

COP23 Presidency Trust Fund: First Semi-Annual Report

1.0 PURPOSE

- 1.1 The purpose of this Report is to provide information on key activities and expenditure incurred through the first six months of expenditure from the COP23 Presidency Trust Fund from May 2017 to October 2017.

2.0 BACKGROUND

- 2.1 Pursuant to section 8(1) of the COP23 Presidency Trust Fund Act 2017 (Act), the Ministry responsible for finance must prepare a report every six months on the activities and expenditure of the COP23 Presidency Trust Fund (Fund), including financial statements for the Fund, and submit the report to Cabinet within six months from the end of the six-month period to which the report relates.
- 2.2 The COP 23 Presidency Secretariat (Secretariat) was established in March 2017 to oversee and manage the operations of the Fund. Utilisation of the Fund for procurement is in accordance with the Procurement Regulations 2010. Further, a Financial Policy Guideline consistent with the Financial Management Act 2004 and Finance Instructions 2010 has been developed for the Fund. The Ministry of Economy (MoE) also assists with the accounting function of the Fund.
- 2.3 In addition, COP23 Presidency partner KPMG assisted with seconding a senior accounting personnel to the Fund who was engaged as the Manager Finance for the Secretariat for a reduced fee for a six month period commencing from 31 July 2017 to 31 January 2018. Subsequently, MoE has assumed the entire accounting responsibilities.

3.0 BILATERAL AND MULTILATERAL FUNDING SUPPORT

- 3.1 For the period to 31 October 2017 a total sum of just over F\$25 million was received in the form of “donations” to the Fund. The major donors comprised of Australia (F\$9.36 million), European Union (F\$4.79 million), Italy (F\$2.36 million), India (F\$2.03 million) and New Zealand (F\$1.89 million). This is covered in detail in the six monthly financial report which is attached as **Annex 1**.
- 3.2 Expenditure of the Fund to 31 October 2017 amounted to almost F\$11.6 million leaving a balance at that date of almost F\$13.5 million, prior to the full payment of Pre-COP and Bonn COP23 expenses. The ensuing discussion highlights how the

funds were defrayed.

- 3.3 It should be noted that the Fund is not the only vehicle for financing COP23 Presidency activities. A number of donor nations in keeping with their own domestic requirements, have chosen separate funding vehicles. This included USA, Norway, Switzerland, Italy (part) and the European Commission (part) which opted to make their contributions through a COP23 Project Fund in the United Nations Framework Convention on Climate Change (UNFCCC) Trust Account. Moreover, Germany made some contributions directly through its development partner GiZ. Canada has also recently pledged funding support through the United Nations Development Programme (UNDP).
- 3.4 Fiji understands the Trust Account with the UNFCCC has received almost F\$7 million in contributions. Some of the COP23 Presidency related expenditure that has been funded by the UNFCCC includes:
- (i) travel, accommodation and per diems of the majority of the Fijian delegations to UNFCCC meetings;
 - (ii) support for eligible countries' participation in the September Heads of Delegation meeting in Rabat, Morocco and the October Pre-COP meeting;
 - (iii) support for European-based staff assisting the COP23 Chief Negotiator; and
 - (iv) travel expenses of the Chief Negotiator.
- 3.5 GiZ funding of almost F\$1 million has helped resource the establishment and operation of the Secretariat and supported the activities of the High-Level Champion.

4.0 FUND UTILISATION

- 4.1 Outlined below are key activities that were either wholly or partially supported through the Fund in the relevant period:
- (i) establishing the Secretariat in Suva, Level 9 of Suvavou House, the COP23 website and the communication program managed by Presidency services support staff;
 - (ii) support of the COP23 Presidency leadership personnel which included:
 - (a) the then COP23 incoming President – the Hon. Prime Minister J. V.

