

**WHITE & CASE**

**Dated 15 October 2023**

## **Charter**

Independent Secretariat of the Climate Vulnerable Forum (CVF)

White & Case LLP

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**This secretariat charter** is adopted on 15 October 2023 (the “**Charter**”)

## **Introduction:**

- (A) the CVF was founded in November 2009 in the Republic of the Maldives;
- (B) the Vulnerable Twenty (V20) Group was established on 8 October 2015 with an inaugural meeting of the V20 Finance Ministers of the CVF in Lima, Peru;
- (C) the Global Parliaments Program (the “**GPG**”) of the CVF was established in 26 October 2021;
- (D) the Heads of State, Finance Ministers, and High-Level Representatives of the 68 member states of the CVF issued a declaration in New York at the margins of the United Nations General Assembly on 21 September 2023 on the operationalization of the independent secretariat with a mandate to support the establishment of the CVF/V20 as an intergovernmental organisation and the announcement that a permanent Secretariat be formed (the “**New York Declaration**”);
- (E) in accordance with the V20 Ministerial X Communiqué of 16 April 2023 and the CVF High Level Communiqué of 24 July 2023, within which the membership announced the establishment of an independent Secretariat for the CVF;
- (F) in accordance with Articles [5.2.1] of the New York Declaration, the Secretariat is to be headed by a Secretary-General;
- (G) in accordance with Article [5.2.4] of the New York Declaration, it was agreed that the independent Secretariat will have its headquarters in Ghana and that a headquarters agreement will be entered into between Ghana and the Secretariat (the “**Headquarters Agreement**”) which will amongst other things, ensure the autonomous status of the Secretariat, the legal personality of the Secretariat, the legal capacity of the Secretariat to carry out its activities, and the status, privileges, and immunities of the Secretariat and its staff;
- (H) in accordance with Article [5.2.5] the details of the mandate of the composition, responsibilities and funding etc. of the Secretariat will be as set out in the Charter endorsed by the V20 Finance Ministers, the Headquarters Agreement to be signed between Ghana and the independent Secretariat and any separate funding agreement, taking into account thorough discussions and considerations of options by the membership, which are to be circulated to Senior Officials of member countries for feedback;
- (I) this Charter was presented to the V20 Ministerial Dialogue XI in Marrakech, Morocco on 15 October 2023 with prior meetings of the V20 Senior Officials; and
- (J) on the basis of the mandate given in the New York Declaration, and by the V20 Ministerial Dialogue XI in their meeting in Marrakech, Morocco on 15 October 2023, the Charter of the Secretariat has been adopted by the V20 Finance Ministers.

## **1. Definitions and Interpretation**

### **1.1 In this Charter:**

“**Business Day**” means a day on which banks are open for general business in the member state in which the Secretariat is headquartered pursuant to a Headquarters Agreement.

“**CVF**” means the Climate Vulnerable Forum composed of Heads of State/Government.

“**High-level representatives of the CVF**” means minister-level line agencies and parliamentarians convening during key sessions such as Spring and Annual Meetings of the

World Bank Group and International Monetary Fund, regional Multilateral Development Bank Annual Meetings, G7 and G21-related partnership meetings, United Nations Convention on Biological Diversity (UNCBD) conferences, United Nations Framework Convention on Climate Change (UNFCCC) conferences, UN General Assembly, shall be decided by the respective political fora and these meetings shall be facilitated by the independent Secretariat.

**“CVF-V20 Joint Multi-Donor Fund”** means the voluntary and multi-stakeholder strategic financial and implementation fund managed by United Nations Office for Project Services until 31 December 2025 that aims to deepen and sustain South-South cooperation among CVF and V20 members and deliver on key priorities on climate action, both in terms of climate change adaptation and mitigation.

**“CVF Objectives”** means the objectives of the CVF and the V20 Finance Ministers as set out in the New York Declaration and also the overarching objective of establishing the CVF and the V20 Finance Ministers as an international organisation by way of treaty.

**“Expert Group”** means ad-hoc representatives of organisations serving as advisors as required by the Secretariat based on the work programme.

**“Financial Year”** means the financial year of the Secretariat, ending on 31 December.

**“Headquarters Agreement”** means the headquarters agreement signed between the independent Secretariat and the Host Country, subject to their country procedures.

