

CLIMATE INVESTMENT FUNDS

November 23, 2010

Summary of the Co-Chairs
Meeting of the Trust Fund Committee for the Clean Technology Fund

November 12, 2010

Co-Chairs

Zaheer Fakir, South Africa
Cyril Rousseau, France

INTRODUCTION TO THE SUMMARY

1. As provided in the rules of procedure for the CTF Trust Fund Committee, the following Co-Chairs' summary records the conclusions of, and decisions reached, at the meeting.

OPENING OF THE MEETING

2. The meeting was opened by the Co-Chairs, Zaheer Fakir, the Trust Fund Committee Member from South Africa, and Cyril Rousseau, the Trust Fund Committee Member from France.

ADOPTION OF THE AGENDA

3. The meeting adopted the provisional agenda set forth in document CTF/TFC.6/1/Rev.2.

CTF SEMI-ANNUAL OPERATIONAL REPORT

4. The Trust Fund Committee reviewed document CTF/TFC.6.3/Rev.1, the *CTF Semi-Annual Operational Report*. The Trust Fund Committee welcomes the report and the progress made under the endorsed CTF investment plans. The Committee further welcomes a tracking system of projects that will identify the status of implementation, and it urges countries and the MDBs to balance speed and quality in implementing projects.

5. The Trust Fund Committee agrees the CIF Administrative Unit, in collaboration with the MDB Committee, should report regularly on disbursements under the CTF.

6. The Committee urges that a special session on the engagement with the private sector under the CTF should be organized during the Partnership Forum.

7. The Trust Fund Committee reviewed document CTF/TFC.6.3/Inf.2, *Update on the CSP-MNA Investment Plan*, prepared jointly by the African Development Bank and the World Bank Group, and welcomes the update on progress made in preparing projects under the CSP-MNA Investment Plan. The Committee particularly welcomes the progress made on the Quarzazat project in Morocco and the presentation made by the representative from the Government of Morocco. The Trust Fund Committee supports the plan and encourages the countries and MDBs to share their experience in catalyzing private sector participation in the projects with other CTF countries.

TRUSTEE REPORT ON THE FINANCIAL STATUS OF THE CTF

8. The Trust Fund Committee welcomes document CTF/TFC.6/4, *Trustee Report on the Financial Status of the CTF*, and takes note of the status of pledges, contributions and total receipts to the CTF; the funding availability of the CTF Trust Fund; and the update of activities undertaken by the Trustee to manage the CTF Trust Fund.

9. The Trust Fund Committee requests the Trustee to provide in its next report information relative to disbursements and a breakdown of grants, guarantees, loans and subordinated loans. The Committee also requests the CIF Administrative Unit and the Trustee to track the co-financing commitments that were made by some contributors together with their pledges to the CTF and to report upon progress in implementing those commitments.

PROPOSAL FOR PIPELINE AND PORTFOLIO RISK MANAGEMENT

10. The Trust Fund Committee reviewed document CTF/TFC.6/5/Rev.1, *Proposal for Pipeline and Portfolio Risk Management*, prepared by the CIF Administrative Unit in collaboration with the MDBs and the Trustee. The Trust Fund Committee welcomes the proposal and supports the approach presented for pipeline management, recognizing that project readiness should be the primary priority in managing the pipeline. The Committee requests the CIF Administrative Unit, the MDBs and the Trustee to further elaborate the proposal for portfolio risk management with a view to its approval by the Trust Fund Committee at its next meeting.

CTF RESULTS FRAMEWORK

11. The Trust Fund Committee reviewed document, CTF-SCF/TFC.6/6, *CTF Results Frameworks*, and endorses the report and the proposed results framework for the Clean Technology Fund, as a “living” document to serve as a basis for moving forward in developing CTF funded projects and programs. The Committee agrees that the framework should be applied flexibly, pragmatically and taking into account country circumstances. In applying the results framework, it will be important to build on national monitoring systems. The CIF Administrative Unit and the MDB Committee are requested to report back to the Trust Fund Committee once experience is gained in operationalizing the framework, including a better understanding of the costs, with a view to adapting the framework to reflect experience gained through field testing.

CTF INVESTMENT PLAN FOR NIGERIA

12. The CTF Trust Fund Committee reviewed document CTF/TFC.6/7, *CTF Investment Plan for Nigeria*, and endorses the plan as a basis for the further development of activities for CTF funding, subject to circulation of a revised version that takes into account comments made by the Trust Fund Committee at the meeting and those that may be submitted in writing by November 26, 2010. The Trust Fund Committee also notes the request for US\$250 million in CTF funding to finance the proposed projects and programs.

13. Recognizing that the resources pledged to the CTF have already been allocated to earlier investment plans, funding of the projects and programs in the investment plan will be contingent upon the availability of funds beyond what is planned for in the current pipeline.

14. The Trust Fund Committee requests donor countries to make every effort to mobilize additional resources for the CTF so that Nigeria, together with the African Development Bank and the World Bank Group, may move forward in developing the proposed projects and programs for approval of CTF funding by the CTF Trust Fund Committee when resources

sufficient to finance any project and program in the plan become available either as a result of additional contributions to the CTF Trust Fund or through the release of resources from projects and programs included in earlier investment plans. The CIF Administrative Unit should inform the Trust Fund Committee, Nigeria and the MDB Committee by mail once such resources are available.

SOUTH AFRICA – ESKOM RENEWABLE SUPPORT PROJECT

15. The CTF Trust Fund Committee reviewed the project proposal, *South African, Eskom Renewable Support Project* (document CTF/TFC.6/8) and conditionally approves a CTF allocation of US\$350 million for the project subject to questions to be submitted by Trust Fund Committee Members being answered after appraisal.

16. The Trust Fund Committee welcomes this important project and recognizes its potential to be a high quality investment with transformative impacts. The Trust Fund Committee agrees that the African Development Bank and the World Bank should proceed with appraising the project on the understanding that questions submitted by the Trust Fund Committee Members in writing by November 19, 2010, will be responded to during the appraisal process. Written replies to the questions of the Trust Fund Committee Members should be prepared by the Government of South Africa and the MDBs and disseminated by the CIF Administrative Unit to members of the Trust Fund Committee.

DECISION MAKING PROCESSING IN OTHER RELEVANT INTERNATIONAL BODIES

17. The Trust Fund Committee, having reviewed document CTF/TFC.6/9, *Decision Making Processes in other Relevant International Bodies*, welcomes the survey as useful background and takes note of the models for decision making in other international institutions and funds.

ELECTION OF CO-CHAIRS

18. The Trust Fund Committee re-elected Zaheer Fakir, the Committee Member from South Africa, and Cyril Rousseau, the Committee Member from France, as the Committee Co-Chairs to serve for a new term from December 1, 2010, to July 2, 2011.

CLOSING

19. The meeting was closed on Friday, November 12, 2010.