
Memorandum of Understanding

between

THE CLIMATE INVESTMENT FUNDS

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

**on the Hosting Arrangements for the
Secretariat of the Climate Investment Funds**

Dated 28 June 2023

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MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING on the Hosting Arrangements for the Climate Investment Funds (the “Memorandum”), dated 28 June 2023, is entered into between the CLIMATE INVESTMENT FUNDS acting through its Trust Fund Committees (the “CIF”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“IBRD” or the “World Bank”, and together with the CIF, the “Participants” and each a “Participant”).

WHEREAS:

(A) The CIF is comprised of two separate trust funds: the Strategic Climate Fund (the “SCF”) and the Clean Technology Fund (the “CTF”) and a parallel trust fund, the CTF Parallel Fund (the “CTFPF” and together with the CTF and the SCF, the “CIF Trust Funds”). The CTF and the CTFPF are governed by the CTF Trust Fund Committee (the “CTF TFC”) and the SCF is governed by the SCF Trust Fund Committee (the “SCF TFC” and together with the CTF TFC, the “TFCs”). During each semi-annual meeting of the TFCs, the TFCs meet jointly to take decisions on matters that are pertinent to the CIF Trust Funds, each such meeting being a meeting of the Joint TFC (the “Joint TFC”);

(B) The CIF provides large-scale long-term climate financing through a business model that follows the operational policies and procedures of the six multilateral development banks who serve as implementing entities for the CIF: the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the International Bank for Reconstruction and Development/the International Development Association (the World Bank) and the International Finance Corporation (collectively the “MDBs”);

(C) The CIF’s founding objectives, which include financing transformational action, remain essential and encompass deepening its strategic focus on frontier challenges, fostering stronger MDB collaboration and coordination; finding new ways to mobilize critical climate finance, and accomplishing these objectives through the support of environmentally and socially sound MDB programs and projects;

(D) The CIF operates through the CIF Secretariat (formerly the CIF Administrative Unit), which is legally and administratively part of the World Bank, under the SCF Governance Framework and the CTF Governance Framework (together the “Governance Frameworks”) and the direction of the TFCs;

(E) The CTF is expected to launch a new capital markets mechanism in 2023 (with the current working title of the “CIF Capital Markets Mechanism” or “CCMM”) and the World Bank is expected to assume, in addition to its existing roles, a new role as treasury manager of the CCMM;

(F) The CIF Secretariat has been hosted by the Sustainable Development Global Practice of the World Bank (the “Host VPU”) since inception in 2008. The Participants wish to enter into this Memorandum of Understanding to clarify existing practices, as applicable, and set out their mutual understanding of the World Bank’s hosting arrangements for the CIF Secretariat, as the CIF evolves into a new phase;

(G) In June 2023, at a joint meeting, the TFC decided to accept the revised hosting arrangements proposal submitted by the World Bank.

NOW, THEREFORE, the Participants hereby mutually decide as follows:

ARTICLE I

ROLES AND RESPONSIBILITIES

Section 1. *The CIF Secretariat.*

The CIF Administrative Unit is renamed the CIF Secretariat and is responsible for the overall management of the CIF. The roles and responsibilities of the CIF Secretariat are set out in Annex 1 to this Memorandum, and the CTF Governance Framework and the SCF Governance Framework, together the "CIF Governance Frameworks," will be updated to reflect Annex 1 as well as the change in the CIF Administrative Unit's name to the CIF Secretariat.

Section 2. *Roles of the World Bank*

The World Bank performs the following distinct roles:

