



ROLE OF CLIMATE FINANCE IN ACCELERATING GREEN & RESILIENT RECOVERY

*Preliminary insights from the TAF Initiative for
Green and Climate Resilient Recovery*

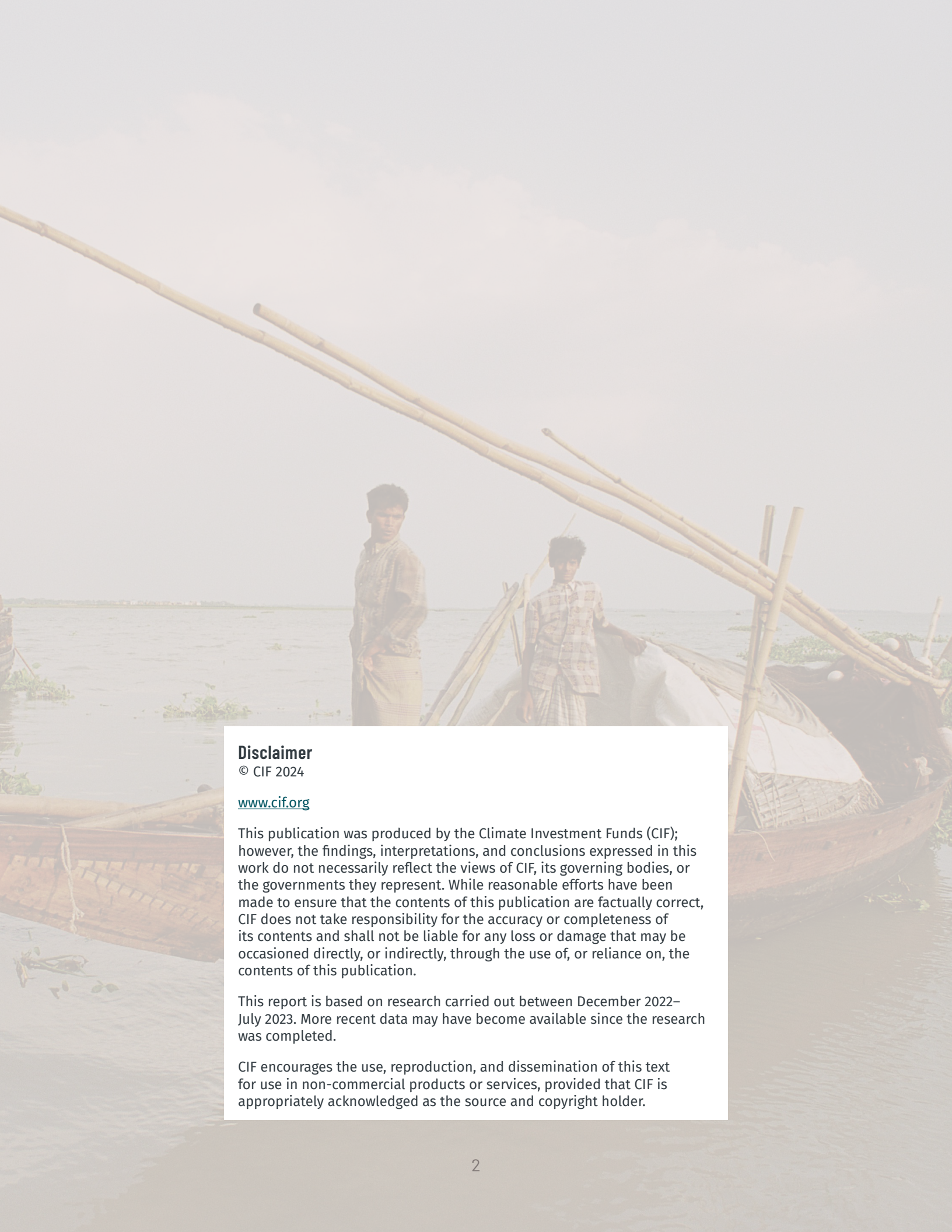
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SECTOR/THEMATIC ANALYSIS

CIF Program: Technical Assistance Facility

TOPICS

- Technical Assistance
- Enabling Environment
- COVID-19



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About the Climate Investment Funds (CIF) and CIF Technical Assistance Facility

The CIF is a multilateral fund that supports a just and climate-smart future, partnering with MDBs to de-risk markets and unlock investments in green markets. The CIF utilizes climate financing to enable low- and middle-income countries accelerate low-carbon, climate-resilient development. To date, donors have pledged over US\$11 billion to the CIF, which is expected to leverage around 8x in co-financing in its recipient countries*.

In 2019, the CIF established the CIF Technical Assistance Facility (CIF-TAF) to assist countries in accelerating investments and market development of clean energy in support of their clean energy and low emission transformation. The CIF-TAF was set up with funding from the government of Denmark to accelerate investments, build capacity of key stakeholders, and develop clean energy markets in client countries. Activities supported by the CIF-TAF enable transactions through innovative business models, risk mitigation instruments, and preparation of project documents, among other mechanisms. CIF-TAF projects strengthen policy and regulatory frameworks and support enabling environment activities as part of the CIF's broader efforts to expand clean energy, lower emissions, and support green recovery efforts**.

* For more information on the CIF, visit <https://www.cif.org/about-cif>.

** (2020b), CIF Technical Assistance Facility for Clean Energy Investment Implementation Report.

EXECUTIVE SUMMARY

This report aims to synthesize lessons on the potential role of technical assistance (TA) in supporting holistic responses to global crises, and is based on green¹ and resilient recovery activities supported by the Climate Investment Funds' Technical Assistance Facility (CIF-TAF) in response to the COVID-19 pandemic. In December 2020, the CIF-TAF, with support from the governments of the UK, the Netherlands, and Switzerland, launched the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery*² to provide US\$24.3 million in rapid emergency funding to developing countries in response to the COVID-19 pandemic. Through 40 funded projects carried out by CIF's multilateral development bank (MDB) implementing partners, these activities aimed to address immediate needs, as well as key barriers to green recovery, by providing non-lending or analytical support to encourage enabling environment reforms, policy enhancement, investment lending, knowledge sharing, and operational support to MDBs (see Figure 1).

This review captures preliminary insights on how TA can support economies to be more resilient through green recovery policies. Key learnings are informed by interviews with the CIF's MDB implementing partners and a desk review of funded projects supported by the CIF-TAF. A desk review of proposal documents was initially deployed to identify key challenges, funded projects' theories of change, and alignment with CIF-TAF selection criteria. This data was captured in a portfolio dashboard which categorized projects based on the nature of their activities and target impacts (see Table 1). Interview insights from ten projects shortlisted on the basis of regional, programmatic, and MDB implementing partners representation were then distilled into lessons to inform future CIF activities through the dedicated CIF-TAF, and other stakeholders engaged in climate finance activities. As such, the report is not meant to be an evaluation of ongoing CIF-TAF Green and Resilient Recovery Initiative projects. Instead, it highlights strategic and operational considerations for future interventions.

The following insights are drawn from the review and inform the approach of governments, development partners, and other organizations

supporting the design and implementation of TA activities and climate investments in response to global crises:

- **Deploy a mix of interventions to empower countries to reach their goals of long-term green and resilient economic development.** Providing technical assistance across all levels from national policies to grassroots project implementation can improve climate ambition while simultaneously scaling resources to ensure resilient recovery (see Table 1).
- **Search for opportunities to broaden policy dialogue beyond the typical champions to include other line ministries.** Technical assistance can be exponentially impactful when interventions provide capacity building opportunities beyond the direct implementing partners ensuring cross-sectoral coordination and allowing for regional complementarity.
- **Link smaller TAs to critical components of larger transformative programs in the design of interventions.** Early identification and addressing of knowledge and institutional capacity gaps will assist in casting secure foundations for future climate-smart programs to build off.
- **Consider the role of TA in designing financing platforms that can mobilize funds across public and private stakeholders.** Catalytic funding mechanisms and instruments will ensure rapid deployment of resources through already established and demonstrated channels during times of crises.
- **Maintain a flexible approach.** Accounting for unforeseen circumstances such as natural disasters, political or regional instabilities, etc., will allow real-time course correction according to evolving priorities on the ground.
- **Utilize TA to identify dedicated resources to implement agreed upon green recovery strategies and programs.** Strategically aligning with high-level commitments like NDCs, etc., and utilizing TA interventions to tackle existing policy and implementation bottlenecks can stimulate climate financing.
- **Leverage genuine stakeholder engagement to build a better understanding of the issues and mobilize support for policy decisions and collective actions.** Emphasizing stakeholder buy-in through detailed consultations can strongly inform strategic design and long-term sustainable climate resilience.
- **Apply TA to facilitate a just transition that ensures the benefits of a green economy are accessible to the countries, industries, and people that may face economic losses in the short term.** Convening and incorporating just and equitable approaches for all affected

populations is foundational during the process of planning and administering low-carbon transition and decarbonization pathways.

TABLE 1. CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery analytical framework

MOBILIZE INVESTMENTS	<p>Development of investment pipelines and strategies, which includes the preparation of projects and national development strategies that incorporate green recovery mechanisms.</p> <p>Crowding-in of additional green investments through the design and development of catalytic funds, debt and non-debt instruments, and other mechanisms to attract resources for green recovery.</p>
ACCELERATE RESULTS	<p>Rapid support to specific projects that leverage ongoing initiatives through deployment of upstream analytical tools and sectoral plans to support climate-resilient development, and targeted engagement with public and private stakeholders to accelerate the achievement of results and kickstart economic recovery.</p> <p>Analysis to hasten transition to cleaner technologies and sectors in the form of market studies, business model development, and regulatory framework development to encourage scale up of low-carbon pathways.</p>
MAINSTREAM GREEN RECOVERY POLICIES	<p>Amendment of current policies and the drafting of new ones to prioritize green policy considerations in the context of an emergency response.</p> <p>Provision of analytical tools and capacity building programs to incorporate green activities within national recovery strategies and business practices.</p>

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1. THE GREEN RECOVERY IMPERATIVE

1.1. Rationale

A key lesson from the COVID-19 crisis is the ever-increasing need for global-level responses to global challenges. A broad range of bilateral and multilateral initiatives were implemented in response to the COVID-19 pandemic, including those focused on relieving financial pressures through increased access to credit and facilitating national stimulus programs. This included the rapid scaling up of financing by multilateral development banks (MDBs) and by the International Monetary Fund (IMF), as well as large scale initiatives to address the health emergency, such as the establishment of the COVID-19 Vaccines Global Access (COVAX) facility and other multi- and bilateral vaccine financing and distribution agreements.

As governments pivoted from the emergency response to COVID-19 to long-term recovery, it was important to address climate risks in parallel with acute crises.

Emergency response efforts in the first two years following COVID-19 focused on providing financial resources to households and enabling businesses to stay open³. Despite the intentions of these initiatives, they had a detrimental impact on the environment, as they encouraged "business as usual" in high-emissions sectors, such as energy, transportation, and agriculture⁴. Notwithstanding, the risk of both reversing aggregate gains in poverty reduction and reinforcing inequalities persist⁵, particularly among poor and vulnerable communities in fragile and conflict-affected states as climate change continues to pose significant socioeconomic costs⁶.

The pandemic may have increased governments and citizens' perception of the urgency of risks that were underestimated previously, including climate risks, and the investment/job creation benefits of adopting sensitive approaches to address these risks.

A global pandemic event was identified as a highly likely event prior to COVID-19⁷. Nevertheless, in most cases, the level of preparedness by societies and governments did not match the statistical likelihood and expected impact of such events. In the aftermath of COVID-19, public perceptions in both developed and developing economies show increased support for measures to address climate change and green recovery measures⁸. This may be driven by recognition of the investment and job creation potential of climate-smart growth plans while recognizing the urgency to respond to the climate crisis. The International Finance Corporation (IFC) estimates US\$10.2 trillion in investment opportunities and 213.4 million new jobs in sectors such as renewable energy, urban transportation, and agriculture can be unlocked, if climate-smart recovery is deployed across 21 emerging market economies between 2020 and 2030⁹.

Developing countries are increasingly implementing measures to strengthen enabling environment, build capacity, and mobilize investments needed for a green and resilient recovery.

Between 2015 and 2019, middle-income countries accelerated the use of green growth indicators to decrease the carbon intensity of their economic development and guide the design of national policies¹⁰. This trend was reinforced following the pandemic as developing countries sought to restart their growth in a more sustainable manner within a clean, resilient policy paradigm. Through April 2022, the OECD Green Recovery Database, covering 44 countries and the European Union, identified over US\$1 trillion in stimulus spending with positive environmental impact compared to US\$468 billion with negative or mixed impact¹¹.

Four recent developments can help countries on this path¹²:

- i. Increasingly lower costs of clean technologies;
- ii. Analytical work and planning strategies, including through the development of Nationally Determined Contributions (NDCs) implementation plans and country action plans, which have been undertaken since the establishment of the Paris Agreement;
- iii. The private sector's interest in investing in green projects; and
- iv. Increased public support for green recovery measures.

A green recovery requires policies that accelerate results across the spectrum of needs, especially in crises situations where developing countries have limited implementation capacity. While many governments mobilized resources to meet NDCs under the Paris Agreement and deployed low-carbon and low-emission economic development strategies¹³, considerable gaps remain in their capacity to design and implement policy frameworks, and deploy financial resources for climate mitigation. Green recovery activities—which include efforts to catalyze investments in renewable energy and incorporate climate change perspectives into longer-term economic recovery planning—remain undersupplied in the market due to political, financial, regulatory, and other constraints.