(a) any other agreement designated as a “Headquarters Agreement” by the Heads of State. .

**“Heads of State”** means the Heads of State or Government of each of the Members.

**“Host Country”** means the country designated as such pursuant to the Headquarters Agreement.

**“Majority”** means the Members which are present in aggregate more than 51 percent. of the total member states of the CVF.

**“Member”** means the member states of the CVF.

**“Month”** means a period starting on one day in a calendar month (determined in accordance with the Gregorian Calendar) and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
- (c) if a period commences on the last Business Day of a calendar month, that period will end on the last Business Day in the calendar month in which that period is to end.

**“Paris Agreement”** means the international treaty with respect to climate change signed on 22 April 2016 and made by 195 signatories.

**“Permanent Secretariat”** means the CVF and the V20 Finance Ministers permanent secretariat established once the CVF and V20 Finance Ministers are established as an intergovernmental treaty organisation.

**“Presidency”** means:

- (a) as at the date hereof, the member country that is nominated to chair the Climate Vulnerable Forum for two years; engages with global leaders and the Secretariat to mobilise resources and build more political capital for the Forum; and
- (b) any successor or replacement from time to time.

**“Quorum”** means one third of the membership.

**“Satellite Office”** means an office or branch office of the CVF opened by the Secretariat in a location other than the headquarters established pursuant to the Headquarters Agreement.

**“Secretary-General”** means the incumbent secretary-general of the Secretariat.

**“Secretariat”** means the joint Secretariat of the CVF and the V20 Finance Ministers (the central administrative and executive body that serves the Forum and its member states.

**“Secretariat-Managed Funding”** means a Secretariat-managed funding to facilitate the coordination among the respective member states of the CVF and V20 Finance Ministers and respective partner institutions and procured services.

**“Secretariat ”** means:

- (a) the Secretary-General;

**officers and staff of the Secretariat as referenced below in 4.1.;**

**“Secretariat Premises”** means location of the headquarters and regional offices.

**“Senior Officials”** means ministers endorsed representatives from relevant ministries of member countries for the CVF and V20 workstreams.

**“Sustainable Development Goals”** means the collection of the 17 interlinked objectives designed to serve as a shared blueprint for peace and prosperity for people and the planet, now and into the future.

**“Troika”** means a group comprised of:

- (a) the incumbent president of the CVF; and
- (b) the previous two (2) presidents of the CVF,
- (c) an incoming presidency may join the Troika; the first Troika shall consist of the Republic of Ghana, People’s Republic of Bangladesh, and the Republic of Marshall Islands as at the date of this Agreement.

**“UNFCCC”** means the United Nations Framework Convention on Climate Change.

**“UNCBD”** means the United Nations Convention on Biological Diversity.

**“V20”** means the Vulnerable Twenty Group of Finance Ministers of the CVF Members States, which as of the 21 September Leaders Declaration confirms to be referred to as V20 Finance Ministers and empowers the V20 Finance Ministers to review and approve the hosting agreement which will grant the Secretariat its legal status as an autonomous institution. V20 Finance Ministers convenes twice a year during the Spring and Annual Meetings of the World Bank Group and International Monetary Fund.

**“Working Presence”** means a temporary office or temporary branch office of the CVF used by the Secretariat staff physically separate from a Satellite Office or an office established pursuant to the Headquarters Agreement.

## **2. Establishment, Location and Legal Personality**

### **2.1 Establishment**

The Secretariat is established as an independent Secretariat commencing on the date of the New York Declaration. This Charter outlines the roles and responsibilities of the Secretariat.

### **2.2 Location and Legal Personality**

- (a) The main headquarters of the Secretariat shall be determined in accordance with the Headquarters Agreement.
- (b) The Headquarters Agreement will grant the Secretariat legal personality, privileges and immunities for carrying out its activities. The other Members may also on a voluntary basis grant the Secretariat privileges and immunities necessary for carrying out its activities.
- (c) The Secretary-General shall have the power to establish satellite offices or a working presence in any jurisdiction as directed or based on the approval of the Majority of the Members whether documented by a headquarters agreement, a similar arrangement or not.

### **2.3 Working Language**

The working language of the Secretariat shall be English.

