

CLIMATE INVESTMENT FUNDS

SCF/TFC.6/3
October 27, 2010

Meeting of the SCF Trust Fund Committee
Washington, D.C.
November 11, 2010

PROGRESS REPORT ON TARGETED PROGRAMS UNDER THE SCF

Proposed Decision by SCF Trust Fund Committee

The SCF Trust Fund Committee reviewed document, SCF/TFC.6/3, *Progress Report on targeted programs under the Strategic Climate Fund*, and welcomes the progress achieved in the three targeted programs under the SCF: FIP, PPCR and SREP.

The Trust Fund Committee invites each of the Sub-Committees to consider the following views as it provides guidance for the implementation of the programs:

- (a) FIP:...
- (b) PPCR:...
- (c) SREP:...

INTRODUCTION

1. This document provides information to update the SCF Trust Fund Committee on progress made in each of the SCF targeted programs since its last meeting in March 2010. The Trust Fund Committee is invited to provide its views and guidance to the Sub-Committees on the progress being made and the issues being considered under each program.

FOREST INVESTMENT PROGRAM (FIP)

FIP Sub-Committee Meeting – June 24, 2010

2. The FIP Sub-Committee met for its the fourth meeting on June 24, 2010, to review and approve the final versions of the:

- a. FIP Operational Guidelines for FIP Programming; and
- b. FIP Investment Criteria and Financing Modalities.

3. The FIP Sub-Committee also commented on the FIP Logic Model which provides the basis for the FIP Results Framework. The draft FIP Results Framework will be reviewed during the FIP Sub-Committee meeting and additional guidance requested.

4. A working draft document entitled, *Enhancing Cooperation and Seeking Coherence between REDD+ Institutions to Support Countries REDD+ Efforts*, identified collaborative and coherent arrangements among REDD+ institutions and organizations for effectively addressing REDD+ at the country and global level. The CIF Administrative Unit was encouraged to organize, in collaboration with the secretariats of the Forest Carbon Partnership Facility and the UN-REDD Programme, a joint meeting of their governing bodies on November 6, 2010 in Washington D.C.

5. The FIP Sub-Committee received from the FIP Expert Group a list of recommendations for additional FIP pilots. From the six proposed, the FIP Sub-Committee agreed to include the following three countries as additional pilots: Brazil, Democratic Republic of Congo and Mexico. The FIP Sub-Committee had already selected the following five pilot countries at its meeting in March 2010: Burkina Faso, Ghana, Indonesia, Lao PDR and Peru.

6. The CIF Administrative Unit was requested to develop, in close collaboration with the MDB Committee, a paper with options on the allocation of FIP resources to the pilot countries.

Pilot Country Programming

7. All eight pilot country governments have confirmed in writing their interest in being a pilot supported under the FIP. The confirmation letters as well as the completed questionnaires are posted on the CIF website: http://www.climateinvestmentfunds.org/cif/fip_pilot_programs

8. Work has been initiated in the eight country pilots. The Multilateral Development Banks

(MDBs) have reached out informally to the government representatives in the pilot countries and are in the process of planning jointly with the governments scoping and joint missions, which will be conducted in partnership with country stakeholder groups and other interested partner institutions.

9. Document FIP/SC.5/3, *FIP Semi-Annual Operational Report*, provides a complete update on programming activities at the country level.

FIP Pilot Country Meeting

10. The first meeting of pilot countries for the FIP will take place on November 8, 2010. The objective of the meeting is to “build a community of practice among the FIP pilot countries to exchange experiences, document good practices and lessons from the design process of Investment Strategy; and reach a shared understanding provided by the FIP. The meeting will be attended by representatives from the pilot countries, the FIP Sub-Committee Members, NGOs and private sector observers to the FIP Sub-Committee, the MDBs and REDD+ partners, such as FCPF, UN-REDD Programme and the GEF.

11. The program for this first pilot country meeting focuses on the expectations of the pilot countries. The meeting will provide an opportunity to present to the pilot countries the operational guidelines, investment criteria and financing modalities. Pilot countries will also be invited to present their national forestry context and the role that the FIP might play in it, with a view to discussing the challenges and requirements for developing investment strategies.

FIP Sub-Committee Meeting – November 9, 2010

12. The FIP Sub-Committee meeting on November 9, 2010, will discuss the following substantive agenda items:

- FIP Semi-Annual Operational Report (FIP/SC.5/3).
- FIP Results Framework (FIP/SC.5/4).
- Allocation of Resources to FIP Pilot Countries (FIP/SC.5/5)
- Update on the Development of a Grant Mechanism for Indigenous Peoples and Local Communities (FIP/SC.5/6).
- Report on the Joint Meeting of the Governing Bodies of the FCPF, FIP and UN-REDD Programme (oral presentation).

PILOT PROGRAM ON CLIMATE RESILIENCE (PPCR)

Pilot Country Programming

13. During the last PPCR Sub-Committee meeting, six countries presented their proposals for the development of a Strategic Program for Climate Resilience (Phase 1 proposal): Cambodia, Tajikistan, Yemen, Mozambique and Bolivia. The Sub-Committee endorsed the proposals and

approved the grant request of \$1.5million for each country. During the reporting period, additional joint missions were organized for all PPCR pilots.

