



**Joint Meeting of the CTF and SCF Trust Fund Committees
Washington D.C. (Virtual)**

Tuesday, January 25, 2022 – Wednesday January 26, 2022

SUPPLEMENTAL BUDGET REQUEST FOR CIF

PROPOSED DECISION

The joint meeting of the CTF and SCF Trust Fund Committees has reviewed the Joint CTF-SCF/TFC.25/5, *Supplemental Budget Request for CIF* and it welcomes the budget request. The joint meeting of the CTF and SCF TFCs further notes that the proposed FY22 (Fiscal Year 2022) Climate Investment Funds (CIF) Supplemental Budget provides administrative resources to operationalize the newly launched CIF programs. These resources will support (1) the selected countries under the new programs in their investment plan preparations and (2) other special initiatives for CIF’s operating structure: (a) the CIF Administrative Unit as the central coordinating unit of the CIF partnership; (b) the Trustee as the administrator of the financial assets of CIF’s trust funds; and (c) the six MDBs as the implementing partners.

The Joint Meeting of the CTF and SCF TFCs approves the administrative budget contained in the document Joint CTF-SCF/TFC.25/5, *Supplemental Budget Request for CIF*, as detailed in the FY22 Supplemental Budget Commitment Table below and supported by Tables 2 and 3 in the document.

FY22 Supplemental Budget Commitment Details (USD '000)

	CTF	SCF	Total
Total	2,500.5	1,895.5	4,396.0
Administrative Services	721.2	926.8	1,648.0
Special Initiatives:	1,779.3	968.7	2,748.0
<i>Country Engagement</i>	<i>400.0</i>	<i>806.2</i>	<i>1,206.2</i>
<i>Systems Development</i>	<i>162.5</i>	<i>162.5</i>	<i>325.0</i>
<i>CTF 2.0</i>	<i>666.8</i>	-	<i>666.8</i>
<i>South Africa JET-CAP Work Program</i>	<i>550.0</i>	-	<i>550.0</i>

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1. Summary

1. The Joint Meeting of the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF) Trust Fund Committees (TFCs) approved the FY22 (Fiscal Year 2022) Business Plan and Budget in June 2021. Since then, two new CIF programs—the Accelerating Coal Transition Investment Program and the Renewable Energy Integration Program—have entered the operationalization phase. Moreover, pursuant to the decisions of the CTF TFC in meetings held in June and October 2021, the work on the CTF 2.0 proposal has picked up pace. The CIF Administrative Unit has also been requested to provide technical coordination support services for the South Africa Just Energy Transition Work Program.
2. Accordingly, in addition to the approved FY22 Budget, the CIF Administrative Unit, the Trustee, and the multilateral development banks (MDBs) expect to incur costs through FY22 in order to (a) operationalize the two new programs; (b) support the approved countries in their investment plan preparations; (c) develop systems to meet the new program requirements; (d) finalize the CTF 2.0 proposal and other related activities; as well as (e) provide support for the South Africa Just Energy Transition Country Action Plan (South Africa JET-CAP). The FY22 budget proposal has not included budgets for the above additional activities; however, it has indicated that a supplemental budget to cover the cost of programming and pipeline preparation for the new programs will be requested upon the receipt of sufficient contributions to such programs.
3. This document presents a proposal for the FY22 Supplemental Budget, as summarized in Table 1 below, and requests the Joint Meeting of the CTF and SCF TFCs to approve it.

Table 1: FY22 Supplemental Budget Commitment Details (USD '000)

	CTF	SCF	Total
Total	2,500.5	1,895.5	4,396.0
Administrative Services	721.2	926.8	1,648.0
Special Initiatives:	1,779.3	968.7	2,748.0
<i>Country Engagement</i>	<i>400.0</i>	<i>806.2</i>	<i>1,206.2</i>
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<i>CTF 2.0</i>	<i>666.8</i>	-	<i>666.8</i>
<i>South Africa JET-CAP Work Program</i>	<i>550.0</i>	-	<i>550.0</i>

