First Meeting of the Board of the Fund for responding to loss and damage

30 April – 2 May, 2024

Abu Dhabi, UAE

Anna Aguto, QUNO

Introductory remarks by COP28 Presidency, UNFCCC, UNDP, GCF

Nomination of co-chairs – Richard Sherman (S. Africa), Jean Christophe (France)

Richard (co-chair) – confirm two paragraphs on webcasting and observer participating in the Board – representatives of the observer constituencies

Discussion on where the board is hosted: Philippines, Antigua and Barbuda, Barbados, Bahamas

- Discussion on selection for host country – what responsibilities will they have, legal personality?
    - Make a committee to discuss this – and report back to the Board to make a decision – discussion on the committees
- World Bank will host the secretariat – no indication where they will be.
- Richard (S. Africa, co-chair) – wants to get this done – not open up – get criteria, select the committee and get the work happening
- Tensions over what this ad hoc committee is – who is taking the decisions, no movement forward

Constituency Huddle

US – didn't like the huddle because wants to work together, conflict of interest policies

Coffee break

Head of delegation of the World Bank – election of executive director – should be selected by this board and at the same time, they are World Bank employees – need to have some kind of say – FLD board – ToRs for director, shared with World Bank, and share the profession recruitment of World Bank – place that person in the grading structure of the World Bank, international search firm to head hunt, selection channel – FLD board co-chair and World Bank co-chair

JC (co-chair) – the fastest this search could be (according to WB) is in 6 months – not before the COP

Discussion about the hiring of the ED – ultimately, the ED has to be suitable to the WB

Discussion on ToRs for Subcommittee on Rules and Procedures for B2

- Saudi Arabia – does not like the procedure – wants to establish good practice

Board adopts decision as is, subject to names being submitted and comments from LDC groups (head negotiator had to leave due to familial reasons)

Lunch

Need structure for interim secretariat to talk to the board about budgetary matters.

Discussion and questions with WB colleague

WB rep- WB is an intermediary – facilitate the work of the board and the entities that receive the funds. Text provides for a secretariat that has certain characteristics – the secretariat is at the service of the FLD board and partnership with WB. In the design that has been put on the table, the secretariat has been hosted by the Bank – this will be WB staff. This looks like it could create tension – WB staff – have a duty of loyalty to the WB. Scope of direct access – in line with WB policies

Mo (Egypt) – we would need a technical discussion about WB assurances and liabilities. Difference between WB secretariat and independent secretary? Issue of loyalty to WB? – this means different things for different people. Independent means hosted by the Bank but not a part of the Bank

Sebastian (Germany)- direct access as specific to this fund. Fund is to operatre through legal personality of the WB – including financing agreements- should be done through the Bank. Important point about independence of the Secretariat. Direct access – needs to include consistent with legal safeguards

Mohammed (Saudi Arabia) – governing instrument as the undergirding. Independent secretariat – not only from the WB but also in as much as it deals with the WB as a trustee. Legally they will be the WB but they ultimately report to the Board of the Fund.

WB – administer and functionally – administerial – will WB staff, as functionally – they will report to LDF board – this is as far as you can go without setting up something like the GCF

- Willing to try to sign as the legal personality of the Bank

Daniel (Fiji) – direct access a crucial part – why the LDF is different and new, tasked to do what we need to do does not fit within a cookie cutter – 30% of the funding just go to maintaining WB

Laurence (Canada) – small grants?

Discussion suspended for CSO dialogue

Adopted decision on the ad hoc subcommittee – on the host country selection

Agenda item 5 – rules of procedure ad hoc subcommittee

- Debate over observer policies – Saudi Arabia wants to ensure that CSO is not on equal footing to the board members and alternates, supported by other developing countries (Peter – Antigua and Barbuda)
- Suspended because they are not getting a decision

Dialogue with CSO Constituencies

- Concerns over limitations over civil society – broad inclusion – not relegated to one segment of the agenda

Day 2

Further discussion with the World Bank on how to set up the FIF

Decision on subcommittee of the budget of the board

Discussion on observer participation – the formal ability for observers to speak – observers have proposed that they would like to make interventions on the floor on each agenda point – they have proposed that they are given two opportunities to speak – self organize across the constituencies.

- Not intending on putting this in the decision

Decision itself – LD – observer accreditation system – currently using the UNFCCC system, mandate on active observers on the board – proposing to launch that work – B2

- Will not adopt this now
- Mo (Egypt) – is there priority for developing countries for constituencies.

Day 3 – online due to flooding in UAE

Virtual meeting – Richard (co-chair) – do not want this to be the way we work, 10 agenda items still open

Agenda item 5 – adopted yesterday, ad hoc subcommittee met last night – rules of procedure

Ana (Portugal) – draft mid June – Secretariat work on basis of governing instrument, skeleton draft of rules of procedure. Discussed alternate board members, Observers, intersessional, languages, roles of co-chairs

This agenda item closed

Jean Christophe (France, co-chair) –agenda item 10 – process for selecting ED of the fund – ToRs shared last evening

Discussion begins – Egypt with support from Saudi Arabia – offers edits. Discussion over two co-chairs or one chair to the committees. Canada, Denmark, Germany, USA want to keep language on one chair or leave the decision to the committee (amb. Thompson from Barbados). Benin – want both developed and developing countries chairing. Fiji – not just about constituency representation but redundancy. Zambia – there was consensus in the committee about these decisions. Germany – need to move this forward.

Now discussion on Agenda item 7 – adopted

Lunch break

Return to agenda item 10 – developed countries flexible with working modalities - two chairs of the Committee – decision adopted

Discussion of status of resources – debate over the inclusion of 'developed' and 'developing' when considering contributing base and forward looking language. Refer to language from the COP28 decision. After debate, adopt decision without forward looking language on pledges and contributions.

Agenda item 9 – budget -adopted

Open the workplan of the board – and adopts it after discussion

Decision for ToRs for ad hoc subcommittee on the selection of the ED for the Fund

Discussion for item 13 – discussion of the dates B2 9 -12 july; 15-19 Sept, 2-5 Dec.