- (a) *Host of the CIF Secretariat.* The World Bank provides the CIF Secretariat with access to the World Bank's administrative support services, including human resources (HR), information technology systems, legal, budget, travel, security, facilities, and grievance mechanisms. If there are any proposed changes in World Bank policies and procedures that may impact the CIF, the World Bank will inform the CEO about such proposals. If the proposed changes have a material impact on the ability of the CIF to meet its objectives, as determined by the CEO, the World Bank will discuss such changes with the TFCs in advance of implementation.
- (b) *Trustee.* The Development Finance Vice Presidency of the World Bank (DFi) provides financial services to the CIF in the capacity of Trustee of the CIF Trust Funds. The roles and responsibilities of the Trustee are set out in the Governance Frameworks and include the receipt of contributions, holding and investing of funds, transfer of funds to implementing entities as well as accounting, reporting, financial and fiduciary management, and ensuring compliance with established World Bank procedures and internal controls.
- (c) *Implementing Entity.* The World Bank acts in the capacity of implementing entity for the CIF Trust Funds. The roles and responsibilities of the World Bank as implementing entity are set out in the Governance Frameworks and the Financial Procedures Memoranda. The World Bank in its capacity as implementing entity is not directly represented on either TFC and so is not involved in the approval of allocations to itself or to any other MDB. CIF Secretariat staff do not decide on funding allocations and maintain a neutral position with regard to the funding decisions to avoid any perception of conflict of interest. The World Bank as implementing entity is represented on the MDB Committee.
- (d) *CIF TFC Member.* As set out in the Governance Frameworks, a senior representative of the World Bank acts as a non-decision-making member of each TFC in recognition of the role of the World Bank as overall coordinator of the CIF partnership. The roles and responsibilities of the CTF TFC and the SCF TFC are set out in the Governance Frameworks.

(e) *Treasury Manager.* The World Bank is expected to serve as Treasury Manager in respect of the CCMM and will manage all financial and treasury functions related to the capital market borrowing program of the CCMM Issuer under the terms to be agreed between the CCMM Issuer and the World Bank in a Treasury Management Agreement.

Section 3. *CIF Senior Level Meetings.*

(a) On at least an annual basis, the senior management of the MDBs and the CEO, together with the Co-Chairs of one or both of the TFCs, as necessary, will meet to discuss the results achieved and overall strategy for the CIF for the upcoming year (the "CIF Strategy Meeting").

(b) On an ad hoc basis as necessary and at least annually (utilizing the opportunity to meet in the margins of COPs, subsidiary body meetings and World Bank/IMF Annual and Spring Meetings), management of the MDBs and the CEO of the CIF Secretariat will meet to discuss overall CIF operations, including programs, initiative planning, fundraising, external representation and events, workforce planning and communications (the "CIF Management Meetings"). Details related to the operation of the meetings provided for in this Section will be included in the CIF governing documents as appropriate.

ARTICLE II

HUMAN RESOURCES

Section 1. *Human Resources; CIF Secretariat*

(a) All CIF Secretariat staff report to the CEO of the CIF Secretariat. The duties and accountabilities of CIF Secretariat staff will be reflected in the applicable job descriptions or terms of reference in their recruitment, which will be consistent with the World Bank's Principles of Staff Employment and Staff Rules and any other applicable HR Policies and Procedures. CIF Secretariat staff will not be required to take part in the World Bank rotation practice and may elect to do so on a voluntary basis. Equally, other HR-related practices will apply to CIF Secretariat staff as provided for in this Memorandum.

(b) If the World Bank introduces measures for World Bank staff that may adversely impact the employment conditions of the CIF Secretariat staff, such as, for example, hiring freezes, mandatory staff reductions and grade level caps, the CEO will notify the World Bank of such adverse impact as soon as possible. Thereafter, the Host VPU and the TFCs will consult on and agree whether and how such measures will apply to the CIF Secretariat before implementation, with the agreement reached reflected as part of the annual CIF Secretariat workforce planning set out below.

(c) The Host VPU will facilitate secondments between the MDBs (other than the World Bank) and the CIF Secretariat.

Section 2. *CEO of the CIF Secretariat – role and selection*

(a) The CEO will be selected and appointed for a four-year term, which can be renewed once. The CEO will report to the Vice President of Sustainable Development and be accountable to both TFCs.

(b) The CEO will be exempt from the World Bank rotation practice. The CEO may appoint a deputy CEO and is responsible for recruitment of CIF Secretariat staff, in accordance with applicable World Bank Policies and Procedures.

(c) The CEO is recruited through a competitive selection process, using a search firm selected in accordance with World Bank procurement policies. The World Bank will prepare Terms of Reference for the role of the CEO, which will be reviewed and agreed by representatives of the TFCs, in consultation with MDB representatives appointed by the MDB Committee for that purpose. The Terms of Reference will be aligned with the roles and responsibilities of the CIF Secretariat as set out in Annex 1 (and as ultimately reflected in revised Governance Frameworks). The essential qualifications for the CEO of the CIF Secretariat shall be as set out in the Terms of Reference.

