



THE WORLD BANK GROUP

Climate Change Action Plan

April 7, 2016





Climate change threatens **poverty eradication** and **shared prosperity**, but adaptation, mitigation, and good development **can limit these impacts**



Climate change impacts could push more than **100 million people into extreme poverty by 2030**

Climate action will be tailored to country needs and contexts



LARGE (NON-FORESTRY)
EMITTERS



SMALL ISLANDS AND MOST
VULNERABLE COUNTRIES



FOREST COUNTRIES



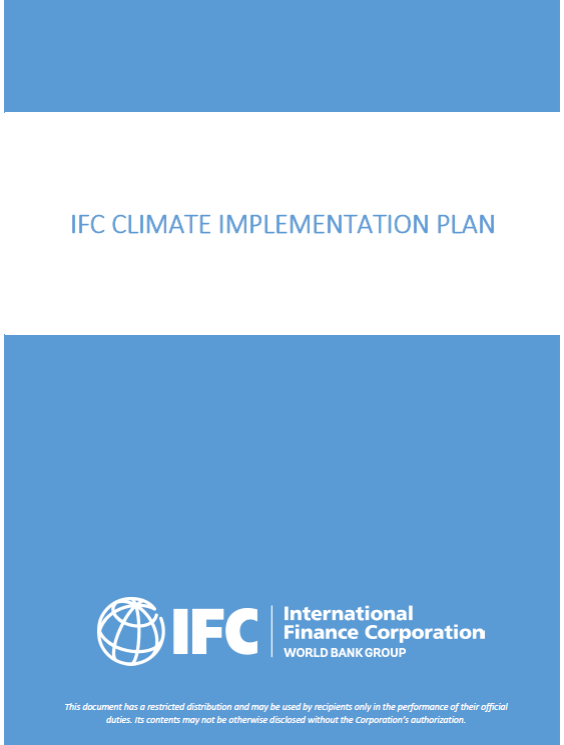
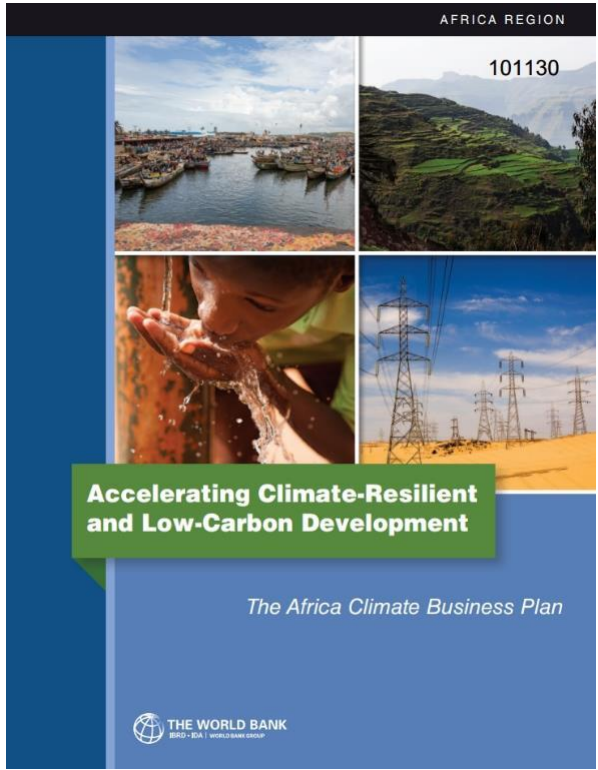
CARBON - INTENSIVE
COUNTRIES



POORER IDA COUNTRIES

The Action Plan is client-driven, and solution options and tools are informed **by global experience and objectives**

The Action Plan is based on **comprehensive joint preparation** between the Climate Change Cross-Cutting Solutions Area (CCSA), Regions, Global Practices (GPs) and other CCSAs, the International Finance Corporation (IFC), and Multilateral Investment Guarantee Agency (MIGA).



