

Evaluation of the Climate Investment Funds' Programmatic Approach



QUICK FACTS

RELEVANT CIF PROGRAM:
CTF, PPCR, FIP, SREP (ALL)

EVALUATION FIRM:
ICF

COUNTRIES COVERED:
DATA COLLECTION IN TURKEY, CHILE, ZAMBIA, GRENADA, RWANDA, NEPAL, LAO PDR, BURKINA FASO; OTHER COUNTRIES COVERED REMOTELY.

METHODS USED:
THEORY-BASED APPROACH, PORTFOLIO ANALYSIS, LITERATURE REVIEW, KEY INFORMANT INTERVIEWS AND SURVEY

EVALUATION OBJECTIVE

The purpose of this evaluation is to understand the concept of the CIF programmatic approach, understand how it has been applied, and assess outcomes from its use. The evaluation aims to inform enhancements to the programmatic approach in CIF recipient countries and to identify good practice examples and lessons for the benefit of other climate finance mechanisms.

The Climate Investment Funds' (CIF) programmatic approach is centered around developing country-led investment plans and thematic programs supported by multi-lateral development bank (MDB) collaboration. It is one of the original design elements of the CIF and the main modality for the delivery of all four CIF programs: The Clean Technology Fund (CTF), Pilot Program for Climate Resilience (PPCR), Forest Investment Program (FIP), and Scaling Up Renewable Energy Program in Low Income Countries (SREP).

It brings systems-level thinking and solutions at scale to help countries meet their climate ambitions.

This evaluation finds several advantages of this approach, especially in the investment planning phase, which can lead to potentially transformational outcomes. The rigorous and collaborative planning process brought through the programmatic approach ensures that CIF investments effectively address countries' most pressing climate priorities, often leading to long-term changes in the modus operandi of key government, civil society and private sector groups beyond

the lifecycle of CIF funding. Factors such as clarity of mechanisms and country-level leadership influence the effectiveness of this approach, with variations according to program, sector and country contexts.

Context

Given the level of transformation required to reach the Paris Agreement targets, there is recognition of the need for increased use of programmatic approaches that bring systems-level thinking and solutions commensurate with the scale and urgency of the climate crisis. This includes policy and investment coherency to support countries' ambitions for climate action, as demonstrated in their Nationally Determined Contributions (NDCs).

The CIF programmatic approach focuses on the development and implementation of country-led investment plans and thematic programs. These plans set out strategically linked investments built around a transformative vision, informed by multi-stakeholder consultation and MDB collaboration. The plans are associated with scaled-up, predictable and flexible resource envelope.

KEY FINDINGS

Overall, the evaluation found that the CIF's programmatic approach can lead to strong outcomes with potential to contribute to transformational change dimensions of relevance, systemic change, scaling, and sustainability. Other key findings include:

1 In the investment planning phase, the use of the programmatic approach had significant advantages over a project-by-project approach. It contributed to important outcomes:

- a. An organized and consultative way to prioritize investments
- b. A successful platform for MDBs for joint programming and division of labor
- c. An opportunity to link national strategies and priorities with resources
- d. Increased ownership, awareness, and a willingness for broader strategic dialogue within government

2 Across the four CIF programs, linking the strategic planning process to the certainty of available investment resources was an important feature of the programmatic approach. A predictable funding stream lent gravity to the investment planning process and was

especially conducive to the development of innovative or first-of-a-kind projects that require more substantial preparation, compared to a competitive project-by-project approach.

3 The programmatic approach has at times been less evident in the project implementation phase, with important differences across programs. In PPCR and FIP, the programmatic approach was more fully sustained during project implementation owing to program-level monitoring and reporting requirements and an emphasis on country coordination mechanisms.

4 The wide diversity of climate change and development contexts in the CIF recipient countries has demonstrated the importance of a flexible model for the programmatic approach. However, regardless of the model followed, programmatic features of developing an investment plan that is country owned, informed by multi-stakeholder consultation, supported by MDB coordination, and associated with predictable and scaled up finance have been shown to be relevant and effective.

5 Leadership and capacity among government partners and MDBs to apply the programmatic approach improves the effectiveness of the approach. Across the programs, the evaluation identified strong champions who helped maintain the programmatic vision, as well as those who were less able to do so.

6 Where the programmatic approach was supported through clear guidance, mechanisms, and resources, programmatic effectiveness was stronger. This factor helps explain differences among the CIF programs and between the investment planning and project implementation phases.

THE PROGRAMMATIC APPROACH IN PILOT PROGRAM FOR CLIMATE RESILIENCE (PPCR) IN ZAMBIA

In Zambia, climate resilience was integrated into the national development and sector plans. Under the guidance of the programmatic approach, the program set up an Interim Climate Change Council (ICCC) in the Ministry of Finance, which integrated climate change into the Sixth National Development Plan. The ICCS also coordinated investment projects demonstrating strong collaboration between the World Bank and the African Development Bank. The ICCS has gone on to manage more than USD 200 million in development partner climate finance and to coordinate multi-sectoral issue platforms and develop new proposals, becoming a focal point for climate resilience in the country.

RECOMMENDATIONS BASED ON THIS STUDY INCLUDE:

- **Continue to use a programmatic approach.** The CIF's programmatic approach is a distinctive and valuable feature of its overall approach to climate finance. Tailor the components and implementation modalities to specific programs and contexts.
- **Clearly communicate roles and responsibilities for maintaining a programmatic approach in the project implementation phase** to government officials and project task teams, from the outset.
- **Ensure that specific mechanisms to sustain the programmatic approach in the implementation phase are established and build stronger capacities** in governments to lead and coordinate a program strategically.
- In the evolving international context for climate action, **focus less on the program as a separate undertaking and ambition, and more on an approach that clearly integrates or nests with national programs or frameworks.**