(d) The CEO will be selected by a committee of six members, comprising four TFC members (one contributor and one recipient country member from each of the TFCs), one representative of the MDB Committee (that is not the World Bank) and one representative of the World Bank (the "Selection Committee"). The Selection Committee will be co-chaired by a contributor representative of the TFCs and the World Bank representative. The Selection Committee will be advised by one or more representatives of the World Bank finance complex, who will not be involved in shortlisting and will not have a vote, but who will participate in the interviews of the candidates and convey their views to the Selection Committee. The final decision on the selection of the CEO will follow the accountability and decision-making processes within the World Bank commensurate to the equivalent level of appointment. As such, the Selection Committee will present to World Bank senior management for concurrence a selection of 2 candidates that reflects a consensus between the members of the Selection Committee. Subject to such concurrence, the Selection Committee will present to the TFCs the two shortlisted candidates. The TFCs will then meet virtually to interview the two candidates and select the final candidate by consensus decision. The TFCs' final selection will be submitted to the World Bank senior management for concurrence.

(e) When there is no more than nine months and no less than six months remaining in the four-year term of the CEO, the Co-Chairs of the TFCs and senior management of the MDBs (Director-level or above) will meet to determine whether to renew the appointment of the CEO for a further and final four-year term. This determination will be based, among other things, on the then-current objectives and strategies of the CIF as well as on the performance assessments received by the CEO and on consultations with the TFCs.

Section 3. *CIF Secretariat Budget and Staffing Plans.*

(a) The CIF operates under a business model that relies on MDBs operating through their respective operational policies and procedures, which should be reflected in the staffing level of the CIF Secretariat, subject to the Secretariat having sufficient staff to enable it to deliver on its roles, responsibilities and mandate, as set by the TFCs.

(b) The CEO is responsible for workforce planning for the CIF Secretariat, in consultation with the World Bank and subject to budgetary approval by the TFCs.

(c) Based upon the CIF's strategic needs and priorities as set by the TFCs, the CEO, the VP of the Host VPU, and the TFC Co-Chairs will consult and agree upon an annual workforce plan for the CIF Secretariat ("CIF Secretariat Workforce Plan.") The CIF Secretariat Workforce Plan will be developed during the

World Bank annual workforce review. The World Bank will advise on context, comparators and the range of possibilities for meeting the needs of the CIF along with the implications for the CIF budget. In assisting the CIF to develop the CIF Secretariat Workforce Plan, the World Bank will apply the same principles for workforce planning to the CIF as it applies to other units within the Host VPU.

(d) The CIF Secretariat Workforce Plan will be approved by the TFCs at the same time as the CIF Secretariat budget.

(e) The CEO of the CIF Secretariat will consult with the MDB Committee in respect of the recruitment of Program Coordinators. MDBs will be informed through the MDB Committee about, and will be eligible to apply for, positions in the CIF Secretariat that are subject to internal recruitment. External recruitment of CIF Secretariat staff will be open to MDB staff.

Section 4. *Human Resources; Performance Management and Promotions.*

(a) The CEO will be assessed annually on their performance, in accordance with the process set out in Annex 2. The CEO will be accountable for the performance of the CIF Secretariat and the Secretariat's delivery of its work program to the TFCs and the TFCs will play a critical role in the assessment of the CEO's performance. The CEO will also be responsible for ensuring that the CIF Secretariat acts in compliance with applicable World Bank Policies and Procedures while performing its roles and responsibilities.

ARTICLE III

ADMINISTRATIVE MATTERS

Section 1. *Communications*

(a) The CIF Secretariat is responsible for leading and designing communications for the CIF. The CIF Secretariat will agree on a communications strategy (the "CIF Communications Strategy") with the World Bank and the other MDBs. The CIF Communications Strategy will be reviewed as part of the CIF Management Meetings.

