

CLIMATE INVESTMENT FUNDS

February 2, 2009

Summary of the Co-Chairs
Strategic Climate Fund Trust Fund Committee Meeting
January 27, 2009

Co-Chairs
Sami Sofan, Yemen
Katherine Sierra, World Bank

Opening of Meeting

1. The meeting was opened by Co- Chair Katherine Sierra, Vice President, Sustainable Development Network, World Bank.
2. In view of the resignation of Philaslak Yuktasemwong (Thailand) as Co-Chair, the Trust Fund Committee elected Sami Sofan (Yemen) as the Co-Chair for the meeting.

Adoption of the Agenda

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

Agenda Item 3. PPCR progress report

4. The Trust Fund Committee considered Document SCF/TFC.2/3, *PPCR Progress Report to the Trust Fund Committee*. The Trust Fund Committee expressed its appreciation for the work of the PPCR Expert Group which had produced a high quality report in a short amount of time.
5. While recognizing that it is the responsibility of the PPCR Sub-Committee to consider the report of the Expert Group and to select the pilot programs to be financed under the PPCR, the Trust Fund Committee recommended that the Sub-Committee keep in mind the need:
 - (a) to take into account the objectives of PPCR, especially with regard to development impact and transformational change. This will imply that the number of countries selected to be in the pilot program should not spread the available resources too thinly;
 - (b) to ensure regional balance in country selection; and
 - (c) to make some decisions on pilots as soon as possible given the objective of moving to action quickly. If consensus on all pilot programs is not possible at the Sub-Committee meeting on January 28, the Sub-Committee may wish to consider moving ahead with the pilot programs for which there is clear consensus.

Agenda Item 4. Development of new targeted programs under the SCF

6. The Trust Fund Committee reviewed document SCT/TFC.2/4, *Development of New Targeted Programs under the SCF*, which reviews progress that has been achieved in developing two new targeted programs: the Forest Investment Program (FIP), and the Program for Scaling-Up Renewable Energy in Low Income Countries (SREP). Annexed to the paper are: a) a preliminary design document for the Forest Investment Program (FIP), as prepared by a working group, and b) a concept note for the SREP, based on informal consultations.

Forest Investment Program

7. The Co-Chairs of the Working Group on the Forest Investment Program, Mr. Alhassan Attah of Ghana and Mr. Per Pharo of Norway, introduced the design document that had been prepared by the Working Group.

8. The Trust Fund Committee welcomed the draft design document prepared by the working group. In reviewing the design document, the following observations were made:

- (a) as a targeted program under the SCF, a critical starting point for the FIP should be its climate focus, the goal to achieve transformational impact through scaled-up financing, and the additionality of funding to be made available.
- (b) there is broad-based support for promoting the participation of indigenous peoples in the actions to be financed under the FIP;
- (c) in the design document, there should be more recognition of the relationship between the FIP and other processes. The relationship between FIP and the World Bank's Forest Carbon Partnership Facility (FCPF) and other REDD initiatives should be further elaborated and their roles differentiated, possibly through providing some examples, and there should be a determined effort to ensure that synergies among the initiatives are maximized;
- (d) the monitoring and measurement of outcomes and results under the FIP should be designed so as to contribute to the understanding of how to measure, report and verify actions for REDD initiatives, including actions for institutional strengthening and development of the appropriate policy frameworks;
- (e) consideration could usefully be given to following the model provided by the PPCR for selecting the pilot programs under the FIP; and
- (f) in order to promote private sector involvement, consideration should be given to preparing private sector programming guidelines as an annex to the design document.

Next Steps on FIP

9. The Trust Fund Committee agreed to the following next steps:

- (a) A consultant will be contracted to prepare, in consultation with indigenous peoples, a proposal for a special initiative for indigenous peoples for submission to the design meetings.
- (b) The Second Design Meeting for the FIP will be convened in Washington, on March 5-6.