Bainimarama

- (b) COP23 High-Level Champion – the Hon. Minister Inia Seruiratu;
 - (c) COP23 Chief Negotiator for the period – Ambassador Nazhat Shameem-Khan;
 - (d) Climate Ambassador – Deo Saran; and
 - (e) the Pacific Special Representative – Amena Yauvoli. The Australian funding specifically supported the activities of the Pacific Special Representative and, more broadly, engagement with Pacific countries;
- (iii) fielding a successful team in Bonn for the May 2017 inter-sessional meetings, at which the Fijian vision for the COP23 Presidency was shared with the international community by the incoming COP23 President and Hon. Prime Minister;
 - (iv) supporting engagement by membership of the COP23 Presidency leadership at key international UNFCCC or related events in Bonn, Tokyo, Rabat, Montreal and New York;
 - (v) materially advancing the Global Climate Action Agenda under the leadership of the High-Level Champion, Hon. Minister Seruiratu working with the Morocco COP22 Presidency Champion, Dr Hakima El Haité, and helping to draw the links between climate action and the Sustainable Development Goals and Oceans;
 - (vi) establishing a COP23 Expert Advisory Group and conduct of three strategic planning workshops held in Suva with participation from local, regional and international experts including past COP Presidents;
 - (vii) establishing and training the Fijian National Team and the Fijian Presidency Team in both Geneva and Suva. Additional training support also came from UNDP contributions and secondments;
 - (viii) organising and conducting the inaugural Climate Action Pacific Partnership (CAPP) Conference and concurrent Pacific Small Island Developing State (PSIDS) leaders meeting in July in Suva. The Fund supported travel and accommodation for PSIDS leaders plus one delegate. The Conference also brought together members of Pacific civil society, private sector and government. Outcomes from both the CAPP Conference and PSIDS leaders meeting are available at <https://cop23.com.fj/about-cop-23/climate-action->

[pacific-partnership-event-3-4-july/](#);

- (ix) leaders of Fijian political parties were invited to the CAPP Conference and a special cross party COP23 briefing session was conducted at the UNDP Members of Parliament training days in August 2017.
- (x) establishing a partnership with Governor Brown of California and appointing him as COP23 Special Envoy for States and Regions as part of building a Grand Coalition of non-State actors for climate action;
- (xi) progressing numerous legacy projects for Fiji and the Pacific including:
 - (a) a focus on renewable energy innovation;
 - (b) increasing the implementation of the Paris Agreement through conceptual development of a regional Pacific Nationally Determined Contribution implementation hub, conceived of at the July CAPP Conference, and;
 - (c) developing climate insurance products for Fijian households and for those across the Pacific.
- (xii) Fiji's inaugural National Climate Change Week was conducted from 22 to 29 September 2017. National Climate Change Week was a week-long series of events and activities in Fiji designed to raise awareness on climate change issues, educate the Fijian people on Fiji's COP23 Presidency and highlight Fijian experiences relating to climate change. More information at: <https://cop23.com.fj/national-climate-week/>;
- (xiii) planning and hosting a Pre-COP meeting in Denarau on 17 and 18 October 2017. This became known as the "largest Pre-COP in history" with over 60 nations and over 300 delegates in attendance.
- (xiv) the Pre-COP meeting was expanded to include a civil society "Partnership Day" before and during the Ministerial meetings to highlight actions to address climate change being undertaken by non-State actors. This also included discussions in developing the Ocean Pathway Partnership concept subsequently launched at COP23. Information on and outcomes from the Pre-COP and Partnership Days can be found at <https://cop23.com.fj/pre-cop/>;
- (xv) progressing plans for COP23 in November, working closely with the UNFCCC, the German Government and the City of Bonn for hosting, branding and logistical requirements. In keeping with past COP hosts experience, a Fijian

team member was posted in Bonn as UNFCCC liaison officer;

- (xvi) an extensive Cultural and Communications Plan was developed for COP23 including numerous activities across the COP23 Bula (negotiation) zone, the COP23 Bonn (non-State actors) zone and the City of Bonn. This included the extensive planning and logistical preparations for the Fijian Pavilion, with the development of a Pacific focussed schedule of events. In addition, the Secretariat worked with the German government and non-government organisations on the design and schedule for an NGO “Talanoa Space” in the Bonn Zone; and
- (xvii) other Presidency support services including strategic advice, negotiations support, assistance with fundraising, capacity building, logistical support, communication and documentation drafting.

