

CLIMATE INVESTMENT FUNDS

November 27, 2012

Summary of the Co-Chairs
Meeting of the Clean Technology Fund Trust Fund Committee
November 3, 2012

Co-Chairs

Mr. Artur Cardoso de Lacerda, Brazil
Mr. Frank Fass-Metz, Germany

OPENING

1. The meeting was chaired by Mr. Artur Cardoso de Lacerda, the Trust Fund Committee member from Brazil, and Mr. Frank Fass-Metz, the Trust Fund Committee member from Germany.

ADOPTION OF AGENDA

2. The Trust Fund Committee adopted the provisional agenda set forth in document CTF/TFC.10/2/Rev.1.

CTF SEMI-ANNUAL OPERATIONAL REPORT

3. The CTF Trust Fund Committee reviewed document CTF/TFC.10/3, *CTF Semi-Annual Operational Report*, and takes note of the progress that has been made in developing and approving projects foreseen in the endorsed CTF investment plans. The Committee notes that the use of the traffic light system and the agreed milestones is useful in promoting a better understanding of the status of the CTF pipeline and stresses the importance of accelerating implementation of the projects.

4. The Trust Fund Committee requests that for future reports the countries and the MDBs improve the information on each project's status, and when project approval is delayed, to provide information on corrective measures and new delivery targets. Furthermore, the Committee requests that red-lighted projects be differentiated between those that are slow-moving and those that are unlikely to be developed further. The Trust Fund Committee recalls that, in addition to the CIF semi-annual operational reports, the pipeline information is to be updated quarterly and posted on the CIF website.

5. With respect to the application of the traffic lights to programs and projects included in updates or revisions to the investment plans, the Trust Fund Committee agrees that any projects included in the original investment plans should be flagged in subsequent reporting.

6. In an effort to enhance the strategic and effective management of CTF resources, the Trust Fund Committee requests the CIF Administrative Unit, in collaboration with the MDB Committee, to put forward proposals to enhance pipeline management, and in particular to consider: (a) means to speed up approvals of projects in the pipeline, (b) a cancellation and/or prioritization policy, and (c) additional milestones to track project implementation. These proposals should be submitted to the Trust Fund Committee for consideration at its meeting in May 2013.

7. The Committee requests countries and the MDBs to make every effort to advance the preparation of their updated/revised plans so that their consideration by the Committee may be staggered over the next six months. The CIF Administrative Unit and the MDBs are also requested to explore whether it would be possible to have a sufficient number of updates or revisions available in February so as to justify an intersessional meeting to be held by video conferencing in March 2013. The Trust Fund Committee confirms that investment plan updates/revisions can be circulated to the Committee for endorsement through decision by mail.

UPDATE ON THE INVESTMENT PLAN FOR EGYPT

8. The Trust Fund Committee reviewed the *Update on the Investment Plan for Egypt*, and endorses the updated plan as a basis for the further development of activities for CTF funding. The Trust Fund Committee requests Egypt to circulate a revised version that takes into account the comments made by the Trust Fund Committee members at the meeting and other comments that may be submitted in writing by November 15, 2012. The Trust Fund Committee expressed concern regarding the decline in GHG reductions expected from the project, *Establishment and Capacity Building for the Greater Cairo Urban Transport Authority*, indicated in the updated plan, and encourages Egypt to work toward achieving the results originally forecast when the investment plan was endorsed in January 2009.

UPDATE ON THE INVESTMENT PLAN FOR TURKEY

9. The CTF Trust Fund Committee reviewed document CTF/TFC.10/6, *Update on the Investment Plan for Turkey*, and endorses the content of the plan as a basis for the further development of activities for CTF funding. The Committee takes note of the request for USD 140 million in CTF resources under Stage 2 of the plan.

10. Recognizing that the pledged CTF resources are already allocated to earlier investment plans and that the endorsed investment plans for Chile, India, and Nigeria are yet to be fully funded, the Committee agrees that CTF funding for the projects and programs proposed under Stage 2 of Turkey's investment plan will be contingent upon the availability of funding.

RELEASE OF CTF FUNDS

11. The Trust Fund Committee requests the MDB Committee and the CIF Administrative Unit to develop and apply an interim solution to the issue of allocating CTF resources to Phase II country investment plans, which will take into account project readiness and the need for fast disbursement of any released funds. The MDB Committee will follow these agreed procedures to immediately commence allocation of available resources to Phase II countries. The CIF Administrative Unit will inform the Trust Fund Committee and Phase II countries of the agreed procedures.

12. Phase II country investment plans will include Nigeria, India, and Chile, as well as Stage 2 of the Investment Plan for Turkey. Resources to be allocated include funds released from Phase I, as well as any new resources to be made available to the CTF.

13. The Trust Fund Committee requests the MDB Committee and the CIF Administrative Unit to develop a proposal for a long-term solution for the management of the CTF pipeline for consideration at the next Trust Fund Committee meeting.

REVISED CTF RESULTS FRAMEWORK

14. The CTF Trust Fund Committee, having reviewed document CTF/TFC.10./8, *Revised CTF Results Framework*, approves the proposal in principle and invites recipients of CTF

funding and the MDBs to apply the revised results framework in monitoring CTF investment plans and related projects and programs, taking into account country circumstances and building on national monitoring systems and the MDBs approach and procedures for managing for results.

15. The CTF Trust Fund Committee requests the CIF Administrative Unit, in collaboration with the MDB Committee and the CTF countries, to provide technical guidance on methodologies, tools and means for measuring results and monitoring progress, outcomes and impacts in the outcome areas of each core indicator. Monitoring progress in implementing CTF investment plans should build, as appropriate, on national monitoring and evaluation systems and preferably use national data sets.

16. The CIF Administrative Unit is requested to provide clarification on how issues such as attribution, leverage, and transformational impact should be understood and measured, taking into account the comments made during the meeting, for review and approval by mail.

17. The CTF Committee agrees to the following core outcome level indicators. Indicators B1 and B2 will be applied to all CTF projects while indicators B3, B4, and B5 will be applied in the respective sectors:

- B1: Tons of GHG emissions reduced or avoided
- B2: Volume of direct finance leveraged through CTF funding – disaggregated by public and private finance
- B3: Installed capacity (MW) as a result of CTF interventions
- B4: Number of additional passengers (disaggregated by men and women if feasible) using low-carbon public transport as a result of CIF interventions
- B5: Annual energy savings as a result of CTF interventions (MWh)

18. Countries working with the MDBs will carry out assessments of the transformational impact in an appropriate manner.

INTERACTIONS BETWEEN CIF FINANCING AND CARBON MARKETS

19. Consideration of document CTF/TFC.10/9, *Interactions between CIF Financing and Carbon Markets*, was postponed until the next Trust Fund Committee meeting in May 2013. Committee members are invited to submit written comments on the paper by December 5, 2012, and the CIF Administrative Unit is invited to revise the paper as appropriate for the next meeting in response to any comments received.

CLOSING

20. The Trust Fund Committee meeting was closed on November 3, 2012.