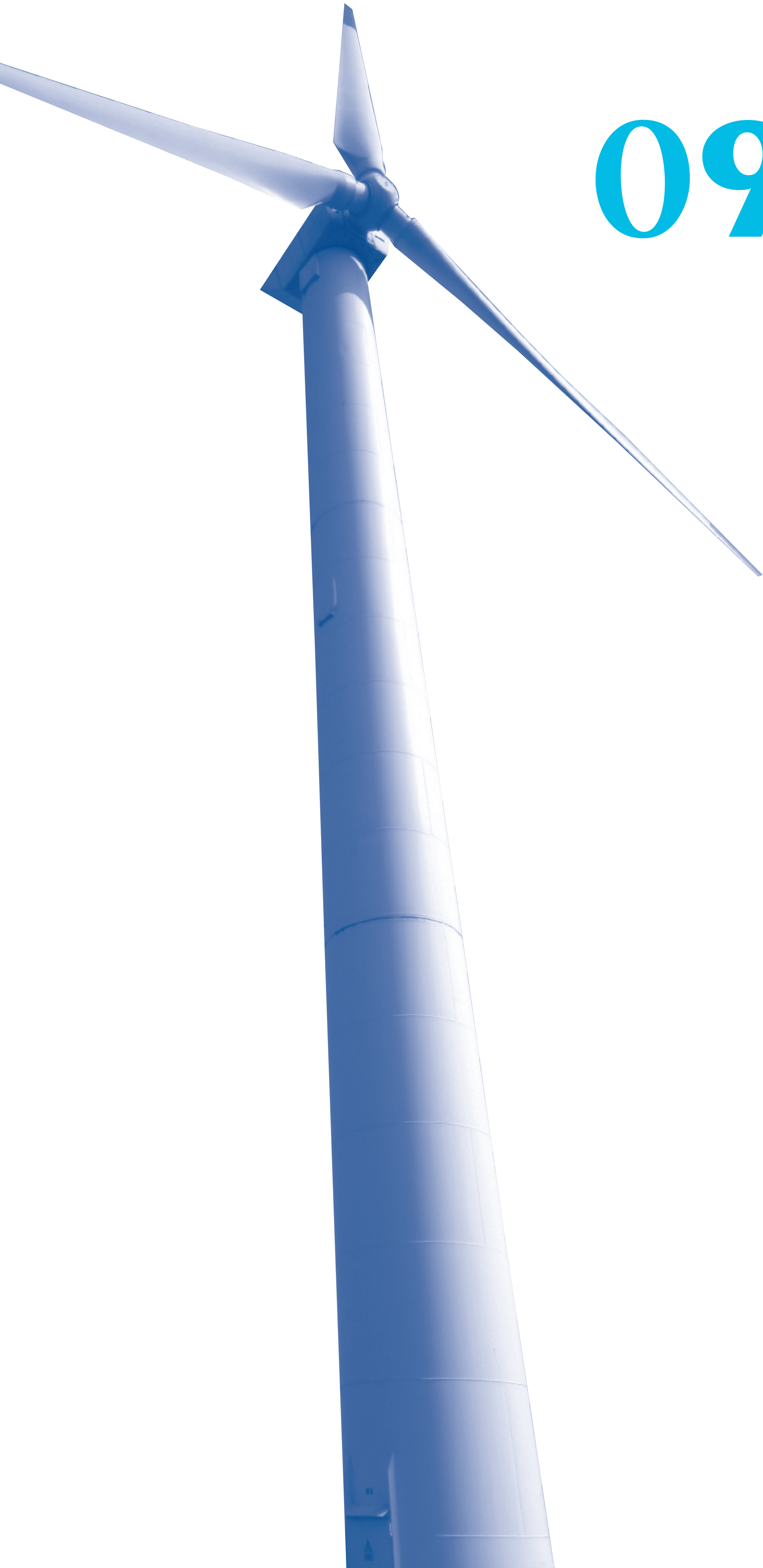
09 Building Partnerships for Climate Action

CIF

Climate Investment Funds



09 Building Partnerships for Climate Action

November 1, 2008-
October 31, 2009

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Preface

Climate change poses a great challenge to the development gains of the past three decades. Sustained growth is at risk of stalling, or reversing. The poor are the most vulnerable to the impacts of climate change: the *2010 World Development Report* estimates that developing countries will face up to 80 percent of the costs, while a 2˚C increase in temperature over preindustrial times could reduce GDP by 4 to 5 percent in Sub-Saharan Africa and South Asia.

The world must act—differently, together, and now. With the United Nations Framework Convention on Climate Change (UNFCCC) discussions ongoing, and in accord with the Bali Action Plan, the 18-month-old Climate Investment Funds (CIF) are an interim measure established to fill a financing gap for climate mitigation and adaptation until a new institutional arrangement for climate is in place, as expected in 2012.

The result of a unique design process, the Funds are an experiment—in how to respond in a fast and flexible manner to climate-related development issues and in how countries and interest groups work together. In the coming years, through the CIF, climate mitigation and adaptation investment activities will be piloted that initiate transformational change in sectors affecting or being affected by the climate. The lessons from the CIF design and implementation, shared with the international community, will inform the negotiating parties during their deliberations for a new climate regime under the UNFCCC.

This annual report covers the CIF's first year of operation (November 1, 2008 to October 31, 2009), describing what the CIF are and how they came about. Its purpose is to make the CIF known to a wide range of stakeholders and to describe the design and early implementation process. So far, there are no results on the ground—programs are in the early stages. But future annual reports will provide a comprehensive analysis of program activities at the country level.

This report will be complemented by an in-depth study of lessons learned from design and early implementation, to be the basis for the upcoming Partnership Forum in Manila in March 2010. That study will provide an honest reflection on the successes and challenges of the first 18 months of CIF operation. Learning lessons in an open manner is a challenge to any institution, but this is a way the CIF can be pioneering.

Abbreviations

ADB	Asian Development Bank
AfDB	African Development Bank
AMAN	Aliansi Masyarakat Adat Nusantara
CIF	Climate Investment Funds
CSO	Civil society organization
CSP	Concentrated solar power
CTF	Clean Technology Fund
EBRD	European Bank for Reconstruction and Development
EFPI	Energy for the Poor Initiative
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Program
GDP	Gross domestic product
GEF	Global Environment Facility
HIPC	Heavily Indebted Poor Countries Initiative
IDB	Inter-American Development Bank
IBRD	International Bank for Reconstruction and Development
IFC	International Finance Corporation
IDA	International Development Association
IUCN	International Union for Conservation of Nature
MDBs	Multilateral development banks
MENA	Middle East and North Africa
NAPA	National Adaptation Program of Action
NGO	Nongovernmental organization
ODA	Official development assistance
PPCR	Pilot Program for Climate Resilience
RDB	Regional development bank
REDD	Reducing Emissions from Deforestation and Forest Degradation
SCF	Strategic Climate Fund
SME	Small and medium enterprise
SREP	Scaling Up Renewable Energy Program in Low Income Countries
TEIAŞ	Turkish Electricity Transmission Corporation
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNPFII	UN Permanent Forum on Indigenous Issues
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
WBCSD	World Business Council for Sustainable Development

Climate Investment Funds in brief

The Climate Investment Funds (CIF) are two financing instruments designed to help developing countries transition to climate-resilient low-carbon development through scaled-up financing channeled through the multilateral development banks. In the reporting period to October 2009, 13 countries pledged a combined $6.3 billion.

CIF Contributions, as of September 30, 2009

($ millions)

Country	Pledge	Country	Pledge
Australia	132	Norway	176
Canada	93	Spain	117
Denmark	26	Sweden	86
France	298	Switzerland	20
Germany	806	United Kingdom	1,289
Japan	1,200	United States	2,000
Netherlands	80	**Total**	**$6.3 billion**

First-year activities

Moving quickly from concept to disbursement

With a pragmatic operating approach to move quickly from concept to disbursement, the CIF have endorsed more than $1 billion in funding for national clean technology programs and are supporting adaptation and climate-resilient development plans and implementing action strategies in 11 countries and regions.

Harvesting knowledge

The CIF have a systematic approach to harvest early learning from the design of their governance and many programs. They are designed to transfer knowledge to countries and diverse stakeholders.

Engaging stakeholders

With openness and inclusion as goals, the governing structure of the CIF has been designed to formally include nongovernmental organizations, indigenous peoples, multilateral partners, and the private sector in Trust Fund Committee deliberations. Civil society, indigenous peoples, and the private sector joined with independent facilitators to develop a process to self-select active observers for Trust Fund Committees. Encouraging stakeholder participation is an ongoing process, and selected observers met for the first time in October 2009.

Clean Technology Fund

The Clean Technology Fund provides scaled-up financing—principally to emerging economies and to regional groups for demonstrating, deploying, and transferring low-carbon technologies that have significant potential for long-term savings in greenhouse gas emissions. It is designed to support 15–20 country and regional Investment Plans that meet the criteria of significant greenhouse gas emission savings, potential for scale, development impact, and implementation readiness.

In the past year, the CIF has endorsed five Investment Plans that support wind power projects, rapid bus transit and light rail, energy efficiency schemes, and a low-carbon financial intermediary project. Investment Plans are under preparation in 10 more countries, and the CIF has a target of endorsing 15–20 Investment Plans by the end of fiscal 2010.

Endorsed Investment Plans:

- Egypt ($300 million; leverages $1.6 billion).
- Mexico ($500 million; leverages $6.0 billion).
- Morocco ($150 million; leverages $1.6–$1.8 billion).
- Turkey ($250 million; leverages $1.9 billion).
- South Africa ($500 million; leverages $1.9 billion).

Programs under preparation:

- Country: Colombia, Indonesia, Kazakhstan, Nigeria, Philippines, Thailand, Ukraine, Vietnam.
- Region: Middle East and North Africa Concentrated Solar Power.

Strategic Climate Fund

The Strategic Climate Fund is designed to support developing countries in their efforts to achieve climate-resilient, low-carbon development through three programs with dedicated funding to pilot new approaches to climate action.

Pilot Program for Climate Resilience

Supports countries as they undertake scaled-up climate action and initiate steps toward transformational change by integrating climate resilience in their national development planning.

- Operational.
- Funding to date: $614 million (as of September 30, 2009).
- Country programs: Bangladesh, Bolivia, Cambodia, Mozambique, Nepal, Niger, Tajikistan, Yemen, Zambia.
- Regional programs: Caribbean, South Pacific Islands.

Forest Investment Program

Provides financial and knowledge support for country-led initiatives to reduce greenhouse gas emissions from deforestation and forest degradation and to promote improved sustainable management of forests.

- Operational.
- Design document approved by Trust Fund Committee in July 2009.
- Funding to date: $350 million (as of September 30, 2009).

