.

109. The representative from children and youth NGOs highlighted the lack of travel support for observers in the draft travel policy, noting that lack of access to travel support prevented observers from affected communities from participating in the process. They also noted the need for capacity-building activities during meetings and advocated for a dedicated line item in the administrative budget to ensure financial support for travel, particularly for those from marginalized and affected communities.

110. Following these interventions, Board members thanked the observers for their input, and concurred that communities on the front lines of loss and damage would be the ones creating tangible results on the ground. Board members agreed on the importance of enhancing observer engagement, and encouraged continued observer input into substantive discussions.

Agenda item 18: Dates and venues of future meetings

111. The Board considered document FLD/B.2/9, titled "Workplan of the Board for 2024".

112. Board members deliberated on whether there was a need to amend the dates of B.3 and B.4 as had been agreed at B.1. The Board concurred on convening its third meeting from 18 September to 20 September 2024 in Baku, Azerbaijan, and confirmed its decision from its first Board meeting to conduct its fourth meeting from 2 to 5 December 2024.

113. The Board member from the Philippines conveyed the offer from the Government of Philippines to the host B.4.

114. The Board adopted the following decision.

DECISION B.2/D.16: Dates and venues of future meetings

The Board, having considered document FLD/B.2/9, titled "Workplan of the Board for 2024":

(h) *Expresses its gratitude to the Republic of Korea for hosting the second meeting of the Board and to the Incheon Metropolitan City for providing the meeting facilities;*

(i) *Decides to hold its third meeting from Wednesday, 18 September to Friday, 20 September 2024 in Baku, Azerbaijan;*

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

(k) *Requests the Co-Chairs to present to the third meeting of the Board dates and venues of meetings in 2025;*

(1) *Requests the interim secretariat, in consultation with the Co-Chairs, and the host country of the Board to identify a suitable venue for hosting the fourth meeting of the Board.*

Agenda item 19: Other matters

115. The Co-Chairs noted that Board members did not raise any matters under this agenda item.

Agenda item 20: Closure of the meeting

116. The Co-Chairs noted that the compendium of decisions would be circulated to the Board within 10 days for Board members to review.

117. In closing, the Co-Chairs summarized the milestones achieved by the Board at its second meeting, highlighting the outcomes of the sixteen decisions taken.

118. The Co-Chairs expressed their gratitude to the Government of the Republic of Korea for hosting the meeting; the interim secretariat; the volunteers; as well as the Board members for their hard work and spirit of cooperation.

119. The Co-Chairs highlighted the necessity for advanced preparation and emphasized this as an area for future improvement. Some good practices were also highlighted, including optimal use of time between meetings of the Board; application of interim arrangements to allow for moving forward where the Board could not decide on certain policies; and the conclusion of all items included in the agenda at both B.1 and B.2. The Co-Chairs concluded by reminding the Board of the responsibility on their shoulders to deliver on the ground.

120. The Co-Chairs closed the second meeting of the Board of the Fund for responding to Loss and Damage at 6.01 p.m. (UTC+9), on Friday, 12 July 2024, in Songdo, Incheon, Republic of Korea.

Annex I

Basic standard of conduct

1. Board members, alternate members and advisers shall carry out their responsibilities in connection with the Fund, to the best of their ability and judgment and shall maintain the highest standards of integrity and ethics in their personal and professional conduct, and observe principles of good governance.
2. Board members, alternate members and advisers shall observe the laws of each jurisdiction in which they are present pursuant to their official duties and responsibilities, associated with the Fund, noting that this principle does not abrogate or waive any privileges and immunities which they may enjoy by virtue of their role in their respective governments.
3. Board members, alternate members and advisers shall, in their interactions with others, act with tolerance, sensitivity and respect for cultural differences. Any form of discrimination based on any ground, such as gender, race, colour, national, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation shall be against this statement.
4. Board members, alternate members and advisers shall abide by the following standards of conduct:
 - (a) Must not act in any manner that will undermine public confidence and trust in the Fund's governance;
 - (b) Must not encourage anyone to take any actions referred to in paragraph (a) above;
 - (c) Must disassociate from any suspected misconduct, including those actions referred to in paragraph (a) above.

Conflicts of interest

5. A conflict of interest arises when a member or alternate member of the Board or an adviser has an interest that may include, but is not limited to, a financial interest that could, or reasonably could be deemed to, improperly influence the performance of their official duties or responsibilities as a member or alternate member of the Board or an adviser, as the case may be.
6. In general, and without limitation, conflicts of interest may be deemed to exist in the following situations:
 - (a) Where the interests of a Board or alternate member or an adviser, or the interests of an immediate family member¹ (subject to the limitation referred to in paragraph 7 below), could affect the conduct of their duties and responsibilities with respect to the Fund or result in a reasonable perception that a conflict of interest exists;
 - (b) Where the actions of a Board or alternate member or an adviser create the perception that they are using their position at the Fund for the benefit of an immediate family member (subject to the limitation referred to in paragraph 7 below).
7. It is acknowledged that the Board and alternate members and advisers may be serving a government which in itself does not constitute a conflict of interest, provided that the relationship with the relevant government is disclosed.

¹ Immediate family members means a Board member's, alternate member's and adviser's spouse, partner under domestic legislation, child, mother, father, brother or sister and persons primarily dependent on such an individual for financial support.

Annex II

Interim procedure for exhausting consensus

1. The Co-Chairs will consult with all members of the Board present at the meeting on a confidential basis to determine whether a consensus can be reached.
2. If the Co-Chairs, acting jointly and in good faith, determine that consensus cannot be reached, they will propose that confidential balloting will take place and announce the start of the balloting process, including the suspension of webcasting.
3. Each Board member shall be entitled to one ballot. Co-Chairs retain their right to participate in the ballot. All Board members present in the boardroom shall participate in the balloting and be entitled to one ballot in each round of balloting.
4. For Board seats where the Board member is absent, pursuant to paragraph 18 of the Governing Instrument, the alternate member shall be entitled to exercise the ballot.
5. Balloting will take place on the basis of a series of written confidential ballots to determine the successful candidate.
6. Only members entitled to cast a ballot will be present in the Boardroom.
7. For each round of balloting, the Co-Chairs will apply the following formula:
 - (a) If a candidate has received a four-fifths majority of the ballots cast in a single round of balloting, that candidate will be deemed as the preferred candidate;
 - (b) If no candidate has received a four-fifths majority, the candidate that received the least number of ballots will be dropped from the ballot and a subsequent round of balloting will commence. If more than one candidate has received the same least number of ballots, all such candidates will be dropped from the ballot, unless they are the last two candidates in which case paragraph 7(c) below will apply;
 - (c) In the event of a tie between the last two candidates, the balloting process is repeated until one candidate has received more ballots than the other candidate.
8. The ballots cast will be counted by a member of the interim secretariat designated jointly by the Co-Chairs.
9. The Co-Chairs will then announce the result of each round of the balloting.
10. After the results of the confidential balloting have been announced, Board members may make a brief statement should they wish to.
11. The final outcome of the ballot will be confirmed in a Board decision adopted by consensus.

