

CLIMATE INVESTMENT FUNDS

Joint CTF-SCF/16/5
May 24, 2016

Joint Meeting of the CTF and SCF Trust Fund Committees
Oaxaca, Mexico
June 15, 2016

Agenda Item 5

EVALUATION AND LEARNING SPECIAL INITIATIVE:
BUSINESS PLAN
(SUMMARY)

PROPOSED DECISION

The joint meeting of the CTF and SCF Trust Fund Committees reviewed the document JOINT CTF-SCF/TFC.16/5, "*Evaluation and Learning Special Initiative: Business Plan*", and appreciates the work undertaken by the CIF-wide Advisory Group on Evaluation and Learning and the CIF Administrative Unit in preparing the business plan.

The joint meeting approves the business plan with its four priority learning themes:

- 1) Transformational change;
- 2) Private sector investment;
- 3) Local stakeholder engagement and benefit; and
- 4) CIF design and approach.

The joint meeting invites the CIF Administrative Unit, under the guidance of the Advisory Group, to implement the activities identified in the business plan. The joint Committee also requests the CIF Administrative Unit to incorporate the feedback and address the comments received from the Trust Fund Committee members at the joint meeting during the implementation of the business plan.

1 Introduction and Background

1. In May 2015, the Joint CTF-SCF Trust Fund Committee (TFC) endorsed a proposal to enhance the generation of knowledge from evaluation for learning (hereafter referred to as “the initiative”) in the CIF to complement the current annual monitoring and reporting across CIF programs and the evaluation work undertaken independently by each of the multilateral development banks (MDBs).
2. The TFC created a “special initiatives budget” (funded through the SCF Administrative Budget) to support this work, with initial resources of approximately \$9 million USD to support learning based on evaluative and evidence-based activities within the CIF at different levels, including the project, program, thematic, and portfolio/fund levels. The purpose of this work is:
 - To capture evidence and lessons on an ongoing basis so that they can inform ongoing CIF activities within an actionable time horizon; and,
 - To identify valuable evidence and lessons learned to inform current and future climate finance investments.
3. The TFC requested that a CIF-wide Advisory Group on Evaluation and Learning be formed to advise on the strategic direction of this work, and a Senior Evaluation and Learning Specialist to help lead and support this work from within the CIF Administrative Unit.

2 Guiding Concepts and Principles

4. The overall aim of this initiative is to create evidence-based learning drawing on the experience of the CIF, using evaluation and other systematic approaches. Ultimately, this learning should inform and improve strategies, decision-making, and other significant ‘pivot points’ around investments and implementation. A user-focused and demand-led orientation to learning will lead to choices of evaluation topics and approaches that are practical and applied, with the explicit goal of creating value for priority audiences or users.
5. The initiative will use a set of guiding principles to screen promising evaluation and learning activities for strategic alignment and quality assurance. These principles will help ensure that activities funded by this initiative are: strategic, fit-for-purpose, learning-oriented, applied, collaborative and participatory, inclusive and gender-responsive¹, innovative, timely and cost-effective, ethical, and supportive of local knowledge and capacity.

¹ This includes “human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity.” UNFCCC/CP/2015/L.9. December 2015.

3 Priority Learning Themes

6. The Business Plan identifies a set of four initial priority learning themes to be pursued starting in 2016. These themes are transformational change, private sector investment, local stakeholder engagement and benefit, and CIF design and approach. The themes reflect aggregated input from 43 CIF stakeholders gathered during consultations conducted between January and April 2016² and extensive discussion among Advisory Group members. Critically important cross-cutting themes – including gender and inclusivity dimensions – will be mainstreamed in all evaluation and learning activities.

3.1 Priority Theme 1: Transformational Change

7. Supporting the achievement of transformational change is an overarching goal of the CIF as well as other climate funds. Illustrative areas of inquiry include:
 - What does transformation mean within the CIF?
 - What are the drivers and barriers to transformational change?
 - How and to what extent is CIF supporting transformational change?

3.2 Priority Theme 2: Private Sector Investment

8. How to best use concessional resources to catalyze private sector investments is a priority area of interest. Illustrative areas of inquiry include:
 - What are the barriers and what CIF approaches work well?
 - How can CIF institutions best contribute to conducive enabling environments for private sector investments in climate mitigation and resilience?

3.3 Priority Theme 3: Local Stakeholder Engagement and Benefit

9. The CIF model includes participation of local stakeholders and vulnerable groups and communities, and a gender-sensitive approach. Illustrative areas of inquiry include:
 - How well are CIF activities fostering local stakeholder engagement?
 - To what extent are CIF investments benefitting a range of local stakeholders?

3.4 Priority Theme 4: CIF Design and Approach

10. The CIF design and approach includes implementation through MDBs and a holistic programmatic approach. Illustrative areas of inquiry include:
 - How the programmatic approach is defined and is it effective?
 - What financing mechanisms are most effective to achieve which aims?
 - What are the lessons from MDB implementation of CIF programs?

² A summary of the stakeholder consultations can be found in Annex 2

4 Implementation Approaches

11. Criteria for pursuing evaluation and learning opportunities include:
 - 1) Provides strategic and/or operational value to the CIF community by informing upcoming decisions or implementation on critical areas of work.
 - 2) Has the potential for catalytic influence in a program, sector, technology, market, region, institution, etc.
 - 3) Has sufficient CIF experience or broader sector experience base to draw upon.
 - 4) Provides important learning for the wider climate finance sector, where possible.
12. Within the first six months, the initiative will undertake initial rapid scoping to better clarify user needs; identify quick-win opportunities that could provide value in the near term; develop a more in-depth approach paper articulating specific options for evaluation and learning activities related to each priority theme; and begin to implement these approaches. Within 12 months, the initiative will seek to have a range of activities in place, providing initial learning for key users to inform decisions.
13. The initiative will work with leading experts in the fields of evaluation and learning, as well as subject matter experts in climate change mitigation and adaptation, to deploy a variety of approaches and methods to produce evidence-based learning.
14. The initiative will undertake a process of continuous consultation with CIF community stakeholders to ensure the relevance and timeliness of learning priorities and activities. All stakeholders and groups in the CIF community may propose ideas for evaluation and learning. Ideas will be screened according to the identified criteria by both the Senior Evaluation and Learning Specialist and the Advisory Group, and the Senior Evaluation and Learning Specialist will develop promising ideas further using the approaches cited above.
15. Activities may be commissioned and funded directly by the initiative and/or through implementing institutions, following the relevant and established CIF AU and MDB procurement protocols. The initiative will report annually on its activities and accomplishments to the TFC, including a narrative and financial report.

5 Role of Advisory Group

16. A core feature of the evaluation and learning special initiative is the creation of an Advisory Group to provide strategic and expert advice to guide the functioning of the initiative. The overarching roles and responsibilities of the Advisory Group are to provide ongoing guidance to the Senior Evaluation and Learning Specialist and other CIF stakeholders on proposed activities within this initiative, including resource allocations. The group will hold meetings twice a year in addition to bi-monthly conference calls, and terms of participation will be revisited after the second year.