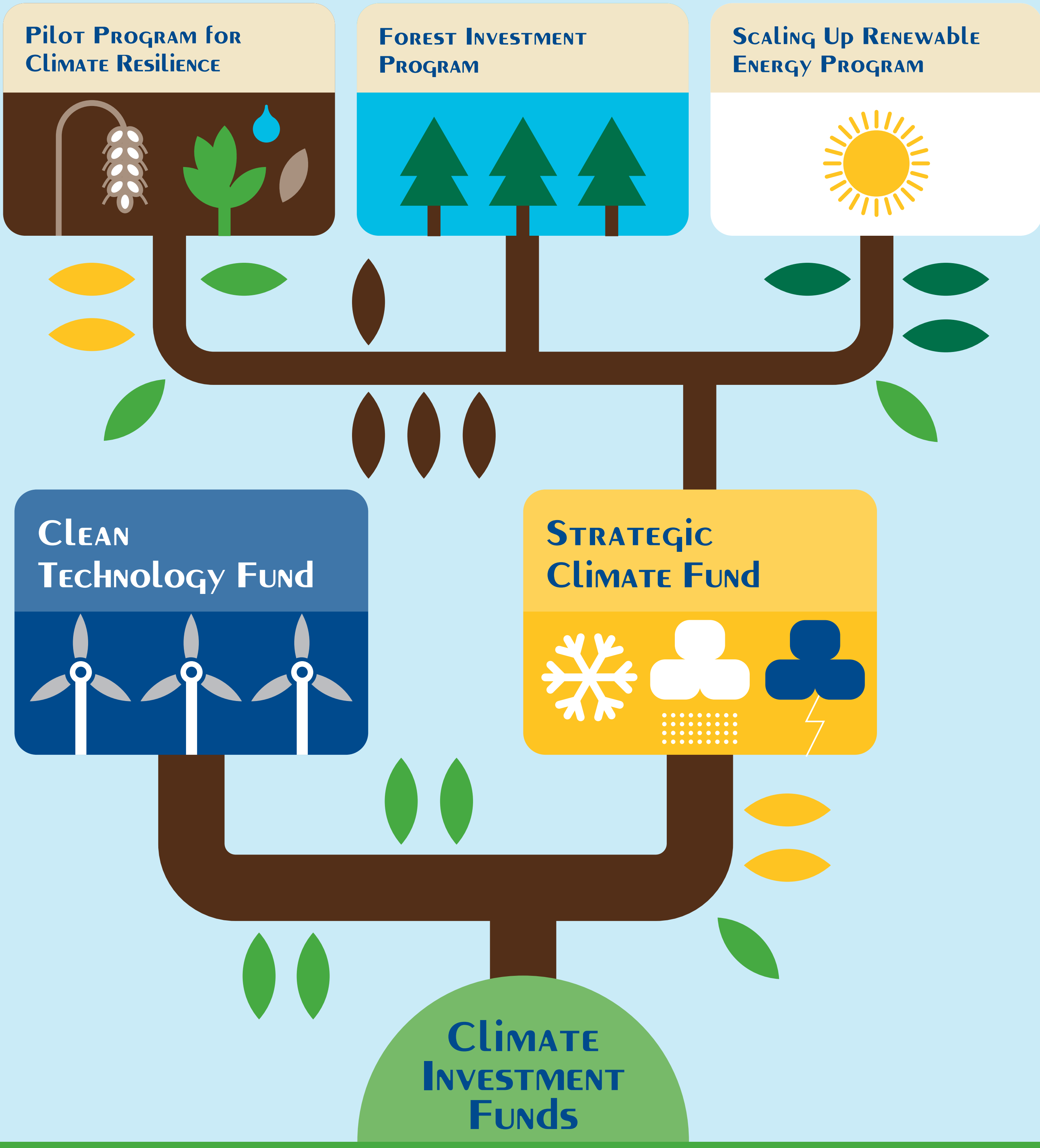
Scaling Up Renewable Energy Program in Low Income Countries

Helps low-income countries adopt renewable energy solutions through a programmatic approach that involves government support for market creation, private sector implementation, and efficient energy use.

- Design document approved by Trust Fund Committee in May 2009.
- Funding to date: $206 million (as of September 30, 2009).
- Funding needed to become operational: $250 million.

1 What are the Climate Investment Funds?

Figure 1.1 The CIF structure



About the CIF

The Climate Investment Funds (CIF) are a pair of financing instruments to move toward low-carbon and climate-resilient development through scaled-up financing administered by the multilateral development banks (MDBs) (figure 1.1).

The Clean Technology Fund (CTF) finances scaled-up demonstration, deployment, and transfer of low-carbon technologies for significant greenhouse gas reductions. The focus is on piloting investment in countries or regions with opportunities for large greenhouse gas abatement.

The Strategic Climate Fund (SCF) finances targeted programs in developing countries to pilot new climate or sectoral approaches with scaling-up potential. Three programs have been designed under the SCF: the Pilot Program for Climate Resilience (PPCR), the Forest Investment Program (FIP), and the Scaling Up Renewable Energy Program in Low Income Countries (SREP).

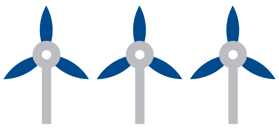
Recognizing that climate change is also a development issue, the CIF fund low-carbon and climate-resilient projects that bolster country-led development and poverty reduction.

The CIF blend funding for climate solutions with financing from multilateral banks, contributor governments, and the private sector, leveraging substantial additional funds.

The CIF offer lessons for deliberations under way in the United Nations Framework Convention on Climate Change (UNFCCC). They are seen as an interim measure to strengthen the global knowledge base for low-carbon and climate-resilient growth. And with a sunset clause, they will conclude activities once a new financial architecture has become effective.

The CIF are implemented jointly by the African Development Bank (AfDB), Asian Development Bank (ADB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IDB), and World Bank Group, including the International Finance Corporation (IFC).

Clean Technology Fund



Developing economies will see an increase in emissions in the coming decades. Faced with energy and environmental challenges, many see value in clean technology to meet their energy security and development goals while reducing the rate of emissions growth. They also seek improvements in efficiency and

Clean Technology Fund at a glance

Implemented by	MDBs: AfDB, ADB, EBRD, IDB, International Bank for Reconstruction and Development (IBRD), and the IFC.
Governance	CTF Trust Fund Committee of representatives from eight contributor and eight eligible recipient countries, IBRD, RDB.
Observers	MDBs, Trustee, Global Environment Facility (GEF), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), UNFCCC, civil society organizations (4), private sector representatives (2).
Financing	Concessional financing instruments (such as grants and concessional loans), risk mitigation instruments (such as guarantees), and equity.
Country eligibility	Official development assistance (ODA) and MDB eligibility.
Status	Operational.

Box 1.1 First group of Clean Technology Fund Investment Plans (under way as of October 2009)

Endorsed Investment Plans

January 2009

Egypt

Wind power, urban transport

Endorsed CTF $300 million, leveraging $1.6 billion

Mexico

Energy efficiency, urban transport, wind power

Endorsed CTF $500 million, leveraging $6.0 billion

Turkey

Renewable energy, energy efficiency

Endorsed CTF $250 million, leveraging $1.9 billion

October 2009

Morocco

Electricity generation, energy conservation, urban transport

Endorsed CTF $150 million, leveraging $1.5–$1.8 billion

South Africa

Concentrated solar power (CSP), wind power, solar water heaters, energy efficiency

Endorsed CTF $500 million, leveraging $1.9 billion

Investment Plans under preparation

Indonesia, Kazakhstan, Nigeria, Philippines, Thailand, Ukraine, Vietnam, Regional Program for Concentrated Solar Power in Middle East and North Africa

new transport systems. But a financing gap and other barriers often prevent them from using low-carbon technologies.

The CTF was created to support and speed deploying low-carbon technologies to meet countries' development objectives. Providing scaled-up financing to reconcile development and carbon reduction, it offers highly concessional financing for large-scale, country-initiated energy, energy-efficiency, and transportation projects that have significant potential for long-term greenhouse gas emissions savings.

The CTF is expected to support 15–20 country and regional Investment

Box 1.2 Clean Technology Fund in Turkey

The Turkey CTF Investment Plan addresses renewable energy and energy efficiency. It aims to support the low-carbon objectives of the country's ninth Development Plan (2007–13) and related strategies, legislation, and programs. The Investment Plan is a partnership among the Government of Turkey, EBRD, the IFC, and the World Bank.

Turkey's greenhouse gas emissions are growing rapidly, and the energy sector is the major contributor, with energy needs continuing to grow. The CTF Investment Plan will help the Government promote clean energy development from domestic renewable resources (such as wind, hydro, biomass, and solar) and improve energy efficiency, primarily in industry and small and medium enterprises (SMEs).

For example, Turkey wants to expand renewable energy, particularly wind power, to help reduce CO_2 emissions and ensure energy supply security. The Investment Plan will help the Government expand wind energy toward its target of 20,000MW by 2020—an amount that would meet almost half of Turkey's present energy needs.

The Investment Plan identifies two priority investment areas.

Private sector renewable energy and energy efficiency

The objective of the Investment Plan is to help increase privately owned and operated energy production from indigenous renewable energy sources in the market-based framework of the Turkish Electricity Market Law and to enhance energy efficiency in order to curb greenhouse gas emissions.

The CTF co-financed projects in the Investment Plan—which will also mobilize resources from EBRD, IBRD, and the IFC—aim to use local financial institutions to intermediate the funds to the private sector—a model expected to enable spreading the experience beyond the project's boundaries. Turkey aims to use the CTF to help banks and industry surmount barriers, increase lending for clean energy, and create a market for energy efficiency investments.

Turkey is also launching an energy efficiency program covering industries, SMEs, municipal facilities, and buildings.

Smart grid design

Turkey's CTF Investment Plan aims to help the development of smart-grid solutions to better integrate renewable resources with the national transmission grid.

CTF financing will help the Turkish Electricity Transmission Corporation (TEIAŞ) start implementing a modern high-technology solution to grid problems caused by intermittent renewable energy. The project will help promote and foster large-scale integration of renewable energy resources in a manner that meets the requirements of grid security and economic efficiency.

Source: CTF Turkey Investment Plan.

Plans that meet the criteria of potential for significant greenhouse gas emissions savings, cost-effectiveness, demonstration at scale, development impact, implementation readiness, and additional costs and risk premiums. To get CTF funding, a country must be eligible for official development assistance (ODA) and have an active MDB country program.

When a country expresses interest in CTF financing, it collaborates with the MDBs, other development partners, private industry, and civil society to develop an Investment Plan, highlighting how the proposed CTF investment program fits a low-carbon national development vision.

