

CLIMATE INVESTMENT FUNDS

August 2, 2011

Summary of the Co-Chairs
Meeting of the Trust Fund Committee for the Clean Technology Fund
Cape Town, South Africa
June 22, 2011

Co-Chairs

Artur Cardoso de Lacerda, Brazil
Cyril Rousseau, France

OPENING OF THE MEETING

1. The meeting was opened by the Co-Chair, Cyril Rousseau, the Trust Fund Committee member from France.

ADOPTION OF AGENDA

2. The member from Morocco requested that an item be added to the provisional agenda to allow Morocco to provide an update to the Committee on the Morocco country investment plan. It was suggested that the item be added after Agenda Item 9, *Update on the CTF Investment Plan for Vietnam*. The meeting adopted the revised agenda.

ELECTION OF CO-CHAIR FROM AN ELIGIBLE RECIPIENT COUNTRY FOR THE MEETING

3. In the absence of Zaheer Fakir, the elected Co-Chair from the recipient country group of members, the Trust Fund Committee elected Artur Cardoso de Lacerda, the Trust Committee member from Brazil, as a Co-Chair for the duration of the meeting.

4. In electing the Co-Chair for the meeting, clarification was sought from legal counsel regarding paragraph 24 of the *Rules of Procedure for CTF Trust Fund Committee Meetings* which provides, among other things, that the Committee shall elect “a representative from a recipient country, from among its members to act as a Co-Chair...” In particular, the question was posed as to whether a member must be from a country that is an actual recipient of CTF funds in order to be elected as co-chair. Legal counsel clarified that the *CTF Governance Framework* specifies in paragraph 19(b) that eight members of the Trust Fund Committee are to be selected from “eligible recipient countries,” and that paragraph 26 of the CTF Governance Framework Document provides that the two co-chairs are to be selected from among its members. All members are eligible to serve as a co-chair, and there is no requirement that the member be a representative from a country that is an actual recipient of CTF funds.

REPORT FROM CTF COUNTRIES MEETING

5. The representative from Mexico presented the key outcomes of the CTF countries meeting, which took place on June 21, 2011. The Committee welcomes the presentation and takes note in particular of the discussions on the linkage between climate change and development, private sector participation in CTF activities, and gender issues.

TRUSTEE REPORT ON FINANCIAL STATUS OF THE CTF

6. The Trust Fund Committee reviewed document CTF/TFC.7/3, *Trustee Report on Financial Status of the CTF*, and takes note of the status of contributions to the CTF Trust Fund, the funding availability under the trust fund, and the update of activities undertaken by the Trustee to manage the fund. The Trust Fund Committee welcomes, in particular, the information provided by the Trustee on its effort to establish a web-based platform for making data and information on the fund easily available. The Committee takes note of the Trustee’s plans to prepare a paper, for consideration by the Committee at its next meeting, on proposed revisions to the strategy followed by the Trustee to invest the resources in the fund.

7. The Committee requests the MDBs to explore providing more detailed information on disbursements, including disbursements by MDBs at the project and country level for public sector programs and projects and more qualitative information on the nature and progress of disbursing funds under private sector programs when confidentiality requirements do not permit public release of quantitative information.

SEMI-ANNUAL REPORT ON CTF OPERATIONS

8. The Trust Fund Committee, having reviewed document CTF/TFC.7/4, *Semi-Annual Report on CTF Operations*, welcomes the report and the progress that has been made in developing and approving projects foreseen in the endorsed CTF investment plans.

MOROCCO: OUARZAZATE I CONCENTRATED SOLAR POWER PROJECT

9. The Trust Fund Committee, having reviewed the project proposal, *Morocco: Ouarzazate I Concentrated Solar Power Project*, the first project submitted to the Trust Fund Committee for approval under the MENA-CSP program, approves USD 197 million in CTF funding for the project, with USD 100 million to be channelled through AfDB and USD 97 million through the World Bank. The Committee also welcomes the presentation made by the representative of the Government of Morocco and requests the Government of Morocco to keep it informed of progress being made in the project and lessons learned during its implementation.

CTF PROGRAMMING FOR FY12 AND ENHANCEMENTS TO PIPELINE MANAGEMENT

10. The Trust Fund Committee, having reviewed document CTF/TFC.7/6, *CTF Programming for FY12 and Enhancements to Pipeline Management*, takes note of the CTF programming target and approval calendar for FY12 proposed by the MDBs.