2. FY22 Supplemental Budget Proposal

2.1 FY22 Annual Budget

4. The FY22 (Fiscal Year 2022) CIF Business Plan and Budget was [approved](#) at the Joint Meeting of the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF) Trust Fund Committees (TFCs) held on June 22, 2021. The budget supports the activities of the CIF Partnership¹ and the administrative services provided by the Climate Investment Funds' (CIF) Administrative Unit, the CIF Trustee, and the multilateral development banks (MDBs) from July 1, 2021 to June 30, 2022. The approved FY22 Budget provided:
 - a. USD20.45 million to cover administrative services—they constitute a significant portion of the annual CIF work plan and include the core services provided by the CIF Administrative Unit, the MDB focal point teams, and the Trustee for delivering on CIF's mandate in relation to the existing CTF and SCF programs.
 - b. USD2.58 million to cover multi-year activities, of which USD0.63 million were allocated for country engagement activities and USD1.895 million for special initiatives, including USD1.5 million for Year 3 of the Evaluation and Learning (E&L) Initiative extension.
5. Administrative services and multi-year activities approved by the FY22 Budget are currently in good progress. An update on these activities will be provided as part of the FY23 Business Plan and Budget Proposal.

2.2 Operationalizing New Programs

6. **Accelerating Coal Transition Program:** The Joint Meeting of the CTF and SCF TFCs, held on March 23, 2021, [approved](#) the establishment of the Accelerating Coal Transition (ACT) Investment Program for implementation under CTF. The ACT program is designed to de-risk, pilot, and scale investments across three critical dimensions of the coal transition: governance, people and local communities, and infrastructure. Widely acknowledged to be the first of its kind, the ACT Investment Program, funded with more than USD2 billion, was launched at COP26 (the 2021 Conference of the Parties, 26th Meeting) in November 2021. Four countries—India, Indonesia, the Philippines, and the Republic of South Africa (RSA)—were selected to be supported during the initial phase. With this selection process completed, ACT moved into the implementation phase: the selected countries have been asked to prepare investment plans in coordination with the relevant MDBs.

¹ Comprising the CIF Administrative Unit, the International Bank for Reconstruction and Development (IBRD) as the CIF Trustee, and the following MDBs as CIF's implementing entities: the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the Inter-American Development Bank Group (IDB Group), as well as the World Bank Group's IBRD and the International Finance Corporation (IFC)

7. As part of the selection process of the four ACT countries noted above, the CIF Administrative Unit established an [Independent Expert Group](#) for the ACT Investment Program (ACT-IEG). The ACT-IEG reviewed and ranked the Expressions of Interest (Eoi) submitted by eligible countries interested in participating in the program, and presented recommendations to the CTF TFC with regard to the countries to be invited to participate in the program. The ACT-IEG submitted its [report](#) to the CTF TFC at its meeting held in October 2021, based on which the four countries stated above were selected. The FY22 expenses incurred or committed by the CIF Administrative Unit for the administration of the ACT-IEG are included in this supplemental budget request.
8. To support the implementation phase of the ACT program, the CIF Administrative Unit is undertaking a range of activities, including (a) providing further and continuous guidance to both the country and MDB teams in order to support their investment plan preparation processes; (b) hosting workshops and undertaking other capacity-building activities with the key stakeholders to underline the key issues associated with coal phaseout; (c) running investment plan clinics focused on specific aspects, like transformational change, just transitions, and gender issues, for teams directly involved in the preparation of the investment plans; as well as (d) tracking and reporting on the progress to contributors. The MDBs and the Trustee are also working toward operationalizing ACT within their respective work program areas, including activities in relation to setting up operational structures, building a pipeline, and supporting the investment plans preparation, along with other related activities.
9. **Renewable Energy Integration Program:** The Renewable Energy Integration (REI) Program was one of the [four new SCF programs](#) developed by the CIF Administrative Unit in close collaboration with the MDBs. The Program's focus is on scaling public and private investments in energy storage, smart grids, hybrid technologies, and the preparation of the transmission infrastructure for the rapid adoption of renewables. The SCF TFC, at its meeting held on June 25, 2021, [noted](#) the dependency of the establishment of the REI Program on meeting the criteria stipulated in the SCF Governance Framework Document, including voluntary contributions in support thereof. However, it also indicated that the members of the SCF TFC would like to progress with other steps necessary for the establishment of the REI Program, with a view to expediting the full functioning of the REI Program once voluntary contributions are received. The Committee also instructed the CIF Administrative Unit to commence the country selection process, including establishing the REI Program Independent Expert Group (REI-IEG). The REI-IEG was mandated to present its recommendations to the Global Climate Action Programs (GCAP) Sub-Committee for consideration during the October 2021 intersessional meeting.
10. The REI Program was launched upon the receipt of nearly USD250 million in contributions from the Netherlands, the United Kingdom (UK), and Switzerland. Announced at COP26, REI is, to date, the world's first large-scale multilateral initiative dedicated to bridging the renewables integration finance gap in developing countries. As of the date of this report, the CIF Administrative Unit, working closely with the Trustee and the MDBs, has supported the

launch of REI at COP26 and also collaborated with the REI-IEG to assess the EoI from 54 participant countries and regions. Ukraine, Fiji, Colombia, Kenya, and Mali were ultimately selected as the first participants of the REI Program. The FY22 expenses incurred or committed by the CIF Administrative Unit for the administration of the REI-IEG are included in this supplemental budget request.