The CTF supports pilot programs that can shape markets for technology or provide broader development and environmental benefits. By building creative financing models, overcoming existing risk perceptions, and creating knowledge spillovers, these pilot programs encourage initiatives outside the CTF—from the public and private sectors and in MDB energy portfolios.

Within a short time, the CTF have approved large-scale collaborative projects under the endorsed Investment Plans, supporting a wide range of technologies and financial arrangements to maximize climate impact and lessons learned.

Strategic Climate Fund

For the urban and rural poor in low-income countries, climate change is more than an abstract concept; they already feel its impact in droughts, floods, and declining crop yields. To make matters worse, countries often lack the infrastructure and basic services that could prevent climate-related problems from becoming a humanitarian crisis.

Because global warming intensifies poverty and reverses its development gains, action is needed to help low-income countries manage its effects. The response requires mitigation—to avoid increasing greenhouse gas emissions—and adaptation, to manage short- and long-term effects.

The SCF is an overarching fund to support developing countries in their efforts to achieve low-carbon climate-resilient development. Targeted programs will provide grants and concessional loans to pilot new development approaches or scaled-up activities aimed at a specific climate change challenge or sectoral response.

Three targeted programs will operate under the SCF:

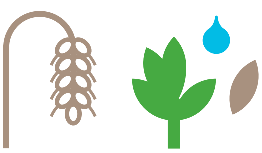
Strategic Climate Fund at a glance

Implemented by	MDBs: AfDB, ADB, EBRD, IDB, IBRD, and the IFC.
Governance	SCF Trust Fund Committee of representatives from eight contributor and eight eligible recipient countries, IBRD, RDB.
Observers	MDBs, Trustee, GEF, UNDP, UNEP, UNFCCC, civil society organizations (4), indigenous peoples (2), private sector representatives (2).
Financing	Concessional financing instruments (such as grants and concessional loans), risk mitigation instruments (such as guarantees), and equity.
Country eligibility	ODA and MDB eligibility.
Status	Operationalized through three targeted programs.

- The Pilot Program for Climate Resilience will support countries as they undertake scaled-up climate action and transformational change by integrating climate resilience with their national development planning and implementation.
- The Forest Investment Program provides financing for readiness reforms and public and private investment to reduce greenhouse gas emissions from deforestation and forest degradation and to promote improved sustainable management of forests. It also provides a voice to indigenous peoples and local communities to develop forest-related policies. And it offers grants for indigenous and community-generated programs.
- The Scaling Up Renewable Energy Program in Low Income Countries helps low-income countries adopt renewable energy solutions that will allow them to leapfrog to a new pattern of energy generation and use.

Through the three targeted programs, the SCF will generate useful experiences and lessons from learning-by-doing, channel new and additional financing for climate change, provide incentives for scaled-up and transformational mitigation and adaptation action in the context of poverty reduction, bolster efforts to maintain, restore, and enhance carbon-rich natural ecosystems, and maximize co-benefits of sustainable development.

SCF programs aim to complement activities and capacity-building supported by other funding sources, such as the Global Environment Facility (GEF), the Adaptation Fund, bilateral organizations, UN agencies, and nongovernmental organizations (NGOs).



Pilot Program for Climate Resilience (PPCR)
Even though they emit substantially less carbon, the world's poorest countries and communities are the most vulnerable to the impacts of climate change, handicapping development and prosperity. But they face capacity and resource constraints, and climate uncertainty also makes decisionmaking more difficult.

The PPCR is an SCF program designed to address these issues. It pilots and demonstrates ways to integrate climate risk and resilience with low-income countries' core development planning. It operates in two phases.

Pilot Program For Climate Resilience at a glance

Funding	$614 million as of September 30, 2009.
Implemented by	MDBs: AfDB, ADB, EBRD, IDB, IBRD, and the IFC.
Governance	PPCR Sub-Committee of representatives from six contributor and six eligible recipient countries and the Adaptation Fund Board.
Observers	MDBs, Trustee, GEF, UNDP, UNEP, UNFCCC, civil society organizations (4), indigenous peoples (2), private sector representatives (2), representative from a community dependent on adaptation approaches to secure livelihoods.
Country eligibility	ODA and MDB eligibility.
Status	Operational.

Phase one supports countries developing a Strategic Program for Climate Resilience, including technical assistance to prepare an underlying investment program. And phase two provides financing for implementing the Strategic Program.

Country-led pilot programs build on National Adaptation Programs of Action and are strategically aligned with other sources of adaptation finance, such as the Least Developed Countries Fund, the Special Climate Change Fund, the United Nations Development Programme (UNDP), and other donor-funded activities. They aim to provide an inclusive platform for all development partners to cooperate, engage in dialogue, and align behind a common strategic approach.

Immediate outcomes of the PPCR should include:

- Increased capacity to integrate climate resilience with country and sectoral strategies.
- More inclusive strategies for climate-resilient growth and development.
- Increased awareness of vulnerabilities and potential impacts of climate change among government and nongovernment stakeholders.
- Scaled-up investment for broader interventions and programming for integrating climate resilience into national, sectoral, private, and subnational development plans and budgeting.
- Improved coordination among key stakeholders to implement country-specific climate resilient programs.

To assist the Sub-Committee in selecting the countries and regions to be included in the pilot program, an independent Expert Group was established to provide recommendations based on agreed criteria.

Box 1.3 Developing a Strategic Program for Climate Resilience

- Indicative timeframe: 3–18 months; preferably limited to 12 months.
- Phase one: up to $1.5 million available in grant financing depending on country needs. Regional pilots may request additional funding to cover transaction costs.
- Phase two: grants and optional concessional loans will fund public and private sector projects under endorsed Strategic Programs for Climate Resilience to support development plans or strategies addressing adaptation.
- Deliverables: enhanced cross-sectoral coordination for integration of climate resilience into national development planning and financing processes; Strategic Program for Climate Resilience, including a program of priority investments (institutional strengthening, policy reform, sector investments); a financing plan; and expected funding from PPCR and collaborative arrangements.

Box 1.4 The PPCR Expert Group

To provide the Sub-Committee with recommendations on potential pilot countries and regions with the most vulnerability and potential for transformative action, the PPCR Sub-Committee established an eight-member Expert Group with varied backgrounds and expertise. The group was asked to recommend pilot countries based on criteria agreed by the Sub-Committee, including vulnerability, a country's preparedness, and the possibility for rapid results. Geographic and hazard distributions were also a factor: the more varied the circumstances, the greater breadth of lessons provided.

Members of the Expert Group were chosen by the Sub-Committee. The Expert Group included a climate change scientist with a background assessing global risks and vulnerabilities associated with climate change, a development and climate change specialist familiar with country policies and development processes, economists, environmental specialists, governance and institutions specialists, anthropologists, and specialists in rural development and resources management.

The Expert Group was designed to be an interdisciplinary team in order to reflect the wealth of knowledge and experience on climate change and adaptation practices in developing countries. The group included experts from developing and developed countries and reflected a regional and gender balance.

After consulting with outside stakeholders, the Expert Group submitted a list of potential candidates ahead of the Sub-Committee meeting. Along with the list, it provided detailed justifications for each choice and comprehensive findings from its deliberations.

Forest Investment Program (FIP)

Deforestation and forest degradation is the second leading cause of global warming, producing roughly 20 percent of the world's greenhouse gas emissions and a third of the emissions in developing countries. Developing countries face an urgent need to manage their forests sustainably to reduce greenhouse gas emissions and achieve other development and environmental objectives.

Rural populations in many developing countries depend on forests and their rich ecosystems for their livelihoods, sustenance, and cultural survival, including more than 60 million indigenous peoples. Poverty, population growth, poor agricultural practices, and increasing demand

Forest Investment Program at a glance

Funding	$350 million as of September 30, 2009.
Implemented by	MDBs: AfDB, ADB, EBRD, IDB, IBRD, and the IFC.
Governance	FIP Sub-Committee of representatives from six contributor and six eligible recipient countries.
Observers	MDBs, Trustee, GEF, Forest Carbon Partnership Facility (FCPF) Secretariat, UNFCCC, United Nations Collaborative Program on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD) Technical Secretariat, civil society organizations (2), indigenous peoples (2), private sector representatives (2).
Country eligibility	ODA and MDB eligibility.
Status	Disbursements expected to begin in 2010.

Box 1.5 Success depends on stakeholder voice

To be effective, support must be built from the ground up, incorporating forest communities, indigenous peoples, and other locally involved communities. Their participation depends on strengthening their capacity to play an active role in national Reducing Emissions from Deforestation and Forest Degradation (REDD) and FIP processes and on recognizing and supporting their tenure rights, forest stewardship roles, and traditional forest management systems.

The FIP Indigenous Peoples and Local Communities Dedicated Initiative is being established to provide grants to communities, countries, or regions where there are FIP activities. At the planning stage the grants will support participation in the development of FIP investment strategies, programs, and projects and strengthen the capacity of these groups to play an informal and active role in FIP processes. At the implementation stage grants to indigenous peoples and local communities will be an integral component of each pilot.

for wood (for markets and domestic use) all contribute to the destruction of forest habitats and related livelihoods.

But sustainable management of forests is a particularly complex problem in the face of competing development priorities: forest products are one of the most important economic assets for many developing countries in Latin America, Central Africa, and Southeast Asia. Slash-and-burn agricultural practices are common in many countries, and globally there is little recognition of the economic value of forest-related environmental services.

Filling an investment gap for carbon-reducing forest initiatives, the FIP offers a critical financing bridge to work with countries in addressing the direct and underlying drivers of deforestation and forest degradation. The carbon benefits are vast: forests provide a cost-effective means to address climate change—better forest practices reduce greenhouse gas emissions—and preserving and enhancing forest biomass results in substantial carbon benefits.

Significant multilateral efforts are under way to help developing countries engage in large-scale response to deforestation, including large-scale efforts to reduce emissions from deforestation and forest degradation (REDD+); however, additional global investment is needed to complement these efforts. The FIP is designed to work with other mechanisms in the forest aid architecture by providing up-front financing to countries to support their readiness strategies for REDD+, which emerge from inclusive national planning processes. Pilots will also work closely with stakeholders and communities on a country level.

The FIP should catalyze shifts from business-as-usual policies and development paths. It is a learning tool to initiate and facilitate steps toward transformational change in developing country forest policies and practices. At the implementation level, it is a vehicle to pilot and scale up replicable models of sustainable forest management efforts. It is designed to help finance large-scale investments and leverage additional financial resources, including those from the private sector.

The FIP will implement a small number of country-led pilot programs to support:

- Investments that build institutional capacity, forest governance, and information.
- Investments in forest mitigation efforts, including forest ecosystem services.
- Investments outside the forest sector to reduce the pressure on forests.