- (c) The document agreed at the Second Design Meeting will be circulated for review and written comments. The design document will then be revised, on the basis of the comments received, and disseminated in advance of the Third Design Meeting to be convened in Washington on May 7-8, 2009.
 - (d) The final design document is to be submitted to the SCF Trust Fund Committee for its review and approval at its meeting to be held during the week of May 11, 2009.
10. For purposes of the two design meetings, it is agreed that the Administrative Unit should invite the following participants:
- (a) Up to 18 representatives from potential contributor countries,
 - (b) Up to 18 representatives from developing countries,
 - (c) MDB partners, UN agencies with mandate in forestry and climate, and the UNFCCC,
 - (d) 12 representatives from NGOs (6 from developing countries, 6 from developed countries),
 - (e) 3 representatives from indigenous peoples, and
 - (f) 3 representatives from private sector organizations.
11. The Trust Fund Committee Members are invited to submit proposed names of countries or organizations to be invited to the design meetings by **February 6, 2009**. Recognizing the regional representation among the Trust Fund Committee Members, the Members are requested to give special attention to representation for his/her region.
12. NGOs, indigenous peoples and private sector representatives are to be invited to self select their representatives.
13. Working with the MDB Committee, the Administrative Unit should prepare a consolidated proposal of countries and agencies to be invited to the design meetings for review by the Trust Fund Committee. The Trust Fund Committee should be informed as to how the self selection processes for NGOs, indigenous peoples and private sector are to be carried out.

SREP

14. In reviewing the concept note for a program for Scaling Up Renewable Energy in Low Income Countries (SREP), the following observations were made:
- (a) it is important to attract private sector participation in the program
 - (b) as a targeted program under the SCF, the SREP should be focused on transformation and climate impacts. The transformative goal of the SREP might be to shift low income pilot countries to a different model of energy use by providing an incentive to “leapfrog” to the use of renewable technologies. By changing the technological path in countries that do not yet have significant

greenhouse gas emissions, the program could make an important development and climate impact.

- (c) in selecting pilot programs, it is suggested that consideration be given to low income countries that could become globally significant contributors of greenhouse gases if their current path of technological development is not changed.
- (d) the program should be complementary and additional to, and work in synergy with, other programs of the multilateral development banks and should seek to leverage bilateral co-financing.
- (e) it will be important to clarify what is the appropriate balance between the climate focus of the program (generation and distribution of renewable energy) and the issue of access to energy in low income countries.
- (f) recognizing that this program is to focus on renewable energy, further consideration should be given by the Trust Fund Committee as to how will energy efficiency can be addressed under the SCF.

Next steps on SREP

15. The Trust Fund Committee agreed to the following next steps:

- (a) a working group will be convened in Paris in March to prepare an initial design document.
- (b) the design document prepared by the working group will be circulated for review and written comments. The design document will then be revised, on the basis of the comments received, and disseminated in advance of a Design Meeting to be convened in Paris on April 29-30. A second design meeting will be convened, if necessary, to reach consensus on a design document, on May 6, 2009, in Washington, D.C.
- (c) the final design document is to be submitted to the SCF Trust Fund Committee for its review and approval at its meeting to be held during the week of May 11, 2009.

16. The working group should be comprised of representatives from potential contributor countries and developing countries, MDB partners, UNDP, UNEP, UNFCCC, NGOs and the private sector.

17. The Trust Fund Committee Members are invited to submit proposed names of countries or organizations to be invited to the working group by **February 6, 2009**. Recognizing the regional representation among the Trust Fund Committee Members, the Members are requested to give special attention to representation for his/her region.

18. For purposes of the design meeting, it is agreed that the Administrative Unit should invite the following participants:

- (a) Up to 12 representatives from potential contributor countries,
- (b) Up to 12 representatives from developing countries,
- (c) MDB partners and UN agencies with a mandate in renewable energy,
- (d) 6 representatives from NGOs, and
- (e) 3 representatives from private sector.

