

CLIMATE INVESTMENT FUNDS

November 12, 2010
CTF Trust Fund Committee Meeting



Measuring Results – a three step approach

- Agreement on the results
- Agreement on the indicators
- Agreement on a performance measurement strategy

CTF Investment Plans: 1



CTF Fund Allocation by Multilateral Development Bank (MDB) Per Project (\$M)

Country	IBRD	IFC	Other MDBs	Total	Country	IBRD	IFC	Other MDBs	Total
Colombia					Philippines				
Integrated public transit systems	40		60	100	Renewable energy	50			50
Energy Efficiency (EE)		18		50	Urban transport	50			50
Egypt					EE and cleaner production		25		25
Renewable Energy (RE): wind	150	25	25	200	Solar generation with net metering			125	125
Urban transport	50		50	100	South Africa				
Indonesia					Wind Power: Eskom	250		100	350
Scale-up of large-scale geothermal	125	25	150	300	Municipalities/private sector		60	75	175
Promoting EE and RE		50	50	100	Energy efficiency		15		15
Kazakhstan					Thailand				
RE development			129	129	Clean Energy Advancement	160	70		230
District heating systems		21	29	50	Bangkok urban transformation	70			70
Demand side management, end-user		21		21	Turkey				
MENA Concentrated Solar Power	250	250	250	750	Renewable energy	100	28	25	153
Mexico					Smart Grid	50			50
Urban transport	200			200	Energy efficiency		22	25	47
Energy efficiency	50	50	75	175	Ukraine				
Renewable energy			125	125	Renewable energy		25	27	52
Morocco					Energy efficiency	50	38	23	111
Renewable energy	75	25	50	150	Grid management and control	100		50	150
					Waste heat recovery			37	37
TOTAL OF ALL INVESTMENT PLANS	1,850	837	1,663	4,350	Vietnam				
SHARE	43%	19%	38%	100%	Transmission	30			30
					Industrial energy efficiency		30	50	80
					Risk-sharing facility for renewables		40		40
					Comprehensive urban transport			100	100

Logic Model: Clean Technology Fund

Global - CIF Final Outcome
(15-20 yrs)

Improved low carbon, climate resilient development

Country - CTF Transformative
Impact (10-15 yrs)

Transformed energy supply & demand to low carbon
development pathways

Country - CTF
Catalytic
Replication
Outcomes
(5-10 yrs)

Increased investment
in clean production
and consumption
technology

Strengthened enabling
environment for clean
production and
consumption technology

Low carbon
technologies proven
at scale

Decreased pollution
from energy
production &
consumption

Project -
CTF
Outputs &
Outcomes
(2-7 yrs)

Direct GHG
emissions
avoided

Increased capacity to plan,
manage and finance
clean technology solutions

Increased
employment
generation

New &
additional
resources
for clean
technology
projects

Integration of
learning by
development
actors active in
low carbon
development &
climate resilience

Increased vehicle-
kilometers
travelled using low
carbon modes of
transport

Increase in
access
to/reliability
of transport
services for
poor women
and men

Increased GWh
of low carbon
electricity &
heat production

Increased
GWh of
Energy
savings

Increase in
access to
affordable,
low carbon
energy for
poor women
and men

Leveraging
•Increased
other public
& private
sources of
financing /
investment

Knowledge
Management
Learning about
piloting &
implementation
captured &
shared across
projects and
programs

Project -
CTF
Activities
(1-7 yrs)

Transport
•Infrastructure
•Capacity
•Financing

Renewable Energy
•Infrastructure
•Capacity
•Financing

Energy Efficiency / DSM
•Infrastructure
•Capacity
•Financing

Program -
CTF Inputs

New & additional resources supplementing existing ODA flows

Country level indicators (13)

Transformative Impact	Indicators
Energy supply and demand to low carbon development growth path	Energy Development Index (EDI) Score – (per capita commercial energy consumption, per capita electricity consumption, share of modern fuels in total residential sector energy use, share of population with access to energy)
	Employment generated (number of jobs created – women/men/poor people) in clean technology/transport
	Percentage change in electricity coverage in rural areas