Scaling Up Renewable Energy Program in Low Income Countries (SREP)

With 1.5 billion people without electricity—mostly in Sub-Saharan Africa and Asia—mass energy production is a top priority. Low-income countries often must make difficult trade-off decisions, choosing among a set of competing economic, social, and environmental priorities. The International Energy Agency expects that, to achieve development goals, Africa will require an additional 250 million tons of oil equivalent between 2006 and 2030, and Asia (not including China and India) an additional 400 million.

As countries themselves recognize, developing renewable energy is an opportunity for climate-smart economic growth. Developing regions are awash with untapped renewable potential. Africa uses less than 10 percent of its hydro capacity. Asia (excluding China) uses only 25 percent. Kenya has large geothermal resources, and Africa has one of the highest average annual solar radiations in the world.

To tap into this potential, the SREP offers a two-pronged approach. First, it is designed to support low-income countries in their efforts to expand energy access and stimulate economic growth through the scaled-up deployment of renewable energy solutions. Second, it will contribute to transforming the renewable market through a programmatic approach that involves support for market creation, private sector implementation, and productive energy use.

SREP will 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.

Moving from demonstration to scaled-up delivery

SREP will be implemented in a small number of low-income countries selected on agreed criteria to maximize its impact and demonstrative effects. It aims to achieve widespread deployment of renewable projects through a country-led, outcome-focused, and programmatic approach. SREP should assist in government policy, barrier removal, and capital and revenue funding that can be achieved only through interventions

Scaling Up Renewable Energy Program In Low Income Countries at a glance

Funding	Target of $250 million minimum to launch program.
Implemented by	MDBs: AfDB, ADB, EBRD, IDB, IBRD, and the IFC.
Governance	SREP Sub-Committee of representatives from six contributor and six eligible recipient countries.
Observers	MDBs, Trustee, GEF, UNDP, UNEP, civil society organizations (4), indigenous peoples (2), private sector representatives (2), Energy for the Poor Initiative representative (1).
Country eligibility	Must be low-income country eligible for MDB concessional financing and engaged in an active MDB country program.
Status	To be operationalized once minimum level of funding is achieved.

involving all stakeholders and a range of funding sources and incentives.

SREP is designed to achieve results
The program aims to:

- Provide policy support and technical assistance to develop ambitious national renewable energy strategies.
- Support scaling-up of renewable energy by underwriting additional capital costs and risks associated with renewable energy investments and other instruments for reducing risk to investors.
- Help tackle real and perceived risks in the financial sector through concessional credit lines.
- Encourage private sector investment to significantly increase renewable energy capacity in a country's energy supply.

2 The CIF's contribution to climate action

Innovative design

In May 2008 representatives from roughly 40 countries, the multilateral development banks (MDBs), and other development partners gathered in Potsdam, Germany, to finalize a proposal for the Climate Investment Funds (CIF). This marked the end of a six-month process to design a framework for providing innovative financing to accelerate developing countries' access to carbon finance, building on the comparative advantages of the MDBs and their strong development policy dialogue with developing countries.

Along with country representatives and the MDBs, the design process invited representatives from the UN and UN agencies, the Global Environment Facility (GEF), bilateral agencies, nongovernmental organizations (NGOs), private sector entities, and technical experts to comment on the design.

The process began with a call for action. As the UN Framework Convention on Climate Change (UNFCCC) continues to develop a comprehensive strategy to combat climate change, the Bali Action Plan[1] called for new approaches to low-carbon development—technologies, financial schemes, and adaptation plans—that can deliver an immediate impact and provide new ideas to transform how developing countries react to climate change, and how they pay for it.

Participants wanted the CIF to help scale up existing practices but also to serve as a laboratory for new financing schemes and as a vehicle for developing sustainable development strategies with stakeholders. Participants recognized that the money can travel a lot further if the pilot projects provide lessons and inspire the use of best practices.

To meet these goals, the CIF must be responsive to a diverse set of stakeholders and engage developing countries with a central role in distributing the funds. The Trust Fund Committees were designed to be small, with equal representation of contributor countries and potential recipients. Decisions are based on consensus.

The program design meetings also focused on what to fund. Initially emphasis was on supporting large technology projects in emerging economies. But not all countries have the capacity to scale up large power projects or build large city transport networks. Many have different priorities and urgent needs—for example, adapting to climate unpredictability and improving development plans to take better account of climate change.

In response, representatives decided to design two funds: one for clean technology and one to pilot new approaches to diverse climate challenges, including adaptation, particularly in low-income countries. This would ensure that the CIF would provide a more comprehensive approach to addressing climate mitigation and adaptation in a manner that reflects the priorities of a broad spectrum of developing countries.

The design process also defined the role of the MDBs, which were engaged to collectively implement the CIF. Countries recognized the advantages of MDB participation, which are keenly aware of the development aspects of climate change and which can work with institutions where they have a long-standing relationship focused

1 The Bali Action Plan on Climate Change, agreed at the 2007 UNFCCC meeting in Bali, calls for the international community to do more to provide financial resources and investments that support action on mitigation, adaptation, and technology cooperation.

on development issues. The MDBs also have the operational capacity and ability to leverage additional funds from the public and private sectors.

The CIF provide a new framework for MDB collaboration. The investment strategies required by each fund provide a common platform for MDB assistance to countries and also help recipient countries more broadly coordinate development partners active at the country level.

Members of the design committee agreed that CIF projects and decisions should be transparent. They created a Partnership Forum, an annual meeting of stakeholders, for dialogue on strategic directions of the CIF and analysis of results and impacts. They adopted a policy for "active observers" to participate in meetings of the governing committees, and they agreed to a robust policy for public disclosure of information.

Country-led process

Developing countries are already taking action toward low-carbon, climate-resilient development. Many are encouraging and investing in clean technology. Mexico proposes a 50 percent emission reduction from 2002 to 2050 and wants 8 percent renewable-generated power by 2012. Brazil aims to reduce deforestation by 70 percent. Colombia installed a highly successful rapid-transit bus system. And Indonesia is reducing fossil-fuel subsidies and offering tax breaks for pollution control equipment.

Governments are also using creative schemes to address the risks of a changing climate: in Mongolia, livestock herders are partnering with the government and private insurers to mitigate the risks of losing herds during severe winters. In 2008, Malawi's government made a similar arrangement to protect itself against drought. Facing severe water shortages, in 2009 Yemen's cabinet endorsed a National Adaptation Program of Action (NAPA) that identifies priority adaptation options they can combine with Vision 2025, Yemen's poverty reduction strategy.

The objective of the CIF is to bolster such efforts for sustainable development and poverty reduction by scaling up projects and increasing the speed of implementation. Activities financed by the CIF, using a country-led approach, will be integrated with country-owned development strategies consistent with the Paris Declaration.[2]

When a country approaches the Clean Technology Fund (CTF) for financing, it provides information on efforts to integrate climate change policies with national development plans. Assisted by a joint MDB mission, the country develops a low-carbon Investment Plan for endorsement by the CTF Trust Fund Committee. The government also ensures coordination with other development partners and outreach to interested stakeholders in the country. The plan is to function as the basis for investment finance to support country-owned programs in partnership with MDBs, other development partners, civil society, and the private sector. The programs are to operate under a common framework for planning, implementation, expenditure, monitoring, and evaluation. This streamlines the funding process and aligns it with other country-led

2 The 2005 Paris Declaration, endorsed by over 100 countries, aims to increase harmonization, alignment, and management of aid for results with a set of actions and indicators that can be monitored.

Box 2.1 Supporting Mexico's low-carbon overhaul

Mexico has emerged as a global leader in climate change. In 2008, it announced a plan to reduce greenhouse gas emissions by 50 percent below 2002 levels by 2050. To meet this ambitious goal, it launched the Special Climate Change Program as part of its 2007–12 national development plan. The program identifies funding priorities and potential financing.

Mexico has collaborated with the World Bank to prepare a low-carbon growth study, readily accepted as part of the Government's ongoing national climate change strategy.

The CTF is building on these efforts by providing up to $500 million in financing to improve bus and light rail transit in big cities, increase energy efficiency, and build wind power plants. This financing is expected to be combined with financing from the Government, MDBs, other international organizations, bilateral organizations, carbon finance, and the private sector for a total package of $6.2 million.

Transport is a top priority. With more than 75 percent of Mexicans living in sprawling cities, transport contributes 18 percent to Mexico's greenhouse gas emissions, a 27 percent increase from 1990. The CTF will supply $200 million to the plan, buttressed by a $600 million loan from the World Bank.

Several wind power projects are under way in Mexico, mostly in the state of Oaxaca. CTF money will support a 500MW wind power project and a 325MW hydropower project.

CTF money will also support energy efficiency projects. Studies estimate that more than 20 percent of Mexico's energy consumption can be reduced through more efficient energy use.

initiatives. The Strategic Climate Fund (SCF) also supports joint scoping and programming missions to selected pilot countries to develop initiatives that align with existing country-owned adaptation and mitigation strategies.

The CIF are working to balance a country-led emphasis with a desire to implement programs quickly in order to generate knowledge to benefit UNFCCC climate negotiations. Thus far, countries and MDBs have responded quickly to the CTF: five country Investment Plans are endorsed, and eight more country and regional Investment Plans are under preparation. The CTF Trust Fund Committee is looking for comprehensive large-scale projects that can make the most impact. But it is also realistic about the time it takes to put together a sound proposal. And it does not want to compromise important country-generated sustainable development plans for the sake of speed. It also wants to ensure that there is ample time to engage with stakeholders.

Targeting potential for transformation

With ongoing UNFCCC deliberations on the future of the climate change regime, the CIF offer an unprecedented opportunity to make an impact quickly by scaling up financing and other incentives for climate mitigation and adaptation actions that reduce CO_2, preserve forests, and shore up climate smart development practices.

But benefits should also be fully integrated with a country's development institutions and systems. This can happen in several ways. Building 400MW of wind power generation can jumpstart the capacity to build more, reducing the initial capital costs and encouraging investment. Working with countries and stakeholders to

create sustainable development plans can help a country identify sectors vulnerable to climate change so they can target the largest needs. Establishing landownership titles for rainforest areas can engender sustainable management. And all this can be replicated in other countries with different investment schemes.

The country-led approach builds national capacity for low-carbon, climate-resilient development. Countries are in the lead during the entire process—project design, consultation, and implementation. Trained government officials, technicians, and local manufacturers can apply and benefit from knowledge and capacity spillovers. The CIF also identify barriers to low-carbon, climate-resilient growth and initiate their removal, from financing to regulation. Lessons learned can transform how contributing countries finance low carbon development. By learning from the CIF, funders can target practices that have the biggest low carbon development potential, leveraging investments to the fullest.