(b) The CIF Secretariat will maintain close ongoing contact with the World Bank's External and Corporate Relations Department and, where possible, with the other MDBs' communications departments regarding communications and outreach plans for the CIF to ensure alignment and close coordination, including to agree on protocols for clearance in accordance with World Bank policy. The World Bank's External and Corporate Relations Department will nominate a focal point to engage with the CIF Secretariat. The CIF Secretariat and the World Bank will agree on standard operating procedures for collaboration between the CIF Secretariat and the World Bank on communications efforts, which will be reflected in the CIF operations manual.

Section 2. *External Representation*

(a) The CIF will be represented at key climate and high-level events, including the UNFCCC Conference of the Parties ("COP"), in sufficient numbers to ensure the CIF Secretariat can carry out the activities agreed with the TFCs and discussed with the MDBs.

(b) In respect of the COPs, the Participants will coordinate in advance of the relevant COP to agree on the number of CIF Secretariat attendees that represents a reasonable level of representation, taking into consideration the World Bank's quotas for COPs and any reputational or practical risks, as well as CIF priorities and strategies related to COP attendance, and recognizing that, at a minimum, CIF Secretariat attendees will include the CEO and Deputy, or other CIF Secretariat staff member selected by the CEO.

(c) The CIF may be invited to sign letters of intent, memoranda of understanding or other non-binding arrangements with organizations with similar mandates for the purposes of demonstrating partnership or engagement. The process for entering such arrangements will be set out in a CIF operational level document that is in the process of being updated.

ARTICLE IV FUNDRAISING

Section 1. *General*

(a) The Participants will support fundraising activities for the CIF to ensure the CIF achieves its strategic role in the international climate finance architecture and in a manner that facilitates complementarity with other climate funds. The Participants acknowledge that the CIF has a key role to provide transformational concessional finance at scale and to unlock private sector funding.

(b) The CEO of the CIF Secretariat, with support from the CIF Secretariat, will take the lead on fundraising for the CIF, in consultation with the MDBs. In doing so, it will coordinate and seek support from the World Bank and the MDBs, in each case as applicable. The Terms of Reference for the MDB Committee will be updated to reflect the Participants' shared understanding of the enhanced role for MDBs in CIF fundraising activities, including at a senior management level.

(c) The CIF Secretariat, together with the World Bank and other MDBs, will prepare a fundraising approach for the CIF, which will be approved by the TFCs. The fundraising approach will set out the CIF fundraising principles, and the roles and responsibilities for the CIF Secretariat and the MDBs. It will also include a proposed fund-raising target, proposed common messages between the CIF Secretariat and the MDBs, and proposed opportunities for possible joint fundraising efforts. The fundraising approach will be reviewed and updated, as needed, at the CIF Management Meetings.

(d) The World Bank will not impose any fundraising moratoriums on the CIF.

Section 2. *Funds from Non-Traditional Sources.*

(a) The Participants will explore the implications, modalities and possibilities of non-sovereign donor funding and financial innovations for the CIF through early consultation between stakeholders and adequate due diligence.

- (b) Any non-sovereign donor contributions or financial innovations will be subject to due diligence procedures carried out by the World Bank in accordance with World Bank policies and procedures.

ARTICLE V

CONFLICTS OF INTEREST AND DISPUTE RESOLUTION

Section 1. *CIF Conflicts of Interest Management Framework*

- (a) The Participants, in consultation with the MDBs, will develop a CIF Conflicts of Interest Management Framework (“COI Framework”) that will form part of the CIF governing documents.
- (b) The COI Framework will set out guidance on recognizing and handling conflicts of interest, mitigation measures, and guidance for CIF Secretariat staff on how to address situations with dual accountabilities. The Participants will manage potential, perceived and actual conflicts of interest in accordance with the COI Framework.
- (c) The Participants will strive to ensure strong strategic alignment on the overarching vision, mandate, objectives, and modalities of the CIF Secretariat.