Annex III

Interim procedures for decisions between Board meetings

1. The Co-Chairs will instruct the interim secretariat to transmit to members and alternate members of the Board a proposal for a decision with the invitation to Board members to approve the decision on a no-objection basis, within 10 days from and including the date of transmittal of the draft decision.
2. At the expiration of the 10-day period prescribed for replies, the decision shall be deemed approved unless there is a Written Request to:
 - (a) Defer the matter to the next Board meeting with specific reasons as to why a decision cannot be approved; and/or
 - (b) Make changes to the proposed decision. (In either case, a “Written Request”)
3. A communication from a Board member in respect of the draft decision shall not be considered as an objection unless it constitutes a Written Request, as set out in paragraph 2 above.
4. If a Written Request is received during the period prescribed for replies, the Co-Chairs will work through such Written Request with the relevant Board member directly.
5. If the relevant Board member upholds their Written Request following discussion with the Co-Chairs, the draft decision will be considered by the Board at that meeting.
6. If the relevant Board member withdraws their Written Request at any time prior to the Board meeting, the proposed decision shall be deemed approved.
7. The interim secretariat shall, on behalf of the Co-Chairs, update the Board and alternate members on the status of the draft decision.
8. If the decision is adopted between meetings, the decision should be expressly acknowledged at the beginning of the subsequent Board meeting and shall be recorded in the report of that meeting.

Annex IV

Terms of reference for the Executive Director of the Fund

Terms of reference for the Executive Director of the Fund

<p>Organization:</p> <p>Recruitment Type:</p> <p>Department/Division:</p> <p>Remuneration:</p> <p>Term Duration:</p> <p>Hire Type:</p> <p>Location:</p> <p>Required Language(s):</p>	<p>World Bank</p> <p>International recruitment</p> <p>Planet Vice Presidential Unit</p> <p>Comparable to vice-president level</p> <p>4 years</p> <p>Executive Director</p> <p>Washington, D.C.</p> <p>English; knowledge of Arabic, Chinese, French, Russian or Spanish an advantage</p>
<p>Background and General Description</p> <p>The Fund for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4, announced at 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, is seeking its inaugural Executive Director.</p> <p>The purpose of the Fund is to assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to associated economic and non-economic loss and damage, including extreme weather events and slow onset events.</p> <p>Given 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 in responding to economic and non-economic loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events, especially in the context of ongoing and ex post (including rehabilitation, recovery and reconstruction) action, the Fund aims to be a new channel for multilateral finance to assist those countries in responding to loss and damage associated with the adverse effects of climate change. The Fund will also endeavour to assist those countries in mobilizing external finance to strengthen their efforts to respond to loss and damage while supporting both the achievement of international goals on sustainable development and the eradication of poverty.</p> <p>As Executive Director, you will be responsible for supporting the Board in growing the Fund from its level at the time of the appointment of the Executive Director towards contributing to a response at scale to respond to climate-induced loss and damage, including as part of funding arrangements for responding to loss and damage, from a wide variety of sources, and to evolve into a channel for scalable and flexible multilateral finance under the auspices of the World Bank-hosted financial intermediary fund for a period of four years on an interim basis, which can be extended or made permanent. In addition to the provision of funding, the Fund will form effective partnerships, and ensure its impact extends to countries and communities on the frontlines of climate change. It will develop new coordination and cooperation mechanisms to help enhance complementarity and coherence, and will link with various funding sources</p>	

and other actors within the loss and damage landscape. The qualified individual will bring a track record of innovation and problem solving necessary to live up to the Fund's desire to do things differently for the benefit of its recipients.

You will lead the new, dedicated and independent secretariat established to service the Fund and will be accountable to its Board. Under your leadership, the secretariat will have effective management capabilities to execute the day-to-day operations of the Fund and will be run by professional staff with relevant experience, including experience in a range of issues related to climate financing and to responding to loss and damage and experience in financial institutions.

With your advice and involvement, the Board will exercise strategic leadership and flexibility to allow the Fund to evolve over time. The Board will serve the objectives and purpose of the Fund and steer the Fund's operations so that they evolve with the Fund's scale and maturity.

The Fund is designated as an entity entrusted with the operation of the Financial Mechanism of the United Nations Framework Convention on Climate Change, also serving the Paris Agreement, and is accountable to and functions under the guidance of the COP and the CMA.

Key Responsibilities

The Executive Director will be delivering on the vision and policies developed by the Board

The Executive Director of the Fund will support the Board in strategic thought leadership, realizing the objectives and purposes of the Fund, and steering its operations towards scale and maturity. The successful candidate will demonstrate strong diplomatic and relationship management skills, including possessing the ability to facilitate consensus-based decisions and foster convergence of stakeholders' diverging views. The essential qualifications for the candidate are deep expertise, knowledge and experience relating to climate financing and to responding to loss and damage associated with the adverse effects of climate change; an ability to provide strategic leadership; strong management skills in people, processes and financial resources; an ability to work with relevant bilateral, regional and global funding mechanisms and institutions to enhance complementarity and coherence; and strong communications skills, including demonstrated ability to communicate with a wide range of stakeholders.

The Executive Director will report to and will be accountable to the Board of the Fund on all programmatic matters and carrying out Board policy, while reporting to the World Bank on administrative matters.

Specific responsibilities of the Executive Director include:

Strategic Leadership

- Provide overall leadership towards deploying the mandate of the Fund, and carrying out Board policy, as a new channel to assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to economic and noneconomic loss and damage, associated with the adverse effects of climate change including extreme weather and slow onset events;
- Provide direction in the operations of the Fund to ensure innovation, transparency and accountability, guided by efficiency and effectiveness and sound financial management;
- Provide leadership towards deploying the mandate of the Fund to operate in a manner that promotes coherence and complementarity with new and existing funding arrangements for responding to loss and damage; and
- Provide direction to the secretariat's function to operationalize the programme and project cycle according to the relevant decisions of the Board, including to ensure the continued support of the secretariat to assist the Board in relation to the day-to-day operations of the Fund, including about operational modalities, access modalities, financial instruments and funding structures.