Indicators – Country level

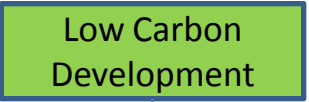
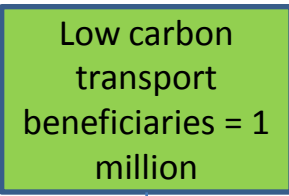
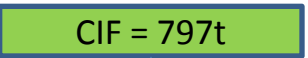
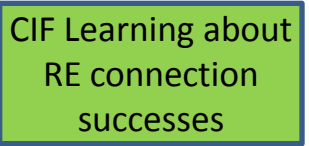
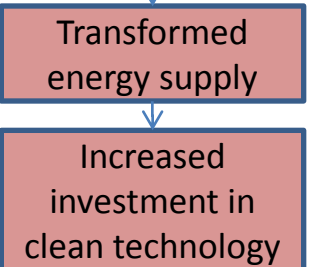
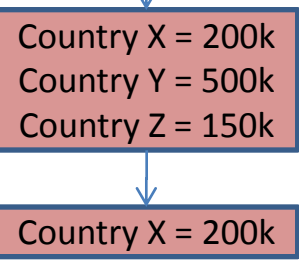
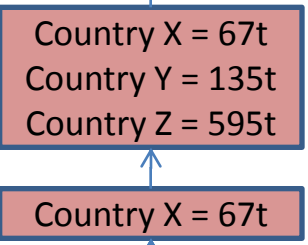
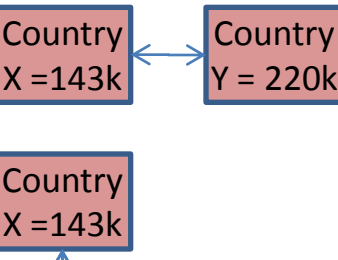
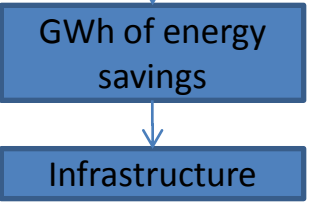
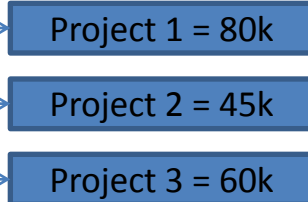
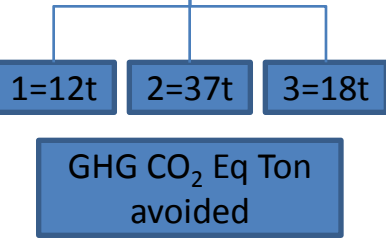
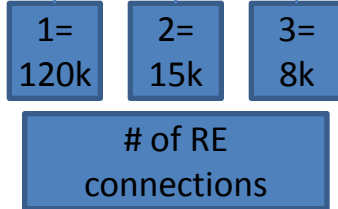
Country level indicators (13)

Catalytic Replication Outcomes	Indicators
Investment in clean technologies	Percentage (%) change and total figure of low carbon investment of total energy sector investment – government/private sector
Enabling environment for clean technology	Degree to which national energy and major city urban transport plans of CTF countries take into account clean technology
Low carbon technologies at scale	Change in cost/unit of production over time – fossil fuels versus renewable energy
Decreased air pollution	Prevalence of Acute Respiratory Infections (ARI) (in children under 5 years) (urban/rural)

Indicators – Project/program level

CIF

Project/Program outcomes and outputs	Indicators (18)
Direct GHG emissions avoided	Tons (millions) of CO2-equivalent mitigated and \$ cost per ton
Employment generated	Net number of jobs (women/men/ poor people) created
Capacity to plan, manage, and finance clean technology solutions	Level of skills of the domestic financial sectors to assess and supervise renewable energy projects and undertake financial assessment of energy efficiency and DSM activities
Transport	Change in accessibility of public transport (geographical, women, men, poor people)
Renewable Energy	Number of MWh generated by renewable energy projects/programs
Energy efficiency/demand side management	Number of MWh saved by energy efficiency and demand side management projects/programs
Access to affordable, low carbon energy	Number of new connections (women, men, poor people)
New and additional resources	Leverage factor of CTF funding; \$ from other sources
Learning	Number and type of knowledge assets created

