Mr. Per Örnéus  
Deputy Director-General  
Department for Multilateral Development Cooperation  
Ministry for Foreign Affairs  
SE-103 39  
Stockholm, Sweden  

Trust Fund Contribution Agreement between the Kingdom of Sweden, acting through its Ministry for Foreign Affairs and the International Bank for Reconstruction and Development concerning the Green Climate Fund Trust Fund (MTO No. 069022)  

Dear Mr. Örnéus:  

1. We are pleased to acknowledge on behalf of the International Bank for Reconstruction and Development (the “Bank”), serving as interim trustee (the “Trustee”) of the Green Climate Fund Trust Fund (MTO No. 069022) (the “Trust Fund”), established for the purpose of the Green Climate Fund, the intention of the Kingdom of Sweden, acting through its Ministry for Foreign Affairs (the “Contributor”) to make available the sum of five million Swedish Kronor (SEK 5,000,000) (the “Contribution”) as a grant contribution to the Trust Fund in accordance with the terms of this Agreement. Other contributors are also expected to contribute to the Trust Fund on the terms and conditions specified in the Annex 1 to this Agreement.  

2. The Contribution shall be administered by the Trustee in accordance with the terms of this Agreement and the “Standard Provisions Applicable to the Green Climate Fund Trust Fund” (the “Standard Provisions”) attached hereto as Annex 1. Annex 1 (Standard Provisions) constitutes an integral part of this Agreement.  

3. The Contributor shall deposit the Contribution into such bank account designated by the Trustee promptly following countersignature of this Agreement by the Contributor and submission of a payment request by the Trustee.  

4. When making such deposit, the Contributor shall instruct its bank to include in the payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Contributor for MTO No. 069022 (Green Climate Fund Trust Fund), and the date of the deposit (the “Deposit Instruction”).
5. The Trustee shall convert the Contribution funds into the holding currency of the Trust Fund, which as of the date of this Agreement is United States dollars, promptly upon receipt of the Contribution funds and the Deposit Instruction containing the information specified in paragraph 4 at the exchange rate obtained by the Trustee on the date of the conversion. The Trustee shall hold the Contribution funds in the holding currency of the Trust Fund, which may be subsequently modified by the agreement of the Board of the Green Climate Fund and the Trustee.

6. Any notice, request or other communication to be given or made under this Agreement shall be in writing and delivered by mail, facsimile or e-mail to the respective party’s address specified below or at such other address as such party notifies in writing to the other party from time to time:

   For the Trustee:

   Director
   Multilateral Trusteeship and Innovative Financing
   The World Bank
   1818 H Street, N.W.
   Washington, D.C. 20433
   U.S.A.

   Tel: +1 (202) 458-0019
   Fax: +1 (202) 614-0249
   E-mail: mtottrustee@worldbank.org

   For the Contributor:

   Mr. Per Örneus
   Deputy Director-General
   Office Department for Multilateral Development Cooperation
   Ministry for Foreign Affairs
   SE-103 39
   Stockholm, Sweden

   Tel: +46.8.4051000
   Fax: +46.8.7231176

7. This Agreement may be amended only in writing between the Trustee and the Contributor; provided, however, that Annex 1 (Standard Provisions) may be amended in accordance with its terms.
8. Please confirm your agreement with the foregoing, on behalf of the Contributor, by signing, dating, and returning to us the enclosed copy of this Agreement. Upon receipt by the Trustee of the copy of this Agreement countersigned by you, this Agreement will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
Serving as Interim Trustee of the Green Climate Fund Trust Fund

Axel van Trotsenburg
Vice President
Concessional Finance and Global Partnerships

CONFIRMED AND AGREED:

THE KINGDOM OF SWEDEN, ACTING THROUGH ITS MINISTRY FOR FOREIGN AFFAIRS

By: Mr. Per Örnéus
Date: 16/11/2012
Deputy Director-General
Department for Multilateral Development Cooperation
ANNEX 1

Standard Provisions Applicable to the Green Climate Fund Trust Fund

This Annex ("Standard Provisions") shall be applicable to and form an integral part of all agreements entered into between the International Bank for Reconstruction and Development (the "Bank"), serving as interim trustee (the "Trustee") of the Green Climate Fund Trust Fund (the "Trust Fund"), established for the purpose of the Green Climate Fund (the "GCF"), and the contributing countries and/or the other entities (collectively, the "Contributors") that provide contributions (the aggregate of all contributions from the Contributors, the "Contributions") to be administered by the Trustee for the Trust Fund.

