CLIMATE INVESTMENT FUNDS – SUBMISSION TO THE GSLTF CALL FOR PROPOSALS

15 August, 2025

1. Concept

1.1 Description of the proposed mechanism for distributing revenues from solidarity levies

CIF Background

The Climate Investment Funds (CIF) provide a catalytic multilateral response to the climate crisis. CIF brings six major multilateral development bank (MDBs)[1] together as a system and drives them to offset the investment risks for clean technology and climate solutions in emerging markets and developing economies (EMDEs).

With $12.5B pledged, CIF is one of the largest active climate finance mechanisms globally. CIF's 362 approved projects span 82 countries, including 26 Least Developed Countries (LDCs) and 15 Small Island Developing States (SIDS).

CIF operates through two key funds, each with distinct objectives and programs under implementation:

- The Clean Technology Fund (CTF) - capitalized at $9.0 billion, provides large-scale financial resources clean technology projects in low- and middle-income countries, which support the transfer and deployment of low-carbon technologies with significant potential to reduce long term GHG emissions. The CIF Capital Market Mechanism (CCMM) - a pioneering initiative launched in 2025 – will unlock billions of dollars more in private sector capital to support CTF investments.

- The Strategic Climate Fund (SCF) - capitalized at $ 3.5 billion, provides finances innovative approaches and scales up activities targeting specific climate change challenges or sectoral responsesthematic areas such as forestry, renewable energy, nature-based solutions, and adaptation and resilience.

[1] : The African Development Bank (AfDB), the Asian Development Bank (AsDB), the European Bank for Reconstruction and Development (EBRD), the Interamerican Development Bank (IaDB), the International Finance Corporation (IFC), and the World Bank.

CIF's new program for adaptation and resilience (ARISE) under the SCF provides a particularly strong channel for the Global Solidarity Levies Task Force (GSLTF) to address its objectives.

1.2 Explanation of how the mechanism works and meets the outlined objectives.

CIF Support for Adaptation and Resilience

Since inception in 2008, CIF has actively supported climate adaptation and resilience. CIF's $1.2 billion Pilot Program for Climate Resilience (PPCR) has been particularly effective in enabling the MDBs engage in this space, while refining the CIF's country-led approach to address the needs of communities on the front lines of the climate crisis, especially the highly vulnerable LDCs and SIDS. The PPCR spanned 18 countries and two regions, exceeding expectations across nearly all performance measures, reaching over 65 million people - as confirmed by a recent independent evaluation.[2] The table below illustrates achieved results against targets as of December 31, 2024, showing achievement rates of **more than 100 percent** relative to the respective program-level targets.

PPCR Results 2024 – Cumulative vs Target

	Indicator Summary	To 2024	Target	Indicator Achievement Rate
1	Area covered by **sustainable land &water** management (Ha)	583,064	364,697	160%
2	Area **protected from flood/**sea-level rise/storm surge (Ha)	75,789	71,949	105%
3	**Embankments, drainage, sea walls** (Km)	1,154	1,153	100%
4	Beneficiaries of **adaptation financing** facilities (entities)	13,863	10,238	135%
5	**Policies, plans, strategies** (#)	844	842	100%
6	**Climate-resilient roads** constructed or rehabilitated (Km)	3,063	2,798	109%
7	**Small-scale infrastructure** (units)	16,637	14,363	116%
8	**Hydromet and climate information (**stations)	2,552	1,567	163%
9	**Knowledge products, studies, systems** (outputs)	964	828	116%
10	Persons receiving **climate-related training**	992,361	302,070	329%

[2] PPCR summary presentation & PPCR evaluation report

CIF's new **Accelerating Resilience Investments and Innovations for Sustainable Economies (ARISE) program** builds on the PPCR's experience to activate new approaches, innovations and partnerships for adaptation and resilience, and achieve impact at scale with a focus on low-income and vulnerable countries. The program addresses persistent barriers in adaptation finance, such as the fragmentation of funding, limited scalability, low private sector engagement, and high transaction costs for developing countries. It introduces a next-generation programmatic model that emphasizes systems-level transformation, long-term investment pipelines, and integration with national development priorities using CIF's unique position in the global climate finance architecture to advance:

1. Leadership through central agencies (Planning/Economic-Finance/Treasury) in developing countries;
2. Country-led, multi-stakeholder, programmatic approaches;
3. Collaboration among MDBs and other international entities, including the MCFs;
4. Community-driven, locally led adaptation and resilience work; and,
5. Strategic use of concessional finance spearhead high-risk investments, including engaging the private sector.

ARISE was designed in consultation with MDBs and other MCFs to ensure complementarity and identify systematic entry points for collaboration. This includes co-financing opportunities and shared access mechanisms to ease the burden of access to finance for vulnerable countries.

1.3 Evaluation of institutional capacity to implement and manage the mechanism.

CIF's capacity to implement and manage climate funds is well documented by independent evaluations of its multiple programs. These materials are publicly accessible at CIF's website (https://www.cif.org/evaluation-and-learning) and have reinforced CIF's standing as a leader in climate finance.

