

CLIMATE INVESTMENT FUNDS

November 28, 2011 (revised)

Summary of the Co-Chairs
Meeting of the Pilot Program for Climate Resilience Sub-Committee
November 2, 2011

Co-Chairs

Ihomjon Rajabov, Tajikistan
Gilbert Metcalf, United States

OPENING OF THE MEETING AND ELECTION OF CO-CHAIRS

1. The meeting of the PPCR Sub-Committee was opened by Mr. Gilbert Metcalf, elected Co-Chair.
2. The Sub-Committee re-elected Mr. Ilhomjon Rajabov, the Sub-Committee member from Tajikistan, and Mr. Gilbert Metcalf, the Sub-Committee member from the United States, to serve as Co-Chairs for the next 18 months until the next election of Co-Chairs at the PPCR Sub-Committee meeting to be convened in May 2013.

ADOPTION OF THE AGENDA

3. The meeting reviewed the provisional agenda prepared for the meeting, document PPCR/SC.9/1/Rev.3, and approves it.

UPDATE ON OPERATIONS

Semi-Annual Report on PPCR Operations

4. The PPCR Sub-Committee reviewed document PPCR/SC.9/3, *Semi-Annual Report on PPCR Operations*, and welcomes the report on the status of PPCR activities. The PPCR Sub-Committee looks forward to the report incorporating more detailed information on the projects being developed and implemented, including a breakdown of co-financing and its sources.

Update on Regional Track for the Caribbean Regional Program

5. The PPCR Sub-Committee welcomes the presentation by the representative from the Caribbean Community Climate Change Centre on progress in developing the regional track of the Caribbean program and information that the SPCR will be submitted for endorsement by December 2011. The Sub-Committee agrees to consider the SPCR for endorsement through a decision by mail.

Update on Regional Track for the Pacific Regional Program

6. The PPCR Sub-Committee welcomes the presentation by the representative from the Asian Development Bank updating the meeting on progress in developing the regional track of the Pacific program and information that the SPCR will be submitted for endorsement by March 2012. The Sub-Committee takes note that the SPCRs for Papua New Guinea and Tonga, two countries participating in the Pacific regional program, are expected to be available by December 2011 and January 2012, respectively.

MDB POLICIES AND TOOLS REGARDING DEBT SUSTAINABILITY AND THEIR APPLICATION IN THE PPCR

7. The PPCR Sub-Committee reviewed document PPCR/SC.9/4, *MDB Policies and Tools Regarding Debt Sustainability and their Application in the PPCR*, and agrees that countries

assessed as being at high risk of debt distress are not eligible to access PPCR credits for public sector projects. All countries may utilize PPCR credits for private sector investments.

8. Countries assessed at being at moderate risk of debt distress may access PPCR credits for public sector investments provided that these countries, together with the MDBs and the IMF, conduct a macro-economic analysis to evaluate the potential for PPCR credits to impact their debt sustainability. Any public sector project or program requesting financing using PPCR credits should include an annex with the macroeconomic analysis when the project or program proposal is submitted for approval of PPCR funding.

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR BOLIVIA

9. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for Bolivia* (document PPCR/SC.9/5),

- a) endorses the SPCR as a basis for the further development of the projects foreseen in the strategic plan and takes note of the requested funding of USD 50 million in grant funding and USD 60 million in other concessional resources.
- 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 country should be used as a planning tool in the further development of project and program proposals to be submitted to the PPCR Sub-Committee for approval of PPCR funding, 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 single country pilot program is USD 40-50 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 resources to allow for the full funding of the SPCR.
- c) recognizes that the quality of the project and program proposals will be a significant factor in the funding to be approved by the Sub-Committee when such proposals are submitted for approval of PPCR funding.
- d) approves a total of USD 2.5million in PPCR funding as preparation grants for the following projects to be developed under the SPCR,
 - i. USD 2,000,000 for the project, *Multipurpose water resources project for El Alto and La Paz* (IDB).
 - ii. USD 500,000 for the project, *Incorporating climate change resilience in development processes and strengthening the climate change resilience of the Rio Grande Basin* (World Bank).
- e) takes note of the estimated budget for MDB project preparation and supervision services for the projects referenced above and approves a first tranche of funding for such preparation and supervision services as follows:

- i. USD 250,000 for the project, *Multipurpose water resources project for El Alto and La Paz* (IDB).
 - ii. USD 475,000 for the project, *Incorporating climate change resilience in development processes and strengthening the climate change resilience of the Rio Grande Basin* (World Bank).
- f) requests the Government of Bolivia and the MDBs to take into account written comments submitted by Sub-Committee members by November 15, 2011, in the further development of the projects foreseen in the SPCR.

