



## **Joint Meeting of the CTF and SCF Trust Fund Committees**

**Washington D.C. (Hybrid)**

**Tuesday, June 21, 2022 – Wednesday, June 22, 2022**

**EVALUATION AND LEARNING INITIATIVE:  
FY22 ANNUAL REPORT AND FY23–27 BUSINESS PLAN**

Joint CTF-SCF/TFC.25/5  
May 24, 2022

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## **PROPOSED DECISION**

The joint meeting of the CTF and SCF Trust Fund Committees

- (i) Notes its previous decision in January 2022 to request the CIF Administrative Unit to prepare a business plan for FY23–27 consistent with Option “B” in the document, Joint CTF-SCF/TFC.25/6, Evaluation and Learning (E&L) Initiative Options Paper FY23–27.
- (ii) Reviewed the document Joint CTF-SCF/TFC.25/5, Evaluation and Learning Initiative: FY22 Annual Report and FY23–27 Business Plan, and welcomes the results demonstrated by the Evaluation and Learning (E&L) Initiative over FY20–22, noting the extensive consultative work undertaken by the Initiative to prepare the FY23–27 E&L Business Plan.
- (iii) Approves the FY23–27 E&L Business Plan with a budget of USD20 million (USD10 million CTF; USD10 million SCF) through FY27.
- (iv) Confirms and endorses the business plan’s three main objectives: 1) generate new evidence in priority areas, 2) apply learning in countries and institutions, and 3) foster collaborations and partnerships for enhanced impact; and its five priority learning themes — transformational change; just transition; development impacts; scaling climate finance; and program and sector-specific topics.
- (v) Invites the E&L Initiative, under the guidance of the E&L Advisory Group, to develop a more detailed FY23 Work Plan for implementing the activities identified in the FY23–27 E&L Business Plan.

## Introductory Statement from the CIF Evaluation and Learning Advisory Group

Dear Joint Meeting of the CTF-SCF Trust Fund Committees,

We are delighted to support the FY23–27 Business Plan of the E&L Initiative. We have collaborated with the CIF AU in the preparation of this business plan and are impressed with the level and depth of stakeholder consultations undertaken to develop it. We see the strategic directions laid out in the plan as reflective of these consultations and our own input.

As Advisors, we are committed to ensuring the high quality and strategic relevance of the work done by the E&L Initiative. Over the years, we have engaged in the development of annual work plans and multi-year business plans and witnessed the journey of the Initiative, including the wide foundation of evidence and knowledge that it has built on multiple themes and topics, along with the partnerships and networks that it has supported for learning. We believe the Initiative has demonstrated an impressive array of work that has helped enhance the operational relevance of CIF's programs and projects. We are aware of many prominent examples of the application of evidence outside of CIF as well, including in organizations that many of us are associated with.

Today, there is an absolute urgent need to understand how best to scale practical and transformational solutions to the climate crisis. This need is even more pressing than before, given the backdrop of numerous other global challenges, including the pandemic as well as social and geopolitical crises. It is therefore necessary to continue enabling CIF to benefit from timely evidence to support the design, implementation, and assessment of new and existing programs. The pivot of this business plan to enhance the operational relevance of key themes is a step in the right direction.

For these reasons, the Advisory Group fully endorses the FY23–27 E&L Initiative Business Plan, including its key objectives, priority learning themes, and indicative activities.

Thank you for the opportunity to present this statement and the business plan. We believe it will be a crucial plan for the continued success of CIF.

With best regards,



Franka Klingel

Chair, CIF Evaluation and Learning Initiative Advisory Group

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## 1 Summary

1. This document provides (a) an annual report on the activities of the CIF Evaluation and Learning Initiative (referred to as “E&L Initiative” or just “the Initiative” from here onward) from July 1, 2021 to June 30, 2022 (FY22) and (b) a new E&L business plan and budget from July 1, 2022 to June 30, 2027 (FY23–27).
2. Background on the annual report: In June 2019, the joint meeting of the CTF-SCF Trust Fund Committees (referred to as “TFC” from here onward) approved a three-year [E&L FY20–22 Business Plan](#). The annual report in this document summarizes activities delivered in the last year of that business plan (FY22).
3. In FY22, the E&L Initiative continued to demonstrate how evidence-based learning can address key challenges and catalyze more impactful climate action. The Initiative made substantial progress on the implementation of activities through a wide variety of approaches, capturing and sharing learning on critical topics for CIF and the broader climate finance sector. Key highlights included the following:
  - Increasing focus on operationalizing work on the themes of [transformational change](#) and [just transition](#). This was done through the development of guidance and tools and the inclusion of relevant dimensions in the investment criteria, operational guidance, investment plan clinics, and integrated results frameworks of new CIF programs.
  - Two major evaluations were advanced — the first on CIF’s Scaling Up Renewable Energy Program in Low Income Countries (SREP) which was published and the second on the Development Impacts of Climate Investments which is near completion.
  - Important thematic studies and guidance were delivered on priority themes, particularly on transformational change, just transition, and development impacts. They include case studies exploring just transition in non-energy sectors and practical guidance identifying signals of transformational change in projects.
  - 16 new studies and knowledge briefs were published, generating new evidence in areas relevant to new CIF programs and broader climate action.
  - Over 16 virtual learning events were held, involving more than 750 participants, along with broad communications and strategic learning engagements to reach new audiences. The focus on online engagements, due to pandemic-enforced travel restrictions, continued with high participation rates across stakeholder groups.
  - There was increasing evidence of the use and uptake of E&L knowledge amongst our partners to support the mainstreaming of the core concepts developed. Recipient country stakeholders were engaged in numerous targeted studies and the Initiative’s work provided foundational knowledge in many other prominent contexts, such as the Wilton Park and the OECD DAC workshops on transformational change, discussions in the Presidential Climate Commission in South Africa, and technical expert meetings of the UNFCCC.

4. **Background on business plan:** In June 2021, the TFC asked the CIF AU to increase the ambition of the E&L Initiative and accordingly provide different scope and budget options for its next phase of work. Per this request, in January 2022, the CIF AU presented the [E&L Initiative Options Paper](#) outlining three potential budget options, along with intended outcomes and activities. At the January meetings, the [TFC requested the CIF AU](#) to prepare a business plan for FY23–27 consistent with Option “B”, or the “Increased Ambition” scenario, with a resource allocation of roughly USD4 million per fiscal year. This E&L business plan — a response to the TFC decision — has relied on extensive stakeholder consultations for its development.
5. The new business plan was developed in collaboration with the E&L Advisory Group, based on over 40 consultative interviews and discussions involving more than 100 individuals, as well as Phase 1 and 2 experiences and other periodic interactions with stakeholders. Consultations conducted have underscored the continued utility of the E&L Initiative and the relevance of its strategic objectives, with a strong demand for its continued generation of evidence and learning to inform strategic and operational decisions. See Annex 1 for a summary of the consultations.
6. The proposed business plan can be succinctly summarized as follows: ***The E&L Initiative will focus on the generation and dissemination of new evidence and applied learning through collaborations and partnerships on five priority themes — transformational change; just transition; development impacts; scaling climate finance; and sector/program-specific topics, including mid-term and other evaluations.***
7. Key highlights from the business plan include the following:
  - Continuation of the overall objectives of the Initiative from the previous business plan still found to be highly relevant, with the need for continued work to fully realize transformative outcomes.
  - Continuation of priority learning themes, with adjustments to points of emphasis, activities, and modalities. The emphasis is to shift away from conceptual and foundational work toward enhancing relevance to new CIF programs and operational decision-making.
  - Reformulation of the previous theme focused on private sector engagement to a broader focus on scaling climate finance, with an emphasis on understanding the impact of blended finance and innovative financial instruments.
  - Launch of a new “responsive research” window directly focused on ex-ante diagnostics and other analytical work associated with the new CIF programs that need more rapid responses to emerging questions.
  - Special activities in response to feedback, such as cross-cutting emphasis on gender equality and social inclusion, launch of mid-term program evaluations, call for proposals associated with the development of a just transition planning toolbox, and South-South country knowledge exchanges.

8. A more detailed FY23 work plan and budget will be circulated to the TFC, pending approval of the FY23–27 Business Plan. The FY23 Work Plan will be based on the TFC’s guidance and feedback, as well as additional consultations as needed.