Management of the Secretariat's Work Programme

- Steer the secretariat's support to the Board in fulfilling its roles and functions in line with the Governing Instrument of the Fund, including the organization of and preparation for meetings of the Board and its subcommittees; and
- Lead the secretariat's efforts in the day-to-day operations of the Fund including leading and supervising the activities listed in the appendix.

Representation and Partnerships

- Lead the operations of the Fund in a manner that promotes coherence and complementarity with new and existing funding arrangements for responding to loss and damage across the international financial, climate, humanitarian, disaster risk reduction and development architectures including the Santiago Network [\(see https://unfccc.int/santiago-network\)](https://unfccc.int/santiago-network);
- Build, foster and manage external relationships and partnerships across the landscape of institutions, including global, regional and national institutions that are funding activities related to responding to loss and damage, including by pursuing policy advocacy and actively promoting the profile of the Fund in order to raise awareness and increase resource mobilization efforts;
- Represent the Fund and participate in meetings, conferences, expositions, knowledge forums and training activities as required;
- Develop methods to enhance complementarity between the Fund's activities and the activities of other relevant sources, funds, processes and initiatives under and outside the Convention and the Paris Agreement in order to better utilize the full range of financial and technical capacities; and
- Build and establish partnerships with funding recipients in line with the Governing Instrument and decisions and policies adopted by the Board.

Communications and Knowledge

- Ensure the generation of insights from across the Fund's portfolio to inform decisions and strategies on priority topics for the Fund;
- Ensure the secretariat maintains a comprehensive database of the Fund activities, knowledge management system, results measurement systems and learning programmes; and
- Marshal information to enable the Fund to act as a regionally informed entity responsive to context-specific operational needs, capabilities and priorities of recipient countries.

Resource Mobilization

- Lead efforts to support the Board in preparing and implementing the long-term resource mobilization strategy and plan for the Fund.

Human Resources Management

- Building the team: recruit and retain a cadre of professional staff with relevant experience, including experience in a range of issues related to climate financing and to responding to loss and damage and experience in financial institutions;
- Ensure that staff recruitment is open, transparent and based on merit, taking into account geographical and gender balance and cultural and linguistic diversity, in accordance with the organizational structure and administrative budget approved by the Board; and
- Effectively manage and develop staff in order to execute the day-to-day operations of the Fund, maximize performance and promote an inclusive and healthy working environment.

Budget and Administration

- Manage the budget of the secretariat and coordinate the preparation of the annual administrative budget;
- Collaborate with the Trustee on the financial management of the Fund's resources;
- Ensure compliance with the applicable World Bank Group policies and procedures, including those related to staff, budget and communications management; and
- Develop and coordinate monitoring and evaluation of programmes, projects and activities financed by the Fund.

Selection Criteria

The successful candidate should be recognized and respected widely through their intellectual leadership, sound reputation and proven track record as a problem-solver, and accomplishments relevant to building resilience and responding to loss and damage.

In addition to a minimum of a master's degree in a relevant field and 15 years of relevant work experience, including experience in, or working with, developing countries and institutions funding activities related to climate change or responding to loss and damage, the ideal candidate will also possess as many of the following professional and personal characteristics as possible:

- Strong intellectual leadership, based on extensive knowledge on and experience in the area of climate change, particularly with regard to economic and noneconomic loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events, as well as development, finance and their interrelationships;
- Sound judgment, strong understanding of regional contexts and interests, and excellent strategic and analytical skills that can be applied to complex problems;
- Enhanced oral and written communication and advocacy skills to enable successful interaction with decision makers, and at global events, at the highest level;
- Leadership and management experience within a large organization in an international context;
- Strong values and ethics, with the ability to mobilize and engage people;
- A track record of robust and accountable management of financial resources at a senior level, preferably in a development finance context;
- Sound knowledge of the broad policies and general operational processes of institutions that are funding activities related to responding to loss and damage;
- Experience in working with a range of stakeholders in developing and developed countries;
- Sensitivity to political, gender, cultural and religious differences;
- An impeccable reputation for honesty, integrity and expertise;
- Proven ability to manage relationships with multiple partners in a fair and even-handed manner;
- Familiarity with the management and mitigation of conflicts of interest that may arise from the activities of an organization; and
- Knowledge of the United Nations Framework Convention on Climate Change and the Paris Agreement and decisions 1/CP28 and 5/CMA.5.

In addition, the candidate is expected to confirm that no significant personal conflict of interest would arise out of performing the role of Executive Director of the Fund.

WORLD BANK LEADERSHIP VALUES AND MANAGERIAL BEHAVIOURS: See [Managerial Competencies](#)

We are proud to be an equal opportunity and inclusive employer with a dedicated and committed workforce, and do not discriminate based on gender, gender identity, religion, race, ethnicity, sexual orientation or disability.

Appendix

In accordance with the Governing Instruments of the Fund, the Fund's operations will require leadership and oversight of the following administrative functions:

- Planning and executing all relevant operational and administrative duties;
- Reporting information on the activities of the Fund to the Board;
- Developing and implementing procedures for coordinating the activities of the Fund with those of other relevant funding arrangements;
- Preparing performance reports on the implementation of activities financed by the Fund;
- Developing the work programme and administrative budget of the secretariat, as well as the administrative budget of the trustee, and submit these documents for consideration and approval by the Board;
- Operationalizing the programme and project cycle;
- Preparing financial agreements related to the specific financing instrument to be concluded with an implementing entity;
- Monitoring the financial risks of the Fund's portfolio;
- Working with the trustee to support the Board to enable it to fulfil its responsibilities;
- Coordinating monitoring and evaluation of programmes, projects and activities financed by the Fund;
- Establishing and applying effective knowledge management practices;
- Establishing modalities that allow recipients to use implementing entities, including international, regional, national and local entities, as appropriate, on the basis of functional equivalency with World Bank safeguards and standards;
- Assisting countries in engaging with the Fund through its processes and procedures;
- Coordinating with the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change to support countries seeking to access the Fund through technical assistance through the network;
- Taking a regionally informed approach in responding to context-specific operational needs, capabilities and priorities of recipient countries;
- Developing processes for implementing strong safeguards and fiduciary standards and for ensuring access to accountability mechanisms;
- Developing a strategy to build and maintain relationships with all relevant geographic regions to facilitate regionally informed decision-making;
- Assisting countries in engaging with the Fund through its processes and procedures;
- Performing any other functions assigned by the Board.

