

Approved at CTF TFC meeting January 29-30, 2009

**Endorsement of CTF Investment Plans for Egypt, Mexico, and Turkey for further development of activities**

The investment plans prepared by the countries, together with a joint mission from the MDBs, were presented by the country representatives: Egypt (document CTF/TFC.2/7), Mexico (document CTF/TFC.2/8), and Turkey (document CTF/TFC.2/9).

The Trust Fund Committee endorsed the three plans for further development of the activities foreseen in the plan for CTF financing.

In reviewing the plans, the following general points were highlighted:

- (a) The Committee recognized that the CTF was a fund for “learning by doing”, and they expressed appreciation for the efforts of the countries and the MDB to move quickly to present the first three investment plans and for the high level of ambition they set out.
- (b) The Committee appreciated that the plans showed strong evidence of country ownership and how the proposed activities are embedded in country strategies and plans.
- (c) The Committee stressed the need to provide sufficient notice (minimum of two weeks) before fielding a joint mission so that other development partners, including bilateral development agencies and non-traditional partners, may engage at the country level and stronger coordination may be achieved.
- (d) Future plans should more clearly explain how the plans meet the four broad criteria agreed for the CTF (potential for GHG reduction, demonstration potential, development impact and implementation potential), additionality of CTF financing, and how CTF resources will be used to catalyze transformation and leverage future activities.
- (e) Co-benefits, especially those related to sustainable development, and regional impacts should be captured in the investment plans and results measurement system.
- (f) Based on initial experiences, it is recommended that steps be taken to harmonize the presentation and format of the investment plans, while recognizing the need to allow flexibility for country-specific circumstances.
- (g) The investment plans should include a two page summary that captures the aspects of particular relevance to the objectives of the CTF.

(h) The pre-appraisal documents for programs and projects should include adequate justification for CTF co-financing and more analysis of the measurement of additional costs required to achieve the transformational objectives of the CTF.

With specific regard to the Investment Plan for Egypt, the Trust Fund Committee:

(a) was particularly impressed by the wind proposals and the proposed regulatory and policy changes;

(b) requested that the project concept on urban transport be further developed to specify the value-added to CTF financing;

(c) welcomed the strong role for private investment and the emphasis on building domestic investments; and

(d) encouraged the programs and projects to include more information on regional impacts.

With regard to the Investment Plan for Mexico, the Trust Fund Committee:

(a) noted the strong national plans and goals,

(b) expressed different views on the priority to be assigned to the proposed activities,

(c) requested that there be more information on multiplier effects and sustainability of the energy efficiency projects,

(d) welcomed the inclusion of carbon finance in the financing package, and

(e) welcomed the proposals for private sector investments, but requested more specificity as to what is to be financed.

With regard to the Investment Plan for Turkey, the Trust Fund Committee:

(a) welcomed the clear attention to the need for a strong enabling environment, the ambition of the program, and the link between transition to a market economy and transition to a low carbon economy,

(b) raised some questions about the sustainability of the program without future CTF financing, and

(c) requested more analysis on the level of CTF financing and the catalytic role and impact of such financing.

In circulating projects and programs for approval by the Trust Fund Committee, the Administrative Unit is requested to provide, with each document, an overview of the resources that have been approved to date so that the Committee can keep track of the allocation of CTF resources to programs and projects on an on-going basis.