

CLIMATE INVESTMENT FUNDS

Joint CTF-SCF.17/3
May 23, 2017

Joint Meeting of the CTF and SCF Trust Fund Committees
Washington, DC
June 7, 2017

Agenda Item 3

FY18 CIF Business Plan and Budget

PROPOSED DECISION

The Joint CTF and SCF Trust Fund Committee has reviewed and approves:

- i. The Business Plan and administrative budget contained in the document Joint CTF-SCF.17/3, *FY18 CIF Business Plan and Budget*.
- ii. The commitment and transfer by the Trustee of the amounts indicated in the above document and further detailed in Table 6 and Table 9 of Annex 1 to the CIF Administrative Unit, Trustee and MDBs respectively, from available cash resources in the CTF and SCF Trust Funds as follows:
 - Administrative Services: USD 21,813,495;
 - Learning and Knowledge Exchange: USD1,160,000.

The Committees welcome the Business Plan and note that the proposed FY18 CIF budget provides administrative resources for the expected work program of the CIF's operating structure: The Trustee as administrator of the financial assets of the CIF trust funds, the CIF Administrative Unit as the central coordinating unit of the CIF partnership, and the five multilateral development banks (MDBs) as the implementing partners.

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Acronyms

AfDB	African Development Bank
ADB	Asian Development Bank
CIF	Climate Investment Funds
CSO	Civil Society Organization
CSP	Concentrated Solar Power
CTF	Clean Technology Fund
DFID	Department for International Development
DIME	Development Impact Evaluation
DPSP	Dedicated Private Sector Program
ERM	Enterprise Risk Management
EBRD	European Bank for Reconstruction and Development
ESMAP	Energy Sector Management Assistance Program
FIF	Financial Intermediary Funds
FIP	Forest Investment Plan
GEF	Global Environment Fund
GHG	Greenhouse Gas
IBRD	International Bank for Reconstruction and Development
IDB	Inter-American Development Bank
IFC	International Finance Corporation
IUCN	International Union for Conservation of Nature
MDB	Multilateral Development Bank
PPCR	Pilot Program for Climate Resilience
PROFOR	Program on Forests
SC	Sub-Committee
SIDS	Small Island Developing States
SPCR	Strategic Program for Climate Resilience
SREP	Scaling Up Renewable Energy in Low Income Countries Program
REDD	Reducing Emissions from Deforestation and Forest Degradation
TFC	Trust Fund Committee
UNFCCC	United Nations Framework on Climate Change
WB	World Bank

1 Strategic context

1. As a key player in the international climate finance architecture, the Climate Investment Funds (CIFs) have provided and mobilized significant climate finance to developing countries to support high impact investments in renewable energy, energy efficiency, sustainable transport, climate resilience and sustainable forest management. Building on the business model hinged on a programmatic approach to country engagement, the CIF continues to support planning and investments that leverage the strengths of a cohesive stakeholder approach and the expertise of the multilateral development banks (MDBs).¹
2. The four programs of the CIF continue to prove themselves as a tried, tested, and trusted financing mechanism. It is projected that by June 30, 2017 the Clean Technology Fund (CTF) will be supporting 116 projects² in sixteen strategically chosen countries and the Middle East and North Africa (MENA) region, leveraging over USD 47 billion in co-financing from MDBs, and the private sector. The three programs that make up the Strategic Climate Fund (SCF³)—The Forest Investment Program (FIP), Pilot Program for Climate Resilience (PPCR), and Scaling-Up Renewable Energy in Low Income Countries Program (SREP)—show significant progress, with resources approved for 141 projects in 72 countries by June 30, 2017.
3. The maturity of the CIF portfolio is visible through the level of programming of CIF resources. In total, 71 investment plans⁴ will have been endorsed by June 30, 2017, and 24 investment plans and strategic programs for climate resilience (SPCR) will be under preparation. It is projected that by the end of calendar year 2017, the resources for the CTF and PPCR, which represent 85 percent of CIF total funding, will be fully committed to projects and programs.
4. The Fiscal Year 2018 (FY18)⁵ Business Plan and Budget will support the services and activities provided by the CIF partnership, which comprises the CIF Administrative Unit, the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the Inter-American Development Bank (IDB), the International Finance Corporation (IFC), and the International Bank for Reconstruction and Development (IBRD) in its capacity as both CIF implementing entity and as Trustee. The FY18 Business Plan reflects that level of maturity of the CIF—entering its 10th year of operations—and is aimed at supporting the fulfillment of the CIF mandate as a learning and knowledge laboratory while increasing the focus on generation and sharing of results.

¹ The MDB partners of the CIF are the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the Inter-American Development Bank (IDB), and the World Bank Group, including the International Finance Corporation (IFC).

² Projections are based on updates to the pipeline as of March 31, 2017.

³ The Strategic Climate Fund (SCF) comprises of the PPCR, SREP, and FIP.

⁴ Throughout this paper, the term “investment plan” is used generically to refer to a country plan or strategic program to use CTF, PPCR, FIP and SREP resources.

⁵ Fiscal Year (FY) refers to the period beginning July 1 each year to June 30 of the following year. This is in line with the World Bank fiscal year structure.

2 Looking back on FY17 to prepare for FY18

2.1 CIF FY17 Business Plan: Outcome highlights

2.1.1 CTF 2.0 strategic analysis

5. Over the last two fiscal years, the CIF Administrative Unit, working closely with the MDBs and Trustee and in consultation with CTF Trust Fund Committee members, carried out an analysis to explore how best to build on the CTF's financial and operational strength, experience, and unique "MDB-collective" business model to increase the scale and to broaden the range of the capital available to the CTF. Through FY17, intensive engagement and analysis was carried out to meet the requests of the CTF Trust Fund Committee for further analysis following review of the Proposal for CTF 2.0. Activities, including work with credit rating agencies on the proposed financing modalities, outlining the legal structures of each financing modality, and developing elements of the proposed governance and operational policy framework.

2.1.2 Alternative financing models for FIP

6. In response to the paper on Strategic Directions for the CIF discussed by the CIF Joint Committee in June 2016, the FIP governance body requested the CIF Administrative Unit to make an initial assessment of the feasibility of alternative financing models for the FIP. The approach to this analysis is to conduct broad research into emerging public-private finance models that may be well suited to the unique operational structure of the FIP, particularly its channeling of finance through MDBs. The forthcoming analysis⁶ will assess the feasibility of alternative financing models for the FIP, which may include additional loans and/or other forms of direct investment (for a financial return) to incentivize greater private investment in forests and REDD+. The work began in early 2017 with outreach to the MDBs and a range of private sector actors interested in the forest sector. Initial analysis has explored how the FIP can best add value, fill gaps, and mobilize other resources for scale within the overall architecture of finance that attracts and incentivizes participation of the private sector.

2.1.3 Gender integration

7. Efforts to integrate gender across the CIF have deepened since 2014, and have been further endorsed through the Joint Trust Fund Committee approval of the Phase 2 Gender Action Plan FY17-20, which has set an ambitious approach of fostering gender-transformative outcomes through CIF investments and monitoring for impact. FY17 saw a range of technical support, analytical, learning, and outreach activities, including direct support to individual projects. The CIF Gender Working Group of MDB representatives and the CIF Administrative Unit held a global meeting to discuss operationalization of the Phase 2 plan and key developments, such as the CIF Gender Policy (see Section 3.1.7). It also discussed further mainstreaming CIF gender efforts into MDB operations and emerging corporate efforts on gender and climate.

8. Regular dialogue with the gender focal points of the Secretariats of the Green Climate Fund (GCF), Global Environment Facility (GEF), and the Adaptation Fund was also maintained during the year, including around gender policy development. The CIF Gender Program also extended

⁶ The analysis is being conducted in collaboration with the Washington, D.C.-based environmental finance organization *Forest Trends*.

its outreach and learning activities in FY17 through direct collaboration in learning events with ADB, EBRD, Department for International Development (DFID), International Union for Conservation of Nature (IUCN), Energy Sector Management Assistance Program (ESMAP), Bonn-Sieg-Rhein University, and SAIS John Hopkins University, among others.

2.1.4 Stakeholder Advisory Network (SAN)

9. Stakeholder engagement was furthered with the launch of the Stakeholder Advisory Network (SAN) in Marrakesh at the 2016 United Nations Climate Change Conference (COP 22). The SAN serves as a united front to coordinate the work of non-state actors at the country, regional, and global level and ensure climate governance is inclusive, participatory, transparent, and accountable at all levels of climate decision-making.
10. The CIF is pioneering this model by refining its role as a convener and supporting the establishment of an independent community of non-state actors. There are no equivalent networks that would specifically address climate finance across all funds. The SAN network-of-networks will be the first of its kind to connect the dots across funds and identify and promote best practice specific to stakeholder engagement in climate finance.

2.1.5 Knowledge and learning

11. The MDBs and CIF Administrative Unit aggressively pursued the agenda on knowledge and learning in FY17. Some activities included the finalization of the e-Platform on Climate Services for Resilient Development, which provides facilitated and self-paced online learning for practitioners and policy makers to get information on managing the risks and uncertainties of a changing climate through weather and climate services.
12. The World Bank PPCR team also continued its well-received PPCR learning series with two sessions on climate resilience and sustainable livelihoods, and on climate resilience and earth observation. The World Bank FIP team finalized a report on *Harnessing the Potential of Productive Forests and Timber Supply Chains for Climate Change Mitigation and Green Growth: Opportunities for Private Sector Management*. The study, funded by the CIF and the Program on Forests (PROFOR) shows how harvested wood products have great potential to contribute to climate change mitigation and achieve Nationally Determined Contribution goals while delivering substantial green growth benefits. In addition to case studies and lessons learned, MDBs also produced videos and other materials showcasing CIF projects. Annex 2 lists all FY17 knowledge outputs and available links.

2.1.6 Results monitoring and reporting

13. Monitoring and reporting (M&R) is expected to further improve by implementing changes recommended in the recent PPCR and FIP M&R Stocktaking Reviews. In-depth reviews of the PPCR and FIP M&R results frameworks were conducted in in FY17. Key successes and challenges were identified and important lessons from implementation to date captured. The revised PPCR and FIP systems will feature more comprehensive results reporting on achievements. MDBs will closely support this process by providing project level results information for enhanced results reporting.

2.1.7 Enhancements to Risk Management

14. Risk-based decision making was enhanced through the Enterprise Risk Management (ERM) dashboard, which provides up-to-date and relevant risk information on risk exposure. Ongoing efforts to further strengthen the risk management function is empowering the CIF partnership to improve risk analytics. It is now capable of identifying, assessing, and monitoring the CIF's exposures to key strategic, operational, financial, and other risks at the program and sub-program level, and reporting these risk management efforts to the Trust Fund Committees.

2.1.8 Automation enhancements

15. The first phases of the Financial Intermediary Funds (FIF) collaboration space, the web-based platform for more efficient and informed CIF program management, concluded in FY17. Full operational launch is expected in FY18. In a similar effort, the AfDB has developed a collaborative AfDB/CIF platform on SharePoint to share CIF knowledge internally and promote institutional learning on CIF approaches. The Trustee has also automated weekly financial reports, instalment and encashment requests and acknowledgement letters, and is working on the automation of monthly and other financial reports.

2.2 CIF FY18 Business Plan: Areas of strategic focus

16. The focus areas for FY18 are firmly aligned with the thematic structure of the CIF, with continued emphasis on strategic program management, exploring new financing modalities, gender mainstreaming, stakeholder engagement, aligning evaluation and learning with knowledge management and results reporting, and risk management.

2.2.1 Strategic program management

17. Following the approval of the pipeline management policies for the CTF and SCF programs, the implementation of these policies will be a strategic area of focus in FY18. Developed to ensure timely approval of projects, the policies specify additional engagement with countries to ascertain reasons for delay and determine mitigation actions, such as reprogramming resources and other changes to the investment plans. These will have budget implications for FY18.

2.2.2 Exploring financing modalities

18. In recognition of the evolving climate finance landscape, ongoing efforts to explore new financing modalities will continue in FY18. Analysis on proposals for CTF 2.0 are at an advanced stage, and it is anticipated that the CTF 2.0 proposal will be finalized and approved in FY18. More work will be done to explore financing models for the FIP that firmly incorporates a private sector approach. In the PPCR, efforts will be made to increase collaboration with other climate finance partners.

2.2.3 Implementing the CIF Gender Policy

19. The CIF Gender Policy approved in FY17 draws on experience gained through Phase 1 of the CIF Gender Action Plan. The policy is intended to offer greater clarity of purpose and transparency regarding the CIF's intentions around basic principles of inclusion and explicit socio-economic benefit as well as the CIF's corporate requirements on gender. These include areas of CIF governance and due diligence, such as responsiveness to investment criteria,

accountability and internal monitoring, results frameworks, joint mission composition, consultations, expert groups, Observers, investment plan revision, country capacity, and internal learning.

20. This formal policy is expected to be in place along with time-bound work plans in FY18, bringing CIF's gender efforts into greater coherence with gender mainstreaming efforts of other climate finance institutions. The CIF Gender Policy consolidates existing guidance and further harmonizes requirements across CIF programs, while introducing new elements, such as the addition of official gender Observers to the CIF. While the policy maintains the primacy of MDB gender and social policy requirements and safeguards, at the individual MDB project level, the *CIF Gender Policy* further elaborates gender requirements at, for example, the CIF-instrument level of the country investment plan.

2.2.4 *Strategic positioning on knowledge and learning*

21. The CIF Evaluation and Learning (E&L) Initiative continues to anchor a wider strategic approach and emphasis on knowledge and learning in the CIF, focusing on four priority learning themes: 1) Transformational Change, 2) Private Sector Investment, 3) Local Stakeholder Engagement and Benefit, and 4) CIF Design and Approach. These themes remain highly relevant and underpin an integrated CIF knowledge and learning approach for FY18. The overall vision is to amplify the impact of the CIF by mainstreaming CIF knowledge and learning at multiple levels—including within the CIF community and externally with other funds, policy-makers, donors and practitioners—to inform more effective climate action and scale successful models and approaches.
22. Multiple actions in FY18 will drive this strategic approach. Major evaluations and learning partnerships will be implemented through the E&L Initiative, including on transformational change in the CIF, the CIF programmatic approach, and several other areas. These will complement knowledge and learning activities led by the monitoring and reporting, program, and thematic teams in the CIF Administrative Unit as well as the knowledge management activities of the MDBs. Collectively, they will contribute to a well-coordinated and impactful approach that will position the CIF as a thought leader and a true learning laboratory for scaled-up climate finance. The current climate finance context, coupled with the maturity of the CIF portfolio, give the impetus to pursue this mandate with increased vigor leading up to the CIF 10-year anniversary in 2018.
23. To adequately respond to the ambitious plan for knowledge in the CIF while maintaining high standards of quality and coherency, the CIF Administrative Unit proposes to hire a Knowledge Management Specialist in FY18 to support the knowledge, learning and results teams in the CIF Administrative Unit.

2.2.5 *Emphasis on people, results, and storytelling*

24. As more of the CIF portfolio moves toward project implementation, mid-term, and completion, there is increasing demand from the CIF stakeholders, including its governance structure and management, to access more granular project-level results and detailed implementation information. In response, the CIF Administrative Unit, MDBs and recipient countries are working together to ensure that project and country-level results and implementation highlights are collected and presented using various media.

25. This includes a CIF results series with six case studies to illustrate lessons and results that are operationally relevant and provide learning opportunities for the CIF community and other organizations and financing institutions in the same arena. Following the format of the World Bank Global Delivery Initiative, the case studies aim to capture and share insights about the "how" of implementation. They will illuminate the steps taken to produce results, and tease out the strategies and solutions devised to address delivery challenges.
26. The CIF website will also be enhanced to create an engaging and user-friendly experience where the CIF community can access and submit information highlighting results and impact on the ground. The website redesign will provide a platform for disseminating more quantitative and qualitative data, as well as diverse knowledge products for dissemination to a wide audience. The AfDB is also enhancing their CIF website and continuing efforts to disseminate CIF news and stories. Annex 2 includes links to MDB result stories that will continue to be produced in FY18, with cross-posting to the CIF website.