CIF's capacities are strengthened by the extensive expertise and knowledge of its MDB partners, and deployed through a unique country-led programmatic model, whose sustained success has been independently verified. The programmatic approach hinges on the principles of (i) country ownership, (ii) multi-stakeholder engagement, (iii) systems level thinking, (iv) predictable and flexible finance and (v) cohesive MDB engagement – al supporting developing countries with technical assistance, co-financing, and coordination. CIF works closely with key central agencies (e.g. Ministries of Finance, Economic Planning and Treasury) in EMDEs and implementing MDBs to strategically deploy concessional resources, ensuring that investments align with national policies, budgets, and strategies. while also engaging other key stakeholders to ensure a coherent systems approach.

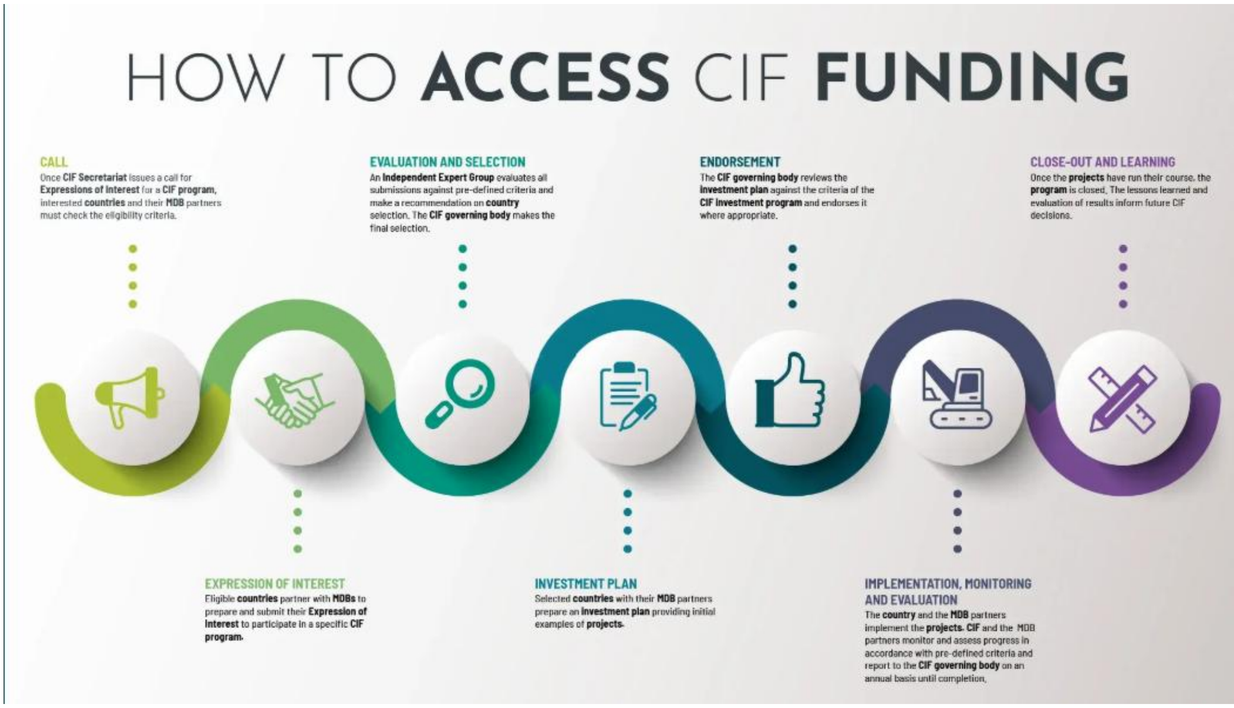
CIF also holds a well-establish position within the international climate finance architecture and regularly engages with the three other major MCFs - the Adaptation Fund (AF), the Green Climate Fund (GCF) and the Global Environment Facility (GEF). MCFs emphasize transparent communication, decision-making, and reporting mechanisms, which are essential for tracking progress and building trust among various stakeholders, thereby enhancing collaboration and effectiveness. In this context, CIF and its partners, can provide a robust and recognized channel for the revenues generated by the GSLTF and sending a powerful signal for even greater collaboration in addressing the climate crisis and delivering effective climate finance.

2. Operational Framework

2.1 Implementation timeline and key milestones.

CIF anticipates launching a global call for proposals for ARISE once sufficient funds are have been raised – ideally in 2026. CIF will maintain its standard processes for the selection of countries and deployment of resources from the GSLTF, while exercising flexibility in timing to allow for the establishment of appropriate structures between the GSLTF, the CIF and its MDB partners.

All ODA eligible countries can apply for CIF funding through a structured process, as illustrated in the figure below. Successful countries receive Investment Plan Preparation Grants to support their work.



2.2 Governance and oversight structure

Each of CIF's two funds - the CTF and the SCF - are governed by a Trust Fund Committee that oversees and decides on strategic direction, operations, policies and other activities. The CTF and SCF Trust Fund Committees also convene in a Joint Meeting to address strategic, legal, and administrative matters pertinent to CIF as a whole and of interest to both committees.

