

# CLIMATE INVESTMENT FUNDS

SREP/SC.8/CRP.3/Rev.1

October 31, 2012

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Meeting of the SREP Sub Committee

Istanbul, Turkey

October 31, 2012

## **DECISION ON AGENDA ITEM 7, PROPOSAL FOR ALLOCATION OF SREP RESOURCES**

The SREP Sub-Committee, having reviewed document SREP/SC.8/6, *Proposal for Allocation of SREP Resources*, agrees that:

- a) USD 50 million in SREP resources should be set aside for allocation to programs and projects, selected on a competitive basis, that support in the first six SREP pilot countries programs/projects beyond those to be financed with the indicative allocation that was confirmed when the investment plan was endorsed;
- b) these funds should be used to finance no more than three programs/projects, and that there should be a maximum of one program/project in any country receiving financing from these resources;
- c) contributors may choose to indicate new funding to be added to this set aside, provided that the total financing for this initial set aside should not exceed USD90 million without further approval of the Sub-Committee;
- d) other programs/projects beyond the three referred to in (b) above may be selected for funding when a minimum of USD 15 million in additional funding is made available to the set aside; and
- e) when the USD 90 million set aside limit is reached, contributor countries are invited to give priority to funding new SREP pilot countries.

The SREP Sub-Committee agrees further that resources from the set aside may be provided to either:

- a) private sector clients working through MDB private sector arms, or
- b) public sector entities which would in turn channel all funds to private sector recipients, through innovative, competitive mechanisms such as competitive allocation of subsidies to private sector entities, public-private partnerships or results-based financing.

A minimum of 60 percent of the set aside resources will be allocated to private sector clients working through MDB private sector arms.

The SREP Sub-Committee agrees that the proposed procedures to be followed to select the programs/projects to be funded from the set aside will be revised, taking into account the comments made during the Sub-Committee meeting. The CIF Administrative Unit is requested to prepare a revised proposal in collaboration with the MDB Committee and to circulate, no later than end November 2012, a revised proposal for approval by mail.