This Action Plan **reconfirms** commitment to increase the climate related share of the WBG portfolio to **28%**, with total financing up to **\$29 billion per year**

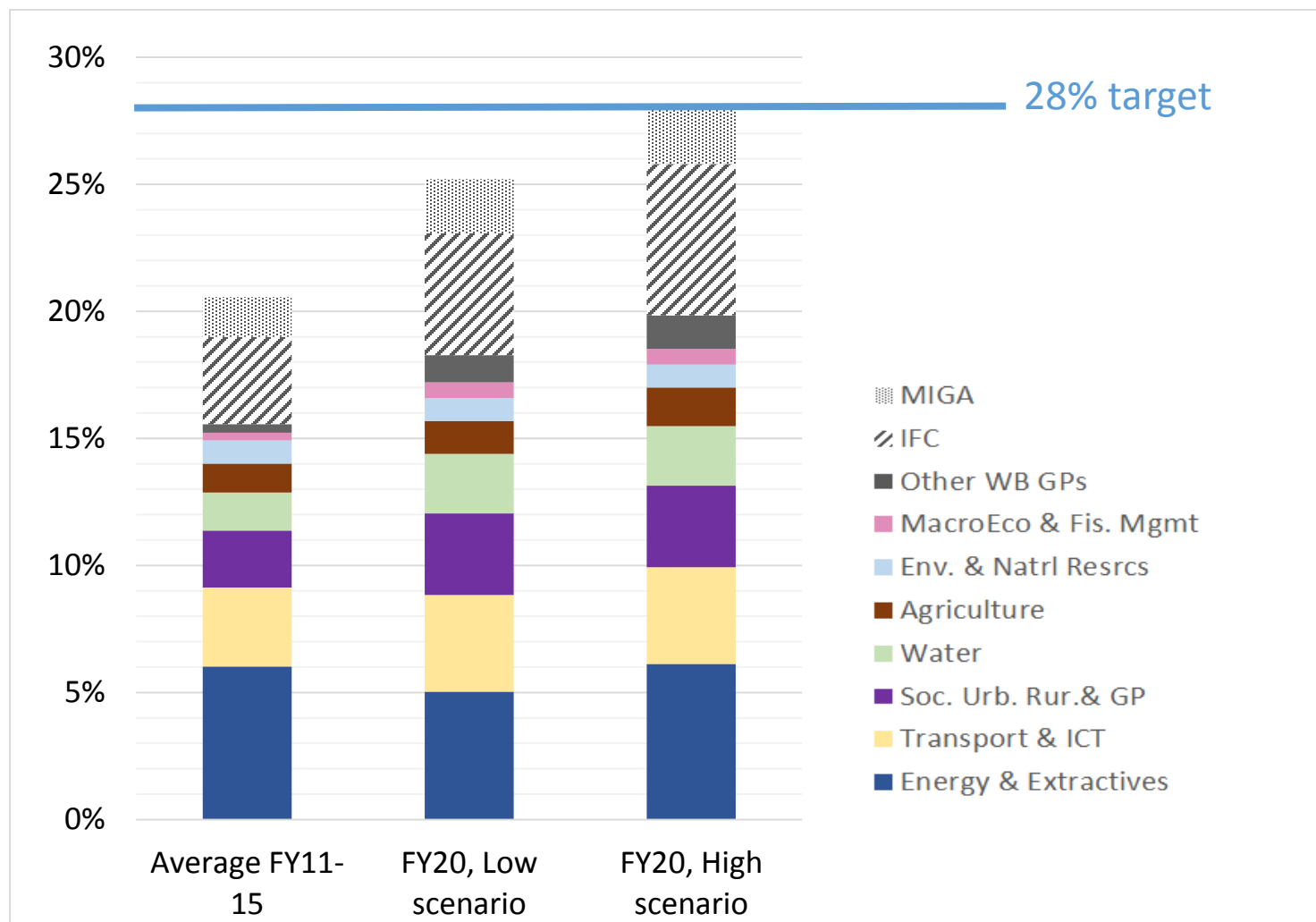
This Plan identifies measures **to ensure the 28% target is met.**

Risk could include:

Demand for climate solutions

Availability of concessional climate finance

Total volume of WBG lending



To help achieve global goals, the WBG **needs to ensure impact** beyond the WBG portfolio

Financing needs for low-carbon growth, embedded in the investment plans to implement the country national plans, over the next 15 years.



> \$1000B

Annual WBG (loans, grants, equity investments and guarantees) (FY15).



~ \$60B

To enable global transformation, the Action Plan **has four priorities**

High level objective



The WBG contributes to sustainable poverty alleviation and shared prosperity by building resilience to climate change impacts and policies and decarbonizing development

Priority I:

Support Transformative Policies and Institutions.

Priority II:

Leverage resources.