## **3. Purpose, Scope, and Main Objectives**

- (a) The purpose of the Secretariat is to support the work of the CVF and the V20 Finance Ministers, advance and deliver the CVF and V20 Finance Ministers Objectives.
- (b) The Secretariat’s role shall include, but shall not be limited to:
  - (i) act to support convening of Member States on climate change and financing at the Head of State/Government level and heads and officials of agencies leading programmatic portfolios with respect to environment, Finance, foreign affairs, and parliaments;
  - (ii) support the coordination and organisation of meetings between Members as well as helping to facilitate the CVF/V20 Finance Ministers participation in strategic international events such as UN General Assembly, UNFCCC, UNCBD, Spring and Annual Meetings of the World Bank Group and the International Monetary Fund, etc.;
  - (iii) organise meetings and workshops throughout the calendar year;
  - (iv) represent the perspective of CVF/V20 Finance Ministers at international fora;
  - (v) provide technical expertise and support to Members in the development and implementation of climate resilience and mitigation strategies to meet the Sustainable Development Goals, the Paris Agreement, mobilisation of climate financing, the facilitation of climate resilient economic growth and other biodiversity goals that foster climate prosperity;

- (vi) support resource mobilisation efforts;
- (vii) assist in managing certain finances of the CVF including managing the CVF-V20 Joint Multi-Donor Fund and the Secretariat-managed funding, once established and including overseeing funding management, resource mobilisation efforts, and coordination with donors and financing institutions and facilitate access to climate finance including loss and damage finance for Members, through constant innovation of financial products and instruments, and through assistance with project development, proposal preparation, and engagement with the finance mechanisms of the UNFCCC and similar initiatives in the SDG, biodiversity, and related policy arenas;
- (viii) create work programmes that influence and including overseeing fund management, resource mobilisation effort in line with the Paris Agreement and Sustainable Development Goals, and coordination with donors biodiversity targets;
- (ix) represent the perspective of CVF in relevant international forums and financing advocate for their interests and priorities concerning climate change adaptation, mitigation, loss and damage, and finance;
- (x) sustain engagement with a broad range of stakeholders, including Members, international financial institutions and , partners, regions, subnational entities such as cities, businesses, investors, and civil society, to advance CVF/V20 Objectives;
- (xi) establishment and ongoing management of experts in Washington DC, USA focusing on international financial reform, with a special emphasis on Bretton Woods Institutions;
- (xii) engage with the G7 and G21 and similar country groupings as well as international financial institutions and partners to advocate for increased climate finance flows to Members; and
- (xiii) provide technical assistance and capacity acceleration opportunities to member countries in accessing, tracking, managing, and reporting on climate finance received and utilised.

## 4. Structure

### 4.1 Organisational Structure

- (a) The Secretariat shall be organised in accordance with the structure diagram set out in Schedule 1 (*Operational Structure*), which provides an overview of the different functions, roles, and responsibilities of the Secretariat, and how they are connected, how they interact, and how they will contribute to the implementation of the Secretariat's work programme.
- (b) As at the date of this Charter the key members/staff of the Secretariat shall include:
  - (i) **Secretary-General:** who shall act as the head of the Secretariat, responsible for overall leadership and coordination;
  - (ii) **Managing Directors:** who shall be appointed by, and report to, the Secretary-General and shall be responsible for day-to-day operations of the Secretariat;

- (iii) **Technical and Policy Experts:** who shall be appointed by the Secretary-General and report to the managing directors and experts in climate change, finance, and related fields; and
- (iv) **Operational and Support Staff:** technical, administrative and staff appointed by the managing directors or Secretary-General to ensure efficient Secretariat operations.

## **5. Selection and powers of the Secretary-General**

### **5.1 Identity, appointment, and term**

- (a) The Secretary-General shall be a national of a Member State.
- (b) The first Secretary-General shall be a person appointed by the Troika.
- (c) Subsequently, applicants for the role of Secretary-General must be nominated by a CVF member, in writing to the Presidency, on or before the date falling 12 Months before the end of the Term.
- (d) The Secretary-General shall be appointed by the Membership upon review of the applications submitted to the Presidency by the date falling six (6) Months before the end of the Term.
- (e) The Secretary-General shall serve for a term of four years; which can be renewed. The extension of the term is to be determined by simple majority
- (f) No Secretary-General may serve more than two Terms or may be succeeded by a national of the same Member state.
- (g) No Secretary-General may be succeeded by a national of the same Member.

f

### **5.2 Substitution**

- (a) In the event that the office of the Secretary-General becomes vacant, the Troika shall appoint a substitute to hold that office until a new Secretary-General is appointed for a full term. That substitute office holder may concomitantly be a candidate for appointment as Secretary-General.

