

CCMM Update – November 2023

CCMM Working Group

November 8, 2023



Update – Progress since June

Structure

- All stakeholders have agreed to **enhanced liquidity policy**
 - Will free up more than USD 3 billion for programming upon CCMM launch
- Two of three loan contributors agree to **pari passu treatment**; Germany does not
 - Potential implications for CCMM efficiency and market placement

Credit Rating Agency (CRA) Engagement

- Working on preliminary ratings assessment first, then public rating
- Restricted distribution of prelim rating assessment – confidentiality requirements
- Moody's and S&P information packages submitted in October, Fitch to be submitted by Dec
- CRAs asked to evaluate different scenarios with and without pari passu treatment
 - Assessments will inform analysis of how CCMM would be seen by the markets
- Unlikely that CRA prelim rating assessment will be available in advance of COP

Next Steps

- **Following completion of preliminary ratings assessments:**
 - Finalize CCMM structure for approval by TFC
 - Final versions of CTF documents distributed for final internal approval from Contributors and MDBs
- **After preliminary ratings assessments, public credit rating to follow**
 - Full approval of CTF documents prior to seeking public credit rating
 - Update CRA Financial Data templates for FY2023 to get public credit rating
 - Prepare in parallel Information Memorandum and bond issuance documents

CCMM – Phase 3 – UPDATED Implementation

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Jul - Dec 2023

- Preparation of materials for CRAs including data templates from MDBs
- Submit information packages to CRAs for preliminary assessment
- Preparation of bond issuance documents

Q4 2023 – Q1 2024

- Engagement with CRAs
- Preliminary ratings assessments and potential consultations on outcome
- TFC to approve final structure
- Finalize CTF documentation
- **MDBs and Contributors to start process to seek approvals for final versions of legal agreements (in draft)**
- Incorporate CCMM Issuer

CCMM – Phase 4 – Public credit rating and launch of bond process – Q2 2024

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Signing of all documents and completion of arrangements to establish CCMM structure

- Open bank accounts
- CCMM issuer appoints auditors and an accounting firm
- Auditors prepare audited consolidated opening balance sheet (2-3 months after incorporation)

Public ratings assessment

- Submit updated information package to CRAs for assessment and obtain public credit rating
- MDBs prepare and provide their respective audited/unaudited FY23 CTF Implementing Entity Fin. Statements by March 2024

Bond issuance readiness

- TM/CIF Sec/MDBs: Completing first CCMM reporting cycle
- Finalize Bond Documentation and Listing Info Memorandum
- Investor outreach

CIF



CLIMATE INVESTMENT FUNDS

Investing in the future

