

CLIMATE INVESTMENT FUNDS

May 18, 2012

Summary of the Co-Chairs
Meeting of the Pilot Program for Climate Resilience Sub-Committee
April 30, 2012

Co-Chairs

Ihomjon Rajabov, Tajikistan
Gilbert Metcalf, United States

OPENING

1. The meeting of the PPCR Sub-Committee was opened by the elected co-chairs, Mr. Ilhomjon Rajabov, the Sub-Committee member from Tajikistan and Mr. Gilbert Metcalf, the Sub-Committee member from the United States.

ADOPTION OF AGENDA

2. The meeting reviewed the provisional agenda prepared for the meeting, document PPCR/SC.10/1/Rev.1, and approves it.

3. The meeting welcomes the announcement by the Sub-Committee member from the United Kingdom of his government's contribution of £ 85 million to the PPCR as part of its fast-start funding commitment.

PPCR SEMI-ANNUAL OPERATIONAL REPORT

4. The PPCR Sub-Committee reviewed document PPCR/SC.10/3, *PPCR Semi-Annual Operational Report*, and welcomes the report on the status of PPCR activities, including the information on the evolving PPCR pipeline.

5. The PPCR Sub-Committee requests the CIF Administrative Unit and the MDBs to provide in the next semi-annual operational report; (a) qualitative information on the implementation of the endorsed SPCRs and related projects, and (b) more detailed information on the projects being developed and implemented, including remarks as to the progress being made for each project and a breakdown of co-financing and its sources.

REPORT FROM THE MEETING OF PPCR PILOT COUNTRIES

6. The meeting welcomes the presentation by the Sub-Committee Member from Zambia of the highlights of the meeting of PPCR pilot countries that was convened in Livingstone, Zambia (March 12-14, 2012). The Sub-Committee looks forward to receiving the report from the meeting as soon as it becomes available.

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR DOMINICA

7. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for Dominica* (document PPCR/SC.10/4), endorses the strategic program as a basis for the further development of the activities foreseen in it, subject to revision in accordance with the comments made by Sub-Committee members. The Sub-Committee takes note of the requested PPCR funding of USD 7 million in PPCR grant funding and USD 9 million in near-zero interest PPCR credits.

8. The Sub-Committee requests the Government of Dominica and the World Bank to take into consideration the following requests for additional information to:

- a) enhance the technical presentation of component 2 of the program by including, among other things, additional information on the sustainability of the trust fund to be created under the component;
- b) strengthen the link to the regional track of the Caribbean program supported under the PPCR;
- c) provide information on the expected co-financing for the program and potential sources; and
- d) enhance the results framework and the indicators to measure the expected results from the PPCR investment.

9. The Government of Dominica and the World Bank are requested to take the comments of the Sub-Committee into account in the revision of the SPCR and in the further development of the proposed project. Sub-Committee members are invited to submit written comments by May 30, 2012. All comments will be posted on the PPCR website. A revised SPCR is to be posted on the CIF website by June 4, 2012.

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR THE CARIBBEAN PROGRAM - REGIONAL TRACK

10. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for the Caribbean Program - Regional Track* (document PPCR/SC.10/5),

- a) endorses the SPCR as a basis for the further development of the projects foreseen in the strategic program and takes note of the requested funding of USD 10.6 million in grant funding.
- b) reconfirms its decisions on the allocation of resources, adopted at its meetings in June 2010 and 2011, that a range of funding for the regional program, consisting of strategic programs for the participating countries and a regional component, should be used as a planning tool in the further development of project and program proposals in participating countries to be submitted to the PPCR Sub-Committee for PPCR funding approval, recognizing that the minimum amount of the range is more likely and that the upper limit of the range will depend on availability of funding. The range of funding agreed for a regional pilot program is USD 60-75 million in grant resources, and USD 36 million in other concessional resources. The Sub-Committee reconfirms its call for contributors and other countries, MDBs and other development partners to seek to mobilize additional resources to allow the full funding of the SPCR.
- c) further recognizes that the quality of the proposed activities will be a significant factor in the funding to be approved by the Sub-Committee when the project proposal is submitted for approval of PPCR funding.
- d) invites the pilot countries and the MDBs to confirm, once all country pilots and the regional track of the regional program have been endorsed and recognizing that the Caribbean regional program is comprised of six country pilots and a regional track of

activities, the allocation of resources to each pilot and the regional track, bearing in mind the above range of resources that may be available for the regional program.