These functions are expected to be delivered by the Executive Director with significant support from the executive team that they will appoint.

Annex V

Selection process for the Executive Director of the Fund

I. Background

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, urged the Board of the Fund referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4 to promptly select the Executive Director of the Fund through a merit-based, open and transparent process,¹ in a manner that ensures the full autonomy of the Board of the Fund to select the Executive Director of the Fund at a level of seniority set by the Board, in line with relevant World Bank human resources policies.²

2. At its first meeting (B1), the Board requested the ad hoc subcommittee on the selection of the Executive Director of the Fund (the ad hoc subcommittee) to prepare the following materials taking into consideration input provided by members of the Board at its first meeting, with the support of the interim secretariat and with the engagement of the World Bank:³

(a) The draft terms of reference for the Executive Director of the Fund;

(b) The draft selection process for the Executive Director of the Fund, including the timeline for the advertisement for and shortlisting of candidates and for the selection of the Executive Director;

(c) The draft terms of reference for a human resources search firm to support the work of the ad hoc subcommittee.⁴

3. This document outlines the draft selection process for the Executive Director of the Fund and includes a detailed timeline until the end of the process according to different options.

II. Development of the selection process

4. The selection process has been developed on the assumption that the estimated lead time will not be exceeded, and deadlines will be met. It has to be taken into account that for high-level executive posts search, adhering to strict timelines may be challenging owing to factors such as the availabilities of both panellists and interviewees. The selection process also takes as an assumption that the ad hoc subcommittee members will not be available to meet or conduct interviews while the Board is meeting.

5. On the basis of the above assumption, under the proposed selection process the recruitment process will be initiated with the engagement of the World Bank human resource services procuring the human resources search firm following B.2, with the Board adopting decisions on the selection of the Executive Director at B.3. The Board would still need to determine procedures for interviewing the three proposed shortlisted candidates by B.3.

6. The table in the next section provides an envisaged timeline including the expected date for the appointment of the Executive Director.

¹ Para. 11 of decisions 1/CP.28 and 5/CMA.5.

² Para. 20(b) of decisions 1/CP.28 and 5/CMA.5.

³ Decision B.1/ D.13.

⁴ The timeline assumes a certain duration of weeks for each step on the basis of information provided by the World Bank and assumptions of the time that the subcommittee and the Board will need to reach decisions. Weeks are counted as starting on Monday and ending on Sunday.

III. Summary of implications of the proposed selection process

7. On the basis of the guidance given by the Board, the proposed timeline assumes that work for the Executive Director recruitment process is launched with the World Bank human resources services procuring the human resources search firm shortly after B2.
8. The timeline would allow the Board to meet a deadline of announcing the hiring of the Executive Director by COP 29.
9. The timeline implies that the recruitment process is initiated before the submission of the relevant financial intermediary fund documentation and the hosting agreement by the World Bank to the Board of the Fund as per paragraph 19 of decisions 1/CP.28 and 5/CMA.5. Waiting to launch the executive search until the financial intermediary fund documentation is finalized in August would not allow for the appointment of an Executive Director before February 2025.
10. It should be noted that only if the recruitment process is started now will it be possible to announce the hiring of the Executive Director by COP 29.

Timeline for the selection process of the Executive Director of the Fund

<i>Selection process</i>	<i>Activity</i>	<i>Action</i>	<i>Time frame</i>
Phase 1: Preparation of documents by the ad hoc subcommittee	Secretariat, under the guidance of the co-chairs, engages with World Bank and prepares following documents and circulates to the ad hoc subcommittee: The draft terms of reference for the Executive Director of the Fund; The draft selection process for the Executive Director of the Fund, including the timeline for the advertisement for and shortlisting of candidates and for the selection of the Executive Director; The draft terms of reference for human resources search firm to support the work of the ad hoc subcommittee.	Co-chairs of the ad hoc subcommittee and the secretariat	31 May
	Members of the ad hoc subcommittee provide written inputs and advanced version of drafts circulated to the ad hoc subcommittee by 7 June	Ad hoc subcommittee	1–15 June
	Meeting of the ad hoc subcommittee (hybrid during the sessions of the subsidiary bodies) to finalize documents for onward transmission to the Board for approval	Ad hoc subcommittee	7–13 June
The World Bank confirms that it is willing and able to meet the conditions for the operationalization of the Fund during the interim period as per paragraph 21 of decisions 1/CP. 28 and 2/CMA 5 (by June 13)			
Phase 2: Approval by the Board of the documents and launch of work	Decision by the Board approving the three documents and confirming the World Bank to procure the human resources search firm	Board	At B2: 9–12 July (Assumes that the Board will adopt the three documents at B2)

Procurement of the human resources search firm	World Bank solicits proposals from human resources search firms (5 days) and selects one firm with the feedback of the ad hoc subcommittee (1 week). (Total 10 working days)	World Bank and the ad hoc subcommittee	By 12 July (Assumes that the World Bank initiates selection soon after B2)
Phase 3: Executive Director vacancy advertisement	Vacancy announcement	World Bank/ Human resources search firm	15 July – 19 August (5 weeks of advertising)
	Human resources search firm maps and searches for eligible candidates	Human resources search firm	
World Bank submits the financial intermediary fund documentation for confirmation and the hosting agreement and the trustee agreement for endorsement by the Board within 8 months after the conclusion of COP 28 and CMA 5 (by August 12)			
Phase 4: Long listing, short listing and the final list	Human resources search firm establishes a long list of 10+ candidates and shortlist of 6 candidates for submission to the ad hoc subcommittee (1 week) <ul style="list-style-type: none"> • Longlist of 10+ candidates Shortlist of 6 candidates	Human resources search firm	By 26 August
	Due diligence (formal reference check/adverse media/background check) of 6 short listed candidates	World Bank	By 2 September
	In parallel with due diligence process, the ad hoc subcommittee starts interviewing the short listed 6 candidates and establishes a final list of 3 candidates (1–2weeks)	Ad hoc subcommittee	By 9 September
	Note: The final shortlisted candidates will be interviewed by the ad hoc subcommittee. The three final candidates will be further interviewed by the Board, and it is expected that the selection process would be concluded prior to COP 29. The ad hoc subcommittee will conduct the interviews for the shortlisted candidates.		
	Board interviews the 3 final candidates.	Board	At B3: 15–19 September

