

# CLIMATE INVESTMENT FUNDS

June 6, 2019

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Summary of the Co-Chairs  
Meeting of the Trust Fund Committee of the Clean Technology Fund (CTF)  
Washington, D.C.  
June 4, 2019

Co-Chairs

Marco Araújo, Brazil  
Elizabeth Lien, United States

#### **AGENDA ITEM 1. OPENING**

1. Ms. Mafalda Duarte, Head of the Climate Investment Funds (CIF) opened the CTF Trust Fund Committee meeting.

#### **AGENDA ITEM 2. ELECTION OF CO-CHAIRS**

2. In accordance with paragraph 25 of the Rules of Procedure for Meetings of the CTF Trust Fund Committee, the Trust Fund Committee elects from among its members a representative from an eligible recipient country and a representative from a contributor country to serve as Co-Chairs of the Trust Fund Committee for a term of 18 months.
3. The eligible recipient countries elected Mr. Marco Araújo from Brazil to represent the eligible recipient countries. The contributor countries elected Ms. Elizabeth Lien from the United States to represent the contributor countries for this meeting, with the understanding that they may elect a different chair for subsequent meetings.

#### **AGENDA ITEM 3. ADOPTION OF AGENDA**

4. The CTF Trust Fund Committee adopted the provisional agenda set forth in document CTF/TFC.23/1/Rev.3.

#### **AGENDA ITEM 4. FUTURE DIRECTORS OF THE CLEAN TECHNOLOGY FUND**

5. The CTF Trust Fund Committee, having discussed document CTF/TFC.23/3, *Future Directions of the Clean Technology Fund*,
  - a. Notes the position of CTF recipient country members to remove the sunset clause from the CTF Governance Framework document;
  - b. Notes that some Committee members called for a discussion on the role of the CTF in the climate finance architecture and requested the CIF Administrative Unit to organize such discussion sometime in the future;
  - c. Notes that there was a range of views expressed; however, there was no consensus by the Committee for either triggering or removing the sunset clause, or for returning to this discussion in the near term;
  - d. Decides to postpone discussions on the sunset clause for an indefinite period of time, recognizing that the Committee does not expect to return to this discussion unless there is a significant change in circumstances;
  - e. Notes that pursuant to the Rules of Procedure of the CTF, “[a]ny Member may propose to the Head of the Administrative Unit any change or addition to the proposed provisional agenda”;

- f. Agrees that prior to further decision on the sunset clause, the CTF Trust Fund Committee would commission the CIF Administrative Unit to undertake further analysis on the clause (including criteria to fulfill the conditions specified in paragraphs 53-55 of the CTF Governance Framework document) in order to inform the discussion; and
- g. Requests the CIF Administrative Unit and the Trustee to work with CTF contributors to consider whether to allow the use of reflows under the CTF, before the next Committee meeting in January 2020.

#### **AGENDA ITEM 5. DEDICATED PRIVATE SECTOR PROGRAM – BATTERY STORAGE (DPSP IV)**

- 6. The CTF Trust Fund Committee:<sup>1</sup>
  - a. Agrees to establish a Dedicated Private Sector Program on battery storage (DPSP IV) under the CTF, which will be open to all CIF countries;
  - b. Agrees that in the delivery of the program, a range of energy storage solutions can be considered beyond batteries;
  - c. Requests that in the implementation of the program, attention be paid to ensure sustainable sourcing, in particular with regard to supply chain risks and end-of-life and recycle/reuse considerations;
  - d. Encourages the contributors that are in a position to do so to consider making new contributions to the CTF for the purposes of this program; and
  - e. Agrees that the DPSP on battery storage will be implemented subject to new contributions being made available.

#### **AGENDA ITEM 6. CTF SEMI-ANNUAL OPERATIONAL REPORT**

- 7. The CTF Trust Fund Committee reviewed document CTF/TFC.23/4, *CTF Semi-Annual Operational Report*, and welcomes the progress that has been made in advancing the work of CTF.
- 8. The Committee requests the CIF Administrative Unit and the MDBs to continue to monitor the projects and programs for which CTF funding has been approved, including those that are stalled and whose funding could be made available for further CTF programming.

#### **AGENDA ITEM 7. RISK REPORT OF THE CTF**

- 9. The CTF Trust Fund Committee reviewed document CTF/TFC.22/5, *CTF Risk Report*, and welcomes the report.
- 10. The CTF Trust Fund Committee requests the CIF Administrative Unit to continue to identify, assess, monitor, and report the key risk exposures to the program, and to endeavor to enhance the CIF's

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<sup>1</sup>Sweden abstained from endorsing this decision but did not wish to block the consensus of the rest of the Committee.

Enterprise Risk Management (ERM) Framework, by assessing, monitoring, and reporting interest rate risk exposures for CTF.

**AGENDA ITEM 8. OTHER BUSINESS**

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

**AGENDA ITEM 9. CLOSING**

12. The meeting was closed on Tuesday, June 4, 2019.