



# **FY23 CIF BUSINESS PLAN AND BUDGET TFC BRIEFINGS**

# Table of Contents

Strategic Outline

- FY22 Activities
- Strategic Focus for FY23

CIF Portfolio Review

Overview of CIF Activities

Summary of proposed FY23 Budget

Summary of proposed decision



# Strategic Outline

# FY22 Activities

- **Maturing** portfolio of CTF – I and SCF – I programs
- **USD 2 Bn** in new contributions
- **Operationalizing** ACT and REI, and work on launch of NPC, Cities and Industries Programs
- Progress in work on the **CTF Capital Markets Mechanism**, private sector engagement and venture-focused investments
- **Strategic engagement and outreach**
- **CIF Governance Review**
- **Knowledge and evidence** on pressing issues



# Strategic Focus for FY23

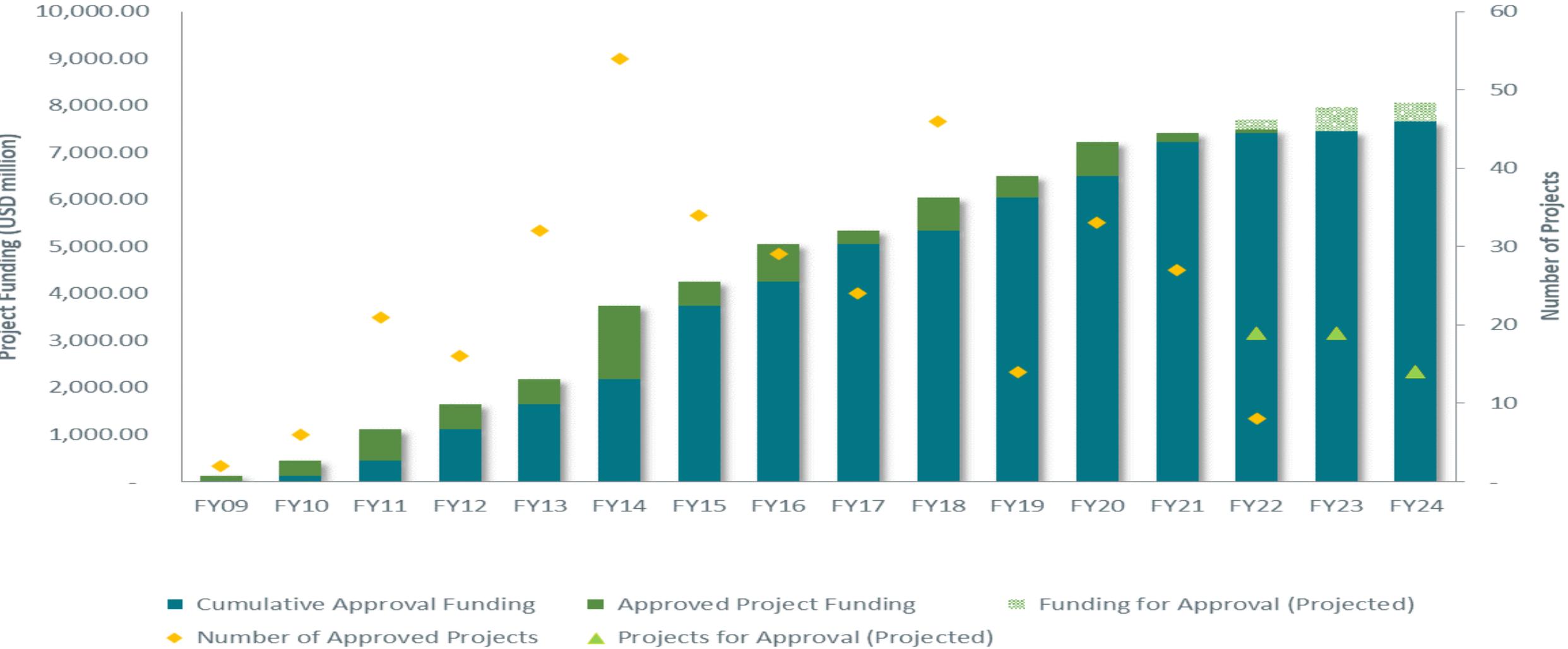
- Capitalize and operationalize NPC, Cities and Industries programs
- Strategic engagement and outreach in the lead-up to COP27 and thereafter
- Innovative climate financing mechanisms – climate ventures, private sector engagement, CTF Capital Markets Mechanism
- Continue generating knowledge and evidence on the most pressing issues in climate finance