5.0 EXTERNAL AUDIT

- 5.1 To conduct the financial audit of the Fund for the period ending 31 July 2017, PricewaterhouseCoopers has been engaged as external auditors. The audit is anticipated to be finalised by May 2018.

6.0 CONCLUSION

- 6.1 The COP23 Presidency Trust Fund is managed in a very sound manner. To ensure proper accountability and transparency, progressive six-monthly financial reports will be published on a periodic basis and the audited financial statements on a 12-monthly basis. Consistent with funding arrangements and agreements the Presidency also publishes quarterly updates on the COP23 website.

APRIL, 2018

COP 23 Presidency Trust Fund Account

The COP 23 Presidency Trust Fund ('Fund') was established and is administered in accordance with the COP 23 Presidency Trust Fund Act 2017. The *unaudited* statement of receipts and payments is presented in accordance with the COP 23 Presidency Trust Fund Act 2017 and section 58(4) of the Finance Instructions 2010 of the Republic of Fiji issued under the Financial Management Act 2004. This is the first six monthly account of the Fund since its commencement.

Statement of Receipts and Payments For the period ending on 31 October 2017

		20 Dec 2016
		-
	Notes	31 Oct 2017
		FJD
Receipts		(un-audited)
Donations	1	24,928,619
Interest		58,452
Refund		23,570
Total Receipts	10	25,010,641
		May - Oct
		2017
Payments		
External Professional Services	2	8,686,717
Conference Cost	3	1,733,284
Cultural Intervention	4	76,736
Travel Related Costs	5	727,815
Training Costs		16,182
Staff costs	6	108,148
Outreach	7	167,538
Pavilion	8	81,681
Office Support		1,000
Bank charges		144
Total Payments	10	11,599,245
Available funding		13,411,396

COP 23 Presidency Trust Fund Account
Notes to the Statement of Receipts and Payments
For the period ending on 31 October 2017

	FJD (un-audited)
1. Donations	
Italy	2,365,744
EU	4,789,410
Luxembourg	119,673
Australia	9,361,835
India	2,025,932
New Zealand	1,893,580
Others	4,372,445
	<u>24,928,619</u>
2. External Professional Services	
Presidency Services	8,580,679
Others	106,038
	<u>8,686,717</u>
3. Conference Cost	
Climate Action Pacific Partnership Event	414,199
Pre-COP	1,319,085
	<u>1,733,284</u>
4. Cultural Intervention, artifacts, gifts and others	
Climate Action Pacific Partnership Event	17,105
23rd Conference of Parties of the UNFCCC	33,632
Pre-COP	25,999
	<u>76,736</u>
5. Travel Related Costs	
Bonn UNFCCC	287,327
Climate Action Pacific Partnership Event	59,646
23rd Conference of Parties of the UNFCCC	309,129
Media Tour	16,279
United Nations General Assembly and Climate Week	45,028
Regional Meeting	3,344
Pre-COP	7,062
	<u>727,815</u>
6. Staff costs	
Secretariat team costs	<u>108,148</u>
7. Outreach	
National Climate Change Week	<u>167,538</u>
8. Pavilion	
23rd Conference of Parties of the UNFCCC	<u>81,681</u>
9. In addition to the available funding, donation of GBP 700,000 from United Kingdom was received on 30 October 2017 and credited to COP 23 Presidency trust fund bank account in early November 2017.	
10. This six monthly financial statement covers the period to 31 October 2017. While the first donor funds were received in 20 December 2016, most receipts, as well as actual activities and related expenditures from the fund, occurred from early May 2017. The expenditures, therefore are reported for the six months from May 2017. This Statement of Receipts and Payments do not include receipts and payments that the donors paid directly to other agencies or co-funded activities directly of the Secretariat.	