CIF programs also develop partnerships, transforming how different agencies and countries work together. The CIF hope to foster more collaboration with NGOs and other interests not always invited to the table to plan development programs. The MDBs can also learn from CIF practices and incorporate them in MDB-wide lending activities.

Box 2.2 Concentrated solar power: a transformative technology

Soaring energy demand is a global phenomenon. But nowhere is growth more precipitous than in the Middle East and North Africa (MENA), thanks to burgeoning populations and rapid economic growth. Since 1980 the region has set the pace globally. Though positive, this development strains current power systems and presents governments with the daunting task of meeting soaring energy demand while also avoiding inefficient and polluting means of generating it.

Despite high capital costs, renewable energy is an attractive solution: it is clean, potentially inexhaustible, and avoids volatile commodity prices. And of all the options, concentrated solar power (CSP) is of particular interest in MENA countries—areas hardly short of sunlight. CSP projects are in the design process in Algeria, Egypt, and Morocco.

To bolster these efforts, the CTF Trust Fund Committee reviewed a concept note in May 2009, circulated ahead of a formal proposal, to co-finance a regional CSP program that would build eight to 10 large CSP power plants—a one gigawatt deployment in total—across six to nine countries in the region.

According to estimates, the program would avoid releasing 2.6 million tons of carbon emissions into the atmosphere per year, roughly 1.5 percent of the current energy sector emissions in the Southern Mediterranean countries. This will diversify energy portfolios and allow some capacity to be sold to southern Europe at a premium price. Revenue could also come from carbon trading schemes.

If the projects are approved, the CTF can overcome the initial financial barriers to building CSP on a large scale. It will provide the critical mass to attract private investment, use economies of scale to reduce costs, and manage country and technical risk. Increased manufacturing capacity should follow, boosting the local economy—current MENA region solar projects use 30 percent locally manufactured hardware—and providing long-term production capacity.

Box 2.3 Expert groups to speed the transformation

The Pilot Program for Climate Resilience (PPCR), Forest Investment Program (FIP), and Scaling Up Renewable Energy Program in Low Income Countries (SREP) include, in each case, an independent Expert Group to make recommendations for selection of pilot countries or regions based on program-specific criteria. Each group consists of members chosen for expertise, strategic and operational experience, and diversity of perspectives (scientific, economic, gender, and developmental). Group members must also have climate change experience in such areas as agriculture, forestry, fisheries, and health. The group includes experts from developing and developed countries and reflects a regional and gender balance.

Box 2.4 Leveraging transformation

The MDBs, the largest development organizations in the world, can offer grants, highly concessional financing, and knowledge and experience. Their leveraging capacity is unmatched, every dollar an MDB spends leveraging considerably more from outside. For the CIF, MDB involvement mitigates risk and encourages other actors to invest in low-carbon business plans.

An innovative approach to governance

The governing structure

The governing structure of the CIF is unique. Contributor and developing countries are represented equally. Decisions are by consensus, with no provision for voting. If a consensus is not possible, the proposal is postponed or withdrawn. A country can choose to stop a consensus decision or to state an objection by attaching a note to the decision, in which case the majority will carry.

The Trust Fund Committees of the CTF and the SCF each have eight members from contributor countries, chosen through a consultation among contributors, and eight from eligible recipient countries, selected on a regional basis through consultations among countries. Each representative serves for two years, but to stagger arrivals, some members will serve only one year.

The SCF Sub-Committees have six representatives from contributor and developing countries. At least one member also has a seat on the SCF Trust Fund Committee. Like the CTF and SCF Committees, developing country participants are geographically representative. Countries selected for pilot programs are given first priority to sit on Sub-Committees.

One representative of the MDBs and a representative from the World Bank also serve as nonvoting members on each Trust Fund Committee. They do not have seats on the Sub-Committees. Other stakeholders may observe and take part in the meetings, including representatives from the GEF, the UN and UN agencies, UNFCCC, civil society, indigenous peoples, and the private sector. Civil society, indigenous peoples, and private sector representatives are chosen through a self-selection process.

Disclosing the process

Recognizing the importance of transparency and accountability to the success of their investments, the governing bodies of the CIF have agreed that it is essential they be open about their activities and seek opportunities to share lessons with the widest possible audience.

The CIF have established a website on which they regularly post information about the funds, including the document and proposed decisions to be considered by the CIF Committees. The first Partnership Forum was broadcast on the web to allow wider participation in the event.

In May 2009, the Trust Fund Committees approved a disclosure policy that calls for country-owned Investment Plans and strategies developed under each of the trust funds to be disclosed in-country prior to their submission to a CIF committee for approval. Proposed plans are also posted on the CIF website no later than three weeks prior to review of the proposal by a committee.

For proposed programs and projects, an information document describing the proposal is to be made public at least two weeks prior to a decision on the funding of the proposal.

The policy recognizes that a country or other project proposer may have justifiable reasons for not publicly disclosing all information in an Investment Plan or project. In such cases certain information may be kept confidential, but only on an exceptional basis, with nondisclosure of information justified to the committee.

MDB collaboration

A partnership among MDBs on this scale is unprecedented. If the framework of the CIF gets MDBs to join forces more broadly, it could contribute to shifting how the development community approaches climate change—and lead to better results.

The geographical presence and the financial resources at the disposal of the MDBs are enormous. Their leveraging power is unmatched. Thousands of managers with global expertise bring knowledge to local projects. And combining these resources maximizes lending impact. This is an attractive prospect for contributors and for countries seeking large-scale financing. But for the partnership to succeed, the MDBs must work to operate a common, coordinated, and lean framework to oversee the disbursement of funds and knowledge.

Understanding the proper role of the MDBs is critical. In CIF governance, the MDBs function as facilitators and advisors: MDB representatives do not vote on the Trust Fund Committees and defer to country representatives in selecting programs and appointing Expert Groups. An Administrative Unit housed at the World Bank supports the CIF as advisor and administrator.

A separate MDB Committee, comprising a representative from each bank, harmonizes MDB climate change portfolios and links programs with CIF-supported initiatives. The collaboration on this committee and at the country level is one of the most successful and unique features of the CIF. To give MDBs a more active role in reviewing CIF proposed policies and criteria, the MDB Committee regularly meets virtually with the CIF Administrative Unit, making recommendations, managing the pipeline of programs, and monitoring progress implementing approved programs. The committee also engages with outside actors—bilateral development agencies and development partners—to promote co-financing.

Getting the banks to assume a cooperative, advisory role takes time. The potential for competition between the banks is being addressed. All banks have an equal voice, and the banks engage jointly with a government to develop a CIF-financed program. Continuous efforts must be made to ensure that the CIF are not just mistaken for a program of any one bank.

Some early results show increased cooperation among MDBs and also with the private sector. Regular MDB Committee meetings have helped align activities, with cohesion trickling down. The MDBs are jointly learning and integrating climate change into their regular lending and policy assistance.

Engaging a full range of stakeholders

The CIF aim to participate in the ongoing global collaborative effort to address climate change. To align development, low-carbon growth, and climate resilience, the CIF are engaging a diverse set of interests in order to create a response as inclusive as global warming is widespread. To accomplish this the CIF are in the process of formalizing a collaborative governing structure—not only among contributors, eligible recipient countries, and the MDBs, but also among UN organizations, the GEF, the UNFCCC, the Adaptation Fund Board, bilateral development agencies, NGOs, private sector entities, indigenous peoples groups, and scientific and technical experts.

This is an ongoing process. Since the CIF began, countries, stakeholders, and the MDBs have been discussing ways to balance dialogue and decisionmaking—to let voices be heard, both at the country level and in CIF governing committees, while integrating investment programs with ongoing country-driven strategies to address climate change. In addition to formal participation by the GEF, UNDP, UNEP, and UNFCCC, over the past year the CIF have developed a framework for adding Committee meeting observers—from civil society, indigenous peoples groups, and the private sector—who are chosen by a transparent process of self-selection that is inclusive across world regions. The self-selection for indigenous peoples is under design, with temporary representatives designated by the chair of the UN Permanent Forum on Indigenous Issues (UNPFII) observing meetings to date. The self-selection process has been designed and approved for nonprofit civil society and private sector representatives. Selected observers met for the first time in October 2009. A range of stakeholders will also be encouraged to participate in the upcoming Partnership Forum, scheduled for March 2010 in Manila.

Engaging civil society

Formally involving civil society in CIF decisionmaking is an experiment welcomed by many stakeholders. The role of active observers will need to be further refined and, in some cases, revised to fully comply with the principles of transparency and inclusiveness and to maximize observer contributions to achieving CIF objectives. This process is taking time; so far, CIF decisionmakers have agreed to formalize a role and self-selection process for civil society observers on Trust Fund Committees and Sub-Committees.

This process began with concerns over the approval of the CIF design. The design documents for the first committees to become operational (CTF, SCF, PPCR) did not provide for civil society representation. But after the design process and early Trust Fund Committee meetings, civil society representatives —NGOs, indigenous peoples, and the private sector—expressed a desire to play a larger role in deliberations. After the Trust Fund Committees agreed on the need to formalize civil society participation, in December 2008 the Administrative Unit contacted the International Union for Conservation of Nature (IUCN), an NGO umbrella organization, to conduct a review of best practices on civil society participation and provide recommendations.

Based on practices of other multilateral bodies, the IUCN's recommendations advocated greater civil society involvement to offer independent monitoring, technical expertise, and access to different stakeholders and communities. The IUCN also believed that such a presence would strengthen the democratic processes of the CIF Trust Fund Committees. It suggested that observers be self-selected under criteria—determined by each constituency—that maximized expertise relevant to a particular committee and achieved a better geographical balance and more equitable gender representation.

Using the IUCN's recommendations, the CIF Administrative Unit proposed and the Trust Fund Committees finalized the Guidelines for Inviting Civil Society Observers to meetings. Under these guidelines, active observers may request the floor during discussions of the Trust Fund Committee to make verbal interventions, request the cochairs to add agenda items to the provisional agenda, and recommend external experts to speak on a specific agenda item.

To begin the process of selecting observers, the CIF Administrative Unit asked RESOLVE, a nonprofit facilitator, to interview NGOs to gather ideas for the self-selection process. Drawing on these interviews, in April 2008 RESOLVE formed a group of nonprofit civil society members not interested in becoming CIF observers to serve on an advisory committee to develop the self-selection criteria and process.

In June, a one-month call for applications, translated into 11 languages, went out to nonprofit civil society organizations (CSOs). A month later RESOLVE posted a short list of candidates on its website for NGOs to vote on. Informed by the voting results and an interest in balanced representation (region and need), the advisory committee and RESOLVE selected candidates and alternates for each committee. A similar process—applying lessons

Box 2.5 Status of self-selection for indigenous peoples observers

The CIF Administrative Unit approached UNPFII and representatives of the indigenous peoples groups that had participated in the FIP design process for advice on the observer self-selection process. In response, the Aliansi Masyarakat Adat Nusantara (AMAN) proposed "Process and Criteria for the Selection Process of the Indigenous Peoples Observers to the Trust Fund Committees and Sub-Committees of the CIF," based on experience of indigenous peoples in Asia.