Decision by the Board and acceptance by candidate

Consideration by the Board of the 3 final candidates and agreement of one candidate

Board

B3: 15–19 September

(Assumes the Board may decide on the final candidate in the weeks following B3)

World Bank makes the offer to the selected candidate

World Bank

28 Oct at latest

(Assumes that the World Bank is able to issue an offer immediately after the Board has selected)

	Executive Director acceptance (1 week)			Nov 7 (*time for acceptance for the candidate around 1 week – all candidates would need to know in advance of this condition) (a) The selected candidate accepts the offer Nov 11: (b) The selected candidate rejects the offer (this assumes that the Board decides to offer the ED post to the second top candidate should the top candidate decline).
Announcement	Announcement by the Board of the selection of the Executive Director	Board	Possible during COP 29	
On boarding	Formal hiring	World Bank	As from announcement	

Annex VI

Terms of reference for a human resources search firm to support the work of the ad hoc subcommittee on the selection of the Executive Director of the Fund

I. Background

1. The new Fund for assisting developing countries that are particularly vulnerable to the adverse effects of climate change, in responding to loss and damage, will provide finance for addressing a variety of challenges associated with the adverse effects of climate change, including extreme weather events and slow onset events.
2. The Board of the Fund will select the Fund's Executive Director. The Fund's Executive Director will lead and manage the secretariat, hosted by the World Bank, and be accountable to the Board.
3. The Board decided to establish an ad hoc subcommittee to lead the Executive Director selection process and also decided to engage a human resources search firm with demonstrated experience within the international system to provide advisory support in the search for the Fund's first Executive Director. Human resources search firms add value to executive searches through their nuanced understanding of the relevant sector and its market as well as compensation trends. The extended reach of their candidate networks and perspective on what motivates executives to pursue particular opportunities can help to broaden the pool of applicants and ensure alignment between the candidates and the objective of the hiring organization. The ad hoc subcommittee is recruiting a firm with the intent of completing the recruitment process prior to COP 29/CMA 6 scheduled to take place in Baku, Azerbaijan, from 11 to 22 November 2024.
4. To proceed expeditiously on the selection of a human resources search firm, it is proposed that three pre-qualified firms that have master agreements with the World Bank be approached with the opportunity to present a service tailored to the Executive Director terms of references to be approved by the Board.
5. The ad hoc subcommittee will be involved in the selection of the human resources search firm.

II. Objectives

6. The objectives of the assignment to be offered to the human resources search firm are:
 - (a) Design and implement an open, fair and transparent recruitment process that recruits high-quality candidates and strives for a balance between developed and developing country candidates as well as gender and geographical balance at all stages of the selection process;
 - (b) Meet the Board's intended timeline to complete the selection process and announce the Fund's new Executive Director by the end of COP 29/CMA 6.
7. The ad hoc subcommittee's intention is that the terms of reference for the human resource search firm also serve to clarify the roles and responsibilities of the various parties involved in completing the executive search. The terms of reference communicate the ad hoc subcommittee's expectations with respect to the process and also identify opportunities for World Bank visibility into the process reflecting that the Executive Director will be an employee of the Bank.

III. Scope and focus of the assignment and roles and responsibilities

8. The successful human resources search firm will lead the day-to-day work of the executive search, including the dissemination of the vacancy advertisement for the Executive Director, approaching candidates to raise awareness of the position, leading the screening process including producing a longlist and shortlist of candidates, developing recommendations and reporting on the findings.

9. The ad hoc subcommittee will conduct initial interviews with the shortlist of six candidates and develop recommendations to the Board for the selection process for the Executive Director as detailed in the process terms of reference shared alongside this document (see annex III).

10. The Board will review the recommendations from the ad hoc subcommittee, conduct final interviews with the three finalists, and select the Executive Director.

11. The role of the World Bank is to manage administrative and procurement matters. In the context of its master agreement with the human resources search firm selected and with feedback from the ad hoc subcommittee, the World Bank will facilitate the interaction between the human resource search firm and the ad hoc subcommittee co-chairs in providing regular updated information on its work. The World Bank will have visibility into the selection process, the opportunity to communicate concerns with shortlisted candidates and will be in charge of conducting its due diligence of the six shortlisted candidates. It will be able to obtain the same information from the human resources search firm as the ad hoc subcommittee given its role of contractor.

IV. Activities to be undertaken by the human resources search firm under the direction of the ad hoc subcommittee

12. Further to the World Bank's invitation, the human resources search firm will submit a service offering detailing how the firm plans to deploy the executive search and offering advice for the ad hoc subcommittee's consideration, including a timeline for the executive search, and including the activities set out below.

13. Phase I: Attracting and communicating with candidates:

(a) Disseminate the vacancy advertisement in appropriate media outlets, including social media, and act as contact point for candidates seeking information;

(b) Receive and keep records of all applications and their assessment should it be required to demonstrate the robustness and impartiality of its processes;

(c) Provide weekly updates in writing to the co-chairs of the ad hoc subcommittee on the status of applications;

(d) Conduct an active search for candidates, using networks, rosters, referrals and other appropriate means, striving for a balance between developed and developing country candidates as well as gender and geographical balance at all stages of the selection process.

14. Phase II: Supporting the work of the ad hoc subcommittee on the selection of the Executive Director of the Fund:

(a) Provide the firm's longlist of 10+ and a shortlist of six candidates for the position:

(i) Review and screen all applications received and conduct pre-screening interviews from which the longlist will be developed in anticipation of the ad hoc subcommittee's interview of the shortlisted candidates;

(ii) Assess all individuals in the firm's recommended longlist of 10+ candidates, by all reasonable means, for example curriculum vitae and application review, and, as appropriate, discussion with candidates and informal references;

(b) Present to the ad hoc subcommittee for its approval the firm's recommended longlist of 10+ candidates; and a shortlist of six candidates, with verbal and written comments as well as appropriate background information on both shortlisted and longlisted candidates.

V. Outputs

15. To provide, as a result of the above:
- (a) A list of all applications received;
 - (b) A longlist of the recommended 10+ candidates;
 - (c) A shortlist of the recommended six candidates;
 - (d) A review synthesizing the recommendation of the longlist of 10+ candidates, including complete data and brief comments of candidates profiles;
 - (e) A review synthesizing the recommendation for inclusion in the shortlist of six candidates, including complete data and brief comments of candidates profiles;
 - (f) A detailed final report, in collaboration with the ad hoc subcommittee and the World Bank, on the final list of candidates and the recruitment process.