2.2.6 *CIF@10*

27. FY18 marks the 10-year anniversary of the CIF (CIF@10). Building on the strategic areas of focus for FY18, the CIF partnership will use the year to reflect on what the CIF has delivered, "the results agenda" and what the CIF has learned, "the knowledge agenda." This will provide useful inputs to strategic discussions related to the future of the CIF and inform the broader debate on complementarity among the different funding entities in the climate finance architecture. The CIF partnership will utilize various knowledge events and outreach approaches to disseminate lessons learned. This will leverage ongoing and planned activities under the CIF knowledge work stream and activities planned for the FY18 under the E&L Initiative. CIF@10 outreach will begin following the December 2017 CIF Trust Fund Committees meeting and run –through the 2018 calendar year, culminating with a larger outreach event around the December 2018 CIF Trust Fund Committees meeting.

3 CIF budget analysis

28. To achieve the CIF partnership's strategic areas of focus, a FY18 budget is proposed for USD 22.97 million. Following the categories of the CIF budget structure, this proposed budget includes USD 21.81 million for Administrative Services, USD 1.16 million for Learning and Knowledge Exchange, and no new allocations to Support for Country Programming or Special Initiatives. In June 2016, the Joint Meeting of the CTF and SCF Trust Fund Committees approved a budget of USD 23.8 million to cover the estimated expenditures for these budget categories for FY17. Table 1 provides an overview of the projected FY17 budget outcome and proposed FY18 budget by category. Detailed tables are included in Annex 1.

Table 1: Approved FY17, Revised FY17, and Proposed FY18 Budgets by Category (USD '000)

	FY17 Approved Budget A	FY17 Projected Utilization B	FY18 Proposed Budget C
Administrative Services:			
Trustee	2,607.0	2,470.0	2,410.0
External Audit of MDBs & Trust Funds	800.0	750.0	800.0
Admin Unit	9,900.3	9,884.9	11,344.6
MDBs	7,221.3	6,994.4	7,258.9
<i>ADB</i>	1,109.5	1,109.5	1,109.5
<i>AfDB</i>	1,019.4	1,015.0	1,013.2
<i>EBRD</i>	528.6	366.6	330.3
<i>IBRD</i>	2,599.0	2,592.3	2,840.6
<i>IDB</i>	1,028.1	979.2	1,006.3
<i>IFC</i>	936.7	931.8	959.0
Total	20,528.5	20,099.2	21,813.5

	Approved Budget for Activities Beginning in FY17	Expected Utilization at Activity Completion	Proposed Budget for Activities Beginning in FY18
Multi-Year Activities (funds to be utilized in multi years):			
Learning and Knowledge Exchange	1,385.0	1,385.0	1,160.0
Support for Country Programming	-	-	-
Special Initiatives	1,892.0	1,892.0	-
Total	3,277.0	3,277.0	1,160.0

Summary

	FY17 Approved Budget	FY17 Projected Utilization	FY18 Proposed Budget
Administrative Services	20,528.5	20,099.2	21,813.5
Multi-year Activities	3,277.0		1,160.0
Total	23,805.5	20,099.2	22,973.5

29. The proposed overall FY18 budget is lower than the FY17 approved budget by 3.5 percent. Several ongoing multi-year activities under the Learning and Knowledge Exchange, Country Programming, and Special Initiatives category of the budget will continue in FY18. Even though the proposed FY18 budget for Administrative Services is higher, the cost of administering the CIF programs remains flat in real terms despite the maturing portfolio. The following factors are budget drivers that influence the proposed Administrative Services budget increase.

- **World Bank non-salary staff cost recovery:** Effective July 1, 2017, IBRD will revise the rate used to calculate non-salary staff costs charged to all its products, including trust funds. This rate, which has not been adjusted for the past 18 years, is currently set at 50 percent of salary for the non-salary staff costs for trust funds, with the resulting shortfall borne by the World Bank. Starting in FY18, IBRD will adjust the rate charged to 70 percent to move closer to full coverage of trust fund staff costs. This rate change affects the bulk of the required increases in the proposed FY18 budget for IBRD and the CIF Administrative Unit.
- **CTF 2.0 engagement:** The analysis of financing modalities for the CTF, supported by internal dialogue within the MDBs teams, the CIF Admin Unit, the Trustee, and relevant departments of the World Bank supporting the CIFs in all three capacities moderately increased the administrative cost. To support this analysis, MDBs are also engaging more with their financial management, legal departments, corporate risk teams, finance and accounting groups to provide new and additional information required.
- **Portfolio management:** In previous years, budget emphasis was placed on developing investment plans and on programming CIF resources. The CIF's maturing portfolio requires enhanced active portfolio management and reporting, including dimensions of risk management, results, and lessons learned.
- **Focus on knowledge:** Across the MDBs and the CIF Administrative Unit, there is a slight increase in the proposed budget for knowledge and learning. This is attributed to activities involved in implementing the E&L Initiative and additional activities planned in FY18 to build on knowledge and learning as a strategic focus for the CIF in its 10th year of operation (see Annex 2).

30. An analysis comparing the cost of program and project-related administrative costs to funding for projects from FY09 to FY18 in both CTF and SCF highlights an overall positive budget trend. Annex 3 includes detailed breakdown of this analysis, which shows a ratio of 2.7%.
31. To follow is a detailed review of each CIF budget category and its associated work plan. It considers outcomes and lessons learned on FY17 activities and describes planned FY18 activities to be covered by the proposed FY18 budget.

3.1 Analysis of CIF budget category: Administrative Services

32. Administrative Services represent the services provided by the CIF Administrative Unit, the focal point teams of the MDBs, and the Trustee to deliver on the mandate of the CIF. The Administrative Services budget supports a significant portion of the CIF work plan, covering seven target areas, which are:
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations
 2. Investment plan development, update, and revision
 3. Development and approval of CIF funding of programs and projects
 4. Knowledge management and communications

5. Monitoring and evaluation, including stakeholder engagement
6. Gender mainstreaming
7. Managing resources and risk management.

33. Table 2 presents an overview of the approved budget for Administrative Services in FY17 and a proposed budget for FY18 based on current budget utilization trends.

Table 2: Administrative Services: FY17 Projected Budget Outcome and FY18 Proposed Budget by Target Area (USD '000)

Target Area	FY17 Approved Budget	FY17 Projected Utilization	FY18 Proposed Budget
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations	6,692.2	6,922.4	7,444.0
2. Investment plan development, update and revision	1,528.2	1,322.0	1,232.5
3. Development and approval of CIF funding of programs and projects.	1,325.0	1,214.0	1,199.0
4. Knowledge management and communications	3,470.6	3,793.4	3,978.8
5. Monitoring and evaluation; stakeholder engagement in review of IP implementation	2,215.7	2,132.1	2,544.3
6. Gender mainstreaming	1,007.8	901.7	1,052.8
7. Managing resources and risk			
7a. Managing resources	3,780.9	3,303.1	3,829.5
7b. Managing risk	508.1	510.6	532.6
Total	20,528.5	20,099.2	21,813.5

34. Table 2 shows that the overall budget expenditures for FY17 came in slightly under the approved amount by USD 429,324 (or 2.1 percent lower). Even though the budget expenses remained within the overall envelope, resources were shifted between target areas as needed to address changing priorities in the work program during the year. The estimated expenditures for FY18 Administrative Services total USD 21.8 million, which is an increase of USD 1.7 million over the FY17 projected outcome of USD 20.1 million. More follows on activities of each of the seven target areas of Administrative Services.

3.1.1 *Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations*

35. **Trust Fund Committees meetings:** To support the governance structure of the CIF, the CTF Trust Fund Committee and SCF Sub-Committees met twice in FY17: December 2016 and June 2017. In addition to other strategic deliberations, the SCF Sub-Committees reviewed and approved pipeline management policies to expedite the preparation and approval of investment plans and projects. Details and updates on project and investment plan preparation are provided in the program Semi-Annual Reports.⁷ In FY18, the committees will meet in December 2017 and June 2018.

⁷ The Semi-Annual Reports for the CTF, SREP, PPCR and FIP can be found on the CIF website [here](#).

36. **Trust Fund Committees membership:** In FY18, new Committee members will be selected. Membership in the CTF Trust Fund Committee and SCF Sub-Committees is for a period of 18 months, with the next membership term beginning at the Committee meetings in December 2017. The process for selecting new Committee members will commence in July 2017. The CIF Administrative Unit will coordinate this process and organize orientation events for the new Committee members.
37. **CIF Collaboration Hub:** The initial design and development of the Financial Intermediary Funds (FIF) Collaboration Platform was finalized in FY17. The name of the system as customized for the CIFs changed to the *CIF Collaboration Hub*. System roll-out began in FY17 with the launch of the CIF comments application and an MDB training program. June 2017 marks when the Trustee intends to formally hand over the hub to the CIF Administrative Unit for full implementation and management. This hub provides data for CIF analytical and decision-making systems and marks the shift from e-mail based approval systems. Opportunities to enhance the functionality of the CIF Collaboration Hub through a potential new phase of development will be explored in FY18.
38. **Strategic staffing:** The following recruitments to the CIF Administrative Unit were initiated in FY17 to fill staffing gaps and/or identified strategic needs:
- Online Communications Officer (Web Manager): concluded in FY17
 - Gender Specialist: underway to be finalized in Q1 FY18
 - Two Analysts to support risk management and financial management: underway to be finalized in Q1 FY18
 - Lead Operations Specialist: underway to be finalized in Q1 FY18
 - Deputy Program Manager: underway to be finalized in FY18
 - Sr. Knowledge Management Specialist (replacement): underway to be finalized in FY18
 - Sr. Communications Specialist (replacement): underway to be finalized in Q1 FY18
 - Communications Specialist (replacement): underway to commence and finalize in FY18
 - Knowledge Management Specialist (proposed): to commence and finalize in FY18
39. **CIF annual report:** The CIF 2016 annual report titled “Accelerating Climate Action” was prepared in FY17. The report highlights key achievements of the CIF. Similarly, the AfDB CIF annual report “Financing Change” is also available.
40. **Stakeholder Advisory Network (SAN):** FY18 signals the start of operationalizing the SAN. Activities will build on the existing CIF network of non-state actors and expand to other climate finance agencies. The operating modality for this network will be discussed at the SAN meeting in Bonn in May 2017.
41. **CTF 2.0:** Further analysis on CTF 2.0 will continue, with a view to finalize the proposal for decision in FY18. Significant progress has been made on consultations with credit rating agencies and on advancing the legal structure and domiciliation analysis to support the proposal. MDBs also continue to engage with their legal and financial services departments to ensure that the requirements for the proposal are consistent with existing systems, and to identify changes that may be necessary to support the implementation of the financing modalities.

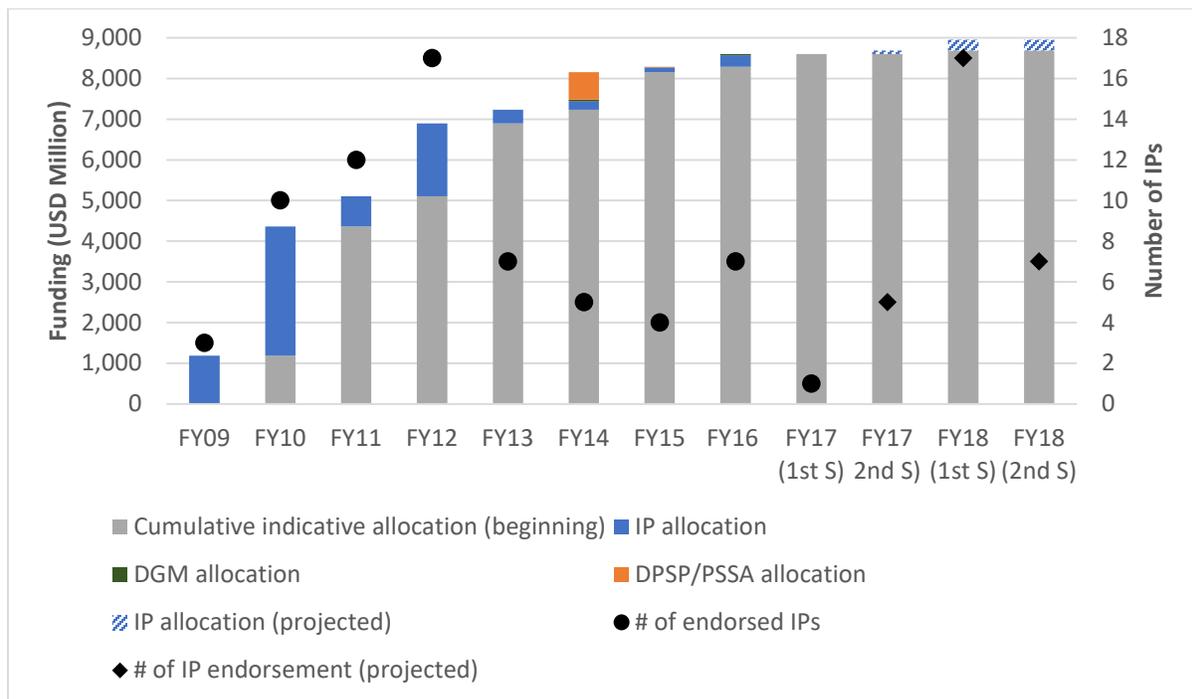
3.1.2 Investment plan development, update, and revision

42. In line with the programmatic approach of the CIF, six investment plans will have been endorsed in FY17 following the June 2017 Committee and Sub-Committees meetings. These are:

- Tunisia FIP Investment Plan: endorsed December 2016
- Cambodia, Guatemala, and Uganda FIP Investment Plan: to be presented to the FIP Sub-Committee, June 2017
- Uganda and Ethiopia PPCR SPCR: to be presented to the PPCR Sub-Committee, June 2017

43. In FY17, MDBs supported 24 SCF countries in the preparation of their investment plans. For this purpose, USD 2 million was approved in FY17 as investment plan preparation grants (IPPGs) for Malawi (PPCR), Lesotho (SREP), and the Republic of Congo (FIP). Annex 4 contains a list of approved IPPGs. Moreover, several FIP and PPCR countries are requesting an extension to the investment plan submissions deadline stipulated in SCF pipeline management policies. The details of these requests are presented in the program Semi-Annual Reports (June 2017). A total of five investment plan submissions are expected in FY18, as illustrated in Figure 1.