1. Establishment of the Trust Fund

1.1. The Trustee shall establish the Trust Fund to receive Contributions from the Contributors and shall hold in trust, as legal owner, and administer the funds, assets and receipts that constitute the Trust Fund, to support the activities of the GCF in accordance with the terms of this Agreement. Without prejudice to the foregoing and except as otherwise provided herein, the Trustee shall administer the funds, assets and receipts that constitute the Trust Fund only for the purpose of, and in accordance with, the relevant decisions of the Board of the GCF (the "Board"). The Trustee shall be closely consulted in the development of decisions taken by the Board which relate in any way to the functions of the Trustee performed or to be performed under this Agreement. In the absence of such consultation with and the agreement of the Trustee, the Trustee shall not be bound by any decision of the Board, to the extent that such a decision relates to the functions of the Trustee performed or to be performed under this Agreement.

2. Administration of the Contributions

2.1. The Trustee shall be responsible only for performing those functions specifically set forth in this Agreement and shall not be subject to any other duties or responsibilities to the Contributors, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement shall be considered a waiver of any privileges or immunities of the Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

3. Commingling, Exchange and Investment of the Contributions

3.1. The Contributions shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the Bank. For administrative and investment purposes, the Contributions may be commingled with other trust fund assets maintained by the Bank.

3.2. The Contributions may be freely exchanged by the Trustee into other currencies as may facilitate their disbursement.
3.3. The Trustee shall invest and reinvest the Contributions pending their disbursement in accordance with the Bank’s policies and procedures for the investment of trust funds administered by the Bank. The Trustee shall credit all income from such investment to the Trust Fund to be used for the same purposes as the Contributions.

4. Use of Trust Fund Resources

4.1. The Trustee shall, subject to the availability of applicable resources held in the Trust Fund as determined by the Trustee and to the terms of this Agreement, commit, transfer, make available and/or, in the case of the administrative costs of the Trustee, use the Trust Fund resources in the amount approved by Board or such person designated in writing by the Board for that purpose (the “Authorized Designee”), for the following purposes:

(i) Financing the administrative costs of the Board, the setting up of the interim secretariat of the GCF, the interim secretariat of the GCF, the independent secretariat of the GCF and the Trustee;
(ii) Providing resources for readiness and preparatory activities and technical assistance pursuant to paragraph 40 of the Governing Instrument for the Green Climate Fund, as approved by the Conference of Parties to the United Nations Framework Convention on Climate Change (the “UNFCCC”) at its seventeenth session (Decision 3/CP.17) (the “GCF Governing Instrument”); and
(iii) Providing resources for other activities to be financed under the GCF as approved by the Board.

5. Procedures to Govern the Transfer of Trust Fund Resources

5.1. The Trustee shall, subject to paragraph 4.1 above:

(i) Make available Trust Fund resources in the amount approved by the Board or the Authorized Designee to the secretariat of the Global Environment Facility (the “GEF Secretariat”), for its responsibility with respect to the interim secretariat of the GCF;
(ii) Transfer Trust Fund resources in the amount approved by the Board or the Authorized Designee to the secretariat of the UNFCCC (the “UNFCCC Secretariat”), for its responsibility with respect to the interim secretariat of the GCF;
(iii) Transfer Trust Fund resources in the amount approved by the Board or the Authorized Designee to the independent secretariat of the GCF established by the Board; and/or
(iv) Commit and transfer Trust Fund resources in the amount approved by the Board or the Authorized Designee to any implementing entity accredited by the Board, following the fulfillment of accreditation process and criteria developed by the Board in accordance with paragraph 49 of the GCF Governing Instrument.
5.2. Commitment and/or transfer of Trust Fund resources to any of the entities under paragraph 5.1(ii), (iii) or (iv) above shall be made in the manner and procedures as may be agreed between the Trustee and the relevant entity.

5.3. Notwithstanding paragraphs 4.1 and 5.1 above, prior to the approval by the Board or the Authorized Designee of the administrative budget to cover the costs associated with the interim secretariat of the GCF for the period from January 1, 2012 to October 31, 2012 (the “Interim Secretariat Budget”), the Trustee may make available to the GEF Secretariat and/or transfer to the UNFCCC Secretariat the Trust Fund resources up to the amount specified in a notification to be submitted to the Trustee jointly by the heads of the UNFCCC Secretariat and the GEF Secretariat, to cover the costs associated with the interim secretariat of the GCF; provided that, the total amounts so requested shall not exceed the amount of the Interim Secretariat Budget proposed to the Board for its approval.

