

# CLIMATE INVESTMENT FUNDS

CTF-SCF/TFC.8/5

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Joint Meeting of the CTF and SCF Trust Fund Committees

Washington, D.C.

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Agenda Item 6

## **ENHANCING COUNTRY COORDINATION MECHANISMS, MDB COLLABORATION AND STAKEHOLDER ENGAGEMENT IN CIF PROGRAMS**

## **Proposed Decision by the Joint CTF and SCF Trust Fund Committee**

The joint meeting of the CTF and SCF Trust Fund Committees reviewed document CTF-SCF/TFC.8/5, *Enhancing Country Coordination Mechanisms, MDB Collaboration, and Stakeholder Engagement*, and welcomes the existing mechanisms that have been established by CIF pilot countries to strengthen country coordination and stakeholder engagement in CIF pilot countries. The joint meeting approves the proposals in the document to enhance country coordination, and in particular agrees to:

Strengthen country coordination by encouraging pilot countries to:

- a) ensure open and frequent exchange of information, including through country implementation workshops which allow countries to take stock of CIF activities in the country as a whole and identify areas where better coordination is required to ensure synergies;
- b) use pilot country meetings to share lessons on coordination from other CIF programs as well as non-CIF programs; and
- c) convene regular programmatic consultations (every 2 years) with MDBs, other development partners and interested stakeholders to keep the programmatic focus on track and monitor progress against the CIF results framework.

Enhance MDB collaboration at the country level by:

- a) sensitizing new country teams to spirit of CIF collaboration and CIF guidelines and procedures;
- b) work with countries to distill and share country coordination and other relevant lessons learned; and
- c) agree and implement principles of collaboration between MDBs and parameters for least concessionality where CIF resources will support private sector operations.

Enhance CIF stakeholder engagement by requesting countries to:

- a) share information on stakeholder engagement, activities and involvement at the project and program level;
- b) ensure the participation of stakeholders at programmatic consultations;

- c) identify national stakeholders engaged in relevant sectors during scoping missions to facilitate their participation during joint missions and throughout the development and implementation of the investment plans;
- d) keep website information updated (CIF, MDBs or Countries websites) on the status of CIF investment plans; and
- e) strengthen outreach to stakeholders within the context of CIF knowledge management and communications activities.

The joint meeting requests the CIF Administrative Unit and the MDBs to collaborate with the pilot countries to support the implementation of the agreed activities.

## **I. INTRODUCTION**

1. The joint meeting of the CTF and SCF Trust Fund Committees, reviewed the *Measures to Improve the Operations of the Climate Investment Funds* (document CTF-SCF/TFC.7/4) in November 2011 and underscored the importance of strong country leadership as part of the CIF planning and implementation process. The joint meeting also called for the establishment or strengthening of existing country coordination units to facilitate national dialogue on implementation, support internal and external coordination, and manage reporting on progress and results.
2. The joint meeting requested the CIF Administrative Unit, in consultation with the MDB Committee, to prepare a note on the establishment or strengthening of country coordination mechanisms, including the cost implications, and to develop proposals for review by the joint meeting of the Trust Fund Committee as to how to further strengthen country-level partnerships among the MDBs, and to improve in-country collaboration amongst stakeholders operating at the country level, including bilateral and UN organizations, civil society organizations and the private sector.
3. The following note discusses: (a) the background and rationale for country coordination; (b) establishment and strengthening of country coordination mechanisms; (c) proposals to further strengthen country level partnerships among the MDBs, and improve in-country collaboration amongst stakeholders at the country level; and (d) potential cost implications.

## **II. BACKGROUND AND RATIONALE FOR COUNTRY COORDINATION**

4. CIF programs are designed as pilot programs to demonstrate how countries can apply innovative strategies to initiate climate smart transformation of policies, institutions and markets, and embed these actions in their development and poverty reduction plans. CIF investment plans are expected to be implemented under a joint framework for planning, implementation, expenditure, monitoring, and evaluation under the leadership of the pilot countries. Within this framework, the CIF investments are intended to complement and support the efforts of other institutions and bilateral efforts at the country level.
5. Country coordination mechanisms are critical to reinforce institutional arrangements to support program delivery, results and learning at the national level, and to align CIF activities with other country activities.
6. As the CIF enters the implementation phase, it has become more difficult to maintain the programmatic approach when developing individual CIF projects in some pilot countries because some of the earlier activities which helped to facilitate coordination, such as joint missions and the establishment of inter-ministerial committees are no longer in place to facilitate the necessary linkages required to maintain the programmatic approach and to ensure strong country leadership.
7. Recognizing a need to provide additional support to country mechanisms to ensure continuance of a programmatic approach, the MDB Committee prepared a guidance note in June

2011 - “Country Arrangements to Manage the Implementation of Investment Plans and Strategic Programs for Climate Resilience” to provide guidance to MDB task teams on how best to support governments in managing the implementation of CIF investment plans in a manner that would maintain and help to institutionalize the CIF programmatic approach. Specific attention is paid to guidance on managing for results and information sharing and lessons learning. (See Annex II – “Country Arrangements to Manage the Implementation of Investment Plans and SPCRs”.) From an MDB perspective, these arrangements provide opportunities to strengthen country capacity to lead climate change programs and foster partnership among different institutions. It also increases opportunities for lessons learned and furthers MDB and government cooperation.

8. Coordination activities identified in the guidance note includes: (a) encouraging continued dialogue with and among all stakeholders; (b) facilitating progress in the implementation of CIF programs in the country; (c) monitoring and reporting of performance, results, and outcomes at the country program level; and (d) promoting information and lessons sharing among local and external stakeholders.

### **III. ESTABLISHMENT AND STRENGTHENING OF COUNTRY COORDINATION MECHANISMS**

9. The CIF experience shows that country coordination arrangements differ based on a country’s existing institutional capacity, focus of the program (mitigation or adaptation), the involvement of the private sector, the sectors covered, and the number of institutions and partners involved. These arrangements may evolve over time to meet new and emerging needs. In countries where these mechanisms are in place, the preference is to build on existing structures as opposed to creating new mechanisms.

10. Most PPCR, FIP and SREP pilot countries are incorporating country coordination mechanisms into their investment plans through dedicated projects managed and coordinated by a central coordination unit or shared between central or sector ministries and local project implementation teams. In the case of the CTF, establishment of country coordination mechanisms was not a focus in the development of most investment plans, and as a result, institutional arrangements were not spelled out in these plans. In many countries, CTF activities are coordinated by the ministries and agencies responsible for finance or planning, or both, as in these countries there is capacity within the existing institutions to carry out this role. In some countries, the ministries of energy or forestry may be involved. The MDBs support the government led process by working with countries to achieve the joint programming activities.

11. The design of the PPCR program, which seeks to transform development by mainstreaming climate resilience across the various sectors at various scales, makes coordination a challenge. An additional challenge lies in the fact that the PPCR program is being implemented in the most vulnerable low income countries, often with weak local capacity to undertake many of activities required to successfully mainstream adaptation into the national policies and programs. As a result, in many cases, an extensive consultative process was undertaken to define the appropriate country coordination mechanism for each PPCR pilot country. Early experience has already demonstrated the benefits of having these country coordination mechanisms – not just in terms of overall coordination, and oversight of implementation, but also as a mechanism that provides a platform for mainstreaming climate resilience for transformational impact at the

policy and programmatic levels by raising the quality of dialogue with key planning, finance and sector agencies. It also has the responsibility to monitor against the results framework, and promote shared learning and knowledge exchange for effective capacity building through the program.

12. The FIP is in the early stage of country program development and implementation. however, national REDD+ dialogues initiated by the UNREDD/FCPF or both, have been ongoing in some of the FIP pilot countries since as early as 2007. These initiatives have helped in the establishment of national REDD+ mechanisms led by the government and include representatives from public sector agencies, civil society, private sector as well as multilateral and bilateral agencies, with a mandate to advise and provide oversight on REDD+ policies and initiatives. As an initiative that supports countries' REDD+ efforts, it is important that the FIP capitalizes on and strengthens such existing REDD+ coordination mechanisms. This is already being done in DR Congo, Lao PDR and Mexico, where FIP planning, consultations and implementation are coordinated through these mechanisms.

13. The SREP is still at an early stage of country program development and implementation, and pilot-countries have consistently included thorough descriptions of coordination mechanisms in their investment plans, both at the program and project level. These mechanisms vary significantly between countries due to the different institutional arrangements but generally are not that different from the ones already in place and being used to coordinate other investments in the energy sector, one of the main intervention sectors by MDBs. Since the SREP Program has a strong focus on the energy sector, country coordination activities are usually led by one ministry (e.g., Ministry of Energy). In cases where SREP activities involve different ministries, (e.g., energy, water, rural electrification) the government will usually nominate a lead agency to coordinate the Program.

14. Coordination of the regional track under the CTF MENA program and two of PPCR's regional programs (Caribbean and Pacific with six and three pilot countries, respectively) adds another layer of complexity. Countries realized early on that engaging with and accessing the resources of the regional organizations can assist the development and implementation of country driven activities – from welcoming the participation of the regional organizations in the official joint missions to having regional organizations represented in the steering committees. In the case of the Caribbean program, a PPCR Regional-Track Steering Committee which provided guidance and made decisions on key issues helped move the process forward. In the Pacific, an independent program management unit (PMU) will be established to facilitate coordination and strengthen linkages between the three regional organizations implementing projects under the regional track SPCR and the three national PPCR programs.

15. Coordination activities for public sector activities will differ from those for private sector activities. For private sector operations in which the role of public sector institutions is limited, program coordination mechanisms intervene at the enabling environment level more than at the coordination level. Given the sovereign nature of the coordination bodies, intervention at this level prevents delay in the implementation of CIF private sector operations. Financial agreements to be signed between MDBs and private project developers/financial intermediaries will supersede reporting requirements linked to a project and shall be in line with MDBs

safeguards and CIF requirements.

16. Country coordination mechanisms for CIF programs can also benefit from countries' prior experience coordinating cross-sectoral initiatives and investments. For example, CIF coordination mechanisms may benefit from the experience of coordinating units established to manage disaster response and recovery. Such units may yield valuable lessons applicable to CIF programs on how to manage complex operations and bring together numerous stakeholders, including multiple government agencies, development partners, civil society organizations, and the private sector. This experience may benefit PPCR coordination in particular, where there is already strong overlap between climate change adaptation and disaster risk management and response. It may also be useful to compile and share with countries the experiences from country coordination of other global programs such as the Global Fund to Fight Aids, Tuberculosis, Malaria and the Education for All – Fast track initiative.