Figure 1: Projected CIF Investment Plan Submissions

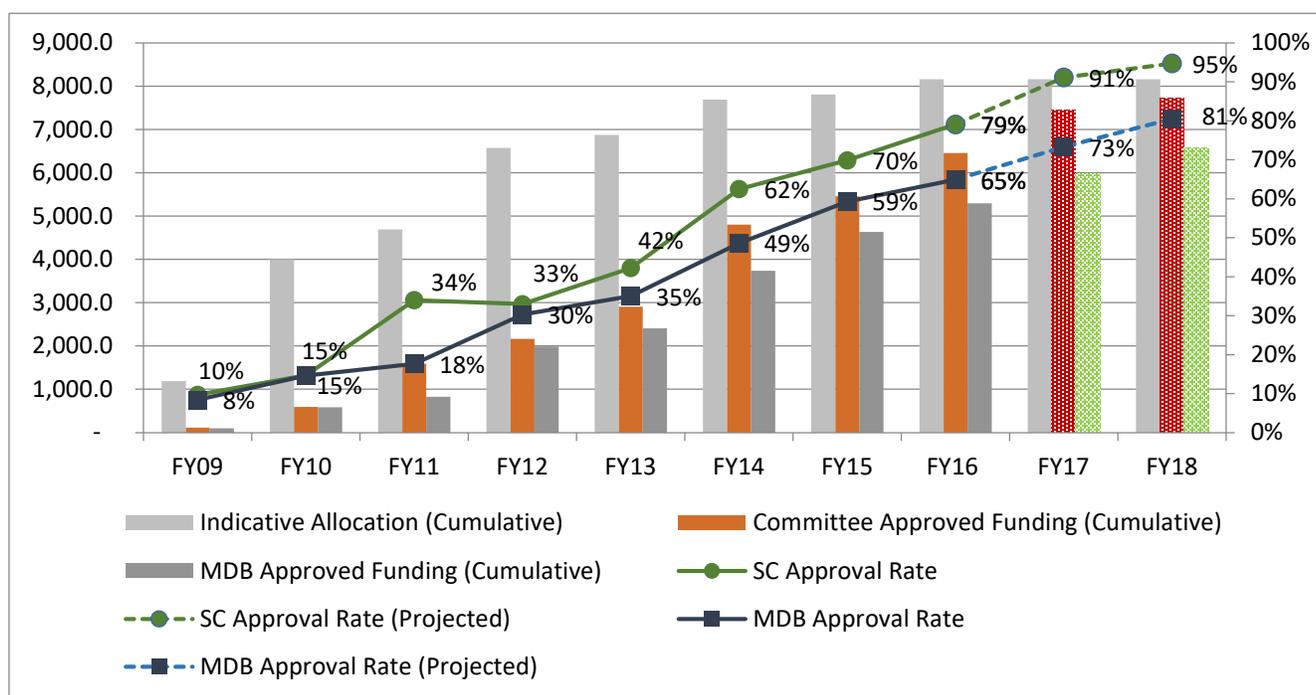


44. The view on investment planning has evolved to include the use of the CIF framework to prepare strategic investment plans that capture a sector diagnosis of investments needed to achieve the climate change aspirations of CIF countries, not just projects that might be funded by the CIF. Evidence shared by the MDBs indicates, for example, that seed funding provided by PPCR in the Pacific has leveraged financing from the GCF and other sources.

3.1.3 Development and approval of CIF funding of programs and projects

45. To support the development of CIF projects and programs, the CIF Administrative Unit and the MDBs report semi-annually on progress made toward targets and provide revisions to projections for project approval timelines as well as analysis of factors driving such revisions. Results reports are prepared annually by program. To streamline communication to the SCF Sub-Committees, the results report of each program was combined with its operations and portfolio report to produce a more concise Operation and Results Report (ORR). The ORRs were launched at the December 2016 Sub-Committee meetings and were well received.

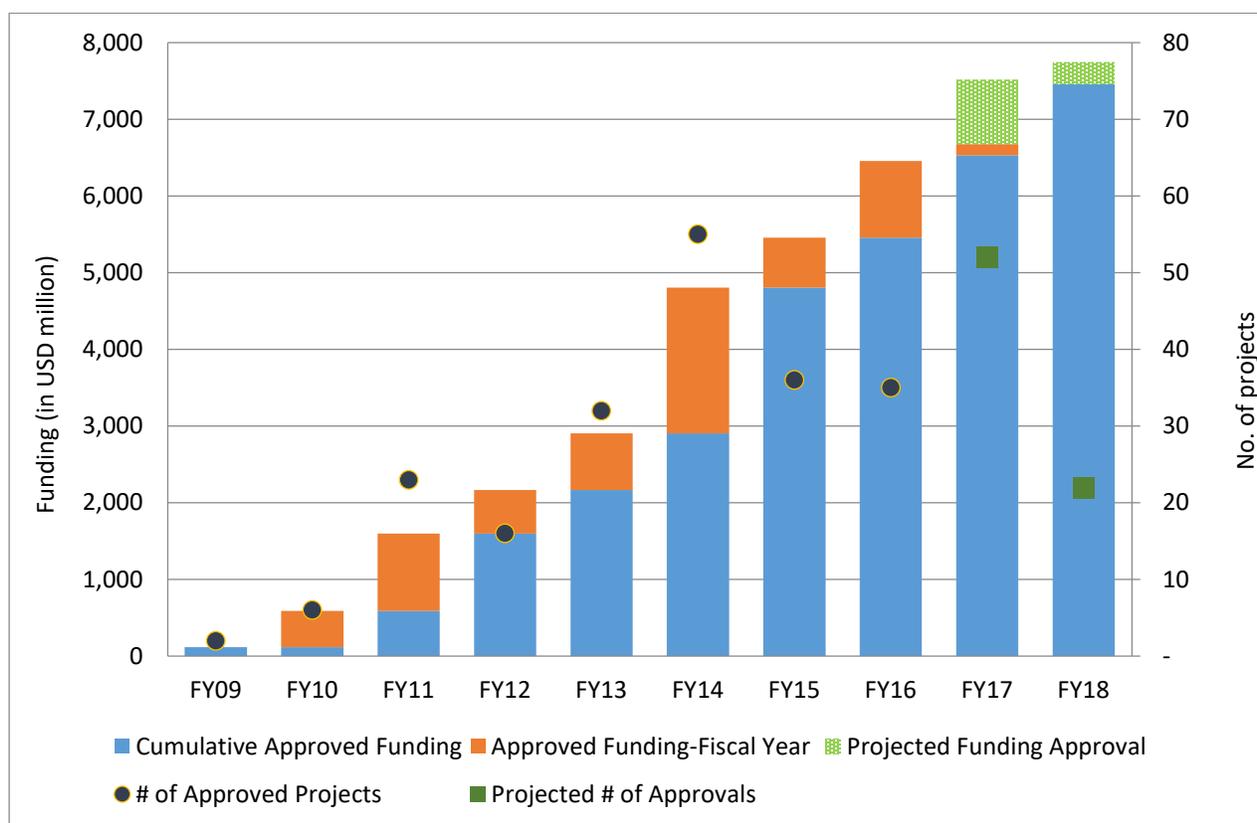
Figure 2: CIF Portfolio Overview



46. In FY17, it is projected that 52 project proposals totaling USD 843 million will have been approved (by June 30, 2017) by the CTF Trust Fund Committee and SCF Sub-Committees. This includes funding channeled through the Dedicated Grant Mechanism for Local Communities and Indigenous Peoples (DGM) and allocations under the SCF private sector set-asides.

47. To ensure adequate portfolio management, the CIF Administrative Unit, in collaboration with the MDBs, conducts regular reviews of the project pipeline during the fiscal year, including expected timelines for project submissions for Committee approval and potential withdrawals. Updated project approvals for FY17 show that project and program approval were below initial forecasts. Details of the reasons and mitigation measures are provided in the Semi-Annual Reports for each of the programs. Figure 2 illustrates trends in project approvals from CIF inception to present.

Figure 3: Trends in Project Approvals: CIF Inception to FY18



48. In FY18, program activities will concentrate on the implementation of existing investment plans and support for the new pilot countries in the preparation of their investment plans. Twenty-two projects requesting a total of USD 292 million of funding are projected to be submitted to the Committees for approval during FY18.
49. By end of FY18, the majority of CIF funds are expected to be committed. It is expected that the CTF and PPCR, the two largest funds in the CIF, will be fully committed by December 2017. The slow-down of project and program submissions heralds a shift from programming to managing a maturing CIF portfolio. The MDBs and the CIF Administrative Unit are now shifting to reporting on the portfolio and adjusting internal systems to suit additional requirements for project-level results reporting. In addition, the CIFs are now in a position to learn from the last 10 years of operation, and therefore, going into FY18, knowledge generation and sharing, at the project and program level will be a strategic focus.

3.1.4 Results, Knowledge and Learning in the CIF

50. As the CIF reaches its landmark 10-year anniversary, there is an increased focus on capturing results, knowledge, and learning emanating from the CIF experience to amplify the impact of the CIF and to inform more effective climate action and scale successful models and approaches. In FY18, the CIF Administrative Unit will drive a more coherent, integrated approach to results, knowledge, and learning by building stronger linkages between the Evaluation and Learning (E&L) Initiative, monitoring and reporting in the CIF, and knowledge management activities.
51. A range of activities conducted in FY17 across these areas yielded important results and helped to lay the foundations for amplifying this work in FY18. They include the following:
- The CIF E&L Initiative began implementation in FY17 following the approval of its Business Plan in June 2016. This included setting up major evaluations and learning partnerships on priority themes; implementing an E&L Call for Proposals, which led to nine approved E&L projects from MDBs, recipient countries, and Observers; and several internal and external engagement activities.⁸
 - M&R held a stock-taking review leading to improved results frameworks in PPCR and FIP that can better capture early project results.
 - Several knowledge products and learning exchange activities were also completed in FY17, including dialogues on the topics of mini-grids, energy efficiency, and regional PPCR learning exchanges.
52. The overall approach to results, knowledge, and learning in the CIF is anchored in the four priority learning themes identified through a consultative process outlined in the E&L Initiative Business Plan. These are: Transformational Change, Private Sector Investment, Local Stakeholder Engagement and Benefit, and CIF Design and Approach. These broad themes will be explored in different ways through evaluation and learning, knowledge management and M&R activities that complement one another. The CIF will also leverage South-South knowledge exchange opportunities to apply learning across contexts.
53. **Transformational change** is the overarching goal of the CIF, and, as such, permeates the other priority learning themes. Assimilating knowledge and evidence on transformational change is an overriding goal of CIF results, knowledge and learning activities. Within the E&L Initiative, a Transformational Change Learning Partnership was formed, consisting of 20-30 CIF stakeholders and external actors (including GCF and GEF) coming together as a core learning community and working with evaluators to co-design definitions, a portfolio review, and evaluative research on this topic in the CIF context. This will lead up to a deep dive capstone synthesis report, which will summarize the available evidence on transformational change and make recommendations for future action. The report will be available by December 2018.

⁸ Please refer to document: Joint CTF-SCF.17/6, Agenda Item 6, *CIF E&L Initiative FY17 Annual Report and FY18 Work Plan* for a detailed description of E&L activities in FY17 and plans for FY18.

54. Complementing this work, the M&R team is collaborating with the World Bank’s Development Impact Evaluation (DIME) team on impact evaluations of FIP and PPCR projects as well as case studies and increased qualitative results reporting on potentially transformative processes and impacts. Pilot country meetings in PPCR and FIP will increasingly focus on evidence and learning on transformational change in specific thematic or sector areas, building on evidence from the E&L Initiative and other efforts. ADB is planning an activity to document successes, challenges, and lessons learned in CIF efforts to empower transformation to low-carbon technologies in Asia and the Pacific. These activities will be discussed within, and in some cases informed by, the E&L Initiative’s Transformational Change Learning Partnership, and will be reflected in the capstone synthesis report.
55. **Private Sector Investment:** The extent to which CIF investments and approaches help to leverage additional private sector investment in climate action is being explored in various ways. The Transformational Change Learning Partnership includes a strong focus on market transformations in key sector, country, and regional contexts. An evaluation of models and approaches for financing forest-related enterprises in the FIP, with a focus on private sector enterprises of various types and sizes, was launched in FY17. The World Bank Clean Energy Team is evaluating the role of key financial instruments in leveraging private sector resources for renewable energy. A CIF Administrative Unit-led knowledge product on private sector adaptation provided one of the first in-depth and comprehensive landscape analyses of this area. These and other activities will help feed into the transformational change capstone synthesis report from a market transformation and private sector perspective.
56. **Local Stakeholder Engagement and Benefit:** The effectiveness of local stakeholder engagement processes and benefits of CIF investments to local stakeholders will continue to be explored in FY18. An overarching evaluation will explore these themes in more depth across the CIF context. Likewise, an important evaluation and learning activity with DGM country stakeholders will generate lessons from this unique program. FIP M&R results reporting will also further capture the implementation progress of DGM projects using existing information from progress reports of Conservation International and the World Bank, DGM implementing entities. Conservation International published its 2016 Annual Report⁹ which shares progress on implementing the DGM in its 14 countries of operation.
57. The E&L Call for Proposals yielded activities on CSO engagement in CIF investments, gender mainstreaming in private sector adaptation, and measuring household-level resilience—all of which will generate learning in FY18. The CIF Administrative Unit will continue to pursue work on gender and efforts in M&R to measure local co-benefits. These will be integrated with the wider work on transformational change. The CIF will also explore opportunities to leverage the expertise and activities of the newly created Stakeholders Advisory Network (SAN).

⁹ The [Annual Report of the Dedicated Grant Mechanism \(DGM\)](#) is available in English, French, Spanish, and Portuguese.

58. **CIF Design and Approach:** In FY18, various evaluation and learning, knowledge management, and M&R activities will generate results and lessons on the CIF design and approach, including the following:
- An evaluation of the CIF programmatic approach launched in FY17 that will deliver important learning to inform strategic discussions.
 - Following the review and update of the FIP/PPCR M&R systems, a roll-out program will start in early FY18 to mainstream enhanced frameworks and approaches in this key area. An in-country capacity building program will aim at strengthening the PPCR and FIP countries capabilities to monitor and report results achieved through their project and program implementation. The DGM will also be included in a targeted capacity building program on M&R.
 - To complement the M&R system, a new results learning series has been developed in partnership with the World Bank's Science of Delivery Initiative. The learning series includes country case studies from CIF projects aiming at fleshing out key results and important lessons from project implementation approaches in strategic areas for the CIF.
 - Facilitating South-South knowledge exchange is also a key facet of the CIF model and approach, and these activities will be leveraged to support dialogue and uptake of successful approaches.
59. Effective management and implementation of the range of knowledge activities, particularly as they grow in size and scope in FY18, will require a robust team to ensure quality design, implementation, and monitoring of activities and to ensure the approach remains integrated. To support the wider CIF knowledge and learning work, including the E&L Initiative, an additional full time staff member in the CIF Administrative Unit is being requested.

3.1.5 Synthesis and dissemination of CIF knowledge and communications

60. Increasingly, communications will be coordinated and supported by a revamped CIF website providing a central portal and repository for all CIF knowledge and learning emanating from E&L and other activities. Dedicated results pages will be further developed to allow for easy access to CIF results across all programs. As the various knowledge activities begin to yield learning and results throughout FY18, dynamic communications, dissemination, and uptake activities will be critical to fulfilling the mandate of producing learning that is relevant and applied. Multiple strategies will be used for communicating learning from these activities, including blogs, summary briefs, webinars, and social media outreach carried out by MDBs and the CIF Administrative Unit. CIF Pilot Country Meetings, Trust Fund Committee meetings, thematic workshops, country cross-visits, regional exchanges, and other CIF events will be leveraged to engage a range of CIF stakeholders in accessing and understanding CIF results, knowledge, and learning.

61. In FY17, there was a renewed momentum to capture and disseminate results on the ground. The communications function within the CIF drives the development and implementation of an integrated and multi-channel communications strategy. Looking forward into FY18, when the CIF will mark its 10th year, capturing results and impact in CIF client countries will increase the visibility and influence of the CIF in the global climate finance architecture and will underscore the position of the CIF as a solutions provider. Documenting will take place through short video documentaries, photo stories and feature articles, and case studies supported by strong visuals.
62. This will be supported by improvements to the CIF website, managed by the CIF Administrative Unit communications team, to strengthen story-telling from the ground, results, and the CIF's knowledge-sharing function. The CIF will continue to expand the use of social media with an emphasis on audiovisual materials with integrated packages and launches, particularly around "spikes" in the communications calendar (for example, for large events such as the COP, UN Climate Week, World Bank Spring and Annual Meetings, and International Women's Day). Combined with a strategic communications approach, these online efforts will enhance the CIF's visibility as well as its influencing and informing role.