A teleconference of representatives from the indigenous peoples community (including UNPFII), the CIF Administrative Unit, and RESOLVE (the NGO that facilitated the self-selection process for civil society), discussed the proposal in light of lessons from the self-selection process for civil society. The group decided to revise the proposal, taking into consideration all comments, and to adapt the process to account for diverse regional capacities and needs.

As of October 2009, indigenous peoples groups are still considering how best to organize their self-selection process.

Box 2.6 Additionality

The CIF are designed to bolster existing funding mechanisms, not deplete them. Contributions to the CIF are to be in addition to existing development financing. While climate change is a major global issue, combating it should not be at the expense of other development efforts.

learned—will guide the selection process for civil society observers for the FIP and SREP.

The October 2009 committee meetings were the first test of the self-selected observers working arrangement. Upcoming meetings will gauge whether the new framework will work and if adjustments need to be made.

Engaging the private sector

Some skeptics might look at the CIF and suggest that \$6 billion will do little to keep global warming to an increase of 2°C. In a sense, they are right: while \$6 billion is an achievement, it falls far short of the \$140–\$165 billion the World Bank estimates is needed annually to reduce emissions.

But they should be hopeful: during the next 20 years, trillions of dollars will be spent to upgrade power plants, run power lines, and build public transport systems. And the majority of this money (roughly 80%) will come not from bilateral funding or MDB loans but from the private sector. The challenge is to ensure that much of this development is low-carbon. The private sector has a critical role because it can leverage public funding and policies with innovative investments and development of clean technologies. In developing countries, engaging the private sector will lead to a much-needed increase in counterparts for project development and implementation.

To shift private sector investment onto a low-carbon path, a mix of financial incentives, technical assistance, and knowledge transfer will be required, keeping in mind the goal of additionality. Cash incentives alone will help but will not suffice. CIF funding can provide large amounts of concessional funds, as well as the targeted technical support required for capacity building, to ensure that the investment will achieve a transformational objective. Combining the CIF with the demonstrated expertise of the MDBs will give the private sector an opportunity to experiment with more large-scale green technology projects and will help address the challenge of adaptation. Technical assistance combined with concessional finance reduces the risk and increases the attractiveness of projects to private investors, allowing businesses to work with new clients in emerging or low-income countries that need to either replace or expand their energy infrastructure. Large-scale projects also increase familiarity and build delivery capacity in the industry that establishes them, which can reduce costs and barriers in the future.

There are already several encouraging signs that this is happening. All the approved CTF Investment Plans have private sector involvement and foresee capacity-building measures. For the Turkish Investment Plan, the CTF is investing \$250 million in local financing institutions, supported by considerable technical assistance. These local banks can then offer loans to private sector projects with carbon-reduction benefits; in the process the banks will develop lasting management capability to

Box 2.7 CTF Investment Plan in Egypt

As Egypt's population grows at an astonishing rate of 2 percent annually, it faces massive challenges to meet energy demand that is increasing at 7 to 8 percent annually. To meet the surge, a bevy of power projects are slated for construction over the next five years, increasing energy production to 32,000MW from 22,000MW currently.

Although carbon-based power plants will be the bulk of the new projects, Egypt is making significant strides to expand renewable energy production. This can help compensate for declining oil production—now averaging 664,000 barrels a day in 2007, down from 950,000 in 1995—which threatens to make Egypt more vulnerable to volatile commodity prices.

The renewable goals are ambitious: the Government has set a target of 20 percent renewable energy production by 2020, generating 7,200MW from wind alone.

To meet these goals Egypt is one of the first countries to apply for funding through the CTF, which has endorsed $300 billion in concessional financing that augments additional funding from the AfDB, the IFC, the World Bank, bilateral development agencies, the private sector, and other sources.

Two sectors will benefit. The first is a wind power investment, already 400MW strong, which lacks adequate transmission capacity to build an additional 600MW installation. The second project supports a public transit overhaul in Cairo.

Both programs offer relief for Egyptian air quality and roadways. Egypt has some of the fastest growing greenhouse gas emissions in the world, ranking in the top 11 globally. Under current trends, Egypt faces a 50 percent increase in greenhouse gas emissions, 70 percent from the electricity and transport sectors.

Public transport reform has much potential in Egypt; roughly two-thirds of the population use public transport, so significant changes can have a big impact. The CTF will partially finance light rail and bus rapid transit to help reduce the 20 million motorized person trips clogging the roadways at present—and spewing 13 million tons of CO_2 a year. The Government hopes to reduce carbon emissions by 1.5 million tons annually by constructing six new bus rapid transit corridors in Cairo and rail links to major suburbs.

assess such loans. Mexico is using development bank loans, including $200 million in CTF money, for urban transport projects that have leveraged $643 million in private funding. Another $50 million CTF loan bolsters an existing $135 million International Finance Corporation (IFC) initiative for private investment in renewable energy. And a $1.1 billion public-private wind project in Egypt is using $200 million in CTF funding for transmission lines.

Involving the private sector in CIF governance

On a governance level, the CIF are making strides to include the private sector. Once the CIF were operational, stakeholders suggested creating a formal self-selection process to choose private sector observers. In response, the CIF Administrative Unit invited the World Business Council for Sustainable Development (WBCSD), a CEO-led global association of roughly 200 companies to create and administer a self-selection process similar to that developed for civil society observers.

The Council received applications for three committees—the CTF, SCF, and the PPCR—and selected two observers using criteria created by a WBCSD advisory board, maximizing representation from different types of business and spreading representation across different geographical locations. The selection process was designed to attract highly qualified candidates who can contribute to a specific committee.

Observers are instructed to report findings and circulate them to the WBCSD and other sustainable development partners. The WBCSD's website will post their observations.

The private sector observers first participated in committee meetings at the end of October 2009. The WBCSD has also been requested to assist the self-selection process for the private sector observers in the FIP and SREP. The process for self-selecting private sector representatives for the PPCR has not yet concluded. The WBCSD decided not to recommend anyone from the initial set of applicants but keep the opportunity open and continue to seek a suitable candidate.

Including indigenous peoples

The final design meeting of the CIF agreed that, to form a comprehensive response to climate change, a Forest Investment Program (FIP) should be established to mobilize funds to reduce deforestation and degradation and promote sustainable management of forests. Poverty and potentially more profitable land uses in forested and semiforested regions are the leading cause of deforestation and degradation, which contributes 18 percent of global greenhouse gas emissions.

But forest policy affects more than the climate; it affects livelihoods. Forests are home to 60 million indigenous peoples who are completely dependent on forest resources, while 350 million are highly forest-dependent. Forests provide fuel, food, medicines, building material, and sellable goods.

In the first FIP design meeting in October 2008, countries agreed that it was imperative to include indigenous peoples and local communities in the funding process, along with other programs such as the Forest Carbon Partnership Facility (FCPF) and United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD). Learning lessons from designing the CTF, SCF, and PPCR, the design meeting also decided to form a working group of government representatives, NGOs, indigenous peoples, the private sector, and UN agencies to draft a design document ahead of the second design meeting.

At the second design meeting in March 2009, the draft design was circulated and posted on the FIP website for comments. Developed and developing countries and other stakeholders sent comments that were posted for others to read.

Commenting groups praised inclusion of indigenous peoples organizations in the design process, a logical legal consequence of the rights of indigenous peoples to participate in international policy processes related to developments that will affect their territories—rights protected in the UN Declaration on the Rights of Indigenous Peoples.

After the third design meeting in May 2009, the cochairs formed two working groups composed of governments, NGOs, and indigenous groups to develop precise language for two critical sections of the FIP design document, including guidelines for consultations with indigenous peoples and local communities. Each working group then presented its findings to the cochairs, who proposed a final design document to the SCF Trust Fund Committee for approval.

One substantial outcome of this design process was a dedicated initiative to provide grants to indigenous peoples and local communities. Among other things, the grants aim to help

indigenous peoples and local communities build their capacity to support their tenure rights, forest stewardship roles, and traditional forest management systems and to participate in planning, implementing, monitoring, and evaluating FIP activities.

Working with institutional partners

Responding to the 2007 Bali Action Plan, which called for multilateral bodies to support integrated adaptation and mitigation, the CIF offer a way to increase the availability of innovative financing for low-carbon and climate-resilient projects. Within this framework, the CIF are intended to complement and support the efforts of other institutions and bilateral efforts at the country level.

Other development partners are encouraged to collaborate on CIF programs. Representatives from the GEF, the UN and UN agencies, and UNFCCC are invited to join the CIF Trust Fund Committees as observers.

3 Learning by design

Getting results

In one year the Climate Investment Funds (CIF) have moved rapidly from the design phase to early implementation. The CIF have already allocated close to $1.7 billion, mostly for clean technology Investment Plans. Interest among developing countries continues to grow. At the beginning of 2009 three countries had submitted Investment Plans to the Clean Technology Fund (CTF); by the end of October 2009, two more Investment Plans have been endorsed and an additional eight are under preparation. Meanwhile, nine countries and two regions are participating in the Pilot Program for Climate Resilience (PPCR). A first meeting of the PPCR pilot countries at the end of October 2009 began to build a community of practice to exchange experiences and to document good practices and early lessons (box 3.1).

The Forest Investment Program (FIP), unveiled this summer, now has enough financing to begin operations. Meanwhile, the Scaling Up Renewable Energy Program in Low Income Countries (SREP) will start as soon as enough funds are pledged.

To establish a comprehensive measurement system for all CIF programs, the CTF and Strategic Climate Fund (SCF) Trust Fund Committees have formed a working group, chosen from committee members, to develop a set of standardized and coherent results frameworks for the CTF, the SCF, and the SCF targeted programs. The results framework will provide the basis for assessing how the objectives of the CIF will be achieved. Alignment with the Managing for Development Results agenda of the multilateral development banks (MDBs) will ensure that the CIF results frameworks are linked with the

Box 3.1 Emerging lessons

The CIF are a new experiment—to date there are few lessons from the field. But critical self-reflection of the design and early implementation process reveals a host of talking points—achievements and challenges—offering lessons on how the CIF can become more effective and inclusive. A forthcoming in-depth study of lessons learned, to be released at the 2010 Partnership Forum in Manila, will examine:

- Governance, decisionmaking, and country ownership.
- Meaningful engagement of diverse stakeholders, globally, regionally, nationally, and locally.
- Improving transparency, communications, and trust.
- Ability to pilot investments to generate impact at scale, change "business as usual," and produce broadly usable knowledge for climate change mitigation and adaptation.
- Coordination among MDBs, recipient country governments, and stakeholders to yield a streamlined, country-led process.
- Combining strong capacity to fund projects with strategic and programmatic planning at the country or regional level.
- Flexibility to respond to diverse country opportunities, capacities, and needs.
- Expanding private sector involvement in finance and implementation.
- Effective design and use of a results framework to monitor and evaluate program implementation and impact.