<u>Clean Technology Fund (CTF)</u>	<u>Planning</u>		<u>Reporting and Learning</u>	
	Results Chain	Cascading Results / Targets	Aggregation of Data	Roll-Up for Comparison
Global / CIF / Fund - Program				
Country / Region				
Program Project				
Explanation / Characteristics	Causal chain, each level linked in "If-Then" causality	Assignment of result / target down to constituent components	Summation / aggregation of data across constituent components to totals at each level, for purpose of getting an overall sum.	Roll-up of data for comparison across countries / programs to facilitate learning / understanding
When to Use	Top-down strategic planning	Operational planning Target setting and assignment	High level reporting and analysis	High level reporting and analysis

Results Frameworks - Indicators

CIF

	PPCR	SREP	FIP	CTF
Transformative Impact	7	4	14	5
Catalytic Replication Outcomes	8	9	10	8
Country level	15	13	24	13
Project/program level	9	9	23	18
Total	24	22	47	31

Field Testing

- **Guidelines**
- **Testing the assumptions**

Monitoring and Evaluation

- **Emphasis on monitoring**
- **Baselines and targets**
- **Costing of the M&E systems**

Establishing a monitoring and evaluation system

- **Medium-term process**
- **Annual report, thematic reporting**

CTF Findings

- Environment co-benefits are directly correlated with greenhouse gas reductions in the case of the technologies being supported by the CTF.
- Social and gender co-benefits do not occur automatically when clean technologies are implemented. Clean Technology projects and plans need to be designed in a “pro-poor way” for social and gender co-benefits to be realized.
- However, CTF investment plans generally do not discuss social and gender benefits in great detail.
- Taking into account that the CTF has multiple objectives (with the primary one being providing incentives for low carbon development) there is still a great opportunity to increase and maximize social and gender co-benefits as CTF projects are prepared.

Approaches and Instruments for Environmental, Social, and Gender Mainstreaming

- Menu of options for countries and partners to choose appropriate and adequate tools based on
 - needs of CIFs;
 - objectives and scope of investment program;
 - Available time and cost
- Some tools integrate both environmental and social considerations
 - These tools employ an analytical and participatory approach, and include Environmental Impact Assessment, Strategic Environment Assessment (SEA) and Policy SEA.
 - The social dimension increases across each of these tools, with Policy SEA being the tool where the social dimension is most taken into account.

CTF Indicator Dashboard, already integrated in CTF Results Framework

- Literature Review suggest that environmental co-benefits tend to be closely correlated with greenhouse gas reduction. This suggests that (in the case of the currently financed clean technologies) it is sufficient to just measure greenhouse gas reductions as a proxy for environmental pollutants (such as particulate matter).
- There is a huge potential for certain social and gender co-benefits from the CTF technologies if projects are designed to maximize these benefits. Indicators need to monitor these benefits.
- The CIF is about transformational change. This suggests that the investment plans will lead to sustained institutional changes in a country in terms of its approach to the respective clean technology, rather than for results to be tied only to the life of the CIF project.
- We focused on indicators which are readily available and measurable, in order to ensure that huge amounts of time and effort are not diverted to setting up new monitoring systems in countries unless absolutely necessary.

Potential for Mal-adaptation

- Potential for mal-adaptation linked with biofuel production and the reduction of deforestation and forest degradation under the FIP. This is because in many instances forest clearance is due to expanding the agricultural frontier.
- Hence monitoring and reporting on indicators such as *forest/land area cleared for biofuel production* in the FIP results framework could be an important monitoring tool. Also important in the context of progress reports within the CTF and SREP programs, particularly in countries with a FIP program or significant forest resources.

Recommendations on CTF

- As projects in investments plans are designed, emphasize increased realization of social and gender co-benefits, in line with all of CTF's current criteria, including development impact and poverty alleviation. The MDBs already have the tools at their disposal to facilitate this.
- The Results Framework has already integrated recommendations related to indicators from this Assessment, including those designed to better manage the risk of maladaptation. Indicators that monitor social and gender co-benefits in the CTF Results Framework will also be important.