17. CIF pilot countries have established, to some extent, coordination mechanisms, either through (a) dedicated coordination mechanisms to support in country program coordination or (b) mechanisms which are a component of a CIF project and also support the coordination of the whole CIF program (often in the context of a national climate-related coordination mechanism). Some pilot countries already have existing country mechanisms which have been enhanced to support coordination of CIF activities. Table 1 below provides a summary of CIF country coordination mechanisms. *See Annex I for more details on CIF country coordination mechanisms.*

**Table 1: Summary of Current CIF Coordination Mechanisms**

CIF Program	CIF Coordination Mechanisms		Existing Country Coordination Mechanisms
	(i) Dedicated	(ii) Component of CIF Program	
CTF	3	0	8
PPCR	6	10	16
FIP	1	4	6
SREP	0	0	2

18. The existing country coordination mechanisms contribute to building of local capacity since many of the country coordination mechanisms contract local organizations, academic institutions and other centers of excellence to carry out specific tasks. However, their impact could be further strengthened by:

- a) encourage open and frequent exchange of information, including through country implementation workshops which allow countries to take stock of CIF activities in the country as a whole and identify areas where better coordination is required to ensure synergies;

- b) use of pilot country meetings to share lessons on coordination from other CIF programs as well as non-CIF programs; and
- c) support countries to hold regular programmatic consultations (every 2 years) with MDBs, other development partners and interested stakeholders to keep the programmatic focus on track and monitor progress against the CIF results framework.

19. Since the initial meetings to establish the CIFs, the principle of MDB collaboration in support of country-driven investment plans has been the foundation for CIF design and implementation. MDBs play several roles – working with the CIF AU to facilitate the work of the CIFs and with pilot countries to design, develop and implement programs and projects. Experience to date shows the need for continued MDB engagement beyond the point of investment plan endorsement to assist countries in strengthening country institutions to undertake the above tasks. The MDBs engage with outside actors - bilateral development agencies and development partners - to promote co-financing. The MDBs also bring extensive technical expertise and project management capabilities that are essential for the development and implementation of CIF programs, and are jointly learning and integrating climate change into their regular lending and policy assistance.

20. The CIFs represent a new paradigm for climate change investment through which MDBs have been engaged in innovative forms of collaboration grounded on the principles of transparency, shared responsibility and mutual respect. MDB experience working together through the CIF has generated the following recommendations for strengthening MDB collaboration at the country level:

- a) Agreement between MDBs at the outset on roles, responsibilities, and an overall approach will lead to better outcomes. When initiating preparation of investment plans in a country, MDBs should meet at the outset to agree on roles, division of tasks and an overall approach – in accordance with the intentions of the government – for use of CIF resources. Experience shows that a clear division and attribution of roles and responsibilities among MDBs leads to better cooperation and better outcomes. MDBs should jointly inform governments how the CIF process works and clearly explain to governments their options for accessing and utilizing CIF resources, including the ability to tap resources to support private sector investment.
- b) MDB agreement on parameters for "least concessionality" is important where CIF resources will support private sector operations. This principle has been followed in practice where multiple MDBs are supporting private sector operations in a country. MDBs should continue to seek a shared understanding of "least concessionality" to ensure that CIF resources reduce market barriers without introducing unintended market distortionary effects.
- c) MDB focal points play a critical role in strengthening MDB collaboration. MDB



focal points should sensitize new country teams to both the spirit of CIF collaboration as well as CIF guidelines and procedures prior to commencing CIF activities in a country. MDB focal points should make efforts to participate in all joint missions and continuously engage with country teams during IP preparation and implementation to ensure that CIF guidelines are adhered to and a cooperative spirit prevails.

- d) MDBs have an important role to play in distilling and sharing country coordination and other relevant lessons learned from their respective organizations within the context of CIF knowledge management and communications activities.
- e) MDBs can be useful in working with countries to enhance stakeholder engagement

21. Another objective of CIF programming at the country level is to engage a diverse set of interests to enhance in-country collaboration and leverage the skills and resources of a broad set of players. In addition to the close partnership with the MDBs, the CIF encourages countries to engage with UN organizations in implementing country projects. The CIF also reaches out to the GEF, the Adaptation Fund Board, bilateral development agencies, as well as NGOs, private sector entities, indigenous peoples groups, and scientific and technical experts. Representatives from the GEF, UN agencies, and UNFCCC are also invited to attend the CIF Trust Fund Committee meetings along with CIF CSO and private sector observers.

22. CIF stakeholder engagement at the country level currently takes place through information sharing, stakeholder consultations, and partnership in operations. These activities are working well, but could be further enhanced by the following:

- a) requesting countries to share information on stakeholder engagement, activities and involvement at the project and program level.
- b) ensuring the participation of stakeholders at the programmatic consultations proposed in paragraph 16 (c) above.
- c) identify national stakeholders engaged in relevant sectors during scoping missions to facilitate their participation during joint missions and throughout the development and implementation of the investment plans
- d) keep CIF website information updated (CIF, MDBs or Countries websites) on the status of CIF investment plans.
- e) enhancing outreach to stakeholders within the context of CIF knowledge management and communications activities.

#### **IV. COST IMPLICATIONS**

23. As indicated above, MDBs are already providing significant support to countries throughout the implementation process, but enhanced support is needed in order to maintain the programmatic approach. Some cost of coordination activities are already covered within the resources provided to MDBs for joint missions as well as for project implementation support and supervision services. However, the costs of regular programmatic consultations as identified in paragraphs 16 above will have additional cost implications, and a request for resources to support these activities is included in the FY13 CIF Business and Administrative Budget.

#### **V. CONCLUSION**

24. As the CIF progresses with implementation of projects at the country level, maintaining the integrity of the programmatic approach and reporting on the results framework becomes crucial if the CIF are to achieve their objective of initiating transformation towards low-carbon and climate-resilient development. The activities proposed in this paper should enhance and strengthen country coordination, MDB collaboration and stakeholder engagement at the country level towards this end.

## Annex 1      Summary of Existing Country Coordination Mechanisms

CIF Program	Pilot Countries	CIF Coordination Mechanisms		Existing Country Coordination Mechanisms	Comments
		Stand-alone	Embedded		
CTF	Chile			Renewable Energy Department, Ministry of Energy	
	Colombia			The Planning Department (DNP) is the coordinating unit for CTF activities	
	Kazakhstan	CTF coordination is undertaken by the Ministry of Environment Protection within the department of Kyoto Protocol.		<ol style="list-style-type: none"> <li>1. Green Bridge Initiative (transfer of clean technology)</li> <li>2. Climate Change Coordination Center (independent state owned entity)</li> <li>3. Committee on Energy Efficiency (under the Ministry of Industry and new technologies)</li> </ol>	There has been number of meetings organized by the Ministry of Environment Protection to organize and coordinate the work of CTF program in Kazakhstan. Coordination is embedded into Ministerial annual and semi-annual meetings and into various committees within the Ministry, such as committee on Kyoto protocol, committee on solid municipal waste management. CTF program is also on the agenda of the Green bridge initiative which aims at clean technology transfer. Similarly, the CTF coordination is embedded into working group on renewable energy development within

					the Ministry of Industry and New technology.
	India				<p>India's investment plan preparation was coordinated and approved by the Department of Economic Affairs (DEA) within the Ministry of Finance. DEA has responsibility for all MDB financing.</p> <p>There is no central coordinating unit for climate change policy in India. India's National Action Plan on Climate Change identifies 8 "Mission" to support climate change mitigation and adaptation implemented by different ministries.</p>
	Indonesia			The National Council on Climate Change, established by the President, has a broad mandate for tackling the challenges of organizational and capacity development related to climate change policy.	Indonesia's CTF investment plan preparation was led by BAPPENAS (the national planning agency), the Ministry of Finance, and the Ministry of Energy and Mineral Resources.
	Mexico		Climate Change Policy Directorate; Ministry of the Environment As part of a technical cooperation activity, support will be given to	The Ministry of Finance (SHCP) is the coordinating unit for CTF activities	

			this Directorate to monitor the results of CTF activities in Mexico		
	Philippines			The Climate Change Commission, attached to the Office of the President, is the sole policy-making body of the government tasked to coordinate, monitor and evaluate the programs and action plans of the government relating to climate change. It has formulated the National Framework Strategy on Climate Change (NFSCC), National Climate Change Action Plan (NCCAP) and guidelines for Local Climate Change Action Plan (LCCAP).	The Philippines CTF investment plan preparation was led by the National Economic And Development Authority (NEDA) with participation from the Department of Energy (DOE) and the Department of Transportation and Communications (DOTC).
	Thailand			Office of Climate Change Coordination within the Ministry of National Resources and Environment is the UNFCCC focal point, CDM Designated National Authority, and supports the National Climate Change Committee chaired by the Prime Minister.	CTF Thailand is a 100% private sector program. There is presently no government entity or independent unit involved in CTF coordination.
	Turkey	Treasury coordinated the preparation phase and is managing the		Different issues may be submitted, ad hoc, to the relevant coordination entities such as the Climate Change Coordination Board; or the Energy Efficiency Coordination Board;	<b><i>Preparation phase:</i></b> Consultative and inclusive process coordinated by Treasury. The Ministry of Environment and Urbanization and the Ministry

		implementation phase of CTF. Concerning implementation, Treasury assumes the coordination role			of Development were integral part of the investment plan preparation. Treasury also coordinated the MDB and donor complementarity and other stakeholder (private sector, civil society) feedback. <b>Implementation phase:</b> Treasury assumes the coordination role, with the Deputy Undersecretary being the CIF focal point.
	Ukraine	Investment Plan preparation was coordinated and approved by the National Environmental Investment Agency of Ukraine		No information.	
	Viet Nam				The National Target Program to Respond to Climate Change is the government's cross-sectoral plan to build a lower carbon, climate resilient economy. There is no single government agency or coordinating entity with overall responsibility for