3.1.6 Stakeholder engagement

63. The CIF represents an innovative partnership among national governments, MDBs, international development organizations and agencies, civil society organizations (CSOs), Indigenous peoples, and the private sector. To achieve its climate and development objectives, the CIF relies on the active collaboration and involvement of all these stakeholders. The CIF includes Observers representing a range of non-state actors (CSOs, private sector and Indigenous peoples) in its governing bodies. The CIF Observers assist the Trust Fund Committees and Sub-Committees in broadening their perspectives, support transparency and accountability, and ensure more targeted and effective climate action in participating countries.
64. The CIF has seized the opportunity to improve engagement with stakeholders at all levels, including through the establishment of a Stakeholders Advisory Network (SAN) to advance the engagement of broader non-state stakeholders in the CIF and other climate finance institutions and mechanisms at the country, regional and global levels.
65. Non-state stakeholders serve as observers in the CIF and other climate finance institutions and mechanisms, such as GCF, for a limited number of years. The CIF governance structure requires the appointment of new civil society, indigenous peoples, and private sector observers every three years, obligating those who have amassed expertise and experience to leave. To maximize this body of institutional memory and expertise on stakeholder engagement in climate governance from the global to the local levels, the CIF established the SAN to bring together past, present, and future non-state climate finance actors to share information and bridge the knowledge and expertise gap. The SAN will promote more cohesion and create a mechanism to share more coordinated information among the different decision-making levels engaged in climate governance. The first meeting of SAN members in May 2017 in Bonn, Germany discussed strategic documents for the SAN, including a communication plan. Activities in FY18 will be focused on supporting the SAN.

66. To further enhance the role of the CIF in promoting indigenous knowledge, an analytical study on the *Contribution of Traditional Knowledge and Technology to Climate Solutions* is under preparation and will be finalized in FY18. The objective of this study is to explore how traditional knowledge systems can contribute to climate solutions. A brief description of this study, in addition to other ongoing or planned studies, is provided in Annex 2.
67. The DGM under the FIP is a unique program that provides funds directly to indigenous peoples and local communities to address the climate mitigation and adaptation issues they prioritize. Conservation International, the implementing entity of the DGM, published its 2016 Annual Report¹⁰ which shares progress on implementing the DGM in its 14 countries of operation.

3.1.7 Gender mainstreaming

68. The CIF is committed to ensuring that its policies and programming help advance gender equality outcomes through its investments in low carbon development. *The CIF Gender Action Plan – Phase 2* was approved in December 2016 by the Joint Meeting of the CTF and SCF Trust Fund Committees to build upon the gender gains realized under Phase 1, and to expand the focus on policy, operational support, and learning outcomes. The Plan also includes a strengthened framework for monitoring results and impact. This includes use of impact indicators in such areas as women’s renewable energy sector employment; sex-disaggregated beneficiary information, including in low carbon transport and adaptive social protection; and participation of women in CIF investment plan consultations. Gender Working Groups will continue to collaborate on the implementation of Phase 2 Gender Action Plan and its focus areas in FY18.
69. In FY17, gender specific guidance to CIF programs and sectors of focus was developed, including guidance on investment plan preparation and on investments in renewable energy and forests. This work will continue in FY18 with guidance sheets on the topics of gender and sustainable forest management and gender and agri-business, and special outreach to enhance gender efforts under the country programming portion of the budget. Also in FY17, an extensive review of past Trust Fund Committee comments on CIF investment plans and projects was undertaken to allow for improved tracking and follow-up of gender actions during implementation. Gender knowledge products prepared in collaboration with the MDBs and disseminated at different fora are described in Annex 2.
70. Monitoring and reporting on gender in the CIF comprises three main streams: 1) annual reporting on Gender Action Plan implementation for the spring Trust Fund Committees and Sub-Committees meetings, 2) efforts to improve gender-disaggregation of the CIF program results reporting, and 3) 6-monthly reporting for each program in the Semi-Annual Reports. These continued apace in FY17, including collaboration with the CIF M&R team to improve gender content of the FIP and PPCR M&R toolkits. The gender section of the CIF website, developed in FY17, serves as a repository for CIF gender-related information.

¹⁰ The [Annual Report of the Dedicated Grant Mechanism \(DGM\)](#) is available in English, French, Spanish, and Portuguese.

71. The gender work program for FY18, will focus on advancing the objectives of mainstreaming gender in CIF policies and programs and deepening knowledge, learning, and technical support on gender in the CIF. The five categories of outputs and results planned for the gender mainstreaming program in FY18 are shown in Box 1.
72. FY18 work will include rolling out the CIF Gender Policy, once it is approved, with MDBs and other stakeholders. This will include strengthening of systems and backstopping at CIF Administrative Unit level to support expected enhanced requests for country and MDB support. Given the ambitions laid out in the *CIF Gender Action Plan - Phase 2*, close collaboration among all CIF stakeholders will be required. Special efforts will be made in FY18 to build on the momentum of the April 2017 CIF Gender Working Group meeting in London in terms of regular communication and use of CIF program opportunities, particularly in learning and knowledge, to deepen technical collaboration across institutions. CIF lessons on gender are also of interest to MDB organizational efforts on gender and climate, particularly in the World Bank and ADB.
73. It is envisioned that in FY18 the CIF Administrative Unit's will continue and expand its direct technical support to CIF programs and projects. These efforts will be made in response to specific demands from countries and MDBs. FY18 is also expected to see the development of a joint learning activity on gender and sustainable forest management as part of South-South learning exchanges spearheaded by the FIP team of CIF Administrative Unit.
74. On the analytical side, the FY18 delivery of the Gender and Renewable Energy study will be a key focus. The MDBs have planned additional analytical pieces on gender for FY18, such as the ADB stocktaking on gender and energy tariffs in South Asia. To take advantage of natural synergies between the learning work on gender and sustainable forest management, and the future analytical work on gender, tenure, and benefit-sharing in a REDD+ context, it is expected that FY18 will include some initial background research in this area, and the expansion of dialogue already begun with the gender team at CIFOR based in Bogor, Indonesia.
75. In terms of learning activities (in addition to the forest exchange referred to above), the Gender team of CIF Admin Unit will also support the Evaluation and Learning effort of the CIF on its assessment of gender integration, and maintain the robust dialogue undertaken to date on gender policies and systems with other climate finance actors, including the Green Climate Fund, GEF, Adaptation Fund, UNFCCC, and key international NGOs such as IUCN, WEDO and the Heinrich Boell Foundation.

Box 1: Snapshot of CIF FY18 gender work plan outputs and results

1. Policy and tool development

- a) Roll-out of approved CIF Gender Policy with MDBs and other stakeholders
- b) Regular discussions with the CIF Gender Working Group on the implementation of Phase 2 Gender Action Plan and its key areas
- c) Monitoring of MDB and country follow-up to program Sub-Committee member comments on gender for investment plans and projects

2. Program support

- a) Technical cross-support to CIF programs and projects, as requested by MDBs
- b) FIP learning exchange on gender, with FCPF and other forest programs
- c) CIF gender website maintained

3. Analytical work

- a) CIF Admin Unit study on Gender and Renewable Energy delivered
- b) CIF Admin Unit case notes on Institutional Lessons on Gender Integration in CIF IPs and projects
- c) IDB technical note on Gender and Forests

4. Monitoring and reporting

- a) Annual reporting on CIF gender program indicators; contributions to core CIF reporting (Results Reports and Semi-Annual Operational Reports)
- b) Contributions to CIF reporting on impact

5. Knowledge and learning

- a) Gender content mainstreamed in CIF learning events, including FIP Pilot Countries Meeting and other South-South learning exchanges
- b) Support to implementation of evaluative review of CIF approach to gender integration
- c) Continued dialogue with other climate finance mechanisms and the MDBs on gender and climate policies and priorities

3.1.8 *Managing resources*

76. The CIF Administrative Unit, working with the MDBs and the Trustee, prepares and reports on the use of resources for the administration of the CIF. The MDBs manage cash flow and resources transferred by the Trustee, including funding approved for country projects and programs. The MDB Committee serves as the mechanism for coordination. The Trustee, collaborating with the CIF Administrative Unit and the MDBs, provides a range of services, including financial management of CIF contributions and other resources, including investment management of trust fund balances, accounting and financial reporting, legal services, and the execution of CIF transactions, including commitment and transfer of CIF resources following decisions of the CTF Trust Fund Committee and SCF Sub-Committees.

77. From late 2016, the Trustee began providing increased levels of reporting, including on foreign exchange risk of Promissory Notes outstanding, and weekly and monthly reports on the status of the CTF and SCF Trust Funds, for use by the CIF Administrative Unit. The Trustee has also initiated a new process of monthly reconciliations with the CIF Administrative Unit and semi-annual reconciliations with MDBs. A full report of the activities of the Trustee is included in Annex 5.
78. In the context of proposals for a CTF 2.0, the CTF Trust Fund Committee requested a review of portfolio, financial and risk management, and reporting practices of the CIF to identify what improvements may be needed to address current and future needs. The Trustee hired a consultant who performed the review of practices of the Trustee, CIF Administrative Unit, and MDBs. The review confirmed that, for current practices, financial management by the Trustee, the CIF Administrative Unit, and the MDBs is meeting originally agreed reporting requirements, and in some cases, exceeding them. This analysis resulted in the preparation of an action plan, to be implemented in FY18, targeted at enhancing portfolio, financial, and risk management and reporting. Recommendations include developing a legal framework for MDB information sharing; clarifying roles and responsibilities among the Trustee, MDBs, and CIF Administrative Unit; and pursuing further automation of workflow processes.

3.1.9 *Risk management*

79. In June 2016, the CIF Administrative Unit updated the Trust Fund Committees on progress on implementing the ERM Framework, and in December 2016, the CIF Administrative Unit circulated the Annual Risk Management Report on the CTF and SCF to the Trust Fund Committees. This report included assessments of key risk exposures, detailing the impacts of the CIF's currency risk exposures on resource availability and over-programming. It stressed the need to accelerate project approvals and implementation to reduce these exposures and their impacts.
80. The CIF Administrative Unit maintains risk assessments on the CTF Risk Dashboard with information updated monthly to ensure that CTF Trust Fund Committee members have access to current information on an ongoing basis. The CIF Administrative Unit engaged more closely with CTF Trust Fund Committee member countries in FY17 to discuss risk and resource related matters with government representatives, and to demonstrate the content and functionality of the CTF Risk Dashboard. This support will continue in FY18.
81. In FY17, the CIF Administrative Unit, working with the MDBs and the Trustee, also developed and operationalized risk dashboards for the three SC programs, to facilitate risk monitoring. These dashboards, which were launched in May 2017, will be updated on an ongoing basis with current information. In FY18, concerted effort will be made to monitor proactively external events, fraud risk, with regular engagement with MDBs regarding monitoring results. This will include proactive reporting and notification to Sub-Committees regarding significant risks and updates to risk metrics, and a review of MDBs' integrity policies and controls for managing fraud risk.

82. In support of determining the feasibility of each of the options under consideration for CTF 2.0, the CIF modeled and stress tested the credit quality of the CTF's current portfolio, establishing a weighted average credit rating and probability of default for public sector, private sector, and overall portfolio of CTF loans. Continued support for the development and implementation of CTF 2.0 in the area of credit risk modeling, liaising with rating agencies, and assessing and codifying information needs will continue in FY18.

3.2 Analysis of CIF budget category: Learning and Knowledge Exchange

3.2.1 FY17 highlights

83. The Learning and Knowledge Exchange budget category was expanded in FY16 to include the CIF Partnership Forum, pilot country meetings (held approximately every 18 months), major knowledge products with a broad focus aiming at promoting CIF-wide knowledge, and external learning events linked to major meetings, such as the COP or MDB annual meetings. The goal is to provide greater visibility to CIF's accomplishments and lessons learned.

84. The multi-year budget for learning and knowledge exchange for FY17 is summarized in Table 3:

Table 3: FY17 Approved Activities for Learning and Knowledge Exchange

Activity	Amount (USD '000)	Implemented by
CTF/SREP Pilot Countries Meeting	600	CIF AU
PPCR Pilot Countries Meeting	360	CIF AU
Mini-Grids Study Learning Event	150	CIF AU
Energy Efficiency Study	175	CIF AU
COP22 and Other Events	100	CIF AU
Total	1,385	

85. The activities approved under this category in FY17 included pilot countries meeting for SREP, CTF, and PPCR; an energy efficiency study; mini-grids study tours; and international events such as MDBs annual meetings and COP22 in Morocco. While still preserving cross learning among both programs, it was decided that separate meetings for the CTF and SREP pilot countries would be more impactful. The PPCR also explored smaller regional exchanges for more focused south-south learning. The CTF and PPCR pilot countries meetings will be held in FY18, but the following events and initiatives occurred in FY17.

86. **SREP Pilot Countries Meeting:** Over 90 participants from 20 SREP pilot countries, MDBs, government officials and development partners and private sector from Cambodia, and other multilateral organizations, including the GCF, IRENA, and SE4ALL, gathered in Phnom Penh, February 1-3, 2017, for the SREP Pilot Countries meeting. The knowledge exchange event provided a platform for countries to learn from each other and exchange ideas and lessons on practical issues related to the design and implementation of SREP investment plans and other renewable energy activities. These events have proven to be a useful way to identify complementarities and concrete opportunities for collaboration between the SREP and other related funds and initiatives.
89. **Mini-grids learning event:** In support of nearly USD 200.0 million portfolio of investments in clean energy mini-grids, the CIF Admin Unit continued the collaboration with ESMAP launched in FY16 to promote learning and knowledge exchanges on operationalizing mini-grids for timely access to electricity. The first action learning event on mini-grids was held in Nairobi, Kenya in May 2016 and attracted more than 200 participants from government, the private sector, CSOs, development partners, and academic/research institutions to share experiences and discuss technical and regulatory challenges and solutions for scaling up clean energy mini-grids. A second action learning event was held in Nawpyidaw, Myanmar in February 2017, which attracted more than 250 participants. Both events included strong participation from SREP countries with CIF-supported mini-grids. The events included a series of roundtable discussions among different constituencies, a technical conference, and a field visit.
87. This initiative will be finalized in FY17. To consolidate the depth of technical knowledge and learning which took place through the events, a LinkedIn group and other online platforms will be used to encourage continuous learning among the community of practitioners brought together through this initiative.
88. **PPCR regional exchanges:** In addition to pilot countries meetings, the CIF explored the option of holding smaller regional knowledge exchanges to foster learning and capacity building among countries in specific regions. The CIF PPCR team held two regional exchanges in Asia Pacific and Africa. Sessions at the Africa PPCR regional exchange in Zambia included communicating climate change effectively, ecosystem-based adaptation, sustainable livelihoods, and M&E, which were well-received by participants, who came from eight PPCR countries in Africa and MDBs. Government officials also joined participants on a field visit to a PPCR sub-project sites. The exchange afforded the opportunity for more experienced and new PPCR countries to learn from one another and build professional support networks to encourage country-to-country learning. These exchanges will continue in FY18 in the context of the PPCR pilot countries meetings.
89. **Energy efficiency study:** In FY17, the CIF Admin Unit commissioned Carbon Trust to undertake a study on Scaling up Energy Efficiency Financing: Lessons Learned from the CIF. Eight case studies are expected to be produced based on the CTF-funded energy efficient projects and programs both in public and private sectors. In conjunction with the Vienna Energy Forum (VEF) in May 2017, the CIF Administrative Unit organized a side event and a dialogue on scaling up energy efficiency financing, featuring CTF projects in India, Mexico, and Turkey. The CIF side event at the VEF 2017 attracted about 100 participants. About 40 representatives from the countries, MDBs, CIF Administrative Unit, and experts from other organizations

participated in the First CIF Energy Efficiency Dialogue. In FY18, the case studies will be completed and published. The CIF Administrative Unit is working with Carbon Trust and other partners to organize a Second Energy Efficiency Dialogue during the first half of FY18 in Latin America.