MDB results frameworks at the country level to assess operational quality and outcomes. The results frameworks will also monitor financial flows, promote accountability for resource use, and document results and lessons. Results achieved through the CIF will be published and publicly available. The working group is scheduled to complete its work by February 2010.

Engaging stakeholders

The CIF's challenge in the first year was translating the cooperative effort of the design process into an inclusive operational structure. Decisionmaking and disclosure were problematic at the beginning, but over time Trust Fund Committee members agreed on the need to develop a formal role for other stakeholders as observers. The design of the self-selection process was based on independent advice—from nongovernmental organizations (NGOs) and the private sector—and using best practices from other organizations. The NGO and private sector observers met for the first time at the October 2009 meetings. A self-selection process for indigenous peoples is still in the design stages and awaits approval.

Encouraging feedback and learning—the 2010 Partnership Forum

Learning is a systematic part of the CIF. In a sense it is the primary objective. During the first year, the CIF revised the governing structure to include civil society observers and incorporated lessons into the FIP and SREP design process. Lessons to date have focused mainly on the design process and the new governing structure.

To spur dialogue among all relevant stakeholders and harvest learning from experiences, the CIF hold an annual Partnership Forum to assess existing programs and to promote feedback and exchanges of ideas among stakeholders. The first Partnership Forum, in 2008 in Washington, DC, was limited in scope because the Funds were so new, but offered lessons that will be taken fully into account in the next Forum, in March 2010 at Asian Development Bank (ADB) headquarters in Manila. Participants will include developed and developing countries, MDBs, Global Environment Facility (GEF), the UN and UN agencies, UN Framework Convention on Climate Change (UNFCCC), the Adaptation Fund Board, bilateral development agencies, NGOs, indigenous peoples, scientific and technical experts, and the private sector.

An advisory committee has been established to design the format of the forum and to ensure active participation from a wide range of stakeholders. The eight-member committee includes representatives from the CIF Administrative Unit, MDBs, NGOs (North and South), UNEP, indigenous peoples, and the private sector.

The CIF have commissioned a study on design process and operational lessons, to be released at the 2010 Partnership Forum. The methodology for the study is individual or small-group discussions with the consultant, under a protocol that welcomes open, thoughtful contributions without attribution of comments to individuals or organizations. The consultant aims to meet with a significant cross-section of people who have participated in the design and early operations of the CIF—at the global level (design process, Trust Fund Committees, and Sub-Committees), country or regional level (pilots and Investment Plans), or both. Interviewees will include participants from governments, MDBs, civil society, the private sector, indigenous peoples, and local communities, in both developed and developing countries. Participants may have worked with one or more programs or funds within the CIF structure.

Participants at the Partnership Forum are encouraged to be open and candid about what has been achieved and what improvements can be made. The Forum is also a chance to build awareness of opportunities for CIF participation.

The Forum will include dialogues and learning sessions. A private sector forum will explore opportunities to engage in implementing the CIF and their programs. A symposium, led by UNEP, will present emerging scientific and technical knowledge. Pilot countries will also provide early lessons.

Box 3.2 Pilot countries build a community of practice

Pilot countries participating in the PPCR met in October 2009 to begin to build a community of practice to share lessons and experiences and to promote South-South learning among PPCR countries.

10 Themes from the PPCR pilot countries meeting

1. **Diversity**

- Countries and regions have diverse:
    - Adaptation challenges.
    - Plans and planning processes.
    - Institutions and capacities.
    - Resources and bottlenecks.
- Challenges also differ within countries:
    - For example, coastal versus mountainous areas
- Therefore PPCR must:
    - Design a tailored approach with each country or region, based on each country or region's current conditions.
    - Avoid "one-size-fits-all" programming.
    - Select the right mix of planning, capacity building, technical assistance, and financing.

2. **Existing country planning**

- Each country PPCR enters has existing plans and planning processes:
    - National Adaptation Program of Action (NAPA).
    - Development plans, poverty reduction strategies.
    - Planning cycles: for example, a five-year strategy.
- Therefore PPCR should:
    - Build on existing plans and processes.
    - Avoid duplication.
    - Fit timing to planning cycles (for example, five-year horizons).
    - Move quickly to implementation where possible.

(continued)

Box 3.2 Pilot countries build a community of practice *(continued)*

3. Crosscutting problems, crosscutting solutions
- Adaptation is a multisectoral, multidimensional problem.
- Need strong coordination at the national government level, across ministries and agencies—a whole-of-government approach.
- Plans cut across sectors.
- Foster culture of coordination, build capacity to coordinate.
- Integrate adaptation in budget planning.
- Set up dialogue: climate change ↔ disaster response.
- Architecture differs by country, but good experience with some form of interministerial steering committee, ministry of finance or planning in lead, ministry of environment as secretariat.
- Coordination needs run broader and deeper than the national government, from communities to regions, and across sectors.

4. Opportunity for donor coordination
- MDBs coordinating in PPCR: valuable.
- Also link with bilateral donors.
- Important to clarify expectations up front—what government will do, what MDBs will do, where the capacity bottlenecks are—to prepare the planning process.

5. Local communities, antipoverty
- Reducing poverty reduces vulnerability.
- Need to connect adaptation with fighting poverty.
- Focus on the most vulnerable, the poor, women and children.
- Food security, access to safe water.
- Begin with link to affected communities from the start—build from there.
- Overcome literacy constraints.
- Early community engagement → community ownership → sustainability.

6. Multisector, multistakeholder
- Engage with civil society, private sector:
  - Regionally, nationally, locally.
  - Early in planning process.
  - Foster dialogue.
  - Country ownership of plans.
  - Financial support for outreach and engagement.

7. Build and share knowledge
- Adaptation still relatively new.
- No one has all answers, all need to build knowledge and capacity.
- Rich, complex network of knowledge to share:
  - Local, traditional knowledge—share across communities to national, regional, and global levels.
  - Technical knowledge, projections, assessments, scenarios.
- Systems to gather and share data.
- Identify and fill knowledge gaps.
- Evaluation and monitoring.

(continued)

Box 3.2 Pilot countries build a community of practice *(continued)*

- Sharing lessons—good practices *and* bad.
- National or regional centers of excellence.

8. Full policy cycle

- Raise awareness within government—across sectors, even those not now thinking about adaptation—and across civil society and private sector: communicate, communicate, communicate.
- Build institutional capacity.
- Move from policy to legislation to implementation, including regulation and enforcement.
- Combine effective short-term steps (low-hanging fruit) with links to long term.
- Climate uncertainty, so must plan not for individual events (disasters), but holistically.
- Adaptation not a one-time process: will be with us for foreseeable future.
- Re-assess, adjust, improve based on experience.

9. Insurance—a private sector example

- Developing countries are a major potential market for insurance companies—now relatively little activity.
- Create enabling environment.
- Regulation and incentives.
- Micro-insurance.
- Avoid moral hazard, link insurance to incentives to reduce vulnerability.
- Disaster in Florida increases re-insurance rates in Caribbean.

10. Challenges

- Move from planning to implementation as rapidly as possible.
- Balance speed vs. depth, "doing it right."
- Limited resources, so must set priorities—collaboratively.
- Need financially sustainable solutions for the long term.
- Policy making amidst uncertainty.

Feedback from the pilot countries

Administrative procedures

- Pilot countries need administrative procedures that:
  - Capture the diverse nature of pilot countries.
  - Are flexible.
  - Meet specific country or regional needs.
  - Examples:
    - Global Facility for Disaster Risk Management.
    - Clean technology procedures.

Regional aspects of single-country pilots

- What happens in one country affects another (for example, the area of Nepal close to other countries).
- The PPCR process must consider taking a regional approach in areas with strong linkages for climate change impacts.
  - In the context of managing knowledge and sharing lessons.

(continued)

Box 3.2 Pilot countries build a community of practice *(continued)*

- Early warning systems—not limited to political boundaries.

Guidance on alternative country pilot

- Can one country be replaced by another if conditions on the ground are not conducive to achieving project goals?

Grants and loans

- Allocation of grants and loans:
  - Why make a provision for loans on such a crosscutting issue?
  - Climate change issues may be with us for a long time. Won't countries drift into unsustainable debt positions as prior to the Heavily Indebted Poor Countries Initiative (HIPC)?
    - Concern from Bolivia, Togo, and Zambia.
- Observation: Credit no harsher than International Development Association (IDA) terms, highly subsidized, long grace period (40 years est.).

Appendixes

Appendix A: Financial statements

Table A1 Status of pledges, contributions, and receipts—unallocated as of September 30, 2009 (in millions)

		Pledges			Effective contribution[b]		
Contributor	Contribution type	Currency	Amount[a]	USD eq.	Total	Receipts	Outstanding
Denmark	Grant	DKK	79.2	16	—	—	—
Japan	Grant	USD	150.0	150	—	—	—
Total				166			

a. Total value amounts to USD eq. 166 million.
b. Represents countersigned contribution agreement.

Clean Technology Fund

Table A2 Clean Technology Fund: Status of pledges, contributions, and receipts as of September 30, 2009 (in millions)

		Pledges			Effective contribution[c]		
Contributor	Contribution type	Currency	Amount[a]	USD eq.	Total	Receipts	Outstanding
Australia	Grant	AUD	100	88	100	50	50
France	Loan	EUR	203	298	—	—	—
Germany	Loan	EUR	500	733	—	—	—
Japan	Grant	USD	1,000	1,000	—	—	—
Spain	Capital	EUR	80	117	80	10	70
Sweden	Grant	SEK	600	86	600	300	300
United Kingdom[b]	Capital	GBP	385	620	385	230	155
United States	Grant	USD	1,980	1,980	—	—	—
Total				4,923			

a. Total value amounts to USD eq. 4.9 billion.
b. Amount pledged to the Strategic Climate Fund and allocated to the Clean Technology Fund.
c. Represents countersigned contribution agreement.