The report will be presented in the following manner: Section 2 outlines the objective of the report and provides an overview of the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery*-funded projects. Section 3 discusses the review framework deployed as the basis for analysis. Section 4 captures key considerations for future climate action interventions based on ten shortlisted projects providing ongoing TA support. Finally, Section 5 highlights key considerations that may inform ways that climate finance and TA can support holistic responses to global crises.



2. THE INITIATIVE FOR GREEN & CLIMATE RESILIENT RECOVERY: THE CLIMATE INVESTMENT FUNDS' RESPONSE TO THE COVID-19 PANDEMIC

2.1. Report objective

The main objective of this report is to capture the role of climate finance and technical assistance (TA) in facilitating holistic responses to global crises.

Green recovery efforts supported by the CIF-Technical Assistance Facility (CIF-TAF) demonstrate the potential of climate change mitigation and resilience to transform developing markets and public institutions, enabling them to achieve greater sustainability and adaptation outcomes against climate change and future crises. Based on ongoing TA interventions supported by the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery*, this document outlines the range of actions under implementation and suggests ways to incorporate them into future funding activities.

In 2021, the CIF-TAF established the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery* that made technical assistance funding available to reinforce and accelerate these efforts. To assist countries in achieving green recovery, the CIF-TAF launched a Call for Proposals (CfP) for activities to accelerate green energy investments and support a green and resilient recovery in early 2021¹⁴. Through the multilateral development banks (MDBs) implementing partners, beneficiary CIF countries could utilize these resources to support the implementation of Nationally Determined Contributions (NDCs),

integrate green considerations as part of long-term planning and sectoral strategies, and build conducive enabling environments and technical capabilities to attract investors and ensure effective program implementation. This report analyzes the ways in which the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery* has supported the financial, analytical, and knowledge creation instruments of the CIF's MDB implementing partners, and identifies insights on ways that TA can generate climate-informed investments, policies, and strategies to accelerate the attainment of countries' climate ambitions as part of the pandemic recovery (see Figure 1).



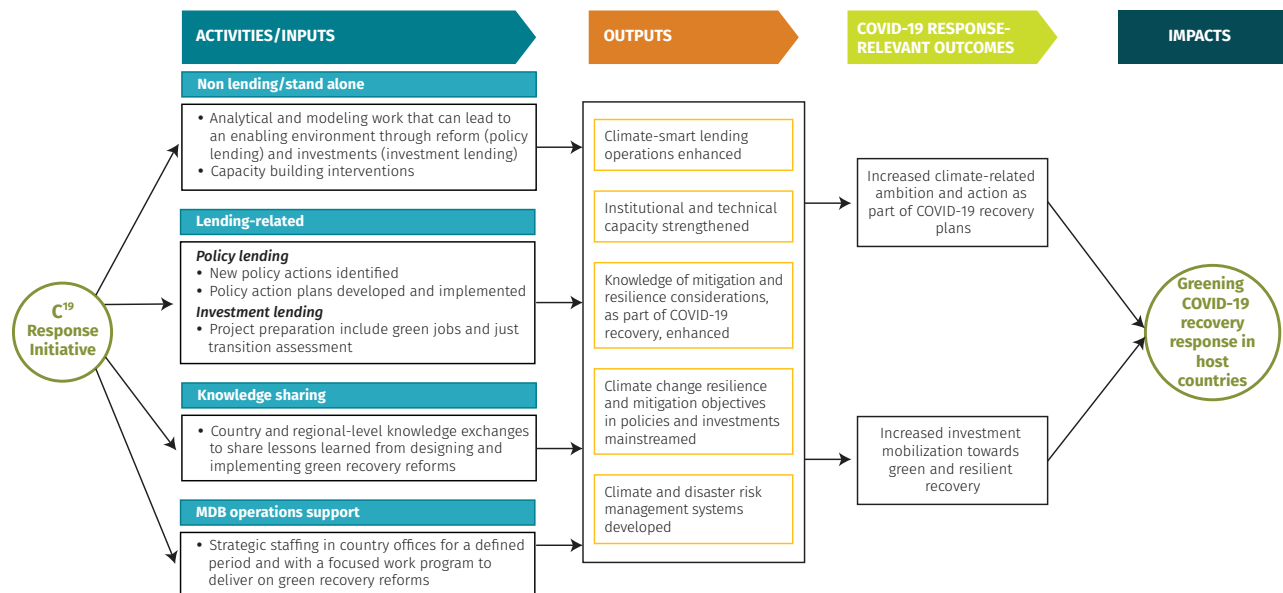
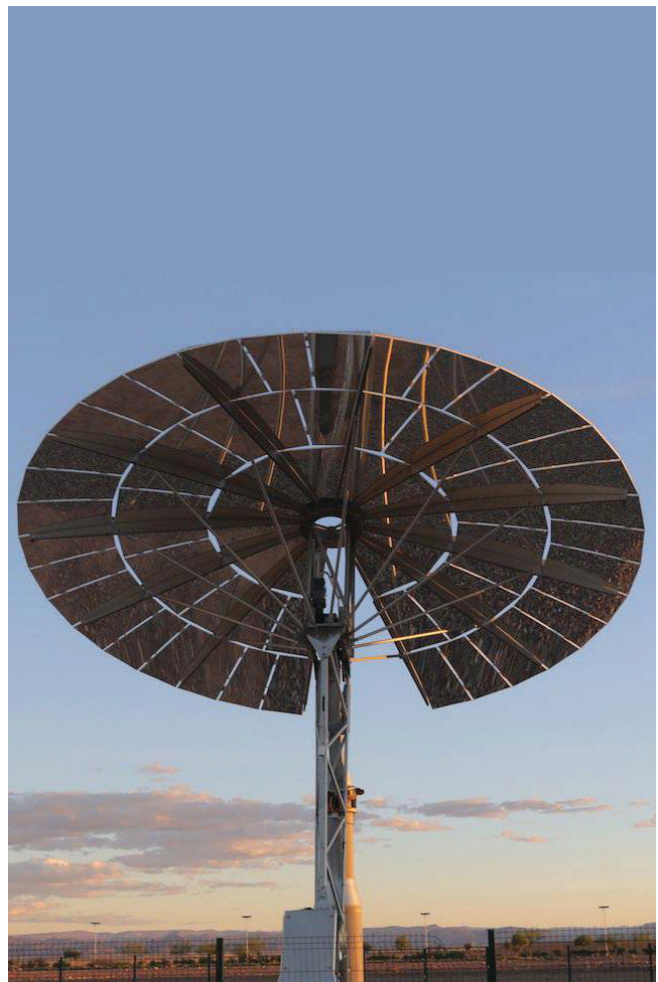


FIGURE 1. Theory of Change: *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery*

MDBs and their client countries responded with a strong set of proposals, despite the multiple challenges governments were facing. Given the urgency to support the prompt deployment of preliminary recovery policies, the CIF prioritized a speedy response, working with its MDB implementing partners to ensure broad representation of countries and themes in the received proposals. Funding requests exceeded the resources available for the CfP, confirming a large financial gap with respect to the TA needs of developing countries.

The CIF-TAF has approved 40 projects, amounting to US\$24.3 million, for 51 middle and lower-income countries worldwide. Some of these projects were approved for non-CIF countries, showcasing the flexibility of the donors and CIF-TAF in responding to this urgent situation. This includes projects in six countries¹⁵, facing fragile and conflict-affected situations (FCS), which were among the most severely impacted. Funded projects covered a variety of topics, including the mainstreaming of green recovery principles into fiscal planning and public financial management, climate corporate governance, enabling environment activities to support the establishment of low-carbon technologies and approaches, and the sector-specific stimulus to industries to enhance green job creation.



2.2. The CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery: overview of funded projects

The CIF-TAF programmed an average of US\$607,500 per project to catalyze investment towards green sectors and activities while reinforcing countries' climate ambition as part of their COVID-19 recovery.

Key selection criteria included project potential to fast track ongoing COVID-19 responses, policy loans and equivalent initiatives, additionality, and complementarity with existing MDB programs, private capital mobilization, gender integration, and risk mitigation, among others¹⁶.

The CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery supported a broad set of TA activities meant to reinforce governments' climate related ambition and action as part of their green recovery efforts.

The majority (83%, n:33) of reviewed projects were public sector projects, suggesting a worldwide

trend of enhancing the capacity of governments to pursue low-carbon and climate-resilient pathways, including in partnership with the private sector. This is consistent with OECD analysis that found a recognition among developing countries of the importance of mainstreaming green policies as part of their development policies¹⁷. This includes lending operations in the form of analytical and modeling work that build technical and institutional capacity, as well as policy and investment lending support aimed at enhancing the enabling environment for public and private green investment. The remaining 15 percent (n:6) of projects supported private sector firms through the financing of credit line facilities of partner financial intermediaries or design of climate-resilience products and services. Several of these private sector projects focused on particularly innovative areas such as fostering reorientation of global food production towards more resilient practices.



FIGURE 2. CIF-TAF projects by sector (CIF TA funding committed in (US\$ 000s), n: 40)
 **"MAS and others" includes manufacturing, agribusiness, services, tourism, and construction.

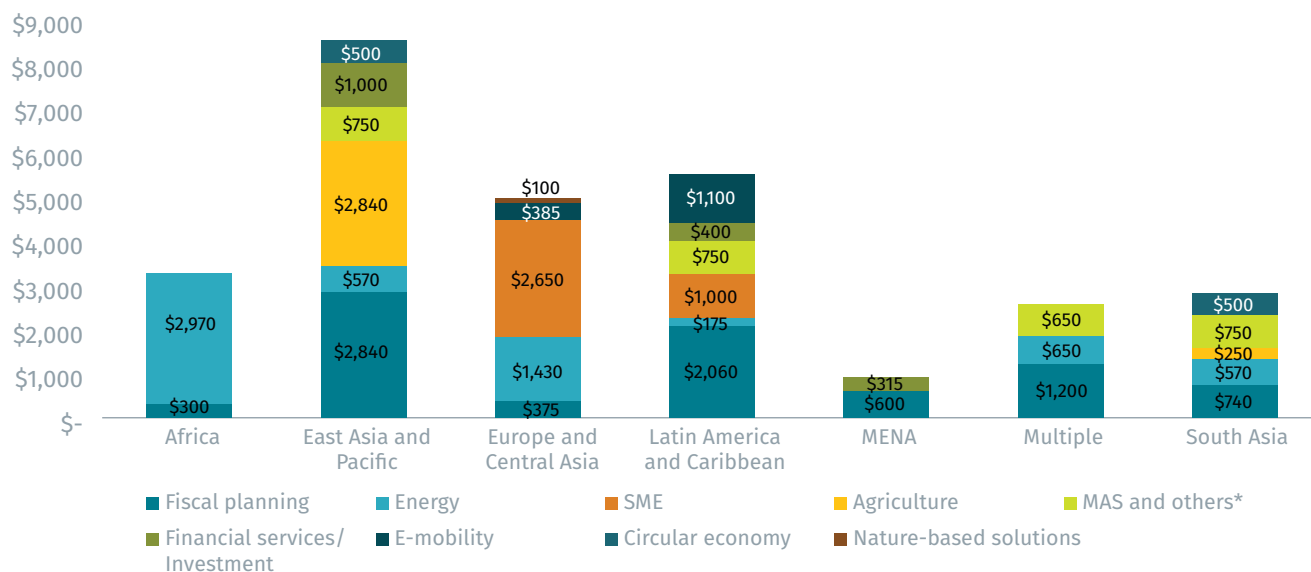


FIGURE 3. Sector and regional distribution of projects
(CIF TA Funding committed in (US\$ 000s) n:40)

The geographic distribution of funded projects reflects the flexibility of the CIF-TAF program. Projects from Latin America and the Caribbean represented 31 percent of the sample's geographic coverage. Europe and Central Asia; East Asia and the Pacific; South Asia; and Africa represented nearly equal proportions of the total recipients. Notably, TA was extended to six FCS countries as well as 12 non-CIF beneficiary countries¹⁸. Figure 3 shows the regional distribution of the projects by sector.

Funded projects addressed both the long and short-term facets of green recovery. Activities that provided analytical support to sectors affected by the pandemic, such as agriculture, manufacturing, tourism, and services, constituted 51 percent of projects, while mainstreaming activities constituted 36 percent of proposals. The latter type of interventions included capacity building for municipal and national governments to enhance implementation capacity of climate programs, as well as their ability to mobilize resources through blended finance. The remaining 13 percent of projects included activities to establish innovative approaches and technologies, such as e-mobility and circular economy. These reflect broader government efforts to “build back better” and accelerate decarbonization by supporting the expansion of nascent low-carbon sectors of the economy.

Finally, the majority of projects included both mitigation and adaptation components. Projects supported the acceleration of existing adaptation projects, such as renewable energy projects, as well as new adaptation efforts, such as the establishment of early warning systems and expansion of social protections for vulnerable communities. See Figure 4 for the number of projects addressing each component.

