

# CLIMATE INVESTMENT FUNDS

December 3, 2014

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Summary of the Co-Chairs  
Meeting of the Clean Technology Fund Trust Fund Committee  
November 17, 2014

Co-Chairs

Mr. L.K. Atheeq, India  
Ms. Kate Hughes, United Kingdom

## **AGENDA ITEM 1. OPENING AND ELECTION OF CO-CHAIRS**

1. The meeting of the CTF Trust Fund Committee was opened by Ms. Kate Hughes, the outgoing Co-Chair.
2. The CTF Trust Fund Committee re-elected Ms. Kate Hughes, the Trust Fund Committee member from the United Kingdom, and elected Mr. L.K. Atheeque, the Trust Fund Committee member from India, to serve as Co-Chairs for a term from November 17, 2014 until the next election of Co-Chairs at the first Trust Fund Committee meeting to be convened after the Partnership Forum in 2016.

## **AGENDA ITEM 2. ADOPTION OF AGENDA**

3. The CTF Trust Fund Committee adopted the provisional agenda set forth in document CTF/TFC.14/1.

## **AGENDA ITEM 3. CTF SEMI-ANNUAL OPERATIONAL REPORT**

4. The CTF Trust Fund Committee reviewed document CTF/TFC.14/3/Rev.1, *CTF Semi-Annual Operational Report*, and notes with appreciation the acceleration of the development and implementation of the projects and programs as well as the disbursement rates in recent months. The Committee welcomes the report's strategic overview and the analysis of the resource situation and the portfolio.
5. The Committee notes with concern that the projected shortfall of resources would impact projects in the pipeline expected to be submitted to the CTF Trust Fund Committee as early as the second quarter of 2015 and encourages the contributor countries to meet their pledges in a timely manner to reduce uncertainty of funding expected in the near term.<sup>1</sup>

## **AGENDA ITEM 4. PROPOSAL FOR A SPECIFIC TARGET FOR THE MARGIN BETWEEN PROJECTED CTF NET INCOME AND PROJECTED LOAN LOSSES**

6. The CTF Trust Fund Committee reviewed the document, *Proposal for a Specific Target for the Margin between Projected CTF Net Income and Projected Loan Losses* (document CTF/TFC.14/4), and agrees on an early warning mechanism for the margin (the "Margin") between the projected CTF Net Income and the potential losses on outgoing CTF financial products.<sup>2</sup> The Committee requests the CIF Senior Risk Management Officer, once appointed, to work with the Trustee, MDBs, and interested Committee members, to propose to the Committee an appropriate methodology and the level of such target at the next Committee meeting.

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<sup>1</sup> The Trust Fund Committee member from South Africa wished to register his concerns around the reputational risk associated with the projected shortfall of resources. This point was shared by the representative from Brazil.

<sup>2</sup> Details on the calculation of the CTF Net Income and losses on outgoing CTF financial products are set forth in the Principles regarding Contributions to the Clean Technology Fund, attached to the Contribution and Loan Agreements/Arrangements between the CTF contributors and the Trustee.

7. The Committee requests the CIF Administrative Unit, working with the MDBs and the Trustee, to prepare a paper on pricing policies for the CTF for consideration at its next meeting.
8. The Committee further requests the Trustee to prepare a proposal on changes to the investment management strategy for the CTF for consideration at its next meeting.
9. The Committee urges the World Bank to take necessary steps to expedite the hiring of a Senior Risk Management Officer.

**AGENDA ITEM 5. PRESENTATION ON CTF EXPERIENCE WITH CONCENTRATED SOLAR POWER**

10. The Trust Fund Committee notes with appreciation the presentation made by the CIF Administrative Unit on *CTF Experience with Concentrated Solar Power* (document CTF/TFC.14/5).

**AGENDA ITEM 6. OTHER BUSINESS**

11. No other decision items were raised by the CTF Trust Fund Committee.

**AGENDA ITEM 7. CLOSING**

12. The meeting was closed on Monday, November 17, 2014.