VI. Monitoring and progress controls, including reporting requirements

16. The human resources search firm shall work closely with the ad hoc subcommittee.

VII. Confidentiality

17. All details of this assignment, candidates, selection processes, discussions, interviews and so on must be kept strictly confidential. The human resources search firm is expected to understand the sensitive nature of this assignment and act accordingly.

VIII. Duration

18. Depending on the decisions to be taken by the Board, the selection process is intended to conclude by November 2024.

Appendix

Information provided by the World Bank on the typical criteria used by the World Bank for the evaluation of human resources search firm proposals

A. Information on the typical criteria for the evaluation of human resources search firms

<i>Technical assessment</i>	90%
Search strategy, proposed search teams and deliverables	30%
Timeline	20%
Off limits	10%
Restrictions by off-limit arrangements with other clients that would materially affect their ability to conduct this assignment and to map all relevant markets	
Recent relevant searches	30%
<i>Financial proposal</i>	10%
The financial proposal is reviewed and assessed by the World Bank procurement team	

B. Information on the human resources search firm selection process

1. Job description provided by the Board of the Fund.
2. Request for proposals issued by World Bank Procurement (10-day proposal submission, it can be shortened to 5 business days if needed).
3. Signing Conflict of Interest forms by the reviewers (committee).
4. Evaluation meeting.
5. Firm selection.
6. Purchase order/contract issuance by World Bank Procurement.
7. Kick-off meeting with the ad hoc subcommittee on the selection of the Executive Director of the Fund.

Annex VII

Workplan of the Board for 2024–2025

Proposal from the Co-Chairs

II. Introduction

8. This document sets out the workplan of the Board of the Fund for responding to loss and damage for 2024–2025. The workplan was drafted in accordance with the mandates delegated to the Board by the Conference of the Parties (COP) at its twenty-eighth session and of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its fifth session, as well as the decisions of the Board of the Fund for responding to loss and damage at its first meeting. The workplan takes into consideration the discussions at the informal Board meeting during the first meeting of the Board, including the dialogue with civil society observers. The workplan is also based on ongoing consultations with the interim secretariat and the World Bank, to ensure the appropriate sequencing and timing of Board decisions and to enable the Fund to operate in a timely and effective manner. The Co-Chairs will update the workplan to reflect the decisions of the Board following each Board meeting, and following the United Nations Climate Conference in Baku, Azerbaijan, in November 2024.

III. Proposed vision for the work of the Board

9. The objective of the workplan of the Board is to implement the agreed provisions of the Governing Instrument of the Fund for responding to loss and damage, as contained in annex I to decisions 1/CP.28 and 5/CMA.5, with a view to the Board beginning to approve funding decisions as soon as possible, but realistically by mid-2025. In order to do that, the Board will need to develop operational procedures and policies to both deliver on the Fund's mandate and secure a certain number of safeguards. To make these coherent with the deadline mentioned above, the Co-Chairs recommend the Board to adopt a stepwise approach, which may involve setting broad lines of business, deciding on pilot projects and gathering feedback from the ground so as to refine the business model in successive loops. The second Board meeting, including the agenda items on access modalities and financial instruments, would be an opportunity to kick-start the discussion in this matter.

10. The workplan:

(a) Outlines the sequencing of Board decisions on operational, policy, access, resource mobilization and funding matters that need to be addressed by the Board in during 2024–2025;

(b) Outlines the Co-Chairs' proposed prioritization of key matters for the Board's consideration during 2024–2025;

(c) Identifies key milestones requiring action by the Board.

4. A key priority for the Co-Chairs is to ensure the effective operation of the Board; it is equally important for the Board to adopt decisions related to the core policy and operational matters of the Fund in the context of the Board's willingness to begin funding approvals in 2025.

IV. Elements of the workplan

5. The Governing Instrument and the decisions of the COP and the CMA define aspects relating to the programming modalities of the Fund. For 2024–2025, the Board needs to consider additional matters, including elements identified under the following categories:

- (a) Governance and accountability, including reporting to the COP and the CMA, host country of the Board, hosting agreement with the World Bank, Trustee arrangements, arrangements with the COP and the CMA; alignment of the term of Board membership; decision-making matters; and ethics and code of conduct of the Board and observers;
- (b) Establishment of the new independent dedicated Secretariat, including concluding the financial intermediary fund documentation, and the appointment of the Executive Director;
- (c) Access modalities, including functional equivalence;
- (d) Policy on financing (terms/instruments/modalities);
- (e) Resource mobilization, including the status of resources;
- (f) Board architecture and independent related functions, including permanent standing committees and evaluation functions;
- (g) Relationship with relevant thematic bodies of the United Nations Framework Convention on Climate Change;
- (h) Participation of observers and related mandates;
- (i) Funding arrangements, including the high-level dialogue and complementarity and coherence;
- (j) Administrative and budgetary and audit matters;
- (k) Approvals process, including resource allocation, results management and risk appetite.

V. Time frame and sequence of actions

6. The Co-Chairs note that the Board decided to schedule four meetings in 2024.¹ The Co-Chairs also note that discussions are ongoing on the format and scope of formal Board meetings under the ad hoc committee on the additional rules of procedure. Without expressing a view on the work of the committee, the Co-Chairs are of the view that reaching the milestone of funding approvals in early 2025 will require several deliberative, non-decision-making meetings of the Board with the purpose of advancing a common understanding of core operational modalities and procedures. These meetings may take several formats, including advanced consultation on proposed documentation and technical briefings from the interim secretariat. The Co-Chairs will ensure, to the extent possible, full representation and participation of all members and alternate members of the Board and consultation with the observers.