90. **International events:** The CIF led three side events at COP 22 in Marrakesh in December 2016. “No Risk, No Reward,” co-organized with the AfDB, explored the role of de-risking investment in realizing groundbreaking renewables projects in Morocco and Sub-Saharan Africa. “Harmonizing GHG Accounting Standards to Mobilize Public and Private Finance for Climate Action,” organized in collaboration with the Government of Senegal and the UNFCCC, highlighted the opportunities, challenges, and the way forward for harmonizing GHG accounting among international financial institutions and beyond. “Strengthening Climate Finance in a New Era of Transparency, Accountability and Inclusiveness,” was organized in cooperation with the International Chamber of Commerce and Transparency International.
91. The annual meetings of the MDBs also provided an avenue to engage stakeholders in the climate sphere and share CIF knowledge with a wider audience.

3.2.2 Activities planned for FY18

92. Pilot countries meetings for PPCR, CTF, and FIP will be held in FY18. Whereas the budget for the PPCR and CTF meetings was already approved in the FY17 budget, USD 350,000 is proposed for the FIP pilot countries meeting, which will likely be held before June 2018.

Table 4: Proposed FY18 Budget for Learning and Knowledge Exchange

Activity	Amount (US\$'000)	Implemented by
Knowledge Exchanges	180	CIF AU
Case Studies and Lessons Learned	150	CIF AU
Thematic Learning Events	165	CIF AU
FIP Pilot Countries Meeting	350	CIF AU
CIF@10 Events	200	CIF AU
COP23 & other Events	115	CIF AU
Total	1,160	

93. **Knowledge Exchanges:** This budget allocation will support activities to further leverage the unique CIF platform of MDBs, recipient countries and civil society organizations to contribute to dynamic learning at various levels. This includes South-South exchanges, cooperation and learning opportunities, learning within and across MDBs, and learning with technical thematic experts, networks and partners. South-South cooperation and learning is interpreted here as the broad set of activities which facilitate knowledge sharing, learning and enhanced cooperation among CIF recipient countries. This may occur through events, cross-visits, and participation in thematic learning networks to capitalize on the inherent strength and comparative advantage of the CIF. The themes and activities to be covered will include: (a) 2nd energy efficiency dialogue; (b) knowledge sharing on Concentrated Solar Power (CSP) between Morocco and other countries and regions; (c) knowledge sharing on geothermal among CTF and SREP countries; (d) knowledge sharing on solar and mini-grid and off-grid experiences especially in Africa.

94. **Case studies and lessons learned:** CIF stakeholders are expecting increased levels of results reporting to complement the CIF's traditional results reports. More qualitative stories are needed, especially given the complexity of the operating environments for CIF investments and the often intangible yet transformational indirect impacts. A number of case studies will be implemented in FY18 that will focus on highlighting results that illustrate good lessons learning opportunities of strategic importance – and will follow the format set-out in the science of delivery initiative (GDI).
95. **Thematic learning events, networks and communities of practice:** Thematic learning events will be organized around a specific sector, technical or thematic area. Recent successful examples include the mini-grids workshops and dialogues on CSP and geothermal, as well as planned events on energy efficiency and gender and forests. Regional exchanges can also be thematic events, such as the recent PPCR Asia-Pacific exchange on urban resilience. In FY18 and beyond, the CIF will build on these activities, and explore virtual learning networks and communities of practice as an effective complement to in-person events, enabling a continuous program of learning and exchange at a lower cost.
96. **FIP Pilot Countries Meeting:** Pilot countries meetings convene recipient and contributor country governments, MDB, and other key stakeholders to enable south-south knowledge exchange and share learning based on CIF implementation. Importantly, these gatherings promote the building of relationships across pilot countries, the discussion of common issues and the provision of feedback to the CIF's governing bodies. The 2017 FIP pilot countries meeting (provisionally in Laos) will provide the opportunity for pilot countries to share experiences, successes and challenges, and lessons learned from the FIP implementation process.
97. **CIF@10:** FY18 marks the 10th year anniversary of the CIF. Through various events and outreach approaches, the CIF will disseminate lessons learned with CIF stakeholders.
98. **COP 23 and international events:** This will include knowledge sharing at international events such as the COP 23, annual meetings of the World Bank and other MDBs, and other international events.

3.3 Analysis of CIF budget category: Support for Country Programming

99. The multi-year country programming budget supports the MDBs, in achieving five broad categories of activities to support CIF pilot countries: 1) Investment Plan Preparation Mission Support, 2) Stakeholder Review, 3) Gender, 4) Monitoring and Reporting 5 Knowledge Management, and 6) Investment Plan Update.
100. The Trust Fund Committees consider and approve requests for annual top-ups to the multi-year budget based on projections of funding needs. The MDB Committee reviews and approves MDB funding requests for planned individual activities following established procedures. Upon approval, the Trustee makes funding commitments to the respective MDBs. Unused funds are returned by the MDBs to the Trustee. These returned funds are then available to be “recycled” for funding new support proposals.

101. It is estimated that USD 2.8 million under the multi-year Country Programming Budget will be utilized by MDBs in FY17. Annex 4 includes details of activities approved under country programming budget. Table 5 outlines the approved budget for country programming from FY09 to FY17, including return of unused funds by MDBs. This data indicates that by the end of FY17, there will be a balance of USD 6.6 million will be available to support the FY18 estimated requests presented in Table 6. Therefore, there will be no additional funding approval requested for FY18 activities.

Table 5: Projected Balance to Support for Country Programming FY09-FY17 (US\$'000)

	CTF	PPCR	FIP	SREP	SCF	Total
1. Country programming budget approved by TFCs (FY09-FY17)	5,277.7	13,990.9	10,642.5	9,970.3	34,603.7	39,881.4
2. Allocations by MDB Committee (estimated as of 6/30/2017)	3,952.7	12,782.7	9,874.9	9,162.3	31,820.0	35,772.7
3. Funds returned by MDBs (12/31/2016)	682.7	353.3	285.8	1,137.0	1,776.1	2,458.8
4. Projected balance of funds as of 06/30/17 (1-2+3)	2,007.7	1,561.5	1,053.4	1,945.0	4,559.8	6,567.5
5. FY18 Estimated requests for country programming	170.0	730.0	625.0	1,524.0	2,879.0	3,049.0
6. Estimated balance for country programming beyond FY18	1,837.7	831.5	428.4	421.0	1,680.8	3,518.5

Table 6: FY18 Estimated Requests for Country Programming (US\$'000)

	CTF	PPCR	FIP	SREP	SCF	Total
IP Preparation	-	-	-	954.0	954.0	954.0
IP Update	-	-	-	160.0	160.0	160.0
Gender	50.0	50.0	200.0	100.0	350.0	400.0
Results Framework Implementation	-	410.0	240.0	180.0	830.0	830.0
Stakeholder Review Meetings	-	120.0	100.0	80.0	300.0	300.0
Knowledge & Other Activities	120.0	150.0	85.0	50.0	285.0	405.0
Total:	170.0	730.0	625.0	1,524.0	2,879.0	3,049.0

102. **Investment plan preparation mission support:** This budget category supports the preparation of investment plans and the identification of stakeholders engaged in relevant sectors. MDBs work closely with the countries to develop investment plans and SPCRs for the SCF programs. Details of approved activities in FY17 are provided in Annex 4. In FY18, only a few pending IP preparation funds will be requested. About 90 percent of available resources for this category of the country programming budget has been utilized. Attention will now focus on other areas of the budget.

103. **Stakeholder review:** This budget category supports the convening of multi-stakeholder stakeholder forums to ensure open and frequent exchange of information with stakeholders. This review may be done in tandem with the M&R stakeholder engagement workshops targeted at reviewing investment plan implementation at the country level. These consultations informed the CTF investment plan reviews for Honduras and Colombia in FY17. Similarly, in Peru, stakeholder review workshops with government and indigenous people representatives on the status of preparation of IDB projects helped to find solutions to the delays in the implementation of Peru's portfolio. Stakeholder review workshops were held in FIP Lao PDR and Indonesia to review the status of their investment plan implementation in FY17. Stakeholder review consultations planned for FY18 include PPCR Haiti, Jamaica, and Caribbean regional program. In CTF, stakeholder reviews are planned in Indonesia, Philippines, Thailand, and Vietnam to review the status of implementation of the investment plans. In SREP, these reviews will be held for Nepal and Solomon Islands.
104. **Monitoring and reporting:** The country programming budget supports M&R capacity building for countries in FIP and PPCR. The new revised M&R toolkit for PPCR and FIP will be rolled-out with a hands-on training program. Various means of media will be used to further strengthen M&R capacities in countries. Workshops on M&R will also be held in FY18 in connection with PPCR and FIP pilot countries meetings to further strengthen the results monitoring framework of SPCRs. In line with the recently completed review of the monitoring and reporting stocktaking reviews for FIP and PPCR, additional support will be requested by countries to implement the new toolkits.
105. **Knowledge management:** These resources support the development of country-specific knowledge products and related outputs. In FY17, for instance, the AfDB organized a workshop in Ghana to reach out to relevant stakeholders that could play a significant role in the scale-up of sustainable commercial plantations in Ghana and across the region. In FY18, MDBs will produce videos to narrate the experience of using CIF resources and showcase project-level result stories. AfDB proposes to conduct a study of innovative financial solutions to scale up clean cooking in Africa including financial products and support schemes that can be introduced to unlock the growth potential of the cook stove and clean fuels sector in Africa.
106. **Gender:** The purpose of the gender category in supporting country programming is to enhance gender integration in investment plans design and implementation through analysis, technical support, outreach, and dissemination of good practices. In the context of the FIP Ecuador and Honduras programs, the two governments plan to hold in-country gender consultations during investment plan preparation. Other activities planned for FY18 include country-to-country knowledge exchanges on gender and capacity building workshops on gender planned in Nicaragua for government agencies.
107. **Investment plan revision and update:** Where necessary, funding from this category will support the update of Investment Plans (IPs) and Strategic Programs for Climate Resilience (SPCRs). It is anticipated that in FY18, updates will be made to the SREP IPs in Uganda, Ethiopia, Mali, and Cambodia.

3.4 Analysis of CIF budget category: Special Initiatives

108. Special Initiatives are multi-year initiatives approved toward implementing a specific program or activity of the CIF, as proposed in the business plan. The FY18 Business Plan and Budget will not include a specific proposal for special initiatives in FY18. Attention will be on finalizing the ongoing special initiatives, and on implementing the ambitious knowledge activities approved in FY17. It is expected that the knowledge activities successfully implemented under this category can continue under the expanded Learning and Knowledge Exchange category, with clear criteria for prioritization and reporting to enhance the knowledge impact.
109. To follow are updates on the multi-year initiatives either ongoing or due to be completed in FY17.
110. **Financial Intermediary Funds (FIF) collaboration space (now “CIF Collaboration Hub”)**: In May 2009, the CTF and the SCF Trust Fund Committees approved funding to be managed by the Trustee for a multi-year special initiative on systems development. The objective was to develop a web-based platform to support various business processes of the CIF. The CIF funds were to be leveraged with funds approved by the governing bodies of other financial intermediary funds (FIFs) to ensure that a common platform could be used across all FIFs housed at the World Bank. The initial development of the resulting platform (which currently involves three other FIFs in addition to the CIFs) was completed in FY17.
111. It is likely that the FIF collaboration space (also known as the CIF collaboration hub) will expand the current coverage of work flow processes in FY18. This will only be determined after roll-out of the system is complete in early FY18. While the cost of maintaining this system will be absorbed by the annual Administrative Services budget, a supplemental budget may be proposed in mid-year FY18 to cover the costs of improvements foreseen in the next phase of development.
112. **The E&L Initiative** was launched following the approval of its Business Plan in June 2016 and subsequent Year One Work Plan in September 2016 (see Section 3.1.4). Since then, an E&L call for proposals successfully engaged a range of CIF entities, generating 11 evaluation and learning proposals from MDBs, recipient countries and Observers. Proposals covered all four CIF programs and addressed various topics relating to the four E&L priority learning themes and included significant levels of co-financing. Planned FY18 activities include the implementation of major strategic, cross-cutting evaluation and learning activities as articulated in the Year One Work Plan. A second call for proposals, initiated in FY17, will undergo review and approval to be funded in early FY18. Efforts to strengthen South-South learning, as well as active learning within and among MDBs through CIF learning events and platforms, will continue to be pursued. In addition to encouraging collaboration efforts with GCF, GEF and others, the initiative will further strengthen synergies with CIF M&R and knowledge management work through a more integrated approach, aligning all CIF knowledge, learning and results measurement activities within a single cluster approach.

113. **DIME engagement:** In May 2015 the Joint CTF SCF Trust Fund Committee allocated funding to three projects in Mozambique, Burkina Faso, and Brazil with the objective of promoting evidence-based learning in the CIF. The benefiting projects in the initiative are undertaking impact evaluations with support from the World Bank's Development Impact Evaluation Initiative (DIME). Due to the long-term nature of impact evaluations, the funding was approved as a multi-year special initiative. As of FY17, the Sustainable Land Water Resource Management Project (AfDB) in Mozambique and the Burkina Faso Gazetted Forests Participatory Management Project (AfDB) are advancing and are expected to generate results and learning for the CIF during FY18. The Brazil Sustainable Production in Areas Previously Converted to Agricultural Use project (IBRD) was dropped. The CIF Administrative Unit M&R and the DIME teams have identified a FIP project in Indonesia as a replacement. Additional information concerning this initiative will be presented in FY18, when preliminary impact results for the other projects will be available.
114. **Multi-Tier Access Framework to support investment planning in SREP countries:** In partnership with ESMAP, the Multi-Tier Access Framework (MTF) is an important tool to measure progress toward reaching the goal of universal access to modern energy services. This special initiative is a part of a larger ESMAP initiative to carry out a global MTF survey to establish a baseline for the SE4ALL universal access to energy goal. The MTF survey will be carried out in countries with the largest access deficit, including some SREP countries where survey results will be processed using the MTF diagnostic tool and technical assistance will be provided to disseminate results and build understanding and capacity on how to use the survey results moving forward.
115. The MTF survey instruments have been completed and piloted through this special initiative, which targets at least 10 SREP pilot countries: Bangladesh, Ethiopia, Haiti, Honduras, Liberia, Kenya, Rwanda, Tanzania, Uganda, and Zambia. Three types of survey instruments have been developed: 1) full scope, which includes all four modules, 2) simplified version, focusing only on household access, and 3) minimalistic version to be included in the existing country surveys. Given the magnitude of the efforts and the piloting nature of this exercise, the global survey used in SREP countries was the simplified version, focusing on household access only. In FY17, activities included procuring ground partner firms to support the governments in capacity building and in conducting their surveys. More details by country are provided in the June 2017 SREP Semi-Annual Operational Report¹¹. The MTF surveys are expected to be completed in FY18 for the 10 SREP countries, along with capacity building activities.
116. **Strategic analysis (CTF 2.0):** A special initiative was proposed in FY17 in anticipation of the long-term activities related to the strategic analysis underpinning the future directions of CIF, including further development of options for financing modalities for the CTF. This analysis will continue in FY18 (see Sections 3.1.1 and 3.1.8).

¹¹ SREP Sub-Committee meeting, June 6, 2017 – Meeting documents.