Strategic Climate Fund

Table A3 Strategic Climate Fund: Status of pledges, contributions, and receipts as of September 30, 2009 (in millions)

		Pledges			Effective contribution[d]		
Contributor	**Contribution type**	**Currency**	**Amount[a]**	**USD eq.**	**Total**	**Receipts**	**Outstanding**
Australia	Grant	AUD	50.0	44	50.0	35.9	14.1
Canada	Grant	CAD	100.0	93	100.0	85.0	15.0
Denmark	Grant	DKK	130.0	26	—	—	—
Germany	Grant	EUR	50.0	73	—	—	—
Japan	Grant	USD	200.0	200	—	—	—
Netherlands	Grant	EUR	54.4	80	—	—	—
Norway[b]	Grant	USD	176.0	176	—	—	—
Switzerland	Grant	USD	20.0	20	—	—	—
United Kingdom[c]	Capital	GBP	800.0	1,289	800.0	300.0	500.0
United States	Grant	USD	20.0	20	—	—	—
Total				2,021			

a. Total value amounts to USD eq. 2 billion.
b. Norway's pledge to the Forest Investment Program was in USD and to Scaling Up Renewable Energy Program in Low Income Countries in NOK.
c. Includes allocation of GBP 385 million to the Clean Technology Fund, GBP 3.5 million to the Readiness Fund of the Forest Carbon Partnership Facility (FCPF), GBP 11.5 million to the Carbon Fund of the FCPF, and GBP 50 million to the Congo Basin Fund.
d. Represents countersigned contribution agreement.

Table A4 PPCR: Status of pledges, contributions, and receipts as of September 30, 2009 (in millions)

		Pledges			Effective contribution[b]		
Contributor	**Contribution type**	**Currency**	**Amount[a]**	**USD eq.**	**Total**	**Receipts**	**Outstanding**
Australia	Grant	AUD	40.0	35	40.0	25.9	14.1
Canada	Grant	CAD	100.0	93	100.0	85.0	15.0
Germany	Grant	EUR	50.0	73	—	—	—
Japan	Grant	USD	50.0	50	—	—	—
United Kingdom	Capital	GBP	225.0	362	225.0	23.0	202.0
Total				614			

a. Total value amounts to USD eq. 614 million.
b. Represents countersigned contribution agreement.

Table A5 FIP: Status of pledges, contributions, and receipts as of September 30, 2009 (in millions)

Contributor	Contribution type	Pledges			Effective contribution[b]		
		Currency	Amount[a]	USD eq.	Total	Receipts	Outstanding
Australia	Grant	AUD	10.0	9	10.0	10.0	—
Denmark	Grant	USD	10.0	10	—	—	—
Norway[c]	Grant	USD	150.0	150	—	—	—
United Kingdom[d]	Capital	GBP	100.0	161	100.0	12.0	88.0
United States	Grant	USD	20.0	20	—	—	—
Total				330			

a. Total value amounts to USD eq. 330 million.
b. Represents countersigned contribution agreement.
c. USD 50 million will be released after January 2010, with a higher level of funding to be released over the following two years contingent upon (i) the significant participation of other donors; (ii) operational progress of the program; and (iii) outcome of UNFCCC deliberations on financing for REDD.
d. The UK pledge is GBP 50 million, with up to a further GBP 50 million available contingent upon (i) operational progress of the program and (ii) the outcome of wider deliberations on interim forest financing.

Table A6 SREP: Status of pledges, contributions, and receipts as of September 30, 2009[a] (in millions)

Contributor	Contribution type	Pledges			Effective contribution[c]		
		Currency	Amount[b]	USD eq.	Total	Receipts	Outstanding
Netherlands	Grant	EUR	54.4	80	—	—	—
Norway	Grant	NOK	150.0	26	—	—	—
Switzerland	Grant	USD	20.0	20	—	—	—
United Kingdom	Capital	GBP	50.0	81	50.0[d]	15.0	35.0
Total				206.			

a. SREP is not yet officially established.
b. Total value amounts to USD eq. 206 million.
c. Represents countersigned contribution agreement.
d. Represents provisional allocation.

Appendix B: Endorsed Investment Plans and approved projects

Table B1 Egypt—Investment Plan: $300 million in CTF financing

Project	Involved MDBs	CTF amount	Expected co-financing	Co-financing sources
Wind Energy Scale-up Program (transmission)	IBRD	$150 million	$310 million	Private sector, IBRD, government
Wind Energy Scale-up Program (independent power producers)	AfDB/IFC	$50 million	$546 million	Private sector, AfDB/IFC, government
Urban transport sector	IBRD	$100 million	$765 million	Private sector, IBRD, government

Table B2 Morocco—Investment Plan: $150 million in CTF financing

Project	Involved MDBs	CTF amount	Expected co-financing	Co-financing sources
Fond de Développement de l'Energie ("FDE")	AfDB, IBRD, IFC	$150 million	$1,500–1,800 million	IBRD, AfDB, Hassan II Fund, Kingdom of Saudi Arabia, United Arab Emirates, IFC, private sector

Table B3 South Africa—Investment Plan: $500 million in CTF financing

Project	Involved MDBs	CTF amount	Expected co-financing	Co-financing sources
Eskom concentrated solar power (CSP)	AfDB, IBRD	$250 million	$350 million	AfDB, IBRD, European Investment Bank (EIB), KfW
Eskom wind power	AfDB, IBRD	$100 million	$300 million	AfDB, IBRD, AFD (Agence Française de Développement)
Private sector renewable energy/ energy efficiency/ solar water heaters	IFC, AfDB	$150 million	$1,200 million	AfDB, IFC, EIB, AFD, private sector

Table B4 Mexico—Investment Plan: $500 million in CTF financing

Project	Involved MDBs	CTF amount	Expected co-financing	Co-financing sources
Private sector energy: private sector wind development	IFC/IDB	$15.6 million	$120 million	IFC, private sector
Private sector energy projects	IFC	$34.4 million	$380 million	IFC, private sector
Urban Transport Transformation Project	IBRD	$200 million	$2,494 million	Government, GEF, CCIG, IBRD, carbon finance, private sector
IDB public-private sector proposal for Mexico's renewable energy CTF program	IDB	$53.9 million	$2,060 million	IDB, private sector, government
IDB renewable energy	IDB	$71.6 million		Government, IDB, private sector, other
IDB energy efficiency	IDB	$75 million	$337 million	Government, IDB, carbon finance, private sector, other
Lighting and appliances efficiency	IBRD	$50 million	$600 million	Government, IBRD, carbon finance

Table B5 Turkey—Investment Plan: $250 million in CTF financing

Project	Involved MDBs	CTF amount	Expected co-financing	Co-financing sources
Private sector renewable energy and energy efficiency project	IBRD	$100 million	$1,050 million	IBRD, private sector, TKB (Turkiye Kalkinma Bankasi) and TSKB (Industrial Development Bank of Turkey)
IFC energy efficiency: Commercializing Sustainable Energy Finance Program	IFC	$21.7 million	$220 million	IFC, private sector
IFC/EBRD renewable energy and energy efficiency projects	IFC, EBRD	$78.3 million	$200 million	IFC, EBRD, government, private sector
TEIAŞ (Turkish Electricity Transmission Corporation) transmission including smart grid for CTF	IBRD	$50 million	$400 million	IBRD, TEIAŞ

Appendix C: Members of Trust Fund Committees

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Scaling Up Renewable Energy Program in Low Income Countries Sub-Committee
To be established once the minimum funding level is achieved.

Civil society organization observers

Clean Technology Fund
Africa
John Gakumba Bosco
Nile Basin Discourse Forum in Rwanda (Rwanda)

Asia
Bhawani Shanker Kusum
Gram Bharati Samiti (India)

Developed countries
Smita Nakhooda
World Resources Institute (U.S.)

Latin America
Omar Esau Nuñez Vasquez
Honduran Association of Boards for Water Systems Administration (Honduras)

Alternate
Wasim Wagha
DAMAAN Development Organization (Pakistan)

Strategic Climate Fund
Africa
Elder Ogazi Emeka
Transparency and Economic Development Initiatives, Climate Change Nigeria, and Publish What You Pay Nigeria (Nigeria)

Asia
Bhola Bhattarai
Federation of Community Forestry Users, Nepal (Nepal)

Developed countries
Susanne Breitkopf
Greenpeace International (U.S.)

Latin America
Teresa Flores Bedregal
Association for Defense of Nature—PRODENA (Bolivia)

Alternate
Sena Alouka
Jeunes Volontaires pour l'Environnement (Togo)

Pilot Program for Climate Resilience
Africa
Maurice O. Odhiambo
Resource Conflict Institute (RECONCILE) (Kenya)

Asia
Maksha Ram Maharjan
CARE Nepal (Nepal)

Developed countries
Ilana Solomon
ActionAid (U.S.)

Latin America
Sergio Fonseca
APREC Coastal Ecosystems (Brazil)

Alternate
Ghan Shyam Pandey
Federation of Community Forestry Users (Nepal)

Private sector observers

Clean Technology Fund
Marc Stuart, Ecosecurities
The World Business Council for Sustainable Development (WBCSD)

Steve Sawyer (supported by Business Council for Sustainable Energy/Lisa Jacobson)
Global Wind Energy Council

Strategic Climate Fund

Granville Martin, JPMorgan Chase
International Chamber of Commerce (ICC)
Elizabeth Wallace
Frontier Finance International

Indigenous peoples observers

Indigenous peoples groups are consulting to establish a self-selection process.

Other observers

Clean Technology Fund Trust Fund Committee

Global Environment Facility (GEF)
United Nations Development Programme (UNDP)
United Nations Environment Programme (UNEP)
United Nations Framework Convention on Climate Change (UNFCCC)

Strategic Climate Fund Trust Fund Committee

Global Environment Facility (GEF)
United Nations Development Programme (UNDP)
United Nations Environment Programme (UNEP)
United Nations Framework Convention on Climate Change (UNFCCC)

Forest Investment Program Sub-Committee

Forest Carbon Partnership Facility Secretariat (FCPF)
Global Environment Facility (GEF)
United Nations Framework Convention on Climate Change (UNFCCC)
UN-REDD Technical Secretariat

Pilot Program for Climate Resilience Sub-Committee

Global Environment Facility (GEF)
United Nations Development Programme (UNDP)
United Nations Environment Programme (UNEP)
United Nations Framework Convention on Climate Change (UNFCCC)
Adaptation Fund Board (AFB)
Representative from a community dependent on adaptation approaches to secure livelihoods

Scaling Up Renewable Energy Program in Low Income Countries Sub-Committee

Global Environment Facility (GEF)
United Nations Development Programme (UNDP)
United Nations Environment Programme (UNEP)
United Nations Framework Convention on Climate Change (UNFCCC)
Energy for the Poor Initiative (EFPI)

CIF

Climate Investment Funds

www.climateinvestmentfunds.org

BANQUE AFRICAINE DE DEVELOPPEMENT AFRICAN DEVELOPMENT BANK

ADB Asian Development Bank

European Bank for Reconstruction and Development

IDB Inter-American Development Bank

WORLD BANK GROUP