Table 1

Time frame	Issue	Actions
Initiated at B.1, concluded at B.2 and host country agreement signed at B.3	Selection and confirmation by the Board of the host country arrangements for the Board, including legal personality of the Board (1/CP.28 para. 15-16)	B.1: Agree on the terms of reference for the host country; establish selection process/committee, criteria and time frame; launch the selection process B.2: Approve host country; and mandate the Co-Chairs to enter into an agreement with the host country
Initiated at B.1, concluded by B.3, and the Executive Director to be in office by B.4	Selection and appointment of the Executive Director of the Secretariat of the Fund (1/CP.28 para. 11; para. 33 of annex I to decisions 1/CP.28 and 5/CMA.5)	B1: Establish the ad hoc committee on the selection of the Executive Director for the Fund B.2: Agree on the terms of reference for the Executive Director, establish selection process/committee, criteria and time frame;

¹ Decision B.1/D.15.

		launch the selection process; approve the terms of reference for the recruitment firm B.3: Formal appointment of the Executive Director (the timing will be dependent on the host country agreement)
No later than 12 June 2024	Confirmation from the World Bank that it is willing and able to meet the conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5 and accepts the invitation	B.2: Note the World Bank Board's confirmation of the invitation and conditions, and the report of the Co-Chairs regarding the implementation of decision FLD/B.1/D.8
No later than 12 August 2024 (1/CP.28 para. 19)	Submission to the Board by the World Bank of approved financial intermediary fund documentation (1/CP.28 para. 17–21), including the hosting arrangements, trustee services as well as investing contributions on the capital markets (1/CP.28 para. 20(h)) and receiving contributions from a wide variety of sources (1/CP.28 para. 20(i))	B.1: Discuss the modalities for engagement with the World Bank on financial intermediary fund documentation, and the hosting agreement B.2–3: Consultations on and negotiations of the World Bank hosting agreement B.4–B.5: Establish the new, dedicated and independent Secretariat (para. 3 of annex I to decisions 1/CP.28 and 5/CMA.5)
Before COP 29/CMA 6	Establish and operationalize the high-level dialogue (para. 9 of annex I to decisions 1/CP.28 and 5/CMA.5)	B.2: Confirm the arrangements for the first meeting of the high-level dialogue B.3–4: Report to the COP and the CMA, and addendum (para. 13 of annex I to decisions 1/CP.28 and 5/CMA.5)
Initiated at B.2 and concluded at B.3 Before COP 29/CMA 6	Arrangements with the COP and the CMA (para. 29 of annex I to decisions 1/CP.28 and 5/CMA.5)	B.2: SCF to present draft arrangements for the Board's approval. Board approves arrangements
B.3	Board to confirm to the COP and the CMA that conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5 can be met	B.3: Board confirmation to the COP and the CMA regarding the conditions as part of the report to the COP and the CMA
COP 29/CMA 6	Approval by the Board/SCF and confirmation by COP 29/CMA 6 of the Arrangements with the Fund (1/CP.28 para. 6-7)	

Abbreviations: B = Board meeting, CMA = Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, COP = Conference of the Parties, SCF = Standing Committee on Finance.

VI. Key fund modality/policy mandates for 2024–2025

Table 2

Cluster of modalities	Proposed actions/timelines
Governance	
Workplan of the Board	B.2: Approve workplan
Arrangements for AOs, including the observer accreditation process (para. 20 of annex I to decisions 1/CP.28 and 5/CMA.5; para. 27 of annex I to decisions 1/CP.28 and 5/CMA.5), consultative forums and mechanisms to promote input and participation of stakeholders (paras. 28–29 of annex I to decisions 1/CP.28 and 5/CMA.5)	B.1: Approve interim arrangements for AOs, and other observers; mandate to address AOs at B.2 B.2-4: Formal arrangements for AOs to be approved, including the review and support for developing country observers B.3-4: Confirm the accreditation process for observers, the consultative forums, and the mechanisms to promote input and participation of stakeholders (paras. 28–29 of annex I to decisions 1/CP.28 and 5/CMA.5)

Additional rules of procedure (para. 31 of annex I to decisions 1/CP.28 and 5/CMA.5)	B.1: Agree on the process and deadline to approve the additional rules of procedure, and establish an ad hoc committee B.3–6: Approve the additional rules of procedure
Decision-making, including procedures for determining all efforts to reaching consensus (para. 26 of annex I to decisions 1/CP.28 and 5/CMA.5); policy on ethics and conflict of interest; and procedures for taking decisions between meetings (para. 26 of annex I to decisions 1/CP.28 and 5/CMA.5)	The Co-Chairs to propose interim methodology as outlined in para. 26 of annex I to decisions 1/CP.28 and 5/CMA.5, as needed and appropriate B.2: Mandate the Co-Chairs to undertake consultations and report back to the Board at B.3
Co-Chairs' mandates: travel policy, name of the Fund, and other matters related to Governing Instrument compliance	B.1: Mandate the Co-Chairs to undertake consultations and report back to the Board B.2: Co-Chairs report back to the Board
Resources	
Administrative budget and workplan for the Fund (para. 22(n) of annex I to decisions 1/CP.28 and 5/CMA.5), including reasonable and appropriate costs recovery methodology (1/CP.28 para. 20(k))	B.3 Approve the administrative budget for the Secretariat B.4/B.5: Approve the administrative budget and workplan for the Secretariat (linked with the hosting arrangements between the World Bank and the Board, and the time frame for the establishment of the new, independent, dedicated Secretariat)
Resource mobilization in accordance with the provisions in paras. 55–57 of annex I to decisions 1/CP.28 and 5/CMA.5	B.2–3: Arrangements to cover the COP 28 pledges B.4–6: Board consideration of the provisions in paras. 55–57 of annex I to decisions 1/CP.28 and 5/CMA.5 B.4-by the end of 2025: Finalizing the long-term resource mobilization strategy
Modalities	
Complementarity and coherence framework	Start at B.4, conclude at B.6 (this is linked to work in relation to standard procedures and establishing and operationalizing the high-level dialogue with the Secretary-General of the United Nations)
Programme approval cycle (para. 22(e) of annex I to decisions 1/CP.28 and 5/CMA.5), including indicators and trigger based approaches (para. 22(l) of annex I to decisions 1/CP.28 and 5/CMA.5); accountability framework for approvals (para. 22(i) of annex I to decisions 1/CP.28 and 5/CMA.5)	Start at B.4; conclude at B.6 B.5: Adopt the accountability framework for approvals
Access modalities for the Fund for responding to loss and damage (para. 49 of annex I to decisions 1/CP.28 and 5/CMA.5), including functional equivalency framework (para. 50 of annex I to decisions 1/CP.28 and 5/CMA.5) and small grants funding	Start at B.2; conclude at B.4 (this is linked to the World Bank host agreement and fulfilment of conditions) B.6: Adopt the functional equivalency framework (para. 50 of annex I to decisions 1/CP.28 and 5/CMA.5)
Resource allocation framework and parameters (para. 22(k) of annex I to decisions 1/CP.28 and 5/CMA.5)	Start at B.4; conclude at B.6
Policy on financing (terms/instruments/modalities) (para. 22(d) of annex I to decisions 1/CP.28 and 5/CMA.5)	Start at B.2; conclude at B.5
Results management framework (para. 22(g) of annex I to decisions 1/CP.28 and 5/CMA.5), including procedures for monitoring and evaluation of performance and financial accountability (para. 22(m) of annex I to decisions 1/CP.28 and 5/CMA.5)	Start at B.5; conclude at B.7
Mechanism to ensure that funding activities are implemented based on high-integrity environmental and social safeguards and fiduciary principles and standards	Start at B.4; conclude at B.6 (alongside the functional equivalence/access discussion)