117. **Collaboration with PROFOR team:** PROFOR offers a range of tools and methodologies that can support FIP countries' investment plan preparation and implementation. Much of the early FIP investment plans focus was on the need to improve the governance climate for the sector. Inclusive processes to make decisions on reforms and wider stakeholder access to reliable information on the quality of forest governance can create a powerful momentum for change. A PROFOR tool, Forest Governance Assessment and Monitoring, is being used to achieve this through a systematic gathering of stakeholder perceptions and experiences and making it public. In the FIP investment plan process, this tool has the potential to help target essential investments and track progress towards milestones. This ongoing activity allows FIP to partner with PROFOR to extend the use of the tool in up to two FIP pilot countries to identify the governance baseline, plan investments, and track progress. It will also allow for a joint FIP/PROFOR publication.
118. During FY17 a report, funded through this partnership with PROFOR as a special initiative, looked at the potential role of productive forests in climate change mitigation and in support of a low-carbon, green-growth economy in a developing country context. The report, *Harnessing the Potential of Productive Forests and Timber Supply Chains for Climate Change Mitigation and Green Growth*,¹² examined six countries (Ethiopia, Colombia, Mexico, Mozambique, Peru and Vietnam) with tropical forests and assessed their governments' commitment to achieving the Paris Climate Agreement goals. The selected countries are engaged in forest development, climate policy and investment processes. The findings of the study show tremendous development opportunities, but also underline the challenges countries face to realize outlined opportunities. A related video on "[Engaging the private sector for green growth](#)" was recently published.
119. **Promoting innovation in CIF knowledge management initiative by MDBS:** In FY17, USD 500,000 (USD 150,000 CTF and USD 350,000 SCF) was awarded to six proposals submitted by MDBs for knowledge activities that are consistent with CIF priorities and meet some or all the criteria for being strategic, innovative, participatory, and applied. One activity was dropped due to a shift in MDB strategic priorities. A new proposal will be reviewed by the CIF Administrative Unit and approved by the MDB Committees. The five ongoing activities receiving support under this special initiative include the following, all of which are due to be completed in FY18 and FY19 (see Annex 2 for details):
- Study to promote private sector engagement in adaptation and resilience through the creation and marketing of adaptation benefit units (AfDB)
 - Proposal for scaling up drought tools as a cornerstone of climate services in support of decision making and climate resilience (World Bank)
 - Study on the use of concessional climate finance to promote smart urban development (World Bank)
 - Bending the Arc: A high-level learning event on success stories of renewable energy integration and energy efficiency (World Bank)
 - Demonstration activity to assess the impact of solar powered refrigeration units on the livelihoods of African farmers and fishermen in Cote d'Ivoire (AfDB).

¹² The report, and an informational video, is available [here](#) on the PROFOR website.

120. **Investment plan review (funding for investment plan expert reviewers):** The SCF Trust Fund Committee agreed that a focused independent technical review of proposed investment plans and strategies proposed for funding under the SCF targeted programs would contribute to enhancing the quality of the plans and strategies. Consequently, the SCF programs have developed updated guidelines and terms of references to conduct these independent technical reviews, in collaboration with the MDBs. All investment plans prepared over FY17 and FY18 will be subject to this preliminary expert review. In this context, expert reviewers were procured to carry out investment plan reviews for Uganda (FIP, PPCR), Ethiopia (PPCR), Guatemala (FIP), Tunisia (FIP), and Cambodia (FIP).
121. **Four risk management dashboards**—one each for the CTF, the PPCR, the SREP, and the FIP—have been developed (see Section 3.1.8). These dashboards provide meaningful risk assessment, reporting, and monitoring capability to stakeholders. They are secure sites protected by user ID and password and access is provided only through invitation by the CIF Administrative Unit. The portion of this special initiative that was devoted to automating data feeds has been postponed, pending a comprehensive review of the FIF Collaboration Platform to assess whether this platform can enable the MDBs to upload information required under the Annexes in the Financial Procedures Agreements which the Risk Dashboards would then use. The CIF budget supports the maintenance of the dashboards.
122. **Support to GHG analysis and harmonization of methodology:** As part of this special initiative, CIF funding, along with other partners, support the development of a joint database of emission factors in the energy sector to complete the harmonization process and bridge methodological gaps for certain project types, such as geothermal, biomass, grid-extension, mini-grid, and off-grid. In the transport sector, CIF funding pilots the application of the harmonized principles through institution-specific methodologies to understand the drivers of divergence in results and obtain robust demand data to strengthen existing GHG accounting methodologies and ensure comparability of results. CIF funding will build on ongoing MDB collaboration in this regard, and create a platform to support the MDBs to harmonize GHG reporting. An update on the harmonization was provided to the CTF Trust Fund Committee in December 2016¹³. Additional work on this analysis will continue in FY18.

¹³ [Green House Analysis and Harmonization of Methodologies \(2016\)](#)

4 List of Annexes:

1. FY17 Budget Outcome and FY17 Proposed Budget - Supporting Tables
2. Details of Knowledge Products in FY17 and FY18
3. Cost of Program and Project Related Administration Costs compared to Total Project Funding
4. IPPG and Country Programming Budget approved activities
5. Trustee Additional Details

Annex 1: FY17 Budget Outcome and FY17 Proposed Budget - Supporting Tables

Table 1: Administrative Services: Approved FY17, Projected FY17 and Proposed FY18 Budget by Target Area (\$'000)

Target Area	Trustee	Admin Unit	MDBs	FY17 Approved Budget	% of Total	Trustee	Admin Unit	MDBs	FY17 Projected Utilization	% of Total	Trustee	Admin Unit	MDBs	FY18 Proposed Budget	% of Total
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing	676.2	4,465.1	1,550.9	6,692.2	32.6%	670.0	4,707.1	1,545.3	6,922.4	34%	661.0	5,240.3	1,542.7	7,444.0	34.1%
2. Investment plan development, update and revision		367.7	1,160.5	1,528.2	7.4%		281.1	1,040.9	1,322.0	7%		335.2	897.3	1,232.5	5.7%
3. Development and approval of CIF funding of programs and		132.8	1,192.2	1,325.0	6.5%		69.7	1,144.3	1,214.0	6%		212.1	986.9	1,199.0	5.5%
4. Knowledge management and communications		2,041.9	1,428.7	3,470.6	16.9%		2,221.6	1,571.8	3,793.4	19%		2,351.0	1,627.7	3,978.8	18.2%
5. Monitoring and evaluation; stakeholder engagement in review of IP implementation		1,386.8	828.9	2,215.7	10.8%		1,443.1	688.9	2,132.1	11%		1,615.6	928.7	2,544.3	11.7%
6. Gender mainstreaming		677.7	330.1	1,007.8	4.9%		597.3	304.5	901.7	4%		687.8	365.0	1,052.8	4.8%
7. Managing resources and risk															
7a. Managing resources	2,730.8	320.1	730.0	3,780.9	18.4%	2,550.0	54.4	698.7	3,303.1	16%	2,549.0	369.9	910.5	3,829.5	17.6%
7b. Managing risk		508.1		508.1	2.5%		510.6		510.6	3%		532.6		532.6	2.4%
Total	3,407.0	9,900.3	7,221.3	20,528.5	100%	3,220.0	9,884.9	6,994.4	20,099.2	100%	3,210.0	11,344.6	7,258.9	21,813.5	100%

Table 2: Administrative Services - FY17 Projected Budget Outcome by Fund Program (US\$'000)

	CTF		SCF		Total	
	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization
Trustee	1,542.0	1,430.0	1,065.0	1,040.0	2,607.0	2,470.0
External Audit of MDBs and Trust Funds	400.0	375.0	400.0	375.0	800.0	750.0
Admin Unit	3,898.4	4,250.5	6,001.9	5,634.4	9,900.3	9,884.9
MDBs	1,919.0	1,815.8	5,302.2	5,178.5	7,221.3	6,994.4
Total	7,759.4	7,871.3	12,769.1	12,227.9	20,528.5	20,099.2

Table 3: Administrative Services - FY17 Approved Budget and Projected Utilization for Trustee by Fund Program and Target Area (US\$'000)

Trustee Services	CTF		SCF		TOTAL	
	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations	371.6	370.0	304.6	300.0	676.2	670.0
7. Managing resources and risk	1,170.4	1,060.0	760.4	740.0	1,930.8	1,800.0
Total Trustee Costs	1,542.0	1,430.0	1,065.0	1,040.0	2,607.0	2,470.0
External Audit of MDBs and Trust Funds	400.0	375.0	400.0	375.0	800.0	750.0

Table 4: Administrative Services - FY17 Approved Budget and Projected Utilization for Administrative Unit by Fund Program

	CTF		SCF		TOTAL		Share of Total Budget	
	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations	1,748.8	2,024.0	2,716.3	2,683.0	4,465.1	4,707.1	45%	48%
2. Investment plan development, update and revision	121.3	120.9	246.4	160.2	367.7	281.1	4%	3%
3. Development and approval of CIF funding of programs and projects.	66.4	30.0	66.4	39.7	132.8	69.7	1%	1%
4. Knowledge management and communications	754.5	955.3	1,287.4	1,266.3	2,041.9	2,221.6	21%	22%
5. Monitoring and evaluation; stakeholder engagement in review of IP implementation	519.1	620.5	867.7	822.6	1,386.8	1,443.1	14%	15%
6. Gender mainstreaming	297.8	256.8	379.9	340.4	677.7	597.3	7%	6%
7. Managing resources and risk	390.5	243.0	437.7	322.1	828.2	565.0	8%	6%

Table 5: Administrative Services - FY17 Approved Budget and Projected Utilization for MDB by Target Area (US\$'000)

	ADB		AFDB		EBRD		IBRD		IFC		IDB		TOTAL		Share of Total Budget	
	FY17 Approved Budget	FY17 Projected Utilization	FY17 Approved Budget	FY17 Projected Utilization												
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations	173.6	152.6	190.7	189.7	264.3	178.8	493.6	570.6	231.2	256.5	197.6	197.1	1,550.9	1,545.3	21%	22%
2. Investment plan development, update and revision	85.6	83.6	169.0	168.4	28.8	19.7	611.3	528.6	178.1	153.1	87.7	87.5	1,160.5	1,040.9	16%	15%
3. Development and approval of CIF funding of programs and projects.	116.6	112.9	126.6	126.2	45.7	20.9	435.0	422.0	265.7	260.2	202.7	202.1	1,192.2	1,144.3	17%	16%
4. Knowledge management and communications	392.5	426.5	208.1	207.1	86.0	84.2	479.3	606.7	85.9	115.1	176.8	132.2	1,428.7	1,571.8	20%	22%
5. Monitoring and evaluation; stakeholder engagement in review of IP implementation	190.7	184.6	93.4	93.0	29.5	16.4	331.7	218.2	88.4	82.5	95.2	94.2	828.9	688.9	11%	10%
6. Gender mainstreaming	65.7	64.2	41.4	41.1	34.9	21.9	36.5	51.0	48.8	23.9	102.8	102.4	330.1	304.5	5%	4%
7. Managing resources and risk	84.8	85.1	190.2	189.6	39.5	24.7	211.6	195.2	38.6	40.3	165.3	163.7	730.0	698.7	10%	10%
GRAND TOTAL	1,109.5	1,109.5	1,019.4	1,015.0	528.6	366.6	2,599.0	2,592.3	936.7	931.8	1,028.1	979.2	7,221.3	6,994.4	100%	100%

Table 6: FY18 Proposed Budget by Fund Program and Budget Category (US\$'000)

	CTF		SCF		Total	
	FY18 Proposed Budget		FY18 Proposed Budget		FY18 Proposed Budget	
Administrative Services						
Trustee	1,301.0		1,109.0		2,410.0	
External Audit of MDBs and Trust Funds	400.0		400.0		800.0	
Admin Unit	4,590.8		6,753.8		11,344.6	
MDBs	1,876.0		5,382.9		7,258.9	
Sub-total	8,167.8		13,645.7		21,813.5	
Other Multi-Year Activities:						
Learning and Knowledge Exchange	340.5		819.5		1,160.0	
Support for Country Programming	-		-		-	
Special Initiative	-		-		-	
Total	8,508.3		14,465.2		22,973.5	

Table 7: Administrative Services - FY18 Proposed Budget for Trustee and Audit Fee by Fund Program and Target Area (US\$'000)

Trustee Services	CTF		SCF		TOTAL	
	FY17 Projected Utilization	FY18 Proposed Budget	FY17 Projected Utilization	FY18 Proposed Budget	FY17 Projected Utilization	FY18 Proposed Budget
Policy development, working with the TFCs/SCs, and managing relations	370.0	401.0	300.0	260.0	670.0	661.0
Managing resources	1,060.0	900.0	740.0	849.0	1,800.0	1,749.0
Total Trustee Costs	1,430.0	1,301.0	1,040.0	1,109.0	2,470.0	2,410.0

Trustee Service Components	CTF		SCF		TOTAL	
	FY17 Projected	FY18 Proposed	FY17 Projected	FY18 Proposed	FY17 Projected	FY18 Proposed
Financial Management and Relationship	460.0	506.0	423.0	465.0	883.0	971.0
Investment Management	700.0	525.0	430.0	440.0	1,130.0	965.0
Accounting and Reporting	180.0	180.0	180.0	180.0	360.0	360.0
Legal Services	90.0	90.0	7.0	24.0	97.0	114.0
Total Trustee Costs	1,430.0	1,301.0	1,040.0	1,109.0	2,470.0	2,410.0

External Audit of MDBs and Trust Funds	375.0	400.0	375.0	400.0	750.0	800.0
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Table 8: Administrative Services - FY18 Proposed Budget for Admin Unit by Fund Program and Target Area (US\$'000)

	CTF		SCF		TOTAL		Share of FY18 Budget
	FY17 Projected Utilization	FY18 Proposed Budget	FY17 Projected Utilization	FY18 Proposed Budget	FY17 Projected Utilization	FY18 Proposed Budget	
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations	2,024.0	2,111.3	2,683.0	3,129.0	4,707.1	5,240.3	46%
2. Investment plan development, update and revision	120.9	97.0	160.2	238.2	281.1	335.2	3%
3. Development and approval of CIF funding of programs and projects.	30.0	89.1	39.7	123.1	69.7	212.1	2%
4. Knowledge management and communications	955.3	1,020.5	1,266.3	1,330.5	2,221.6	2,351.0	21%
5. Monitoring and evaluation; stakeholder engagement in review of IP implementation	620.5	540.3	822.6	1,075.4	1,443.1	1,615.6	14%
6. Gender mainstreaming	256.8	289.1	340.4	398.7	597.3	687.8	6%
7. Managing resources and risk	243.0	443.6	322.1	459.0	565.0	902.5	8%
Total	4,250.5	4,590.8	5,634.4	6,753.8	9,884.9	11,344.6	100%

Table 9: Administrative Services - FY18 Proposed Budget for MDB by Fund Program (US\$'000)

	CTF		FIP		PPCR		SREP		TOTAL	
	FY17 Projected Utilization	FY18 Proposed Budget								
ADB	268.8	270.9	251.8	199.6	287.5	353.4	301.4	285.5	1,109.5	1,109.5
AfDB	147.7	154.8	281.1	287.3	254.9	246.9	331.4	324.2	1,015.0	1,013.2
EBRD	215.1	197.0	32.6	32.6	96.4	64.0	22.4	36.8	366.6	330.3
IBRD	464.3	519.6	783.3	787.7	753.4	880.3	591.3	653.0	2,592.3	2,840.6
IFC	466.5	472.5	93.5	121.6	185.9	170.3	185.9	194.7	931.8	959.0
IDB	253.4	261.2	246.0	253.1	235.4	241.5	244.4	250.5	979.2	1,006.3
Total	1,815.8	1,876.0	1,688.3	1,681.9	1,813.5	1,956.4	1,676.8	1,744.6	6,994.4	7,258.9

Table 10: Administrative Services - FY18 Proposed Budget for MDB by Target Area (US\$'000)