- e) approves a total of USD 150,000 in PPCR funding as a preparation grant for the proposed project “*Investment Proposal for the Caribbean Regional SPCR*” (IDB), to be developed under the SPCR.
- f) takes note of the estimated budget for project preparation and supervision services to be provided by the IDB for the project listed in the SPCR and approves USD 200,000 as a first tranche of funding for such preparation and supervision services.
- g) requests the Caribbean Community Climate Change Centre, as the focal point for the Caribbean regional track, and the MDBs to take into account written comments submitted by Sub-Committee members by May 30, 2012, in the further development of the project.

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR THE KINGDOM OF TONGA

11. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for the Kingdom of Tonga* (document PPCR/SC.10/6), a country participating in the Pacific Regional Program,

- a) endorses the SPCR as a basis for the further development of the project foreseen in the strategic program and takes note of the requested funding of USD 15 million in grant funding.
- b) reconfirms its decisions on the allocation of resources, adopted at its meetings in June 2010 and 2011, that a range of funding for the regional program, consisting of strategic programs for the participating countries and a regional component, should be used as a planning tool in the further development of project and program proposals in participating countries to be submitted to the PPCR Sub-Committee for PPCR funding approval, recognizing that the minimum amount of the range is more likely and that the upper limit of the range will depend on availability of funding. The range of funding agreed for a regional pilot program is USD 60-75 million in grant resources, and USD 36 million in other concessional resources.
- c) further recognizes that the quality of the proposed activities will be a significant factor in the funding to be approved by the Sub-Committee when the project proposal is submitted for approval of PPCR funding.
- d) approves a total of USD \$750,000 in PPCR funding as a preparation grant for the proposed project to be developed under the SPCR with the following 3 components, to implemented through the ADB:
 - i. *Capacity Building to Support Transformation to Climate Resilient Development Path;*
 - ii. *Sustainable Climate Change Financing; and*

- iii. *Building Ecosystem Resilience and Climate Proofing Critical Infrastructure (including coastal protection systems)*
- e) takes note of the estimated budget for project preparation and supervision services for the project listed in the SPCR and approves a first tranche of funding for such preparation and supervision services to be provided by the ADB in the amount of USD 199,375.
- f) requests the Government of the Kingdom of Tonga and the ADB to take into account written comments submitted by Sub-Committee members by May 30, 2012 in the further development of the program.

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR THE PACIFIC PROGRAM - REGIONAL TRACK

12. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for the Pacific Program - Regional Track* (document PPCR/SC.10/7),

- a) endorses the SPCR as a basis for the further development of the projects foreseen in the strategic program and takes note of the requested funding of USD 10 million in grant funding.
- b) reconfirms its decisions on the allocation of resources, adopted at its meetings in June 2010 and 2011, that a range of funding for the regional program, consisting of strategic programs for the participating countries and a regional component, should be used as a planning tool in the further development of project and program proposals in participating countries to be submitted to the PPCR Sub-Committee for PPCR funding approval, recognizing that the minimum amount of the range is more likely and that the upper limit of the range will depend on availability of funding. The range of funding agreed for a regional pilot program is USD 60-75 million in grant resources, and USD 36 million in other concessional resources.
- c) further recognizes that the quality of the proposed activities will be a significant factor in the funding to be approved by the Sub-Committee when the project proposal is submitted for approval of PPCR funding.
- d) approves a total of USD 515,000 in PPCR funding as a preparation grant for the investment projects to be developed under the SPCR as follows:
 - i. USD 125,000 for the project “*Mainstreaming Climate Change Adaptation and Disaster Risk Reduction into National and Local Development Policies and Planning*”, (ADB);
 - ii. USD 320, 000 for the project “*Identifying and Implementing Practical CCA and Related DRR Knowledge and Experience*”, (IBRD); and
 - iii. USD 70,000 for the project “*Building Pacific Island Countries’ Capacity to Respond to Climate Change Risks*”, (ADB).

- f) takes note of the estimated budget for project preparation and supervision services for the programs listed in the SPCR and approves a first tranche of funding for such preparation and supervision services as follows:
 - i. USD 229,226 for the project “*Mainstreaming Climate Change Adaptation and Disaster Risk Reduction into National and Local Development Policies and Planning*”, (ADB);
 - ii. USD 325,000 for the project “*Identifying and Implementing Practical CCA and Related DRR Knowledge and Experience*”, (IBRD); and
 - iii. USD 145,774 for the project “*Building Pacific Island Countries’ Capacity to Respond to Climate Change Risks*”, (ADB).

- g) requests the Pacific Islands Forum Secretariat, as the focal point for the Pacific regional track, and the MDBs to take into account written comments submitted by Sub-Committee members by May 30, 2012 in the further development of the regional track.