					<p>climate change.</p> <p>Viet Nam's investment plan preparation was led by the Ministry of Natural Resources and Environment and the Ministry of Industry and Trade.</p>
PPCR	Bangladesh		Ministry of Environment and Forests Climate Change Unit (CCU) is tasked with building capacity of the government to mainstream climate change adaptation into development activities	The Bangladesh Climate Change Resilience Fund (BCCRF) channels donor funds to support the implementation of <i>Bangladesh's Climate Change Strategy and Action Plan</i> . BCCRF is administered by the World Bank. The Ministry of Environment and Forests is also the focal point for BCCRF. A Secretariat is being established at MOEF (i) to enhance its capacity in managing donor funded programs and (ii) in close coordination with the CCU to improve the overall coordination of climate change activities in the country.	PPCR TA funds will help to establish a climate change adaptation information and knowledge management network with CCU as the nodal agency.
	Bolivia			National Climate Change Program (PNCC, by its Spanish acronym), under the Ministry of Environment and Water, has the mission to coordinate, articulate, direct and channel efforts to ensure that Bolivia can identify and implement adaptation and mitigation options	

				related to climate change.	
	Cambodia	PPCR funding will support the establishment of a PPCR Coordination and Technical Backstopping Unit within the Ministry of Environment.			The Unit will have the broad objective of mainstreaming climate concerns into national and sub-national planning, budgeting and development. It will also carry out PPCR-specific activities, such as monitoring of Cambodia's SPCR results framework, stakeholder and private sector engagement within PPCR projects, and disseminating lessons learned from PPCR investments.
	Caribbean Regional Program	A steering committee (SC) to manage the implementation of the PPCR program comprising 4 country representatives (rotating) and 4 regional entities (rotating) was formed for the regional track of the PPCR		Climate resilience activities in the Caribbean are currently coordinated through meetings of the Ministers of Environment in the context of the CARICOM and through the Caribbean countries membership in CARICOM institutions such as CCCCC and CDEMA.	<p>The collaboration between countries and regional organizations builds on historical and current relationships that exist between the two entities.</p> <p>Complementary to these mechanisms, the World Bank has since 2011 been supporting regional collaboration in the Caribbean around key topics for climate resilience including:</p> <ol style="list-style-type: none"> <li>1) geospatial data management,</li> <li>2) risk evaluation and analysis, and</li> <li>3) improved building</li> </ol>



					practices.
	Dominica		<p>One of the outputs of Component 2 of the SPCR includes activities for improved coordination and implementation of climate change mainstreaming through the legal establishment and strengthening of the Division of Environment, Climate Change and Development (DECCD).</p> <p>The Ministry of Finance together with the ECU (to become the DECCD) will be responsible for overall coordination of SPCR implementation across Government, and for overall SPCR program monitoring and oversight.</p>	<p>The Environmental Coordinating Unit (ECU) coordinates issues of sustainable development and gives support and guidance relevant to the needs/mandates of the respective ministries, agencies and parties.</p> <p>The National Capacity Self Assessment (NCSA) Strategy and Action Plan identified the need for <b><i>improved coordination</i></b> amongst key state and non-state actors involved in climate change risk management, including the consolidation of environmental planning and management activities within the Environmental Coordination Unit (ECU) and strengthening of this Unit, which will become the DECCD.</p>	
	Grenada		The Project Coordination Unit (PCU) manages KM	Under the National Disaster Management Plan, Grenada has established NaDMA as the national	

			<p>functions across the PPCR and will be actively engaged with the implementing technical ministries to ensure lessons learned and knowledge sharing is streamlined across the two PPCR investment projects.</p> <p>Under the RDVRP (IBRD), one component focuses on building the capacity of the National Disaster Management Agency (NaDMA) to improve the coordination of disaster management activities.</p>	<p>coordinating body to organize and manage a committee-driven disaster management program.</p> <p>All PPCR-related activities are advised by the Grenada National Climate Change Committee, which acts as the PPCR Technical Working Group (TWG). The TWG is comprised of line ministries, non-governmental organizations, representatives from the private sector and is chaired by the Ministry of Environment, Foreign Trade and Export Development (which houses the Project Coordination Unit).</p>	
	Haiti	TBD – SPCR under preparation	TBD- SPCR under preparation	<p>The role of the CIAT (Inter-Ministerial Committee For Territorial Development) is to define the government's policy in regards to regional planning, protection and management of watersheds, sanitation, urban planning and equipment. The institution was created as a response to the necessity of coherent and coordinated actions in regional planning sector.</p>	

	Jamaica			Establishment of an inter-agency/ministerial task force (e.g. Met Service, Ministry of Environment, Environmental Protection Agency; Ministry of Agriculture) within the Planning Institute of Jamaica (PIOJ) to assist in the coordination of the implementation of the PPCR.	It supports the synergy with other climate change related funding efforts such as the Adaptation Fund as the PIOJ is the NIE for the AF also.
	Mozambique	Standalone TA as part of the SPCR to support the coordination / programmatic approach of the PPCR, including, KM, lessons learning, M&E, etc.		The National Sustainable Development Council - <i>Conselho Nacional de Desenvolvimento Sustentável (CONDES)</i> brings together key line ministries and agencies at ministerial level. The council is chaired by the Prime Minister and could coordinate high level policy and planning on climate change. This is supported by a technical council <i>Conselho Técnico do CONDES</i> and is chaired by the Vice Minister of MICOA. Currently, there is no working level coordination unit although this is envisaged for the future.	Institutional analysis was included in Phase 1 and this will review current institutional arrangements and explore options for strengthening coordination and implementation arrangements across government. Support for improving institutional frameworks will also be a principal focus of Development Policy Operation (DPO) support.
	Nepal		The Ministry of Environment's Climate Change Management Division has responsibility for climate change policy, supports the Prime Minister's Climate		PPCR TA funds will strengthen capacity within the MoE to integrate climate risks into the country's development planning and project implementation, as well as to coordinate the various agencies involved in

			Change Council and the Multi-Stakeholder Climate Change Initiatives Coordination Committee, and serves as the Designated National Authority for the Clean Development Mechanism		the implementation of Nepal's SPCR, report on results, and ensure that lessons learned from Nepal's PPCR projects are incorporated into other adaptation investments.
	Niger		<p>Each project under the SPCR for Niger has a project coordination and management (sub-) component to ensure efficient management of all project activities to coordination with other projects and actions undertaken under the SPCR Niger.</p> <p>Strategic coordination of the SPCR through a small Strategic coordination unit to be located in the Ministry of Economy and Finance. This unit aims to ensure the program's "strategic" coordination by reinforcing the collaboration with main national institutions at</p>	<p>Niger created the <i>National Environmental Council for Sustainable Development (CNEDD)</i>. Under the Prime Minister's Office, the CNEDD is responsible for coordinating national policy on environment and sustainable development. CNEDD has established an <i>Executive Secretariat (SE/CNEDD)</i>, to formulate and implement its decisions. The SE/CNEDD comprises <i>Technical Monitoring Units (UTS)</i>. Furthermore, the <i>National Technical Commission on Climate Change and Variability (CTNCVC)</i> is in charge of the 'Climate Change and Variability Program'.</p>	<p>The institutional landscape on environmental issues, in general, and on those related to climate variability and change, in particular, is <i>very rich and diverse</i> in Niger. The missions and the mandates of the structures and institutions responsible for the implementation of these strategies are clearly defined, however there are ongoing efforts to improve coordination.</p>

			political level and by facilitating implementation by sectoral departments.		
	Pacific Regional	An SPCR Coordination Secretariat will be established to facilitate coordination between the different regional track program components and three national programs. The Secretariat will be under contract with one of the regional agencies implementing the SPCR		AsDB to add on existing coordination mechanisms in the Pacific Region, including existing regional agencies such as SOPAC, SPREP, etc	
	Saint Lucia		One of the components of the SLU project (under the SPCR) seeks to strengthen national level policy, legislative and institutional	The Sustainable Development and Environment Division of the Ministry of Physical Development and the Environment bears institutional responsibility for the management of climate change	

			<p>framework for climate resilience and PPCR implementation.</p> <p>Another component of the PPCR project in SLU will focus on project management and coordination of the overall PPCR program in the country.</p>	<p>concerns in Saint Lucia. Among its ongoing activities in relation to climate change re: efforts aimed at sensitisation of principal stakeholders, public awareness, provision of policy and technical guidance and capacity building.</p> <p>The National Climate Change Committee (NCCC) is a multi-sectoral steering committee comprising various public and private sector agencies provides technical input on climate change to the Sustainable Development and Environment Division.</p> <p>The National Emergency Management Office (NEMO) coordinates the disaster/emergency efforts of various state, private sector and community entities.</p>	
	Saint Vincent and the Grenadines		<p>One of the components of the RDVRP project in SVG (under the SPCR) seeks to strengthen the existing policy, legal and institutional framework, through a review of current policies, plans and legislative framework</p>	<p>In SVG, all key development sectors are impacted by the increased frequency of climate related hazards. Different ministries, line agencies, research organizations, academic institutions and NGOs play major roles in various activities related to adaptation to climate change.</p> <p>The preparation of a National</p>	<p>The PPCR seeks to provide institutional strengthening for key government agencies involved with climate change. The objective of the PPCR institutional support would be to mainstream climate resilience in all aspects of the Government and also to improve the technical capacity of key government</p>

			to improve SPRC implementation in SVG.	Environmental Management Strategy and Action Plan (NEMS) for SVG is ongoing and should include coordination arrangements.	institutions to include climate resilience into their policies and operational plans.
	Samoa		<p>Coordination of PPCR implementation, as well as M&amp;E, is the responsibility of the PPCR Steering Committee. The Climate Resilience Investment Coordination Unit (CRICU), based in the MoF, serves as the secretariat of the Steering Committee.</p> <p>The Enhancing the Climate Resilience of Coastal Resources and Communities (IBRD) includes a component on KM and will include activities to support the CRICU in coordinating the SPRC as well as Samoa's overall adaptation program.</p>	<p>The National Climate Change Country Team (NCCCT) provides direct coordination of climate-related activities.</p> <p>MNRE is the ministry responsible for developing the key policy and planning documents that guide climate change programmes in Samoa. The Ministry serves as the secretariat for the NCCCT. The MNRE is the agency responsible for the overall oversight of the implementation of Samoa's adaptation activities.</p> <p>Climate change adaptation and disaster risk reduction are integrated institutionally (the relevant agencies are both in the Ministry of Natural Resources (MNRE)).</p>	One of the core objectives of the SPRC is to improve the capacity of the Ministry of Finance and other government agencies to coordinate, manage and implement investments that enhance the resilience of Samoa to climate change.
	Tajikistan		PPCR Secretariat: located in the Office of the President and set up with PPCR funding	<ol style="list-style-type: none"> <li>1. Inter-Ministerial Steering Committee</li> <li>2. Climate Change Centre</li> <li>3. Committee on Environmental</li> </ol>	Work is under way (led by the PPCR Secretariat/Climate Change Centre) to coordinate the PPCR Secretariat with