Section 2. *Conflicts of Interest – duties and responsibilities of CIF Secretariat staff*

(a) The World Bank’s Articles of Agreement provide that officers and staff of the World Bank, in the discharge of their offices, owe their duty entirely to the World Bank and to no other authority. CIF Secretariat staff also have a duty to serve the best interests of CIF and the TFCs. The CIF Secretariat staff satisfy their duty to the World Bank by fulfilling their responsibilities under their work programs to CIF and the TFCs and acting within the World Bank’s HR policies and procedures. CIF Secretariat staff are accountable to the TFCs for delivery of the CIF work program in line with the strategic objectives of the CIF and are accountable to the World Bank to meet their duties and responsibilities as World Bank staff.

(b) The World Bank’s Office of Ethics and Business Conduct (the “EBC”) can provide advice to staff on personal conflicts of interest in the World Bank, including on conflicting duties of loyalty, and on operational conflicts of interest in the World Bank. The EBC can also address any potential cases of misconduct.

Section 3. *Dispute Escalation*

(a) The Participants will make every effort for disputes that arise in connection with any matters governed by this Memorandum to be resolved amicably and at the level at which the dispute occurs. If resolution at that level is not possible, the Participants will elevate the dispute to the next level of seniority.

Section 4. *Dispute Resolution*

(a) Nothing in this Memorandum shall interfere with the right of CIF Secretariat Staff, and the World Bank to use the mediation services, the Ombuds Services Office, peer review services, and the World Bank Administrative Tribunal (“World Bank Conflict Resolution Services”), for assistance with and/or resolution of disputes arising within the mandate of the World Bank Conflict Resolution Services as set out in the World Bank’s Staff Manual.

(b) In the event of a dispute between the CIF Secretariat and the Host VPU that has an impact on the ability of the CIF to meet its strategic objectives, in the view of either party to the dispute, parties will endeavor to resolve the dispute at the level at which the dispute has occurred. Failing resolution at that level, the CEO will escalate the dispute to the Co-Chairs of the relevant TFC or to the Joint TFC Co-Chairs, at the CEO’s discretion, for discussion and resolution with the Vice President of the Host VPU, and/or other World Bank management, the World Bank sees fit to engage. The Co-Chairs, at their discretion, may also ask the Chair of the MDB Committee to participate in such discussions.

(c) The Governance Frameworks will be updated to include a mechanism to resolve disputes that relate to a decision made by either TFC, or that involves CIF stakeholders other than the Participants.

Section 5. *Privileges and Immunities*

The World Bank is an international organization established under international treaty and governed pursuant to its Articles of Agreement, which were ratified and signed by the governments of its 189 member countries. It is not resident or domiciled in the United States or any other country and is therefore not subject to regulation in any jurisdiction. The World Bank’s Articles of Agreement provide privileges and immunities which limit the ability of member countries to impose regulations or restrictions on the World Bank. These privileges and immunities apply to the CIF Secretariat while it is hosted by the World Bank.

Section 5. *FIFs Directive*

The Participants’ mutual understanding is that there is no conflict between this Memorandum and the FIFs Directive. The Participants will carry out periodic reviews of the operation of this Memorandum and if an actual or potential conflict arises or is identified by either Participant, the Participants will use the mechanisms described above to resolve such conflict.

**ARTICLE VI
GENERAL PROVISIONS**

Section 1. This Memorandum is not intended by the Participants to be legally binding, and nothing contained herein, or any action taken by the Participants pursuant to this Memorandum will create or be construed to imply any agency, partnership, joint venture or fiduciary relationship between the Participants.

Section 2. This Memorandum may be modified in writing by the Participants.

Section 3. Nothing in this Memorandum is intended to be or should be construed as a waiver of the privileges and immunities of the World Bank or its officers and employees, which privileges and immunities are hereby specifically reserved.

Section 4. This Memorandum and the information with respect to the activities contemplated herein may be publicly disclosed. Such disclosure will be made in accordance with the Participants' respective disclosure or access to information policies.

**ARTICLE VIII
EFFECTIVE DATE**

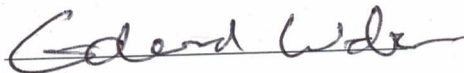
Section 1. This Memorandum will come into effect on the date of signature.

Signed in duplicate on 28 June 2023.