11. The Committee welcomes the proposal to enhance pipeline management and notes the changes proposed during the meeting. The CIF Administrative Unit is requested to circulate during July 2011 a revised document to the Trust Fund Committee for approval by mail.

12. The Committee requests the CIF Administrative Unit and the MDB Committee, when providing information on the pipeline, to provide more information on the experience in developing projects and programs in both the public and private sectors and to draw lessons as to possible constraints in the project cycle.

13. The Trust Fund Committee requests that a tracking system for delivery of CTF investment plans and projects, similar to that developed under the Strategic Climate Fund, be developed and applied in providing information to the Trust Fund Committee in the future semi-annual reports on CTF operations so that the Committee has information that allows it to identify projects that may not be moving forward in a timely manner. In such a case, the concerned country and the MDBs would be invited to comment on the reasons for the possible delay.

UPDATE ON CTF INVESTMENT PLAN FOR VIETNAM

14. The CTF Trust Fund Committee, having reviewed the update provided in document CTF/TFC.7/7, welcomes the progress that has been made in the further development of the investment plan, endorses the proposed changes to the investment plan, and encourages expeditious delivery of the projects under preparation.

UPDATE ON CTF INVESTMENT PLAN FOR MOROCCO

15. The Trust Fund Committee takes note of the presentation by the representative of the Government of Morocco on steps to update the CTF country investment plan and of the intention of the Government of Morocco to submit a written update of the investment plan for review and consideration by the Committee.

COMMUNICATION FROM THE GOVERNMENT OF INDIA

16. The Committee reviewed the request from the Government of India to initiate a joint mission to prepare an investment plan for India and agrees that India and the MDBs may proceed to prepare an investment plan with a view to submitting it to the Trust Fund Committee for endorsement. The Committee notes that the Government of India expects to submit its investment plan to the Committee for consideration at its meeting in November 2011. The Committee recognizes that CTF funding for the projects proposed in the investment plan will be contingent upon the availability of funds beyond what is planned for in the current pipeline.

17. In this regard, the Trust Fund Committee confirms its call for contributors and other countries, MDBs and other development partners to seek to mobilize additional resources to fund all unfunded investment plans.

PROPOSAL FOR PORTFOLIO RISK MANAGEMENT

18. The Trust Fund Committee reviewed document CTF/TFC.6/5/Rev.1, *Proposal for Pipeline and Portfolio Risk Management*, and requests the CIF Administrative Unit to work with the MDB Committee, the Trustee and interested members to revise the document, taking into consideration comments provided at the meeting, with a view to submitting the revised document for approval by mail, if feasible, or at the next meeting of the Trust Fund Committee.

ELECTION OF CO-CHAIRS

19. Shinji Taniguchi, the Trust Fund Committee Member from Japan, was elected as the Co-Chair from the group of contributor country members to serve from July 1, 2011, to December 31, 2011.

20. The CIF Administrative Unit is invited to work with members from eligible recipient countries to select, by mail, a co-chair from the recipient country member group to serve for the same period.

OTHER BUSINESS

21. At the request of the representative of the IFC, the Trust Fund Committee agrees to modify its earlier decision regarding the approval of CTF funding for the project, *South Africa: Energy Efficiency Program*, submitted jointly by IFC and AfDB, and approved by mail on October 5, 2010, to read as follows:

The CTF Trust Fund Committee approves a CTF allocation of:

- (i) USD 10,850,000 and EUR 1,600,000 (which is equivalent to USD 2,300,000, based on the exchange rate as of June 21, 2011) for investment, of which EUR 1,600,000 and USD 4,275,000 should be allocated to IFC's account and USD 6,575,000 should be allocated to AfDB's account;
- (ii) USD 1,000,000 for an advisory services grant, with USD 500,000 to IFC's account and USD 500,000 to AfDB's account; and
- (iii) USD 850,000 for implementation and supervision budget, with USD 425,000 to IFC's account and USD 425,000 to AfDB's account.

22. The Committee's attention was drawn to document CIF/Inf.1, *Development of Learning Briefs for 2012 Partnership Forum*, and members are invited to provide written comments to the CIF Administrative Unit on the proposal for a CTF learning brief by July 15, 2011.

CLOSING

23. The meeting was closed on June 22, 2011.