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR JAMAICA

10. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for Jamaica* (Document PPCR/SC.9/6), a country participating in the Caribbean Regional Program,

- 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 15 million in grant funding and USD 10 million in other concessional resources.
- 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 300,000 in PPCR funding as a preparation grant for the proposed investment program “*Improving Climate Data and Information Management*”(World Bank), to be developed under the SPCR;

- f) takes note of the estimated budget for MDB 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 420,000 for the program “*Improving Climate Data and Information Management*”(World Bank);
 - ii. USD 200,000 for the program “*Mainstreaming Climate Change Adaptation in Local Sectoral and National Plans, and Implementing Integrated Adaptation Strategies in targeted River Basin Planning and Management*”(IDB); and
 - iii. USD 200,000 for the program “*Financing Mechanisms for Sustained Adaptation Initiatives by the public and private sectors; and community-based organizations*” (IDB).
- g) requests the Government of Jamaica and the MDBs to take into account written comments submitted by Sub-Committee members by November 15, 2011 in the further development of the program

STRATEGIC PROGRAM FOR CLIMATE RESILIENCE FOR YEMEN

11. The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for Yemen*, expresses its sincere appreciation for the significant efforts and human and financial contributions of the government in preparing the plan. The Sub-Committee welcomes the high technical quality of the plan and the strong independent technical review.

12. The Government of Yemen and the World Bank Group are invited to revise the plan taking into account comments and questions that have been raised by Sub-Committee members during the meeting and any written comments that are submitted through the CIF Administrative Unit by November 15, 2011.

13. The Sub-Committee requests the Government of Yemen, once the World Bank has lifted its temporary suspension, to consult with the Sub-Committee prior to submitting such revised SPCR for endorsement, through a decision by mail, as a basis for the further development of the projects and approval of PPCR funding¹.

CAMBODIA: PROVINCIAL ROADS IMPROVEMENT PROJECT - CLIMATE PROOFING OF ROADS IN PREY VENG, SVAY RIENG, KAMPONG CHHNANG AND KAMPONG SPEU PROVINCES

14. The PPCR Sub-Committee approves an allocation of \$ 7.0 million in PPCR grant resources and \$ 10.0 million in PPCR credits for the project entitled: *Cambodia: Provincial Roads Improvement Project - Climate Proofing of Roads in Prey Veng, Svay Rieng, Kampong Chhnang and Kampong Speu Provinces*, submitted by the Asian Development Bank on behalf of the Government of Cambodia.

¹ The Sub-Committee Member from Germany noted that due to the political situation, and as Germany is a member of the European Union and the EU has adopted a position regarding on-going development cooperation, she supports waiting until a decision of the World Bank and the European Union to lift their suspensions before endorsing the SPCR.

15. The PPCR Sub-Committee takes note of the total budget of USD 375,000 for project support and supervision services and approves a final tranche of USD 187,500 for such services to be provided by the Asian Development Bank.

16. The Sub-Committee requests the Government of Cambodia and the Asian Development Bank to take into account written comments submitted by Sub-Committee by November 15, 2011 in the further development and implementation of the project.

17. The Sub-Committee further requests that the Government of Cambodia and the Asian Development Bank to work in collaboration with other development partners to make the results framework of this project a “model case” by preparing a results framework that can facilitate the generation of information that leads to robust country and PPCR program level results monitoring.

OTHER BUSINESS

Update on Improving Gender Balance in the PPCR Roster of Expert

18. The PPCR Sub-Committee requests the CIF Administrative Unit and the MDBs to undertake efforts to improve the gender balance in the proposed roster of experts available to independently review the SPCRs. The Sub-Committee takes note that the CIF Administrative Unit is currently reviewing seven additional resumes of female candidates to be included in the roster.

Stocktaking of Resources Allocation to PPCR Pilots

19. The PPCR Sub-Committee requests the CIF Administrative Unit to provide by mail a report on the requests from governments for PPCR resources and a stocktaking of funding availability so as to provide a better understanding of the financing situation.

CLOSING

20. The meeting was closed on Wednesday, November 2, 2011.