

CLIMATE INVESTMENT FUNDS

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Climate Investment Funds

CIF

Clean Technology Fund (CTF): Finances demonstration, deployment, and transfer of low carbon technologies



Strategic Climate Fund (SCF):
Targeted programs to pilot new approaches and scale-up

To pilot and demonstrate the economic, social and environmental viability of low carbon development pathways in the energy sector by creating new economic opportunities and increasing energy access through the use of renewable energy

- Initiate a process leading towards **transformational change**
- Overcome barriers to **scaling up** public and private sector investments
- Facilitate **knowledge sharing** and exchange
- Lead to economic, social and environmental **co-benefits**
- Demonstrate a feasible pathway for **economic growth and development**

Investments

- Targeted investments leading to the deployment of different renewable energy technologies (wind, solar, small hydro, biomass, geothermal, etc.)

Capacity building

- Development of energy policies and legislation
- Assessment of technical resource potential
- Strengthening governance and institutional capacity
- Creation of incentive scheme to improve financial viability of renewable energy technologies

Pledges and Contributions

- 10 countries have made pledges to the SREP.
- Total pledges/contributions are \$392 million (in current value).

Contributor Country	Million USD eq.
Australia	10
Denmark	12
Japan	47
Korea	6
Netherlands	76
Norway	51
Spain	4
Switzerland	20
United Kingdom	117
United States	50
Total	392

- **6 representatives from contributor countries:** Japan/Korea, Netherlands, Norway/Spain, Switzerland/Denmark, United Kingdom/Australia, United States
- **6 representatives from eligible recipient countries:** Armenia, Ethiopia, Honduras, Kenya, Nepal, Yemen
- **Observers:** 4 civil society, 2 Indigenous Peoples, 2 private sector, GEF, UNDP, UNEP, UNFCCC

Pilot Countries



Pilot Countries	Joint Mission	Endorsement of Investment Plan
Ethiopia	September 2011	March 2012
Honduras	August 2011	November 2011
Kenya	May 2011	September 2011
Maldives	September 2011	November 2012 (expected)
Mali	September 2011	November 2011
Nepal	July 2011	November 2011
Tanzania (7 th)	September 2012	May 2013 (expected)

Initial allocation

\$25-50 million base allocation per pilot

- Honduras and Maldives: \$25 – 30m
- Mali and Nepal: \$25 – 40m
- Ethiopia, Kenya, and Tanzania: \$25 – 50m

Reserve funds

Countries may request additional funding from the reserve for the initial six pilot countries.

Five reserve pilots (4 countries and 1 regional program) have been invited to develop investment plans.

- **Armenia** – Scoping mission in July 2012
- **Liberia** – Scoping mission in Septmeber 2012
- **Mongolia**
- **Pacific regional program (Solomon Islands and Venuatu)** – Scoping mission in August 2012 in Solomon Islands
- **Yemen** – Scoping mission in October 2012

Another 18 countries have submitted an expression of interest to the CIF for SREP support, including:

- Bangladesh
- Cambodia
- Djibouti
- Congo DR
- Georgia
- Ghana
- Guyana
- Haiti
- Lao PDR
- Malawi
- Moldova
- Nicaragua
- Rwanda,
- Sri Lanka
- Senegal
- Tajikistan,
- Timor Leste
- Zambia

Recent Key Decisions by the SC (1)

- **Prioritization of SREP reserve pilots**
 - Tanzania USD 25 – 50 million
 - Liberia USD 25 – 50 million
 - Yemen USD 25 – 40 million
 - Armenia USD 25 – 40 million
 - Pacific region USD 25 – 30 million
 - Mongolia USD 25 – 30 million
- Tanzania approved as the 7th SREP pilot country
- Solomon Islands and Vanuatu invited to participate in a Pacific regional program and to prepare country investment plans
- **Allocation of funding to SREP reserve pilots**
 - Up to \$300k to each of the country pilots and up to \$600k for the regional pilot may be provided to develop investment plans.

Recent Key Decisions by the SC (2)

- SREP Revised Results Framework endorsed (and approved by the SCF Trust Fund Committee)
- Milestones and targets approved for SREP pipeline management and tracking project delivery
- Distribution of grant vs. capital resources
 - For countries with low risk of debt distress, no more than 70% of the indicative funding should be drawn from the grant contributions.
 - For countries with moderate or high risk of debt distress, all indicative funding can be drawn from the grant contributions, except for private sector projects which could be drawn from the capital contributions.

Key Items for the SC Meeting (October 31, 2012)

- Semi-Annual Operational Report
- Follow-up to Revised Results Framework
 - Methodology for GHG estimation
 - Enabling environment
- Maldives Investment Plan for endorsement
- Allocation of SREP Reserve Funds
- Report on SREP Pilot Countries Meeting

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