Priority III:

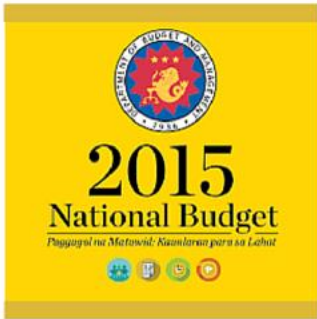
Scale Up Climate Action

Priority IV: Align internal process and work with others

Foundation – the WBG core business of promoting development and poverty reduction

Priority I: Support transformative policies and institutions

Support Countries to Transform Climate Commitments and Priorities into Actions



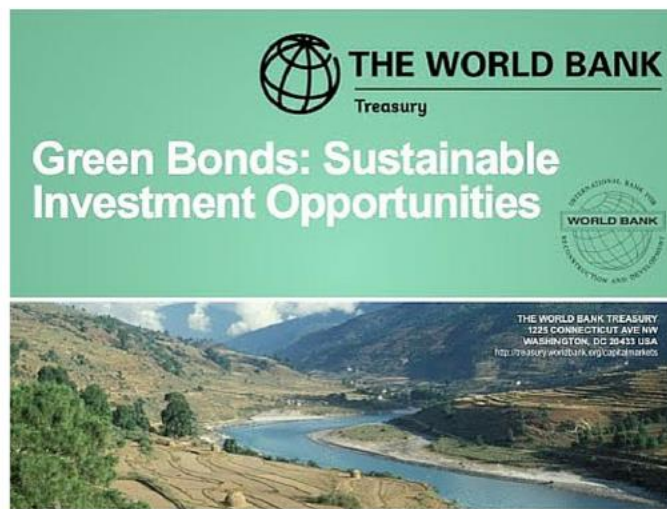
Get Prices Right



Priority II: Leverage resources



Scale up financial leverage in WB and IFC operations for resilience and mitigation, and boost support for project preparation facilities



Green financial sector globally and at the country level, and support Green Bonds and Green Strategic Investment Funds.

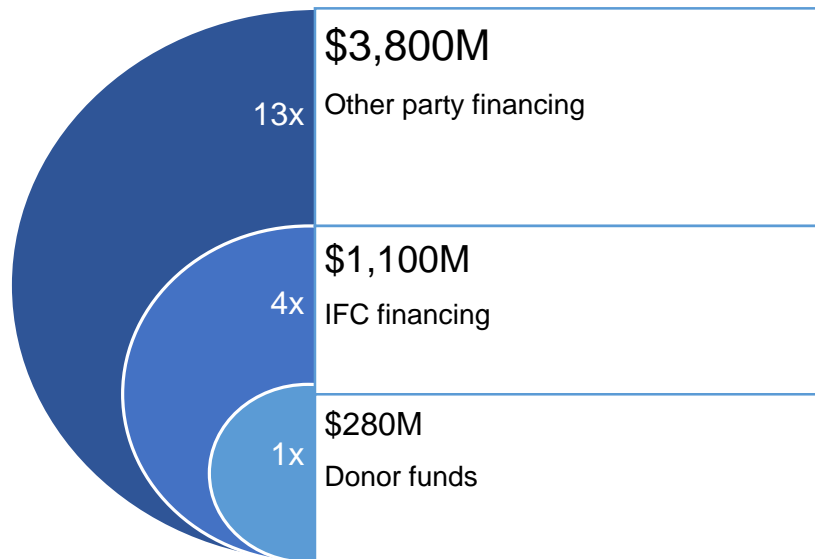


Leverage expertise across WBG to tackle high-opportunity sectors (e.g., rooftop solar, DESCOS)