			managed by ADB.	Protection	existing coordination mechanisms. The aim is to put in place permanent institutional capacity for promoting climate resilience and accessing adaptation finance.
	Tonga	An SPCR Program Management Unit (PMU) will be established, separate from but working in close collaboration with the MECC and JNAP team.		The Ministry of Environment and Climate Change (MECC) and Ministry of Finance and National Planning both have responsibility for integrating climate risk into development under Tonga's Joint National Action Plan for Climate Change Adaptation and Disaster Risk Management (JNAP)	It is the intention of the Government of Tonga that the JNAP Secretariat, SPCR PMU, and other relevant PMUs merge to form an umbrella PMU for all JNAP-related projects.
	Zambia		One of the components under the Strengthening Climate Resilience in Zambia and the Barotse Sub-Basin (IBRD) focuses on providing strategic support to Zambia's Climate Change Programme and strengthening the institutional structure, strategic planning,	The implementation of the PPCR will follow the institutional arrangements of Zambia's Climate Change Program. The Ministry of Finance and National Planning (MoFNP) will take overall responsibility for coordination and execution of the SPCR. During the interim period prior to the establishment of the Zambia Climate Change and Development Council, the Government will establish a	



			coordination and awareness for climate change resilience in Zambia.	Secretariat composed of the current Climate Change Facilitation Unit (CCFU).	
FIP	Brazil		Creation of a Brazil Investment Plan Executive Committee (EC) that is responsible for the implementation of the Investment Plan through the coordination of the actions of the different ministries involved and the interaction of FIP projects with other governmental programs. The EC will report periodically to the CONACER about the IP progress and results and will also receive feedbacks and guidance to the improvement of the IP execution. The EC will be supported by a Plan Management Unit (PMU) that will be formally established through an administrative ruling	<p>An Inter-Ministerial Committee composed by the Ministry of Environment, Ministry of Agriculture, Ministry of Economy and Finance and the National Assembly of Regional Governors of the Amazon Region (CIAM) has been established to coordinate and supervise the design of the Investment Plan. The MDBS can participate as observers in the meetings.</p> <p>The Committee has regular meetings every time a decision needs to be made and documents be evaluated.</p>	

			and will be financed through a TA using FIP resources.		
	Burkina Faso		A technical unit based in MEDD (Ministry of Environment and Sustainable Development) will carry out the general coordination of the FIP activities, including, ensuring synergies between investment projects, M&E and ISL.	A national FIP/REDD+/NAPA steering committee has been created in February 2011 and comprises of high level officials from several ministries, civil society, private sector and observers from multi- and bi-lateral programs. It will provide strategic direction to all REDD+ activities and approve work plans, performance reports and annual budget for FIP	
	DRC		Activities related to information sharing and lessons learned and monitoring and evaluation are embedded in the projects. The Ministry of Environment Nature Conservation and Tourism (MECNT) will be responsible for coordination on a day to day level, project M&E and dissemination of lessons and coordination with National REDD	The National REDD Coordination committee and the Inter-ministerial committee which comprise of several stakeholders in the country, including civil society. Additionally, the national mechanism is expected to be replicated in the provinces as well, including appointment of Focal Points in provinces.	This is one of the successful cases of REDD coordination mechanisms at country level that is owned and led by the country. FIP projects will not create new mechanisms, but will strengthen existing institutional mechanism for REDD coordination. The FCPF and UNREDD and other regional and bilateral REDD initiatives and civil society are part of this mechanism.

			committee		
	Ghana	The Ministry of Lands and Natural Resources is leading the development of the Investment Plan.		To be defined.	
	Laos			A multi-sectoral REDD Task Force led by the Ministry of Agriculture and Forestry's Department of Forestry coordinates REDD+ readiness activities in Laos.	REDD+ coordination will be strengthened through the establishment of a REDD+ Office. All REDD+ activities in Laos PDR, including those under the FIP, will be coordinated by the REDD+ Office.
	Mexico		The Working Group for REDD+ of the CICC, which is composed of ten secretaries of the federal government, will be the forum to promote the FIP at the inter-ministerial level and to seek coordination and synergies in the various agencies with implications for the rural environment. CONAFOR will be	The formal mechanism for defining climate change and REDD+ policy is the Inter-ministerial Commission for Climate Change (CICC). In addition the Inter-secretarial Commission for Rural Development is also involved in the REDD coordination. The National Technical Committee for REDD+ is an open multi-stakeholder body that is also part of the Working Group on REDD+ in the CICC.	This is one of the most advanced country coordination mechanisms that is operational.

			responsible for the day to day reporting and coordination in collaboration with SAGARPA.		
	Peru			<p>An Inter-Ministerial Committee composed by the Ministry of Environment, Ministry of Agriculture, Ministry of Economy and Finance and the National Assembly of Regional Governors of the Amazon Region (CIAM) has been established to coordinate and supervise the design of the Investment Plan. The MDBS can participate as observers in the meetings.</p> <p>The Committee has regular meetings every time a decision needs to be made and documents be evaluated.</p>	The Inter-Ministerial Committee has been established for FIP IP design purpose.
SREP	Honduras			<p><b>ECONOMIC AND FINANCIAL MANAGEMENT FOR CLIMATE CHANGE UNIT</b></p> <p>On July 19, 2011 Decree PCM-048-2011 came into force which sets up the Unit for the Mobilization of Economic and Financial Resources for Climate Change (UGEFC), attached to the General Directorate of Public Credit, in SEFIN.</p> <p>UGEFC will provide support for</p>	The Unit is also coordinating the implementation of the SREP IP. Although the Unit was already existing, its resources come from SREP

				fund management to various funds or cooperation organizations for financing and implementing programs and/or projects to meet the challenges of climate change and will use the experience and capability of all departments of the Ministry of Finance to achieve the institutional objective and the good exercise of their functions.	
	Nepal			The Alternative Energy Promotion Centre (AEPC) is the National Focal Agency for renewable energy policy and plan formulation, coordination, resource mobilization, standardization of RETs, monitoring & evaluation.	<p>SREP projects will be implemented through and coordinated by AEPC.</p> <p>The Government of Nepal is taking steps to expand the mandate of AEPC and rechristen it as the Alternative Energy Promotion Board.</p>

## **Annex 2      County Arrangements to Manage the Implementation of Investment Plans**

### **Guidance note to Task Team Leaders**

#### **I.      Introduction**

1. Country ownership and leadership in the implementation of IPs/SPCRs, requires explicit and concrete arrangements for country level management. This note provides guidance for task teams to support governments in defining and establishing arrangements for country management of IPs/SPCRs. Guidance relating to two specific action areas - managing for results (annex I) and information sharing and lessons learning<sup>1</sup> (annex II) has been developed given the concrete and immediate need for action in these two areas. Additional annexes will be developed as the need arises.

2. The main aim of IPs/SPCRs is to contribute to achieving the objectives of broader national strategies and plans. For this reason, the objectives and scope of IPs/SPCRs should be aligned with national ones. At the same time, the set of proposed projects within the IP/SPCR should deliver the action required to meet those objectives.

3. In practical terms, IPs/SPCRs would contribute to achieving national objectives in two ways:

- First, and most important, their design and implementation should strengthen institutional and technical capacity to enable governments to plan, design, finance, implement, monitor and evaluate climate change initiatives.
- Second, investments from individual projects should deliver results (e.g. emission reductions, resilience, development) which could be added up at the national level and be assessed against national goals;

4. The design phase of IPs/SPCRs has been achieved by establishing institutional arrangements and a national dialogue. Both have increased government and country ownership of the IPs/SPCRs and contributed towards mainstreaming climate policy into the national development agenda.

5. IPs/SPCRs are not a collection of independent projects: they are based on the programmatic approach which ties each individual project to the objectives and scope of a program. This program, as noted above, complements a broader national agenda. The implementation of programs has the potential to create more opportunities to strengthen ownership and capacity, and mainstreaming climate action into development.

6. Management of the implementation of IPs/SPCRs is implicit in the objectives and principles of the different programs, notably as deriving from the programmatic nature of CIF investments. Arrangements for country management would need to be defined by the government with support from MDBs. Such arrangements would differ based on country preferences but could range from:

- Creation of country ownership and leadership in the use of CIF resources
- Creating capacity and institutions at the country level
- Strengthening of country ownership and leadership in the use of CIF resources
- Greater focus on program or sector-wide results
- Increased action towards mainstreaming climate change action within the institutional setup

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<sup>1</sup> Guidance on information sharing and lessons learning has already been distributed to MDB staff as a separate document. It has been now incorporated as an annex into this broader guidance note.

- Increased opportunities for donor coordination
  - Reduced duplicative transactions
  - Enhanced opportunities for IP/SPCRs to be defined by, and contribute to, national planning
  - Strengthened procedural and substantive links between projects
  - Greater focus on program and country level results
- From an MDB perspective
    - Strengthened capacity to support climate change programs and foster partnership between different institutions
    - Increased opportunities for lessons learned and experience generated in assisting the country
    - Increased opportunities for further MDB and government cooperation

## **II. Managing investment plans**

7. The programmatic nature of IPs/SPCRs generates two levels of operation: first, the country program level, which focuses on program and national level objectives and results; and, second, the project level, which focuses on project level action and deliverables. The term “country management of IP/SPCR implementation” used in this guidance note refers to the first level. MDB support for project level aspects of implementation will be guided by the regular operational practices of the various MDBs and, therefore, is not addressed here. It should be noted, however, that there may be implications for projects arising from country management arrangements; for example, country level monitoring and evaluation may require that projects adopt compatible methods and that they establish a relationship to feed results into the program’s system. Guidance to that end has been included in this note.

8. The responsibility of maintaining the programmatic approach of investment plans rests with participating countries, with support of MDBs. This responsibility could result in specific arrangements to manage IP/SPCR implementation. These arrangements can be outlined in a “country management component” (hereinafter CMC) section of the IP/SPCR, and provide details on, for example, objectives of country management; action areas; institutional arrangements; and program details of the CMC. Additional information on each of the above elements is provided below.

### ***Objectives***

9. As already noted, the responsibility of designing and implementing the CMC rests with each pilot country, with support from MDBs. The development of this component should start with a clear vision of the role that the government wishes to play during the implementation phase (see box 1). Once this has been clarified, the government can identify the institutional arrangements and resources required for the CMC to be effective. In identifying these arrangements, it is also recommended that the government considers opportunities to enhance country capacity to plan, design, finance and implement climate change initiatives.

10. It should be noted that an overarching objective of the CIF should be precisely to create capacity at the country level to manage the transformation of economies. Gaps and lack of capacity can be addressed by building in actions to create such capacity in the investment plan.