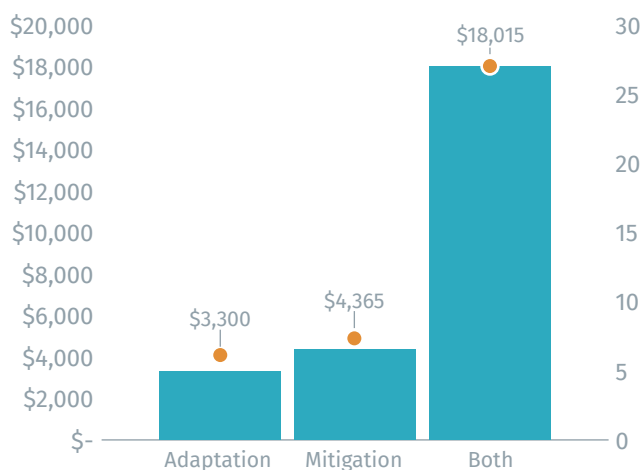


FIGURE 4. Mitigation vs. adaptation in the CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery
Projects by sector (number, n: 40)

3. LEVERS OF CHANGE

A review framework was deployed based on the objectives of the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery* to identify key considerations for future technical assistance (TA) activities and policy design. The review team assessed data for funded projects to capture the range of TA activities supported by CIF-TAF. This involved a detailed review of proposed TA components and alignment with CIF-TAF selection criteria. Building on this review, as well as on the CIF-TAF’s theory of change, three broad pillars of TA were identified, namely: (i) mobilize investments, (ii) accelerate results and inform implementation, and (iii) mainstream green recovery policies. Within these pillars, TA activities were further organized into sub-pillars (see Figure 5). Each of these sub-pillar activities highlight their own insights on how TA can enable MDB implementing partners to

develop climate-informed investments and strategies to support more resilient recovery. Section 4 explains how these pillars formed the basis of the review.

Based on the primary activities featured in each TA, funded projects were further typified into structural mainstreaming of green recovery, crowding in additional green investment, developing investments pipelines and strategies, accelerating the transition to cleaner and more resilient development pathways, and rapidly supporting specific projects and sectors (see Figure 6).

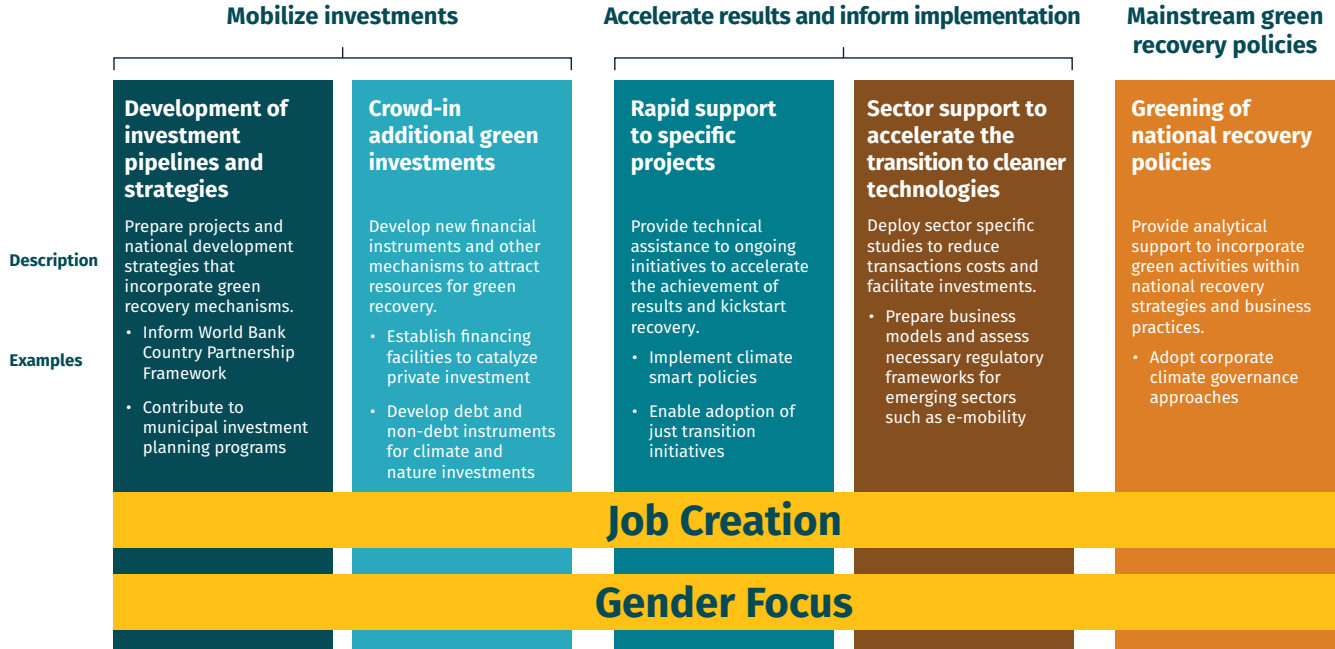


FIGURE 5. Analytical framework used to identify key design considerations for future TA activities

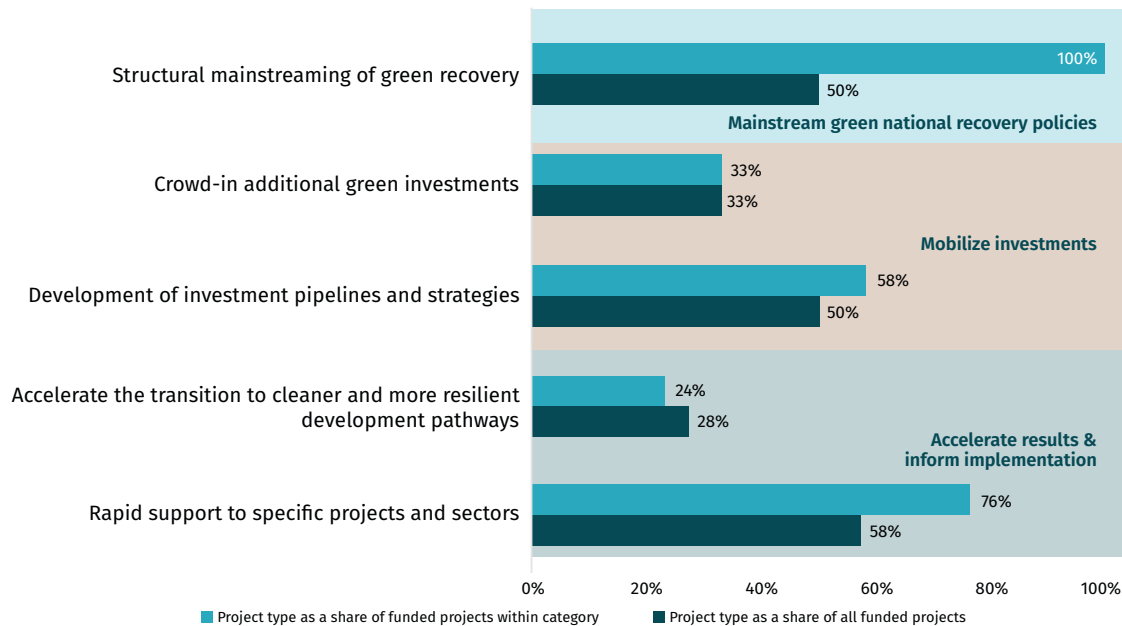


FIGURE 6. TA project type distribution in Levers of Change

Main pillars of the review framework and its component sub-pillars are indicated by the background colors. “Project type as a share of all funded projects” refers to a TA’s primary activity. The percentage total of “Project type as a share of all funded projects” is over 100% because a project may have multiple designations.

3.1. Mobilize investments

The 'Mobilize investments' pillar refers to activities that support the preparation of projects and national strategies that incorporate green recovery approaches and mechanisms, as well as the design and deployment of financial instruments to crowd-in public and private resources for green recovery.

3.1.1. Development of investment pipelines and strategies

Restricted lending capacity among financial institutions can potentially limit the scale of transformative and profitable green business models where firms and financial institution managers operate based on short-term results and assign high discount rates on future returns. Misalignment between available private capital and the perceived risk profiles of green projects can restrict the deployment of finance in developing countries. Between 2019 and 2021, US\$14 billion was invested into climate blended finance transactions, compared to US\$36.5 billion between 2016–2018¹⁹. Apart from the pandemic and its associated adverse effects,

the decrease can also be partially explained by the many recent macroeconomic challenges, including the fueled inflation developed and developing markets suffered due to ongoing regional conflicts and violence, which pivoted climate capital to other immediate humanitarian needs. This suggests that the degree to which blended and concessional financial instruments can mitigate and re-allocate risk may be limited during periods of emergency response or economic recovery.

3.1.2. Crowd-in additional green investments

TA activities have helped bridge this gap through activities that support the establishment of blended financial instruments and facilities that leverage concessional public funds with commercial monies to crowd-in the investment needed to support adaptation and mitigation objectives. These activities are facilitated through analytical work and implementation support to develop financial instruments that reconcile the risk appetite of public and private investors. Crowd-in activities are featured

in 33 percent (n:13) of CIF-TAF-funded projects and 36 percent (n: 4) of projects in the Mobilize pillar. Additionally, financial instruments cannot be deployed in a vacuum, and require appropriate state capacity, legal frameworks, and monitoring mechanisms to ensure that de-risking does not lead to fiscal losses. CIF-TAF activities included in this category are typically accompanied by capacity building support to help governments internalize the social benefits of climate investment while minimizing potentially large contingent liabilities associated with novel green business models.

3.2. Accelerate results and inform implementation

TA activities also provide analytical support and technical assistance to ongoing initiatives led by MDB implementing partners by accelerating the development of knowledge and capacity needed to kickstart green recovery. Targeted analytical work and sector-specific studies deployed through the CIF-TAF supports the transition to cleaner technologies and sustainable business practices.

3.2.1. Rapid support to specific projects

For many governments, the pandemic response curtailed revenues and heightened debt levels, while negatively impacting access to capital markets.

These macroeconomic factors limited the extent to which governments could prioritize programs to combat climate change, thereby minimizing short-term losses and generating green recovery in the long run. Planning and project design in a green recovery context was challenging due to the variability and unpredictability of the pandemic developments. The TA supported the project preparation and implementation, which aimed to enhance the climate resilience outcomes of future investments by MDB implementing partners.

CIF TA activities supported timely technical guidance, training, business model design, climate-informed studies, and other knowledge inputs to support ongoing or planned MDB projects. Given the emergency response nature of the *CIF-TAF COVID-19 Technical*

Assistance Response Initiative for Green and Climate Resilient Recovery, rapid support activities are featured in the majority, 58 percent (n:23) of funded projects and 76 percent (n:13) of projects in the Accelerate pillar. Within the CIF-TAF green recovery portfolio, these activities strengthen the enabling environment to grow nascent low-carbon sectors and expand pathways to a more resilient and green economy.

3.2.2. Sector support to accelerate transition to cleaner technologies

The COVID-19 pandemic created an unprecedented opportunity to achieve economic recovery while improving environmental and social outcomes. The World Economic Forum estimated that US\$10 trillion in market opportunities could be unlocked and 395 million jobs could be created by 2030, if systemic transitions were made in food, land and ocean use, extractives and energy, and infrastructure and the built environment²⁰.

The CIF-TAF sought to contribute to incremental but critical activities at the project level to enable green transition with high potential for climate-resilient growth. Through the COVID-19 Green and Resilient Recovery Initiative, CIF has tapped into the potential for climate-resilient growth by deploying context and sector-specific approaches that address binding constraints, such as high upfront costs and investment risks facing mitigation and adaptation projects, regulatory uncertainty, and technological costs, among others. These activities are similar to the rapid support described in the previous section, but directly enable the development of green recovery strategies in sectors disproportionately affected by COVID-19 such as tourism, agriculture, and urban transportation. Sector-specific TA represents 28 percent (n:11) of all funded projects and 24 percent of projects in the 'Accelerate' pillar.

3.3. Mainstream green recovery policies

The 'Mainstream green recovery policies' pillar refers to interventions that enhance the resilience of economic development frameworks at the national or sector level.

Discrepancies between emission targets, existing policy frameworks, and governance and institutional arrangements across sectors can act as a barrier to resource mobilization²¹. Evidence from the 2008–2009 economic recovery confirms that lack of transformative, inclusive, and resilient market reforms, such as the elimination of economic incentives for carbon-intensive sectors, and inequalities in workforce participation, income, and representation in leadership positions, negatively impacted the longevity of stimulus packages²². As such, mainstreaming policy options may include introducing legal and regulatory changes that make mandatory or create a conducive enabling environment for climate finance and establishing policies that can encourage public and private resources towards those activities. In general, these policy changes create clearer transition pathways by addressing data, reporting, and disclosure gaps, as well as strengthening strategic commitments and coordination.

Mainstreaming activities supported by the CIF-TAF are featured in 50 percent (n:20) of all funded projects. These include TA to provide technical support to public and private sector entities to integrate mitigation and adaptation considerations into national strategies; implement or introduce legal and regulatory changes that encourage an enabling environment for climate finance; and provide analytical support to make the case to allocate public and private resources towards those activities.

