

CLIMATE INVESTMENT FUNDS

Backed by the Climate Investment Funds, Eight More Countries Take Big Steps to Address Climate Change

India's plans for \$775 million in support of a national action plan on climate change were endorsed

WASHINGTON DC, November 4, 2011 – A week of meetings among countries participating in the Climate Investment Funds (CIFs) has resulted in more than \$1 billion committed to solving the problems of climate change. Today, the Climate Investment Funds approved \$ 1.08 billion in near-zero-interest loans and grants to support Bolivia, Honduras, India, Jamaica, Lao PDR, Mali, Mexico, and Nepal in their efforts toward arresting and adapting to climate change.

Under the CIFs' Clean Technology Fund (CTF), an Investment Plan prepared by **India for \$775 million** was endorsed. With this financial support, the Government of India plans to kick-start India's Super-Efficient Equipment Program (SEEP) Initiative by monetizing energy savings that will encourage consumers to buy high efficiency fans; enhance the cost effectiveness of improvements in energy efficiency in large industries and facilities; and enable the Jawaharlal Nehru National Solar Mission by lowering the cost of financing and facilitating technology transfer in the establishment of solar parks. The support will also help spur renewable hydropower development, significantly cutting CO2 emissions.

“Our goal is to invest in projects that impact social and economic development with significant co-benefits for climate change. By going down this path and with the help of the Climate Investment Funds, we hope to demonstrate how innovative investments and business models can be catalytic to a low-carbon growth model. Leveraging private and public sector funds towards this investment is one of the initial spin-offs,” **said Ms. Anuradha Thakur, CTF Trust Fund Committee Member, representing the Government of India.**

During the week-long meeting of countries participating in the CIFs, seven other countries' plans were endorsed to receive \$311 million in climate finance.

“Every time the CIF committees meet I'm amazed at the commitment and energy level of our partner countries. There is a can-do spirit to these discussions that makes me feel optimistic about our chances to solve the problem. When we think about eight more countries and a billion more dollars coming together – this is a serious joint effort. It's our privilege to support these partner nations,” **said Andrew Steer, World Bank Special Envoy for Climate Change.**

Under CIF's Pilot Program for Climate Resilience, two new nation-wide strategic programs for climate resilience were endorsed: **\$86 million for Bolivia** for multipurpose water resources projects in El Alto and La Paz and to strengthen the climate change resilience of the Rio Grande



Basin; and **\$25 million for Jamaica** to improve the national risk information platform, data collection and management systems, and raise awareness about the risks of climate change.

Under the CIF's "Scaling Up Renewable Energy" Program, three new investment plans were endorsed: **\$30 million for Honduras** to create an enabling environment for scaling-up grid-connected, renewable energy and for providing off-grid energy services in rural areas; **\$40 million was endorsed in principle for Mali** to scale-up solar PV, mini-hydro, and bio-fuel technologies with a focus on electricity production and productive energy uses for women and men; and **\$40 million for Nepal** to scale-up small hydropower and increase rural electricity access using renewable energy.

Under the CIF's Forest Investment Program, two new investment plans were endorsed: **\$30 million in grant funding was endorsed in principle for Lao PDR** to address the drivers of deforestation and forest degradation by scaling-up participatory sustainable forest management in all state forest areas; **\$60 million in grant and credit funding for Mexico** to build capacity for sustainable forest landscapes management, create a dedicated financing line for low-carbon strategies in forest landscapes, and to develop business administration and entrepreneurial skills for sound community-based enterprises to meet REDD+ targets.

"The question is still: how fast can we scale up these impressive actions being taken at the country level? How can the multilateral development banks keep the momentum they've achieved over the past three years with the Climate Investment Funds and prompt even bigger investments between now and the start of the Green Climate Fund?" Steer added.

Indigenous Peoples and Local Communities Design their own Dedicated Grant Mechanism

Also this week, the proposed design of the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities was approved by the Trust Fund Committee of the Forest Investment Program (FIP). This financing mechanism is the culmination of more than two years of consultations among indigenous peoples groups, local communities, the MDBs and the CIF Administrative Unit. The dedicated grant mechanism is based on the premise that efforts toward sustainable forest management and addressing the drivers of deforestation and forest degradation must respect indigenous peoples' holistic approach to land, including the spiritual, cultural, political and livelihood dimensions. The mechanism is expected to help enhance the capacity of indigenous peoples and local communities to participate fully, effectively and continuously in FIP pilot country REDD+ activities. A global component will focus on knowledge management bringing together indigenous peoples groups and local communities from FIP pilot and other countries to exchange good practices and lessons learned on how to effectively address REDD+.

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The \$6.5 billion Climate Investment Funds are a global partnership of the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, InterAmerican Development Bank, and the World Bank Group. For more information, please visit: www.climateinvestmentfunds.org

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