### ***Action areas***

11. In defining the CMC, pilot countries will need to reflect on the elements or action areas to be

targeted. These should be identified on the basis of the government's vision and its capacity to implement it. The dialogue with country partners can be framed around a few broadly defined areas:

- *Coordinating the implementation of IPs/SPCRs:* This would, *inter alia*, involve, (i) providing incentives to move the IP/SPCR forward; (ii) establishing a national dialogue to discuss progress in implementation, assess whether the IP/SPCR is in line with national development processes and identify challenges or gaps in implementation and related action items; (iii) mobilizing of decision making to, if required, make adjustments to the plan or any of its components.
- *Monitoring and reporting of IP/SPCR performance, results, outcomes, and ultimately impact at the country program level.* This would *inter alia* involve (i) monitoring progress in IP/SPCR implementation at the program level, i.e. measuring program performance and results against established indicators (note that projects are responsible for monitoring of project performance against results indicators agreed in the project results framework); (ii) assessing the need for, and as required, coordinating actions on adjustments to program implementation; (iii) leading and coordinating a mid-term review of program implementation and the preparation of a terminal evaluation of program implementation; and (iv) as required, reporting to CIF TFC/SC on progress in the implementation of the country program (see Annex I).
- *Promoting information and lessons sharing among local and external stakeholders.* This would involve, *inter alia*, (i) ensuring that the development of IPs/SPCRs systematically include components for information sharing and lessons learning (ISL) ; and (ii) as appropriate, managing the implementation of individual ISL activities that involve lessons-learning that thematically cut across individual CIF funded projects (see Annex II).
- *Encouraging and coordinating a dialogue with and among donors and other stakeholder.* The CIF design phase has demonstrated the benefits of a broad national dialogue. It is recommended that such a dialogue is extended into the future. This would *inter alia* involve (i) managing relations with multi-lateral and bi-lateral donors with the view to leveraging additional financial support for the implementation of IPs/SPCRs, using the CIF endorsed country programs as a basis for aligning expanded donor support to adopted program objectives; (ii) ensuring that investment activities under the country program are underpinned by the necessary policy, legal, and regulatory frameworks<sup>2</sup>; and (iii) the existence of a central point of contact for local and external stakeholders on matters relating to the country program.

**Box 1: Different governments, different visions**

Arrangements for managing the implementation of IPs/SPCRs should be defined at the country level in response to the vision and interests of the government. Some governments may decide to act as facilitators and limit their role to areas where government action is clearly required. Other governments may decide to play an active

<sup>2</sup> The enabling environment is an integral part of the CIF country program. The development of sectoral policy reform and promulgation of associated regulations typically falls under the purview of the sector ministry involved, but also needs to be coordinated/guided by national policies and legal frameworks.



role by defining coordination and decision making roles in some or all areas of implementation.

- At the minimum: establishing country level arrangements for the implementation of results frameworks and information sharing and lessons learning. Both action areas deliver at the project level but, given the programmatic approach of the CIF, aggregation at the country level is possible.
- Beyond this role, governments may decide to play a greater role in implementation: encouraging and coordinating a national dialogue on the implementation of investment plans; establishing of a “supervisory” relationship with projects to assess progress and provide, as required, guidance; mobilizing decision-making in relation to revisions to the investment plan; establishing an active relationship with donors with a view to, for example, scaling up the investment plans.

### ***Institutional arrangements***

12. Existing institutions should be used for managing implementation of IPs/SPCRs. A starting point could be found in the arrangements established for the development of investment plans (See Box 2).

#### **Box 2: institutional arrangements**

Managing the implementation of IPs/SPCRs may involve a combination of general and specific tasks. At the same time, the identification of key areas for country management may require the involvement of agencies with the capacity to undertake related responsibilities. In further specifying institutional arrangements within existing ones, the following may be required:

- General management functions, for example, for responsibilities relating to coordination. The phase of developing of IPs and SPCR focused on planning and decision making, both related to supervision and coordination. Institutional arrangements established for this phase may still be in place and can provide a good starting point.
- Specific management functions, for example, for responsibilities relating to monitoring and evaluation within a specific sector (e.g. who would be responsible for providing guidance on methodological issues and reporting channels, deadlines and others? Who would collate and harmonize reporting to compose a national picture?).

13. The precise role of governments and country-level institutions in managing the implementation of IPs/SPCRs depends on two factors. First, and most important, the vision that the government sets for itself with regards to the desired level of leadership during the implementation phase; second, the capacity of the government in terms of institutions, personnel and financial resources.

14. The responsibility for managing the CMC would naturally be the responsibility of a central ministry or agency, well positioned to handle the implications of the multi-sector focus of the country program. On the other hand, the responsibility for managing CMC activities that target country program implementation through individual projects are likely to be shared between central or sector ministries and local project implementation teams. The degree of “centralization” will vary from country to country:

- Some activities would need to be managed by those who are directly responsible for project implementation, i.e. the local project implementation team.

- Other activities, depending on the sector, could be managed by central or sector ministries. For example, to find out what can be learned from the use of various financing instruments, it may make sense for a central or sector ministry to manage a portfolio-wide study on related lessons learned.

15. In all of the above areas of responsibility, agencies concerned may wish to contract with local organizations, academic institutions and other centers of excellence to carry out specific tasks.

***Program details of the management component***

16. With a view to making resources and support available for countries, the CMC should be incorporated into the envelope of projects identified in the IP/SPCR. This could be done either by:

- Developing a specific project which would establish the CMC, or
- Including the CMC within a project

17. It will be up to pilot countries to decide which option to follow. Such a decision may be influenced by the size of the CMC and the resources required (e.g. large sized management components may be easier to implement as individual projects); the type of projects within the envelope (e.g. the management component could be easily included in a broader project that addresses capacity building), and others.

18. The CMC project, or project component, should specify the actions and resources required to manage the implementation of the IP/SPCR through institutional arrangements and required actions. Resources would be made available through the CMC for:

- Staff from government ministries and agencies and private sector entities to coordinate, monitor and manage ISL activities;
- Local consultants and organizations to support specific activities;
- Equipment (existing or upgraded) and services that effectively link local implementation teams to web-based communications systems;
- Contracted services, e.g. local and national workshops; and
- *Travel to relevant internal or external knowledge sharing events.*<sup>3</sup>

19. It is recommended that bilateral aid and other resources are brought in to supplement CIF finance for the CMC.

20. In those cases where the IP/SPCR has already been endorsed by the respective trust fund committee or sub-committee, MDBs will need to re-engage with the respective Government lead agencies on country program preparation to:

- (i) Develop the CMC to be retro-fitted to the already endorsed country program; and
- (ii) Submit the CMC for endorsement by the TFC/Sub-Committee with a request for an increase in CIF funding equivalent to the estimated requirements for implementing the component

***Implications for projects within the envelope***

21. As noted above, the CMC may have implications on other projects within the IP. Individual projects may require arrangements as a result of the activities identified in the CMC. It is likely that such arrangements will be primarily needed for monitoring and evaluation and lessons

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<sup>3</sup> *Travel to CIF pilot country meetings will be covered according to arrangements already in place, funded through the CIF Administrative Unit's annual administrative budget.*

learned.

22. In those cases where a project has already been approved by the respective trust fund committee or sub-committee, MDBs will need to re-engage with the respective lead agency to:

- (i) Retrofit the CMC into existing country program; and
- (ii) Submit such a component for approval by the TFC/Sub-Committee with a request for an increase in CIF funding.

### **III. Technical assistance and financial support**

#### ***Technical assistance***

23. As part of the IP/SPCR development process, joint-MDB missions will work with government partners to identify the objectives, key action areas and activities and institutional arrangements for country management of IP/SPCR implementation and to reflect them in the country program document.

#### ***Financial support***

24. *The amount of grant funding for the CMC will depend on (i) the scope of the component, (ii) the extent to which ongoing activities are already in place; and (iii) the availability of other sources.*

25. *Country incurred additional costs for the CMC may be funded through the following arrangements:*

- Costs for **preparing the CMC** would be funded through TA grants for program preparation available under SCF's three targeted programs and CTF<sup>4</sup>;
- Costs for **preparing components of individual projects** would be funded through TA grants for project preparation; and
- Costs for **implementing the CMC** would be financed through project grants (as noted above, the management component will be a project or component of an existing project); CIF funding for implementation of retro-fitted components would not involve reallocation of funds within the originally TFC/SC endorsed country envelope, but instead come out of the funds held in "reserve" in the case of PPCR and available unallocated funds under the CTF.

26. *Additional costs incurred by MDBs may be funded by CIF as follows:*

- Costs to support the preparation of the CMC would be funded through existing arrangements for allocating CIF administrative budget resources to MDB support for country-led programming;
- Costs for supporting the preparation and implementation of country management components of individual projects would be funded through payments to MDBs for project implementation, (including preparation) support and supervision services, as per procedures already agreed under SCF-TC and to be proposed for review and approval by the CTF Trust Fund Committee.

