

# CLIMATE INVESTMENT FUNDS


CTF-SCF/TFC.7/CRP.1

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Joint Meeting of the CTF and SCF Trust Fund Committees  
Washington, D.C.  
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## **CLIMATE INVESTMENT FUNDS: LESSONS LEARNED FROM PRIVATE SECTOR INTERVENTIONS THROUGH MDB INTERMEDIARIES**



# Climate Investment Funds: Lessons Learned from Private Sector Interventions through MDB Intermediaries

November 2011

In Collaboration with the African Development Bank, Asian Development Bank, Inter-American Development Bank, International Finance Corporation, and European Bank for Reconstruction and Development



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- Lesson #1: MDB private sector climate financing has generated an attractive degree of leveraging
- Lesson #2: Least concessionality is an important principle for avoiding market distortions, and is workable in practice with close coordination among MDBs
- Lesson #3: Maintaining flexibility for MDBs to structure financing outflows and other transaction terms is essential
- Lesson #4: Fund design should explicitly allocate resources to private sector interventions
- Lesson #5: Recipient countries need guidance on differing public and private sector processes and mechanisms

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- Lesson #6: Country focus generates national and local benefits but not complementary regional or global actions
- Lesson #7: Approval processes and criteria need to be efficient, clear and aligned with private sector operations
- Lesson #8: Results measurement indicators need to be established from the outset of Fund design
- Lesson #9: Special monitoring and evaluation provisions are warranted for private sector operations
- Lesson #10: Approvals of IPs and Commitments of Funds by the TFC do not imply disbursements to private sector projects are imminent, and perceived “lags” can be explained