

CLIMATE INVESTMENT FUNDS

November 3, 2009

Summary of the Co-Chairs
Strategic Climate Fund Trust Fund Committee
October 28, 2009

Co-Chairs
Roger Ehrhardt, Canada
Katherine Sierra, World Bank

Opening of the meeting

1. The meeting was opened by Roger Ehrhardt, the elected Co-Chair.

Adoption of the agenda

2. The meeting adopted the provisional agenda set forth in document SCF/TFC.4/1.

Progress Report on Targeted Programs under the SCF

3. The Trust Fund Committee reviewed document, SCF/TFC.4/3, *Progress Report on Targeted Programs under the Strategic Climate Fund*, and welcomes the progress achieved in the three targeted programs under the SCF: PPCR, FIP and SREP.
4. The Trust Fund Committee welcomes the pledges that were made by contributor countries to the Forest Investment Program and the Program for Scaling-Up Renewable Energy in Low Income Countries. The Trust Fund particularly welcomes the establishment of the FIP Sub-Committee and looks forward to the prompt operationalization of the program. The Committee requests that the following guidance be transmitted to the Sub-Committee for its consideration:
 - a) With respect to the *Criteria for Selecting Country and Regional Pilots under the Forest Investment Program*, it was stressed that the criteria should avoid providing perverse incentives by placing exclusive priority on countries with high rates of deforestation. It is recommended, recognizing the pilot nature of the program, that the criteria lead to a selection of pilot programs that is representative of countries with different levels of forest management and diverse challenges, including countries that have taken early action to manage their forest resources and for which additional support could help sustain the achievements that they have made through their national efforts.
 - b) The program should seek to support South-South learning and information exchange.
 - c) The program should seek to build upon the work of FCPF and UN-REDD, where possible.
 - d) The Committee confirmed that Annex II of the FIP design document, *Initial Guidance on How Transformational Change will be Defined and Assessed under the Forest Investment Program*, will serve as the starting point for the preparation of a results measurement framework under the FIP. Work to develop a results measurement framework for the FIP that is harmonized with the results measurement framework for the other SCF targeted programs will be undertaken under the guidance of a working group established by the SCF Trust Fund Committee and shared with the FIP Sub-Committee for its approval.
5. The Trust Fund Committee calls upon CIF contributors and other potential donors to make pledges to the Program for Scaling Up Renewable Energy in Low Income Countries to enable the program to move towards becoming fully operational as early as possible and requests the CIF Administrative Unit, in collaboration with the MDBs, to seek to mobilize additional resources for the program.

6. The Trust Fund Committee approves, on an exceptional basis, a \$50,000 supplement to the FY10 Administrative Budget for the CIF Administrative Unit for the purpose of providing support to the World Resources Report 2010, to be prepared by the World Resources Institute. The Trust Fund Committee requests the WRI and the Administrative Unit to ensure that the report and associated website serve to enhance the knowledge tools available to the pilot countries in the program. The report should also serve as an important source for disseminating lessons from the PPCR to a broader audience.

Trustee Report on the Financial Status of the SCF

7. The Trust Fund Committee welcomes the report of the Trustee on the SCF Trust Fund (SCF/TFC.4/4) and takes note of the status of pledges, contributions and total receipts to the SCF and its targeted programs; the funding availability under the targeted programs; and the update of activities undertaken by the Trustee to manage the SCF Trust Fund.

8. The Trust Fund Committee encourages all contributors that have not yet completed a contribution agreement/arrangement with the Trustee to do so expeditiously and to take steps to advance their payments to the Trust Fund.

9. The Trust Fund Committee agrees to have a single audit for the cash-based financial statement for calendar year 2009. In the future, the full external audit for the special purpose financial statements of the Trustee, the Administrative Unit and of each of the MDB's SCF activities will be conducted annually, starting calendar year 2010.

10. The Trust Fund Committee takes note of the progress that has been made to conclude the Financial Procedures Agreement with the MDBs and notes its expectation that all the agreements will be finalized quickly so as to allow operational work to proceed under the fund. The Trust Fund Committee did not approve the proposed recommendation in the paper regarding the issue raised in paragraph 14 of the document concerning investment income earned on the MDB Administrative Budget and agrees to review the issue at a future meeting on the basis of additional information to be provided by the Trustee.

11. The Committee welcomes the steps that have been taken to initiate the development of the business systems required to manage the SCF.

Election of Co-Chair

12. In accordance with the Governance Framework for the SCF, the Trust Fund Committee elected Mr. Singgih Riphata, the Trust Fund Committee member from Indonesia, to serve for the next six month period, from November 1, 2009 to April 30, 2010.

Closing

13. The meeting was closed on October 28, 2009.