## 2 Introduction

9. CIF was founded with a mandate to serve as a learning laboratory for scaled-up climate finance. Established in 2016, the [E&L Initiative](#) is committed to undertaking evaluation and learning activities that are demand-driven, relevant, and applied to decisions and strategies for both CIF and the wider climate finance sector, with an emphasis on collaborative and user-centric approaches.<sup>1</sup> Over the past six years, it has helped deliver CIF’s learning laboratory mandate by undertaking over 50 studies and several learning activities covering strategically and operationally important topics in climate finance.<sup>2</sup>
10. During the 2016–2021 period, the Initiative developed two three-year business plans based on extensive consultations with CIF partners, stakeholders, and experts. The [first business plan](#) was approved by TFC in June 2016 and covered the FY17–19 period. In January 2019, TFC acknowledged the results demonstrated by the E&L Initiative over FY17–19 and decided to extend it as a core function of the CIF AU. The second [E&L FY20-22 Business Plan](#), approved in June 2019, identified three main objectives, namely, the application of learning in countries and institutions, the generation of new evidence in priority areas, along with collaborations and partnerships to achieve climate finance impacts. Stakeholders also highlighted or reaffirmed the following priority learning themes:<sup>3</sup>
  - i. Transformational change
  - ii. Development impacts of climate finance and just transition
  - iii. Mobilizing private sector through concessional finance
  - iv. Gender and local stakeholder engagement
  - v. CIF’s design and programmatic studies
11. This document first provides an annual report on activities delivered in FY22 and subsequently proposes a new business plan for FY23–27. The business plan builds directly on Option “B” proposed in the [E&L Initiative Options Paper](#) and has been developed through in-depth stakeholder consultations and strategic planning that has taken place over recent months.

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<sup>1</sup> The E&L Initiative was first authorized by the CIF TFCs through a [decision](#) by the Joint Meeting of the CTF-SCF TFCs in 2015, and the TFCs subsequently approved the first [E&L Initiative FY17–19 Business Plan](#) in 2016.

<sup>2</sup> Please see [CIF E&L Webpage](#) and prior annual reports for links to major deliverables.

<sup>3</sup> Local stakeholder engagement is a theme in the FY17–19 E&L Business Plan, while program and sector-specific priorities are highlighted in the FY20–22 E&L Business Plan.

## 3 Part I: Evaluation & Learning Initiative's FY22 Annual Report

### 3.1 Overall Progress

12. In FY22, the E&L Initiative continued to demonstrate how evidence-based learning can address key challenges and catalyze more impactful climate action. The E&L Initiative made significant progress on its committed activities and increased the influence of its work among stakeholders. The Initiative completed and disseminated many important strategic and thematic studies, such as case studies on transformational change and just transition, program evaluation of SREP, and learning review of CIF-supported hydromet and climate services. The Initiative also further honed its ability to develop and deliver content using virtual platforms and increased the direct reach of its online engagements.
13. The [Monitoring, Evaluation and Learning \(MEL\) policy](#), approved in January 2022, further strengthened the coherence of CIF's approach toward results management, accountability, and learning across all programs and activities. The policy directly built on the experience of implementing MEL in CIF's four initial programs and provided a framework for designing and incorporating MEL into CIF's new programs. This document, developed in collaboration with CIF's Monitoring and Reporting (M&R) team, formally laid out, for the first time, a common set of principles and an emphasis on collaboration and coordination across MEL activities at CIF.

### 3.2 Progress on Objectives and Learning Themes

14. The [E&L Initiative FY22 Work Plan](#) prioritized three main objectives:
  - i. Apply learning to catalyze climate action in countries and institutions
  - ii. Generate new evidence to optimize new CIF program investments
  - iii. Engage in collaboration, coordination, and partnership for collective impact
15. This section provides an overview of activities under each objective. Section 3.3 presents a summary of budget expenditures.

### 3.3 Objective 1: Apply learning to catalyze climate action in countries and institutions

16. In the FY22 Work Plan, this objective focused on three areas:
  - i. Broaden dissemination and outreach to increase awareness, accessibility, and use of the E&L work to inspire new audiences for transformative climate action
  - ii. Develop deeper strategic learning engagements with countries, MDBs, CIF teams, and other institutions to integrate E&L lessons into plans and strategies
  - iii. Develop and facilitate sharing of guidance, tools, and approaches to optimize CIF, MDB, and country program/project investment design and implementation



### 3.3.1 Broad dissemination and outreach

17. The E&L Initiative continued delivering on commitments and priorities in a purely virtual setting, as the unprecedented challenges brought about by COVID-19 continued in FY22. It further streamlined and improved the virtual engagement approaches developed in FY21. This fiscal year, 16 E&L Initiative-organized events engaged participants from different stakeholder groups, including MDBs, contributor countries, recipient countries, Indigenous peoples organizations (IPOs), civil society organizations (CSO), CIF Observers, the private sector, media, academia, and youth groups. A few highlights are presented below:
  - Over 600 participants attended 12 [Transformational Change Learning Partnership](#) (TCLP) events.
  - Two workshops on CIF-supported hydromet and climate services had over 30 country and MDB participants from across 11 countries.
  - A just transition [study launch](#), addressing just transition in coal-dependent communities of India and South Africa, was attended by over 100 participants.
18. Invitations to speak and participate in external events allowed the E&L Initiative to further disseminate lessons learned. A few highlights are presented below:
  - Ten global events, including COP26 (see Box 1 below), a [UNFCCC technical expert meeting related to just transition](#), and two Organization for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) Network on Environment and Development Co-operation (ENVIRONET) webinars on transformative change were held.
  - Two Wilton Park events used TCLP's work as the foundation for high-level dialogues. While the first used a TCLP briefing note to discuss pathways toward transformational climate action, the second used the TCLP [Mexico case study](#) as the basis to discuss the Dedicated Grant Mechanism (DGM) in Mexico. In addition, an [event during the Asia Pacific Climate Week](#) used TCLP's conceptual framework to discuss participatory adaptation processes.
  - The [Friedrich Ebert Stiftung \(FES\) and Climate Action Network Southeast Asia \(CANSEA\) Just Transition Forum in Asia](#) provided a platform to highlight just transition considerations needed to support a socially inclusive and climate-resilient low-carbon future in Asia.
19. The E&L Initiative produced a range of communication outputs to make technical content more accessible. They include blogs, podcasts, webstories, newsletter features, social media engagement, and targeted email announcements. The Initiative also formulated a [guidance note](#) to enhance online engagements, which has been actively used by CIF, MDB colleagues, and other CIF stakeholders. In terms of access to the CIF website, the publications related to transformational change (case studies, summary briefs, guidance notes) alone were downloaded more than 900 times this year at the time of writing. The CIF newsletter, as well as select MDB bulletins and mailing lists, has provided additional channels for the Initiative's

dissemination efforts. Specifically, the *CIF Knowledge Review Newsletter*, released once every quarter in FY22, reached an audience of over 1,800 individuals.

### Box 1: E&L Engagement at COP26

The E&L Initiative was directly represented at four COP26 events and provided inputs and content to several other CIF sessions:

- **Energy transition — Driving Transformation through International Collaboration:** Held on November 5, 2021, at the SDG7 Pavilion, the TCLP definition and framework were used to structure input from panelists.
- **Just Transition Panel:** Held on November 9, 2021, at the Sustainable Innovation Forum, in the Climate Action Innovation Zone, insights on just transition challenges and opportunities in the global South were shared with participants.
- **How can Climate Finance Work Better for the Small Island Developing States (SIDS) and the Least Developed Countries (LDCs):** Held on November 9, 2021, at the GCF-GEF Pavilion, lessons from CIF’s evaluations on its programmatic approach and transformational changes of its projects, as relevant to SIDS and LDCs, were shared.
- **The Alliance for Hydromet Development High Level Event:** Held on November 3, 2021, this event provided an opportunity to broaden the reach of the newly released [Learning Review of CIF-Supported Hydromet and Climate Services Projects](#).



### 3.3.2 Strategic learning engagements

20. The [Transformational Change Learning Partnership \(TCLP\)](#) continued to engage partners and practitioners in deep and continuous learning on topics that span current and future CIF programming, with an increasing emphasis on operationalizing transformational change concepts and frameworks. The partnership currently benefits from the engagement of over 450 individuals from over 150 institutions around the world. In FY22, the TCLP held three webinars entitled (i) [“Transformational Change and Climate Action: Are We Asking the Right Questions?”](#); ii) [“Scaling Climate Finance to Support Transformation: Blending Public, Private, and](#)

[Philanthropic Investment](#)"; and (iii) "[Transformational Climate Finance: How can Multi-stakeholder Finance Models Drive Rapid and Just Responses to the Climate Crisis?](#)". The TCLP interest groups further allowed thematic deep dives into important themes, namely "Concepts, Metrics, and Methods"; "Energy"; "Just Transitions"; and "Resilience and Landscapes." These interest groups interacted regularly and convened eight meetings in the fiscal year.