	ADB		AFDB		EBRD		IBRD		IFC		IDB		TOTAL		Share of FY18 Budget
	FY17 Projected Utilization	FY18 Proposed Budget													
1. Policy development, working with the Trust Fund Committees, Sub-Committees, and managing relations	152.6	175.0	189.7	210.2	178.8	147.3	570.6	573.7	256.5	238.3	197.1	198.3	1,545.3	1,542.7	21%
2. Investment plan development, update and	83.6	95.3	168.4	152.0	19.7	8.0	528.6	394.0	153.1	160.4	87.5	87.7	1,040.9	897.3	12%
3. Development and approval of CIF funding of programs and projects.	112.9	118.2	126.2	131.4	20.9	-	422.0	395.7	260.2	139.6	202.1	201.9	1,144.3	986.9	14%
4. Knowledge management and communications	426.5	376.3	207.1	163.4	84.2	22.5	606.7	808.0	115.1	109.3	132.2	148.3	1,571.8	1,627.7	22%
5. Monitoring and evaluation; stakeholder engagement in review of IP implementation	184.6	191.1	93.0	111.7	16.4	38.5	218.2	371.7	82.5	121.2	94.2	94.6	688.9	928.7	13%
6. Gender mainstreaming	64.2	63.3	41.1	44.4	21.9	22.5	51.0	88.0	23.9	45.0	102.4	101.8	304.5	365.0	5%
7. Managing resources and risk	85.1	90.4	189.6	200.2	24.7	91.6	195.2	209.5	40.3	145.2	163.7	173.7	698.7	910.5	13%
GRAND TOTAL	1,109.5	1,109.5	1,015.0	1,013.2	366.6	330.3	2,592.3	2,840.6	931.8	959.0	979.2	1,006.3	6,994.4	7,258.9	100%

Annex 2 - Knowledge products and activities in FY17 and FY18

FY17 Completed knowledge deliverables

Institution	Title/Description
ADB	Documentation of results for: <ol style="list-style-type: none"> 1. India – CTF: Rajasthan Renewable Energy Transmission Investment Program 2. Tajikistan – PPCR: Building Capacity for Climate Resilience 3. Indonesia - CTF private sector: Indonesia Geothermal Program; FIP: Community-Focused Investments to Address Deforestation and Degradation (CFI-ADD+)
ADB	Report entitled: Building Gender into Climate Finance: ADB Experience with the Climate Investment Funds
ADB	<u>Mainstreaming climate change risk management in development: lessons learned from ADB experience in the Pilot Program for Climate Resilience</u> - This document identifies lessons learned on mainstreaming climate change considerations into development planning, from Strategic Programs for Climate Resilience (SPCR) development and the preparation and start-up of Pilot Program for Climate Resilience (PPCR) projects and TAs (to be completed by June 30, 2017).
ADB	The Asian Development Bank and the Climate Investment Funds - Country Fact Sheets
AfDB	FIP Ghana forestry Workshop. Workshop to reach out to relevant stakeholders in order to highlight the beneficial conditions for forestry investments in Ghana.
AfDB	[BROCHURE] GROWING GREEN – 2016 mid-year review AfDB/CIF. LINK
AfDB	[ANNUAL REPORT] FINANCING CHANGE – AfDB/CIF ANNUAL REPORT 2016. To be completed in June, 2017
AfDB	[REPORT] Transitioning from INDCs to NDCs in Africa - LINK
AfDB	[WORKSHOP AND REPORT] REDD IN AFRICA - Context, challenges and next steps of REDD mechanisms in the continent - LINK
AfDB	[BROCHURE] Spearheading Change – Climate Finance Brochure 2016 - LINK
AfDB	[BLOG] Climate Change in Africa: Adaptation Benefit Mechanism - LINK
AfDB	[FACTSHEET] COP22 SUCCESS STORY - Morocco’s Noor: largest concentrated solar power plant in Africa - LINK
AfDB	[FACTSHEET] COP22 SUCCESS STORY - Expanding geothermal development in Kenya : A Model for Replication - LINK

AfDB	[FACTSHEET] COP22 SUCCESS STORY -South African wind energy farm lights up over 120,000 homes while saving carbon emissions: AfDB/CIF-funded - LINK
AfDB	[FACTSHEET] COP22: Inclusive Climate Financing - LINK
AfDB	[VIDEO]CIF: The power of solar - LINK
AfDB	[VIDEO] Menengai Geothermal Project in Kenya - LINK
AfDB	[VIDEO] COP22 Africa Pavilion with interview of Mr. Bakkoury, key note speaker at No Risk, No reward event - LINK
AfDB	[VIDEO] Assessing the impact of solar powered refrigeration units on the livelihoods of African farmers and fishermen in Cote d'Ivoire – to be completed by June 30, 2017
AfDB	[WEBSITE] COP22 WEBSITE - LINK
AfDB	[NEWSLETTER] CLIMATE FINANCE - LINK
AfDB	<p>PRESS RELEASES:</p> <ul style="list-style-type: none"> • Burkina Faso wins \$4-million loan to invest in farmers' cooperatives to revive sustainable cashew market - LINK • Climate finance mobilization required to strengthen NDC ambition, says new report - LINK • Geothermal energy can curb Africa's energy shortage and more - LINK • African nations join front-runners in ratifying Paris Agreement on climate change - LINK • Ghana wins US \$24 million to restore and expand sustainable forests through innovative public-private partnership - LINK <p>Mali wins \$25 million grant to build pioneering utility-scale solar photovoltaic plant and transform West African energy market - LINK</p>
AfDB	New SHAREPOINT AfDB/CIF PLATFORM - LINK
AfDB	[EVENT] Africa's renewable energy revolution must engage public and private financing partners to break down economic, political and social risks, experts agree - LINK
AfDB	[EVENT] Niger: strengthening climate change resilience - LINK
AfDB	[EVENT] ABM workshop, London, 11 April, 2017
AfDB	[EVENT] AfDB Annual Meeting - 22-26 May, 2017
DGM	Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities - Annual Report 2016
EBRD	Gender Assessment of District Heating Projects in Kazakhstan financed by the Clean Technology Fund (CTF)
EBRD	Toolkit: Gender Mainstreaming in District Heating Projects in the Commonwealth of Independent States
EBRD	Gender Assessment of the Clean Technology Fund (CTF) financed District Heating Project in the City of Lutsk, Ukraine
EBRD	Case Study Qairokkum Hydropower: Planning ahead for a changing climate
IBRD	e-Platform on Climate and Weather Services for Resilient Development

IBRD	PPCR Learning Series completed: (i) Climate Resilience and Sustainable Livelihoods ; and (ii) Climate Resilience and Earth Observation ; and (iii) Climate Resilience & El Nino Food Impacts . Presentations and discussion summaries were disseminated on the PPCR Learning Series Portal; and learning event (BBL) on Climate Change Action in Cities - the Detroit Experience.
IBRD	Mini-grids and Gender Equality: Inclusive Design, Better Development Outcomes
IBRD/CIF Admin Unit/PROFOR	<i>“Harnessing the Potential of Productive Forests and Timber Supply Chains for Climate Change Mitigation and Green Growth: Opportunities for Private Sector Management”</i> . The study showed how forests, if managed sustainably, can provide green growth and climate change mitigation outcomes. The official report release date was April 3, 2017, and it was shared on the World Bank website with a feature story, blog post and a short video. Currently the team is working on finalization of the product and outreach activities, a team of consultants is helping on the product related communication and dissemination activities.
CIF Admin Unit	Gender and Renewable Energy: Entry Points for Women's Livelihoods and Employment
CIF Admin Unit	CIF Gender Action Plan Phase 2
CIF Admin Unit	CLEAN ENERGY MINI-GRIDS: Once a Holy Grail, Now a Reality
CIF Admin Unit	Private Sector Investment in Climate Adaptation in Developing Countries: Landscape, Lessons Learned and Future Opportunities
CIF Admin Unit	Session on “How can Climate Investments Support Sustainable Land Use?” organized during the World Bank Land and Poverty Conference. Link to blog on the event.

FY18 Proposed Knowledge Products

Entity	Program(s)/ Thematic area	Title/Description	CIF Learning Themes
ADB	CTF and SREP	<u>ADB and the Climate Investment Funds, Empowering transformation to low carbon technologies in Asia Pacific</u> - This document aims to highlight the progress and successes of selected projects from ADB's portfolio of CTF and SREP funded projects and consider some of the challenges and lessons learned from their preparation and implementation. (production to be completed in FY18)	Transformational change
ADB	CTF, SREP, FIP, PPCR	Showcasing projects in: 1. Pacific cluster - Papua New Guinea (PPCR), Solomon Islands (SREP), Tonga (PPCR) and Vanuatu (SREP) 2. Maldives – SREP: Preparing Outer Islands for Sustainable Energy Development Program (POISED) 3. Mongolia – SREP: Upscaling Renewable Energy Sector Project 4. Laos – FIP: Protecting Forests for Sustainable Ecosystem Services (PFSES) 5. Thailand – CTF Private Sector: Renewable Energy Investments (results videos) 6. Viet Nam – CTF Sustainable Transport (results videos)	Transformational change; CIF design and approach; private sector
AfDB	FIP/PPCR	PPCR/FIP MOOC: Development of a Massive Online Open-Access Course (MOOC) to promote and raise awareness of the FIP and PPCR processes in selected countries.	CIF design and approach
AfDB	PPCR	Promoting private sector engagement in Adaptation and Resilience through the creation and marketing of Adaptation Benefit Units (ABUs)	Transformational change; private sector investment
AfDB	PPCR/FIP	Assessing the impact of solar powered refrigeration units on the livelihoods of African farmers and fishermen in Cote d'Ivoire. Proposal will help to demonstrate the technology and livelihoods benefits of solar powered chillers for farmers and fisherman. For a relatively low cost, this proposal could help to prove the viability of a potentially high impact technology with scalability potential in many PPCR and FIP countries.	Transformational change; private sector investment
AfDB	SREP	Study of innovative financial solutions to scale up clean cooking in Africa. The Clean Cooking study will review various financial products and support schemes that can be introduced to unlock the growth potential of the cook stove and clean fuels industry. This needs to examine the financing needs of two different groups at the opposite end of the value chain: suppliers and consumers.	Private sector

Entity	Program(s)/ Thematic area	Title/Description	CIF Learning Themes
ALL	FIP	FIP Pilot Country meeting	CIF design and approach; Transformational change
ALL	PPCR	PPCR Pilot Country meeting, including regional exchanges for the Caribbean, LAC.	CIF design and approach; Transformational change
CIF Admin Unit	CTF	South-South exchange by countries: Learning from successful implementation on the ground: <ol style="list-style-type: none"> 1. Geothermal: both CTF and SREP countries doing geothermal; countries to visit may include: Turkey/Indonesia/Kenya 2. EE: This will be a follow-up on the ongoing EE work; possible countries to visit: Turkey, Chile, Kazakhstan, India 	Transformational change; private sector investment
CIF Admin Unit	CTF	Study on Sustainable transport. Sustainable transport has been identified as one of the priority areas for CTF2.0. The current portfolio, however, has not moved very well. Access to climate finance has been challenging for the transport sector, and implementation of approved funding has been very slow. The CIF Admin Unit plans to work with the WB/MDB transport GP to draw lessons learned from the CTF experience and other successes.	CIF design and approach; Transformational change; private sector
CIF Admin Unit	FIP	Financing forest enterprises: Evaluations of financing models for sustainable forest-related enterprises	Private sector; transformational change; CIF design and approach
CIF Admin Unit	FIP	DGM for Indigenous Peoples and Local Communities: Lessons for FIP, and wider climate sector	Local stakeholder engagement and benefit; CIF design and approach
CIF Admin Unit/FIP	Gender	South-South Knowledge Exchange and analytical work on Gender and Forests. The proposed analytical work and South-South exchanges will review both direct operational investment under the FIP, as well as new efforts and enhanced collaboration with PROFOR, FCPF, BioCF, CIFOR, IUCN and others. This will help to strengthen gender-responsive approaches to forest landscapes and community forest tenure and benefit-sharing, including linkages with agro-forestry investments, and gender integration in forest agency budgeting and planning; gender in REDD+ processes.	Transformational change; CIF design and approach; local stakeholder engagement and benefit

Entity	Program(s)/ Thematic area	Title/Description	CIF Learning Themes
CIF Admin Unit	KM	Energy efficiency follow-up dialogue and regional. This is the second and last dialogue workshop planned under the existing EE initiative that was started in FY17, building upon the consultant's analytical work. Second EE dialogue will take place in the LAC region. Will likely take place in September 2018.	Transformational change; CIF design and approach; private sector
CIF Admin Unit	KM	Facilitating or developing enhanced online learning networks/communities of practice and contributing to OLC courses.	CIF design and approach; Transformational change
CIF Admin Unit	M&R	Results Learning Series: A number of case studies will be implemented in FY18 that will focus on highlighting results that illustrate good lesson learning opportunities of strategic importance – and will follow the format of set-out in the science of delivery initiative (GDI).	CIF design and approach; Transformational change
CIF Admin Unit	PPCR, CTF, SREP, FIP	Transformational change: Evaluation and learning partnership including theory of change, portfolio review, deep dive evaluative research and capstone synthesis report	Transformational change
CIF Admin Unit	PPCR, CTF, SREP, FIP	Programmatic approach: Evaluation of the CIF programmatic approach in select countries and programs	CIF design and approach
CIF Admin Unit	PPCR, CTF, SREP, FIP	Local stakeholder engagement: Evaluation of local stakeholder engagement and country coordination/ownership	Local stakeholder engagement and benefit; CIF design and approach
CIF Admin Unit	PPCR; All	Strengthening thematic learning events and networks: Evaluating and strengthening regional exchanges and South-South learning	CIF design and approach; transformational change
CIF Admin Unit	All	Disbursement Study – Phase II	CIF design and approach

Entity	Program(s)/ Thematic area	Title/Description	CIF Learning Themes
EBRD	PPCR and Gender teams	Building an Evidence Base on Private Sector Investments Supporting Gender-sensitive Climate Resilience Development	Private sector; transformational change; CIF design and approach
Government of Bhutan	PPCR Focal Point Team	Evaluation of Sustainable Land Management (SLM) and innovative financing to enhance climate resilience and food security.	Local stakeholder engagement and benefit; CIF design and approach
Government of Uganda	PPCR Focal Point Team	Climate Change and Health in Sub-Saharan Africa (CHASA): the Case of Uganda	CIF design and approach; local stakeholder engagement and benefit; transformational change
IDB	Gender	The IDB is planning three gender activities for FY18. One is for FIP Ecuador and Honduras where one of the following activities will be completed: (i) Support gender analysis during the preparation of FIP Ecuador and FIP Honduras, (ii) In-country gender consultations during the preparation of FIP Ecuador and FIP Honduras. Another activity will be a knowledge exchange event for all FIP countries of IDB on gender. A third activity for SREP Nicaragua on capacity-building workshops on gender for the institutions in charge of implementing SREP in Nicaragua is projected, i.e., Ministry of Energy and Mines (MEM), the National Electrical Transmission Company (ENATREL) and National Electrical Company of Nicaragua (ENEL). The capacity building will bring to the workshops similar projects in more advanced phases of implementation to share knowledge (e.g., LaGeo Geothermal project in El Salvador).	Transformational change; Local stakeholder engagement and benefit
IDB	CTF	Three videos to narrate the experience of using CIF resources in Honduras, Mexico, and Colombia. The videos will include images of projects in operation, as well as interviews with beneficiaries, developers, financial intermediaries, government officials, Bank staff, and other stakeholders.	Transformational change; CIF design and approach; private sector
IDB	CTF	The Use of Concessional Climate Finance to Promote Smart Urban Development	CIF design and approach