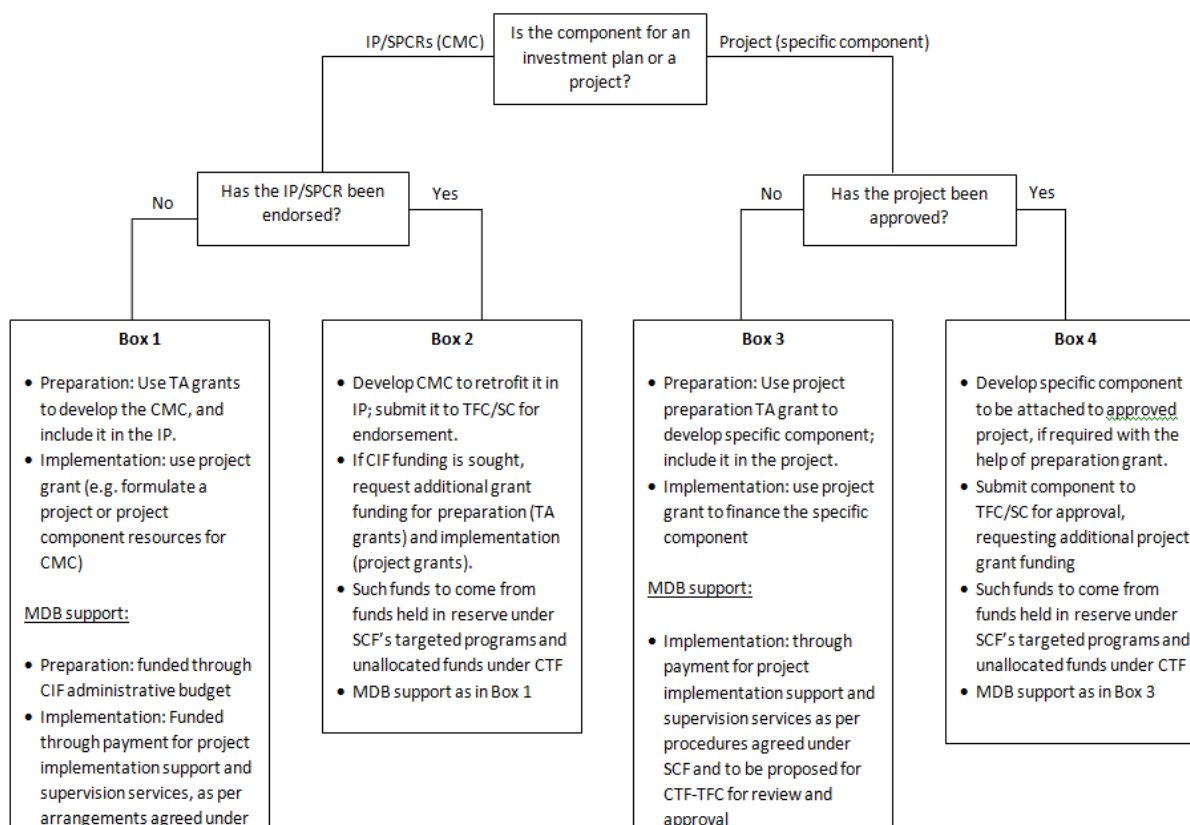
27. *The decision tree below illustrates the main action steps and funding arrangements for developing, implementing and funding of management components of investment plans.*

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<sup>4</sup> The CTF provides for grants to be used for preparation of CTF investment plans, where needed (see CTF Financing Products, Terms and Review Procedures for Public Sector Operations, May 28, 2009, pages 10-15). To date no country has requested such funding.



*Action Steps and Funding Arrangements for Country Management of Implementation of Investment Plans*



## **Attachment I: Managing for Results in CIF Country Programs and Projects**

1. Results monitoring and periodic evaluation of performance and financial accountability of the MDBs is a core activity of the CTF and the SCF. The CIF harmonized results frameworks formalize the commitment of Trust Fund Committees and its partners to ensuring accountability and achieving results.
2. The main purpose of the suggested results frameworks is to establish a basis for monitoring and future evaluation of the impact, outcomes and outputs of CIF-funded activities. In addition, they are designed to guide pilot countries and MDBs in developing their results frameworks to ensure that CIF-relevant results and indicators are integrated in their own M&E systems at the country or the project/program level.
3. The results frameworks comprise logic models combined with a set of indicators. The logic models are an attempt to map out the strategic results chain and demonstrate how individual project interventions are designed to contribute to replication and catalyzing efforts at the country level. The logic model outlines the assumptions about causal relationships and expected synergy across a set of interventions. The indicators are an attempt to define the results in concrete terms and provide the governments and the MDBs with instruments to track and monitor performance in moving towards low carbon climate resilient development.
4. MDB task teams will be working with country partners to integrate M&E activities in the preparation and implementation of IPs/SPCRs and projects involving public and private sector operations.

### **I. Rationale and objective**

5. The objective of CIF grant funding of M&E activities should help to strengthen M&E systems to monitor and evaluate the impact of activities aimed to address mitigation, climate variability and climate change. The results frameworks are designed to operate: (i) within existing national monitoring and evaluation systems; and (ii) the MDBs' own managing for development results (MfDR) approach.
6. The development of parallel structures or processes for CIF M&E should be avoided: national systems and capacities need to be taken into account when applying the results frameworks. Participating country institutions will be at the frontlines of this effort. The responsibility, however, for establishing country-driven M&E systems is shared with the MDBs and the CIF Administrative Unit.
7. By integrating the CIF M&E results frameworks into national M&E systems, countries will take the lead and establish a managing for results philosophy that will help enhance the design and impact of their investments. They also gain the opportunity to share experiences and lessons with others, thereby helping to accelerate the CIF's "learning-by-doing" process in support of the replication of good practices for managing climate change transformation.

### **II. CIF M&E system – scope and focus**

8. The following principles underlie the CIF approach to monitoring and reporting:
  - **Supportive of learning and performance improvement** –This is in line with the design of the CIFs as pilot initiatives designed to catalyze systemic change at the country level. Monitoring and reporting must be informative, timely, and comprehensive, and needs to support the CIF knowledge management (KM) and learning program in the realization of the potential multiplier effect of CIF funded investments.

- **Simple and practical** – Monitoring and reporting approaches specifically, and results management in general, must be as simple and practical as possible to implement. This means that monitoring systems should not be overburdened with a plethora of indicators, focusing on the “need to know”.
- **Inclusion of “co-benefits”** – Different parties define co-benefits in different ways. To some, greenhouse gas emission reduction is a co-benefit while the primary results are to do with development. For others the development results are a co-benefit alongside the results addressing climate change. The monitoring and reporting approach for the CIFs should give priority to both aspects of the benefits of funds and programs, providing data and information on each.
- **Integration of gender equality and social development** – In line with the importance of development results in the CIFs are the priorities for addressing issues of gender equality and focusing on the needs of poor people. While some programs such as SREP or PPCR have more of a built-in emphasis in these areas, all CIF programs must demonstrate the difference they are making for gender, social development and specifically poor people.
- **Strategic integration** – from fund level (CIF), to programs (CTF and SCF), to countries, and finally projects. From the perspective of both planning, rolling-up of information and reporting, strategic integration is a key feature of the CIFs. This means that certain aspects of the program – such as learning, and specific results – such as country level transformation, must be included in all interventions. Consequently, for monitoring and reporting, there needs to be consistency and standardization across projects, programs, and funds, in terms of results linkage, core indicators and measurement methodologies.
- **Project and country levels** – Monitoring and reporting will need to occur at two distinct but related levels: project and country. The project boundaries are well defined and results management processes are already in place with all of the MDBs. However, there will be a need for monitoring and reporting on country level indicators. Country level systems differ dramatically from one context to another. Consequently, there will be a need for the CIF monitoring and reporting approach to balance consistency and standardization with country ownership and capacity.

9. There are three key elements of the CIF strategic management approach that need to be followed by CIF financed projects:

#### a) **Planning**

- CIF project planning should be a flexible top-down planning approach, with results cascading from the country level to projects.
- There should be a logic model of fund / program results that sets the strategic direction and identifies the results that projects must link to.
- Investment plans should articulate the issues, challenges, and constraints to be addressed in a country context.
- Project documents should describe the expected results of individual interventions, linked to the overall results framework.
- Project documents including results frameworks, indicators, baselines, and targets should be provided to the CIF Administrative Unit upon completion.

## **b) Monitoring and Reporting**

- CIF financed projects are implemented using MDB processes, procedures and systems. However, there are a core set of indicators for each of the programs (CTF, SREP, PPCR, and FIP) that must be included in projects.
- MDBs are mainly responsible for collecting and reporting data on all these core indicators.
- Project outputs are expected to be monitored and reported on an annual basis using the core indicators. Changes in outcomes measured using core indicators are expected to be monitored annually and reported on whenever they change.
- Countries are the main reporting units of the CIF. Reporting against the implementation of the investments plans/strategies is at the core of the CIF M&E system. A programmatic approach at the country level requires that country institutions take the lead in consolidating data from projects/programs at the country level and report these to the respective Trust Fund Committees/Sub-Committees through the CIF Administrative Unit.

## **c) Learning and Knowledge Management**

- CIF knowledge management activities are closely linked to CIF's work on monitoring and reporting.
- CIF's knowledge management activities have themselves to be targeted towards a set of KM results that must be monitored and reported on.

## **III. Activities and outputs**

10. In addressing the above objective, taking into account the principles and scope for establishing comprehensive and coherent M&E systems, country institutions would be expected to:

- *assess their own M&E systems* to identify how climate change activities are monitored and evaluated in the current system;
- *access technical data and methodologies, information, and lessons learned* from other managing for development results (MfDR) initiatives;
- *identify technical, system and capacity gaps* for managing for results in the climate change area;
- *assess baselines and establish targets* for catalytic and replication results at the country level as a basis for enhancing the national M&E systems;
- *capture and document experiences and lessons* on what has worked well and not so well through (i) targeted studies on M&E topics; (ii) national workshops, involving local and other stakeholders; and (iii) other appropriate mechanisms; and
- *share such experience and lessons* with stakeholders through (i) the CIF web-based platform and on-line seminars, (ii) the regular CIF pilot/partner country meetings; (iii) the annual CIF Partnership Forum, and (iv) other appropriate platforms and mechanisms for knowledge exchange.

11. Some activities will result in discrete outputs, such as reports on coherence between national M&E systems and the CIF results frameworks, availability of baselines, technical and capacity gaps, M&E workshops, and sharing lessons through presentations at CIF pilot/partner country meetings. However, building new or developing existing M&E systems is a continuous



process designed to strengthen national capacity and institutions which requires commitment and participation of country institutions and teams without necessarily generating formal outputs.

