

CLIMATE INVESTMENT FUNDS

JOINT CTF-SCF/TFC.14/2
May 11, 2015

Joint Meeting of the CTF and SCF Trust Fund Committees
Washington D.C.
May 11, 2015

Agenda Item 2

ANNOTATED PROVISIONAL AGENDA

AGENDA ITEM 1. OPENING

1. The meeting will be opened by the elected Co-Chairs, Mr. L.K. Atheeq, Trust Fund Committee member from India, and Ms. Kate Hughes, Trust Fund Committee member from the United Kingdom.

AGENDA ITEM 2. ADOPTION OF AGENDA

2. A provisional agenda for consideration by the joint meeting has been circulated as document CTF-SCF/TFC.14/1. The joint meeting is invited **to adopt** the agenda for the meeting.

AGENDA ITEM 3. FY16 CIF BUSINESS PLAN AND BUDGET

3. Document CTF-SCF/TFC.14/3, *FY16 CIF Business Plan and Budget*, presents the CIF business plan and budget for FY16. The business plan includes a review of FY 15 accomplishments and proposed targets and activities for FY16.

4. The joint meeting is invited **to review and approve** the CIF business plan and administrative budget for FY16.

AGENDA ITEM 4. MEASURES TO FURTHER IMPROVE THE GOVERNANCE OF THE CIF

5. At the Joint Meeting of the CTF and SCF Trust Fund Committees in June 2014, the Joint meeting reviewed the *Action Plan in Response to the Independent Evaluation of the CIF* (document CTF-SCF/TFC.12/9) and invited the CIF Administrative Unit and the MDBs to collaborate to implement the actions identified in the decision. One such action was to revise the paper CTF-SCF/TFC.11/7/Rev.1, *Measures to Improve the Efficiency of CIF Committees...recommending additional options to improve the efficiency of CIF committee meetings and decision making while ensuring effectiveness.*

6. Document CTF-SCF/TFC.14/4, *Measures to Further Improve the Governance of the CIF*, proposes a set of measures to enhance and strengthen the Governance of the CIF. Some of the measures are already being implemented as administrative steps under the authority of the CIF Administrative Unit (e.g., consultations with the co-chairs in advance of the meetings) while others have budgetary implications (e.g, expanding the collaborative platform to include the Stakeholder Advisory Network (SAN) or require a change in the rules of the committees (e.g., election of the co-chairs at the conclusion of the seat selection process).

7. The joint meeting is invited **to review** the proposed measures and **approve** those it agrees will improve the Governance of the CIF.

**AGENDA ITEM 5. PROPOSED MEASURES TO STRENGTHEN NATIONAL-LEVEL
STAKEHOLDER ENGAGEMENT IN THE CLIMATE INVESTMENT FUND**

8. At the Joint Meeting of the CTF and SCF Trust Fund Committees in October 2013, the CIF Administrative Unit was asked to work with pilot countries and observers to commission a paper for consideration of the Committee to present suggestions and ideas to strengthen country level stakeholder engagement. A consultant firm, commissioned by the CIF Administrative Unit, has prepared the document CTF-SCF/TFC.14/5, *Proposed Measures to Strengthen National-level Stakeholder Engagement in the Climate Investment Fund*.

9. Document CTF-SCF/TFC.14/5, proposes four major measures including; (1). Foster the use of existing country systems for stakeholder engagement by considering in each country the existing regulations, policies, practices, and institutions for participation, particularly existing processes for consultations, and how these can be used, adapted, or strengthened for the CIF purposes, (2). Plan and adhere to an effective process of stakeholder engagement, including assisting the CIF pilot countries to conduct regular stakeholder mapping, (3). Address capacity needs and foster stakeholder engagement by creating opportunities for substantive exchange between pilot countries for peer-to-peer learning on stakeholder engagement and other related issues, (4). Harmonize the principles for stakeholder engagement across CIF programs (CTF, SREP, PPCR and FIP), acknowledging the unique features of the four programs.

10. The joint meeting is invited **to review** the proposed measures and **approve** those it agrees will strengthen the engagement of stakeholders at the country level.

**AGENDA ITEM 6. KNOWLEDGE FROM EVALUATION FOR LEARNING IN THE CLIMATE
INVESTMENT FUNDS**

11. Document CTF-SCF/TFC.14/6, *Knowledge from Evaluation for Learning in the Climate Investment Funds*, contains a proposal to enhance the generation of knowledge from evaluation for learning in the Climate Investment Funds. It suggests creating a “special initiatives budget” which would be funded through the SCF Administrative Budget for work on evidence based learning as well as a CIF-wide Advisory Group. One contributing country will make available up to USD 9.2 million to support this new body of work.

12. The joint meeting is invited **to review and approve** the proposed decision.

AGENDA ITEM 7. PROPOSAL TO CHANGE THE INVESTMENT MANAGEMENT STRATEGY

13. At the November 2014 CTF Trust Fund Committee meeting, the Committee reviewed document, CTF/TFC.14/4, *Proposal for a Specific Target for the Margin between Projected CTF Net Income and Projected Loan Losses*, and requested the Trustee to prepare a proposal on changes to the investment management strategy for the CTF for consideration at its next meeting.

14. Document CTF-SCF/TFC.14/7, *Proposal to Change the Investment Management Strategy*, proposes expanding the investment options for the CTF Trust Fund's assets to include tranche 4 from the World Bank's commingled trust fund investment pool. This would enable the CTF Trust Fund to achieve an asset allocation to equities of up to 5% of the portfolio's total assets, and could improve the risk/return profile of the portfolio through this limited diversification into equities. SCF Trust Fund's liquidity projections indicate that the current 3-year investment horizon and accompanying investment strategy remain appropriate for the fund.

15. The joint meeting is invited **areview** and **approve** the proposed decision.

AGENDA ITEM 8. OTHER BUSINESS

16. Members and the Co-Chairs may raise any other business under this agenda item.

AGENDA ITEM 9. CLOSING

17. The meeting is scheduled to close at 5:15 pm on Monday, May 11, 2015.