3.4. Cross-cutting themes: job creation and gender

Job creation underpins effective green recovery strategies and the equitable transition towards a low-carbon economic system. The scale of unemployment generated by COVID-19 has elevated the importance of job creation for many governments. At the same time, it is increasingly recognized that climate action will bring both opportunities and challenges for equitable employment creation. For example, the implementation of the Paris Agreement is expected to eliminate six million jobs in resource-intensive industries but generate 24 million new

jobs by 2030²³. Moreover, these new jobs may be in different locations and will require a different set of skills compared to those of the displaced workers²⁴. Addressing these transition risks is especially important to prevent the reinforcement of socioeconomic gaps affecting vulnerable groups, such as women.

TA's role, therefore, is crucial in facilitating a just transition that ensures that the benefits of a green economy are accessible to the countries, industries, and people that are likely to face economical disadvantages in the short-term. A process that brings stakeholders together in the design and implementation of green recovery is foundational to the creation of equitable jobs²⁵ and the identification of targeted ways to support vulnerable groups affected by the low-carbon transition. CIF-TAF has supported this initiative in several ways. Firstly, by requiring MDB implementing partners to incorporate green job creation and gender-sensitive approaches into interventions. This includes developing skill-based strategies and policies that are in line with labor supply and demand. Additionally, CIF-TAF has been instrumental in facilitating policy dialogue across ministries and non-governmental stakeholders to manage the social changes resulting from the implementation of new sectoral strategies. Lastly, CIF-TAF places great emphasis on the creation of sex-disaggregated data to identify gender-differentiated impacts of climate, offering valuable insights for the implementation of targeted response measures.



BOX 1. CIF-TAF's alignment with policies to advance a low-carbon future

Climate change continues to advance at unprecedented levels even as governments pledge to reduce greenhouse gas emissions.

The 2018–22 global mean temperature average is estimated to be 1.17 ± 0.13 degrees Celsius ($^{\circ}\text{C}$) above the 1850–1900 average, rapidly approaching the 1.5°C target of the Paris Agreement (United Nations, 2022). However, climate policy implementation experiences across geographies provide insights for advancing climate action.

For example, the World Bank report, *Reality Check: Lessons from 25 Case Studies Advancing a Low-Carbon Future*, identified learnings from climate policies and classified lessons across five categories: (i) planning for a future with zero emissions, (ii) getting the prices right, (iii) facilitating, enabling, and triggering sectoral transitions, (iv) getting the finance flowing (including private sector financing), and (v) ensuring a just transition⁶¹. Although the lion share of the present report was completed when the World Bank report was launched, a high-level analysis was conducted to assess how CIF-TAF-funded projects aligned with the aforementioned categories. The map below presents the regional distribution of the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery*-funded projects across these areas.

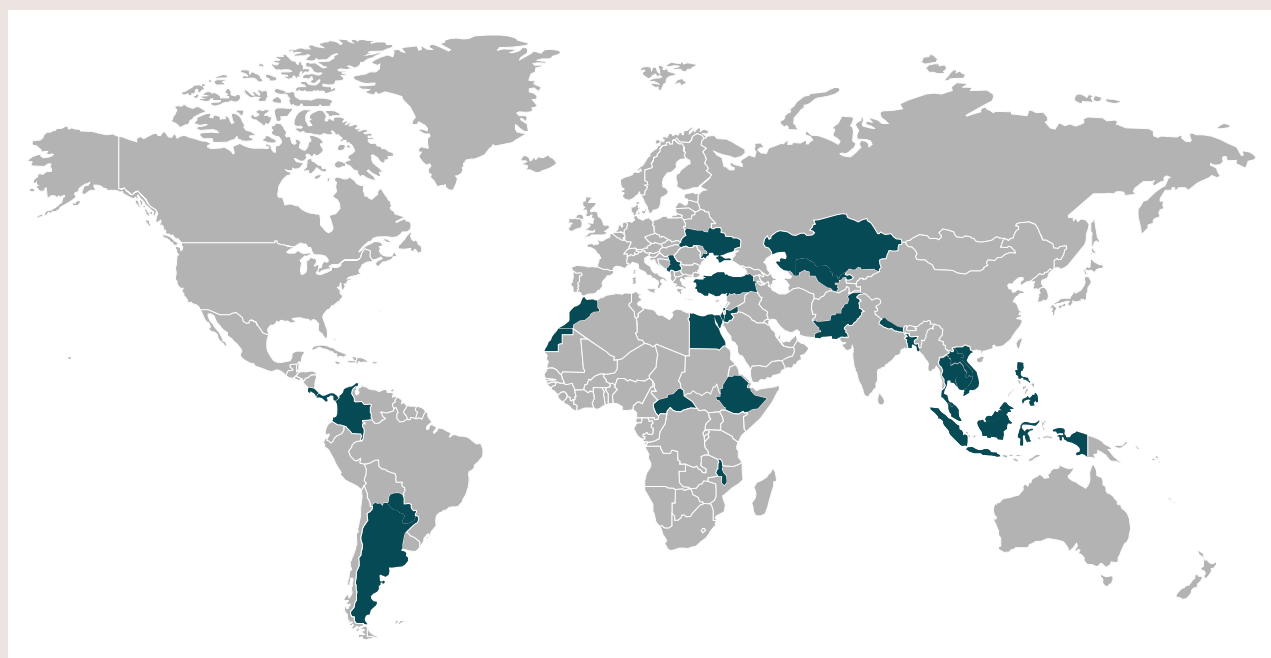


FIGURE 7. Alignment of the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery* with the World Bank's Reality Check policy categories

Funded projects supported by the broad CIF-TAF portfolio⁶² align with the policy categories above.

Twenty-six projects across 37 countries covered by the CIF-TAF align with the Reality Check report categorization. Out of this broader portfolio, almost half (45%, $n = 18$ of 40) of the *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery*-funded projects fall under one or more of the five categories outlined in the World Bank Reality Check report. Six of the 18 funded projects that align with these categories contributed to more than one policy area, namely planning for a future with zero emissions; and facilitating, enabling, and triggering sectoral transitions.

The support intervention areas extend beyond the five categories outlined in the World Bank report, suggesting the CIF-TAF's complementarity to ongoing climate action.

These areas include the establishment of knowledge platforms, capacity building of financial institutions and governing national institutions facilities, and interregional renewable energy development and transmission. The following section of the report discusses how these additional areas can serve as levers of change that contribute to the adoption of low-carbon pathways.

4. TECHNICAL ASSISTANCE IN ACTION

Technical assistance (TA) activities supported by the Climate Investment Funds’ Technical Assistance Facility (CIF-TAF) contribute to broader initiatives and structural changes that set countries on a clean, inclusive, and resilient economic development path. Among shortlisted TA projects discussed in the following section, the review found that CIF TA has supported the preparation and/or implementation of approximately 30 MDB implementing partner projects (see Annex 1). This suggests that TA is enabling MDB implementing partners and governments to embed climate considerations into the ongoing COVID-19 recovery process and to jump start policy, investment, and strategic planning approaches that might have been postponed due to the demands of the current crises.

Using the review framework, the following review highlights key considerations for future climate action interventions based on ongoing activities supported by the CIF-TAF. The analysis is based on interviews with task team leaders (TTLs) and guided by a set of questions informed by the analytical framework described in the previous section. The interviews complemented the broader portfolio analysis, highlighting key issues that were identified during the review. The selection of projects was based on their representation of TA methods, geographical diversity, data availability, and relevance to the objective of identifying lessons to strengthen CIF-TAF strategy and replicate innovation. The shortlisted projects were in different stages of implementation, and emphasis was put on extracting relevant insights based on their current progress. The team conducted ten interviews with a total of 17 people.

TABLE 2. Shortlisted projects

See Annex 1 for a full overview of shortlisted projects.

REGION	PROJECT NAME	MDB
Europe and Central Asia	Enabling long-term COVID-19 recovery through scaling up climate corporate governance (Türkiye, Ukraine)	EBRD
Europe and Central Asia	Low carbon development planning: options paper and capacity building (Türkiye)	WB
Europe and Central Asia	Supporting green and inclusive climate action through implementation assistance for C19 recovery and a just transition (Serbia, Ukraine)	EBRD
Europe and Central Asia	Improving the management of coastal protected areas and ecosystems as a nature-based solutions climate resilience and addressing climate resilient rural development issues (Türkiye)	WB
Latin America	Supporting the strengthening of the Ministry of Labor for the promotion of green jobs (Ecuador)	IDB

REGION	PROJECT NAME	MDB
Latin America	Electric mobility as a national opportunity for green and resilient economic recovery (Paraguay)	IDB
Latin America	Supporting a green and resilient COVID-19 recovery by accelerating the shift to electric mobility in Colombia and Costa Rica	WB
Middle East and North Africa	Supporting green recovery through climate smart policies (Egypt, Lebanon, and Morocco)	WB
Middle East and North Africa	Climate-responsive economic recovery and growth technical assistance (Jordan)	WB
Africa	Catalyzing Sudan's green recovery	WB

4.1. Mobilize investments

4.1.1. Development of investment pipelines and strategies

The CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery supported the effective deployment of TA, which established national mechanisms to build a cohesive sequence of investment projects that promote climate change objectives. Previous learning reviews of CIF TA have documented the important role of TA across the stages of the investment cycle. Feasibility and market studies, the screening of investment opportunities, and preparation of funding applications are among the identified activities that can help build a pipeline of projects where governments lack the tools and planning capacity to prioritize competing projects²⁶. Although these activities may increase the likelihood of attracting investment for discrete projects, a sustained investment effort at the sector level, delivered across line ministries, may be necessary to meet the required scale for economic recovery while delivering on climate objectives.

In the context of green recovery, CIF-TAF advisory services projects are providing a cost-effective way to develop sector-driven investment strategies. In Egypt, a regional World Bank TA²⁷ supported by the CIF-TAF is helping the government identify concrete projects as part of a flagship US\$14.7 billion Nexus of Water, Food and Energy (NWFE) initiative²⁸. This ongoing multi-sector initiative consists of nine interlinked projects, including the replacing of inefficient thermal power plants with renewable energy, enhancing smallholder adaptation to climate risks, and increasing the resilience of regions to climate shocks, among others. The TA allows for sectoral diagnostics and policy dialogue, which provide valuable evidence for project design and selection. Additionally, it encourages the incorporation of adaptation and resilience considerations into ministry planning.

CIF-TAF TA has also enhanced government capacity to build investment pipelines that align with Nationally Determined Contributions (NDCs) by strengthening climate finance governance ecosystems.

To achieve these goals, it is crucial to secure private investment through clearly defined strategic areas, structured engagement with the private sector, and processes for prioritizing investments. In Jordan, TA²⁹ was part of the World Bank's Inclusive, Transparent and Climate Responsive Investments Program-for-Results (PforR)³⁰ and provided technical support to implement the Climate Change bylaw, No.79/2019, which governs the institutional processes, monitoring reporting and verification (MRV), sectoral strategies, and financing modalities related to the country's climate commitments. This included support to define green bond guidelines and eligible investments, and public expenditures for climate-responsive projects in the Public Investment Management (PIM) and Public Private Partnerships (PPP) frameworks³¹. These efforts contributed to the adoption of a value chain Climate Investment and Mobilization Plan approach wherein potential projects—each with its own adaptation and mitigation results, funding modes, and implementation models—can be clustered in support of sectoral objectives (see example in Table 3). As a result, the Climate Investment Mobilization Plan prioritizes climate-responsive projects to engage the private sector, establish Jordan as an attractive destination for climate

investments, and support the achievement of Jordan's NDCs. It is also aligned with the Economic Modernization Vision. The plan was developed for nine climate-responsive projects that lay within the priority plan approved by the Council of Ministers and one additional project was also considered as climate-responsive priority, namely the Energy Efficiency and Green Buildings Retrofits in Public Buildings – Phase 1.

CIF-TAF support enabled the line ministries to adopt a national MRV system and GHG registry to track mitigation impacts and performance, monetize benefits, and effectively engage investors.

Prior to the TA intervention, the government of Jordan was short of technical capacity to maintain a central repository of national, sectoral, and project level climate actions to track activities and financing against NDCs. This limited the ability among line ministries to prepare bankable projects and mobilize private investment in a context of heightened fiscal pressure. Leveraging the TA was integral to achieving success, as it ensured the adoption of an annual maintenance budget and the hiring of a dedicated MRV specialist within the lead Ministry of International Cooperation. This supported the sustenance of implementation and continuous improvement of areas, such as data collection. With a view to further strengthening the climate finance governance system, the TA also supported

TABLE 3. Jordan Climate-Responsive Economic Recovery and Growth Technical Assistance, World Bank

JORDAN CLIMATE-RESPONSIVE ECONOMIC RECOVERY AND GROWTH TECHNICAL ASSISTANCE, WORLD BANK I CIF-TAF APPROVED BUDGET: US\$315,000
<p>Objective: The objective of the TA is to support the achievement of three Disbursement Linked Indicators (DLIs) of the ongoing Jordan Inclusive, Transparent and Climate-Responsive Investments Program-for-Results (PforR). These include mainstreaming CAPEX for climate-responsive investments towards 2030 Nationally Defined Contribution (NDC) under the Paris Agreement; mobilizing private capital and non-government financing; and operationalizing a robust and transparent governance mechanism in the country.</p> <p>Key MDB projects supported by TA: Jordan PforR operation called Jordan Inclusive, Transparent and Climate-Responsive Investments (P175662); Enabling Climate Action in Mashreq (P173385); Climate-Responsive Public Financial Management Framework; Jordan multi-donor trust fund-supported TA on e-mobility, energy storage, smart grid, buildings energy efficiency (ongoing).</p> <p>Expected outputs: Mainstream climate considerations through the Public Investment Management and Public Private Partnerships frameworks; support the deployment of capital expenditure towards climate-responsive projects; issue green bond guidelines; mobilize investment through a climate investment portfolio and engagement, the deployment of the MRV system and National GHG registry.</p>

TABLE 4. Government of Jordan indicative value chain: West and South Amman wastewater catchment systems

INDICATIVE INVESTMENT SUBPROJECTS	DESCRIPTION	IMPLEMENTATION MODEL	FUNDING SOURCE
Wastewater networks	<ul style="list-style-type: none"> • Design and construction of a wastewater collection system • Design and construction of pumping stations in case of differing elevations and geographic challenges 	Public Investment Project (PIP)	<ul style="list-style-type: none"> • Technical assistance grants • Concessional lending
Wastewater treatment plant	<ul style="list-style-type: none"> • Design and construction of energy efficient wastewater treatment plants to meet the required high effluent standards 	Public-Private Partnership (PPP)	<ul style="list-style-type: none"> • Equity • Commercial lending • Viability gap funding • Insurance and guarantees
Sludge disposal and recycling	<ul style="list-style-type: none"> • Design and construction of energy efficient wastewater treatment plants to meet the required high effluent standards 	Public-Private Partnership (PPP)	<ul style="list-style-type: none"> • Equity • Commercial lending • Viability gap funding • Insurance and guarantees

the design of a business model for a government-owned enterprise, named the Climate Change Center of Excellence, that would provide technical advisory services to line ministries responsible for conceptualizing projects.

