

CLIMATE INVESTMENT FUNDS

November 24, 2010

Summary of the Co-Chairs
Strategic Climate Fund Trust Fund Committee Meeting

November 11, 2010

Co-Chairs

Vicky Seymour, United Kingdom
Andrew Steer, World Bank

Introduction to the Summary

1. As provided in the rules of procedure for the SCF Trust Fund Committee, the following Co-Chairs' summary records the conclusions of, and decisions reached, at the meeting.

Opening of the Meeting

2. The meeting was opened by Mr. Andrew Steer, Special Envoy for Climate Change, World Bank, Co-Chair of the SCF Trust Fund Committee.

Election of Co-Chair

3. The Sub-Committee elected Ms. Vicky Seymour, United Kingdom, to serve as Co-Chair of the SCF Trust Fund Committee from November 11, 2010 until December 31, 2010.

Adoption of the Agenda

4. The meeting adopted the provisional agenda set forth in document SCF/TFC.6/1/Rev.1.

Progress Report on Targeted Programs of the SCF

5. The Trust Fund Committee reviewed document, SCF/TFC.6/3 *Progress Report on Targeted Programs under the Strategic Climate Fund*, and congratulates the pilot countries and the MDBs on the significant progress achieved in the three targeted programs under the SCF: FIP, PPCR and SREP. The Trust Fund Committee invites the pilot countries and the MDBs to take the programs to the next stage of operations while improving efficiency, ramping up on-the-ground activities, and rigorously seeking continuous improvement to maximize the value-added of the SCF.

6. The Trust Fund Committee requests the CIF Administrative Unit to include in the next progress report additional information on: lessons learned within and across the three targeted programs, the role of bilateral institutions and the private sector in support of CIF investments; and implementation risks and mitigation strategies, so as to inform the Committee members of results and challenges associated with the implementation of SCF targeted programs in pilots. The Trust Fund Committee underscored the need for maximum transparency to engage the broad range of stakeholders and enhance the credibility of the CIF.

Trustee Report on the Financial Status of the SCF

7. The Trust Fund Committee welcomes the *Trustee Report on the Financial Status of the SCF Trust Fund* (SCF/TFC.6/4) and takes note of the status of pledges, contributions and total receipts to the SCF and its targeted programs; the funding availability under the targeted programs; and the update of activities undertaken by the Trustee to manage the SCF Trust Fund.

8. The Trust Fund Committee welcomes the efforts that have been made by contributors to advance their payments to the Trust Fund.

SCF Results Framework

9. The meeting reviewed document SCF/TFC.6/5, *SCF Results Framework*, and welcomes the progress made in finalizing the work on the logic model for the FIP, PPCR and SREP. The Committee approves the results frameworks for the PPCR and SREP as “living” documents to serve as a basis for moving forward in developing PPCR and SREP programs and projects. The Committee agrees that the framework should be applied flexibly, pragmatically, and taking into account country circumstances. In applying the results framework it will be important to build on national monitoring systems. The CIF Administrative Unit and the MDB Committee are requested to report back to the Trust Fund Committee once experience is gained in operationalizing the framework, including a better understanding of the costs, with a view to adapting the framework to reflect experience gained through field testing.

10. The SCF Trust Fund Committee notes the decision of the FIP Sub-Committee to approve the FIP logic model, recognizing that it will be revised and reviewed with a view to its adoption as part of the FIP results framework. The Trust Fund Committee agrees to delegate its authority for approving the FIP Results Framework to the FIP Sub-Committee. The SCF Trust Fund Committee agrees that the draft FIP results framework should be simplified and streamlined, and it requests the CIF Administrative Unit, in consultation with the MDB Committee, to undertake a consultative process with a view to submitting a revised proposal for the FIP Results Framework to the FIP Sub-Committee for approval by March 2011.

11. The Trust Fund Committee requests the CIF Administrative Unit and the MDB Committee to explore how best to include gender specialists in the joint missions under each of the targeted programs and to circulate a proposal to the Committee for approval.

Costs of MDB Project Implementation Support and Supervision Services for Public Sector Programs and Projects under the SCF

12. The Trust Fund Committee reviewed document SCF/TFC.6/6, *Costs of MDB Project Implementation Support and Supervision Services for Public Sector Programs and Projects under the SCF*, and approves the proposal for establishing a system to reimburse the MDBs for their project implementation support and supervision services. The Committee notes the projection of budget allocations to MDBs for SCF administrative services, country programming assistance, and project implementation support and supervision services is estimated at 6.2% of the SCF resources to be distributed to countries.

13. The Committee agrees that payments to the MDBs for their costs of providing project implementation support and supervision services under SCF-funded public sector operations should be proposed and approved on a case-by-case basis and that each MDB will take into account the procedures applied in its regular operations to determine the proposed costs of MDB project implementation support and supervision services. The Committee agrees to utilize the set of cost benchmarks as a reference point for reviewing and approving requests under individual projects.