CLIMATE INVESTMENT FUNDS

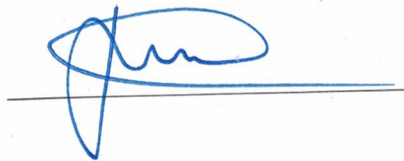
**INTERNATIONAL BANK FOR
RECONSTRUCTION AND
DEVELOPMENT**

By:



Co-Chair Joint Trust Fund Committee

By:



Co-Chair Joint Trust Fund Committee

Annex 1

Roles and Responsibilities of the CIF Secretariat¹

OVERALL MANAGEMENT OF THE CIF

- Facilitating the overall coordination of CIF work between the Trust Fund Committees of the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF) (TFCs), the multilateral development banks that serve as implementing entities for the CIF (MDBs), IBRD as Trustee, Treasury Manager, and host of the CIF Secretariat, and other relevant stakeholders;
- Preparing, in consultation with the MDB Committee, the Trustee and the Treasury Manager (as applicable), all relevant documentation to be submitted to the TFCs, including the agendas for the TFC meetings;
- Ensuring that all project proposals submitted by the MDBs to the TFCs are accompanied by a cover page setting out basic information concerning the project in accordance with a template to be developed in consultation with the MDB Committee and approved by both TFCs;²
- Collaborating with the Trustee, the Treasury Manager of any CIF capital market mechanism or other financial innovation, and MDBs to ensure that the Trustee and the Treasury Manager receives all the information necessary to carry out its responsibilities;
- Convening and servicing CIF Strategy Meetings and Management Meetings and formal meetings of the MDB Committee;
- Servicing the meetings of the TFCs and Sub-Committees;
- Preparing annual consolidated reports on the CIF's activities, performance, and lessons, including:
 - Details of the CIF portfolio;
 - Status of implementation;
 - Funding allocations for the previous period;
 - Pipeline of projects and funding projections;
 - Administrative costs incurred; and

¹ The text of this Annex will be added to the Governance Frameworks of the CTF and the SCF, superseding and replacing the current provisions on the roles and responsibilities of the Secretariat. Accordingly, references to the "TFCs" herein should be read as references to the CTF TFC with respect to matters concerning the CTF and as references to the SCF TFC with respect to matters concerning the SCF, and to matters concerning both TFCs, as appropriate. When this section is added to the respective Governance Frameworks, the term "TFCs" will be replaced with "the TFC."

² Such template will identify key considerations, such as financial mechanism, financial risk rating (High, Medium, Low), historical precedent for similar projects by the MDB, and the state of the project's finances (inc. its annual grant budget).

- Any other pertinent information.³
- Organizing semi-annual consultations with the MDB Committee to discuss strategic priorities and explore joint efforts on external communications, fundraising and knowledge and evaluation activities, which meetings will be timed to occur before, and serve as an input to, the CIF Strategy Meetings;
- Managing, in collaboration with the MDB Committee, the status and progress of the CIF portfolio to ensure alignment with the mandate set by the TFCs on the use of funds and the timeliness of program implementation;
- Managing the application of CIF priorities, results management framework and other requirements;
- Identifying, tracking, assessing and reporting on the CIF portfolio's risk exposure from all perspectives,⁴ including:
 - Implementation
 - Financial
 - Reputation
- Formulating, consulting on and reviewing CIF requirements, following direction by the TFCs, and in collaboration with the MDBs and the Trustee,⁵ recognizing that the CIF operates a business model that follows the operational procedures and policies of the MDBs;
- Monitoring and evaluation of CIF's programs and portfolio in collaboration with the MDBs, subject to the MDBs assuming primary responsibility for monitoring and evaluation of their CIF-funded projects at the project level, and to the CIF Secretariat and the MDBs jointly exploring the extent, if any, to which the MDBs' independent evaluation units may support independent evaluations of the CIF.

REPRESENTATION OF THE CIF

- Managing the CIF's external relationships and partnerships, including, but not limited to,
 - Highlighting and elevating the CIF's profile in the climate finance ecosystem;
 - Leading the development and implementation, in collaboration with the MDBs, of the CIF's communication strategy;

³ Such reports are likely to include reports required in connection with CIF capital market mechanism.

⁴ The Participants acknowledge that MDBs manage the operational risk of their CIF-funded projects themselves, in accordance with their respective policies and procedures for managing operational risk (including, but not limited to, their respective safeguards policies, evaluation and supervision reports).

