

REVISED DECISION FOR AGENDA ITEM 5: DEDICATED PRIVATE SECTOR PROGRAMS

1. The Trust Fund Committee reviewed document CTF/TFC.12/4, *Dedicated Private Sector Programs*, and notes with appreciation the work of the CIF Administrative Unit and the MDB Committee to develop the four proposals.
2. The Trust Fund Committee approves the following program proposals as a useful pilot program and requests the MDBs to proceed to develop sub-programs and projects under the two programs in accordance with the procedures outlined in document CTF/TFC.12/4, [with the exception that sub-projects under sub-programs submitted by the private sector arms of the MDBs requiring CTF funding above \$10 million will be submitted to the Trust Fund Committee for approval of CTF funding];
 - a) ***Utility-Scale Renewable Energy***: the objective of this proposal is to catalyze a global funding effort to scale up renewable energy, starting with a focus on utility-scale geothermal energy. An indicative allocation of \$115m is approved for allocation within existing CTF countries.
 - b) ***Renewable Energy Mini-Grids and Distributed Power Generation***: this proposal aims to leverage private investment to fill financing gaps and to promote transformation and the wide-spread development of renewable energy mini-grids to serve rural and under-served off-grid communities. An indicative allocation of \$35m is approved for allocation within existing CTF countries, while recognizing that the Trust Fund Committee is open to expansion to other CIF countries should additional resources become available.
3. The Trust Fund Committee notes:
 - (a) the program proposal entitled, ***Risk Capital to Address Regulatory Risks for Renewable Energy***, and the importance of explaining why the measure to mitigate regulatory risk is required and how the measures will address questions of moral hazard, and
 - (b) the program proposal entitled, ***Climate Finance Equity Investments***, and requests further information regarding how risks will be managed and what risks might pertain to grant, capital and loan contributors.
4. If additional resources become available, the Committee agrees that such resources should be allocated swiftly to existing or new program proposals. The Committee requests the CIF Administrative Unit and the MDBs, once any new pledges are announced, to present to the Committee for approval proposals for expanded or new programs, including expansion of programs to additional CIF countries, and an indicative allocation of such new resources. The Trust Fund Committee, in particular, notes that it would welcome scaled-up proposals for the programs referred to under paragraph 2.

5. The Trust Fund Committee requests the CIF Administrative Unit and the MDBs to report to the Committee on the progress being made in implementing the approved programs at the next meeting of the Trust Fund Committee and thereafter on a semi-annual basis. The Trust Fund Committee also requests the CIF Administrative Unit and the MDBs to ensure that a robust knowledge management platform is put in place to ensure that lessons from the Dedicated Private Sector Programs are captured and widely disseminated.