### **5.3 Powers and Responsibilities**

- (a) The Secretary-General may participate with voice but without vote in proceedings of Members.
- (b) The Secretary-General shall have the power to:
  - (i) represent the Secretariat and have the authority to sign on behalf of the Secretariat;
  - (ii) oversee the operations of the Secretariat;
  - (iii) confirm the number of employees and contracted staff of the Secretariat, appoint them, regulate their powers and duties, and fix their remuneration, in accordance with the human capital and management policies of the secretariat as well as the budget for the Secretariat;



- (iv) manage the relationship with the Host Country, Members and other institutional bodies;
  - (v) develop, as mandated, decisions of the CVF/V20 Finance Ministers into implementable proposals;
  - (vi) identify and mobilise, as required, external resources to implement decisions at the regional level and undertake studies and develop decisions on relevant issues into implementable proposals;
  - (vii) implement, as mandated, decisions at the global and/or regional level for the achievement of the CVF/V20 Finance Ministers functions;
  - (viii) oversee the monitoring and evaluation of the implementation of decisions of the CVF and the V20 Finance Ministers;
  - (ix) initiate or develop proposals for consideration and decision by the CVF and V20 Finance Ministers in order to achieve CVF/V20 Finance Ministers objectives or functions;
  - (x) recommend rules and procedures necessary to efficiently exercise their responsibilities, and the operations of the Secretariat;
  - (xi) maintain the list of V20 designated national focal points and other policy arena-specific (e.g. UNFCCC, UNCBD) designated focal points; and
  - (xii) prepare and manage the budget of the CVF and its major organs.
- (c) The Secretary-General may delegate any or all of its powers, including those described in paragraph (b), above to a named member of the Secretariat staff for a period of time not exceeding [one] year, with the approval of the Troika.
  - (d) In discharging their obligations and in performance of their duties, the Secretary-General and Secretariat staff shall neither seek nor receive any instructions from any authority external to the Secretariat. The Secretary-General has the obligation to maintain transparent procedures and correct circulation of information concerning all activities carried out by the Secretariat.
  - (e) Each Member agrees that the Secretariat is an independent body and shall not seek to influence their activities or decision making processes unless otherwise agreed by a simple majority of the Membership.

## **6. Reporting and Accountability**

### **6.1 Reporting**

- (i) The Secretary-General shall report to the Presidency and shall provide a bi-annual update and an annual report to the Troika, the membership and contributors/donors within 30 days of the end of a Financial Year.
- (b) Financial control and audit mechanisms of the Secretariat will be ensured in full compliance with the principles of good financial management and in accordance with internationally recognised standards.

## **6.2 Auditor**

- (a) The Secretary-General shall appoint a competitively selected external and independent auditor to:
  - (i) examine the financial statements of the Secretariat;
  - (ii) review and ensure compliance with the Charter and Human Resources (HR) policies; and
  - (iii) examine the Secretariat's expenditures and related financial activities.
- (b) The auditor shall prepare a report based upon their review as described in paragraph (a), and shall share this with the Secretary-General, the Troika and membership.,
- (c) Any issues identified in the auditor's report must be remedied within a reasonable period of time determined by the Secretary-General following consultation with the Troika.
- (d) Every two years, an external evaluation report of the Secretariat's activities will be drawn up and submitted to the Senior Officials and the Secretary-General.

## **7. Finance**

### **7.1 Sources of Finance**

- (a) The Secretariat shall be provided with and shall be empowered to source the necessary financial resources to perform its functions effectively. The Secretariat may derive its resources from:
  - (i) voluntary contributions and donations from Members;
  - (ii) any and all public and private resources permitted by applicable law; and
  - (iii) income generated from Secretariat activities.
- (b) The initial funds allocated to the Secretariat are USD[1,000,000], which represents the founding contribution by the Government of Ghana to the Secretariat-Managed Funding.