11. Over the course of FY22, the CIF Administrative Unit will work closely with the Trustee and the MDBs on operationalizing the REI Program—helping to build a robust pipeline and support the preparation of investment plans for the approved countries and other related activities.

2.3 Finalizing the CTF 2.0 Proposal

12. **CTF 2.0:** In FY16, the CIF Administrative Unit, working closely with the MDBs and the Trustee, and in consultation with the TFC members, carried out an analysis to explore how to build on CTF’s financial and operational strength, experience, and the unique “MDB-collective” business model to increase the scale and the range of the capital available to CTF. The findings of the analysis were highlighted in a paper entitled “[New Financing Modalities for the Clean Technology Fund](#)” that was presented at the November 2015 CTF TFC meeting. Based on the principles expressed in the paper, the Committee requested the CIF Administrative Unit, in collaboration with the MDBs and the Trustee, to further explore detailed modalities that could enhance mitigation actions in developing countries. Such modalities, including the legal and institutional changes, would be needed to strengthen the current business model of CTF in mobilizing additional capital from public and private sources and deploying its resources efficiently and effectively.
13. A preliminary special initiatives budget of USD1 million was [approved](#) as part of the [FY17 Business Plan and Budget](#) Proposal to continue the work on CTF’s financing modalities, including financial modeling/structuring, the credit rating and legal assessments, due diligence, and drafting.
14. The CTF TFC reviewed the modalities presented in the paper, “[CTF Future Strategic Direction](#)”, in conjunction with the discussion on the future of CIF at its next meeting in June 2016, and gave clear [instructions](#) on the next steps. They included requesting the CIF Administrative Unit, working in close collaboration with the MDBs and the Trustee, to conduct initial due diligence (including an assessment of CTF’s current assets by a credit rating agency and necessary financial modeling); explore any necessary modifications in the current governance arrangements, legal agreements, and CTF’s documents; as well as initiate any other necessary consultations with relevant parties, including recipient countries.
15. Based on the update provided to the CTF TFC at the meeting held on June 24, 2021, the CIF Administrative Unit was [requested](#) to work with the Trustee and MDBs as relevant, among others, on further developing and finalizing the CTF 2.0 Proposal, internal due diligence, and consultations on approvals. Further, at the CTF TFC meeting held on October 12, 2021, the CTF TFC [requested](#) the CIF Administrative Unit, working together with the Trustee and MDBs, to finalize the CTF 2.0 proposal, the CTF 2.0 Governance Framework, including any related

financial modeling exercises and annexes, and consult closely with the Contributors and TFC members. The ultimate aim is to present the CTF 2.0 Governance Framework for the TFC’s review at a TFC meeting scheduled for the next earliest opportunity.

2.4 FY22 Supplemental Budget Proposal

16. The FY22 Budget Proposal indicated that a supplemental budget to cover the costs of programming and pipeline preparation for the new programs would be requested upon the receipt of sufficient contributions to such programs. Further, the CIF Administrative Unit, the Trustee, and the MDBs also expect to incur additional costs related to systems development for upgrading existing systems to meet new program requirements, the CTF 2.0 proposal finalization and other related costs, along with the costs incurred in relation to the CIF Administrative Unit’s support services for the South Africa JET-CAP.

17. This document presents the Supplemental Budget Proposal for FY22 to support the administrative activities provided by the CIF Administrative Unit, the Trustee, and the MDBs through the period ending on June 30, 2022. The Supplemental Budget Proposal does not include budget requests for services covered by the FY22 approved budget. As required, the FY23 Business Plan and Budget Proposal, along with subsequent annual business plan and budget proposals, will present the budget proposals for these services for those respective fiscal years.