14. The Committee further agrees that funding of MDB costs for project implementation support and supervision services should be identified within each investment strategy or plan as a separate component of the overall funding request for such strategy or plan. The Committee requests the CIF Administrative Unit, in consultation with the MDBs, to clarify how these resources would relate to the allocation of resources that will be agreed by the Sub-Committees. The Committee agrees that the costs of the MDBs should not be perceived as diminishing the allocations agreed for pilot countries.

Supplemental Request for Funding for PPCR Country Programming

15. The SCF Sub-Committee reviewed document SCF/TFC.6/7, *Supplemental Request for Funding for PPCR Country Programming*, and approves the requested supplemental funding in the amount of USD564,200 for finalizing the country programming process in PPCR pilots. The Trust Fund Committee also takes note, recognizing the experience gained through the PPCR, of the potential for additional program funds to be requested in FY12 for country programming activities in pilots supported under the FIP and SREP.

Options for a Quality Review of Investment Plans and Strategies under the SCF

16. The SCF Trust Fund Committee reviewed document SCF/TFC.6/8, *Options for a Quality Review of Investment Plans and Strategies under the SCF*, and agrees that a focused independent technical review could contribute to enhancing the quality of the plans and strategies.

17. To this end, the SCF Trust Fund Committee agrees that the review should be independent and part of the development process of the investment plans and strategies and should:

- a) add value to the design process of the investment plan or strategy and be seen as a useful tool for countries, MDBs and the Sub-Committee;
- b) be part of the country-led preparation process of an investment strategy or plan;
- c) reflect the objectives and investment criteria of the targeted program; and
- d) provide knowledge and experience for interested stakeholders, including the members and observers to the SCF governing bodies.

18. The SCF Trust Fund Committee requests the CIF Administrative Unit, in collaboration with the MDB Committee, to prepare a proposal for the process and criteria for the preparation of an independent technical review of SCF investment plans and strategies consistent with the above agreed criteria. The proposal should also explore the costs of the review and propose how resources can best be made available to cover such costs. The proposal should be submitted to the SCF Trust Fund Committee for approval by mail. Investment plans and strategies prepared before agreement on procedures for an independent technical review, may proceed in accordance with procedures currently agreed.

19. The Sub-Committee agrees that once a proposal for a review is agreed, the Sub-Committee will review the process after it has been followed in 3-5 pilot countries so as to determine whether it adds value to the process.

Note on the Selection of Members of the SCF Sub-Committees

20. The SCF Trust Fund Committee reviewed document SCF/TFC.6/9, *Note on the Selection of Members of the SCF Sub-Committees*, and requests the CIF Administrative Unit to organize, during the 2011 Partnership Forum, consultations for the selection of Sub-Committee Members for the FIP, PPCR and SREP to serve one year terms until the 2012 Partnership Forum. As provided in the design documents for the SCF and the targeted programs, consultations among contributor countries should be held to identify the representatives from contributor countries and consultations among eligible recipient countries should be held to identify the representatives from recipient countries.

21. Recognizing that the PPCR provides that once the pilots have been identified, the seats on the PPCR Sub-Committee should be selected from amongst the pilot countries, consultations should be organized among the PPCR pilot countries to allow them to choose the recipient country seats on the Sub-Committee.

22. For the FIP and SREP, the design of which provides that pilot countries should be given priority to represent eligible recipient countries, the Sub-Committee agrees that four of the six recipient country seats on each Sub-Committee should be filled by a pilot country. The other two seats should be filled by an eligible recipient country that is not a pilot country. The CIF Administrative Unit is requested to organize consultations among the pilot countries to select the seats for each Sub-Committee. Other eligible recipient countries may attend these consultations if they choose to do so.

Election of Co-Chairs

23. In accordance with the *Rules of Procedure for SCF Trust Fund Committee Meetings*, “the SCF Trust Fund Committee shall, prior to the closing of the last regular meeting of the six-month term, elect a representative from a contributor country or a recipient country from among its Members to act as a Co-Chair for the duration of the next term.”

24. The current elected Co-Chair, Vicky Seymour, United Kingdom, was elected to serve from November 11, 2010, to December 31, 2010.

25. The SCF Trust Fund Committee elected Mr. Ahmed Moosa, Maldives, to serve as Co-Chair of the SCF Trust Fund Committee from January 1, 2011 until July 2, 2011

Other Business

26. The SCF Trust Fund Committee agrees to amend paragraph 41 of the *Rules of Procedure for SCF Trust Fund Committee Meetings* to read as follows:

XIII. Expenses

41. Members (or Alternates, if applicable) representing countries, which are eligible to borrow from IDA or IDA-equivalent facilities but not from IBRD, shall be reimbursed

for reasonable travel and accommodation expenses incurred from attending any Meeting. If more than two Meetings are held to meet in person during a year term referred to in paragraph 9 above, and if so requested, any Members (or Alternates, if applicable) representing eligible recipient countries in accordance with paragraph 14(b) of the SCF Governance Framework Document shall be also reimbursed for reasonable travel and accommodation expenses incurred from attending any such additional Meeting(s). Such expenses shall be paid or reimbursed in accordance with the World Bank's policies and procedures, and shall be included in administrative budgets of the Administrative Unit.

Closing

27. The meeting was closed on November 11, 2010.