19. The Trust Fund Committee Members are invited to submit proposed names of countries or organizations to be invited to the design meetings by **March 13, 2009**. Recognizing the regional representation among the Trust Fund Committee Members, the Members are requested to give special attention to representation for his/her region.

20. Working with the MDB Committee, the Administrative Unit should prepare a consolidated proposal of countries, agencies and other representatives to be invited to the design meeting for review by the Trust Fund Committee.

Agenda Item 5. Observers from civil society

21. The Trust Fund Committee reviewed document SCF/TFC.2/5, *Proposal for Inviting Representatives of Civil Society to Observe Meetings of the CIF Trust Fund Committees*. The Trust Fund Committee also took note of SCF/TFC.2/Inf.2, *Review of Practices on NGO/CSO Participation and Recommended Measures for NGO Representation at Meetings of the CIF Trust Fund Committees*, which had been prepared by the IUCN.

22. The Trust Fund Committee expressed its appreciation to the IUCN for the preparation of its comprehensive background report.

23. The Trust Fund Committee approved the proposal presented in document SCF/TFC.2/5. In particular, the Committee agreed that the following observers from civil society should be invited to meetings of the SCF Trust Fund Committee and the PPCR Sub-Committee, in accordance with the agreed rules of procedure:

SCF Trust Fund Committee

- (a) 4¹ CSO representatives with balanced regional and gender representation
- (b) 2 Indigenous Peoples representatives
- (c) 2 Private Sector representatives

PPCR Sub-Committee

- (a) 4 CSO representatives with balanced regional and gender representation
- (b) 2 Indigenous Peoples representatives

¹ This number is agreed to allow for one representative from a developed country, and one representative each from Africa, Asia and Latin America on each Committee.

(c) 2 Private Sector representatives

(d) 1 representative from a community dependent on adaptation approaches to secure livelihoods

24. It is also agreed that the Partnership Forum should be used to facilitate and promote civil society consultations and maximize civil society contributions to the objectives of the CIF. This can be achieved, in part, by including civil society representatives in the planning and agenda setting for the Partnership Forum. It is recommended that the representatives selected to attend the Trust Fund Committee meetings be responsible for organizing civil society representation at the Partnership Forum.

25. Each of the groups identified (civil society representatives, indigenous peoples and private sector) should be invited to assume responsibility for identifying its representatives through a self selection process. The Trust Fund Committee should be kept informed as to the organization of such self selection processes. The Trust Fund Committee also requested that the selected observers from each of the constituency groups seek to work together to coordinate their interventions so as to maximize the efficiency of the Trust Fund Committee proceedings.

Agenda Item 6. Role of the SCF Trust Fund Committee in addressing strategic issues, and

Agenda Item 7. Sharing lessons with UNFCCC

26. The Trust Fund Committee Member from the UK introduced document SCF/TFC.2/6, *Role of the SCF Trust Fund Committee in Addressing Strategic Issues*, and document SCF/TFC.2/7, *Sharing Lessons with the UNFCCC*.

27. The Trust Fund Committee welcomed the two papers prepared by the UK and underscored the importance of creating a strong mechanism under the CIF for lesson learning and dissemination of knowledge. This will require robust monitoring and evaluation.

28. The Trust Fund Committee agreed that the papers merited further thought and that the Committee should continue a discussion of the issues raised at its next meeting.

Agenda Item 8. Other business

29. The co-chairs invited the Trust Fund Committee Members to elect a co-chair for the next six month period (beginning April 15). In accordance to the SCF Governance Framework, elected co-chairs are to alternate between eligible recipient country Members and contributor country Members. Since the current elected co-chair is from a recipient country, the next co-chair is to be chosen from among the contributor country Trust Fund Committee Members.

30. The Trust Fund Committee Members agreed that the contributor countries should carry out further consultations with a view to proposing a candidate for approval by mail.

Agenda Item 9. Closing of the meeting

31. The SCF Trust Fund Committee was closed by the Co-Chairs.