# CIF Portfolio Review

# Trends in Project Approvals: CIF Inception to FY22





# Overview of CIF Activities

# Policy Development

- Key FY22 decisions
  - Instruction to pursue further development of the CCMM
  - Invitation to countries under ACT and REI
  - establishment of a new parallel trust fund to receive new loan contributions to the CTF
  - Endorsement of E&L Initiative Phase III resource allocation of around USD 4 million per fiscal year
- Country selection policies, program design documents, results frameworks and guidance.
- CIF Theory of Change and Revised CIF Financial Terms and Conditions Policy
- CIF Governance Review
- FY23 focus will be on implementation of FY22 decisions, CCH development and policy development, governance, and engagement with CIF stakeholders



# New Programs, Initiatives, and Partnerships

- Launch of ACT and REI and invitations to countries
- **US, UK and Japan confirmed support for the CIF Capital Market Mechanism**
- Partnerships with Powering Past Coal Alliance, IRENA, UNFCCC Nairobi, Global Center for Adaptation, Youth Engagement Strategy.
- **Just Energy Transition partnership**
- Collaboration with other Multilateral Climate Funds



# Investment Plan Development; Project and Program Approval

- Approved CIF financing reached to around USD 7.5b by December 2021, leveraging co-financing of around USD 62b.
- Significant Progress in FY22 on Project and Program Approvals.
- ACT and REI launched at CoP26. NPC, Cities and Industry Decarbonization programs expected to be launched in FY23.
- In FY23, focus on expression of interest process and selection of expert group for new programs, IPPGs and CE support for IP development, review and endorsement



# Knowledge and E&L

- Dissemination of results from a **maturing portfolio**
- 20+ virtual events with 4,000+ participants. Quarterly **CIF Knowledge Review** newsletter with 1,800+ audience.
- **Guidance note on online events**
- Strategic learning partnerships, such as the Transformational Change Learning Partnership (TCLP), Just Transitions Initiative (JTI), the Global Energy Storage Program (GESP) Learning Platform, and the Climate Delivery Initiative (CDI)
- 25 events at CoP26, GESP and ACT learning events



# Knowledge and E&L (cont..)

- Knowledge for Resilience series
- DGM Annual Report
- Observer Stories Report
- Pioneering work completed on:
  - Program and sector specific studies
  - Just transitions
  - Development impacts
  - Transformational change



# Monitoring and Reporting

- MEL Policy
- CIF Theory of Change
- Integrated Results Frameworks for ACT, REI and NPC
- Annual Results Reporting
- M&R for Mature/Closing Investment Plans
- Climate Delivery Initiative
- Development Impact Evaluation (DIME)
- Social and Economic Development Impacts of Climate Investments (SEDICI)
- Joint Impact Model (JIM)
- GESP M&R and Real-Time Learning



# Communications and Outreach

- Promoted and disseminated 29 Reports and 31 briefs
- Expanded **virtual engagements**
- 45 events on digital channels
- Aggressive targeting of social media
- **Changemakers** digital campaign
- In FY23, focus will be on continuing building the CIF brand, launch of new programs and the **new website**



# Engaging CIF Stakeholders

- Integration of new cohort of CIF observers
- New knowledge products to further mainstream SE across CIF's new programs
- Regional stakeholder policy dialogues in MENA and North America
- Youth Engagement Strategy
- Local Stakeholder Engagement Results Framework
- Stakeholder Advisory Network (SAN)
- In FY23, focus on capacity building of CIF observers, knowledge sharing and targeted regional stakeholder dialogues



# Gender Mainstreaming

- Integration of gender into the design of the three new programs - ACT, REI and NPC
- Women-Led Coal Transitions (WOLCOT) Grant Mechanism
- Gender Module in CCH
- IIED and EnGen Collaborative on a new Women's Climate Leadership Initiative
- Capacity-building, external engagement and program lessons dissemination
- FY23 focus on proactive support to the MDB teams and national stakeholders on integrating gender into the new programs through dedicated capacity building events and on-demand advice and knowledge support.