21. Similarly, the [just transition workstream](#) continued to engage a wide range of stakeholders and published on salient topics. Many of the just transition publications this year relied heavily on extensive consultations held virtually with stakeholders in countries. One such [study](#) aimed to understand just transition in the coal-dependent communities of Mpumalanga, South Africa and Jharkhand, India. Two case studies unpacked the complex landscape of just transition in non-energy sectors — while one addressed the natural resources and forestry sector in [Ghana](#), the other explored the implications of a transition to more sustainable water governance in Bolivia<sup>4</sup>.
22. The E&L Initiative invited research and applied learning proposals from MDBs through the CIF AU's country engagement budget request process. The purpose of these E&L-supported, MDB-implemented country engagements is to enhance the applicability of the findings or recommendations from existing or ongoing E&L studies. Two proposals were approved this fiscal year. A study to support capacity building and the establishment of gender-sensitive profit-sharing mechanisms in Burkina Faso's forestry sector builds on the lessons learned from the experience of the Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities (IPLCs) in Burkina Faso and how to apply these lessons in future forestry investments. Another study reviews the impacts of COVID-19 on the World Bank's FIP and DGM projects.

### 3.3.3 Guidance, tools, and approaches

23. The E&L Initiative has worked to operationalize complex concepts related to transformational change and just transition through guidance provided in new program design documents and integrated results frameworks. This guidance, related to the investment criteria for new programs, is supporting the mainstreaming of these concepts within MDBs. Additional guidance is currently being developed to further assist CIF's implementing partners in operationalizing these criteria. Further details on this guidance are provided below under the objective of generating new evidence.
24. The E&L Initiative also contributed to the development of two high-level training modules for the World Bank Climate Change Executive Training (CCET) — a series of workshops targeted at World Bank's director-level senior leadership. These modules are on transformative climate finance and just transition. The former provides an overview of climate finance, including different instruments and interventions that can be combined with project-based lending to allow for transformative change. The latter includes interviews with country representatives and a background discussion on principles, approaches, and challenges related to a just transition. Of note is that the session on just transition was the highest rated session in this

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<sup>4</sup> The just transition Bolivia case study is expected to be published before June 30, 2022.

training series. The E&L Initiative also provided substantive input to the MDB Paris Alignment working group's subgroup on just transition.

### 3.4 Objective 2: Generate new evidence to optimize new CIF program investments

25. The E&L Initiative's work to generate new evidence on priority themes included large evaluations, case studies, analytical or conceptual work, and studies emanating from the previous E&L Call for Proposals modality implemented through CIF partners and Observers. Annex 2 presents an overview of E&L Initiative studies completed or ongoing in FY22. A complete listing of studies published thus far are available on the [E&L Initiative webpage](#).

#### 3.4.1 Transformational change

26. **Operationalizing transformational change concepts and frameworks:** TCLP is working to incorporate the concepts into CIF operations by helping to shape investment criteria, implementation guidelines, and integrated results frameworks of new CIF programs. It is also providing guidance on the design, implementation, and review of programs and projects. TCLP is also convening a range of stakeholders beyond CIF, thereby contributing to and benefiting from the work of a global transformational change knowledge community. An emerging set of tools, including guidance questions on transformational change, have been included in the program design documents of the new CIF programs — Renewable Energy Integration (REI); Nature, People and Climate Investments (NPC); and Accelerating Coal Transition (ACT). They are expected to shape the development, implementation, impact, and evaluation of the programs. Additionally, a transformational change clinic was held to support the understanding and inclusion of transformational change in the ACT Investment Plans being developed by countries.
27. **TCLP publications:** An updated TCLP [brief](#) was published: it summarizes the latest understanding of transformational change concepts, including a working definition, dimensions, and signals of transformational change (see Box 2). The working definition explains the normative goal of transformational change in climate action, while dimensions refer to attributes of change in systems and signals which provide a means for recognizing and capturing progress along the dimensions toward transformational change. This updated framework has been used to design and assess investments in the new CIF programs.
28. TCLP also published three new case studies on transformational change in the CIF country programs: [Mexico's story of transformational change from CIF's Forest Investment Program \(FIP\)](#); [CIF's experiences in supporting concentrated solar power \(CSP\)](#), based on its projects in Chile, Morocco, and South Africa; along with the progress in [transforming Turkey's energy sector, with support from CIF's Clean Technology Fund \(CTF\)](#), from 2009 to 2020. These case studies have provided an opportunity for applying and testing the enhanced transformational change concepts through grounded examples, thus offering insights relevant to the new CIF programming areas.

## Box 2: Transformational Change at CIF

Over the last year, TCLP has placed increased emphasis on operationalizing transformational change concepts and developed guidance and tools for project designers, implementers, and evaluators, especially in terms of their relevance to new CIF programs. Two important areas of work for advancing and deepening the transformational impact of CIF programs and projects are presented below:

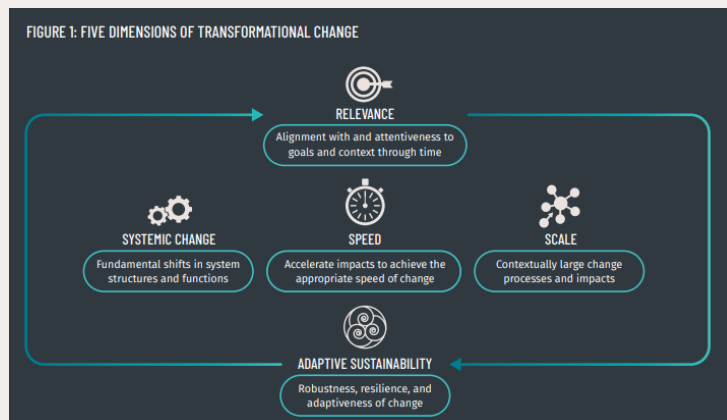
- **Development of Guidance**

**Questions** for new CIF programs that can be used to support individuals working at various points in the program/project cycle and aiming to achieve transformational change. The questions allow stakeholders to reflect on the transformational change dimensions in relation to program design,

implementation, and review. These questions, included in the new CIF program design documents, will shape the development of the programs and projects for several years to come.

- **Signals:** By using the dimensions and associated questions, it should be possible to identify and consolidate signals relevant to specific sectors and progressively adapt them during the processes of country investment plan/project development. TCLP has focused on disaggregating outcome signals (the points that we want to reach) and process signals (what is needed to achieve the outcomes).

Further details on the revised concepts and frameworks on transformational change can be found in the [TCLP Overview](#) and the transformational change concepts document ([full brief](#) and [summary](#)).



### 3.4.2 Development impacts of climate finance and just transition

29. **Development impacts evaluation:** An evaluation of development impacts from climate investments in CIF, with a focus on CIF's four original programs (CTF, FIP, PPCR, and SREP), is near completion in FY22. This builds on the initial portfolio analysis of [CTF](#) and [SREP](#) (conducted in collaboration with the M&R team) that estimated the portfolio-level employment and economic value added by the CTF and SREP investments. This independent mixed method evaluation includes additional modeling and country case studies for a deeper analysis on impacts on jobs and economic development, while expanding the analysis to other areas, such as environment, health, market and trade competitiveness, security, and social impacts including gender and inclusivity.
30. **Operationalizing just transition concepts and frameworks:** As with transformational change concepts, there is growing interest in the broader stakeholder community to understand how

to operationalize just transition frameworks in investments and operations. As part of this work, just transition dimensions are now incorporated into the investment criteria for CIF's new programs and new integrated results frameworks. In addition, just transition expertise was part of the selection criteria for the Independent Expert Group panel for the ACT and REI programs. The E&L team also delivered a just transition-focused ACT Investment Plan clinic designed to provide background and learning on just transition principles and planning processes that can support the development of ACT Investment Plans.

31. Ongoing work will look at “how” to support a just transition, with a focus on organizing, sharing, and piloting planning tools. The Initiative is currently developing a just transition planning toolbox that collates case studies and existing resources to work through contextual complexities and diverse challenges in a systematic way. It will document some of the common steps in a typical planning process and highlight different tools and resources that can help with undertaking these steps. CIF will support the piloting of some of these tools and facilitate south-south learning between countries, MDB partners, and key stakeholders engaged in planning for a just transition.
32. **Just transition publications:** Despite the often regional nature of coal-related just transition challenges, the literature, focusing on the challenges and opportunities associated with just transition planning in the different coal-dependent regions of emerging economies, is limited. A [just transition study](#) analyzed and provided insights on the just transition aspects of the different subnational jurisdictions in the emerging economies of two prominent coal-dependent regions — Mpumalanga in South Africa and Jharkhand in India.
33. Recognizing the large knowledge gap in our collective understanding of equity considerations in transitions in the non-energy sectors, two new case studies were also published (see Box 3 for more details).
34. Several additional activities were delivered on the topic of just transition, including papers, expert commentaries, webinars and podcasts, along with curated online libraries. A regular just transition commentary series shared the points of view of various experts and practitioners on a range of topics including the [role of climate finance to support an equitable transition](#), the [need for a just rural transition](#), and reflections on COP26 (both [before](#) and [after](#)). The just transition workstream also maintained and expanded its curated [library of resources](#) to serve as a knowledge repository for the broader stakeholder community.



