

# CLIMATE INVESTMENT FUNDS

January 31, 2018

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Summary of the Co-Chairs  
Meeting of the Trust Fund Committee of the Clean Technology Fund (CTF)  
Washington, DC  
December 15, 2017

Co-Chairs

Ms. Ludmila Vidigal Silva, Brazil  
Ms. Katie Berg, United States

**AGENDA ITEM 1. OPENING**

1. The meeting of the CTF Trust Fund Committee was opened by the CIF Program Manager, Ms. Mafalda Duarte.
2. In accordance with paragraph 24 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 Ms. Ludmila Vidigal Silva from Brazil to represent the eligible recipient countries. The contributor countries elected Ms. Katie Berg from the United States to represent the contributor countries for this meeting, with the understanding that they may elect a different co-chair for subsequent meetings.

**AGENDA ITEM 2. ADOPTION OF AGENDA**

4. The Trust Fund Committee adopted the provisional agenda set forth in document CTF/TFC.20/1/Rev.1.

**AGENDA ITEM 3. CTF SEMI-ANNUAL OPERATIONAL REPORT AND RESULTS REPORT**

5. The CTF Trust Fund Committee reviewed documents CTF/TFC.20/3/Rev.1, *CTF Semi-Annual Operational Report* and CTF/TFC.20/4/Rev.1, *CTF Results Report*, and welcomes the progress that has been made in advancing the work of the CTF and in implementing CTF-financed activities leading to results on the ground.
6. The Committee notes the accomplishment of the CTF in supporting developing countries to implement mitigation actions and recognizes the potential of the CTF to leverage and mobilize additional resources. The Committee also notes recent global recognitions and awards received by CTF projects. The Committee invites the CIF Administrative Unit, working with the MDBs and the Trustee, to prepare an analysis outlining the results achieved and lessons learned so far by the CTF.
7. The Committee appreciates the analysis conducted by the CIF Administrative Unit, in collaboration with the MDBs and Trustee, on resource availability, pipeline review, portfolio updates, co-financing, and disbursements. The Committee requests the CIF Administrative Unit to include in the next CTF operational and results reports a summary of risk exposure assessments related to CTF which is currently included in the joint Risk Reports of the CTF and the SCF.

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 in line with the cancellation policy, with a view to identifying stalled projects and sub-projects under programs and the amount of funding that could be made available for future CTF programming.

9. The Committee encourages the MDBs to provide regular and timely project completion reports to the CIF Administrative Unit as and when the projects in the portfolio reach that stage. The Committee notes that these reports may be submitted by MDBs as part of the regular annual results reporting.

**AGENDA ITEM 4. CTF DPSP III PROPOSAL**

10. The CTF Trust Fund Committee reviewed document CTF/TFC.20/5, *CTF DPSP III Proposal*, for programming the remaining CTF resources, notes with appreciation the work of the CIF Administrative Unit and the MDBs and endorses the proposal as a basis for the further development of activities under the following three funding windows:

- i. Energy efficiency;
- ii. Renewable energy plus; and
- iii. Sustainable transport

11. The Committee requests that the sealed and reserve pipelines be merged as a single indicative pipeline of projects and programs for DPSP III and notes that additional projects and programs may be added to the indicative pipeline.

12. Recognizing that funding allocations among the three funding windows are indicative, the Trust Fund Committee agrees that up to USD 520 million be made available to fund activities under DPSP III. Each project and program under the DPSP III will be approved by the Committee on a case by case basis and such approval will remain subject to availability of funds in the CTF Trust Fund at such time.

13. Should a project or program proposal foresee project activities in a country assessed as being at moderate or high risk of debt distress, the MDB is requested to conduct a macro-economic analysis to evaluate the potential for the CTF project or program to impact the country's debt sustainability. Such analysis should be included as an annex when the project or program proposal is submitted for approval of CTF funding. In respect of public sector projects or programs, the MDBs are requested to include an analysis of how such projects and/or programs facilitate private sector investment.

14. The Committee requests relevant MDBs to include a detailed analysis on how proposals meet minimum concessionality principles as well as the alignment with blended finance principles recently agreed by MDBs and other development finance institutions.

15. For activities under the three funding windows, the Committee further agrees to a target date of submission of project/program proposals to the Committee for approval no later than December 31, 2018. In exceptional cases, the Committee may agree to consider submissions after December 31, 2018, but in no event will submissions be accepted beyond March 31, 2019.

16. In addition, the Committee notes with appreciation the work of the CIF Administrative Unit and the MDBs in respect of the Business Development Facility (BDF) as a component of the DPSP III and requests that the CIF Administrative Unit submit a revised proposal by mail setting out the rationale of the BDF for the Committee's approval by February 28, 2018. As part of this proposal, the Committee requests the MDB Committee to share a list of anticipated projects/programs requesting preparation grants.

17. As the CTF continues to expand its operations, the Committee requests the CIF Administrative Unit, in collaboration with the Trustee and MDBs, to assess the attribution of administrative costs between the SCF and the CTF.

**AGENDA ITEM 5. OTHER BUSINESS**

18. The representative from the U.K. noted the progress made since the June 2017 CTF Trust Fund Committee meeting in advancing the technical work on CTF 2.0 and the fact that the CTF Trust Fund Committee members have now received a complete technical proposal which the Committee will hopefully be able to consider and decide upon as soon as possible.

**AGENDA ITEM 6. CLOSING**

19. The meeting was closed on Friday, December 15, 2017.