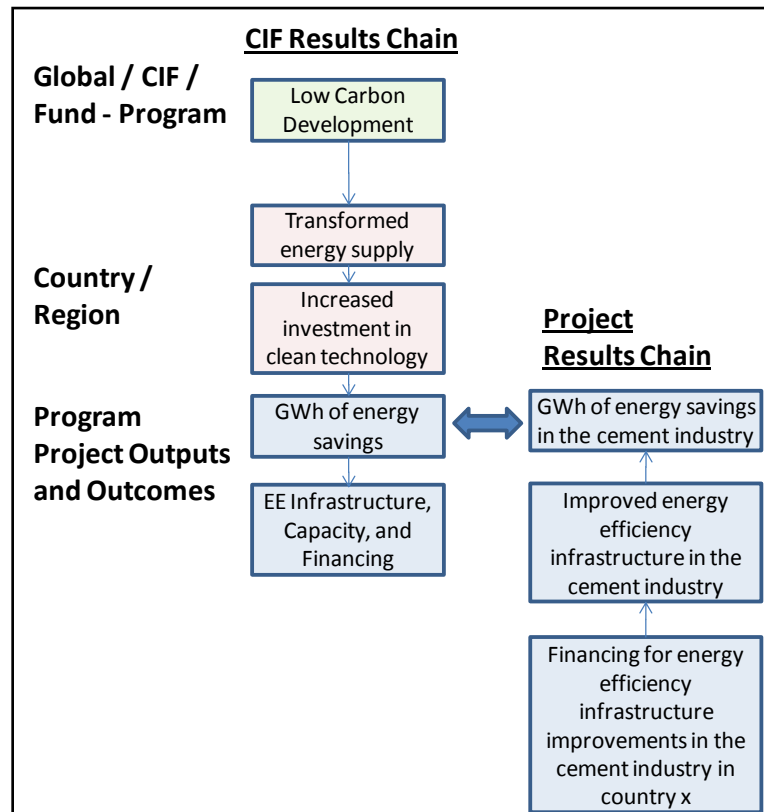
12. Each MDB has its own results framework structure and style, however, the results and indicators from the CTF, SREP, PPCR, and FIP results frameworks must be integrated into the MDB project results framework. The particular level that the project uses to integrate the CIF results is flexible as it depends on the specific results chain of each individual project. The linking will ensure project alignment with the CIF strategic intent and consistency across CIF funded projects, without being prescriptive about the individual project's results chain. (For example, it does not say that all project outputs must be "low carbon electricity production", just that low carbon electricity production must be included somewhere in the project's results chain.) Figure 1 shows an example of one possible linkage for the CTF. The energy efficiency project could take on multiple forms and be targeted to any of a variety of industry sectors. However, it has to link to the CTF results of "Energy Savings" somewhere in its result chain. This ensures strategic alignment between projects and expected CIF results. An M&E Open Sourcebook (under preparation) will provide step-by-step instructions for this linking process for individual programs.

13. Each CIF fund and program has a set of core indicators at the country and project levels. These core indicators are common across all projects financed by a particular fund or programs. For example, there are several core indicators that all SREP projects must include in their results frameworks to monitor and report on. The core indicators for a CIF project should only be measured for project level results that are attributable to the project. Generally, core indicators would only be reported on at the project output and outcome levels. (General contribution to country level results through impacts should not be captured through the core indicators at the project level.) Reporting against CIF core indicators is mainly the responsibility of the implementing agency of the projects together with the respective MDBs.

14. Measurement methodologies for core indicators must be consistent and standardized across all CIF financed projects. This is necessary for fund and program reporting through rolling-up and aggregating the data from individual projects. Baseline values need to be established for all core indicators at the onset of all projects, using these standardized measurement methodologies. Project level targets also need to be established for all core indicators, where appropriate. This can either be done during the development of investment plans or as a separate exercise in a stakeholder consultation process, if an investment plan has already been approved.

15. The MDBs will include all core CIF indicators for CTF, SREP, PPCR, and FIP within their own project level monitoring reporting systems and provide updated project implementation and results reports to country institutions on an annual basis. Based on the project/program reporting, the countries will consolidate the reports in a comprehensive implementation progress report to the Trust Fund Committees/Sub-Committees. The CIF AU will consolidate the reports of the countries and provide feedback to the Trust Fund Committees within the CIF Annual Report and occasionally in thematic results reports. Such an approach will ensure that the Trust Fund Committees receive an annual update on the status of the implementation and achievement of results by investment plan at the CIF programmatic level.

**Figure1:** Linking CIF and Project Results Chains



#### IV. Input requirements

16. The capacity of country institutions to carry out above and other M&E activities would, as required, be strengthened through

- *upgrading of existing, or acquisition of new, equipment and services to effectively link local teams to web-based performance measurement systems;*
- *using local consultant services to establish baselines and upgrade M&E systems;*
- *using local [staff] and/or consultants to manage the country/project sites for generating and reporting performance data;*
- *using local [staff] and/or consultants to capture and document experiences and lessons in developing and implementing strategic country programs and their investment projects (including possible out-sourcing to local organizations and academic institutions);*
- *contracting for the organization, holding, and documenting outcomes of M&E activities through workshops with local stakeholders; and*
- *facilitating the participation [travel, accommodation] of local team members in CIF pilot/partner country meetings and other relevant external knowledge sharing events.*

#### V. Implementation

##### (a) Functions and responsibilities

17. Appropriate arrangements for assigning functions and responsibilities for managing the

integration of M&E systems will be determined as part of the preparation of the CMC. They will be a consequence of the nature of proposed M&E priorities, existing institutional structures and arrangements, and the fact that the M&E system development needs to be managed at a central government level (see Table1).

**Table 1:** Possible Institutional Arrangements for Managing for Results

<b>Responsibility</b>	<b>Function</b>
<i>Central coordinating unit (lead for development and implementation of the strategic country program)<sup>5</sup></i>	<ul style="list-style-type: none"> <li>- <i>Coordinate the integration of the CIF results frameworks into the national M&amp;E system and ensure that M&amp;E arrangements are reflected in the investment plan (IP)/SPCR document submitted for SC review and approval.</i></li> <li>- <i>Manage the assessment of current M&amp;E capacity and gap analysis in terms of baselines, targets, technology (IT support) and HR capacity.</i></li> <li>- <i>Manage the progress reporting in implementing the investment plans/SPCRs.</i></li> <li>- <i>Prepare progress reports on investment plan/SPCR implementation to the Trust Fund Committees/Sub-Committees annually.</i></li> <li>- <i>Monitor the implementation of project/program implementation and request regular project performance updates from the relevant government agencies and MDBs.</i></li> </ul>
<i>Sector ministries/private sector entities</i>	<ul style="list-style-type: none"> <li>- <i>Manage the M&amp;E systems at the project/program level and ensure regular progress reporting to (i) the central coordinating unit; and (ii) communicate with all relevant stakeholders.</i></li> </ul>
<i>Implementation units (public/private sector) for individual CIF funded projects</i>	<ul style="list-style-type: none"> <li>- <i>Manage the establishment of M&amp;E systems for each individual project/program.</i></li> <li>- <i>As agreed with the central program coordination unit report on progress on outputs and outcomes indicators on a regular basis.</i></li> </ul>

## **VII.Documentation**

18. *Monitoring and evaluation activities will be integrated in CIF supported strategic country programs and their projects. Funding for them is sought as part of the overall project financing package and the objectives, activity descriptions, output indicators, implementation arrangements and estimated costs of M&E activities will be presented in the project documentation following the MDBs' own project documentation practices. Hence, there will be no need for separate M&E specific documentation for country requests for TA grants for preparation of strategic country programs, TA grants for preparing projects, or grant funding for investment or capacity building projects. However, countries will be requested to document*

<sup>5</sup> In the case of a regional project, it would be appropriate for the entity selected for managing the regional component of the project to assume the coordinating function for ISL activities.

*progress in integrating the CIF results frameworks into national systems on an annual basis to provide the Trust Fund Committees/Sub-Committees with the confidence that comprehensive M&E systems are established to ensure synergies among individual CIF-funded projects/programs in a specific country.*

**Annex II:**  
**Integrating Information Sharing and Lessons-learning in**  
**CIF Country Programs and Projects**

1. Country-managed information sharing and lessons-sharing activities (hereinafter referred to as ISL activities) constitute one part of the wider CIF Knowledge Management Program approved by the CIF Joint Trust Fund Committees (TFCs) in March 2010.<sup>6</sup> Such activities form the critical first step in CIF's endeavor to capture and disseminate "good practices" in climate financing.

2. MDB task teams, following the operational procedures of their respective institutions, will be working with pilot and partner country institutions to integrate ISL activities in the preparation and implementation of CIF financed strategic country programs and projects involving public and private sector operations. The CIF Administrative Unit will support these efforts through its Global Support Program.

**II. Objective, scope and focus**

3. Objective. The CIF aim to replicate, locally and globally, what will be working well in CIF programs and projects. Distillation of lessons from investment programs or projects is one of the functions of evaluations of performance and outcomes that follow project completion. However, given CIF's emphasis on "learning-by-doing", the capturing and sharing of lessons have to occur in pace with the development and implementation of country programs and their projects. This calls for explicit provisions to specifically promote timely lessons-learning in the design and implementation of country programs and their projects.

4. Hence, the specific objective of CIF grant funding of ISL activities under country programs and their constituent projects is to enable their implementers to access knowledge they need and to capture and share with stakeholders' lessons emerging from their ongoing operations in a timely manner. By doing so, CIF grant financing of ISL is expected to support accelerated replication of lessons and successful outcomes of CIF programs and projects.<sup>7</sup>

5. **Scope and Focus.** The aim is for every strategic country program to incorporate an ISL component that addresses the objectives and challenges for the country program and also contributes to the CIF program wide lessons-sharing effort. Some activities will address lessons emerging from the development of the country program, while others target lessons coming out of the individual projects, all extending well into the project implementation period.<sup>8</sup> Some will be carried out at the program level, others at the project level. Coordination and monitoring of ISL activities will be essential to ensure implementation results and enhance impacts.

6. The scope and focus for activities will be guided by, on the one hand, the information and knowledge that stakeholders<sup>9</sup> need in order to effectively participate in and contribute to CIF operations and their objectives<sup>10</sup>, and, on the other hand, the potential that individual country programs and projects have for meeting these needs.

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<sup>6</sup> "CIF Knowledge Management - Creating the Capacity to Act" (March 5, 2010)

<sup>7</sup> Replication depends also on outcome of feasibility assessments and timely access to funding. These factors fall outside the purview of grant funding of ISL components of the CIF country programs.

<sup>8</sup> The scope of CIF grant funding for ISL covers the project cycle through implementation. It is not intended to fund independent evaluations following the completion of projects.

<sup>9</sup> CIF stakeholders include recipient and contributor governments, private sector financial institutions and investors, UN partner institutions and bilateral donor agencies, NGOs and Civil Society, and MDBs.

<sup>10</sup> See "CIF Knowledge Management - Creating the Capacity to Act" (March 5, 2010), paras.19-21.

7. CIF stakeholders will look for answers to questions about (i) the process for developing strategic country programs, (ii) key features of program design that address objectives of transformational change and scale-up, and (iii) effectiveness of the use of various instruments and approaches for sustainably addressing program and project objectives. These knowledge needs, illustrated in appendix 1 below, are equally applicable under the CTF and SCF's three targeted programs.

