

CLIMATE INVESTMENT FUNDS

PPCR/SC.13/3/Rev.1
October 29, 2013

Meeting of the PPCR Sub-Committee
Washington, D.C.
November 1, 2013

Agenda Item 3

PPCR SEMI-ANNUAL OPERATIONAL REPORT

(SUMMARY)

PROPOSED DECISION

The PPCR Sub-Committee reviewed document, PPCR/SC.13/3/Rev.1, *PPCR Semi-Annual Operational Report*, and welcomes the progress that has been made in advancing the work of the PPCR in the pilot countries and regional components. The Sub-Committee particularly appreciates the progress that has been made in: (a) completing the programming phase of the PPCR, (b) submitting projects and program proposals to the Sub-Committee for approval of PPCR funding, and (c) moving towards realistic projections for project and program development.

The Sub-Committee welcomes the work that has been initiated to assess the process, experience and lessons learned from the preparation of investment plans and related capacity building by the PPCR and notes that the outcome of the work will be presented to the Sub-Committee for discussion at its next meeting.

I. INTRODUCTION

1. The report covers the period from March 16, 2013 to August 31, 2013.
2. Significant progress has been made in the implementation of the PPCR. The PPCR has an active and dynamic portfolio of projects and programs in 18 countries. Key achievements as well as challenges in the PPCR are highlighted and discussed in the following sections.

II. STATUS OF THE PILOT PROGRAM FOR CLIMATE RESILIENCE

Summary of Program Progress during the Reporting Period

Strategic Programs for Climate Resilience (SPCR)

3. With the endorsement of Haiti's SPCR in May 2013, the programming period for the PPCR has been concluded. During a period of 30 months, the Sub-Committee has endorsed a total of 20 investment plans for nine single pilot countries and the Caribbean and Pacific regions. The projects and programs under the investment plans are at different stages of implementation.

Projects and Programs

4. The PPCR pipeline is comprised of 66 projects and programs included as concepts in the 20 endorsed investment plans. During the current reporting period, the Sub-Committee reviewed and approved PPCR funding for six projects and programs totaling USD 84.5 million.
5. During the current reporting period, six projects and programs totaling USD 98.6 million in PPCR resources were approved by the MDBs.
6. Cumulative PPCR disbursements rose from USD 10.6 million at the end of FY2012 to USD 25.6 million at the end of FY2013.

Strategic Highlights

7. This report highlights three strategic themes that are emerging from the PPCR:
 - a) further analysis of the submission rate of PPCR projects and programs for PPCR funding approval reported during the last meeting of the PPCR Sub-Committee shows that the PPCR pipeline of projects and programs is active and on track for delivery);
 - b) engaging the private sector in climate-resilient development activities through the endorsed investment plans and the PPCR Private Sector Set-Aside continues to be challenging; and
 - c) with the provision of guidance materials and targeted capacity building, there is significant progress related to monitoring and reporting in many PPCR pilots.

III. PORTFOLIO ANALYSIS

PPCR Funding Approvals

8. Nearly half of the projects and programs in the PPCR pipeline have received funding approval by the PPCR Sub-Committee. A substantial portion has also been approved by the respective MDB. Table 2 suggests that only slightly more than one third of those projects which are MDB approved have commenced disbursement of PPCR resources.

9. By the end of the reporting period, nine out of the 20 PPCR pilots have received PPCR funding approval for more than 50% of the indicative funding allocation at the time of the endorsed investment plan and the additional resources allocated by the PPCR Sub-Committee in November 2012. Based on MDB forecasts, this figure is expected to increase substantially during the upcoming reporting period.

10. While approvals of PPCR resources for private sector projects and programs have more than doubled as compared to the last reporting period, the funding PPCR approvals to date are primarily attributable to public sector projects and programs.

Status of Endorsement of Concepts using Additional PPCR Resources

11. As of August 30, 2013, nine concepts totaling USD 50.45 million have been endorsed by the PPCR Sub-Committee to be further developed using the additional resource allocations. Pursuant to the decision of the Sub-Committee, concept proposals for the use of the remaining USD 37.55 million additional resources must be submitted to the PPCR Sub-Committee for review by May 31, 2014, or else the resources will be transferred to the set-aside for a competitive process.

IV. TRACKING PROJECT DELIVERY

12. As of August 30, 2013, PPCR funding for 32 of the 66 projects and programs in the PPCR portfolio have received PPCR funding approval by the Sub-Committee. These funding approvals account for USD 483.22 million in PPCR resources, of which 70% (USD 338.43 million) is in the form of grants and 30% (USD 144.8 million) is near-zero interest credits. Twenty seven of the 32 projects and programs with approved PPCR funding, which total USD 408.91 million, have also been approved by the MDBs. Project and programs with approved PPCR funding are expected to leverage a cumulative USD 783.77 million, or around USD 1.62 in additional co-financing for each USD 1 PPCR funding.

FY 14 Funding Requests –Outlook

13. Based on confirmed forecasts provided by MDBs in September 2013, MDBs expect to submit 28 projects and programs totaling USD 444.1 million to the Sub-Committee for review and PPCR funding approval during the upcoming reporting period¹.

¹ September 1, 2013 – March 30, 2014