18. The FY22 Supplemental Budget Proposal is presented under two categories: a) the Administrative Services Budget for around USD1.65 million and b) the Special Initiatives Budget for around USD2.75 million. The Special Initiatives Budget includes requests by (a) the MDBs for the Country Engagement Budget activities to support investment plan preparation; (b) the CIF Administrative Unit for systems development and the support to the South Africa JET-CAP; and (c) the CIF Administrative Unit and the Trustee for CTF 2.0. A summary of the FY22 Supplemental Budget Proposal is given in Table 1 below, with more details presented thereafter:

Table 1: FY22 Supplemental Budget Commitment Details (USD '000)

	CTF	SCF	Total
Total	2,500.5	1,895.5	4,396.0
Administrative Services	721.2	926.8	1,648.0
Special Initiatives:	1,779.3	968.7	2,748.0
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<i>Systems Development</i>	<i>162.5</i>	<i>162.5</i>	<i>325.0</i>
<i>CTF 2.0</i>	<i>666.8</i>	-	<i>666.8</i>
<i>South Africa JET-CAP Work Program</i>	<i>550.0</i>	-	<i>550.0</i>

19. **Administrative Services Budget:** The CIF Administrative Unit, the MDBs, and the Trustee have made significant efforts since the beginning of FY22 to develop and pursue the operationalization of the approved new CIF programs. The country selection process for both

the programs, started in July 2021, was conducted in record time. The CIF Administrative Unit and the partner MDBs worked hard to assist the supported countries with their EoI submissions. Furthermore, the two IEGs completed their review and recommendations under significant pressure to deliver the program launches in time for COP26. The FY22 expenses incurred or committed by the CIF Administrative Unit for the administration of ACT-IEG and REI-IEG are included in this supplemental budget request.

20. Over the course of FY22, the CIF Administrative Unit will continue with its work on operationalizing the new programs, including tasks related to the
 - c. development of the program implementation documents, to provide specific guidance to the countries and MDBs on the expected composition and content of their investment plans;
 - d. external engagement and making sustained efforts to mobilize more resources for the new programs and launch them;
 - e. development, in collaboration with the MDBs, of additional modalities for supporting countries that have submitted EoIs but that haven't been selected yet to receive resources under an investment plan; along with
 - f. provision of support to MDBs and countries in the preparations of their investment plans.
21. The partner MDBs, on their part, will continue working on operationalizing the two new programs. This will include setting up the necessary operating structures and systems and bringing in the necessary resources to implement these programs efficiently. Moreover, the MDBs will also work closely with the countries and regions to help them complete the investment plan development processes and submit the respective country investment plans in a timely manner.
22. The Trustee will continue to work on establishing the two programs in the Trustee systems by enabling the Trustee to efficiently perform functions in relation to the following areas: financial management; investment and reporting; the legal review of the program documentation and contribution agreements; along with the provision of financial reporting, accounting, and audit services.
23. For the above purposes, an Administrative Services Budget, as outlined in Table 2 below, is being requested.

Table 2: FY22 Supplemental Administrative Services Budget for ACT and REI (USD '000)

MBD	CTF	SCF	Total
Total	721.2	926.8	1,648.0
CIF Administrative Unit	155.0	190.5	345.5
MDBs	566.2	604.3	1,170.5
<i>Of which –</i>			
<i>ADB</i>	<i>103.6</i>	<i>91.0</i>	<i>194.6</i>
<i>AfDB</i>	<i>118.0</i>	<i>64.0</i>	<i>182.0</i>
<i>EBRD</i>	<i>132.0</i>	<i>193.9</i>	<i>325.9</i>
<i>IDB Group</i>	<i>52.8</i>	<i>122.5</i>	<i>175.3</i>
<i>IBRD</i>	<i>100.0</i>	<i>100.0</i>	<i>200.0</i>
<i>IFC</i>	<i>59.8</i>	<i>32.9</i>	<i>92.7</i>
Trustee	-	132.0	132.0

2.5 Special Initiatives

24. **Budget for country engagement activities by MDBs in support of investment plan preparation for ACT and REI:** This budget will supplement the funding to MDB-coordinated activities in relation to the country’s demand for investment plan preparation support for ACT and REI. MDBs expect to undertake the following support activities:

- g. Reviewing the policies, regulatory and institutional frameworks, and roadmaps of the respective countries or the sub-national administrative divisions on coal transition and renewable energy integration, and identifying possible interventions and recommendations;
- h. Identifying the key stakeholders in relation to coal transition and renewable energy integration, implementing ongoing and planned activities, as well as organizing consultation workshop(s) on barriers and possible measures for accelerating coal transitions in relevant countries;
- i. Supporting the development of project and program ideas/concepts, along with structuring and implementation arrangements;
- j. Conducting national-level scoping studies on just transition issues related to coal phaseouts; as well as
- k. Running scoping, technical, and joint missions, as relevant, for the above purposes.