5.4. Upon the transfer of Trust Fund resources to any of the entities under paragraph 5.1 above, the Trustee shall have no responsibility for the use by such entities of the Trust Fund resources so transferred to them, and each such entity shall be responsible for the use of the Trust Fund resources transferred by the Trustee and the activities carried out therewith in accordance with the applicable decisions of the Board or the Authorized Designee, including the purpose for which the resources have been approved. The Trustee shall not be involved in any action seeking to enforce the return of any misused Trust Fund resources from any of the entities in receipt of the Trust Fund resources transferred under paragraph 5.1(ii), (iii) and (iv) above. It is understood that procurement of goods and services for activities financed by the Trust Fund resources transferred to the GEF Secretariat shall be made in accordance with the policies and procedures of the Bank, noting that the GEF is a functionally independent unit of the Bank and, as such, relies on the policies and procedures of the Bank, and procurement of goods and services for activities financed by the Trust Fund resources transferred to the UNFCCC Secretariat shall be made in accordance with the policies of the UNFCCC.

5.5. For the purpose of financing the administrative costs of the Trustee referred to in paragraph 4.1 above, the Trustee shall submit to the Board or the Authorized Designee a proposal for administrative budget to cover the full costs of services to be provided by the Trustee in the upcoming budget period (and/or the services provided prior to the execution of this Agreement) in connection with the performance of its functions under this Agreement, which shall be paid from the Trust Fund resources. Upon approval by the Board or the Authorized Designee of such a proposal, the Trustee shall transfer the amount to its own account from the Trust Fund resources; provided that, the amount of the resources transferred shall be subject to an end of budget period adjustment on the basis of full cost recovery for the services provided during the budget period.

6. Accounting and Financial Reporting

6.1. The Trustee shall maintain separate records and ledger accounts in respect of the Contributions deposited in the Trust Fund account and disbursements made therefrom.
6.2. The Trustee shall furnish to the Board and the Contributors quarterly (or at any other such frequency agreed between the Trustee and the Board) financial reports of the Trust Fund.

6.3. The Trustee shall provide to the Board and the Contributors, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (i) a management assertion together with an attestation from the Bank’s external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (ii) a combined financial statement for all cash-based trust funds together with the Bank’s external auditor’s opinion thereon. The cost of the single audit shall be borne by the Bank.

6.4. If the Board or a Contributor wishes to request, on an exceptional basis, a financial statement audit by the Bank’s external auditors of the Trust Fund, the costs of any such audit, including the internal costs of the Bank with respect to such audit, shall be paid by the Trust Fund if the audit was requested by the Board or paid by the requesting Contributor if the audit was requested by the Contributor.

6.5. Subject to paragraph 9 below, the Trustee shall provide to the interim secretariat or the independent secretariat of the GCF, as applicable, information on the financial status of the Trust Fund, including copies of Trust Fund contribution agreements, in a form and frequency to be agreed between the Trustee and the interim secretariat or the independent secretariat of the GCF, as applicable.

7. Amendment

7.1. Except as provided for under paragraph 7.2, the Standard Provisions contained in this Annex may be amended only with the agreement of all Contributors contributing to the Trust Fund and the Trustee, and upon approval by the Board. In the event of any such amendments to the Standard Provisions, each Contributor agrees that the Trustee shall provide the Contributor with the amended Standard Provisions, and they shall replace this Annex without requiring the Contributor and the Trustee to enter into any amendments to this Agreement.

7.2. Unless the Contributor and the Trustee shall otherwise agree, once the Trustee and the GCF shall have concluded the legal arrangement between them for the Trustee’s services as interim trustee of the GCF, each Contributor agrees that the Trustee shall administer its Contribution in accordance with the terms of the legal provisions concluded between the Trustee and the GCF, in which case the Trustee shall provide the Contributor with such legal provisions, and they shall replace this Annex without requiring the Contributor and the Trustee to enter into any amendments to this Agreement.

8. Termination

8.1. The Board may terminate the Bank’s role as the interim trustee of the Trust Fund at any time upon three (3) months’ prior written notice to the Bank.

8.2. It is envisaged that the Bank will serve as the interim trustee of the Trust Fund, subject to a review by the Board three (3) years after the operationalization of the GCF.
Unless otherwise agreed between the Board and the Bank, the Bank’s role as the interim trustee of the Trust Fund shall terminate on April 30, 2015, except as set forth in paragraph 8.4 below.

8.3. Notwithstanding paragraph 8.2 above, the Bank may terminate its role as the interim trustee of the Trust Fund at any time upon three (3) months’ prior written notice to the Board.

8.4. Following termination of the Bank’s role as the interim trustee of the Trust Fund pursuant to paragraph 8.1, 8.2 or 8.3 above, the Bank shall carry on no business for the Trust Fund except to the extent needed to avoid discontinuity in trustee services. The Bank shall, in consultation with the Board to the extent possible, take all necessary action for winding up its affairs in an expeditious manner, including for the transferring of Trust Fund assets to the successor, and for meeting outstanding commitments.

9. Disclosure

9.1 The Trustee will disclose this Agreement and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Agreement, Contributors consent to disclosure of this Agreement and related information on this Trust Fund.