Entity	Program(s)/ Thematic area	Title/Description	CIF Learning Themes
IFC	CTF	Impact evaluation study of the IFC's South Africa CSP Kaxu project supported by the CTF. The report is due to be completed by June or July of 2017 and will be widely shared.	Transformational change; private sector
IFC	PPCR	IFC is Producing two videos highlighting the IFC's CTF project in Turkey and PPCR project in Nepal (FY17/18)	Transformational change; private sector
Live and Learn Cambodia, and PPCR Cambodia Implementing CSO	PPCR	Local Stakeholder Engagement and Benefits under CIF Investment in Cambodia: Case studies of PPCR and SREP	Local Stakeholder Engagement and Benefits
World Bank	CTF	Bending the Arc: A high-level learning event on success stories of renewable energy integration and energy efficiency. Proposal aligns with the EE work to be carried out this FY by the CIF Admin Unit in collaboration with the CTF MDB Committee. Proposal encourages South-South learning among CTF and non-CTF countries in Asia and brings together practitioners from government with other key stakeholders, including private sector.	Transformational change; private sector investment
World Bank	CTF and SREP Focal Point Team	Exploring how grants, concessional funding and guarantee instruments help leverage private sector financing for renewable energy projects	Private sector; transformational change
World Bank	FIP	FIP Lessons learned. This knowledge product would distill the lessons from the FIP countries and include an iterative process with consultations and validations. A team of consultants have been hired to help on the design and analysis of the study. The final product will be shared widely in targeted and dynamic ways that would stimulate dialogue and inform action in the sector. Specific dissemination activities will include dedicated meetings with FIP task teams as part of program coordination and learning, BBLs and/or webinars for outreach. Dissemination of the report to the CIF Admin Unit/MDB audience would include a presentation to the FIP Sub-Committee and follow-up discussions and knowledge exchange.	CIF design and approach; private sector
World Bank	FIP	FIP country cases to showcase different models of FIP investments. The team is preparing a new knowledge activity on the FIP Country cases that would be developed in collaboration with the CIF Admin Unit FIP team, and IBRD FIP Focal Point team. It would showcase World Bank FIP Country stories and study cases.	Private sector; CIF design and approach; Local Stakeholder Engagement and Benefits

Entity	Program(s)/ Thematic area	Title/Description	CIF Learning Themes
World Bank	FIP	FIP - Lessons Learned from Country Investment Plans. The objective of this learning exercise is to distil the FIP experiences from the 11 pilot countries (Brazil, Cote d'Ivoire, Democratic Republic of Congo, Lao PDR, Mexico, Mozambique, Burkina Faso, Ghana, Indonesia, Tunisia, and Peru) that have developed and presented their investment plans. The study will undertake rigorous analysis from 11 FIP pilot countries to inform the design of such investments in client countries and extract lessons to inform the broader policy dialogue around REDD+ Development Agenda and identify potential opportunities for further investments.	Transformational change; CIF design and approach
World Bank	FIP	Pathway for Designing a Mechanism to Incentivize Deforestation Free Landscapes and Value Chains for Green Growth – Experience from FIP and Beyond. The proposed activity is aiming at aligning the role of private sector in a broader and more advanced debate on deforestation-free agricultural commodities and supply chains. It will result in 4 different products: Global workshop, Analytical studies, Field testing, and a Summary Report.	Private sector; CIF design and approach
World Bank	PPCR	Drought Forecast Tool - A proposal for scaling up drought tools as a cornerstone of climate services in support of decision making and climate resilience	CIF design and approach
World Bank	PPCR	Exploring Methodologies to Measure Household Climate Resilience in Vulnerable Countries and Communities	Local stakeholder engagement and benefit; transformational change
World Bank	PPCR	Evaluating operational pathways used for modernizing National Hydrological and Meteorological organizations and delivering weather, water and climate services in Mozambique, Nepal and Uruguay	Transformational change; CIF design and approach; local stakeholder engagement and benefit

Annex 3: Cost of Program and Project Related Administration Costs compared to Total Project Funding

All CIF

	FY09-FY16 Revised	FY17 Revised*	FY18 Estimate	Total
<u>Administrative Services:</u>	121.4	20.1	21.8	163.3
Trustee 1/	21.8	3.2	3.2	28.2
Administrative Unit 2/	53.7	9.9	11.4	75.0
MDBs	45.8	7.0	7.3	60.1
Support to Country Programming	29.2	-	-	29.2
Learning & Knowledge Exchange	1.1	1.4	1.2	3.6
Special Initiatives	13.1	1.9	-	15.0
Total program related administration costs	164.8	23.4	23.0	211.2
<u>MDBs Implementation Support and Project Supervision 2/</u>	93.1	6.4	5.9	105.4
CTF	32.7	2.2	1.0	36.0
PPCR	33.0	0.3	0.2	33.5
FIP	13.9	3.0	1.4	18.3
SREP	13.4	1.0	3.3	17.7
Total program and project related administration costs	258.0	29.8	28.9	316.6
Project funding 3/	6,454.4	984.6	292.3	7,731.2
Percentage ratio total program related administrative costs to project funding				2.7%
Percentage ratio total program and project related administrative costs to project				4.1%

* FY17 budget included both original and supplemental budget.

1/ Trustee cost included external audit fee of MDBs and Trust Funds.

2/ Administrative Unit's budget from FY09-15 includes costs of Partnership Forum & pilot country meetings; Starting from FY16, pilot county meetings and

3/ Project funding includes approvals and projected approvals based on sealed pipeline.

CTF

	FY09-FY16 Revised	FY17 Revised	FY18 Estimate	Total
<u>Administrative Services:</u>	49.0	7.9	8.2	65.0
Trustee 1/	12.6	1.8	1.7	16.1
Administrative Unit 2/	20.2	4.3	4.6	29.0
MDBs	16.1	1.8	1.9	19.8
Support to Country Programming	3.7	-	-	3.7
Learning & Knowledge Exchange	0.3	0.7	0.3	1.4
Special Initiatives	1.3	1.2	-	2.5
Total program related administration costs	54.3	9.8	8.5	72.5
<u>MDBs Implementation Support and Project Supervision</u>	32.7	2.2	1.0	36.0
CTF	32.7	2.2	1.0	36.0
Total program and project related administration costs	87.0	12.0	9.5	108.5
Project funding	4,879.4	528.8	97.7	5,505.9
Percentage ratio total program related administrative costs to project funding				1.3%
Percentage ratio total program and project related administrative costs to project				2.0%

SCF

	FY09-FY16 Revised	FY17 Revised	FY18 Estimate	Total
Administrative Services:	72.4	12.2	13.7	98.3
Trustee 1/	9.2	1.4	1.5	12.1
Administrative Unit 2/	33.5	5.6	6.8	45.9
MDBs	29.7	5.2	5.4	40.2
Support to Country Programming	25.6	-	-	25.6
Learning & Knowledge Exchange	0.8	0.7	0.8	2.2
Special Initiatives	11.8	0.7	-	12.5
Total program related administration costs	110.6	13.6	14.5	138.6
MDBs Implementation Support and Project Supervision	60.4	4.2	4.9	69.5
PPCR	33.0	0.3	0.2	33.5
FIP 3/	13.9	3.0	1.4	18.3
SREP	13.4	1.0	3.3	17.7
Total program and project related administration costs	171.0	17.7	19.4	208.1
Project funding	1,575.0	455.8	194.6	2,225
Percentage ratio total program related administrative costs to project funding				6.2%
Percentage ratio total program and project related administrative costs to project				9.4%

Annex 4: Country Programming Budget approved activities in FY17

Country	MDBs	Amount (USD)	Description
Madagascar	AfDB, IBRD	385,000	Support preparation of SPCR (PPCR)
Guatemala	IADB, IBRD, IFC	260,500	Support preparation of FIP Investment Plan
Lesotho	World Bank, IFC	175,500*	Support preparation of SREP Investment Plan
Cambodia	World Bank	53,266	Support preparation of FIP Investment Plan
Bhutan	ADB, IFC, World Bank	350,000	Support preparation of SPCR (PPCR)
Malawi	AfDB, IFC, World Bank	387,750	Support preparation of SREP Investment Plan
Malawi	AfDB, IBRD	384,999	Support preparation of SPCR (PPCR)
Rwanda	AfDB, IBRD	385,000	Support preparation of SPCR (PPCR)
Zambia	IBRD	38,368	Support preparation of FIP Investment Plan
Bolivia	IBRD	67,600	Support PPCR programmatic Monitoring and Reporting
Tajikistan	ADB	98,187	Support PPCR monitoring, reporting, and knowledge management activities
Mexico	IBRD	25,000	Stakeholder Review activities (FIP)
Lao PDR	IBRD	25,000	FIP Stakeholder Review Meeting
Indonesia	IBRD	25,000	FIP Stakeholder Review Meeting
Ghana	AfDB	75,000	Knowledge management – workshop to highlight the beneficial conditions for forestry investments in Ghana.
Regional	AfDB	35,000	South-South learning event on Adaptation Benefit Mechanism
Regional	AfDB	20,000	Knowledge management - Study on the progress on transitioning from INDCs to NDCs in Africa
Total		2,752,802	

* USD110,100 was returned by the IFC

Annex 5: Detailed Trustee Report

Updates on completed or ongoing activities in FY 17:

1. **Financial Reporting:** Effective January 1, 2017 the trustee began providing increased levels of reporting, including on foreign exchange risk of Promissory Notes outstanding, and weekly and monthly reports on the status of the CTF and SCF Trust Funds, for use by the CIF Admin Unit. The Trustee has also initiated a new process of monthly reconciliations with the CIF Admin Unit and semi-annual reconciliations with the MDBs. During FY17 the Trustee and CIF Admin Unit reviewed roles and responsibilities and executed a Memorandum of Understanding outlining respective reporting and financial management responsibilities.
2. **Review of Financial, Risk and Portfolio Management:** The Trustee hired a consultant to undertake a review of these functions performed by the Trustee, CIF Admin Unit and MDBs, and issued a report in May 2017 containing a number of recommendations to inform further actions to be undertaken in FY18 (see below). The cost of this review was included in the approved FY17 Trustee budget.
3. **CTF 2.0:** The trustee supported work by the CIF Admin Unit to develop and assess the financial, legal and other implications of proposals for the use of CTF reflows, including participation in Bank-wide review processes. CTF2.0 is expected to have significant impacts on the role and function of the Trustee, requiring significant engagement by trustee staff to review and advise on legal, financial, accounting, systems and other possible implications. It is clear that amendments to existing agreements between the Trustee and contributors (the Contribution Agreements/Arrangements) and the Trustee and IEs (the Financial Procedures Agreements) will need to be executed to facilitate CTF 2.0. All such work has been funded by the approved FY17 Trustee budget (e.g. the Trustee has not used any of the USD 1 million Special Initiative budget approved for use by CIF Admin Unit, Trustee and MDBs for this purpose).
4. **CTF Cash Flow Model:** The trustee confirmed staffing and backup arrangements and updated the manual for maintaining the CTF cash flow model.
5. **Staffing and IT Systems:** The Trustee has adjusted internal staffing levels and enhanced backup arrangements for program management and reporting and legal support. In addition, the Trustee engagement in the FIF Collaboration Space (IT system) concluded in FY17 with delivery of the outputs for the first four phases in October 2016. The Trustee intends now to hand over the system and any future development to the CIF Admin Unit and other FIF secretariats. The trustee will continue to lead and advise on aspects of integration with the Trustee financial accounting (SAP) and related financial aspects, but no additional system development or other costs have been included in the FY18 estimate.

Explanation for deviation from expected budget utilization for FY 17:

6. Notwithstanding these additional deliverables, the Trustee costs and expenses are expected to be within the approved budget due to increased internal efficiencies and streamlining of internal processes that began in late FY16 with a 19 per cent reduction in staff costs incurred for financial and program management. Given the expected workload in FY18, it is expected that Trustee costs and expenses will be in line with those incurred in FY17, but could be significantly impacted by work required for CTF 2.0.

Details/description of planned activities in FY18:

7. The proposed budget for FY18 represents an 8% decrease from the FY17 approved amounts, due to lower investment management fees, notwithstanding an expected increased level of effort required for CTF 2.0. Cost drivers include increased engagement on the CTF 2.0 proposals, the Action Plan to respond to recommendations for financial, risk and portfolio management, and increased levels of reporting and reconciliation with MDBs. Estimated costs for FY18 comprise the following components:
8. **Financial and program management:** During FY18, the trustee will carry out its financial management, transaction and reporting obligations, as established in the CIF governing documents and legal agreements, and recent agreements reached in the MOU on division of labor between the CIF Admin Unit and trustee. This will include collaboration with the increasing number of CIF Admin Unit staff dealing with financial issues to review and update the content and format of reporting. The semi-annual reconciliation of data with MDBs will cover commitments, cancellations, and cash transfers. The level of effort and staff time required to prepare and issue financial status reports for the SCF and CTF for use by the Trust Fund Committees and CIF Admin Unit and other reports used by the CIF Admin Unit remains high. In addition, the trustee has increased the frequency of reconciliations of financial information with the CIF Admin Unit and MDBs, and continues to provide additional financial information required by the CIF Admin Unit and contributors directly, as needed.
9. Action Plan to enhance Financial, Risk and Portfolio Management: Working with the CIF Admin Unit, the Trustee will implement the Action Plan. This may have additional cost implications that are not possible to estimate at this time.
10. **CTF 2.0:** The Trustee expects the level of engagement and staff time required to increase significantly as these proposals move forward. Continued review and engagement with CIF Admin Unit, Contributors, and MDBs on the options and implications of the New Financing Modalities for CTF are expected, and resulting amendments to trustee agreements, processes to seek necessary internal approvals, etc. This will require significant engagement by financial management, legal, accounting and other staff in the Bank, with implications for expected staff costs in FY18. Insofar as these proposals require engagement by Bank senior management and the Board, these are expected to impact the actual trustee costs in FY18.
11. **Investment management:** Investment management fees cover the management of trust fund balances invested by the World Bank Treasury and are calculated based on a flat fee of 3.5 basis points against the average, annual balance of the portfolio; the projected average portfolio size for the CIF trust funds for FY17 is USD 2.75 billion in total, of which USD 1.5 billion represents the estimated portfolio size for the CTF and USD 1.25 billion for the SCF. The investment management fee is therefore expected to be lower than FY17.
12. **Accounting:** Costs are based on the management of the accounting model for the CIF Trust Funds, including maintenance of appropriate records and accounts to identify contributions and other receipts (reflows and return of unused funds) as well as Trust Fund liabilities to MDBs, preparation of annual Financial Statements and arrangement of external audits. Accounting staff will also be required to review implications of various options for CTF 2.0 from an accounting policy perspective, adding to required staff time in FY18.
13. **Legal services:** Costs are based on staff time required for legal and policy advice, legal review of financial documents, drafting new legal documents, including but not limited to contribution agreements, and amending the existing legal documents for the CIF as necessary. As above, significant additional legal work is expected as part of the review and implementation of CTF 2.0 and actual costs incurred will depend on the pace of CTF 2.0 progress.

14. **External audit costs:** These amounts do not represent trustee staff time and expenses, but rather amounts transferred to MDBs and paid to external auditors. These flow-through costs are paid by the trustee from trust fund resources to: i) the MDBs in their role as implementing entities to cover their costs for external audit of their CIF trust funds, and ii) the external auditors of the World Bank for the audits of the financial statements of the CTF and SCF trust funds, prepared by the trustee. Actual costs in FY17 are expected to amount to just under USD 800,000, to be confirmed at the end of FY17 when all invoices have been received from MDBs. These costs are estimated to increase slightly in FY18, so an estimate of USD 800,000 in FY18 is retained (assuming no additional requirements in FY18 as a result of CTF 2.0).