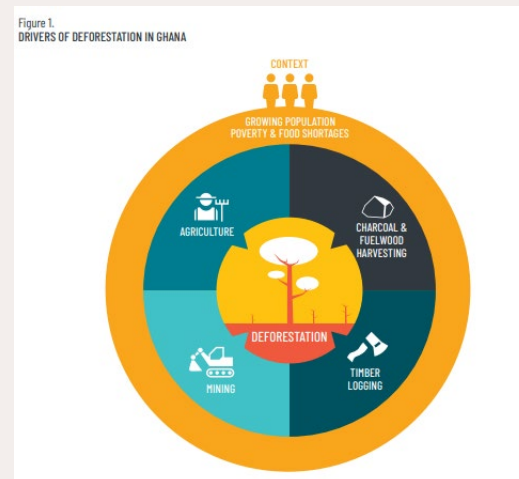
### Box 3: Supporting Just Transitions in Land Use and Water Governance

Drawing on the examples of projects financed by CIF, new just transition case studies explore what it means to pursue just transitions to sustainable land use in Ghana and sustainable water governance in Bolivia. They highlight effective practices that can contribute to just transitions in key sectors driving Ghana’s forest loss and Bolivia’s water challenges.

Key findings are set out below:

- The support needed by communities to ensure just transitions includes **livelihoods and reskilling for local communities**, as well as broader **structural reforms** to ensure sustained impacts.
- The **quality and resourcing of local governance** is critical in facilitating just transitions.
- A major barrier to just transitions in these sectors is the need for upfront planning that is **broad, multi-sectoral, geographical, and stakeholder-oriented**.
- Socially inclusive dialogues must be consistent **throughout planning and implementation**, with local communities empowered to lead the visioning of development and influence funding decisions.
- To be just, resilient, and sustainable over time, **transitions across sectors will need to ensure that a fair share of any value created accrues to local stakeholders**, including communities, farmers, migrants, and marginalized groups.

These studies outline how just transitions in the NRM and water governance sectors need to be driven by socially inclusive processes to mitigate the potential negative effects of change on people that currently depend on today’s natural resource economies. In addition, they highlight the need to (1) maximize opportunities to tap into new green economic opportunities; (2) address the underlying drivers of marginalization and vulnerability; and (3) consider the environmental legacies of mining, agriculture, and overexploitation of timber and other forest resources, deforestation, and water mismanagement. See the Ghana study ([case study](#), [brief](#)). The Bolivia study will be published soon.



#### 3.4.3 Progress on other learning themes

35. While a majority of deliverables in FY22 are related to transformational change, development impacts, and just transition, there are numerous activities covering other priority learning themes.
36. **Mobilizing the private sector through concessional finance** is a cross-cutting theme across many E&L Initiative studies and activities. A [study](#), supported through an E&L Call for Proposals

modality, requested by the Government of Saint Lucia, was completed. The study seeks to gain insights into the efforts of Saint Lucia's private firms and the impact of government initiatives in investing in climate adaptation. The [learning review of hydromet and climate services in PPCR projects](#) also considered opportunities for increased private sector engagement. In addition, the Initiative is supporting an external review of CIF-supported technical assistance and capacity building that aims to inform CIF's future technical assistance, including its provision of support through its Technical Assistance Facility (TAF). The review will be completed in early FY23.

37. Moreover, both the independent evaluation of development impacts and evaluation of SREP consist of reflections on private sector engagement, including those related to jobs, business, and economic value; strengthening the enabling environment for private investment; and contributing to trade and broader economic competitiveness. Concepts related to private sector engagement have also featured in the work advanced through the Transformational Change Learning Partnership, particularly in the work around transformational climate finance and through just transition, as well as the toolbox under development.
38. On **gender and local stakeholder engagement**, a new learning review of the Dedicated Grant Mechanism (DGM) is underway. This review will build on a [2019 independent learning review of the DGM](#): it documented a range of the DGM's emerging outcomes and lessons on how to strengthen the DGM's processes. The new review will assess the outcomes from the DGM's implementation in depth. The purpose of the activity is to inform (a) the design and implementation of the DGM in the new CIF programs, in particular the NPC program, and the remainder of FIP; as well as (b) discussions within and beyond the CIF community on how climate finance can support the voices of IPLCs in climate action.
39. In addition, case studies on transformational change and just transition continue to explore the topics of gender and local stakeholder engagement. For example, the case study on just transition in Ghana emphasizes that just transition requires deep and well-tailored community engagement and representative participation in the development decisions and involvement of local communities in influencing funding decisions. The focus on gender and social inclusion is further supported by the questions and signals developed within TCLP to highlight issues of recognition and power in program design, implementation, and evaluation.
  - **The independent program-level evaluation of SREP** aims to strengthen existing SREP investments and inform the design of new CIF programs and projects, as well as other global efforts, through the identification of relevant lessons and good practices for advancing low-carbon energy access in low-income countries. It includes a retrospective analysis of how the program was designed and implemented, how it has evolved over time, what the challenges and achievements have been to date (and why), and what can be done going forward to maximize effectiveness and impact. A few of the high-level insights from this evaluation are shared in Box 4.



#### Box 4: Key Findings and Recommendations from Evaluation of SREP

Some key findings are presented below:

- SREP occupies a **highly relevant niche in global climate finance** and many of the design elements support the **demonstration of the viability of renewable energy and initiate transformational change** in lower-income countries.
- Funder expectations of the program have evolved to become **more ambitious over time, including the expansion of eligible countries, without being sufficiently supported by additional funding**.
- SREP was launched at a time when renewable energy development was in the early emergent stages in most of its countries, and the program has been able to **successfully leverage MDB infrastructure and other partnerships to develop early-mover or first-of-a-kind projects in challenging contexts**, often pursuing technology approaches that carried significant financial or business model risks.
- SREP's contributions to strengthening enabling environments for clean energy access, alongside the value of demonstration effect, have had some **transformative impacts in a few countries**, including their success in encouraging other private actors to enter the market.

The independent study has also identified a **series of lessons that can be useful for SREP, future programming decisions within the CIF, and other energy-related climate finance facilities**. They focus on country and thematic structure; programmatic ambition; policy and planning; incentives; and the private sector.

*The full study and summary brief will be published soon.*

40. **Adaptation and climate services:** A [learning review of CIF-supported hydromet and climate services projects](#), launched during COP26, had two associated dissemination workshops with key country and MDB partners. [Another study](#) from the E&L Call for Proposals modality was also launched: it took a deeper-dive into the PPCR experience of investing in hydromet and climate services in three countries: Jamaica, Mozambique, and Nepal. A [web story](#) was released to capture highlights and insights across these two E&L studies and a third CIF study on the same topic.
41. **A synthesis of key lessons from the E&L evaluations**, which systematically reviewed all current and past E&L studies, as well as other select knowledge resources, was also completed in this FY. The synthesis study distills actionable evidence (lessons, insights, and recommendations), with a view to helping inform decisions on the new CIF programs and projects. See Box 5 for more details.

## Box 5: Insights from CIF — Key Lessons Synthesis

CIF has gained valuable experiences on how to deploy climate finance at scale, which it has documented in many studies and evaluations. The launch of new programs has prompted the E&L Initiative to synthesize insights from the many evaluations and studies it has done over the past six years across various themes in climate finance. The synthesis distills actionable evidence to place findings in context, thus ensuring that insights remain accessible and applicable in helping to inform decisions on the new CIF programs and projects.

Some key messages emerging from the synthesis include:

- **CIF programs have, in many cases, contributed to changes in the development dynamics associated with climate change.** Major CIF contributions documented in evaluations include the large-scale deployment of clean energy technologies to emerging markets. CIF has often supported first-time investments, thus helping to change risk perceptions among renewable energy investors and drive down costs. Therefore, its intervention has helped to spur the adoption of new renewable energy technologies.
- **CIF has also supported MDBs in mainstreaming and scaling up their climate change work.** CIF's flexibility has allowed it to add windows, subprograms, and new programs. In this way, CIF has helped the international community to match concessional financing for specific climate change issues to country needs and tackle priority areas.
- **The programmatic approach has served CIF well.** It brings the MDBs, national actors, and stakeholders together to discuss strategic gaps and opportunities for climate action and identify the most impactful investments. CIF's new programs should continue to ensure that investment plans are country-owned, informed by multi-stakeholder consultations, supported by MDB coordination, and backed by adequate and credible funding envelopes.

*The full study and summary brief will be published soon.*

### 3.5 Objective 3: Engage in collaborations, coordination, and partnerships for collective impact

42. **E&L Advisory Group and business plan consultations:** Strong collaborations and participatory engagement in the planning and implementation of activities are core to the E&L Initiative approach. The E&L Advisory Group, comprising representatives from CIF's recipient and contributor countries, MDBs, observers, and external experts, provides a key function in this respect. Despite challenges stemming from the inability to hold in-person meetings, the Advisory Group was active throughout FY22, via in-depth engagement in select E&L Initiative activities and work streams, bimonthly conference calls, and a longer two-day virtual Annual Advisory Group workshop in March 2022. The annual meeting was used to receive input and guidance for the E&L FY23–27 Business Plan presented in this document. The business plan

further details the extensive consultative process and the stakeholders the E&L Initiative connected with to obtain insights and feedback.

