INITIAL FUNDING PRIORITIES – ANNEX 2
**Pilot Program for Climate Resilience**

Established: 2008  
Operational: 2008  
Managed by: the World Bank  
Contributions: US$ 128.6 million (available for funding as of September, 2009), US$ 614 million (pledged)  

The PPCR is the first program under the Strategic Climate Fund (SCF), one of the Climate Investment Funds (CIF) managed by the World Bank. It aims to provide incentives for scaled up action and transformational change in integrating consideration of climate resilience in national development planning consistent with poverty reduction and sustainable development goals.

**Priorities:**

PPCR Purpose and Objectives, approved by the SCF Trust Fund Committee, state that pilot programs implemented under the program should:

1) be country led;  
2) build on NAPAs and other relevant country studies and strategies; and  
3) be strategically aligned with the Adaptation Fund and other donor funded activities to provide pilot finance in the short term so as to learn lessons that will be useful in designing scaled up adaptation financing.

PPCR objectives, laid out in the PPCR design document, are as follows:

1) Pilot and demonstrate approaches for integration of climate risk and resilience into development policies and planning;  
2) Strengthen capacities at the national levels to integrate climate resilience into development planning;  
3) Scale-up and leverage climate resilient investment, building on other ongoing initiatives;  
4) Enable learning-by-doing and sharing of lessons at country, regional and global levels.

Based on the objectives, the expected intermediate outcomes at the program level are:

1) Improved integration of climate resilience into planning, processes, and implementation (as appropriate to each country);  
2) Increased consensus on an approach to climate resilient development appropriate to each country;  
3) Increased finance availability (e.g., scaled-up investment commitment) in approaches to climate resilient development;  
4) Enhanced learning and knowledge sharing on integration of climate resilience into development, at the country, regional and international levels.

The PPCR may support the following two types of activities:

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2. The Pilot Program for Climate Resilience under the Strategic Climate Fund (November 2008) paragraph 3  
3. PPCR/SC.1/CRP.1
1) The PPCR may provide funding for technical assistance to enable developing countries to build upon existing national work to integrate climate resilience into national or sectoral development plans, strategies and financing.

2) The PPCR may provide additional financial resources to help fund a program of public and private sector investments identified in national or sectoral development plans or strategies addressing climate resilience.

Principles of funding allocation

Country eligibility

Country eligibility of the PPCR is based on:

1) Official Development Assistance (ODA)- eligibility (according to the Organization for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) guidelines); and

2) an active multilateral development banks (MDB) country program. For this purpose, an “active” program means where an MDB has a lending program and/or on-going policy dialogue with the country.

Priority is given to highly vulnerable least developed countries eligible for MDB concessional funds, including the small island developing states among them. The PPCR Sub-Committee determined the number of countries to be supported by PPCR financing as the pilots, taking into account, among other things, the resources available for the PPCR and the objective of providing scaled-up resources in the pilot countries. Final selection of pilot countries was made by the PPCR Sub-Committee, based on advice of the Expert Group. This Group, established by the Sub-Committee made its recommendations based on:

1) transparent vulnerability criteria set up by the PPCR Sub-Committee;

2) country eligibility as described above;

3) country preparedness and ability to move towards climate resilient development plans, taking into account efforts to date and willingness to move to a strategic approach to integrating climate resilience into development; and

4) country distribution across regions and types of hazards, as appropriate.

The PPCR will provide financing through the MDBs to support programs in the relevant eligible countries. The PPCR Sub-Committee approved a short list of countries to be considered for financing under the PPCR. These countries were invited to submit an expression of interest. It was also decided that a group of countries might propose to the PPCR Sub-Committee a regional or sub-regional program that brings together a number of country programs.

Based on the expressions of interest, the PPCR Sub-Committee would select a group of pilot countries. For each of these countries, the relevant MDBs and any applicable UN

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4 The Pilot Program for Climate Resilience under the Strategic Climate Fund (November 2008) paragraph 17
5 The Pilot Program for Climate Resilience under the Strategic Climate Fund (November 2008) paragraph 19
6 The Pilot Program for Climate Resilience under the Strategic Climate Fund (November 2008) paragraph 20
7 Terms of Reference (TORs) / Guidance for the Expert Group on the Selection of Countries to Participate in the Pilot Program for Climate Resilience (PPCR) (November 2008, revised) paragraph 7
8 The Pilot Program for Climate Resilience under the Strategic Climate Fund (November 2008) paragraph 21
agencies would conduct a joint programming mission to engage with the government, appropriate UN offices in the country, private sector, national civil society and other stakeholders on how the pilot program may assist the government to enhance the climate resilience of their national development plans, strategies and financing. A proposal for PPCR funding would be prepared jointly by the recipient country and the relevant MDBs after the joint programming mission.9

Current choice of countries in the PPCR
At its meeting held in Washington, D.C., in January 2009, on the basis of the recommendations presented by an independent Expert Group, the PPCR Sub-Committee agreed to invite the following eight countries to participate in the PPCR as pilots: Bangladesh, Bolivia, Cambodia, Niger, Mozambique, Nepal, Tajikistan, and Zambia10. At its meeting in May 2009, the PPCR Sub-Committee decided to invite Yemen to participate in the PPCR, to ensure that all regions are represented in pilots. In addition to the pilot countries, the Sub-Committee has agreed to include two regional pilot programs, one for the Caribbean and one for the Pacific11, and in a decision taken on August 2009, invited Haiti, Jamaica and four small island states from the Organization of Eastern Caribbean States, (Dominica, Grenada, and St. Lucia, St. Vincent and the Grenadines) for the Caribbean region; and Papua New Guinea, Samoa, and Tonga for the Pacific Region.

Implementation of the PPCR Programme
The PPCR program is based on pilot programs to be carried out in a set of selected countries. Following completion of the country selection process, the Program will be carried out in two Phases. Phase 1 will initiate a series of tasks in each respective country, including facilitation of a cross-sectoral dialogue process to arrive at a common vision of climate resilience in the medium and long-term, and formulation of a strategic approach for climate resilience. During Phase 1, to support this strategic approach an underlying investment program, a Strategic Program for Climate Resilience, will be developed. Endorsement by the PPCR Sub-Committee of the Strategic Program for further development marks the transition to Phase 2. Phase 2 will focus on implementing the Strategic Program through actions such as support to policy reform, institutional capacity building, and scaling-up other investments in key sectors.12

The Programming and Financing Modalities for the PPCR dated July 16, 2009 acknowledge that it is a pilot program which supports learning-by-doing. PPCR implementation ultimately aims to result in an increased application of knowledge on integration of climate resilience into development. It provides programmatic approaches to upstream climate resilience in development planning, core development policies, and strategies.

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9 The Pilot Program for Climate Resilience under the Strategic Climate Fund (November 2008) paragraph 22
10 Programming and Financing Modalities for the SCF Targeted Program, the Pilot Program for Climate Resilience (PPCR) (July 16, 2009) paragraph 11
11 Programming and Financing Modalities for the SCF Targeted Program, the Pilot Program for Climate Resilience (PPCR) (July 16, 2009) paragraph 12
12 Programming and Financing Modalities for the SCF Targeted Program, the Pilot Program for Climate Resilience (PPCR) (July 16, 2009) paragraph 8