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR YEMEN

13. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for Yemen* (document PPCR/SC.10/8):

- a) provisionally endorses the SPCR as a basis for the further development of project concepts 1 and 4 identified in the plan;
- b) reconfirms its indicative allocation of USD 50 million in PPCR grant resources and takes note of the requested funding of USD 39 million in grant funding for projects 1 and 4;
- c) recognizes that the quality of the proposed activities will be a significant factor in the funding to be approved by the Sub-Committee when project proposals are submitted for approval of PPCR funding.
- d) approves a total of USD 1.0 million in PPCR funding as a preparation grant for the following projects to be developed under the SPCR,
 - i. USD 500,000 for the project, *Climate Information System and PPCR Program Coordination* (IBRD); and
 - ii. USD 500,000 for the project, *Climate-Resilient Integrated Coastal Zone Management* (IBRD).
- e) takes note of the estimated budget for project preparation and supervision services for the projects referenced above and approves a first tranche of funding for MDB preparation and supervision services as follows:
 - i. USD 486,500 for the project, *Climate Information System and PPCR Program Coordination* (IBRD); and

- ii. USD 300,000 for the project, *Climate-Resilient Integrated Coastal Zone Management* (IBRD).
- f) invites the Government of Yemen and the World Bank to
 - i. provide revised project concepts, for approval by mail, for the remaining USD 11 million in grant resources under its indicative PPCR allocation; and
 - ii. resubmit project concepts that would request PPCR credits should the assessment of Yemen's debt sustainability status become consistent with the PPCR policy on eligibility for credits in public sector operations;
- g) requests the Government of Yemen and the World Bank to take into account all comments received during the meeting and any written comments submitted by Sub-Committee members by May 30, 2012, in the further development of projects.

ALLOCATION OF PPCR RESOURCES

14. The PPCR Sub-Committee reviewed document PPCR/SC.10/9, *Allocation of PPCR Resources*, and discussed the options on how to allocate the PPCR funds that are currently unallocated. The Sub-Committee notes the statements from representatives of the PPCR pilot countries as to their need for, and interest in accessing, additional resources.

15. The Sub-Committee is unable at this time to reach agreement on any one option presented in the document and requests the CIF Administrative Unit, in collaboration with the MDB Committee, to prepare a proposal with a reduced set of options for consideration at its next meeting.

16. In preparing a revised options note, the Administrative Unit is requested to present fewer options with more detailed information on the implications of each option. The new options may draw from the options presented in document PPCR/SC.10/9, and the Administrative Unit may seek to combine several of the options into one. Among others, the CIF Administrative Unit is requested to further explore option 6 "*establishment of a competitive reserve*" and to provide information as to how such a competitive reserve might work in the context of the PPCR. The Sub-Committee agrees not to pursue further options 5 and 7.

17. The Sub-Committee also requests the CIF Administrative Unit to facilitate prior to the next meeting of the PPCR Sub-Committee consultations among the PPCR pilot countries to discuss their ideas as to how to allocate the resources across the PPCR pilots.

PPCR ROSTER OF EXPERTS

18. The Sub-Committee reviewed document PPCR/SC.10/10, *PPCR Roster of Experts*, and approves the roster. The PPCR Sub-Committee invites the Government of Haiti to select an expert from the approved roster to review its draft SPCR once it is available.

OTHER BUSINESS

Timing of submission of project proposals for Sub-Committee approval

19. The Sub-Committee requests the CIF Administrative Unit and the MDBs to avoid submitting decisions for approval by mail during the period in which the Sub-Committee members are preparing for a Sub-Committee meeting.

Posting of PPCR meeting documents

20. The CIF Administrative Unit is requested to make all efforts to post documents for the Sub-Committee meeting as early as possible but no later than 2 weeks prior to a meeting.

Length of PPCR documents

21. The Sub-Committee expressed concern about the length of some documents before the Sub-Committee, and the Sub-Committee requests the CIF Administrative Unit, the MDBs and pilot country governments to strive to submit high quality, concise documents for consideration by the Sub-Committee recognizing that many documents may be better provided as supplemental documents posted on the website and referenced in the document submitted to the Sub-Committee.

Offer to Host a meeting of PPCR Pilot Countries on Hydromet

22. The Sub-Committee notes the generous offer by the member from Tajikistan to host a meeting of PPCR pilot countries on hydromet activities financed through the PPCR.

Relationship between the CIF and the Green Climate Fund

23. The Sub-Committee requests the CIF Administrative Unit to prepare a paper outlining questions and issues related to relationship between the CIF and the Green Climate Fund as a basis for discussion at the November 2012 joint meeting of the CTF and SCF Trust Fund Committees.

CLOSING

24. The meeting was closed on Monday, April 30, 2012.