43. **Engagement with other climate funds:** The E&L Initiative interacts regularly with other climate funds through various collaborative efforts such as the joint funds collaboration platform; learning partnerships such as TCLP; joint presentations on key knowledge-sharing events; the Green Climate Fund's (GCF) Independent Evaluation Unit (IEU) partners; and periodic consultations such as the ones held for the development of the E&L business plan. The GCF IEU is part of the TCLP steering committee: earlier this year, the E&L Initiative and the GCF IEU jointly published two evidence gap maps related to quantitative evidence on transformational change. Joint presentations have included a panel on SIDS and LDCs at COP26 and panels at the European Evaluation Society Conference focused on transformational evaluation. The FY23–27 Business Plan will further explore how to strengthen collaborations across funds.
44. **Collaboration with CIF AU teams:** Within the CIF AU, the integration of E&L activities as a core CIF function has facilitated the co-generation of knowledge that is more likely to be taken up for improving project/program design and implementation. The new CIF programs have provided a timely opportunity for increased interactions and collaborations with program and thematic teams, with the knowledge generated by the E&L Initiative being increasingly used to guide upstream operational and programming elements of CIF. The team has also been closely interacting with other units. For example, it worked with the M&R team in co-developing the [MEL policy](#) approved in January 2022. Furthermore, the team also collaborated with the CIF AU program leads to incorporate guidance integrating transformational change and just transition principles into the design and implementation of the new programs, including the new integrated results frameworks.
45. **External partnerships:** Through the various learning initiatives and other E&L activities, FY22 saw strengthening of key partnerships that have been helpful in amplifying the impact of knowledge being generated. The transformational change work has benefited greatly from the strength of the TCLP network. TCLP's engagement with Wilton Park has given E&L a prominent venue to highlight some of its work and provide evidence supporting high-level conversations on how to navigate climate transitions. The partnership with the Center for Strategic and International Studies (CSIS), successfully completed this fiscal year, was instrumental in bringing together the conceptual base and the stakeholder network for the just transition work.
46. **Robust management** and coordination of activities are important for ensuring the timely and quality implementation of activities. Additional implementation support, including from consultants and firms, has helped in managing or implementing E&L activities. Other efforts, including maintaining a knowledge activity dashboard, tracking participation and engagement in E&L activities, as well as ensuring coordination and synergies among implementing partners, have also been undertaken to promote efficiencies and uptake of E&L lessons and activities.

### 3.6 Budget

47. The [E&L FY20-22 Business Plan](#) presented a three-year budget with overall indicative allocations per year. The [E&L FY22 Work Plan](#) described in more detail how this funding was allocated in FY22. Table 3.1 shows estimated planned budget allocations, as described in the E&L FY22

Work Plan, alongside actual or likely projections of budget commitments for these activities through end-FY22.

**Table 3.1: FY22 Work Plan Budget**

FY22 Work Plan Activity	Estimated Planned Budget (USD)	Actual or Projected Budget	Explanation
<b>Objective 1: Apply learning to catalyze climate action in countries and institutions</b>			
Dissemination: Broad dissemination to raise awareness and visibility of the E&L work	\$100,000	\$100,000	Support for wide dissemination of findings and lessons from the E&L studies
Learning engagements: Deeper strategic learning with countries, MDBs, and other institutions	\$250,000	\$200,000	Learning events or activities with countries, MDBs, etc.
Guidance: Develop and share guidance, tools, and approaches to inform new strategies	\$150,000	\$200,000	Includes integrating concepts, lessons, or approaches in new CIF programs
<b>Objective 2: Generate new evidence to optimize new CIF program investments</b>			
Transformational change: Conceptual/analytical work, country, or thematic case studies	\$150,000	\$150,000	New case studies and/or other analytical or conceptual work
Just transition: Case studies of CIF programs and projects, other evidence, and learning activities	\$200,000	\$200,000	Country case studies and contributions to related research and learning
Development impacts: Additional analyses or products on CIF's development contributions <sup>5</sup>	\$25,000	\$25,000	Main budget for current evaluation comes from FY20 Work Plan; additional support for portfolio analyses in FY22
SREP evaluation: Additional support, analyses, and/or derivative products for SREP evaluation <sup>6</sup>	\$25,000	\$25,000	Multi-faceted program evaluation
Learning review of CIF-supported technical assistance and capacity-building	\$50,000	\$50,000	Collaborations with CIF's TAF to inform future activities and the new CIF programs
Key lessons synthesis	\$150,000	\$150,000	Synthesis of E&L lessons on the thematic areas prioritized in the new CIF programs
<b>Objective 3: Engage in collaboration, coordination, and partnership for collective impact</b>			
Development of new partnerships and collaborations for learning and dissemination	\$100,000	\$100,000	Includes TCLP and other partnerships for studies and learning activities
Forward-looking review and planning activities to prepare the next multi-year E&L Business Plan	\$100,000	\$100,000	Assistance with review and planning to inform the next phase of the E&L Initiative
Other implementation support <sup>7</sup>	\$200,000	\$200,000	Additional support for coordination and implementation of activities
<b>Total</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	

<sup>5</sup> The main budget for the current ongoing evaluation of development impacts came from previous years' E&L work plans.

<sup>6</sup> The primary budget for the SREP evaluation is derived from the FY21 E&L Work Plan and budget.

<sup>7</sup> Costs to implement activities under Objectives 1–3 are included in the yearly costs per objective. "Other implementation support" consists of additional cross-cutting coordination, management, implementation, administrative, and/or logistical support costs, including consultants to support implementation.

## 4 Part II: FY23–27 Evaluation and Learning Initiative’s Business Plan

### 4.1 Context

48. The E&L Initiative developed this business plan in consultation with the E&L Advisory Group and based on input from MDB focal points and operational colleagues, CIF country partners, independent experts, civil society including CIF Observers, CIF AU program and thematic leads, and other stakeholders. Over 100 individuals were reached through more than 40 consultations (Annex 1). These consultations were held after the TFC’s discussion of the [E&L Options Paper](#) in which the joint meeting of the TFCs endorsed “Option B” — the “Increased Ambition” option. Thus, the premise of increased ambition has underpinned the consultations and the selection of activities proposed in this document.
49. **Guiding principles:** The [10 E&L guiding principles](#) for evaluation and learning developed during the [first E&L business plan](#) remain relevant today. Further, the [MEL policy](#) provides a complementary list of 12 principles on the basis of which all CIF MEL activities are implemented. Some of these MEL principles include multi-stakeholder engagement, harmonization with MDBs own policies, focus on applied learning and inclusive transformational change, timeliness, transparency, and cost-effectiveness (for a full list, refer to MEL policy). E&L’s guiding principles also include a commitment to using professional standards and best practices in evaluation; deploying innovative approaches to further explore and promote the evaluation-learning nexus; and ensuring responsiveness to issues of gender and inclusivity, along with the interests of vulnerable and marginalized people.
50. This business plan has been developed in the context of increasing pressures on developed and developing countries on multiple fronts. Recent Intergovernmental Panel on Climate Change (IPCC) reports have highlighted that the window to prevent the worst impacts of climate change is rapidly disappearing. Those who are already the most vulnerable stand to face the harshest consequences of climate change. Developing countries have suffered disproportionately from the COVID-19 pandemic and their road to recovery is exacerbated by debt distress and macroeconomic risks, oil and food price increases, capital outflows, and worsening geopolitics in many regions. Their consistent calls to increase climate finance, in the face of an increasingly constrained fiscal environment, is now both more urgent and more challenging.
51. In light of this global context, as well as to assist with prioritizing activities and delivery modalities, two additional sets of criteria for assessing opportunities were developed in discussion with the E&L Advisory Group:
- **Flexibility, responsiveness, and agility:** While this business plan lays out strategic directions for the E&L Initiative, the flexibility to change course and respond to real-time global developments will remain an important decision-making principle throughout its implementation. In addition, the identification of new opportunities, priorities, and course corrections when needed will happen in an agile way.
  - **Operational relevance:** While conceptual frameworks and analyses are needed to develop a thorough understanding of complex contexts and ideas, the E&L Initiative will

emphasize their operational applications within CIF, with its MDB partners, and in client countries.