Equal numbers of representatives from contributor and recipient countries serve as decision-making members of CIF's Trust Fund Committees (full list of members can be found at **CTF** and **SCF**). Each committee is co-chaired by one representative from a contributor country and one from a recipient country. Observers from civil society, Indigenous Peoples, and the private sector also participate in CIF's Trust Fund Committees.

As CIF's implementing partners, the MDBs also participate in Trust Fund Committee discussions. Serving as the CIF's Trustee and manager of its financial assets, the World Bank is represented on the Committees to answer questions and provide guidance on relevant matters. Additionally, Representatives from other MCFs and relevant UN agencies are invited to observe Trust Fund Committee meetings.

The SCF Trust Fund Committee's decision making around investments for the ARISE program will ensure the equitable allocation of resources across countries selected for the program, subject to the above selection process and related criteria.

2.3 Strategy for transparency, monitoring, and reporting

CIF applies a rigorous results monitoring framework and annual results data analysis across all projects, consistent with EMDE country and MDB systems, feeding into our annual program-specific results reports and performance reviews. CIF's results monitoring systems are designed with sufficient flexibility to align with or be integrated into similar country-level systems. They also align with the MDBs' "Common Approach for Measuring Climate Results" and the twin MCF initiative, and can aggregate results with MDBs' project-level monitoring and supervision systems. Furthermore, these systems evaluate the developments through the framework of the Global Goal on Adaptation, ensuring that both in-country stakeholders and implementing MDBs can track the performance of CIF-backed investments, monitor implementation progress, and report progress toward program objectives.

Additionally, CIF is part of the International Aid Transparency Initiative (IATI) to enhance the transparency of development resources. Funding information, including contributor pledges and agreements, is publicly disclosed, as access to information promotes transparency and public participation, supported by state-of-the-art policies and robust governance frameworks.

3. Financial Considerations

3.1 Estimated budget and resource requirements

CIF does not operate on a fixed replenishment cycle, instead, it conducts fundraising for its programs on an ongoing basis, notably through engagement with sovereign donors. Following the launch of the ARISE program in June 2025, CIF began active fundraising to support its implementation.

CIF aims to deploy up to $35 million per country through ARISE, and CIF's Governing Board will determine the number of countries or regions that can be supported based on the total funding envelope achieved.

In addition to sovereign "core" funding sources, CIF is also actively looking to establish a platform for consolidating other funding sources, including contributions from philanthropies, private sector and entities such as the GSLTF.

Considering the CIF's total program and project related administrative costs as at 2023, the ratio of total administrative cost to programming stood at 4.9%, which is considered efficient and indicative of CIF's commitment to maximizing the impact of its funding.

3.2 Potential for leveraging additional funding

CIF works through the MDBs to maximize capital mobilization across all of its programming and is proud of its track record of mobilizing almost $9 for every $1 concessional dollar programmed across its entire portfolio (1:8.7 co-financing ratio). This ratio is around 1:2.6 for past CIF investments in adaptation and resilience under the Pilot Program for Climate Resilience.

A key focus of the ARISE program will be to scale up finance for adaptation in developing countries by crowding in additional public and private capital. In an increasingly constrained Official Development Assistance (ODA) environment, ARISE will use concessional finance to reduce investment risk and promote the development of resilience markets including technologies and services that help economies to adapt and thrive, thereby attracting increased private capital flow for adaptation and resilience.

ARISE will use multiple financing instruments to support the development of Investment Plans and the implementation and sustainability of projects, including grants, concessional loans, equity investments, guarantees, blended finance mechanisms and other innovative financing models. The goal is to enable participating countries to unlock funding and create a robust financial ecosystem capable of supporting long-term resilience while mitigating the greatest risks to national economic and social stability.

3.3 Proposed financial management and disbursement model

Once the CIF Governing Board approves a Country investment Plan or Project, the designated funds are transferred from CIF to the identified lead implementing MDB. The MDB's established procedures and processes then take effect for engagement with the country. CIF continues to engage with national governments and relevant MDB to monitor progress, ensure compliance with safeguards, and provide additional guidance and support services in implementation.

The implementing MDBs are responsible for disbursing to projects and report back to CIF on operational progress and results. MDBs often co-invest with CIF concessional funding and occasionally with private sector capital, helping to further de-risk investments and attract additional funding.

4. Impact and Accountability Measures

4.1 Metrics for evaluating effectiveness and impact

CIF is developing a comprehensive integrated results framework for ARISE to track implementation progress and assess the results achieved over the program's lifespan. The framework will be based on CIF's Monitoring Evaluation and Learning Policy, the ARISE design document and its theory of change. It is intended to create a shared vision and blueprint for monitoring and reporting results. The development of the ARISE integrated results framework is a collaborative process with the MDBs, taking into account the results indicators used by other MCFs as well as international standards, including the Global Goals on Adaptation. The integrated results framework will outline the program's results chain—from program-level outputs, outcomes, and impacts, to CIF level impacts—based on the anticipated scope of investment under ARISE, overall program design, and the theory of change. CIF's key metrics for past programming are published online at https://www.cif.org/results-and-impact.