14. Consistent with a decision by the Sub-Committee, Papua New Guinea, Saint Lucia, Samoa, Tonga and Grenada submitted their Phase 1 proposal for approval-by-mail. The Sub-Committee endorsed the proposals and approved the grant requests for the five countries.

15. Three countries have finalized their programming processes and submitted their Strategic Program for Climate Resilience to the PPCR Sub-Committee for review and endorsement: Bangladesh, Niger and Tajikistan.

16. Document PPCR/SC.7/3, *PPCR Semi-Annual Operational Report*, provides a complete update on programming activities at the country level.

Meeting of PPCR Pilot Countries

17. A third meeting among PPCR pilot countries will be convened on November 12, 2010. The objective of this meeting is to continue “building a community of practice among the PPCR pilot countries to exchange experiences, document good practices and lessons from the design process of SPCRs; and reach a shared understanding of the potentials the PPCR provides. The meeting will be attended by representatives from the pilot countries, the PPCR Sub-Committee Members, NGOs and private sector observers to the PPCR Sub-Committee, development partners, and MDBs.

18. The program for the meeting focuses on experiences in preparing the SPCRs. Four pilot countries and one regional pilot will be initiated to present the approach being followed to develop their SPCRs, the institutional, technical and financial requirements, and the major successes and challenges faced in the process. This will provide the basis for an in-depth discussion on the lessons learned as regards institutional coordination, the involvement of stakeholders, the consideration of ongoing adaptation activities and other issues. An opportunity for closer dialogue will be made available through break-out group discussions to discuss issues in more detail.

PPCR Sub-Committee Meeting - November 10, 2010

19. The PPCR Sub-Committee meeting on November 10, 2010, will discuss the following substantive agenda items:

- PPCR Semi-Annual Operational Report (PPCR/SC.7/3).
- PPCR Results Framework (PPCR/SC.7/4).
- Bangladesh: Strategic Program for Climate Resilience (PPCR/SC.7/5).
- Niger: Strategic Program for Climate Resilience (PPCR/SC.7/6).
- Tajikistan: Strategic Program for Climate Resilience (PPCR/SC.7/7)

PROGRAM FOR SCALING-UP RENEWABLE ENERGY IN LOW INCOME COUNTRIES (SREP)

SREP Sub-Committee Meeting – June 22, 2010

20. The SREP Sub-Committee had its third meeting on June 22, 2010.
21. At the meeting, Denmark announced a pledge of 61 million Danish Krone (approximately USD 10 million) to SREP.
22. The Sub-Committee reviewed two documents: *SREP Programming Modalities and Operational Guidelines* and the *SREP Financing Modalities*. The Sub-Committee requested the CIF Administrative Unit to revise the documents to take into account the comments made by the Sub-Committee members at its meeting as well as subsequent written comments submitted to the Administrative Unit.
23. The CIF Administrative Unit circulated the revised documents for approval by mail on August 24, 2010. The Sub-Committee was unable to reach a consensus agreement on the text of the documents, and the Sub-Committee will review revised documents which include new language proposed by several Sub-Committee Members for further consideration at its November meeting.
24. The Sub-Committee also reviewed the *Report of the SREP Expert Group*. Based on the recommendations of the SREP Expert Group, the Sub-Committee approved the following six pilots to be financed under SREP:
 - a) Ethiopia
 - b) Honduras
 - c) Kenya
 - d) Maldives
 - e) Mali
 - f) Nepal
25. The Sub-Committee requested the Expert Group to reconsider the countries that had previously submitted Expressions of Interest and to prepare a list of six alternate pilots that could be considered should funding become available for additional programs, utilizing the criteria for the selection of country and regional pilots previously agreed by the Sub-Committee.
26. At the Sub-Committee's request, the Expert Group reconvened in September 2010 and has submitted its additional recommendations of six countries to be included on a reserve list. The report will be reviewed at the November Sub-Committee meeting.

Pilot Country Programming

27. All six pilot country governments have confirmed in writing their interest in being a pilot supported under the SREP. The confirmation and completed questionnaires are posted on the CIF website: http://www.climateinvestmentfunds.org/cif/srep_pilot_countries.

28. The first scoping and joint missions are expected to be organized for early 2011 once the programming and financing modalities have been approved by the Sub-Committee. In many cases, the Multilateral Development Banks (MDBs) have already reached out informally to the government representatives in the pilot countries to begin preliminary discussions on SREP activities.

Meeting of SREP Pilot Countries

29. The first meeting among SREP pilot countries will be convened on November 11, 2010. The meeting will focus on the expectations relating to the SREP, looking at issues such as the role of SREP in the national energy context, the development of investment plans and the preparation of joint mission. The meeting will be attended by representatives from the pilot countries, the SREP Sub-Committee Members, civil society and private sector observers to the SREP Sub-Committee, development partners, and MDBs.

SREP Sub-Committee Meeting - November 8, 2010

30. The SREP Sub-Committee will have its fourth meeting on November 8, 2010, to discuss the following substantive issues:

- SREP Programming Modalities and Operational Guidelines
- SREP Financing Modalities
- Allocation of SREP Resources to Pilot Countries
- Supplemental Report of the SREP Expert Group
- SREP Results Framework