There are ongoing discussions as between the World Bank and the CIF Secretariat regarding the appropriate distribution of responsibilities between them, and with the MDBs, for the additional risk reporting associated with the CIF capital market mechanisms. The CIF Secretariat's roles and responsibilities will be subject to the outcome of those discussions. Any CIF specific processes will need to fit within and align with MDB policies and procedures.

- Managing engagement with external stakeholders and the media on CIF-related matters;
- Convening external stakeholders in strategic dialogue on key priorities related to climate action;
- Entering into non-binding arrangements and collaborations with external partners, subject to appropriate approvals to be set out in a CIF operational level document; and
- Representing the needs and interests of the CIF Secretariat in meeting with other parts of the CIF governance structure.

INNOVATION

- Leading the development of strategic initiatives for the CIF, following direction from the TFCs, in consultation with the MDB Committee and the Trustee;
- Developing and making recommendations to the TFCs, in partnership with the MDB Committee, on among others:
 - new CIF investment programs and other initiatives;

FUNDRAISING

- Serving as a primary fundraiser with existing and potential contributors;
- Developing overall CIF fundraising strategy, and annual CIF fundraising plans in consultation with key CIF stakeholders
- Collaborating with the MDBs on agreed upon collective fundraising efforts;
- Managing relations with contributors in coordination with the Trustee;
- Exploring alternative financing mechanisms, in collaboration with the MDB Committee and the Trustee;
- Pursuing innovative approaches to mobilize private sector investment in climate change mitigation and adaptation in collaboration with the MDB Committee and the Trustee.

KNOWLEDGE MANAGEMENT

- Generating strategic insights from across the CIF's portfolio to enable learning that informs decisions and strategies on priority topics for the CIF and the wider climate finance community, subject to MDBs assuming the primary role in monitoring and evaluation of CIF projects at the project level;
- Conducting background research and analyses as requested by the TFCs;
- Designing and managing a comprehensive database of the CIF's activities, knowledge management system, result measurements system and learning program.

Annex 2

Evaluation Process for CEO of the CIF Secretariat

1. The CIF Secretariat CEO (“CEO”) will be accountable to the TFCs for the performance of the CIF and the TFCs will play a critical role in the assessment of their performance.
2. The CEO will be assessed annually on their performance, in line with the TFCs’ strategic directions and World Bank (People and Culture or “PAC”) management practices.
3. As a World Bank staff member and part of the World Bank management structure, the CEO will report directly to the Vice President, Sustainable Development (CIF Secretariat CEO’s “Supervisor”) who will be responsible for assessing and reflecting the CEO’s performance in World Bank systems, in close coordination with the TFCs.
4. The CEO will participate in the World Bank’s annual managerial assessment (360 evaluation – Impact Assessment). As part of such process, the following stakeholders will provide feedback to the Supervisor:
 - CIF Secretariat staff reporting to the CEO
 - World Bank peers (other Directors/Managers who interact with the CIF, including, but not limited to DFi)
 - Other key World Bank staff who are not Managers / Directors and do not report to the CEO but who are essential to the CIF Secretariat’s operations (such as, for example, PAC, Budget / Resource Management, Legal and Communications)
5. In addition, the MDBs, as a key constituency critical to the success of the CIF, will provide inputs to the TFCs and the CIF Secretariat CEO’s supervisor as part of the Secretariat CEO’s annual performance. (Such inputs will be gathered separately as, currently, they cannot be obtained through the online World Bank Impact Assessment system).
6. The Supervisor will share the results of the World Bank’s 360 Impact Assessment of the CEO and feedback from MDBs with the TFCs’ Co-Chairs. The TFCs’ Co-Chairs and the Supervisor will each consider the outcomes of the 360 Impact Assessment, and the inputs from MDBs and their own observations, separately, to reach a conclusion and assess the CEO’s performance.
7. The TFCs and the Supervisor will compare notes and agree on achievements and areas for improvement to be communicated to the CEO and reflected in the record. They will aim to reach a joint assessment of the CEO’s performance; in which case they will hold a joint annual performance discussion with the CEO to discuss achievements and areas for improvement.
8. The Supervisor will reflect the outcome of the performance discussion in World Bank systems, including the annual performance write-up, which will be shared in advance with the TFCs’ Co-Chairs for their concurrence.
9. The Supervisor will propose the CEO’s annual performance rating in the World Bank system to the TFCs’ Co-Chairs for their concurrence. The rating will be based on (a) the CEO’s performance assessment and (b) the CEO’s relative position in the performance curve of the

