

CLIMATE INVESTMENT FUNDS

FIP/SC.6/8
June 14, 2011

Meeting of the FIP Sub-Committee
Cape Town, South Africa
June 29 and 30, 2011

Agenda Item 9

QUALITY REVIEW OF FIP INVESTMENT PLANS (Summary)

INTRODUCTION

1. The SCF Trust Fund Committee (TFC) agreed at its November 2010 meeting that a focused independent technical review of proposed investment plans and strategies proposed for funding under the SCF targeted programs could contribute to enhancing the quality of the plans and strategies. At the request of the Committee, the CIF Administrative Unit, in collaboration with the MDB Committee, prepared and circulated on March 29, 2011, a proposal for the process and criteria for an independent technical review for SCF investment plans.
2. The attached paper presents two options for consideration by the FIP Sub-Committee. The first option is based on the original proposal prepared by the MDB Committee, revised to reflect the comments of the SCF Committee Members on that proposal. Option 2 is the alternative proposal submitted by the FIP Sub-Committee Member from Norway.

Option 1

Process overview

3. One expert reviewer from the Forest Carbon Partnership Facility (FCPF) roster of experts will be agreed upon by the government and MDBs and appointed to undertake the review. The review will consist of the following:
 - a) Review of the first complete draft of the investment plan and prepare a report with recommendations for consideration by the pilot country and the relevant MDBs in the preparation of the final version of the investment plan.
 - b) The country and the MDBs may request a meeting with the independent reviewer to discuss the review.
 - c) The country and the MDBs will prepare a note that describes how the suggestions and recommendations from the review have been incorporated in the final document.
 - d) The review and the note will be submitted to the relevant Sub-Committee together with the proposed investment plan when it is submitted for endorsement.

Budgetary issues

4. The expert's fee is expected to range between \$3,500 and \$7,000 for an individual review. In rare cases where travel may be required, the total cost may be as high as \$17,500. It is proposed that resources to finance the expert review should be included in the resources available through the CIF Administrative Budget for country programming.

Option 2

7. Consistent with the current practice established by the FCPF, this option proposes the use of a panel of 5-8 expert reviewers which will be appointed from the FCPF roster of experts to conduct the quality review of a FIP investment plan.
8. The review process will consist of the following tasks:

- a) The panel shall elect a lead reviewer who will be responsible for synthesizing the individual reviews performed by each reviewer into a single synthesis review summary to be made public.
- b) Each reviewer will review the investment plan once it has been submitted to the Sub-Committee in accordance with the criteria contained in annex A.
- c) The summary shall be submitted to the CIF Administrative Unit for circulation at least one week prior to the Sub-Committee meeting and posted on the CIF website.
- d) At this time, the review shall be sent to the pilot country so that they may prepare and submit a response to the review. The pilot country or MDBs should submit the response to the CIF Administrative Unit at least one day prior to the meeting to allow time for distribution and printing.

9. The reviewers will be selected from the roster by the CIF Administrative Unit in collaboration with the MDBs and FCPF.

10. It is estimated that the expert fee for each reviewer will be \$3,500, and between \$17,500-31,500 for the team of reviewers.

11. The following is a proposed timeline for activities:

Time	Activity
No later than 6 weeks prior to the FIP Sub-Committee meeting	Country or MDB inform the CIF Administrative Unit that the investment plan will be submitted in accordance with the <i>FIP Operational Guidelines</i> no later than 4 weeks prior to the meeting
Week 6 and 5	CIF Administrative Unit will contact experts from FCPF roster and contract selected experts to be part of the FIP quality review panel
4 weeks prior to FIP Sub-Committee meeting	Country submits its investment plan to the CIF Administrative Unit for posting
Week 3 and 2	FIP quality review panel reviews investment plan and produces summary review using criteria in Annex#
Week prior to the FIP Sub-Committee meeting	<ul style="list-style-type: none"> - Review will be posted on the FIP website as an information document for the FIP Sub-Committee meeting - Country and MDB prepare response to the review
1 day prior to the FIP Sub-Committee meeting	Response to the review is submitted to the CIF Administrative Unit and posted on the FIP website as an information document for the FIP Sub-Committee meeting