4.1.2 Crowd-in additional green investments

TA was deployed to address binding constraints for green investments, contributing to a more financially attractive investment proposition for the private sector.

The capital constraints discussed above are compounded in countries facing weakened finances and maturing debt levels due to COVID-19 relief. The Costa Rican government has shown a preference for private sector financing over donor-funded loans or enacting subsidies to electrify public transportation in the San José metropolitan area (GAM). However, this approach required substantial investment from bus operators in order to shift from fuel-powered fleets to electric ones. CIF-TAF TA, as part of a World Bank-led program to accelerate the transition to electric mobility in Costa Rica and Colombia³², identified business and financing models and options to lower

and diversify investment costs, coupled with better serviceability of the system for communities. These technical inputs and extensive local stakeholder engagement, developed as part of a broader effort to assess power sector and regulatory requirements for e-mobility, have made the government more amenable and better positioned to alternative financing options to electrify public transport in the GAM. This complements planned sectoral reforms and modernization efforts of the Ministry of Public Works and Transport in Costa Rica's urban public transport sector. The results of this work are also providing the government of Colombia with valuable insights into the public support options that can more efficiently utilize scarce public resources to maximize the amount of mobilized private capital.

CIF-TAF TA has enabled connections to larger climate finance programs. Activities implemented in Colombia are closely linked to a programmatic technical assistance program that includes issues of decarbonization, resilience, and just energy transition. Among other links, these activities will serve as inputs for the development of new technical assistance activities to provide regulatory analyses



and recommendations to enable the development of an electric vehicle retrofit industry in Colombia.

In fragile and conflict-affected areas, where political and socioeconomic instability make investors even more reluctant to take on risk, CIF-TAF's technical implementation support is driving incremental progress towards advancing investment in “build back better” efforts. The IBRD-implemented TAF for Catalyzing Sudan's Green Recovery³³ intended to support the government to design a US\$300 million Sustainable Distributed Energy Market Fund that would mobilize investment towards off-grid solar energy access in the country. However, an extended period of military conflict that began in 2021, significantly scaled back operations as the project team was precluded from engaging with government counterparts. Notwithstanding, TA funding enabled the World Bank to gather the market intelligence needed to identify the Fund's operational requirements and implementation modalities. Where the World Bank was not able to engage directly, it partnered with other donor agencies on the ground, such as United Nations Children's Fund (UNICEF), to advance other components of the project, including assessing the energy needs of schools and hospitals to gauge required investments. Similarly, in response to the Russian invasion of Ukraine in early 2022, the EBRD is considering ways to repurpose the “just transition” CIF TA³⁴ towards activities that support post-war reconstruction efforts. To justify investment,

price differential studies may be conducted to examine the cost disparities between coal and low-carbon alternatives. These activities highlight the value of maintaining a certain degree of flexibility in similar contexts to address any unexpected disruptions to operations.

Regional TA programs also offer opportunities to replicate green financing models across countries to align private capital with green recovery objectives.

A regional TA funded by the CIF-TAF in the MENA region enabled the World Bank to leverage the Lebanon Green Investment Facility (LGIF)³⁵ model to fast track the implementation of a similar fund in Egypt³⁶. Preliminary discussions with the government suggest that early-stage support in the form of drafting of design documents, bylaws, and results framework have helped the government to position investment opportunities in international fora, such as the International Cooperation Forum, for donor consideration. This showcases the ability of TA to support countries as they seek to accelerate NDC implementation and mobilize private resources, raising the visibility of projects and fast-tracking investment through blended finance tools. Identifying opportunities within regional programs to replicate tested green financing models serves to tackle the high upfront costs and lack of technical expertise to establish green financing facilities.

TABLE 5. Catalyzing Sudan’s Green Recovery, World Bank

CATALYZING SUDAN’S GREEN RECOVERY, WORLD BANK CIF-TAF APPROVED BUDGET: US\$500,000
<p>Overview: Support the implementation of the World Bank-funded Sudan Energy Transition and Access Project (SETAP) to support the government’s efforts to increase electricity access.</p> <p>Key projects supported by TA: World Bank Sudan Energy Transition and Access Project (SETAP), currently on hold.</p> <p>Expected outputs: Deliver enhanced lending operations for improved electricity access through renewable energy-based interventions; enhance institutional and technical capacity in renewable energy for sustained and resilient access; produce knowledge for consideration in developing sustainable and resilient implementation arrangements; develop capacity to systematically create, mainstream, and implement green recovery objectives.</p>

Where environmental issues require regional coordination, CIF-TAF support is helping to establish catalytic funds that incentivize the adoption of harmonized regional solutions to support long-term viability and scale. The CIF-TAF supported the technical design of a World Bank Plastics Circularity Fund (PCF) which was approved as a US\$20 million grant in 2022. The Fund will provide grants to firms, social enterprises, and non-governmental organizations to scale marine plastics solutions for Southeast Asian countries³⁷. Ongoing TA specifically supports the preparation of prospectuses, defining strategic activities, and deploying calls for proposals. These activities are anticipated to identify investable pilots for plastics management that will significantly reduce GHG emissions and promote adaptation. The ultimate goal is to mobilize financing for the harmonization of policies and standards, as well as to drive innovation in plastics solutions, building on the analytical work and policy support established by the TA.

The CIF-TAF also helped governments impacted by the COVID-19 crisis to identify and evaluate suitable debt and non-debt instruments for climate-related investments. Several governments are experiencing a constrained fiscal space as the pandemic necessitated unprecedented fiscal and monetary stimulus. Many African countries with high debt levels prior to the pandemic, now face added debt distress that limits their investment capacity in climate resilience. In this context, a regional project covering Ethiopia, Rwanda, and Malawi³⁸ assesses the sovereign debt structure in these pilot countries and identifies debt and non-debt instruments for climate and nature spending. Capacity building workshops with debt management, treasury, planning and budgeting departments

of the ministries of finance and the ministries of environment counterparts across these countries are part of the project. Results are expected to lead to the design of future green recovery programs and will be disseminated to support global efforts to unlock finance for climate and biodiversity investments. These activities will potentially create the basis for a follow-on phase with direct financial support, blended financing, and other donor support for new financing arrangements in the target countries.

4.2. Accelerate results and inform implementation

4.2.1. Rapid support to specific projects and sectors

Long-term climate change strategies and sector plans signal a country’s commitment to climate change objectives, but do not guarantee the availability of dedicated resources for implementation. Several CIF-TAF beneficiary countries included in this review have in place national climate change strategies and NDCs (e.g., Egypt 2050 National Climate Change Strategy, National Climate Change Policy of the Hashemite Kingdom of Jordan 2022–2050)³⁹. Similarly, many of the countries included in the TA have adopted Country Climate and Development Reports (CCDR) in partnership with the World Bank to better prioritize actions to reduce GHG emissions while delivering on broader development goals⁴⁰.

TA has contributed to the operationalization of NDC and CCDR strategies by identifying bottlenecks, laying out next steps, and expanding policy dialogue

with relevant line ministries. In Egypt, World Bank TA, structured as an Advisory Services and Analytics (ASA) intervention⁴¹, helped raise possibility for Development Policy Financing (DPF) to support sector-specific actions under the government’s 2050 National Climate Change Strategy and implementation of NDC. Discussions on the set of policies to be included in the DPF require careful and labor-intensive coordination between the World Bank, the counterpart Ministry of International Cooperation, and implementing ministries. Nonetheless, the TA has deepened engagement in the energy, agriculture, and water sectors through technical discussions and longstanding dialogue to inform national targets and climate-related commitments. A number of investment operations that build on the CCDR and related dialogue are also under preparation.

CIF-TAF-supported smaller scale studies have also strengthened engagement with counterpart ministries and kickstarted dialogue to identify and shape potential investment projects in support of climate resilience. In Türkiye, the CIF-TAF is supporting an ongoing World Bank assessment⁴² of the environmental pressures on coastal protected areas and communities in Sinop. The findings are expected to inform the management plan for nature reserves; the development of a climate-resilient rural development model; and nature-based solutions that could enhance climate resilience in protected areas. While the TA is in the early implementation stage as of the publication of this report, this engagement has convened a range of stakeholders, including policy makers at the regional and national level, tourism and forestry departments, academics, departments engaging on technical issues, thus opening the possibility to develop partnerships. For instance, an opportunity to link the official tourism app GoTürkiye with national parks managed by the Ministry of Agriculture and Forestry was discussed to boost visitors and revenue from ecosystem services. It has also led to the request for project investments aimed at enhancing capacity building on the adaptability of wetlands, restoration, and nature-based tourism in line with the climate memorandum of understanding (MoU), signed between the government of Türkiye and development partners in 2021.

TA activities may also kickstart just transition and other “build back better” policy discussions from a low level of climate ambition. Building on the EBRD’s Just Transition Initiative (JTI) launched in 2020⁴³, the CIF-TAF supported the development of an action plan in Serbia⁴⁴ for just transition and COVID-19 recovery. The government at the time did not have a CCDR in place or a dedicated just transition strategy. CIF-TAF enabled the development of an action plan supported by in-depth diagnostics that identified necessary institutional and governance structures, policy reforms, skills development needs, and concrete investment projects to support implementation.

Notably, consultations with a diverse project working group comprising of over 30 individuals from ministries, state-owned utility companies, labor unions, and municipal governments was leveraged to socialize diagnostic findings and create consensus on solutions. These activities contributed to the inclusion of the just transition measures in the country’s draft National Energy and Climate Plan (NECP) that was distributed for public consultation. Based on ongoing discussions, the government has signaled a willingness to formally adopt the action plan and draft the NECP by June 20, 2024. However, political sensitivities remain, especially with municipalities whose constituents are highly dependent on coal industries.

TABLE 6. Supporting green recovery through climate-smart policies - Egypt, Lebanon, and Morocco

SUPPORTING GREEN RECOVERY THROUGH CLIMATE-SMART POLICIES - EGYPT, LEBANON, AND MOROCCO CIF-TAF APPROVED BUDGET: US\$600,000
<p>Overview: Inform national level policies to lay the foundations of green, inclusive, and sustainable development in Egypt, including through the development of a national level policy framework to support NDC commitments and embed climate ambition in sectoral actions. Reactivate tourism through new, climate-resilient business models in Egypt, Morocco, and Lebanon.</p> <p>Key projects supported by TA: Upcoming World Bank Country Partnership Frameworks in Jordan, Tunisia, and Egypt; Project preparation for the Lebanon and Iraq Green Investment Facilities; Project preparation under operationalization of World Bank's Country Climate and Development Diagnostic Report (CCDRs) in Egypt, Jordan, and Morocco.</p> <p>Expected outputs: Enhance climate-related lending operations; strengthen institutional and technical capacity; mainstream climate resilience and mitigation objectives into policies and investments.</p>

Follow-on TA support is required to maintain momentum in advancing country partners towards resilient development pathways while addressing the needs of vulnerable communities. Even though the NECP approval in Serbia was an important precondition towards green recovery, the EBRD's assessment shows that significant investments will be needed to decommission powerplants, establish renewable energy connections, modernize the grid, support land remediation, prepare the workforce for green jobs, and ensure broader human capital development and just transition for affected workers and communities⁴⁵. Additional investments in infrastructure will be needed to ensure that displaced workers can commute to new locations for jobs, particularly in areas further from the capital. A coordinated deployment of TA alongside grants and concessional financing is needed to support these interventions and ensure that green economy transition benefits are shared, while protecting people, regions, and communities from falling behind. In Türkiye, awareness amongst villagers about alternative livelihoods and government programs to provide grants has increased. The CIF TA included studies, led by sociologists and ethnographers, which involved visits to households in Sinop, deployment of questionnaires, and discussions with villagers that informed them of government program for which they were eligible. As a result, villagers who qualified benefited from established governmental programs such as ORKOY, an initiative managed by the Department of Rural Development for Forest Villagers which provides livelihood assistance to rural populations. In one instance, a woman interviewed

as part of the CIF TA secured a tractor through the extension of the ORKOY program.