overall Host VPU (World Bank annual performance ratings are not absolute. Instead, they are relative to the overall curve). Outside exceptional circumstances, the presumption will be that the rating the Supervisor proposes will align with, and reflect, the TFCs' Co-Chairs and Supervisor's joint assessment of the CEO's performance. In the exceptional circumstance of the final annual rating not aligning with and reflecting such performance assessment, the TFCs' Co-Chairs will be provided with a written explanation of the reasons for the divergence.

10. If the Co-Chairs and Supervisor disagree on the CEO's overall assessment, the Co-Chairs' assessment will prevail on the CEO's contribution to the CIF's achievements and challenges and the Supervisor's assessment will prevail on the extent to which the CEO has met World Bank managerial expectations. Both views will be reflected in the World Bank's system and the Supervisor will provide the TFCs' Co-Chairs with a written explanation of how they have taken account of the divergence of views in the CEO's performance rating when seeking the TFCs' concurrence with such rating.

Annex 3

GLOSSARY OF TERMS

CEO	Chief Executive Officer of the CIF Secretariat
CCMM	CIF Capital Markets Mechanism
CIF	Climate Investment Funds
CIF Communications Strategy	The CIF communications and branding strategy agreed in accordance with Article III, Section 1(a) of this Memorandum.
CIF Management Meeting	The meetings between MDBs' management and the CEO as described in Article I, Section 3(b) of this Memorandum.
CIF Secretariat Workforce Plan	Annual workforce plan for the CIF Secretariat, agreed in accordance with Article II, Section 3(c) of this Memorandum.
CIF Strategy Meeting	The meetings between MDBs' senior management and the CEO as described in Article I, Section 3(a) of this Memorandum.
CIF Trust Funds	The Clean Technology Fund, the Strategic Climate Fund, and the CTF Parallel Fund (collectively).
COI Framework	CIF Conflicts of Interest Management Framework
COP	Conference of the Parties
CTF	Clean Technology Fund
CTF TFC	Trust Fund Committee of the Clean Technology Fund
CTFPF	CTF Parallel Fund
DFi	Development Finance Vice Presidency of the World Bank
EBC	The World Bank's Office of Ethics and Business Conduct
FIF	Financial Intermediary Fund
FIFs Directive	The World Bank Directive for Financial Intermediary Funds
Governance Frameworks	The SCF Governance Framework and the CTF Governance Framework, collectively.
Host VPU	The Sustainable Development Global Practice of the World Bank
IBRD	International Bank for Reconstruction and Development
Joint TFC	A meeting of the SCF TFC together with the CTF TFC.
MDBs	The six multilateral development banks that serve as implementing entities for the CIF: the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the International Bank

	for Reconstruction and Development/the International Development Association (the World Bank) and the International Finance Corporation.
Memorandum MOU	Memorandum of Understanding between the CIF and IBRD on the Hosting Arrangements for the CIF Secretariat.
PAC	People and Culture (<i>formerly Human Resources</i>).
Participant(s)	The Climate Investment Funds acting through its Trust Fund Committees and IBRD
SCF	Strategic Climate Fund
SCF TFC	Trust Fund Committee of the Strategic Climate Fund (governs the Strategic Climate Fund).
Selection Committee	Selection committee for the CEO position constituted in accordance with Article II, Section 2(d) of this Memorandum.
Supervisor	The supervisor of the CEO: the Vice President, Sustainable Development (World Bank).
TFC(s)	Trust Fund Committee(s) of the CTF and the SCF.
UNFCCC	United Nations Framework Convention on Climate Change
World Bank	International Bank for Reconstruction and Development
World Bank Conflict Resolution Services	The World Bank mediation services, the Ombuds Services Office, peer review services, and the World Bank Administrative Tribunal.