8. Every country program has the potential to generate and share lessons addressing the stakeholders' knowledge needs, and the program's ISL component is the vehicle to realize it. The potential areas for lessons-learning are naturally delineated by the sector(s) involved, type of operation (investment, policy support, capacity building), public and/or private sector involvement etc. *As a guiding principle, lessons-learning should focus on the objectives and priorities of the country program, and how, and with what results, they are being addressed through policy and institutional reform, and other instruments chosen to implement individual projects, e.g. choice of technology, financing services selected, institutional approaches followed, and modalities adopted for engaging local stakeholders.*

9. As summarized in Box 1 below, the country program document should define the objectives and the anticipated focal areas for lessons learning. It should also summarize the ISL activities; coordination and monitoring activities; the institutional arrangements for implementation, coordination and monitoring, and estimated CIF funding required<sup>11</sup>

### **Box 1 - Addressing ISL in the Country Program and its Projects**

#### **A Summary**

***The country program documents (investment plans and strategies)*** are expected to include a brief description of the program's proposed ISL component, covering the following items:

- *Objective: How is the ISL component and its activities expected to contribute to the country program's overall objective and to CIF's "learning-by-doing" mandate?*
- *Broad scope and main activities: What are the anticipated thematic priorities for lessons learning? What key activities are envisaged to address them?*
- *Institutional and implementation arrangements: What roles are central ministries, sector ministries, and local project implementation teams (including private sector entities) expected to play in the implementation, coordination and monitoring of the program's ISL component?*
- *Capacity strengthening: If the existing capacity for implementing, coordinating and monitoring ISL activities needs strengthening, how will the ISL component address such needs? What role, if any, would CIF grant funding assume in that regard?*
- *Estimated CIF funding required: What is the estimated cost of implementing the ISL component? How will it be funded? What project grant funding should be requested from CIF (to be factored into the indicative funding envelopes for the individual projects)?*

***Preparation of the individual projects*** will detail ISL activities, outputs, implementation arrangements, costs, and required financing. These projects may include CIF support to strengthen the capacity to coordinate and monitor the implementation of the country program's ISL component and to manage specific ISL activities best undertaken at the program level. Such

<sup>11</sup> The estimated CIF project grant financing requirement would be the sum of the estimated requirements for ISL activities under the individual investment and capacity building projects (noting that requirements in support of coordination and monitoring of the ISL component and centrally managed ISL activities would be included in one of the program's constituent projects).

support may take the form of a freestanding grant funded capacity building project or be included as a component of a project.

### III. ISL activities and outputs

10. ISL activities can be grouped in four broad categories:

- *maintaining dialogue and sharing program or project related data with stakeholders* involved in the development and implementation of country programs and projects or with an interest in results and outcomes of such programs and projects;
- *accessing technical data and methodologies, information, and lessons learned* from other sources to help design and implement strategic country programs and their investment components through: (i) the CIF web-based platform for information and lessons-sharing and on-line meetings/seminars, (ii) regular CIF pilot/partner country meetings; and (iii) other appropriate mechanisms for knowledge exchange;
- *capturing and documenting experiences and lessons* on what has worked well and not so well in the development and implementation of strategic country programs and their component projects, through (i) targeted studies on key topics; (ii) national workshops, involving local and other stakeholders; and (iii) other appropriate mechanisms; and
- *sharing such experience and lessons* with stakeholders through (i) various country-owned initiatives and activities at the national and local levels; (ii) regular CIF pilot/partner country meetings; (iii) the annual CIF Partnership Forum; (iv) web-based communications and lessons-sharing platforms, managed by CIF and others<sup>12</sup>; (v) CIF and other web-based seminars; and (vi) other appropriate mechanisms for knowledge exchange, in support of scale-up and replication, including meetings with potential investors, brainstorming sessions and sharing of concept papers on approaches to scale-up and replication.

11. Some of the above activities will result in discrete outputs, such as reports on targeted lessons-learning studies, program/project publications, workshop conclusions and proceedings, and presentations at CIF pilot/partner country meetings. This will, however, not automatically happen in the case of country-team participation in web-based information and lessons-sharing platforms or meetings. Here, participation is a continuous process designed to strengthen the knowledge base of participating country institutions and teams without necessarily generating formal outputs.

### IV. Coordination and monitoring of ISL implementation

12. Implementation of the country program's ISL component has to be coordinated and monitored. This would involve the following main tasks.

- *At the country program level:* (i) monitor progress of individual CIF funded projects with reference to ISL related output and outcome indicators set out in log-frames results frameworks at project and country program levels; (ii) facilitate and coordinate donor and

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<sup>12</sup> An effective CIF web-based communications and lessons-sharing platform will depend on updating and posting of country program and project data as well posting of lessons captured in various forms. With initial assistance from the CIF Administrative Unit, these tasks should gradually be handled by the country coordinators and implementers of the strategic country program and its projects. The resources required for them to assume that responsibility should be factored into the costing of the ISL component of individual projects.

local stakeholder support for CIF lessons-learning; and (iii) report to the MDBs on progress in the implementation of the country program's ISL component.

- *At the project level:* (i) manage the implementation of the project's ISL activities against indicators set out in *the project's log-frame/monitoring plan consistent with the agreed results frameworks of the individual CIF programs*<sup>13</sup>; (ii) report on progress in implementation of ISL activities against said indicators; and (iii) collaborate with and support lessons-learning initiatives that are managed at the program level.

## **V. Support from MDBs and CIF Administrative Unit**

13. While participating country institutions and project implementation teams will be at the frontlines of the effort to integrate ISL activities in country programs and projects, MDBs and the CIF Administrative Unit share in this responsibility by providing support.

- MDBs, working jointly, will (i) assist pilot/partner country institutions in preparing the ISL component and its implementation through individual programs and projects; (ii) help process country requests for CIF grant financing of such activities (as part of the requests for funding of the program as a whole) for approval by CIF Trust Fund Committee/Sub-Committees and through the MDBs' own chains for review and approval<sup>14</sup>; and (iii) review progress, and work with pilot/partner country institutions to facilitate the implementation of ISL activities - all following their own established lending and project supervision practices and operational procedures, including those for knowledge management.
- The CIF Administrative Unit, working with the MDB Committee, will (i) provide operational guidance on integration of ISL activities in CIF country programs and projects; (ii) assist pilot/partner country institutions to effectively access and share information and lessons among themselves (Global Support Program); and (iii) identify and share elements of "good practice" in responding to challenges in developing and implementing CIF country programs and projects, building on ISL activities at the country program and project levels.

## **VI. Institutional responsibilities**

14. The CMC should describe the institutional responsibilities for coordination and monitoring of ISL activities. It would also indicate in broad terms how project level ISL activities are expected to be managed, leaving details to be determined during project preparation.

15. Possible institutional arrangements for managing the major tasks are summarized in Table 1. Such arrangements will vary from country to country, depending on the ISL priorities, the nature of envisaged ISL activities, existing institutional arrangements and capacities for program and project monitoring and lessons-learning, and government preferences.

***Table 1: Summary of Possible Institutional Arrangements for Managing the Development and Implementation of ISL Activities***

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<sup>13</sup> Since lessons-learning is only one of a number of enabling factors affecting replication outcomes, it is appropriate that such outcomes are monitored at the country program level.

<sup>14</sup> ISL activities will be integrated in CIF supported country programs and projects and included in the documentation for program and project related funding requests. There will, therefore, except in the case of retrofitting ISL components to endorsed country programs and approved projects, be no need for separate ISL specific documentation for country requests for TA grants for preparation of strategic country programs, TA grants for preparing projects, or grant funding for investment or capacity building projects.



<b>Task</b>	<b>Management responsibility</b>
<i>1. As part of country program preparation, establish objectives, scope, and implementation arrangements for the program's ISL component; reflect them in the document submitted for TFC/SC endorsement.</i>	<i>Government lead agency for preparation of the country program (typically a central ministry) working with sector ministries and local stakeholders, including private sector.</i>
<i>2. As part of the process of preparing individual projects, prepare ISL activities to be undertaken under investment or capacity building projects.</i>	<i>Sector ministries or private sector entities charged with the preparing individual investment or capacity building programs or projects.</i>
<i>3. Implement ISL activities targeting the development of the country program.</i>	<i>Government lead agency for development of the country program, working with sector ministries and local stakeholders, including private sector.</i>
<i>4. Carry out ISL activities that target the implementation of the country program and its constituent projects.</i>	<i>Local project implementation teams (incl. private sector entities) or sector ministries, including possible out-sourcing of to local, including academic, institutions, centers of excellence, or NGOs.</i>
<i>5. Report on progress in implementing ISL activities against indicators set out in project log-frame/results frameworks.</i>	<i>Local project implementation teams, including private sector entities) and sector ministries.</i>
<i>6. Monitor the implementation of the country program's ISL component</i>	<i>Government lead agency responsible for coordinating overall program implementation, working with sector ministries involved in program.</i>

**Note:** For regional projects, it may be appropriate for the selected regional entity to lead the development and manage the implementation of the entire, or parts of, the ISL component.

### **Appendix1: Illustrative examples of CIF stakeholder knowledge needs relating to the development and implementation of IPs/SPCRs**

#### *Process of program development*

- *How is strong government leadership in country programming of CIF resources, including effective involvement of multiple public sector ministries and agencies, established?*
- *How can UN agencies, other development partners, private sector, NGOs and civil society be effectively engaged in the country programming of CIF resources?*
- *What are the linkages to sector and national development planning objectives and processes, and how can they be forged?*
- *How to determine sector priorities for strategic allocation of CIF funds? What technical and other data are required and how can they be made available and accessed? For example:*

*What are useful methods and methodologies for assessing climate resilience and vulnerabilities of sectors and policies in order to set priorities for investments?*

- *Given the sectors identified for possible CIF funding, what criteria and considerations should govern the selection of individual investment opportunities?*

#### *Key program features*

- *What are the key instruments to address transformational change?*
- *What policy frameworks for effective and sustainable climate action need to be put in place, and how is that to be accomplished?*
- *Given the key role of the private sector in scaling up action on climate finance, what barriers prevent private sector investments and what are the main avenues to lower them?*

#### *Program implementation*

- *What is working well, and not so well, in overcoming or lowering technical, financial, policy, and institutional barriers encountered in efforts to scale up investments, transform markets, or through other means achieve transformational change? For example:*
  - *How and with what results is CIF funding being leveraged ?*
  - *How are envisaged sector and other policy reforms addressed to ensure sustainability of project benefits?*
  - *How technology choices are made under individual projects?*
  - *Which financing instruments are used under what projects for what purpose and with what success?*
  - *What institutional arrangements for managing multi-sect oral efforts to tackling deforestation and forest degradation and reduction of climate vulnerability are being piloted and with what results?*
  - *What different approaches to capacity building are being piloted and with what results?*
- *How and with what success are local sustainable development benefits (i.e. non CO2 emission reduction benefits) being generated?*
- *What institutional arrangements have been put in place, and how effective have they been, to (i) coordinate, monitor and report on progress and outcomes from program implementation and (ii) identify lessons learned?*