52. **Learning from business plan consultations:** Business plan consultations were used to identify success factors and areas for improvement from the E&L Phase 2 experience. While there were sometimes diverging views on specifics, there were also consistent messages about what the Initiative has done well to enhance its impact and what it could do better.
53. The main success factors shared were:
  - High relevance of the priority learning themes, particularly transformational change, just transition, and development impacts, along with the cross-cutting emphasis on social inclusion, gender, and local stakeholder engagement. In addition, examples of the influence that sectoral studies at the program and project levels have had were consistently shared.
  - The importance of the “knowledge commons” or the convening role that the Initiative has played was also heavily cited, including its creation of spaces for connecting with CIF and external stakeholders. The collaborative and inclusive approach for stakeholder engagement was appreciated.
  - The overall emphasis on learning, found to be evident in the Initiative’s approach and partnerships, was quoted as being key to its success. An example that was cited a few times was the Initiative’s adaptability to the current Covid-19 pandemic, including the quick move to virtual events.
54. The main areas for improvement have been identified as follows:
  - The need to amplify the dissemination and reach of the Initiative’s activities. There were several calls to enhance the reach of the work. In many instances, stakeholders expressed surprise at both the breadth and depth of the Initiative’s work shared with them, which they had not been previously aware of.
  - The scope to engage with stakeholders more frequently, earlier in the process of development of activities, and more systematically. This call came particularly from MDBs and Observers who voiced concerns about not being able to support outputs, if they came in the form of ad-hoc requests or too late in the development process.
    - The need to continue to improve the operational relevance of the work. This area was cited as both a success and an area of development. While the stakeholders appreciated the development of tools, guidelines, and operationally relevant briefs, they also shared that more work should be done in this regard.
55. Over the last three years, the Initiative has adjusted its approach based on feedback received, including steps such as joint ownership of content beyond the publication of studies; organization of coordination calls with different partners/stakeholders to encourage the leveraging of existing knowledge; and use of after-action reviews to understand lessons and how to apply them in future work. These actions will continue with the new business plan.

56. To specifically address the feedback received on areas of improvement, there will be additional emphasis on the dissemination of the Initiative’s work to existing and new audiences; more frequent dialogues with MDBs, Observers, and other stakeholder groups; and additional activities under all priority learning themes to operationalize key concepts and lessons.

## 4.2 Business Plan Objectives

57. The consultations with CIF stakeholders and the Advisory Group highlighted that the previous business plan’s objectives, described below, remain relevant today:
- i. Generate new evidence in priority areas
  - ii. Apply learning in countries and institutions
  - iii. Foster collaborations and partnerships for enhanced impact
58. *Generate new evidence in priority areas* involves undertaking new evaluations and other studies covering priority learning themes and select topics. These studies aim to generate new evidence that is relevant and timely for climate finance practitioners and decision-makers, both at CIF and externally. The evidence generated under this objective includes larger, independent evaluations and learning reviews, case studies, policy briefs, guidance notes, commentaries, etc. It includes a variety of evaluation approaches and methods, as identified in the [MEL policy](#). The main focus is on producing forward-looking learning that is applicable to new strategies and investments.
59. *Apply learning in countries and institutions* seeks to ensure the operational relevance of the Initiative’s work and prioritize the co-creation, dissemination, and uptake of lessons in MDBs, countries, and others participating in climate finance. Activities under this objective include developing practical tools, guidance, and thematic syntheses; sharing the knowledge generated systematically through a variety of online and in-person modalities; reaching broader and more diverse audiences; developing deeper strategic learning engagements with countries and institutions to contextualize findings to specific challenges or opportunities; and helping to shape new initiatives, programs, and policies.
60. *Foster collaborations and partnerships for enhanced impact* highlights a key “way of working” for the Initiative — through partnerships with other stakeholders and experts across all activities. Activities associated with partnerships include facilitated community of practices that can provide a shared and open space for knowledge generation, exchanges, and applications. They also include bringing together CIF and broader stakeholders to share ideas and experiences through workshops, dialogues, and South-South knowledge exchanges. Collaborations can also take the form of joint development and the delivery of outputs, along with the pooling of resources wherever possible, and the collective profiling of climate finance and advocacy for its more effective use.

## 4.3 Details of Activities under Priority Learning Themes

61. The following five **priority learning themes** for Phase 3 emerged from stakeholder consultations, discussions with the Advisory Group, as well as the Phase 2 experience:



- i. Transformational Change
- ii. Just Transition
- iii. Development Impacts
- iv. Scaling Climate Finance
- v. Program and Sector-Specific Studies

62. These themes are inherently interrelated and cross-cutting, which implies that many studies may simultaneously address multiple themes and respond to all three of the E&L objectives. Gender and inclusivity considerations, including youth participation, will also be integrated as cross-cutting principles across all activities. Table 4.1 provides a visualization of the E&L Business Plan — Phase 3, with the priority themes in the top row and the objectives in the first column. Each year, a specific work plan will determine activities in each of the cells below.

**Table 4.1: Snapshot of the E&L Initiative FY23–27 Business Plan**

	Transformational Change	Just Transition	Development Impacts	Scaling Climate Finance	Program and Sector-Specific Studies
New evidence					
Application of learning					
Through collaborations and partnerships					

63. The objectives of the business plan can hence be summarized succinctly as: ***The E&L Initiative will focus on the generation and dissemination of new evidence and applied learning through collaborations and partnerships on five priority learning themes — transformational change; just transition; development impacts; scaling climate finance; and sector/program-specific topics, including mid-term and other evaluations.***

#### 4.3.1 Transformational change

64. Transformational change was cited in most consultations as the E&L Initiative’s most influential area of work. The conceptual framework on transformational change as well as the thematic case studies remain highly relevant. In addition, the convening role played by the TCLP has provided a space for connecting and learning, which has been supported by innovative online collaborative tools during the Covid-19 travel restrictions. Recent TCLP surveys and consultations have suggested opportunities for building on these successes and enhancing the impact of the partnership. These opportunities include more direct and applied use of transformational change concepts to inform and shape new CIF programs. They also refer to the need to develop tools and guidelines supporting transformational change throughout program and project lifecycles, which are relevant to practitioners both linked to CIF programs



and beyond. Finally, as the importance of scaling climate finance and mobilizing diverse sources of funding, including private finance, becomes more urgent, TCLP will support learning processes that enhance the transformational impact of climate finance. By building on the successes and responding to the calls for a more direct application of concepts and support for transformational learning and change, the TCLP will continue to work with a wide range of partners to enhance the impact of climate finance and associated actions.

65. Specific topics and activities, prioritized within this theme, include the following areas:
- Enhanced support for the incorporation of transformational change understanding and actions in the new CIF programs through monitoring, evaluation, and learning processes that simultaneously provide relevant tools and build the capacity of key partners to use these tools.
  - Activities to enhance national capacities to develop and identify transformational concepts including signals of progress. These activities will include country engagements, application of monitoring and reporting toolkits, and TCLP workshops.
  - Focused engagement with and convening of public, private, and philanthropic climate finance institutions, with a view to achieving greater clarity on barriers to transformational climate finance and addressing them.
  - Continue convening and supporting stakeholder interest groups through in-person and virtual events focusing on innovative concepts, clean energy, resilience and landscapes, and just transition to broaden and enhance the transformational impact of climate actions. This work will be further enhanced by strategic stakeholder mapping and deliberate engagement to increase the breadth and depth of collaboration within TCLP, thereby expanding outreach to organizations led by persons with disabilities, women-led organizations, and other organizations working on social inclusion.
  - Conduct a second-phase evaluation of transformational change that looks at the process through which transformational change has been applied to new program investment planning and the transformative impacts of CIF's past and new investments.

#### *4.3.2 Just transition*

66. Stakeholders recognized that CIF has been at the forefront of research and learning on just transition in the previous phase of the E&L Initiative. In addition to developing a framework for interpreting just transition concepts, the Initiative has spearheaded new analyses and activities to fill the knowledge gap on just transition in emerging economies and to investigate how to achieve a just transition through the transformational changes necessary to address the climate crisis. Looking ahead, the clear ask from stakeholders at this stage is to pivot from an emphasis on developing our understanding of “what” a just transition is to “how” to implement a just transition in several sectors. Accordingly, the next phase of the Initiative will focus on developing a planning framework and toolbox of resources to guide stakeholders through the activities required to plan for a just transition, along with dedicated support to pilot tools that support the implementation of just transition plans in countries. Several activity tracks will help

to achieve this objective, with much of the work to be implemented in close partnerships with MDBs. In addition, the focus on convening, shared learning, and South-South knowledge exchanges related to just transition will continue.

67. Specific topics and activities prioritized within this theme include the following areas:
- Develop a planning framework that lays out key steps and processes needed for a just transition and a corresponding toolbox that compiles potential tools to implement these steps alongside examples of the application of these tools in the country.
  - Develop and pilot planning tools through a call for proposal mechanism directed at MDBs. The just transition planning toolbox will be used as a reference point in the selection of these MDB-led pilots. The experience and knowledge generated through these pilots will be integrated into the planning toolbox and made available on the CIF website.
  - Convene and support South-South exchanges, MDBs, and country-led knowledge sharing events to amplify the reach of the knowledge developed. The current community of practice on just transitions should be expanded by convening learning events, engaging in the joint development of policy briefs, and providing other opportunities for shared learning.
  - Continue the focus on just transition across all priority areas, including natural resource management, urban development, and industry, in addition to the work in the energy sector. This includes the mainstreaming of just transition processes in all new CIF programs, not just mitigation-focused programs.
  - Publish periodic analytical studies in the form of case studies, sectoral analyses, diagnostics, or other types of studies.