# Managing Resources and Risk

- Risk dashboard: risk assessments, and monitoring and reporting
- CTF Semi-annual and SCF annual risk reports: material strategic, operational, financial, legal and compliance, and reputational risks
- MDBs continue monitoring of CIF portfolio to minimize risks
- Trustee services





# Summary of proposed FY23 Budget

# Proposed FY23 Budget (USD '000)



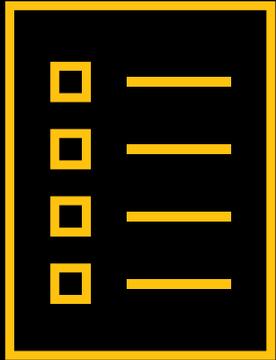
	CTF - I	ACT	SCF - I	SCF - II	Total
Total	11,743.3	5,966.9	11,517.3	7,671.1	36,898.6
Administrative Services	9,843.3	4,676.9	9,472.3	5,362.3	29,354.8
Multi-Year Activities	1,900.0	1,290.0	2,045.0	2,308.8	7,543.8

# Proposed FY23 Budget (USD '000)



Administrative Services	FY22 Approved Budget	FY22 Projected Utilization	FY23 Proposed Budget
Total	22,102.7	21,368.8	29,354.8
Administrative Unit	10,424.7	10,157.5	14,993.4
MDBs	7,722.1	7,262.2	9,911.4
<i>ADB</i>	1,132.9	1,000.4	1,598.7
<i>AfDB</i>	1,138.9	1,069.0	1,613.9
<i>EBRD</i>	734.4	659.3	1,076.3
<i>IDB Group</i>	1,119.2	992.3	1,268.0
<i>IBRD</i>	2,593.9	2,583.3	3,245.0
<i>IFC</i>	1,002.8	957.9	1,109.5
Trustee	3,156.0	3,149.1	3,555.0
External Audit Fee	800.0	800.0	895.0

## WB TF Cost Recovery for FIFs



- Increase from 17% on Personnel costs to 28.12% on all direct costs
- FY23 budget request has factored the new Cost Recovery Rate.
- For FY23, new rate has led to increase of CIF Admin Unit's core administrative budget by USD 1.82m (out of a total increase of USD 4.5m).
- Accordingly, around 40% of the CIF Admin Unit's core administrative budget increase is on account of the increase in the cost recovery rate.

# Summary of Proposed Budget for CIF Administrative Services (USD '000)



Target Area	FY22 Approved Budget	FY22 Projected Utilization	FY23 Proposed Budget
Total	22,102.7	21,368.8	29,354.8
Policy development	7,723.7	7,509.0	9,731.1
Investment plan development, update, and revision	423.6	396.4	1,443.1
Development of CIF programs and projects	753.3	662.8	963.3
Knowledge management and communications	3,741.1	3,567.8	5,121.3
Monitoring and evaluation and stakeholder	3,563.1	3,425.3	4,924.1
Gender mainstreaming	1,105.1	1,071.2	1,480.5
Managing resources and risk	4,792.8	4,736.3	5,691.4
<i>of which External Audit Fee</i>	800.0	800.0	895.0

# Proposed FY23 Budget for Multi-Year Activities (USD '000)



	Total	CTF	ACT	SCF-I	SCF-II	SCF-I Programs			SCF-II Programs		
						FIP	PPCR	SREP	REI	NPC	Cities
Multi-Year Budget	<b>7,543.8</b>	<b>1,900.0</b>	<b>1,290.0</b>	<b>2,045.0</b>	<b>2,308.8</b>	<i>615.0</i>	<i>815.0</i>	<i>615.0</i>	<i>2,308.8</i>	-	-
Country Engagement	2,693.8	200.0	600.0	200.0	1,693.8	-	<i>200.0</i>	-	<i>1,693.8</i>	-	-
Special Initiatives	4,850.0	1,700.0	690.0	1,845.0	615.0	<i>615.0</i>	<i>615.0</i>	<i>615.0</i>	<i>615.0</i>	-	-



# Summary of proposed decision

# Proposed Decision



The Joint Meeting of the CTF and SCF Trust Fund Committees approves the business plan and administrative budget contained in the document *Joint CTF-SCF/TFC.26/4, FY23 CIF Business Plan and Budget*, as detailed in this FY23 Budget Commitment Table and supported by Table 1 and Annex 1 in the document.

	CTF – I	ACT	SCF - I	SCF - II	Total
<b>Total</b>	<b>11,743.3</b>	<b>5,966.9</b>	<b>11,517.3</b>	<b>7,671.1</b>	<b>36,898.6</b>
Administrative Services	<b>9,843.3</b>	<b>4,676.9</b>	<b>9,472.3</b>	<b>5,362.3</b>	<b>29,354.8</b>
Multi-Year Activities	<b>1,900.0</b>	<b>1,290.0</b>	<b>2,045.0</b>	<b>2,308.8</b>	<b>7,543.8</b>
<i>Country Engagement</i>	200.0	600.0	200.0	1,693.8	2,693.8
<i>Special Initiatives</i>	1,700.0	690.0	1,845.0	615.0	4,850.0

**QUESTIONS?**

# CIF



# CLIMATE INVESTMENT FUNDS

*Investing in the future*