### **7.2 Management of Funds, Assets and Investments**

- (a) The Secretariat will serve as a "technical secretariat" to the CVF & V20 Joint Multi-Donor Fund, subject to the terms of its Fund Manager.
- (b) The Secretariat will be responsible for setting up and managing the Secretariat-Managed Funding.
- (c) The Secretariat may adopt investment guidelines in relation to the management of the assets and resources of the Secretariat (subject to the prior written approval of donors and the V20 Finance Ministers. In the event of the sale of any assets of the Secretariat or their development, the reinvestment and the profit made shall be fully allocated to the Secretariat.
- (d) The Secretariat may hold any type of asset including movable or immovable property however described for the purposes of furthering the Objectives.

### **7.3 Annual Budget**

- (a) The budget shall be prepared by the Secretariat's budget team and shall be submitted to the Secretary-General for review and approval by the V20 Finance Ministers with a Quorum on or before the date falling three Months before the end of a Financial Year.
- (b) If at the beginning of a financial year, the budget has not yet been adopted, a sum equivalent to no more than one twelfth of the preceding Financial Year's annual budget may be spent each month until a budget for that Financial Year has been adopted.
- (c) Any funds remaining uncommitted at the end of each Financial Year shall be carried over to the budget for the following year.
- (d) The annual report of the Secretariat will be published on the website each year
- (e) The annual budget of the Secretariat in its first Financial Year will be adopted by the Majority Members.

### **8. Projects**

- (a) The Secretariat will work on the basis of guidelines for project selection, processing and funding approved by the member states.
- (b) In submitting project proposals, the Secretariat shall uphold the principle of sustainable development and that every project must:
  - (i) be consistent with, or in the furtherance of, the CVF Objectives;
  - (ii) not jeopardise the legitimate interest of any Member; and
  - (iii) respect the decision of member countries involved in an ongoing project when it is subject to further development.
- (c) The Secretariat shall:
  - (i) gather, within the project priorities identified by the decision-making bodies regional, sub-regional or trans-national project initiatives (from various sources such as sectoral ministerial meetings, national or regional authorities, regional groupings, private sector, civil society);
  - (ii) examine and screen project initiatives and report/make recommendations after close coordination with concerned Members and funding partners;
  - (iii) propose the necessary follow-up in terms of initiating the promotion of the projects and the search for partners for their implementation; and
  - (iv) ensure appropriate coordination with, and provide assistance to, the various interested partners with respect to funding, implementation, monitoring and evaluation of projects.

### **9. Immunities and Privileges**

- (a) The Secretariat shall be accorded immunities and privileges in Host Countries to be duly accorded in any Headquarters Agreement concluded between the Secretariat and a given Host Country.

- (b) The Secretariat shall be accorded immunities and privileges as are necessary for the proper performance of their functions under the present Charter, and which shall be similar to those accorded to intergovernmental organisations.
- (c) Members other than Host Countries may also grant the Secretariat, if appropriate, the privileges and immunities necessary for carrying out its activities.

## **10. Dispute Resolution**

- (a) The Secretariat disputes shall be resolved based on relevant HR and other in-house policies developed and approved according to best practices
- (b) All other disputes shall be resolved on best practice dispute and safeguarding mechanisms for approval by the V20 Finance Ministers.

## **11. Conflict with Other Agreements or Legal Documents**

If there is any ambiguity, inconsistency, discrepancy, or conflict of interpretation between any of the provisions of this Charter and the provisions of any other agreements or legal documentation relating to the Secretariat, the provisions of this Charter shall prevail, save that where such conflict is with the Headquarters Agreement, the Headquarters Agreement shall prevail.

## **12. Amendments**

- (a) This Charter may be amended and/or supplemented by agreement of the CVF membership through a Majority.
- (b) The CVF members will review the Charter within a year of its adoption.
- (c) Any such amendment or supplement shall be treated as an inseparable part of this Charter and accorded the same legal status as that of the original text.

## **13. Termination of the Charter**

- (a) This Charter may be terminated by agreement of the V20 Ministers by majority when the Secretariat transitions to a permanent secretariat as contemplated by the New York Declaration.

## Schedule 1 Operational Structure