25. Table 3 below gives a summary of the Country Engagement Budget requested for FY22 by the respective MDBs for the above purposes.

Table 3: FY22 Country Engagement Budget for ACT and REI (USD '000)

MBD	CTF	SCF	Total
Total	400.0	806.2	1,206.2
ADB	100.0	150.0	250.0
AfDB	80.0	100.0	180.0
EBRD	-	115.0	115.0
IDB	-	276.2	276.2
IBRD	220.0	165.0	385.0
IFC	-	-	-

26. **Systems Development:** A budget of USD0.325 million is being requested to support the upgrade of the CIF Collaboration Hub (CCH) to meet the coding, data capture, workflow and reporting requirements of ACT and REI. This includes the development of sub-window structures under CTF and SCF for ACT and REI respectively; the system setup for the new GCAP Sub-committee; the addition of the necessary country co-financing, project milestones, project status, sector, and thematic records; the updating of the financial, operational, and results reporting templates; the updating of relevant portfolio management functions; and the updating of the system to factor in the unique requirements of the investment plan preparation phase. Corresponding Trustee costs related to the systems development work for the new programs have been considered as part of the routine administrative services provided by the Trustee; these costs are included in the Administrative Services Budget request presented in Table 2 above.
27. **CTF 2.0:** The CIF Administrative Unit and the Trustee have estimated a budget of around USD1.167 million through FY22 to continue activities pursuant to the [decision](#) of the CTF TFC, made at its meeting that is held on October 12, 2021. However, of the USD1 million [approved](#) as part of the [FY17 Business Plan and Budget](#) Proposal for the CTF Financing Modalities Special Initiative, an amount of USD0.5 million was not utilized. Accordingly, it was proposed to use such approved, but unutilized, budget to continue the CTF 2.0 work, with the request for an approval for the difference of around USD0.667 million as part of the FY22 Supplemental Budget Proposal. Tables 4 and 5 below provide details of the Special Initiatives Budget for the Trustee and the CIF Administrative Unit, while the amount provided in Table 1 is net of the USD0.5 million unutilized from the FY17 Special Initiatives Budget.
28. Certain costs expected to be incurred in FY23 and thereafter will form part of the FY23 Business Plan and Budget, as well as the annual business plans and budget proposals thereafter, respectively. Such costs include those that are expected to be incurred upon the operationalization of CTF 2.0. They include Treasury Manager fees, custodial fees, audit fees (including audits for the CTF Issuer and the CTF Trust Fund for the Trustee), the CTF Issuer Board meetings and governance-related costs, Corporate service provider and local UK accounting provider fees, travel, and the Board’s indemnity insurance premiums.

Table 4: CTF 2.0 – Estimated FY22 Trustee Review and Development Budget (USD ‘000)

Trustee Component Service	Total
Total	465.8
CTF 2.0 Financial Model	216.3
Review trust fund structure, along with accounting and reporting implications	74.8
Review legal implications and requirements	67.2
Engagement with internal and external stakeholders	107.5

Note: Please see Annex 1 for more details.

Table 5: CTF 2.0 – Estimated FY22 CIF Administrative Unit Budget (USD ‘000)

Total	701.0
Consultants’ Costs	216.0
External Legal Services	150.0
Rating agencies	335.0

29. CIF Administrative Unit’s Services in support of the South Africa JET-CAP: At COP26, the governments of RSA, France, Germany, UK, and the United States, along with the European Union, announced a new ambitious, long-term Just Energy Transition Partnership (JETP) to support the RSA’s decarbonization effort. The JETP aims to help the country achieve the ambitious goals set out in its updated nationally determined contributions (NDC) emissions goals. Through this partnership, it is expected that an initial package of support of approximately USD8.5 billion will be provided through various mechanisms. These include grants, concessional loans, investments, and risk-sharing instruments through both private and public sources.

