

CLIMATE INVESTMENT FUNDS

CTF/TFC.12/3
October 7, 2013

Meeting of the CTF Trust Fund Committee
Washington D.C.
October 28, 2013

Agenda Item 4

CTF SEMI-ANNUAL OPERATIONAL REPORT

(SUMMARY)

PROPOSED DECISION

The CTF Trust Fund Committee reviewed document CTF/TFC.12/3, *CTF Semi-Annual Operational Report*, and takes note of the progress that has been made in advancing the work of the CTF. The Committee welcomes the report's strategic overview of the CTF and the analysis of the trends of the approved projects. The Committee notes with appreciation the recent acceleration of project development activities and the positive trend in increasing CTF disbursements. The Committee requests the MDBs to continue to work closely with the stakeholders in the countries to expedite the preparation and implementation of CTF projects.

I. INTRODUCTION

1. This semi-annual operational report provides an overview of the status of the CTF and an update of the CTF activities. It covers the period from March 16 to September 15, 2013.

II. PROGRESS IN REVISING INVESTMENT PLANS

2. Out of the 16 endorsed CTF investment plans, 12 have gone through revisions resulting in endorsed revised plans between June 2011 and May 2013 (in chronological order): Vietnam, Morocco, Thailand, Philippines, Egypt, Turkey, Indonesia, Colombia, Kazakhstan, MENA CSP, Mexico, and Ukraine.

3. In addition, Chile submitted a revised investment plan for endorsement through decision by mail in September 2013. South Africa will present an update at the upcoming Trust Fund Committee in October 2013. Mexico has submitted a new investment plan to the Trust Fund Committee requesting CTF funding for a second phase. Nigeria plans to submit its revised investment plan for endorsement in November/December 2013. India will provide an update on the implementation of its investment plan in spring 2014.

III. PROGRESS IN PROJECT DEVELOPMENT AND FUNDING APPROVALS

4. In accordance with the pipeline management decision by the Trust Fund Committee in May 2013, the CTF Phase I and Phase II have merged into one pipeline, with a total of 107 projects and programs totaling USD 5.5 billion in CTF funding.

5. Development of CTF projects and programs has accelerated significantly during the past six months. Ten projects were submitted and approved for a total of USD 531 million in CTF funding (see Table 1). This compares with just USD 450 million during the entire FY13. Furthermore, three additional projects were submitted for funding approval after the cut-off date for this reporting period.¹

Table 1: List of Projects Approved (March 16 to September 15, 2013)

No.	Country	Project title	MDB	Sector	CTF funding (USD million)
1	Chile	Large-Scale Photo-Voltaic Program (LSPVP)	IDB	Private	25.00
2	Chile	Large-Scale Photo-Voltaic Program (LSPVP)	IFC	Private	25.00
3	Colombia	Sustainable Transport System(BOGOTA SITP)	IDB	Public	40.00
4	Colombia	Energy Efficiency Financing Program for the Services Sector	IDB	Public	11.05
5	India	Solar Park: Rajasthan	ADB	Public	200.00
6	India	Super Efficient Equipment Program(SEEP)	IBRD	Public	50.00
7	Philippines	Philippines Renewable Energy Development(PHRED)	IBRD	Public	45.05
8	Turkey	Private Sector Bank-Intermediated Project(TURSEFF II, ResiSEFF, Mun SEFF	EBRD	Private	70.00
9	Ukraine	Renewable Energy Program-Large Wind Farm	EBRD	Private	14.99
10	Ukraine	Renewable Energy Program	IFC	Private	50.00
	Total				531.09

¹ These projects are India's Development Policy Loan to Promote Inclusive Green Growth and Sustainable Development in Himachal Pradesh (IBRD); Indonesia's Private Sector Geothermal Energy Program (ADB); and Vietnam's Ho Chi Minh City Sustainable Transport Project (ADB).

6. Out of the USD 531 million approved funding, USD 300 million was approved for Phase II countries (Chile and India), and the rest of the approved funding came from countries which had gone through revisions of their investment plans. Recent investment plan revisions and pipeline management measures (particularly over-programming and emerging Phase I and Phase II) seem to have accelerated the pace of project development and submission to the Trust Fund Committee for funding approval.

7. Among the 16 endorsed investment plans, overall funding approval, including projects and project preparation grants, has reached almost USD 2.9 billion, or 52 percent against the indicative allocations under these investment plans.

IV. PROGRESS IN DISBURSEMENT

8. As of June 2013, a total of USD 575 million in CTF funding had been disbursed to 23 projects and programs (excluding project preparation grants). Of this amount, USD 322 million was recorded in FY13 alone, suggesting that disbursement picked up significantly during FY13. Public sector projects account for 63 percent of total CTF disbursement, while private sector programs account for 37 percent. Disbursement rates for some projects have reached 100 percent or almost 100 percent.

V. TRACKING PROJECT DELIVERY

9. The Trust Fund Committee in May 2013 agreed to a set of measures to further enhance pipeline management, including shortening the timeframes for project delivery for funding approval by the Trust Fund Committee and MDB approval. Under the current definitions of milestones, 46 CTF projects are being tracked for progress toward submission to the Trust Fund Committee for funding approval. Among them, the traffic light remains green for 27 projects, but turns yellow for seven projects and red for 12 projects. Of the 19 projects that have been approved by the Trust Fund Committee but awaiting MDB approval, the traffic light is green for seven projects and red for 12 projects.

VI. RESULTS MONITORING AND REPORTING

10. In the last six months, significant progress has been made in monitoring and reporting CTF results. The CIF Administrative Unit in collaboration with the MDBs produced a monitoring and reporting toolkit for CTF projects and programs, based on the revised results framework. For the 28 MDB-approved projects, the MDBs also reported on actual results against the core indicators.