



# Climate Investment Funds

## “Nuts and Bolts”

**Katherine Sierra, Vice President  
Sustainable Development, The World Bank**



# Climate Investment Funds

- Approved by the Board on July 1
- September 26 pledging meeting – 10 donor countries took part

**US\$6.1 billion pledged**



# Design Principles

- Utilize capabilities, skills, and core processes of MDBs to deliver financing at significant scale to unleash the potential of the public and private sectors to address climate change
- Complement other multilateral financial mechanisms, such as GEF and Adaptation Fund
- Include a “sunset clause” to avoid pre-judging a future agreement
- Balanced representation in decision-making bodies
- No “conditionality” – do not interfere with UNFCCC negotiations
- Pull together number of emerging initiatives to address climate change – provide coherence and avoid proliferation of multiple small initiatives



# Eligibility

- ODA eligible
- Active MDB country program

# Governance

## Partnership Forum

### Clean Technology Fund

#### Trust Fund Committee

to include 8 representatives from donors, 8 representatives from recipient countries; the country whose program or project is under consideration; representative of World Bank; representative of MDBs on rotating basis

Observers from organizations with mandates to provide investment in clean technology, such as GEF and observer from UN for broad strategic discussions

### Strategic Climate Fund

#### Trust Fund Committee

to include 8 representatives from donors, 8 representatives from recipient countries; the country whose program or project is under consideration; representative of World Bank; representative of MDBs on rotating basis

PPCR  
Sub-Committee

Contributors /  
recipients /  
observers

Program  
Sub-Committee

Contributors /  
recipients /  
observers

Program  
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observers



# Clean Technology Fund

- Finance scaled up demonstration, deployment, and transfer of low carbon technologies
- IDA-like concessional loans, grants, guarantees
- Supports programs involving
  - RE, EE, improved transport sector efficiency and modal shifts, improved efficiency of energy supply
- Accessing CTF
  - Country requests joint mission of WBG and RDB
  - Investment plan embedded in national development plan
  - Trust Fund Committee must approve based on criteria:
    - Potential GHG emission savings
    - Demonstration potential
    - Development impact
    - Implementation potential



# Strategic Climate Fund

- Targeted programs with dedicated funding to provide financing to pilot new approaches with potential for scaling up
- Approval of program financing delegated to Trust Fund Sub-Committees
- First SCF program is Pilot Program for Climate Resilience (PPCR)
- Other potential programs include: Forest Investment Program and Program for Scaling Up Renewable Energy in Low Income Countries



# Pilot Program for Climate Resilience

- Explore practical ways to mainstream climate resilience into core development planning and budgeting, building on National Adaptation Programs of Action (NAPAs)
- Identify **~10 pilot countries** based on:
  - Priority to highly vulnerable, least developed countries;
  - transparent vulnerability criteria;
  - country preparedness and ability to move towards climate resilient development plans;
  - Country distribution across regions and types of hazards
- Expert group to be established to provide advice on country selection
- Mainly grants, with countries having options to increase via IDA-term concessional loans





# Calendar of Upcoming Meetings

- Partnership Forum, October 14
- CTF Trust Fund Committee, October 15-16
- SCF Trust Fund Committee and PPCR Sub-Committee, October 16
- First Design Meeting on Forest Investment Program, October 16-17

➤ More on [www.worldbank.org/cif](http://www.worldbank.org/cif)