4.2.2. Accelerate transition to cleaner and more resilient development pathways

Widespread lockdowns and supply chain disruptions from COVID-19 highlighted systemic vulnerabilities across economic sectors.

This has prompted governments to rethink sectoral priorities and accelerate the adoption of low-carbon industries and approaches as part of recovery efforts. This is especially true in the tourism and transportation sectors, which have emerged as focus areas among TA recipients. The tourism sector is a major driver for economic growth and job creation, contributing to 10.3 percent of global GDP in 2019, before the pandemic. However, the sector was massively affected by the pandemic, resulting in negative socioeconomic consequences for host communities. On the other hand, the social distancing requirements brought by the pandemic altered mobility patterns and led to an uptick in use of private vehicles and negative externalities from emissions and pollution.

CIF-TAF cross-cutting approaches are improving the implementation of low carbon pathways in the tourism sector.

In the MENA region, early-stage discussions supported by the CIF-TAF and World Bank have identified a need for in-depth country tourism market profiles in Egypt, Lebanon, and Morocco to better identify opportunities for climate-smart practices⁴⁶. The regional TA provided critical support in the form of an ASA by mobilizing a multi-sectoral

TABLE 7. Low carbon development planning: options paper and capacity building

LOW CARBON DEVELOPMENT PLANNING: OPTIONS PAPER AND CAPACITY BUILDING CIF-TAF APPROVED BUDGET: US\$375,000
<p>Overview: Prepare a comprehensive paper outlining low carbon development strategies for Türkiye's pandemic response, with a focus on prioritizing green elements. The paper will consider policy instruments for low carbon development, such as domestic carbon pricing, energy efficiency standards, and research and development incentives, among others. Additionally, the TA will include capacity building to inform the government's use of economic models identified in the analytical assessment.</p> <p>Key projects supported by TA: Türkiye Green Growth and Sustainable Recovery Programmatic Advisory Support & Analytics (GG-PASA) for FY21-24; Turkey Resilient Landscape Integration Project, in preparation; Energy Efficiency in Public Buildings, in preparation; Climate and Disaster Resilient Cities Project, in preparation; Turkey Integrated Water Conservation Project, in preparation; Turkey Climate Smart and Competitive Agricultural Growth Project (TUCSAP), in preparation; World Bank Energy Transition Programmatic Advisory Services and Analytics (ASA).</p> <p>Expected outputs: Enhance climate-related lending operations; strengthen institutional and technical capacity; enhance knowledge of mitigation and resilience considerations as part of the COVID-19 recovery context; mainstream climate resilience and mitigation objectives into policies and investments; develop climate and disaster risk management systems.</p>

team comprised of specialists from the following sectors: Environment and Natural Resources; Urban, Resilience, and Land; Climate Change and Environment; Natural Resources and the Blue Economy; and Finance, Competitiveness, and Innovations.

The multidisciplinary approach is contributing to a more in-depth assessment of the tourism sector's resilience and competitiveness in light of existing and projected climate change risks⁴⁷.

CIF-TAF helped address barriers to investment, as well as policy and regulatory frameworks, including those that incentivize the expansion of green sectors, such as electric mobility. In Paraguay, e-mobility reforms were identified as a potential solution to prevent an increase in emissions in the transportation sector

while addressing the unemployment and economic challenges of the pandemic. CIF-TAF supported the IDB⁴⁸ to define technical standards for the use and production of electric vehicles, and the institutional strengthening of the ministries of transport and energy. The specific objective is to improve the capacity of Paraguay's Transport, Energy, Urban, and Industrial regulatory agencies, and to enhance the country's competitiveness in order to promote the deployment of electric mobility and generate new markets that contribute to a green and resilient recovery. TA enabled the IDB to engage a consultancy to develop a roadmap that captures fiscal, regulatory, and institutional requirements of e-mobility adoption scenarios. These efforts will assist the government of Paraguay to implement the National Electric Mobility Strategy and the Strategic Council on Electric Mobility.

TABLE 8. Supporting green and inclusive climate action through implementation assistance for C19 recovery and a just transition

SUPPORTING GREEN AND INCLUSIVE CLIMATE ACTION THROUGH IMPLEMENTATION ASSISTANCE FOR C19 RECOVERY AND A JUST TRANSITION CIF-TAF APPROVED BUDGET: US\$760,000
<p>Overview: Identification of green COVID-19 recovery and just transition-focused policy and investments in underserved coal-dependent regions in Serbia and Ukraine, including through detailed implementation and mapping of investment needs against funding opportunities. TA will enable the relevant decision-makers and stakeholders in both countries to identify and prioritize impactful measures to create positive economic, environmental, and social outcomes.</p> <p>Key projects supported by TA: N/A</p> <p>Expected outputs: Deliver Just Transition Diagnostics, including assessments of risks and opportunities for assets, people (with a gender component), and communities; formulate Just Transition Action Plans, featuring specific recommendations for governance structures, projects, and policy reforms; train and engage key stakeholders in the identification and prioritization of green and inclusive measures, yielding economic benefits within the context of COVID-19 recovery; map investment needs against funding opportunities, integrating them into the COVID-19 recovery framework for immediate implementation.</p>

CIF-TAF flexibility is meeting evolving government needs as part of ongoing efforts to implement e-mobility objectives. In Costa Rica, an intended focus of CIF-TAF TA was to support the implementation of an e-mobility strategy and the design of charging infrastructure strategies. However, discussions with the Ministry of Transport showed that charging infrastructure and distribution systems were relatively developed mainly due to the technical leadership of the Costa Rica Electric Institute—a state owned enterprise coordinating e-mobility infrastructure. Therefore, TA pivoted to develop new business models to replace internal combustion engine-based freight and light duty transport vehicles by 2050. Additionally, ongoing analysis is informing the design of regulations for the implementation of time-of-use tariffs, which will be critical in the long-term financial sustainability of the sector.

4.3. Structural mainstreaming of green recovery

The CIF-TAF provided struggling countries with opportunities to lay the foundations for a shift towards a low-carbon economy, addressing systemic vulnerabilities and improving climate resilience across sectors. The mainstreaming of green recovery is among the most requested types of TA under the COVID-19 Green and Resilient Recovery Initiative, with over half of the portfolio demand featuring activities to support the dual objective of economic recovery, and mitigation and adaptation efforts. These projects enhanced the technical capabilities of public and private stakeholders to integrate climate

considerations in long-term planning and business practices.

CIF-TAF is demonstrating that by engaging with line ministries beyond the usual supporters of green recovery, it can mainstream green recovery in national planning. Through the World Bank’s low carbon development planning engagement⁴⁹, TA supported by the CIF-TAF served as a “beachhead” in high influence offices, such as the Presidency of Strategy and Budget (SBO), a central planning agency. Whereas the Ministry of Environment has previously pushed for similar programs and studies, it did not have sustained impact on policy in these agencies. A policy options paper supported by the TA, as well as the deployment of highly complex technical tools, such as the Computable General Equilibrium model, helped in the government’s significant shift towards prioritizing green recovery. The TA has led to discussions in which the SBO is considering a dedicated climate mitigation analysis (est. US\$2.5 million over five years) as part of a broader Climate Change Capacity Building Project (US\$26 million over five years).

In the corporate sector, CIF-TAF is helping mainstream climate disclosure and reporting standards under the EBRD’s Corporate Climate Governance (CCG) Facility and the newly established CCG Client Advisory Facility⁵⁰. The CIF-TAF-funded TA aims to improve climate risk management corporate capacity in Türkiye by providing tools and information to senior corporate management and board levels to identify and manage climate-related risks and



opportunities in line with international standards such as the Task Force on Climate-related Financial Disclosures (TCFD) and the International Sustainability Standards Board (ISSB), among others. Despite the inconsistency in institutional capacity, raising awareness and conducting trainings have helped to showcase the important role of corporate disclosure in improving capital mobilization.

Despite the deployment of economic stimulus packages worldwide, entrenched reliance on fossil fuels and other carbon-intensive resources suggests additional opportunities for governments and businesses to establish resilient and low carbon development. Delayed investments in climate resilience may trigger a tipping point, after which it will be more costly, if at all possible, to address climate change in the future⁵¹. Low- and-middle-income countries must, therefore, re-examine budget revenues and expenditures, including subsidies and contingent liabilities, as part of their post-pandemic recovery planning to increase climate-related ambition and action.

4.4. Job creation and gender-focused structural mainstreaming of green recovery

Increased evidence shows that the return on investment on green jobs creation is higher than that for “brown⁵²” jobs. For every US\$1 million invested in labor-intensive sectors, such as renewables or energy efficiency, 7.5 full-time-equivalent (FTE) jobs are created while the same amount invested in fossil fuels generates about 2.5 FTE jobs⁵³. The figure is as high as 12 jobs for investments in commercial and residential energy efficiency sectors⁵⁴ as compared to fossil-fuel related employment. The recent World Energy Employment report from the IEA predicted that in 2022, more than half of the employment in the energy sector will be in renewables, due to rapid growth in sustainable energy projects in the last few years⁵⁵. The UN estimates that 20 million jobs can be created globally by investing in policies that support nature-based solutions, particularly in rural areas⁵⁶.

CIF-TAF TA is playing a role in creating the policy dialogues to quantify the potential for green employment generation in green sectors and in unraveling how the investment in sectors related to environmental objectives can contribute significantly to job creation. In Ecuador, TA implemented by the IDB⁵⁷ established a common terminology for green jobs linked to just transition efforts. This was achieved by engaging local employers’ organizations to collaboratively define how to create and maintain occupational profiles in solar energy, e-mobility, waste management, and sustainable agriculture. This approach facilitated a greater understanding among local businesses and small and medium-sized enterprises (SMEs) of the economic benefits of linking their working sectors to environmental objectives, such as agriculture, forestry, energy, transportation, tourism, construction, and waste management. Additionally, ongoing plot trainings with the Ministry of Labor and Red Socio Empleo (RSE) are helping dismantle misconceptions among private sector stakeholders that green jobs are limited to agriculture and forestry.

Additionally, CIF-TAF TA is playing a role in facilitating greater coordination between relevant line ministries, employment agencies, and private sector counterparts, which are critical to promoting employment linked to environmental objectives. The CIF-TAF in Ecuador has helped shape the 2022 Green Job Creation strategy and established a dedicated green jobs coordination committee to encourage public-private collaboration for the achievement of environmental, labor, and social objectives. The TA showcased the difficulty in identifying willing private sector participants as many did not see the value addition of engaging with the training agencies. The ongoing TA has also supported capacity building of the Technical Secretariat of the National Professional Qualifications System (SETEC) to ensure it adopts robust methodologies in talent pipeline development—from identifying demand with employers until placement in a green job.

All CIF-TAF TA proposals incorporate gender equity and representation considerations, and most have interventions that are aimed specifically at

women and girls. The impact of the COVID-19 crisis on women's economic livelihoods was greater than that of men. Furthermore, the number of women falling back into poverty is estimated to be disproportionately higher⁵⁸. At the same time, the role of women in addressing the climate challenge is paramount: as farmers, consumers, community leaders, workers, and entrepreneurs, they are uniquely positioned to effect positive change. The *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery* includes activities that address the unique needs of women in the process of Just Economic Transition in countries dependent on fossil fuels (World Bank MENA Regional Proposal with activities in Egypt, Lebanon, and Morocco) and specifically target the percentage of women beneficiaries for new green jobs training services (Supporting the strengthening of the Ministry of Labor for the promotion of green jobs, IDB).