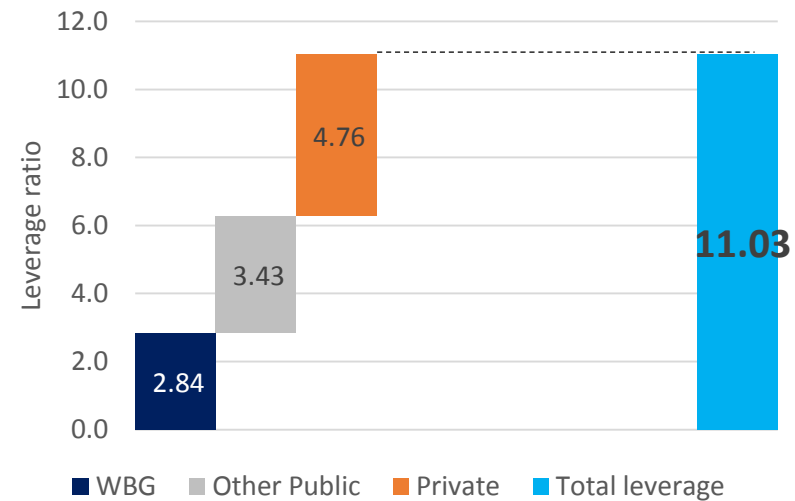
Priority II: Leverage resources

The WBG will boost **the use of concessional financing and leverage private capital**. It will continue **to help** countries access external climate finance and work with partners and donors **to harmonize, simplify, and rationalize access to concessional finance**

Blended Climate Finance at IFC leveraged \$17 for every \$1 of public funds (FY11-FY15)



The total leverage ratio of the CIF's CTF exceeds 11



The WBG has been successful in using concessional climate finance to leverage resources for climate action

READINESS

Partnership for Market Readiness (PMR)
Forest Carbon Partnership Facility (FCPF)
Readiness Fund
Carbon Initiative for Development (Ci-Dev)
Readiness Fund
BioCarbon Fund (BioCF+)
Pilot Program for Climate Resilience (PPCR)
Global Environment Facility (GEF)
Ozone Trust Fund (Montreal Protocol)
Least Developed Countries Fund (LDCF) &
Special Climate Change Fund (SCCF)
Adaptation Fund
Global Fund for Disaster Reduction and
Recovery (GFDRR)

INVESTMENT

Clean Technology Fund (CTF)
Forest Investment Program (FIP)
Scaling-up Renewable Energy Program
(SREP)
PPCR
GEF
Ozone Trust Fund (Montreal Protocol)
Adaptation Fund
IFC-Canada Climate Change Program

RESULT BASED PAYMENT

CPF Carbon Fund
FCPF Carbon Fund
Ci-Dev Carbon Fund
Methane Facility
BioCF

Priority III: Boost climate action in 6 high-impact areas



01
RENEWABLE ENERGY
AND ENERGY EFFICIENCY



04
CLIMATE-SMART LAND-USE
AND FOOD SECURITY



02
SUSTAINABLE MOBILITY



05
GREEN COMPETITIVENESS



03
RESILIENT, COMPETITIVE
LOW CARBON CITIES



06
LEAVING NO ONE BEHIND

Renewable energy and energy efficiency are critical to stabilize climate change and reach goals for universal access to energy



EXPAND RENEWABLE ENERGY



GREENING THE GRID, STRENGTHEN ENERGY SYSTEMS AND UTILITIES, IMPROVING PLANNING, ENSURING THE RESILIENCE OF THE ENERGY SYSTEM



IMPROVING ENERGY EFFICIENCY, ESPECIALLY IN BUILDING AND HEALTH SECTORS, AND BY WORKING TO END ROUTINE GAS FLARING

Sustainable mobility is vital to achieve countries' climate objectives with more action needed to build resilience



EXPAND SUPPORT FOR SUSTAINABLE URBAN MOBILITY



STRENGTHEN ADVISORY SUPPORT TO CLIENTS ON TRUCKING, FUELS AND VEHICLES, AND SUPPORT GREEN FREIGHT



PUT A STRONG FOCUS ON ENHANCING THE RESILIENCE IN THE TRANSPORT SECTOR, ESPECIALLY FOR ROADS

Cities are responsible for more than 80% of emissions and are vulnerability hotspots. It is critical to make them more resilient and sustainable



INTEGRATE CLIMATE INTO URBAN PLANNING

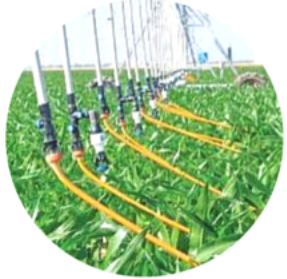


DEVELOP AND PILOT A CITY - BASED RESILIENCE APPROACH, INCLUDING INTEGRATED URBAN WATER MANAGEMENT



PILOT TRANSIT - ORIENTED DEVELOPMENT SOLUTION PACKAGES

Climate-smart land-use is vital for food security and resilience, poverty reduction, and to cut GHG emissions and protect natural-resources