#### *4.3.3 Development impacts of climate finance*

68. Stakeholders identified the need for further work associated with informing, influencing, and measuring development impacts of climate investments. This can help inform project design and selection, with a view to maximizing environmental, social, and economic benefits; anchoring climate programs within a broader narrative of development outcomes; and also linking the support to Nationally Determined Contributions (NDCs) and the Paris Agreement goals to national development objectives and Sustainable Development Goals (SDGs). Specific development impacts cited include jobs, livelihoods, social inclusion and gender equality, resilience to shocks, equity, biodiversity, and institutional strengthening. It also includes development impacts associated with specific technologies such as geothermal and mini-grids. The evaluation of development impacts has already identified potential development impact pathways across economic, social, environment, and market spheres. Now, deeper analysis is needed to learn how development impacts can be enhanced such that green development is resilient, fair, just, and transformational. This work stream is being carried out in close partnership with the M&R team.
69. Specific topics and activities prioritized within this theme include the following areas:

- Disseminating development impacts evaluation and associated products, as well as identifying development impacts for further modeling efforts, including the understanding of detailed impact pathways, off-the shelf and customizable modeling options, along with data requirements.
- Piloting economic modeling efforts at the CIF portfolio level for select development impacts and working closer with CIF program leads to identify potential uses of such modeling in the development of investment plans for new CIF programs.
- Analyzing the interrelationships between mitigation and adaptation interventions on development outcomes — their intended and unintended effects, and identifying a better means to measure them through quantitative and qualitative approaches.
- Mainstreaming social inclusion and gender through more evidence and case study development. A better understanding of the impact of climate finance on IPLCs should be targeted. This includes a follow-up learning review of the Dedicated Grant Mechanism for IPLCs, focusing on lessons from the project-level outcomes achieved and their relevance to development objectives.
- Analyzing specific links between climate and development, such as those related to poverty alleviation, biodiversity, energy access, social inclusion, and equity. The specific links for further examination will be determined through additional consultations.
- Partnering with the Development Impact Evaluation (DIME) at the World Bank, in collaboration with the M&R team, to conduct impact evaluations that will seek to answer research questions across a cohort of projects, thus ensuring that portfolio-level findings are derived from multiple contexts and are relevant.

#### 4.3.4 *Scaling climate finance*

70. This theme was quoted as being of very high relevance to all stakeholder groups. While substantial work has already been done by CIF under this theme, including new papers on blended finance that are currently ongoing, the questions emerging about climate finance in this round of consultations were more nuanced than previous consultations. Moreover, the volume of feedback received on this topic has warranted increased attention to it. The specific activities under this theme are currently less formulated than the other themes, given the diversity of input received. Additional consultations will help determine the way forward and a few areas of inquiry that the E&L Initiative may be best-equipped to pursue will be selected in subsequent work plans.
71. Key questions raised during consultations include how public money can be best used to leverage additional climate finance and the what innovative financial instruments and business models exist to do this well? Are there lessons from the CIF portfolio and/or CIF business model/structure to demonstrate the enhanced leveraging of climate finance? Stakeholders also emphasized that it is not just about the volume of the finance raised, but also the quality of finance. That is, we need to ensure that climate finance is invested in truly transformational initiatives that contribute to environmental sustainability, social justice, and economic

prosperity. Accordingly, demonstrating the impact of climate finance beyond leverage ratios and tracking its transformational impacts, including broader development, knowledge, scaling, and market impacts or externalities, is important. Finally, several questions were raised about how an engagement with emerging sustainable reporting standards — Environmental, Social, and Governance (ESG) considerations, Task Force on Climate-Related Financial Disclosures (TCFD) requirements, and other investment and reporting standards — can contribute to responsible climate finance.

72. Specific topics and activities prioritized within this theme may include these aspects:
- Further analysis on the experience of climate funds and/or public funding working with the private sector, along with the effectiveness of different concessional tools and approaches in different types of markets and sectors. This analysis could go beyond leverage ratios and project-level impacts to address the catalytic impacts related to market transformation, scalability, knowledge, and enabling environment-related externalities.
  - Analysis on the distributional impacts of concessional finance and a deeper understanding of where the benefits accrue, especially when finance is used to accelerate transitions to clean energy or practices. This could include a better understanding of financial modalities that support procedurally just processes.
  - Further analysis on CIF's experience in deploying various concessional tools and approaches for increasing private sector participation in adaptation, resilience, and nature-based solutions. Specific subsectors, regions, or themes could be determined through further consultations, with emphasis on how private sector engagement can be facilitated and unlocked.
  - Specific analysis of the successes, limitations, and utility of Dedicated Private Sector Programs (DPSP), in terms of their relevance to future CIF programming.
  - Specific analysis of the risk assessments of transformative investments and triple-win rates of return (that is, investments with high social, economic, and environmental rates of return).

#### *4.3.5 Program and sector-specific topics*

73. Several important sector-specific areas were also raised by stakeholders. Some of them cut across the themes above, while others — specific to the different programs or more granular in nature — are related to the specific challenges, sectors, or technologies. As with other topics, the Initiative will be guided by the E&L Advisory Group and the TFCs on which specific activities to pursue. Topics that can directly inform new CIF programs will be prioritized. Specific program-level mid-term and end-term evaluations will also fall under this theme.
74. Specific topics and activities prioritized in this area include the following aspects:
- Mid-term evaluations of CIF programs assessing implementation experiences and emerging results, with potential analyses of specific areas, such as resilient

infrastructure, agriculture, or private sector. The timing of these mid-term evaluations will be based on further guidance and direction from the SCF Subcommittee.

- A new workstream called “responsive research” will be launched to address real-time learning needs, especially those associated with CIF’s new programs. The specific analytical work to be done under this theme will be revisited on an annual basis and determined in discussion with CIF program focal points in the CIF AU and MDBs.
- Collaborations with the M&R team on evaluating country investment plans that are closing through country-led M&E workshops. This includes the piloting of expanded M&R toolkits in countries with transformational change assessment elements. Additionally, the M&R team is developing monitoring toolkits for new programs, including the addition of elements that can help evaluate transformational change achieved through the investment plan.
- Targeted learning on topics emerging as being of high interest to stakeholders and of key relevance to CIF’s current and future programming to be undertaken. These topics could include nature-based solutions, the forests-agriculture nexus, decarbonization of industry and supply chains, the integration of relevant resilience aspects in mitigation programs, adaptation and disaster risk management linkages, urban transport, biodiversity, green hydrogen, as well as the linkages between adaptation, health, and climate change.
- Evaluation/assessment of CIF’s non-programming efforts, including its MEL policy in years 3–5 of its implementation.

#### 4.4 Budget

75. An indicative budget for the proposed next five years of the Initiative, organized by main objective and year, is provided in Table 4.2 below. A more detailed FY23 budget will be provided in the FY23 Work Plan document. This indicative budget assumes an overall resource allocation scenario of USD20 million over five years as per the TFCs’ guidance provided in the E&L Options Paper.

**Table 4.2: Indicative Budget Allocations, by Objective and Year**

Objective	FY23 (USD)	FY24 (USD)	FY25 (USD)	FY26 (USD)	FY27 (USD)	Total
New evidence on priority themes	\$1,600,000	\$1,300,000	\$1,600,000	\$1,300,000	\$1,600,000	\$7,400,000
Application of learning	\$1,400,000	\$1,700,000	\$1,400,000	\$1,700,000	\$1,400,000	\$7,600,000
Collaborations and partnerships	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$3,500,000
Other implementation support	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
<b>Total</b>	<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>\$20,000,000</b>

76. While the budget above provides a rough yearly estimate, please note that, due to the multi-year nature of many evaluation and learning contracts and activities, commitments allocated within one fiscal year often result in activities being sustained and completed in subsequent fiscal years. The additional personnel resources needed to execute the activities proposed in this business plan are included in the estimates provided. Costs to implement activities under Objectives 1–3, including individual consultants, implementing organizations, and logistical costs, are included in the yearly costs per objective. “Other implementation support” includes additional cross-cutting management, implementation, administrative, and/or logistical support costs.

## 5 Annexes

### 5.1 Annex 1: Consultations on the FY23–27 E&L Business Plan

77. Extensive consultations informed the development of the FY23–27 E&L Business Plan. This included over 40 consultations covering all major stakeholder groups, more than 35 different institutions, and over 100 individuals participating in a focused business plan discussion. Table 5.1 below summarizes the consultation meetings held during the February–April 2022 period.
78. In addition to these meetings, input received during recent strategy sessions on transformational change and just transition, interviews for country case studies, discussions through facilitated learning partnerships, and E&L experiences from Phases 1 and 2 were also factored into the business plan.