5. CONCLUSION

The CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery is a highly relevant program that has enabled partner multilateral development banks (MDBs) and developing countries to embed climate considerations into economic recovery planning and implementation. While many of the CIF-TAF technical assistance (TA) interventions are ongoing, they offer critical insights on accelerating the transition to a green and resilient economic paradigm to better prepare traditional and new CIF partners for future emergencies. Since the establishment of the

Initiative in 2021, new regional geopolitical conflicts and tensions, and global inflationary pressures have emerged and may compete with long-term plans to address climate change. Drawing on the CIF-TAF's experience in implementing TA in the context of an emergency response can reinforce the importance of establishing more resilient approaches and policy frameworks that enable effective deployment of resources in these situations. The following insights are drawn from the review and inform the approach of governments and their development partners:



- Deploy a mix of interventions to empower countries in achieving their goals of long-term green and resilient economic development.** An approach that offers technical implementation support, from the national policy level down to the project level, has demonstrated potential to increase climate-related ambition while mobilizing the resources for resilient recovery (see Figure 8). TA has a role to play in facilitating multi-sectoral expertise and policy dialogue, which are both needed to develop well-integrated analyses and solutions to prioritize green policy considerations in the context of an emergency response. This is especially relevant for sectors with high job and growth potential, such as tourism and transportation, but also prone to climate risks. Therefore, they can benefit from more sustainable interventions and adoption of low-carbon pathways. Figure 8 below proposes an approach that expands on the Initiative's original theory of change and incorporates a project, sector, financial, and policy dimension to TA activities. This approach can be utilized to reinforce green recovery in the context of any economic and social crises beyond COVID-19.
- Search for opportunities to broaden policy dialogue beyond the typical champions to include other line ministries.** Expanding technical implementation support and capacity building interventions beyond the ministries of environment to include assistance to ministries of finance and economic planning, transport, and infrastructure, among others, as well as to non-governmental organizations, such as universities and research institutions, fosters synergy among ministries and increases the likelihood of success.
- Link smaller TAs to critical components of larger transformative programs during intervention designing.** Targeted interventions in the form of analytic support and technical studies can deepen engagement with counterpart ministries and lay the groundwork for upcoming projects supporting climate resilience. Deploying TAs as part of advisory engagements and results-based financing, such as Program for Results (PforR) and development policy financing has accelerated the implementation of climate-linked objectives (i.e., including opting for systemic changes among government and financial institutions, increasing investment scale, fostering adaptive sustainability,

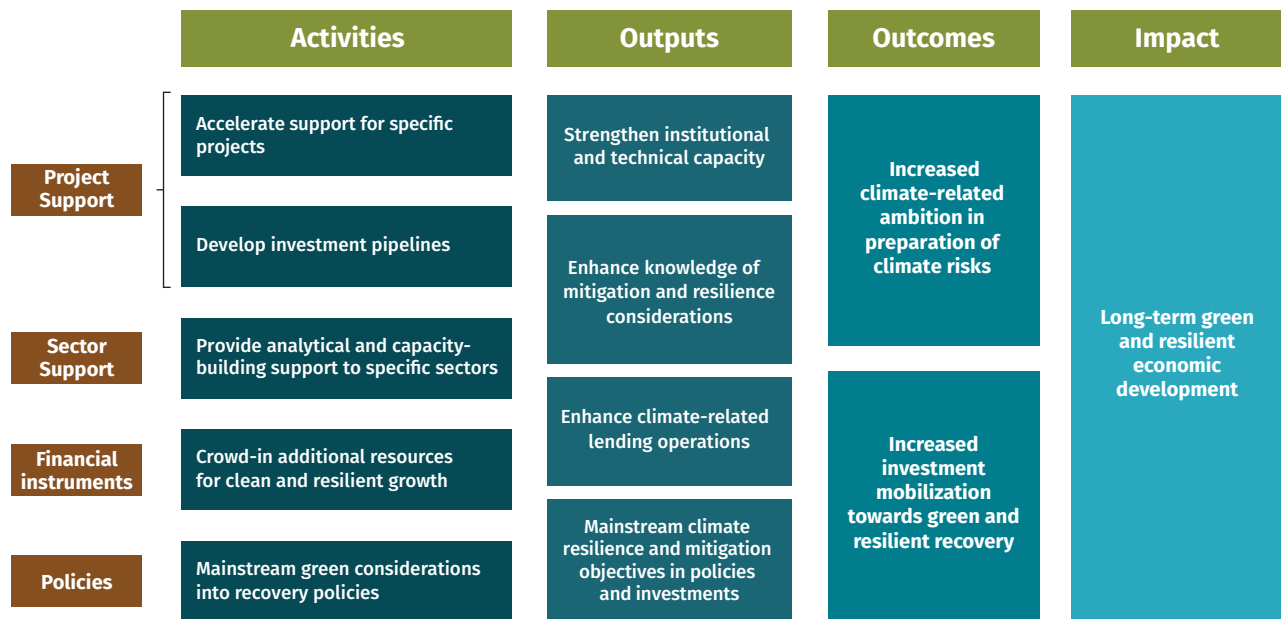


FIGURE 8. Proposed Theory of Change for supporting green and inclusive climate action in response to economic and social crises

and promoting climate and social considerations) and allowed for flexibility in providing support to address capacity gaps in areas where partner governments may require the most assistance.

- **Consider the role of TA in designing financing platforms that can mobilize funds across public and private stakeholders.** TA has a role to play in designing and operationalizing catalytic funds by supporting market intelligence gathering, identifying operational requirements, and assessing implementation modalities. This upfront support can accelerate the deployment of funds during or after a crisis when resources and volumes are constrained.
- **Maintain a flexible approach.** In fragile and conflict-affected areas where political and socioeconomic instability make investors even less likely to take on risk, CIF-TAF technical implementation support is providing valuable incremental progress to advance investment in “build back better” efforts. The World Bank’s Catalyzing Sudan’s Green Recovery TA⁵⁹ intended to support the government to design a US\$300 million Sustainable Distributed Energy Market Fund that would mobilize investment towards off-grid solar energy access in the country. However, an extended period of military conflict that began in 2021, significantly scaled back operations as the project team was precluded from engaging with government counterparts. Notwithstanding, TA funding enabled the World Bank to gather the market intelligence needed to identify the Fund’s operational requirements and implementation modalities. Where the World Bank was not able to engage directly, it partnered with other donor agencies on the ground, such as United Nations Children’s Fund (UNICEF), to advance other components of the project, including assessing the energy needs of schools and hospitals to gauge the necessary investment. Similarly, the EBRD is considering ways to repurpose the “just transition” CIF TA⁶⁰ towards activities that support post-war reconstruction efforts. To justify investment, price differential studies may be conducted to examine the cost disparities between coal and low-carbon alternatives. These activities highlight the value of maintaining a certain degree of flexibility in similar

contexts to address any unexpected disruptions to operations.

- **Utilize TA to identify dedicated resources for implementing agreed upon green recovery strategies and programs.** TA has a role to play in activating agreed upon national strategies by identifying critical bottlenecks, actionable next steps, and opportunities to leverage donor and private financing to support the implementation of low carbon pathways. This in effect increases climate-related ambition as part of economic recovery plans and sets the policy foundation for mobilizing public and private resources toward this objective.
- **Leverage stakeholder engagement as a tool to get buy-in for complex policy decisions and create consensus on solutions.** Building transformative change takes time, and involving the right line ministries, implementing agencies, and private sector counterparts is important to build consensus and convey benefits.
- **Apply TA to facilitate a just transition that ensures the benefits of a green economy are accessible to the countries, industries, and people that may face economic losses in the short term.** A process that brings stakeholders together in the design and implementation of green recovery is foundational to the creation of equitable jobs and identifying targeted ways to support vulnerable groups affected by the low-carbon transition.

The activities supported by the CIF-TAF contribute, not only to a green COVID-19 recovery, but also to structural changes that set countries on a clean, inclusive, and resilient economic development path. The broad range of activities embed climate considerations into the ongoing COVID-19 recovery process and accelerate structural changes that may have been postponed due to the pressing demands of the ongoing crises. Considering that such delays can damage the prospects of reorienting a country’s development paths towards a lower emissions and more resilient paradigm, it is imperative to manage climate finance not only as a means of addressing future climate risks, but also as a tool for achieving meaningful and measurable results in the present.

ANNEX 1: CIF-TAF COVID-19 TA RESPONSE INITIATIVE FOR GREEN AND CLIMATE RESILIENT RECOVERY: SHORTLISTED PROJECTS OVERVIEW

PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
Supporting green and inclusive climate action through implementation assistance for C19 recovery and a just transition (Serbia, Ukraine)	EBRD	<p>Identify green COVID-19 recovery and just transition-focused policy and investments in underserved coal-dependent regions in Serbia and Ukraine, including through detailed implementation guidance and mapping of investment needs against funding opportunities. TA will enable the relevant decision-makers and stakeholders in both countries to identify and prioritize impactful measures to create positive economic, environmental, and social outcomes.</p> <p>Increase the capacity of policymakers to identify and prioritize measures for robust COVID-19 recovery, underpinned by ambition for accelerated just transition towards a sustainable climate-compatible economic model.</p> <p>Create the conditions for increased investment mobilization towards green, inclusive, and resilient.</p> <p>Increase climate-related ambition and action as part of COVID-19 recovery in Serbia and Ukraine.</p>	<p>Stock-taking investment and policy context for energy sector transition.</p> <p>Implementation support and stakeholder engagement.</p>	<p>Deliver Just Transition Diagnostics, including assessments of risks and opportunities related to assets, people (with a gender component), and communities.</p> <p>Create Just Transition Action Plans with concrete recommendations for governance structures, projects and policy reforms.</p> <p>Train and engage key stakeholders in identifying and prioritizing green and inclusive measures, that deliver economic benefits in the context of C19 recovery.</p> <p>Map investment needs against funding opportunities, including as part of C19 recovery for immediate implementation.</p>	\$760,000	N/A

PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
Enabling long-term COVID-19 recovery through scaling up corporate climate governance (Türkiye, Ukraine)	EBRD	Support the EBRD's Corporate Climate Governance (CCG) Client Advisory Facility to better improve client capacity to recognize and manage climate-related risks and opportunities in line with the regulatory and reporting recommendations of the Task Force on Climate Related Financial Disclosures (TCFD).	<p>CCG action plan and initial climate risk disclosure for public and private sector clients.</p> <p>CCG assessment, climate-risk value chain structure and scenario analysis, stress-testing, and integration of enhancements to CCG client business operations.</p> <p>CCG knowledge sharing and outreach to promote use of leading practices and national requirements for climate risk management.</p>	<p>Enhance climate-related lending operations.</p> <p>Strengthen institutional and technical capacity.</p> <p>Enhance the knowledge of mitigation and resilience considerations as part of COVID19 recovery.</p> <p>Mainstream the climate resilience and mitigation objectives in policies and investments.</p> <p>Develop climate and disaster risk management systems.</p>	\$800,000	EBRD Corporate Climate Governance Client Advisory Facility
Electric mobility as a national opportunity for green and resilient economic recovery (Paraguay)	IDB	Support institutional strengthening and capacity building, development of policies and regulation, technical studies including labor promotion, feasibility studies and business models, and communication processes for the promotion of Electric Mobility in Paraguay. The specific objective is to improve capacity of Transport, Energy, Urban and Industrial national regulatory agencies, and the country's competitiveness to promote the deployment of electric mobility in Paraguay and generate new markets that contribute to a green and resilient recovery.	<p>Institutional and regulatory strengthening of transport, energy, urban and industrial agencies, as well as municipal governments to support the implementation of e-mobility programs and regulations.</p> <p>Technical studies to support public agencies for electric vehicle deployment.</p> <p>Development of business and financial models, including concessional models best suited for private investment.</p>	<p>Strengthen institutional and regulatory frameworks.</p> <p>Improve technical capacity for EV deployment.</p> <p>Enhance business and financial models for EV deployment and EV industry and its value chain.</p>	\$450,000	<p>IDB's regional program RG-T3539: Incentive Program and Support for the Transition to Electromobility in Latin America and the Caribbean</p> <p>UNEP and GCF's Advancing a regional approach to e-mobility in Latin America: a regional project that supports multiple LAC countries, including Paraguay, to identify the barriers to electric mobility and accelerate the transition to this new mobility technology</p>

PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
			<p>Strengthening of human capital to implement e-mobility projects, promote jobs in the e-mobility sector, and implementation of gender considerations in the design of projects (e.g., safety of women in public transport).</p> <p>Development of a communication strategy that will promote the decarbonization of the transportation sector, the transition to electric mobility, and the promotion of green jobs in the EV industry.</p>			<p>UNDP's Asunción Ciudad Verde de las Américas: a metropolitan Project that seeks to mitigate and reduce emissions through reforms in urban planning and land use, public transport, and waste disposal. The project is seeking to support Paraguay to transition to electric bus fleets through public investments and external multilateral grants.</p> <p>CAF is developing a GCF proposal to direct resources to multiple LAC countries for Electric mobility initiatives. For Paraguay, CAF is envisioning reforms in public transport, taxi services, and micro mobility (electric bikes and scooters).</p>
Supporting the strengthening of the Ministry of Labor for the promotion of green jobs (Ecuador)	IDB	Support green and resilient jobs recovery through the promotion of employment linked to environmental objectives in Ecuador with a gender focus. The specific objective of the TA is to improve the capacity of the Ministry of Labor to promote environmental and green jobs through the strengthening of the Public Employment Service (PES) called Red Socio Empleo (RSE) and the Technical Secretariat of the National Professional Qualifications System (Secretaría Técnica del Sistema Nacional de Cualificaciones y Capacitación Profesional, SETEC).	<p>Institutional strengthening for the promotion of green jobs with a gender focus.</p> <p>Institutional strengthening for green skills development with a gender focus.</p> <p>Skills development for green sectors with a gender focus.</p> <p>Improvement of services for the promotion of green jobs with a gender focus.</p>	<p>Strengthen institutions for the promotion of green jobs.</p> <p>Strengthen institutions" for green skills development.</p> <p>Develop skills for green sectors.</p> <p>Improve services for the promotion of green jobs.</p>	\$750,000	<p>IDB "Social Expenditure Protection and Employment Recovery Support Program" (EC-L1273)</p> <p>PES strategy was finalized last year focused on green jobs and will be implemented via loans by IDB.</p>

PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
Improving the management of coastal protected areas and ecosystems as a nature-based solutions climate resilience and addressing climate resilient rural development issues (Türkiye)	WB	<p>The main objective of this consultancy is to support policy formulation by General Directorate of Nature Conservation and National Parks (GDNCNP) and to raise awareness, improve institutional capacity, and collect lessons learned through on-site demonstrations on climate-resilient rural development.</p> <p>Undertake analytical studies to strategically use, value, and protect the coastal ecosystems in Türkiye which have a critical role in climate change adaptation. In particular, identify and build capacity to pilot nature-based solutions and a climate-resilient rural development model which can protect and manage protected areas (including coastal ecosystems) such as the nature reserve in Sarikum area, as a critical step to strengthen the resilience of local communities to climate change.</p>	<p>Data collection, including field work, water quality sampling, surveying, and consultation with local stakeholders.</p> <p>Literature review, data collection design, report writing, and consultation on the draft report.</p> <p>Preparation of terms of references, hiring and managing consultants, quality control, and scientific advice.</p>	<p>Strengthen institutional and technical capacity of Türkiye's General Directorate of Nature Conservation and National Parks of the Ministry of Agriculture and Forestry of Republic of Türkiye.</p> <p>Enhance knowledge of mitigation and resilience considerations as part of COVID19 recovery.</p>	\$100,000	<p>Energy Efficiency in Public Buildings, in preparation</p> <p>Climate and Disaster Resilient Cities Project (P173025), in preparation</p> <p>Integrated Water Conservation Project (P174915), in preparation</p> <p>Turkey Climate Smart and Competitive Agricultural Growth Project (TUCSAP), in preparation</p>
Supporting a green and resilient COVID-19 recovery by accelerating the shift to electric mobility in Colombia and Costa Rica	WB	<p>Through analytical studies, energy modeling, technical and institutional capacity building, and national and city-level case studies, support the governments of Costa Rica and Colombia in their green and resilient COVID-19 recovery efforts by accelerating the shift to electric mobility as a sustainable path towards low-emission and climate-resilient growth.</p>	<p>Scenario-based assessments and multisectoral analytical work for each country, including e-mobility market penetration, e-mobility impact on fuel consumption and emissions, banning of commercialization of internal combustion engine vehicles, e-mobility impacts on the power and distribution system, legal and regulatory assessments.</p> <p>Recommendations for each country based on the scenarios modeled.</p> <p>Knowledge exchange and dissemination to key stakeholders in national government, cities, and the private sector.</p>	<p>Create models and scenarios of e-mobility penetration, impact on fuel consumption, and emissions.</p> <p>Produce analytical reports on e-mobility impacts on the power system.</p> <p>Assess private capital mobilization needed to scale-up electric vehicles.</p> <p>Organize knowledge exchange events and workshops.</p>	\$700,000	<p>IFC's "Market potential assessment for e-buses in Colombia's largest urban agglomerations"</p>

PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
Supporting green recovery through climate smart policies (Egypt, Lebanon, and Morocco)	WB	Inform national level policies to lay the foundations of green, inclusive, and sustainable development in Egypt, including the development of a national level policy framework to support NDC commitments and embed climate ambition in sectoral actions; as well as the reactivation of tourism through new, climate-resilient business models in Egypt, Morocco, and Lebanon.	<p>Assessment of tourism sector and opportunities for moving toward a greener, resilient, and more inclusive development (GRID) path through nature-based approaches; reactivation of tourism through new business models that build resilience to climate exchange.</p> <p>Road map for reforms and investment priorities; informing national level policies to lay the foundations of green, inclusive, and sustainable development.</p>	<p>Enhance climate-related lending operations.</p> <p>Strengthen institutional and technical capacity.</p> <p>Mainstream climate resilience and mitigation objectives in policies and investments.</p>	\$600,000	<p>Upcoming Country Partnership Frameworks in Jordan, Tunisia and Egypt</p> <p>Project preparation for similar projects in Lebanon and technical assistance in Iraq</p> <p>Project preparation under World Bank's Country Climate and Development Diagnostic Report (CCDRs) in Egypt, Jordan, and Morocco</p>



PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
Jordan Climate Responsive Economic Recovery and Growth Technical Assistance	WB	Support the achievement of three Disbursement Linked Indicators (DLIs) in the World Bank's PforR in Jordan to maintain progress towards NDC goals. These include mainstreaming CAPEX for climate-responsive investments towards 2030 NDC under the Paris Agreement; mobilizing private capital and non-governmental financing; and operationalizing of a robust and transparent governance mechanism.	<p>Mainstream climate considerations through the PIM/PPP Framework.</p> <p>Support targeted CAPEX towards climate responsive projects.</p> <p>Issue green bond guidelines.</p> <p>Mobilize investment through climate investment portfolio and engagement.</p> <p>Deploy an MRV system and national GHG registry.</p> <p>Develop a Climate Change and Gender Strategy 2030.</p>	<p>Enhance implementation of Climate Change By-law's articles focusing on public and private sector investment through issuance of (i) eligibility criteria for Climate Responsive investments; (ii) definition of categories of investment and expenditure; (iii) guidelines for designing climate-responsive recovery projects; (iv) green bonds guidelines.</p> <p>Draft climate investment pipeline and mobilization plan, 2030.</p> <p>Create a Gender and Climate Change Strategy.</p> <p>Prepare the business model(s) for Climate Change Center of Excellence.</p> <p>Deploy an MRV system in target agencies.</p>	\$315,000	<p>Jordan PforR operation called 'Jordan Inclusive, Transparent and Climate Responsive Investments Program for Results' (P175662) (approved June 2021)</p> <p>Jordan Partnership for Market Readiness (PMR) (P160682) - closed</p> <p>Jordan Second Equitable Growth & Job Creation Programmatic Development Policy Financing (P168130) - closed</p> <p>Climate Responsive Public Financial Management Framework - ongoing</p> <p>NDC Partnership: Green Economic Recovery in Jordan - ongoing</p> <p>Jordan multi-donor trust fund supported TA on E-mobility, Energy storage, Smart grid, Buildings energy efficiency, ongoing</p>

PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
Low carbon development planning: options paper and capacity building (Türkiye)	WB	Develop a comprehensive low carbon development planning options paper that includes options for prioritizing green elements in Türkiye's pandemic response. The paper will consider policy instruments for low carbon development such as domestic carbon pricing, energy efficiency standards, and research and development incentives, among others. Finally, the TA will include capacity building to inform the government's use of economic models identified in the analytical assessment.	<p>Technical assistance involving sectoral deep-dives (energy, transport, building, agriculture, industry), targeted expertise on key issues (policy, tax, emissions review), and modeling (whole-of-economy and sector-specific).</p> <p>Capacity building involving stakeholder consultation, modeling resources, beginner and advanced training sessions, and ongoing support.</p>	<p>Enhance climate-related lending operations.</p> <p>Strengthen institutional and technical capacity.</p> <p>Enhance knowledge of mitigation and resilience considerations as part of COVID19 recovery.</p> <p>Mainstream climate resilience and mitigation objectives in policies and investments.</p> <p>Develop climate and disaster risk management systems.</p>	\$375,000	<p>Türkiye Green Growth and Sustainable Recovery Programmatic Advisory Support & Analytics (GG-PASA) for FY21-24</p> <p>Turkey Resilient Landscape Integration Project (TULIP), in preparation</p> <p>Energy Efficiency in Public Buildings, in preparation</p> <p>Climate and Disaster Resilient Cities Project, in preparation</p> <p>Integrated Water Conservation Project (P174915), in preparation</p> <p>Turkey Climate Smart and Competitive Agricultural Growth Project (TUCSAP) , in preparation</p> <p>World Bank Energy Transition programmatic Advisory Services and Analytics (ASA)</p>

PROJECT NAME	MDB	PURPOSE	ACTIVITY COMPONENTS	KEY OUTPUTS	TA BUDGET	KEY PROJECTS INDIRECTLY SUPPORTED BY THE CIF-TAF
Catalyzing Sudan's Green Recovery	WB	Support the implementation of the World Bank-funded Sudan Energy Transition and Access Project (SETAP) to support the government's efforts to increase electricity access.	<p>Design and operationalization of the Sustainable Distributed Energy Market Fund for Sudan.</p> <p>Energy Needs Assessment and Estimate Demand Sizing of Health Facilities.</p> <p>Green jobs in the distributed energy market.</p>	<p>Enhance lending operations for improved electricity access through RE-based interventions.</p> <p>Strengthen institutional and technical capacity in RE for sustainability and resilience in access.</p> <p>Enhance knowledge for consideration in developing sustainable and resilient implementation arrangements.</p> <p>Enhance capacity to systematically develop, mainstream, and implement green recovery objectives.</p>	\$500,000	World Bank Sudan Energy Transition and Access Project (SETAP), (canceled)



ENDNOTES

- 1 Green is defined as the transition to net-zero greenhouse gas (GHG) emissions, which requires a complete transformation of the current energy, transportation, and production/consumption systems through strengthening the regulatory frameworks, shifting to renewable energy sources, improving energy efficiency, and changing purchasing and consumption habits in an inclusive way based on sharing, circularity, and resilience.
- 2 <https://www.cif.org/news/bold-new-initiative-aims-ensure-green-recovery-covid-19>.
- 3 Vivid Economics (2021): Greenness of Stimulus Index. Vivid Economics, Finance for Biodiversity Initiative, July 2021.
- 4 Negative impacts are defined as policies with adverse environmental impacts across industries such as agriculture, energy, industry, transport, and waste. These policies include subsidies for environmentally harmful activities, environmentally harmful infrastructure investments, deregulation of environmental standards, environmentally related bailouts without green requirements, and subsidies or tax reductions for environmentally harmful products.
- 5 Agrawal, Sarthak; Cojocaru, Alexandru; Montalva, Veronica; Narayan, Ambar; Bundervoet, Tom; Ten, Andrey. 2021. COVID-19 and Inequality: How Unequal Was the Recovery from the Initial Shock? World Bank, Washington, DC.
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- 7 USAID (2014). Reducing pandemic risk, promoting global health. Available at: [usaid.gov](https://www.usaid.gov).
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- 9 International Finance Corporation (2022). A Green Reboot for emerging markets: Key Sectors for Post-Covid sustainable growth. IFC, Washington, DC.
- 10 Capozza, I. and R. Samson (2019). "Towards Green Growth in Emerging Market Economies: Evidence from Environmental Performance Reviews", OECD Green Growth Papers, No. 2019/01, OECD Publishing, Paris. Available at: [oecd-ilibrary.org](https://www.oecd-ilibrary.org).
- 11 OECD (2021). The OECD Green Recovery Database: Examining the environmental implications of COVID-19 recovery policies. Available at: [oecd.org](https://www.oecd.org).
- 12 Asian Development Bank (2020). Accelerating Climate and Disaster Resilience and Low-Carbon Development through the COVID-19 Recovery. ADB Technical Note.
- 13 UN Framework Convention on Climate Change (2022). Nationally determined contributions under the Paris Agreement: Synthesis report by the secretariat. Sharm El-Sheikh. United Nations.
- 14 In response to the COVID 19 crisis, the CIF-TAF call for proposals in 2021 included two separate tracks. Track 1 focused on accelerating clean energy investments and specifically supported renewable energy and energy efficiency measures to attract investment for clean energy. Track 2, green and resilient recovery, was launched with a view to ensuring a green and resilient recovery. For more information, see [cif.org](https://www.cif.org).
- 15 The *CIF-TAF COVID-19 Technical Assistance Response Initiative for Green and Climate Resilient Recovery* provided TA to projects in the following fragile and conflict-affected situations (FCS) countries: Central African Republic, Guinea Bissau, Papua New Guinea, Tuvalu, and Ukraine. These countries meet the World Bank's classification of high levels of institutional and social fragility, and violent conflict. Refer to the World Bank and classification of FCS countries for additional detail. Available at: [worldbank.org](https://www.worldbank.org).
- 16 A full description of selection criteria is included in the [CIF-TAF Call for Proposals](https://www.cif.org).
- 17 Capozza, I., and R. Samson (2019). "Towards Green Growth in Emerging Market Economies: Evidence from Environmental Performance Reviews", OECD Green Growth Papers, No. 2019/01, OECD Publishing, Paris. Available at: [oecd-ilibrary.org](https://www.oecd-ilibrary.org).
- 18 The following countries are non-CIF beneficiary countries that received COVID-19 recovery Initiative TA funding support: Argentina; El Salvador; Georgia; Guinea Bissau; Myanmar; Panama; Rwanda; Serbia; Sudan; Tuvalu; and Uzbekistan.
- 19 Convergence Blended Finance (2022). The State of Blended Finance 2022: Climate Edition. Convergence Report.
- 20 World Economic Forum and AlphaBeta (2020). The Future of Nature and Business. ([weforum.org](https://www.weforum.org)). These figures are based on estimated savings or project market sizing in each industry area, representing business opportunities that are incremental to current scenarios.
- 21 UN Economic and Social Commission for Asia and the Pacific and Global Green Growth Institute (2020).
- 22 Asian Development Bank (2020).

- 23 ILO (2018). Greening with jobs: World Employment and Social Outlook 2018. WESO Greening with Jobs (ilo.org).
- 24 Jaeger, Joel (2018). The Green Jobs Advantage: How Climate-friendly investments are better job creators. The Green Jobs Advantage: How Climate-friendly Investments Are Better Job Creators | World Resources Institute (wri.org).
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- 31 Government of Jordan. Jordan Green Bond Guidelines 2021. Available at: moenv.gov.jo.
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- 33 CIF-TAF. Catalyzing Sudan's Green Recovery. See: cif.org.
- 34 CIF-TAF. Supporting green and inclusive climate action through implementation assistance for Covid-19 recovery and a just transition, Serbia and Ukraine. (EBRD). See: cif.org.
- 35 World Bank. Project Summary: Establishing a Green Investment Facility. <https://tinyurl.com/524usvth>.
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THE CLIMATE INVESTMENT FUNDS

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



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