BOOST CLIMATE-SMART AGRICULTURE, INCLUDING ON HYBRID SEEDS, EFFICIENT IRRIGATION, LIVESTOCK PRODUCTIVITY AND RISK MANAGEMENT



SCALE UP INTERVENTIONS ON FORESTS VIA THE IMPLEMENTATION OF THE NEW FOREST ACTION PLAN FY 16-20



DEVELOP A SERIES OF AREA-BASED OPERATIONS IN CLIMATE-SENSITIVE LOCATIONS, AND IMPLEMENT LARGE-SCALE NATIONAL AND TRANSBOUNDARY PROGRAMS TO PROMOTE WATER EFFICIENCY

Green Competitiveness offer a large potential for development benefits and is an important building block for the transition to **zero net emissions**



THE KENYA CLIMATE INNOVATION CENTER SUPPORTS AGRI-BUSINESS TECHNOLOGIES



ASSIST COUNTRIES IN ENHANCING THEIR CAPACITY TO INNOVATE IN CLIMATE SECTORS AND INCREASE INDUSTRIAL COMPETITIVENESS IN RESPONSE TO CLIMATE CHANGE

Building people's resilience to prepare for and respond to climate disasters is critical to ending poverty



WORKING TOWARD
UNIVERSAL ACCESS TO
EARLY WARNING SYSTEMS



DEDICATED SUPPORT
TOWARD SMALL ISLANDS
(SISRI)



SCALE UP ADAPTIVE SOCIAL
PROTECTION



INVESTIGATE THE LINKS
BETWEEN CLIMATE AND
MIGRATION



MAINSTREAMING CLIMATE
INTO HEALTH SYSTEMS



ACCOUNT FOR GENDER
IMPACTS OF CLIMATE
CHANGE

Priority IV: Work with others and align internal processes

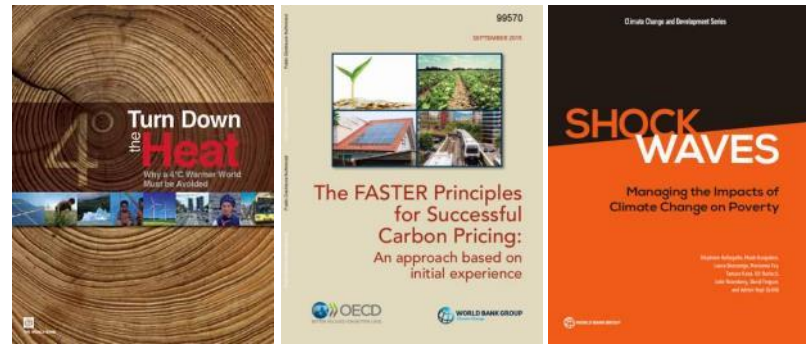


DEEPEN AND FOCUS OUR PARTNERSHIPS TO BOOST IMPACT



FOCUS OUR GLOBAL ADVOCACY ROLE ON CLIMATE CHANGE ON SELECT HIGH PRIORITY AREAS

AND CONTINUE TO PRODUCE AND SHARE KNOWLEDGE ON THE CLIMATE CHALLENGE AND ITS LINK WITH DEVELOPMENT



The WBG will ensure that our operations in countries **are fully informed** by climate analysis and respond to the priorities of the NDCs



EXTEND DISASTER AND CLIMATE RISK SCREENING



ALIGN INCENTIVES REWARDING WBG COLLABORATION AND EXTERNAL FUNDS MOBILIZATION



CONTINUE GHG ACCOUNTING, INCLUDE A SOCIAL COST OF CARBON INTO WB PROJECT EVALUATION, AND ACCOUNT FOR CARBON RISKS IN IFC PROJECTS



BRING CLIMATE AND NDCS INTO SYSTEMATIC COUNTRY DIAGNOSTICS (SCDS) AND COUNTRY PARTNERSHIP FRAMEWORKS (CPFS)

TO SUM UP – FIVE STRATEGIC SHIFTS

1. **IMPLEMENTATION** - from the why to the how
2. **CONVERGENCE** - integrating climate and development agendas
3. **MAXIMIZE IMPACT** - focus on impacts and leverage
4. **RESILIENCE** - rebalancing the portfolio toward adaptation and resilience
5. **TRANSFORMATION** - a shift from business as usual is needed



Thank you.

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