**Table 5.1: Summary of Consultation Meetings**

Type	Number of Consultations	Institution/Country
Donors	5	Canada, Netherlands, Switzerland, United Kingdom, and USA
Recipient Countries	7	Bangladesh, Brazil, Colombia, DRC, India, Rwanda, and Turkey
MDBs	8	Asian Development Bank (ADB), African Development Bank (AfDB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IDB Invest), International Finance Corporation (IFC), and World Bank — (FIP, PPCR, and Energy)
Observers	1	Centre for Sustainability and Gender Economics (CSGE), Spain; CIF Observers from ICC Mexico Environment & Energy Commission; Climate Action Network Southeast Asia (CANSEA), Malaysia; Ogoni Youth Alliance for Climate Change and Sustainable Development, Nigeria; South Africa National Energy Association (SANEA); and WWF – Kenya
Other Climate Funds	5	Green Climate Fund (GCF) Secretariat, GCF Independent Evaluation Unit (IEU), Global Environment Facility (GEF) Secretariat, GEF Independent Evaluation Office (IEO), and Adaptation Fund
CIF AU	7	CIF CEO, CIF Energy, CIF Gender, CIF Local Stakeholder Engagement, CIF PPCR, CIF FIP, and CIF private sector
External Experts	3	Stockholm Environment Institute, UN CC:Learn, Neyen
Multiple	5	Inputs received from TCLP strategy development surveys, as well as discussions related to Just Transition Initiative — Phase 3
<b>TOTAL</b>		This includes input from over 100 individuals consulted through 40 consultations. This number does not include the periodic discussions we have with many external and internal partners through the implementation of activities. However, such input has also contributed to the business plan.

## 5.2 Annex 2: E&L Initiative Activities Completed or Ongoing in FY22, by Learning Theme

Activity Title and Implementing Organization(s)	Activity Type <sup>8</sup>	Status or Due Date
<b>Transformational Change</b>		
Transformational Change Learning Partnership (TCLP) CIF, Ross Strategic → <a href="#">Revised overview document</a>	Cross-Cutting	Ongoing
Country and Thematic Case Studies on Transformational Change CIF, Itad, Overseas Development Institute (ODI), ATA Insights  → Dec 2021: Turkey: The Contribution of the Clean Technology Fund to Energy Efficiency Goals ( <a href="#">case study</a> and <a href="#">summary brief</a> ) → Aug 2021: Transformational Change in Concentrated Solar Power ( <a href="#">case study</a> and <a href="#">summary brief</a> ) → Jul 2021: Mexico: The Contribution of the Forest Investment Program to Forest and Climate Goals ( <a href="#">case study</a> and <a href="#">summary brief</a> )	Cross-Cutting	Ongoing
Working Definition and Dimensions of Transformational Change CIF, Ross Strategic → <a href="#">Full brief</a> and <a href="#">summary</a>	Cross-Cutting	Complete
<b>Development Impacts of Climate Finance and Just Transition</b>		
Just Transitions Initiative — Research, Tools, and Collaborative Learning CIF, Center for Strategic and International Studies  Commentaries: → Dec 2021: <a href="#">Dispatches from COP26: Just Transition or Just Talk?</a> → Sep 2021: <a href="#">Why We Need a Just Rural Transition</a> → Aug 2021: <a href="#">Climate Finance Shaped by the People, for the People</a> → Aug 2021: <a href="#">COP26: The Perfect Opportunity for Latin America and the Caribbean to Champion a Just Transition to Net Zero</a>  Podcasts: → Apr 2022: <a href="#">Just Transitions: Environmental Remediation</a> → Nov 2021: <a href="#">Just Transitions: Focusing on South Africa and India</a> → Nov 2021: <a href="#">Just Transitions: Economic Diversification for Coal Dependent regions</a> → Jun 2021: <a href="#">Just Transitions: A Just Green Recovery from Covid-19</a> → Mar 2021: <a href="#">Just Transitions: India's Path Forward</a>	Cross-Cutting	Ongoing

<sup>8</sup> “Cross-cutting” indicates a study commissioned directly by the E&L Initiative, while “CfP” indicates E&L Call for Proposals activities commissioned through this modality with CIF partners and Observers in 2017 and 2018.



<p>Case Studies of Just Transitions in CIF Programs and Projects  <i>CIF, TERI, Stockholm Environment Institute</i></p> <ul style="list-style-type: none"> <li>➔ Jun 2022: Supporting Just Transitions to Sustainable Water Governance in Bolivia (to be published soon)</li> <li>➔ Mar 2022: Supporting Just Transitions to Sustainable Land Use in Ghana (<a href="#">case study</a> and <a href="#">summary brief</a>)</li> <li>➔ Oct 2021: <a href="#">Understanding Just Transitions in Coal-Dependent Communities: Case Studies from Mpumalanga, South Africa, and Jharkhand, India</a></li> <li>➔ May 2021: <a href="#">A Just Green Recovery from COVID-19</a></li> <li>➔ Mar 2021: Supporting Just Transitions in India (<a href="#">case study</a>, <a href="#">summary brief</a>, <a href="#">mindmap</a>)</li> </ul>	Cross-Cutting	Ongoing
<p>Evaluation of Socio-economic Development Contributions of CIF Investments  <i>CIF, Industrial Economics</i></p>	Cross-Cutting	Aug 2022
<p>Designing Fiscal Instruments for Sustainable Forests  <i>World Bank</i></p> <ul style="list-style-type: none"> <li>➔ <a href="#">Full report</a></li> </ul>	CfP	Complete
<p>Lessons Learned from Noor Ouarzazate Solar Complex in Morocco  <i>World Bank</i></p>	Cross-Cutting	Aug 2022
<p>Measuring Household Climate Resilience in Zambia  <i>World Bank</i></p>	CfP	Complete
<b>Mobilizing the Private Sector through Concessional Finance<sup>9</sup></b>		
<p>St. Lucia's Private Sector Participation in Response to Climate Change  <i>Government of St. Lucia and Environmental Governance Consulting</i></p> <ul style="list-style-type: none"> <li>➔ <a href="#">Full report</a> and <a href="#">summary brief</a></li> </ul>	CfP	Complete
<b>Local Stakeholder Engagement &amp; Benefit</b>		
<p>Using Behavioral Science to Improve Communication Outreach and Increase Female Participation in Natural Resource Management in Mexico  <i>World Bank and CONAFOR</i></p>	CfP	Sep 2022
<b>Program and Sector-Specific Priorities</b>		
<p>Key E&amp;L Lessons Synthesis  <i>CIF</i></p> <ul style="list-style-type: none"> <li>➔ To be published soon</li> </ul>	Cross-Cutting	Complete
<p>Study on CIF-Supported Technical Assistance and Capacity Building  <i>CIF and KPMG</i></p>	Cross-Cutting	Sep 2022
<p>Evaluation of Early Implementation, Outcomes, and Lessons in SREP  <i>ICF Incorporated</i></p> <ul style="list-style-type: none"> <li>➔ To be published soon</li> </ul>	Cross-Cutting	Complete
<p>Learning Review of CIF-supported Hydromet and Climate Services in PPCR  <i>WS Atkins International</i></p> <ul style="list-style-type: none"> <li>➔ <a href="#">Full report</a> and <a href="#">summary brief</a></li> </ul>	Cross-Cutting	Complete

<sup>9</sup> Leveraging the private sector is a cross-cutting theme incorporated in several activities listed under other learning themes, including transformational change, just transition, and program and sector-specific topics. A previously planned forward-looking review on the use of concessional finance in clean energy markets was postponed, but it may be implemented in FY23.

<p>Transforming Weather, Water, and Climate Services: Synthesis Report  <i>World Bank</i>  → <a href="#">Full report</a> and <a href="#">summary brief</a></p>	CfP	Complete
<p>Sector Evidence Gap Map and Systematic Review on Transformative Change  <i>Center for Evaluation and Development, with GCF IEU</i>  → <a href="#">Energy</a> and <a href="#">health</a> evidence gap maps</p>	Cross-Cutting	Complete
<p>Guidance Note: How to Host Engaging Online Events  <i>CIF</i>  → <a href="#">Guidance note</a></p>	Cross-Cutting	Complete



## The Climate Investment Funds

The Climate Investment Funds (CIF) were established in 2008 to mobilize resources and trigger investments for low carbon, climate resilient development in select middle and low income countries. To date, 14 contributor countries have pledged funds to CIF that have been channeled for mitigation and adaptation interventions at an unprecedented scale in 72 recipient countries. The CIF is the largest active climate finance mechanism in the world.

### THE CLIMATE INVESTMENT FUNDS

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