(para. 22(f) of annex I to decisions 1/CP.28 and 5/CMA.5)	
Co-Chair’s proposed proposition outlining: (i) options and choices for the Fund to further operationalize a bottom-up country-led approach that promotes and strengthens national responses to loss and damage; and (ii) options for early interventions by the Fund as early as 2025-2026.	Start at B.3; conclude at B.4.
Funding arrangements	
Developed standard procedures to identify sources, funds, processes and initiatives under and outside of the Convention/Paris Agreement (para. 10 of annex I to decisions 1/CP.28 and 5/CMA.5).	Start at B.3, conclude at B.6 and initiate processes Call/communication at the annual high-level dialogue

Abbreviations: AO = active observer, B = Board meeting, CMA = Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, COP = Conference of the Parties, FA = Funding Arrangements of the Fund, GI = Governing Instrument of the Fund, SCF = Standing Committee on Finance.

Annex VIII

Draft of 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 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 decisions 1/CP.28 and 5/CMA.5, paragraph 5,

Further 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) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) and the Board of the Fund hereby agree to the following arrangements.

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 of the Fund 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 and receives guidance from the COP and the CMA on its policies, programme priorities and eligibility criteria.

Determination and communication of guidance from the COP and the CMA

2. The Board will receive guidance from the COP and the CMA on its policies, programme priorities and eligibility criteria.¹

3. The Board will submit annual reports to the COP and the CMA for their consideration.²

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 guidance based, inter alia, upon a thorough consideration of the information in the annual reports of the Board.

¹ Pursuant to para. 13(a) of the Governing Instrument.

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

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.³

Conformity with guidance of the COP and the CMA

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.

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.⁴

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.⁵

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.⁶

Reports from the Board to the COP and the CMA

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 the action taken by the Board in response to guidance provided by the COP and the CMA;

(a) A synthesis of the different activities under implementation and a list of the activities approved, as well as a financial report;

(b) Information on all activities financed by the Fund;

(c) Actions taken to develop, operate and review the resource allocation system referred to in paragraphs 60–61 of the Governing Instrument;

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

(e) 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;

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

(g) 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 developed and managed mechanisms to

³ Pursuant to para. 14 of the Governing Instrument.

⁴ Pursuant to para. 15 of the Governing Instrument.

⁵ Pursuant to Article 11, para. 3(b), of the Convention.

⁶ Pursuant to section VIII of the Governing Instrument.

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.

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.⁷

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.

Amendments to the Governing Instrument

17. The Board may recommend amendments to the Governing Instrument for consideration by the COP and the CMA.⁸

Termination of the Fund

18. The Board may recommend the termination of the Fund for consideration by the COP and the CMA.⁹

Cooperation between secretariats and representation in sessions of the COP and the CMA

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 UNFCCC secretariat 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.

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.

⁷ Pursuant to para. 56 of the Governing Instrument.

⁸ Pursuant to para. 72 of the Governing Instrument.

⁹ Pursuant to para. 73 of the Governing Instrument.

Annex IX

List of members and alternate members of the Board participating in the second meeting of the Board

I. Board members

<i>Constituency</i>	<i>Board member</i>
Developed countries	Laurence Ahoussou (Canada)
Developed countries	Antonella Baldino (Italy)
Developed countries	Georg Børsting (Norway)
Developed countries	José Delgado (Austria)
Developed countries	Jean-Christophe Donnellier (France) (Co-Chair)
Developed countries	Jens Fugl (Denmark)
Developed countries	Gerard Howe (United Kingdom)
Developed countries	Marjeta Jager (European Union)
Developed countries	Atsushi Kato (Japan)
Developed countries	Rebecca Lawlor (United States)
Developed countries	Sebastian Lesch (Germany)
Developed countries	Ana Paula Rodrigues (Portugal)
Asia-Pacific States	Hana AlHashimi (United Arab Emirates)
Asia-Pacific States	Mohammad Ayoub (Saudi Arabia)
Asia-Pacific States	Mark Dennis Y.C. Joven (Philippines)
African States	David Kaluba (Zambia)
African States	Mohamed Nasr (Egypt)
African States	Richard Sherman (South Africa) (Co-Chair)
Latin American and Caribbean States	Elena Pereira (Honduras)
Latin American and Caribbean States	Henrietta Elizabeth Thompson (Barbados)
Small island developing States	Peter Abraham Jr (Antigua and Barbuda)
Small island developing States	Daniel Lund (Fiji)
The least developed countries	Djibril Ibila (Benin)
Developing countries not included in the regional groups and constituencies referred to in paragraph 17(b-f) of the Governing Instrument	Nona Budoyan (Armenia)

II. Alternate Board members

<i>Constituency</i>	<i>Board member</i>
Developed countries	Ben Abraham (New Zealand)
Developed countries	Georges Gehl (Luxembourg)
Developed countries	Claire Holzer Fleming (United Kingdom)
Developed countries	Tsutomu Itsumi (Japan)
Developed countries	Karoline Kjeldsen (Norway)
Developed countries	Pierre Marc (France)
Developed countries	Anna Merrifield (Finland)
Developed countries	Alexandria Miskho (United States)
Developed countries	Ronan Sweeney (Ireland)
Asia-Pacific States	Gholamhossein Darzi (Iran)
Asia-Pacific States	Ali Tauqeer Sheikh (Pakistan)
Asia-Pacific States	Didar Temenov (Kazakhstan)
African States	Alpha Kaloga (Guinea)
Latin American and Caribbean States	Anthony Ferguson (Bahamas)
Latin American and Caribbean States	Victoria Gandini (Argentina)
Latin American and Caribbean States	Jaime Tramon (Chile)
Small island developing States	Laura Elizabeth Agathine (Seychelles)
Small island developing States	Ahmed Waheed (Maldives)
The least developed countries	Maheshwar Dhakal (Nepal)
The least developed countries	Madeleine Diouf Sarr (Senegal)