- I. The CIF Administrative Unit was requested to provide technical coordination services to help facilitate support from the key stakeholders, including multilateral and bilateral development finance institutions, the private sector, and philanthropies among others, to help steer ambitious coal transition reforms on behalf of international partners, based on a multi-year framework in the RSA. The ACT program will form a critical driving force toward the mobilization of resources towards the goals of JETP. The next phase of the work will look to translate the broader JETP framework into a broad investment strategy and a comprehensive financing plan, building off of and complementing the ongoing development of CIF’s ACT investment plan. It will seek to identify critical priority areas and associated funding sources and strategies to meet the objectives of JETP through coordination, engagement, knowledge sharing, and analytical diligence.

30. In order to enable the CIF Administrative Unit to continue providing the technical coordination services as outlined above, the CIF Administrative Unit is required to hire the services of senior consultants. A budget of USD0.55 million is being requested to cover the FY22 costs of these consultants and mission travel as required.

3. Annex I

The Trustee’s Budget Request

CTF 2.0 Proposal Development – FY22 Estimated Costs for the Trustee Services

31. The CTF Trust Fund Committee (TFC) requested the CIF AU, working together with the Trustee and MDBs, to finalize the CTF 2.0 Proposal and invited the IBRD to pursue the relevant internal authorizations that may be necessary for IBRD to perform the roles of: (i) trustee for CTF 2.0; and (ii) Treasury Manager for CTF 2.0.

32. This additional budget proposal has been prepared in accordance with the World Bank’s full cost recovery principle and will support the due diligence of the CTF 2.0 Proposal, explore ways to enable the CTF’s access to capital markets using the CTF’s existing assets, combined with additional grant and donor capital contributions, and pursue all the necessary internal reviews and approvals.

33. In particular, the Trustee team will:
 - (i) review and support development of the CTF 2.0 financial model (review the financial proposal from CIF AU, rating implications, capital adequacy, ALM and liquidity management frameworks, investment of liquidity and treasury operations and evaluate potential treasury engagement scope);
 - (ii) review the trust fund structure, accounting and reporting implications;
 - (iii) review the legal implications and requirements; and
 - (iv) engage in consultations with the relevant external and internal stakeholders, such as contributors, MDBs, IBRD’s senior management and Board.

34. Table 1 includes the estimated costs to support the proposed CTF 2.0 work. The actual costs incurred will depend on the pace of CTF 2.0. progress.

Table 1: CTF 2.0 Proposal Review and Development Budget (USD)

Trustee Component Service	CTF 2.0 Proposal
CTF 2.0 Financial Model (review the financial proposal from CIF AU, rating implications, capital adequacy, ALM, liquidity frameworks, investment of liquidity and treasury operations, evaluate potential treasury engagement scope)	216,325
Review trust fund structure, accounting and reporting implications	74,810
Review legal implications and requirements	67,164
Engagement with internal and external stakeholders (contributors, MDBs, WB internal approvals)	107,491
Total Costs	465,790

SCF's New Programs—FY22 Estimated Costs for the Trustee Services

35. The additional budget proposal for SCF Trustee services has been prepared considering the expected costs during the remainder of FY22 related to the establishment of two new Programs - Renewable Energy Integration (REI) and Nature, People and Climate Investments (NPCI). The Trustee services related to the establishment of these two programs are:

- (i) Establish these two programs in the Bank systems to manage the financial management, investment and reporting functions;
- (ii) Legal review of Program documentation and contribution agreements;
- (iii) Financial reporting, accounting and audit services;

36. Table 2 includes the estimated costs to support the proposed establishment of these two Programs and the trustee services provided during the remainder of FY22. The interim budget is estimated to be \$132,000, including \$50,000 for the investment management fees due to the estimated increase in average fund balance and a one-time IT development costs of \$30,000 for setting up the new Program sub-accounts. The Trustee will continue to be reimbursed for its services based on the principle of full cost recovery and will continue to present budgets to the CTF and SCF Trust Fund Committee for approval, including adjustments as required at the end of FY22.

Table 2: SCF FY22 Interim Budget Proposal (USD)

Trustee Component Service	SCF		
	FY22 Approved Budget	FY22 Interim Budget- Estimated	TOTAL FY22 Budget
Financial and Program Management	453,000.0	20,000.0	473,000.0
Investment Management	335,000.0	50,000.0	385,000.0
Accounting and Reporting	192,000.0	14,000	206,000
Legal Services	53,000.0	18,000	71,000
New SCF programs establishment - IT development and enhancements		30,000.0	30,000.0
Total Costs	1,033,000.0	132,000.0	1,165,000.0

a/ The investment management fees is calculated based on the estimated FY22 average fund balance of \$850 million